

CITY OF NEENAH
PUBLIC SERVICES AND SAFETY COMMITTEE MEETING MINUTES
Tuesday, February 7, 2023, 6:30 PM

Present: Alderpersons Borchardt, Hillstrom, Lendrum, Stevenson, and Weber

Excused:

Also Present: Mayor Lang, Public Works Director Kaiser, Public Works Office Manager Mroczkowski, Robert Kennedy, Virginia Kennedy, Eric Beidler, Deniss Malejevs, Jordon Leagield, Ricardo De La Paz, Phil Nickolai, Salli Nickolai, Pete Brace, Michael Smith, Ryan Koltz, Heather Ness, Brandon Selner, Addison Altmann, Roger Peters, Tony Rodziewicz, Jeff Rothermel, Candance Rothermel, Gordon Stillings, Claudette Stillings, Eric Klundt, Mike DuBois, Zach Price, Greg Fibiger, William Kaufman

Approval of Minutes of the Meetings of January 24, 2023

Motion/Second/Carried by Hillstrom/Stevenson to approve the minutes of the January 24, 2023 meeting. All voting aye

Public Appearances:

NONE

Final Resolution 2023-04: Sanitary Sewer Lateral Installation and Lead Water Service Replacement on Burr Avenue, Chestnut Street, Columbian Avenue, Dieckhoff Street, High Street, Laudan Boulevard and River Street.

Director Kaiser noted that there was one change to the resolution for item 6, Laudan Boulevard. He stated that it should be Laudan Boulevard from Oak Street to Elm Street and not Elm Street to Reed Street. He stated that the correction will be made prior to the Common Council meeting.

Director Kaiser stated that the public hearing and informational meeting for this project was held on February 1, 2023.

Report

Following Discussion: Motion/Second/Carried by Stevenson/Hillstrom to recommend Council approve Final Resolution 2023-04: Sanitary Sewer Lateral Installation and Lead Water Service Replacement on Burr Avenue, Chestnut Street, Columbian Avenue, Dieckhoff Street, High Street, Laudan Boulevard, with the correction of Laudan Boulevard being Oak Street to Elm Street, and River Street. All voting aye.

Approve the Special Assessment Report-Installation of Street, Curb/Gutter, Sidewalk for New Subdivision Streets

Arthur Plat

Director Kaiser reviewed the assessment report for the Arthur Plat. Director Kaiser stated that there are two corner parcels that have adjacent property that run along Amber Lane. He stated that he reviewed these two parcels and assigned each one unit as both properties are served and benefit from the project. He stated that he recommends 915 Bayview's assessment be held a deferred special assessment until the time when the lot is split.

Director Kaiser noted that on all the assessment reports the estimated direct costs relate to driveway and service walks that will be installed during the project. These are costs that are not included in the assessable costs on the reports.

Report

Following Discussion: Motion/Second/Carried by Stevenson/Hillstrom to authorize the Chairman to sign the assessment report for Preliminary Resolution 2022-25 for installation of curb, gutter and pavement for properties in the Arthur Plat. All voting aye.

Cardinal Plat

Director Kaiser reviewed the assessment report for the Cardinal Plat. Director Kaiser stated that as part of the development agreement there is an escrow for preserve area at 1319 Cardinal Circle and also for sidewalk installation.

Director Kaiser informed the Committee that after the assessment report is approved, staff will send notifications letters to the property owners of a public hearing which is held before a Common Council meeting.

Report

Following Discussion: Motion/Second/Carried by Hillstrom/Stevenson to authorize the Chairman to sign the assessment report for Preliminary Resolution 2022-26 for installation of curb, gutter, sidewalk and pavement for properties in the Cardinal Plat. All voting aye.

Integrity Acres and 1st Addition to Integrity Acres

Director Kaiser reviewed the assessment report for Integrity Acres and 1st Addition to Integrity Acres. Director Kaiser stated that there are two escrows related to the project.

He stated that the first is for the initial Integrity Acres phase. He stated that the escrowed funds are for the street abutting the stormwater detention pond. He stated that any cost beyond the amount escrowed for that work will be distributed among the lots in that phase equally. Director Kaiser stated that second is for sidewalk in the 1st addition phase. He stated that any cost beyond the amount escrowed for that work will be distributed among the lots in the second phase equally.

Aldersperson Hillstrom asked what is causing the difference in assessment rates between the two subdivisions. Director Kaiser stated that in Integrity Acres first phase there is a pure acre per lot which affects the density of the assessment. He stated that affects the number of lots that are paying toward a given street. Director Kaiser also stated that there are a number of odd shaped lots and corner lot adjustments.

Aldersperson Lendrum opened the discussion to the property owners, but reminded the speakers that the meeting follows Roberts Rules of Order.

Deniss Malejevs, 1818 Respect Avenue, stated that he is opposed to the per unit assessment method. He stated that it is not fair because the corner lots were sold at a lower cost. He stated that when he bought his lot it was based on the front footage assessment method that was being used at that time.

Mr. Malejevs asked several questions which are listed below and answered by Director Kaiser.

Can the project be delayed? Director Kaiser stated that the expectation that costs will be better in 2024 is not realistic. He stated that asphalt prices are dependent on oil prices and concrete prices are dependent on the availability of cement.

Why was a bid not secured earlier? Director Kaiser stated that this project is part of the budget process. The budget is approved by the council each November. He stated that once the budget is approved, staff starts to develop and put together the plans and gathers information for the next year's approved projects. This is the typical process and is handled the same way each year.

Why is there no assessment cost for 1500 Integrity Way? Director Kaiser stated that this was an outlot created with the plat for a stormwater pond and is owned by the City.

What are the financing options for residents? Director Kaiser stated that residents will have three options for financing. He stated that they will be able to pay in full upon receipt of the special assessment invoice, put the full cost on the 2023 tax bill payable by December 31st or elect to take the installment payment plan. He stated that for new subdivision streets the payment is spread out over an eight year period and charge interest on the outstanding balance annually. He stated that the proposed interest rate for 2023 is 5%. He stated that the interest rate is reviewed annually by the Common Council.

Why is there a different assessment rate of \$149 for this subdivision? Director Kaiser stated that the assessment rate is based off the engineers estimate at the time the project is put out for bid. When the bids are opened, that number will be reviewed and adjusted accordingly up or down.

Can the money that was escrowed for the sidewalks be used to help lower the cost of the project? Director Kaiser stated that the escrowed funds must be used for sidewalk installation. He stated that this committee and the Common Council do not have the authority to use the escrowed funds for anything but what was agreed to in the development agreement. He stated that there would need to be an amendment to the development agreement to change it.

Why were the roads not maintained better by the city and developer? Director Kaiser stated that he and his staff responded to residents calls in a timely manner and was in contact with the developer when street issues were brought to their attention.

Salli Nickolai, 1830 Respect Avenue - stated that they made the decision to buy the lot they did based on the cost to build the house and also the cost of the future road assessment. She stated that had they known that they would not be grandfathered into the assessment method in place at that time, they would have chosen a different lot. She stated that now they are being asked to pay the same amount or more than a person who selected a corner not. She stated that established subdivisions should not grandfathered into the old way of assessing for road projects. She stated that it is not right to change this now.

Eric Klundt, 1814 Respect Avenue - asked what the asphalt pavement depth will be on the road. Director Kaiser stated that the standard design specification is 4" asphalt mat with 12" crushed stone base.

Mr. Klundt stated that it seems that residents are upset that every lot is being assessed the same, but the prices paid for the lots were all different. He stated that we need to understand a foot is a foot and there needs to be a mathematical formula to make this fair for everyone.

Gordon Stillings, 1806 Respect Avenue - stated that they bought their house in October of 2022. He asked if there is an ordinance that requires the assessment be by center foot because that is what he read in the ordinance. He asked when did the city change to the per unit assessment. He stated that he has never heard of this type of assessment before. He stated that the proposed assessment method is not an equitable solution. He stated that the city is just taking the cost of the project and dividing it by the number of lots. He asked why the city is abandoning the decades old principle that has been followed and relied on over the years.

Aldersperson Stevenson stated that the front footage assessment method has been an issue of his as long as he has been a council member. He stated that from an equity perspective this type of assessment method is not fair for property owners. He stated that just because a person who buys a corner lot has to pay more than a person who doesn't is not fair. Aldersperson Stevenson stated that he asked staff to look into other assessment methods and present them to this committee. He stated that was done and was approved by the Common Council.

Mr. Stillings asked if it is a discretionary decision on this committee's part or the Common Council which method to use. Director Kaiser stated that the way the ordinance is written, yes.

Mr. Stillings asked if this new assessment method has been recommended since the ordinance change. He asked that is it the City's intent to utilize this method in all new subdivision developments. He stated that if it is fair in one why it wouldn't be fair for all.

Director Kaiser stated that these are the first subdivisions reviewed since the ordinance change. He noted that there is not a new subdivision that this method would not be used for assessment purposes provided that lots were of a consistent type and use.

Ricardo De La Paz, 1822 Respect Avenue - stated that the assessment should be based off the front footage method and not the unit method.

Eric Beidler, 1827 Respect Avenue - stated that the current published ordinance listed on the website still shows the front footage assessment method only. He stated that his neighborhood conducted a Facebook poll and there are many that are in agreement with going with the front footage assessment method. He stated that he would like the city to look into changing the installment payment plan to spread out over 10 to 15 years. Mr. Beidler asked that because Respect Avenue will not have sidewalks will he have to pay towards the sidewalk installation. He stated that the development agreement says that the developer may upfront the project costs of the sidewalk and in that event the city shall be responsible for the future sidewalk or trail.

Director Kaiser stated that developer escrows an amount for that improvement. He stated that those escrow dollars are then used towards the cost of the sidewalk installation for the whole project. He stated that if the cost of sidewalk installation is higher than the escrowed funds, those costs are then distributed amongst the property owners of that subdivision equally. The City's responsibility is getting the improvement done.

Mr. Beidler stated that he will not have sidewalks and should not have to pay for them.

Director Kaiser stated that the escrow funds are set up to be spread the cost throughout the subdivision because they are included in the cost of the lot when sold. He stated that based on that, each lot should pay towards the improvement.

Mr. Stillings stated that in most escrow transactions the escrow is set at 150% of the actual expected expense. He asked what the escrow amount is for this project.

Director Kaiser stated that the escrowed funds for the sidewalk is \$53,000. He stated that escrowing at 150% is not city practice which is why he prefers to use the escrowed funds as soon as possible once an agreement is in place. Director Kaiser stated that currently the engineers estimate to install the sidewalk is \$77,000.

Mr. Beidler asked if the aprons are included in the estimated assessment rate because he does not currently have a driveway and would like to have whoever does is driveway do his apron as well. Director Kaiser stated that the cost of the apron installation is not included in the assessment rate.

Phil Nickolai, 1830 Respect Avenue - asked if it is the power of this committee to recommend to the council that the discretionary component of the ordinance is applied so that we can be grandfathered into the original method of calculation. Alderperson Stevenson stated yes.

Mr. Nickolai stated that from the Facebook poll that was taken a large number of property owners were expecting the front footage assessment when lots were

purchased. He stated that he requests that this committee consider that and assess based off the front footage method.

Aldersperson Stevenson stated that in reviewing the two different assessment methods, 16 property owners, three who spoke her tonight, are projected to pay less using the unit method as compared to the front footage method.

Aldersperson Hillstrom stated that he received a phone call from a resident who lives in the subdivision who shared with him that the reason they bought the lot was because it was going to have sidewalks.

Aldersperson Weber stated that there has been a lot of discussion about fairness and equitability. He stated that he would like to ask his constituents to think about their communities and that everybody uses the roads within the subdivision and that is one of the basis behind the unit method.

Report

Following Discussion: Motion/Second/Carried by Stevenson/Weber to authorize the Chairman to sign the assessment report for Preliminary Resolution 2022-24 for installation of curb, gutter, sidewalk and pavement for properties in the Integrity Acres and 1st Addition to Integrity Acres Plats. All voting aye.

Liberty Heights

Director Kaiser reviewed the assessment report for the Liberty Heights subdivision. He stated that Freedom Court is a private road, which is located on an out lot that he assigned one unit for assessment purposes. He also stated that there is a lot that has 50' of frontage along Hedgeview that he has also assigned one unit for assessment purposes.

Director Kaiser stated that there are three detention ponds and Liberty Park that have frontage on these roads. He stated that in keeping with the development agreement these lots were assigned a unit of zero.

Greg Fibiger, 1434 Anthem Drive stated that they bought their lot 10 years ago. He stated that at that time, they took into consideration their financial obligation for the future street assessment and asked what the estimated cost would be, which was \$68 per lineal foot. He stated that with the per unit assessment method, the city is asking for most of the property owners to subsidize the larger lots and corner lots. He stated that when talking about fair and equitable, those lots sold for less money because of the future street assessment. He stated that the sale price of those lots were fair at the time based on the ordinance. Mr. Fibiger stated that some of these lots have sold over the years which only benefited the previous owners because they got their lot for less money and did not have to pay for the street assessment. He stated that there are two Town of Neenah properties that benefit from the project along with the private road properties and questioned how are they were being assessed.

Director Kaiser stated that the town properties that have access off of Hedgview Drive and Presidential Drive cannot be assessed because they are not in the city. He stated that there is an outlot which does not belong to the city on Freedom Court that he assigned one unit for assessment purposes. He also stated that there is a lot that has

50' of frontage along Hedgeview that he has also assigned one unit for assessment purposes.

Mr. Fibiger stated that he is in the same mindset as the residents from Integrity Acres in that this subdivision was fully built over eight years ago and the expectation of the residents was that the front footage assessment would be used. He stated that he respectfully requests that this committee reject the proposal before them tonight.

Roger Peters, 1807 Statute Drive, stated that the per unit assessment method is more equitable for everyone. He stated that the front footage method is biased because it doesn't take into consideration lot configuration. He stated that his lot has the same square footage as others with less front footage, but because those lots are configured differently he will end up paying more. Mr. Peters stated that as far as the change in the ordinance, this happens all the time. He stated that if older subdivisions are grandfathered it will set a horrible precedent. Mr. Peters stated that we need this committee to be objective and do what is best for everyone.

Mike Dubois, 1469 Amendment Drive - stated that the per unit assessment method is not an equitable and fair way to assess. He stated that two thirds of the property owners will be paying more than if assessed on the front footage method. He stated that in looking at the assessment figures, the corner lot assessments are decreasing by much more than those impacted by the higher assessment parcels, on average. He stated that Alderperson Weber talked about everyone having equal access to the subdivision, yet the private road parcels are being treated as one, this is not fair. He stated that in November the estimated assessment rate was \$100 per foot which would be \$10,000 for him. He stated that now with the per unit method he is going to have to pay \$15,000 and that does not include the assessment for the apron. He stated that the city needs to find a way to work with the property owners to make this fair for all. He stated that we should be grandfathered to be assessed at what was in place at the time the development agreement was put in place.

Addison Altmann, 1452 Amendment Drive - stated that residents all have a biased opinion based on the financial impact the faces each of them. He stated that all use the roads equally and one property from another one shouldn't be penalized more because the shape of the lot is different but has the same square footage.

Brandon Selner, 1827 Highland Drive - stated that he is concerned with the increase in the estimated assessment rate per foot which he was told was \$100 in November and is now \$140. He stated that he would like to know what changed that increased the estimate assessment rate by 40%.

Peter Brace, 1831 Nation Court - stated that his assessment, if the front footage method is used, would be \$5,094.00. He stated that with the per unit method his assessment is \$15,000. He stated that he would like an explanation for this.

Michael Smith, 1839 Nation Court - stated that he bought his lot based on the assessment method that was in place at the time. He stated that the assessment method should be decided before the subdivision is built and before the lots are sold. He stated that Liberty Heights has been assessed once already for road work.

Robert Kennedy, 1836 Hedgeview Drive, stated that the unit method is not an equitable method and the assessment should be based off the front footage method. He stated that the majority of the properties will be paying a higher assessment with this method compared to the front footage method. He stated that the corner lots are being

subsidized by the unit assessment method. Mr. Kennedy stated that the homes on Freedom Court use the road just as much as the others and should be included in the assessment.

Mr. Peters stated that he hopes that the committee does not entertain the idea of a Facebook poll of the neighborhood. He stated that is not a scientific way to get an accurate reading of the neighborhood. He stated that when the ordinance change was being considered, he did not see anyone of his neighbors at the meetings issuing their concerns. He stated that now property owners want to be assessed retroactively. Any concerns should have been raised when the ordinance was being discussed and before it was adopted.

Zach Price, 1820 Statue Drive, stated that he couldn't believe that an ordinance could be changed.

Virginia Kennedy, 1836 Hedgeview Drive, stated that she understands there is change, but she feels that the city is changing the rules in the middle of the game. She stated that they thought they would be assessed by their front footage which was the method that was in place at the time they bought the lot.

A brief history of the subdivision was given by Director Kaiser related to the development of the subdivision and the gap between the final asphalt paving and when it was supposed to be completed.

Heather Ness, 1423 Anthem Drive, stated that the front footage method should be used for the assessments.

William Kaufman, 1839 Presidential Drive, asked when will the front footage assessment rate will be available. Director Kaiser stated that staff will have that number at the public hearing. He stated that there will not be a separate mailing going out with that information.

Report

Following Discussion: Motion/Second/Carried by Stevenson/Borchardt to authorize the Chairman to sign the assessment report for Preliminary Resolution 2022-23 for installation of curb, gutter and pavement for properties in the Liberty Heights Plat. All voting aye.

Public Works General Construction and Department Activity

- 1) Contract 7-21 (Harrison Pond): Storm and sanitary sewer work is complete and the pond is functioning. Work on the water feature stones will continue when weather allows.
- 2) Contracts 11-22A and 11-22B (Lead service line replacement): Work is substantially complete. Restoration will be finished later this year.
- 3) Contract 1-23 (Chestnut, Burr, Dieckhoff, Laudan Utility and Street Construction): Bids were opened on 2/1/2023. An award recommendation will be brought to the Council meeting on 2/15/2023.

4) Contract 2-23 (Charles, Hughes, Memorial, Patrick, Brantwood Dr/Ct Utility and Street): Bids will be opened on 2/8/2023. An award recommendation will be brought to the Council meeting on 2/15/2023.

5) Contract 3-23 (Concrete Pavement/Sidewalk Repair): Bids are scheduled for opening on 2/15/2023.

Alderperson Hillstrom asked when this contract will start because of the new sidewalks going in on N Park Drive. Director Kaiser stated that the contractor has flexibility on the start date. He stated that he would not expect completion until fall.

6) Contract 4-23 (Asphalt Repairs): Bids are scheduled for opening on 2/15/2023.

7) Contract 5-23 (New Subdivision Street Construction): The project is being advertised the week of 2/06/2023. Bids are scheduled for opening on 2/22/2023.

8) Contract 6-23 (Columbian Av Utility and Street Construction): The project scheduled for advertisement the week of 2/15/2023 and bid opening on 3/01/2023.

9) Contract 7-23 (High, River Utility and Street Construction): The project scheduled for advertisement the week of 2/22/2023 and bid opening on 3/08/2023.

Director Kaiser stated that he and Facility Manger Benson have begun to discuss the remodel of the Hauser room. He stated that they are looking into having an egress door put in so that there is an alternative exit in case of emergencies. He stated that the other changes are removing the sink area and moving the chair storage closet. Director Kaiser stated that they are also looking at new configuration for table options that will better serve this room for committee meetings.

Announcements/Future Agenda Items

None

Adjournment: Motion/Second/Carried Hillstrom/Stevenson to adjourn at 8:45 PM. All voting aye.

Respectfully submitted,



Lisa Mroczkowski
Public Works Office Manager