

CITY OF WAUWATOSA

MEMORIAL CIVIC CENTER
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BUDGET & FINANCE COMMITTEE MEETING

Tuesday, December 14, 2004
Committee Room #2

PRESENT: Alds. Bruderle-Baran, Casey, Grimm, Herzog, Jenkins, Maher, McCarthy,
Stepaniak – 8

ALSO PRESENT: T. Wontorek, City Admin.; A. Kesner, City Atty.; B. Aldana, Asst. City Atty.; J.
Cameron, Admin. Intern; J. Plass, Accounting. Mgr.; W. Kappel, Public Works Dir.;
J. Wojcehowicz, Water Supt.; J. Tschudy, Acct./Bus. Mgr.; G. Nash, Water Supv.

Ald. Bruderle-Baran as Chair called the meeting to order at 8:05 p.m.

Village of Wauwatosa Business Improvement District (BID) 2005 budget and work plan

James Heaviland, BID Board Chair, 11419 W. Wisconsin Avenue, indicated that the audit was reviewed by a portion of the BID Board before submitting it to the committee.

Richard Lochrie, BID Board, 7746 Menomonee River Parkway, contended that the budget and work plan was not voted on by the BID Board.

Ald. Stepaniak asked if the work plan had been presented to and approved by the BID Board and if the audit had been completed. Mr. Heaviland explained that the audit was received on behalf of the full BID Board, but the full board has not seen it. The budget and the work plan have been reviewed by the BID Board and approved. The audit is in the process of review by the full BID Board. He added that according to the minutes of the special meeting of the BID board of directors, it was moved by Mr. Leffler that the board's Budget & Finance Committee has the authority to accept the audit. That motion was seconded by Ms. Jaeckels.

Ald. Grimm left the meeting at 8:14 p.m. (-7)

Ald. Casey said the committee has been provided with all the information requested. There are reasonable variances in the BID budget from 2004 to 2005 and he felt the committee could proceed with accepting the 2005 BID budget and work plan. He stressed that the Budget & Finance Committee is not involved with internal issues facing the BID Board. The committee is only involved with the financial oversight of the BID budget.

Moved by Ald. McCarthy, seconded by Ald. Jenkins to recommend
acceptance of the 2005 Wauwatosa Village Business Improvement
District Budget and Work Plan – 7

2005 water utility budget

Ald. Maher said he had met with the Water Supt., the Finance Director and the City Administrator regarding the 2005 Water Utility Budget. He felt that the major issues that need to be addressed were: 1) the downward trend in revenues and the possibility of some short falls; 2) concern about the level of surplus and whether it is appropriate to use the surplus to cover some bonded capital expenditures; and 3) the need to include performance indicators in the water utility budget document in the future.

Ald. Grimm returned to the meeting at 8:21 p.m. (-8)

Mr. Wojcehowicz said the wet spring and cool summer of 2004 affected water sales. It is difficult to predict what the weather is going to do in any given year. Large amounts of rain cut water consumption and the cold weather causes water main breaks. He is looking at other options to keep the surplus higher.

Ald. Casey said that in the last few years the committee has not spent as much time reviewing the water utility budget as they have reviewing the city budget. He appreciated the amount of work Ald. Maher had done to review the budget and he suggested that the committee have more time to review the water utility budget in 2005.

Ald. Stepaniak noted the systematic approach the water superintendent has taken to address the current design of the city's valves and water main system. He said it was a very positive approach. The ongoing improvement of the system is bound to have a cost impact. He indicated that he was not deeply concerned about the water utility reserve in this type of budget. He added that there is a slight cause for concern, but \$2.5 million is a reasonable reserve. He noted that the sales seemed to be down last year, but there were wide trends in the years before and the weather seems to play a strong factor. He also noted that the water utility is affected by the overall decrease in city population with less people using water. There is a continuing downward trend in industrial usage as well. On balance there doesn't seem to be any major cause for alarm.

Ald. Maher commended Mr. Wojcehowicz for his work on the water utility. He indicated that there is a lot of capital investment in the utility and it would be good to document the improvements. He expressed concern that the estimates are slightly on the positive side and said he would like to see more reserved forecasting in the future. He observed that there may be only one way to address the question of the reserves and that would be to consider increasing rates sometime in the future. He didn't have any major problems with the budget; he just wanted to raise some cautionary flags.

Ald. Bruderle-Baran said suggested adding some history from a few years back for comparison. She also liked the idea of adding performance indicators both qualitatively and quantitatively for next year. Perhaps the water utility budget could be reviewed during the city budget meetings as well.

Moved by Ald. Maher, seconded by Ald. Stepaniak to recommend approval
of the 2005 Water Utility Budget --

Ald. Stepaniak asked if the water rates were regulated by the Public Service Commission (PSC). Mr. Wojcehowicz said they would have to petition the PSC in order to raise the rates.

Vote on the motion was Ayes: 8

Transfer of Funds for public works yard scale replacement

Mr. Kappel said that the platform scale at the public works yard had broken in half in early November. It was originally installed in 1991. These scales usually last about 10 years so it was at the end of its useful life. The cost to fix the scale is approximately \$6,000 and would not include a long term warranty. It would cost approximately \$35,000 to replace the scale with no need to replace the electrical or computerized equipment if the city continues with Fairbanks as the vendor. He recommended a transfer of funds in the amount of \$29,926 from the Sundry Contractual Services and \$9,718 from the Monitoring Well accounts into the Other Equipment account for the purpose of replacing the scale per Fairbanks' quote of \$35,036.

Moved by Ald. Jenkins, seconded by Ald. McCarthy to recommend approval
of the transfer of funds in the amount of \$29,926 from the sundry contractual
services and \$9,718 from the monitoring well accounts into the other equipment
account for the purpose of replacing the scale per Fairbanks' quote of \$35,036 --

Mr. Kappel said the process will be completed sometime between late spring and early winter.

Vote on the motion was Ayes: 8

Change of Purpose in Geographic Information Systems (GIS) account to develop inspection and work tracking database for sanitary manholes

Mr. Kappel said there is still money remaining in the Geographic Information Systems (GIS) account. The department has seen some of the requirements of the Capacity Management Operations & Maintenance (CMOM) program that will be instituted by the Milwaukee Metropolitan Sewerage District (MMSD) as well as some potential inspection requirements by the state to settle a pending lawsuit against MMSD and its member communities. One facet of the maintenance issues of a sanitary system involved the periodic inspection of the structures. If there are repairs needed, a maintenance work order would have to be created that would lay out the work to be done and then record the completion of the work. Annual reports of this type of activity will probably be required. This is an excellent opportunity to better utilize the GIS system.

Mr. Kappel said the majority of the funds in the amount of \$9,035 are available in this year's GIS account. A transfer of \$335 will be made from the Engineering Training account to provide for sufficient funding. The total project cost is \$9,400. He recommended a change of purpose for the balance of funds in the GIS account and authorizing the department to accept the proposal from Ruckert & Mielke to produce a manhole inspection database with tracking and report forms at a cost not to exceed \$9,400.

Ald. Stepaniak said it is good to find mechanisms to keep the city in front of the issues that are part of the lawsuit.

Moved by Ald. Stepaniak, seconded by Ald. McCarthy to recommend approval of the change of purpose for the balance of funds in the GIS account and accepting the proposal from Ruckert & Mielke for a manhole inspection database at a cost not to exceed \$9,400 --

Ald. Herzog asked if there were any drawbacks to seeking other proposals. Mr. Kappel responded that other bidders may have databases that are not compatible with the city's GIS system. At this time Ruckert & Mielke is the only company that runs the GIS system from the web site which makes it possible for all the departments to have access to the GIS System without having to pay for extra copies or licenses. Ald. Herzog said he would like to see some bids in the future for further software applications.

Vote on the motion was Ayes: 8

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
J. Bembenek	\$25.00	Purchasing – 12/3/04 – Madison WI Assoc. of Public Purchasers (WAPP) Quarterly Meeting

Moved by Ald. Casey, seconded by Ald. McCarthy that the vouchers be allowed and paid – 8

The meeting adjourned at 8:52 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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