



CITY OF WAUWATOSA
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CITIZENS ADVISORY CAPITAL IMPROVEMENTS COMMITTEE
Tuesday, August 29, 2006 – 7 p.m.

PRESENT: J. Albert, K. Barry, T. Brown, R. Deuel, J. Engelhardt, C. Graupner, J. Kasdorf, M. Kreiter,
R. Lau, P. Matthews, M. Moylan, T. Stacey, Ald. J. Stepaniak -13

EXCUSED: F. DeFrain

ALSO W. Kappel, Director of Public Works; W. Wehrley, City Engineer; J. Plass, Acctg. Mgr.;

PRESENT: Chief D. Redman, J. Wojcehowicz, Water Supt.

Ald. Stepaniak as Chair called the meeting to order at 7 p.m.

Fire Department Facility Study—Proposals for Fire Station #1

Discussion of the Fire Department Facility Study continued from the previous meeting. In response to a question, Chief Redman said that site information in Deputy Chief Rice's 2002 study was based on statements from the city planner at that time that no other property was available. Now, with the current facility study, there will be a determination on whether the city is willing to acquire property at the current site or move the station to a location where it might fit better. That is the next question to be answered by the Community Development Committee.

Ald. Stepaniak summarized the options now under review: renovation of the current station, which is not recommended; replacement of the current station using the current and adjacent sites, which presents some issues related to operations during construction; building a new station at Mower Court and Harwood Avenue, which appears to have the best footprint but involves property acquisition issues; or building at 68th Street and Milwaukee Avenue, although Chief Redman feels this is not the best location in terms of the response triangle and wouldn't provide any significant site layout benefits.

Moved by Mr. Albert, seconded by Mr. Moylan to recommend that the Common Council pass a resolution dedicating themselves to building a suitable, new, state-of-the-art fire station on a suitable site, other than the existing site, with minimal impact on acquisition of residential properties, and of a suitable size to last 75 years –

Asked about other possible sites, Chief Redman said he is aware of at least one other site that may be brought forward at a later date that might be worthy of consideration. Further queried about the George Webb restaurant site on State Street, he commented on space needs and said that area is suitable in terms of response. The Community Development Committee would review any and all sites brought forward. Mr. Kappel added that Hart Park is often mentioned but cannot be considered because it is in a flood plain.

Mr. Brown commented on the acceptability of acquiring commercial property versus residential homes. Mr. Moylan was concerned that a building shouldn't be shoehorned into a site that constrains the equipment that can be used. The building should accommodate modern equipment and facilitate state-of-the-art fire response.

Chief Redman advised considering life expectancy and quality for long-term use. The department has been in the current 80-year-old building for 65 years. He clarified limitations at the current site, even with reconstruction, due to the depth of the site. He explained that there is a separate proposal to improve station #2 on Mayfair Road, where the consultant recommends a new apparatus bay to accommodate modern equipment. That would be an add-on of approximately \$600,000-\$700,000 to the estimated cost of recommendations for station #1.

The Chair explained that the need for a referendum has not yet been determined. Mr. Wehrley said that, absent a referendum, spending on all other capital projects would have to cease for three years or more. Procedurally, the Community Development Committee would recommend an option and then Budget & Finance would make a recommendation on funding, both of which would go to the Common Council for final action.

Roll call vote on the motion, Ayes: 13

Water Department

Mr. Wojcehowicz discussed primary targeted areas for capital improvements and noted that the department has taken big hits in the last few years on industrial customers, leading to cutbacks in the infrastructure and main replacement program. Historically, they would like to replace 1% of the infrastructure per year, but have been unable economically to do that. They have focused on streets in each year's paving program, but thereby will not be replacing some of the mains that chronically fail. The commitment is to replace mains prior to paving where appropriate, depending on age and failure rate as well as capacity issues. Mr. Wojcehowicz noted that in the last few years the utility has received over \$1,000,000 in improvements to the system through work done by private entities such as the Heart Hospital and Mayfair. Also, some CDBG money goes into the water main replacement programs in certain areas.

The 2007 schedule includes water main replacement, some roof repairs, and addressing leaks at Potter station and valves that don't work properly at the Blanchard station. Also, the Blanchard station retaining wall been in disrepair for number of years and was identified in the program, but repairs were delayed pending completion of the MMSD project in the area.

In 2008, painting of the Glenview water tower is proposed. Mr. Wojcehowicz explained the decision making process in deciding when to paint a tower. There is a difference of 25-30% of the cost when a tank can be overcoated without sandblasting, which requires containment measures. Other painting projects include the Alice Street reservoir in 2010, which will need sandblasting.

Items in 2009 tie into the secondary feed to the western zone and another supply for a pumping station. There are ongoing negotiations with Elm Grove about supplying water to that community, which would be within the constraints of the subcontinental divide. This would help Wauwatosa in terms of revenue and making needed improvements to water pressure on the west side, but it is not by any means a done deal at this point. Mr. Wojcehowicz noted that west-side water pressure problems would not be resolved until there are new pipes, a tower, and station, which are not addressed in this five-year plan. He mentioned other considerations related to the negotiations and noted that the key consideration is what is best for the utility's customers.

Mr. Wojcehowicz noted the need to strengthen the utility financially and spoke of the useful life of mains. He said that over time, the average life of a main is 100 years. Some mains are at 120 years but some mains installed in the 1960s are in need of replacement. A replacement schedule yielding 200-year life is definitely not realistic.

Mr. Kappel said that in 2009 the utility could begin to look at additional capital borrowing to keep the rates in place. Mr. Wojcehowicz reported that a rate increase was recently passed by the Public Service Commission and implementation will begin with the November bills. The utility is self-sufficient with costs offset by income. Increasing surplus funds would help attain a better bonding rate.

Discussion about maintaining water main life cycles ensued.

Moved by Ms. Matthews, seconded by Mr. Brown to recommend approval of the Five Year Capital Improvements Program for the Water Department, recognizing that the optimum water main replacement would be 1% annually –

Following further discussion of water main life, Mr. Wojcehowicz said that doing a certain percent per year might not be the answer. Because of pre-WW I mains that last 120+ years and the 1950s and 60s mains that may last 75 years, he foresees big costs all at the same time in the 2030-2050 period. In answer to questions, he explained that Froedtert Hospital is supplied by Milwaukee County and the new facilities in the Research Park are served by Wauwatosa. Ald. Stepaniak said that the city essentially has 1,000 acres in the middle of the community that is an island in terms of utility service. The county built and operates the system with a connection to the City of Milwaukee, but it may be reasonable to conclude that they will not continue to operate it forever. Because of the many questions relating to existing infrastructure and future growth that would have to be addressed, this is not simply a case of Wauwatosa adding a big customer.

Roll call vote on the motion, Ayes: 13

Additional Information

The committee reviewed some of the additional information provided tonight that was requested at the previous meeting.

Capital Improvement Program - % of General Fund Expenditures: Ms. Plass said that this table compares capital expenditures on an annual basis with General Fund expenditures. The actual expenditures are also recorded in Schedule A. Higher amounts are seen in 2004 and 2006 because of TIF expenditures.

Mr. Albert read his motion of 2005 to increase the annual bonding limit to a minimum of \$5.25 million, which passed by a 4-3 vote. He favored another similar motion or a recommendation to eliminate the internally imposed limit or change to a percentage of the allowable bonding limit. The Common Council is otherwise just not providing adequate funding for the capital needs of the city to maintain property values. The City should focus on property values, he said, because then everything else falls into place.

Historical Street Construction 1994-2006: Actual construction miles on an annual basis are shown, and mileage also appears at the top of the large spreadsheet titled “Capital Projects Funding,” which lists budgeted amounts for 1994-2007. Those amounts differ in some cases, however, due to factors such as streets being removed from the program after being budgeted. The large spreadsheet also shows paving, storm, and sanitary cost per mile in each year. There is a definite shift in dollar allocations from the road program to do storm and sanitary sewers. It is associated with the cost of doing the infrastructure.

Mr. Wehrley said that due to the current bonding cap, the age of streets continues to go up and the rating of streets continues to fall. The drop in total miles paved is leading to degradation in the quality of the roads. The target of paving 4 miles per year provides for repaving after 40 years and reconstructing following the next 40 years.

Mr. Brown saw the need to budget to replace roads at the life of the road but also recognized the need to take advantage of other situations that come up such as opportunities to replace infrastructure. He suggested that the bonding limit should reflect the value of the city when the bonding level was set and then should be raised consistently to reflect increased value in the city. Mr. Moylan advocated a step jump of perhaps 50% to a \$5.25 limit and indexing thereafter to maintain a level of spending that maintains and replaces infrastructure. Ms. Matthews agreed with the need to address this issue but said she does not favor “nickel and diming” the capital budget to get under the cap each year. Large projects like Hart Park that are “wants” should go to referendum and not use capital resources. She expressed disappointment that the Budget & Finance Committee didn’t have further discussions on this subject following last years Capital Summit.

Ald. Stepaniak encouraged committee members to communicate with the Budget Committee at the appropriate time when capital projects are discussed, noting that some expertise has developed here and this group has perhaps devoted more thinking to this than others. (Mr. Kappel indicated that he and Mr. Wehrley would inform committee members of the appropriate meeting dates.) Ald. Stepaniak explained that lots of homework occurred since the Capital Summit last year but a decision point wasn’t reach, in part due to the loss of experienced leaders within the Common Council as well as the loss of the city administrator. He advocated making a thoughtful presentation of alternatives.

Considerable discussion of the bonding cap and alternatives for raising and indexing it continued. It was suggested that additional work that needs to be done each year, not just what fits within the cap, should be shown. Another question might involve comparison with the 1998 cap and what that would translate to currently. Suggested options included indexing with raw material and a producer price index or using a percentage of the bonding limit imposed by the state. Mr. Kappel indicated that multi-year city contracts are based on a CPI index of municipal services issued in March or April each year, but that may or may not be a good index for a capital budget. He noted that starting with the \$3.5 million limit assumes that that was an adequate amount to meet the city’s needs in 1998. Mr. Deuel cited the number of residents on fixed incomes and asked if there would be a way to determine how much property taxes would rise with certain percentage increases.

Ald. Stepaniak explained that the city has been budgeting for the last few years based on a legally based state restraint of a 2% increase, so the tax levy cannot increase by more than 2% plus debt service. Also, personnel costs are a big driving force. Existing labor agreements provide for a 3% increase per year, and health care has been going up 10-15% per year. Simple solutions to complex problems seldom occur.

The need for an additional meeting was discussed. Mr. Moylan indicated that he has access to some economists and forecasters and could also speak with Mr. Kappel prior to that time. Perhaps different proposals could be

considered and the estimated property tax impact estimated. Mr. Brown felt that citizens would best understand the state-imposed 2% per year limitation, and he advocated vigilance against extraordinary expenses that do not support infrastructure. Mr. Albert commented that property values should be optimized and are influenced not just by needs but also by some “wants.” Ms. Matthews felt that there is no way to jump from \$3.5 million to \$5.25 million in a single year.

The Chair indicated that he will look at potential meeting dates in September. In the intervening time period, the city’s budget process will have begun. He summarized suggestions to go back to the 1998 base on purchasing power, to consider some type of construction index, and to determine estimated impact on the tax roll in connection with any increase in the cap. He noted that alternatively, the committee could arrive at a stated principal.

(The meeting recessed at 9:08 p.m. and reconvened at 9:16 p.m.)

Hart Park

Mr. Kappel displayed conceptual designs for the expanded Hart Park developed over the past six months through the Parks Board and an ad hoc committee appointed by the Mayor. The ad hoc committee included the Director of Public Works, the City Engineer, an alderman, a citizen, and a former alderman. Schreiber Anderson was chosen to design the park. The conceptual designs were derived from steps taken following the conceptual process done in 2000 and adopted by the Common Council at that time. The conceptual design provides a basis for developing some cost figures. In October, final plans along with estimates will be presented to the Common Council.

In the first of three sections of the park, a good portion of the new parking lot is almost completed. It includes three different types of porous or permeable surfaces that address water quantity and quality issues by allowing water to go through to the ground and into the river. The main section for rebuilding would be the recreational section along 72nd and 70th Streets including a combination soccer field/softball diamond and a skateboard park located at the ends of the fields. Some realignment of 70th Street would occur.

The second area, between 70th and 68th Streets, contains what is probably the anchor feature of the park, an amphitheater area for which the Rotary Clubs and Tosa Tonight group have been raising funds. The cost is estimated at \$1.2 to 1.3 million. This feature has been approved by MMSD. A tot lot would be located in the corner of this section and restrooms near a small parking lot off 70th Street.

Trails, natural plantings, low maintenance features, and some small picnic areas would be in the area from 68th Street east to 63rd Street. Two flat areas could serve as additional play/practice fields. A pedestrian bridge would cross to Jacobus Park.

A skateboard group has been active in the community doing demonstrations and raising funds to build the skateboard park. Their concept is an area with features similar to that found on public streets where they are used to skating. It would be associated with another area labeled as a gathering area for teens and would also be close to the administration building. It could easily be converted to a picnic area should that activity wane.

Mr. Kappel distributed a rendering of the monument features that would line the entranceways. They could potentially be used as information posting areas and will be something of a theme throughout the park.

Rough estimates of cost range from \$5 million to \$6.5 million exclusive of contributions and without the skateboard park but including stadium lighting and other amenities. Ald. Stepaniak said that some funding has come from MMSD, some is anticipated from the Rotary group for the entertainment area, and some will be negotiated with the skateboard group. Mr. Kappel noted that pavement and infrastructure that was torn out is being replaced at MMSD's expense. Any additional pavement and infrastructure that has been requested is at the city's expense. A good portion of the tot lot will be replaced at MMSD's expense. More information on costs will be available from the consultant very soon. The State Street TIF might potentially fund exterior fencing along the park and on State Street.

The city would like to improve the at-grade railroad crossings to retain the whistle-blowing ban. Trains are sounding whistles during construction, and there have been five accidents during that period that will be a factor in rating the crossings and determining what improvements are needed.

Mr. Stacey commented that the use of artificial stone should be avoided in order to make a quality statement. He asked if there has been any contractor input on costs. Mr. Wehrley said there has been some contractor input, specifically on the structures. The consultant has been charged with arriving at a final cost estimate.

Funding options were discussed. Mr. Kappel noted that there has been discussion in the past about trying to spread capital costs over a three-year period. A referendum and bonding will likely be considered. Also, there has been some theorizing about naming rights to offset some costs.

Mr. Kappel answered questions regarding the skateboard park, bike trails, and the approval process. He said that MMSD's contract deadline for their work is May 2007, but there are indications that they may finish this year. There will be information at Tosafest, and there was a suggestion that the city's cable channel also be used to inform the public.

The meeting adjourned at 10:02 p.m.

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Carla A. Ledesma, City Clerk
City of Wauwatosa