

**Minutes**  
**FINANCE COMMITTEE**  
**Tuesday, August 5, 2014**  
**City Hall, Room 207**

**Immediately following Personnel which begins at 4:30 p.m.**

MEMBERS: Alders Tom De Wane, Andy Nicholson, Tom Sladek and Guy Zima

OTHERS PRESENT: Alder Randy Scannell, Alder Mark Steuer, Alder Joe Moore, Alder Dave Nennig, Dawn Foeller, Diana Ellenbecker, Rick Jensen, Tony Wachewicz, Jim Mueller, Steve Grenier, Chief Tom Molitor and others

1. Roll Call.
2. Approval of the Agenda.

A motion to approve the agenda made by Ald. Andy Nicholson, seconded by Ald. Tom DeWane and carried.

3. Approval of the minutes of the Finance Committee meeting of July 1, 2014.

A motion to approve the minutes of the Finance Committee made by Ald. Tom Sladek, seconded by Ald. Tom DeWane and carried to approve.

4. Request by the HR Director to transfer \$21,000 from the contingency fund to Police and Fire Commission to cover the cost of police and fire recruitments.

A motion to approve made by Ald. Tom DeWane, seconded by Ald. Nicholson and carried to approve.

5. Request by Ald. Sladek for discussion regarding how Council is advised of, and takes approval action upon items funded through issuance of bonds or promissory notes.

Ald. Sladek asked when it comes to borrowing items for approval by City Council, some items came in under bonding and some came under in promissory notes. Do all these items all come through the committee? And could you explain briefly how the decision on which ones are funded under bonding and which ones are funded under promissory notes?

Finance Director Dawn Foeller responded that the type of borrowing the City issues is based on the type of project we are borrowing for. There are federal rules and regulations on the issuance of general obligation bonds, governed by the Internal Revenue Service, which detail out what a bond issue can be used for and whether or not the issue would be an exempt or a taxable debt issue. The City's bond council, Foley and Lardner, makes the determination as to whether the project / purpose falls within the bonding guidelines to determine if it would be considered exempt or taxable. If the project does not, the City would issue an exempt or taxable promissory note instead.

Ald. Guy Zima questioned that there are items that council has discretion about where we can determine whether we go under bonding or promissory notes?

Finance Director Dawn Foeller responded that it is the IRS regulations which would guide us to which type of borrowing we would do.

Ald. Guy Zima questioned if the promissory notes are shorter term.

Finance Director Dawn Foeller responded that no, they each can have a term of 20 years. However, to expand upon this after conversations with the City's finance advisor Brad Viegut with Robert W. Baird, Mr. Viegut explained a bond can be up to 20 years, a promissory note (sold in the open market) can only be for 10 years but a loan issued through Wisconsin's State Trust Fund program could have a term of up to 20 years.

Ald. Guy Zima asked for clarification on what the Promissory Notes would be used for.

Finance Director Dawn Foeller stated that the Promissory notes are typically used for developer agreements or other projects that are not for public purposes.

A motion to approve made by Ald. Tom Sladek, seconded by Ald. Tom DeWane and carried to approval.

6. Request by Ald. Scannell to consider an advisory referendum to raise the minimum wage.

Ald. Randy Scannell stated that during his campaigning he had heard comments on raising minimum wage and would like to have this item placed on the ballot for November's election. There are other cities and municipalities that have passed a similar resolution and will be placing an advisory question on their ballot all over the state. This is the process to get this item on the ballot.

Ald. Guy Zima asked Attorney Tony Wachewicz if the city would have the authority to make this determination.

Attorney Tony Wachewicz stated that individual communities do not have the authority to raise the minimum wage on their own; this is an issue that is set by the State. With that being said, individual communities have the authority to place such items on their ballots as an advisory item allowing each individual community to weigh in on the issue.

Ald. Guy Zima asked if the purpose of this advisory referendum would be asking peoples opinion on increasing the minimum wage at \$10.10?

Ald. Randy Scannell answered yes.

Ald. Guy Zima asked for clarification on the process to get this on the ballot?

Ald. Scannell answered he would be looking for approval of this resolution so that it would go on the November ballot. Voters would weigh in and then make that determination on what they want to do with it.

Ald. Guy Zima asked if there should be multiple questions with different rates tied to inflation. Otherwise, it may be difficult for employers to adapt to big changes all at once and this should be attached to inflation.

Ald. Randy Scannell stated he does not have any comment on what is on the referendum, because this was something that was requested of him to get on the ballot. He is acting as the conduit for Citizens Actions of WI group.

Ald. Thomas Sladek asked Ald. Randy Scannell how was the \$10.10 determined and would this also apply to part and full time employees.

Ald. Randy Scannell stated he was not concerned about the details of what is on the referendum and that this a concern for his constituents.

Ald. Guy Zima suggested that the citizens bring this point forward themselves.

Ald. Tom Sladek questioned whether or not do we really want to the election process expanded to an opinion process.

A motion to suspend the rules to hear from interested parties was made by Ald. Tom DeWane and seconded by Ald. Tom Sladek.

Jen Cohen 1635 Swan Road #7 DePere, WI, a Citizens of Wisconsin member, stated that this referendum has been discussed nationally. She would like the resolution to be a city wide decision naming several other cities that passed a similar resolution, including Appleton, Madison, Menasha, and Milwaukee.

Ald. Guy Zima questioned if she had thought about bringing this to the county level?

Ms. Cohen stated that due to time constraints and the County Board's meeting schedule, this item would not be able to be approved in time to make the November ballot at the county level.

Ald. David Nenning asked at the federal level if it would be phased in and what are the estimated costs associated for publication.

Ms. Cohen answered that it would be gradually phased in and not immediately set to \$10.10. As discussed earlier, this is an advisory referendum for the message to be carried up to the State Legislature who would make the final decision.

To Ald. Nenning's publication question, Atty Wachewicz stated that he had spoken to the City Clerk, Kris Teske, regarding the cost of publication, but did not have exact figures at this point as to what the cost of publication would be.

Ald. Tom Sladek asked whether or not the same resolution was passed by the other municipalities. Ms. Cohen replied the same resolution which is before you now.

A motion to return to the regular order of business made by Ald. Andy Nicholson seconded by Ald. Tom Sladek and carried.

A motion was made to approve that the advisory question "Should the State of Wisconsin increase the minimum wage to \$10.10 per hour?" be placed on the

November ballot was made by Ald. DeWane, seconded by Guy Zima with the following discussion.

Ald. Zima stated we should get people's input on this topic, whereas Ald. Sladek stated he felt a question such as this would reduce the effectiveness of the election process. Ald. Andy Nicholson stated he believes this should go to the County Board before the City of Green Bay.

Motion failed 2:2 with Ald. Tom DeWane and Ald. Guy Zima voting aye, Ald. Andy Nicholson and Ald. Sladek voting nay.

A motion to refer to Brown County made by Ald. Andy Nicholson, seconded by Ald. Tom Sladek and carried.

7. Request by Ald. Moore that if the ownership of the Clarion Hotel has not been officially transferred by August 30, 2014, the City will place it back on the market.

Ald. Tom DeWane questioned the official transfer date was by August 15, 2015.

Ald. Joe Moore recommended the Finance Committee place the Clarion Hotel back on the market if it is not closed by the end of the month.

Ald. Joe Moore second point referred to the Redevelopment Authority Minutes that Director Rob Strong requested that a line of credit be set up to cover day to day operations in the event that revenue coming in is adequate to pay the bills at the request of the City's contracted management company, AHM.

The RDA minutes went on to say; two separate bank accounts would be set up to pay these bills. The first account would be for the general manager for small purchases needed on day to day bases and would have \$5,000 place into it. The second account was for \$200,000 for the operations of the hotel. The two accounts would be funded through the KI maintenance fund and would be replenished by operating profits.

In addition to the amounts above, another request for \$150,000 was brought forward to the RDA at its July 8<sup>th</sup> meeting to provide for funds to cover its remaining bills outstanding with its vendors and the second half the taxes due July 31. Ald. Joe Moore does not believe the KI Maintenance Fund should be used for this purpose.

Ald. Guy Zima asked Tony Wachewicz for clarification if the funds used by Clarion with AHM managing the property on behalf of the City, are from the KI Maintenance Fund through the room tax.

Attorney Tony Wachewicz stated that he does not believe that information to be true.

Finance Director Dawn Foeller stated KI maintenance fund is actually funded by a management agreement with the Hyatt and donations that we received from KI for the KI Convention Center.

Ald. Tom DeWane stated that he believes the date should be August 15. He asked Attorney Tony Wachewicz what was there original deadline.

Attorney Tony Wachewicz stated purchase agreement is scheduled to close on August 15<sup>th</sup> and we are on track to do so.

Attorney Tony Wachewicz stated this is a very long lengthy complicated transaction. That was dependent upon design, demolition and construction of the KI Convention Center Expansion which was pushed back until December 2013.

Debate ensued discussing different possible dates for this item including August 15, August 18 and August 19. Final decision was to have the date August 19, the day after the Common Council when this item will be taken up.

A motion that if the Clarion Hotel has not been officially transferred by August 19, 2014 that the ownership of the Clarion Hotel from the City, it will be placed back on the market made by Ald. Tom DeWane, and seconded by Ald. Andy Nicholson and carried to approval.

8. Request by Ald. Joe Moore to work on developing a program that enhances development within the City of Green Bay.

Ald. Joe Moore came forward to introduce a few concepts he had in mind to incentivize home owners to improve their properties including adjusting fees, a potential rebate of fees if investment is done in slower months or delaying the collection of fees until the project is complete.

Each of the ideas brought forward are suggestions which need to have additional dialog with Common Council members and staff to work toward the goal of encouraging new investment within the City.

A motion to refer back to staff made by Ald. Tom DeWane, seconded by Ald. Andy Nicholson and carried to approval.

9. Request by Ald. Nicholson to review all City fees and permits with possible action.

A motion to hold for one month made by Ald. Andy Nicholson, seconded by Ald. Tom DeWane and carried to approval.

10. Request by Ald. Guy Zima to review 20 years of history for the parking utility.

A motion to hold for one month made by Ald. Guy Zima, and seconded by Ald. Andy Nicholson and carried to approval.

11. Request by Ald. Tom DeWane to discuss with possible action to complete an analysis of space needs for the Police Department.

Ald. Tom DeWane stated that the needs of the police department have outgrown their current building. Storage has been an issue and he would like to find a building at would suit the needs of the Police Dept. and would like to hire a consultant in working through the Police department's space needs.

A motion to hire a consultant to determine the space needs of the Police Dept. made by Tom DeWane, seconded by Ald. Andy Nicholson.

A motion to refer to staff the request made by Ald. Tom DeWane, and seconded by Ald. Andy Nicholson.

Ald. Guy Zima questioned if the Drug Task Force had previously been in the basement used as a training center.

Police Chief Tom Molitor responded the building is at full capacity. The evidence is currently at full capacity and they may have to look at other locations to store their evidence.

Ald. Guy Zima suggested internal staff make that determination instead of hiring a consultant. Then asked the Police Chief Tom Molitor if the department could be divided in anyway or certain activities that could clear up space? Or are you looking for one larger central facility?

Police Chief Tom Molitor responded all of those are all options, but we need to determine the amount of space needed and believes an architect should determine if the building can withstand any additional growth due to structural issues.

Ald. Guy Zima asked Chief Molitor if he knew how much more space would be needed.

Police Chief Tom Molitor stated he did not determine the exact amount of space needed.

Director of Public Works Steve Grenier stated that Engineering can help define the scope to hire a consultant to develop the current and future space needs for Police which in turn will drive the size and type of building that will fulfill Police's needs and the ground work required to hire an architect.

Ald. Nanning asked if there may be an option to share evidence storage with Brown County or other communities that could create central evidence storage.

Ald. Guy Zima asked how much of the space is used for storage for evidence.

Police Chief Tom Molitor responded the basement, locker rooms, and lab.

A motion to refer to staff the request made by Ald. Tom DeWane, and seconded by Ald. Andy Nicholson and carried to approve.

12. Request approval to award a contract for demolition of four properties to B.E.S.T. Enterprises LLC for \$31,965.

A motion to approve made by Ald. Andy Nicholson, seconded by Ald. Tom DeWane and carried to approve.

13. Request approval to award the purchase and installation of kitchen cabinets and countertops for Fire Station #2 to IEI General Contractors for \$12,966.

Ald. Guy Zima commented that only two bids had been place for this project.

Rick Jensen stated that the bid had been posted in the Press Gazette. Twenty-nine (29) Companies had looked went online to look at the posting but only two (2) had placed bid.

A motion to approve made by Ald. Tom DeWane, and seconded by Ald. Tom Sladek and carried to approve with Ald. Andy Nicholas abstaining.

14. Request approval to award the purchase and installation of dorm locker cabinets and shelving for Fire Station #6. Bid tabulation and award recommendation will be presented at the August 5, 2014 Finance Committee Meeting.

A motion to approve made by Ald. Tom DeWane, and seconded by Ald. Tom Sladek and carried to approve with Ald. Andy Nicholas abstaining.

15. Request by the Finance Director to review financial statements through second quarter 2014.

A motion to receive and place on file made by Ald. Tom Sladek, and seconded by Ald. Andy Nicholson and carried to approval.

16. Report by the Finance Director.

A motion to receive and place on file made by Ald. Tom DeWane, and seconded by Ald. Tom Sladek and carried to approval.

A motion to adjourn at 8:05 made by Ald. Tom DeWane, and seconded by Tom Sladek and carried to approval.

2014 Contingency Fund  
\$97,150

- 1) **THIS MEETING IS AUDIO TAPED:** THE AUDIO OF THIS MEETING & MINUTES ARE AVAILABLE ON LINE AT [WWW.CI.GREEN-BAY.WI.US](http://WWW.CI.GREEN-BAY.WI.US).
- 2). **ACCESSIBILITY:** Any person wishing to attend who, because of a disability, requires special accommodation should contact the City Safety Manager at 448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3). **QUORUM:** Please take notice that it is possible that additional members of the Council may attend this committee meeting resulting in a majority or quorum of the Common Council. This may constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4). **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.