

MINUTES
FINANCE COMMITTEE
Tuesday, March 8, 2016
City Hall, Room 207
4:30 p.m.

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

Others Present: Ald. Joe Moore, Ald. Dave Nennig, Dawn Foeller, Diana Ellenbecker, Mike Hronek, Attorney Wachewicz, Attorney Bungert, Lynn Boland, Chief Smith, Rick Jensen, Russ Schwandt and others

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

Motion to approve by Ald. Andy Nicholson and seconded by Ald. Tom Sladek.

3. Approval of the minutes of the Finance Committee meeting of January 25, 2016.

Motion to approve by Ald. Tom DeWane seconded by Ald. Andy Nicholson.

4. Request by the City Assessor to cancel certain real and personal property taxes.

Ald. Sladek asked City Assessor Russ Schwandt why leased equipment provided from a for-profit business to St. Mary's Hospital would be exempt. Assessor Schwandt stated that by state statute, personal property located in an exempt organization would also be exempt from property taxes.

Motion to approve the request by the City Assessor to cancel certain real and personal property taxes was made by Ald. Tom DeWane and seconded by Ald. Andy Nicholson

5. Request by the Purchasing Manager to extend the cell tower lease located in Fisk Park for an additional 30 years (out to 2051).

Purchasing Manager, Rick Jensen came before the committee and highlighted areas of interest from a memo included in the member's packet. American Tower has come forward to request a 30 year extension on a current cell tower located at Fisk Park. The current cell tower is the smaller of the two (est. 50 feet tall) at the park and is also used for football field lighting. The current lease was entered into in 1997 with a 25 year term and is now paying \$17,424 annually with one carrier leasing space on the tower. The new lease would be for 30 years (2021-2051), a \$25,000 signing bonus would be included along with a 20% escalator with every 5 year term and the City would receive 20% revenue share for any future carrier added to the tower. Payment in the first year of the contract would increase to \$20,909 with the proposed extension.

Purchasing Manager Jensen went on to say the reason for this request from American Tower is due to their wanting to extend their current contract with the carrier. These typically are for the long term and with this contract expiring in 2021, American Tower is having difficulty extending the contract as well as finding other carriers interested in their available space.

Ald. Zima asked how this contract compares to market to which Purchasing Manager Jensen referred to the memo attached and responded based on the research he has done with his peers (Eau Claire County, Waukesha, Suamico, NWTC, Brown County, City of Milwaukee, and Wauwatosa Water) and a consulting firm (Begley Wireless), that the terms of this contract are very similar to what others are seeing in the market. Most contracts are for 25 years with multiple 5 year renewals and average about \$20,000 annually.

Purchasing Manager Jensen went on to say that the City had also received a proposal from Landmark interested in buying out all the rights from the City for the cell tower leases for a 99 year easement. This proposal valued all of the City's cell towers for the 99 year easement at \$2.8M. Of that value, Landmark had placed a value of \$230,000 on the Fisk Tower being discussed now. Mr. Jensen stated he had discussed this offer with the Finance Director as well as the City Attorney and considered the time frame from 2021 – 2042, the City would collect around \$5.8M in revenue declined the offer made by Landmark. The City will collect \$173,000 in 2016 in cell tower rent.

Ald. Sladek stated it appears the negotiated offer that added a \$25,000 signing bonus and a 20% revenue share of any new carriers from the initial offer from American Towers seems to be in the ball park of market comparables.

Motion to approve the request by the Purchasing Manager to extend the cell tower lease at Fisk Park for an additional 30 years by Ald. Tom Sladek; seconded by Ald. Tom DeWane.

6. Request by Ald. Chris Wery to live stream City Council meetings.

Ald. Wery was not present and a motion to hold this item for two weeks by Ald. Tom Sladek; seconded by Ald. Tom DeWane.

7. Request by Ald. Wery that should the Colburn Olympic Pool Project come in higher than the original \$4.5 million estimate up to \$1 million of the excess stadium tax revenue be utilized to fund the overage.

Ald. Wery was not present and a motion to hold this item for two weeks by Ald. Tom Sladek; seconded by Ald. Tom DeWane.

8. Report by the Finance Director.

Director Foeller stated the work in the Clerk's office is well underway for the April 5, 2016 election, Assessor's office is working through personal property tax process and processing 2015 building permits with notices set to go out mid-April and Board of Review set for May 11, 2016. Purchasing is working through the 2016 equipment requests approved in the budget and finance continues to work on year end processing and reconciliations.

Motion to receive and place on file by Ald. Tom De Wane; seconded by Ald. Andy Nicholson.

Motion to adjourn by Ald. Tom DeWane; seconded by Ald. Andy Nicholson. Meeting adjourned at 5:10 p.m.

2016 Contingency Fund
\$60,000

- 1) **THIS MEETING IS AUDIO TAPED:** THE AUDIO OF THIS MEETING & MINUTES ARE AVAILABLE ON LINE AT 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.