

CITY OF WAUWATOSA

MEMORIAL CIVIC CENTER
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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, February 10, 2004

Committee Room #2

PRESENT: Alds. Bruderle-Baran, Casey, Grimm, Jenkins, Matthews, McCarthy – 6

EXCUSED: Ald. Stepaniak, Subotich

ALSO PRESENT: T. Wontorek, City Admin.; B. Aldana, Asst. City Atty.; R. Braier, Finance Dir.; Chief D. Redman, Fire; W. Kappel, Pub. Works Dir.; J. Bembenek, Purchasing Mgr.; C. Thomas, Payroll and Benefits Mgr.

Ald. Matthews as Chair called the meeting to order at 8:05 p.m.

New third party administrator for self-insured health and dental plans

Ms. Thomas said the city's current third party administrator (BSI) had imposed conditions that the city would have to meet in order to retain them. The City was not willing to meet those conditions. They sent out requests for proposals for a new third party administrator. She said they received nine timely bids and have interviewed the three highest ranked candidates. They have selected Medical Benefit Administrators (MBA) for the following reasons: 1) the city gains on-line enrollment capability for the personnel department as well as the ability to check on claim status and order insurance cards. Employees are able to access the latter two functions on-line for themselves; 2) the city will have a dedicated claims person and customer service person; 3) there will be a savings of approximately \$18,070 in the budgeted administrative cost for 2004 and MBA has offered not-to-exceed administrative fee increases through 2007; 4) MBA's software is capable of handling a transition to the type of plan being discussed in the Labor and Management Task Force on Health Insurance because they have implemented a similar change for another public employer; and 5) MBA offers two well respected cost containment programs which the city may be able to use in the future. She recommended approving the contract with MBA as the city's third party administrator. Ms. Aldana added that she was confident that the three companies interviewed were all good choices for the city.

Ald. Bruderle-Baran asked if the not-to-exceed administrative fee increases through 2007 meant that the city was committed for that length of time. Ms. Thomas responded that the city will have a 60-day notice option at any time. Ald. Jenkins asked for information regarding the other communities MBA has served. Ms. Thomas said that one of the public entities was Walworth County which started out with a plan similar to the city's and made a transition very close to the one Wauwatosa will have to make in the future. Ms. Aldana added that MBA serves a number of school districts and municipalities in Iowa and southern Wisconsin. She added that the references they contacted indicated that they had no bad experiences with MBA.

Moved by Ald. McCarthy, seconded by Ald. Jenkins to recommend approval of Medical Benefit Administrators (MBA) as third party administrator for the self-funded health and dental plans – 6

Purchase of Motorola radio equipment

Mr. Bembenek said the Common Council previously approved a grant for this purchase. They have a proposal from Motorola, Inc. for new 800 MHz radio equipment including all the programming, installation, set-up costs and shipping to be utilized by the fire department. He said that Motorola is the recommended original equipment manufacturer (OEM) for radios and equipment that are compatible with other governmental agencies located in

Milwaukee and Waukesha Counties. He recommended waiving the bidding process and issuing a purchase order to Motorola, Inc. in the amount of \$270,000 and another order to Milwaukee Two-Way Inc. which is Motorola's distributor for \$14,505. This will include programming, set-up and installation charges. Chief Redman added that 90% of the cost will be covered by federal grant funds and 10% by city funds. He noted that Motorola is the sole provider for Milwaukee County.

Moved by Ald. Grimm, seconded by Ald. McCarthy to recommend approval to waive the competitive bidding process and issue a purchase order to Motorola, Inc. and to Milwaukee Two-Way Inc. for 800 MHz radio equipment – 6

Lease for two low volume copiers in the police department

Mr. Bembenek said the copier lease has expired. The contract for the new equipment is 48 months instead of 60 months. The pricing includes 2,500 copies per unit per month. He said the new copiers will be state of the art and include scanning and networking capabilities. There will be an annual savings of \$836. He recommended approval of the 48 month lease with Konica Corp.

Moved by Ald. Grimm, seconded by Ald. Casey to recommend approval of a 48 month lease agreement with Konica Corp. for two low volume digital copiers in the police department – 6

Payment for internal chimney seals

Mr. Kappel explained that chimney seals are a rubber boot used to finish off sewer repairs and replacements. The reused chimney seals the department had obtained from other street and sewer work were no longer available and new ones had to be purchased. During the 2004 budget process enough money was allocated for 60 new seals. An order was placed and approved within the first two weeks of January for 40 seals at a cost of \$6,600. Another 20 seals at a cost of \$3,300 were ordered without adequate time to get a normal purchase order approved. A staff member erred in placing the order before leaving for military duty. He said the funds already exist in the 2004 Sanitary Sewer Budget. He recommended direct payment of the invoice for 20 internal chimney seals.

Moved by Ald. Bruderle-Baran, seconded by Ald. McCarthy to recommend approval of direct payment for 20 internal chimney seals – 6

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
T. Kucharski, T. Jovanovich M. Jamrozy	\$345.00	Forestry – 2/1-2/3/04 – Green Bay WI Arborist Association Winter Conference
P. Dirksmeyer, K. Walbrandt, R. Luebke, G. Glander	\$460.00	Forestry – 2/1-2/3/04 – Green Bay WI Arborist Association Winter Conference
T. Kucharski & 8 Arborists	\$623.00	Forestry – 2/1-2/3/04 – Green Bay WI Arborist Association Winter Conference
W. Mainus	\$80.00	Building – 1/13/04 – West Bend Recertification Plumbing

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
W. Ramcheck	\$423.04	Public Works – 1/21-1/23/04 – Wisc. Dells 2004 AROW (Assoc. Recyclers of WI), SWANA (Solid Waste Assoc. of North Amer.) and WCSWMA (WI Counties Solid Waste Management Assoc.) Winter Conference

Moved by Ald. Casey, seconded by Ald. McCarthy that the vouchers be allowed and paid – 6

Claim of Winfield and Betty Scott, 11037 W. Derby Avenue
Claim of Gene and Barbara Leland, 11015 W. Derby Avenue

Ms. Aldana said two claims against the city were made by neighbors after a sewer backup in November of 2003. The city has determined that a routine inspection was performed and there was no evidence of trouble at the time. She recommended denial of the claims.

Mr. Kappel said the public works department cleaned this sewer line one year prior to the backup. The department can't be held responsible for what people might flush into their line in the interim. He said as long as the department keeps to a two year cleaning and maintenance schedule, they are performing due diligence.

Moved by Ald. Casey, seconded by Ald. Bruderle-Baran to recommend denial of the claim – 6

The meeting adjourned at 8:26 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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