



CITY OF WAWATOSA
BUDGET AND FINANCE COMMITTEE
MINUTES • FEBRUARY 11, 2014

Regular Meeting

Committee Room #2

8:00 PM

7725 West North Avenue, Wauwatosa, WI 53213

Attendee Name	Title	Status	Arrived
Peter Donegan	Alderman	Present	
Ald. Craig Wilson	Alderman	Present	
John Dubinski	Alderman	Excused	
Tim Hanson	Alderman	Present	
Jill Organ	Alderwoman	Present	
Joel Tilleson	Alderman	Present	
Brian Ewerdt	Alderman	Excused	
Donald Birschel	Alderman	Present	
Alan Kesner	City Attorney	Present	
James Archambo	City Administrator	Present	
James Wojcehowicz	Water Superintendent	Present	
William Porter	Public Works Director	Present	
William Wehrley	City Engineer	Present	
Deor Hitt	Admin. Support Specialist	Present	

BUDGET AND FINANCE COMMITTEE ITEMS

1. Memo from the Water Superintendent confirming inclusion of a non-participating utility item in the WisDOT Contract for Swan Boulevard

The Committee reviewed a memo from the Water Superintendent confirming inclusion of a non-participating utility item in the WisDOT Contract for Swan Boulevard.

Mr. Wojcehowicz explained that a new water main was installed under the WisDOT contract due to the coordination of the construction activities along Swan Boulevard. The new water main design provides a secondary source of water for the UW-Milwaukee development.

The actual DOT awarded bid price was \$577,460.20 to be paid for through TIF # 2 funds, which was below the Engineer's estimated cost. Mr. Wojcehowicz asked the Committee to approve the use of TIF #2 funds for the water main extension construction work related to the relocation of Swan Boulevard.

Ald. Wilson remarked that this type of project is a good use of TIF district proceeds.

Moved by Ald. Tilleson, seconded by Ald. Birschel
to recommend approval of using TIF #2 funds for the water
main extension construction work related to the relocation of
Swan Boulevard - Ayes: 6

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS] Next: 2/18/2014 7:30 PM
TO:	Common Council
MOVER:	Joel Tilleson, Alderman
SECONDER:	Donald Birschel, Alderman
AYES:	Donegan, Wilson, Hanson, Organ, Tilleson, Birschel
EXCUSED:	Dubinski, Ewerdt

2. Memo from the Water Superintendent regarding Milwaukee Water Works future rate case filings with the Public Service Commission

The Committee reviewed a memo from the Water Superintendent regarding Milwaukee Water Works future rate case filings with the Public Service Commission.

Mr. Wojcehowicz explained that Milwaukee Water Works (MWW) intends to use a two step strategy to increase water rates for their retail and wholesale customers during 2014.

The first step in the increase will be related to a Simplified Water Rate Case Application with the Wisconsin Public Service Commission (PSC). The 3% “cost of living” increase will be effective June 1, 2014, or soon after. The second step in the increase relates to a planned Conventional Water Rate Case Application filing with the PSC. The timetable for implementation of this increase depends on the number of cases before the Commission.

These anticipated rate increases equate to an approximate 35% rate increase and MWW seeks a rate differential between retail and wholesale customers. Mr. Wojcehowicz noted that the Wauwatosa Water Utility will seek Common Council’s approval to pass through both of the MWW rate increases to utility customers in the future, but no action is needed at this time.

Ald. Wilson left the room at 8:14 p.m.

RESULT:	INFORMATION ONLY
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3. Memo from the City Engineer recommending entering into a professional services agreement with GAI Engineers for the 104th Street storm sewer design Project - 4006

The Committee reviewed a memo from the City Engineer recommending entering into a professional services agreement with GAI Engineers for the 104th Street storm sewer design Project - 4006.

Mr. Wehrley explained that a new storm sewer in north 104th Street between North Avenue and Underwood Creek is included in the 2014 Capital Improvements Program (CIP).

The design effort for the 2014 CIP exceeds the Engineering Department’s internal design capacity, so the Department is proposing to use outside design help for this project. The Engineering Department suggests selecting the engineering firm GAI Consultants to perform the design for this project.

The professional services associated with the design and coordination with other agencies is estimated at \$110,000 to \$125,000 which is below the \$150,000 budgeted for design.

Mr. Wehrley asked the Committee to authorize Staff to enter into an agreement with GAI Consultants in an amount up to \$125,000 for professional services related to storm sewer design on 104th Street.

Responding to a question, Mr. Wehrley explained that there are five vacant Engineer positions at the City due to two retirements and three newly created positions.

Moved by Ald. Tilleson, seconded by Ald. Birschel to recommend authorization of Staff to enter into an agreement with GAI Consultants in an amount up to \$125,000 for professional services related to storm sewer design on 104th Street - Ayes: 5

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS] Next: 2/18/2014 7:30 PM
TO:	Common Council
MOVER:	Joel Tilleson, Alderman
SECONDER:	Donald Birschel, Alderman
AYES:	Donegan, Hanson, Organ, Tilleson, Birschel
EXCUSED:	Wilson, Dubinski, Ewerdt

4. Memo from the Director of Public Works requesting a \$35,000 fund transfer from the Reserve for Contingency for 2014 salt purchase

The Committee reviewed a memo from the Director of Public Works requesting a \$35,000 fund transfer from the Reserve for Contingency for 2014 salt purchase.

Mr. Porter explained that it is likely that the Public Works Department will exceed the budgeted amount for salt this winter. The budget must also cover any early fill up for November and December of 2014, so it is even more likely that our funding will not match the requirements placed on the Department this year.

Mr. Porter recommended that the City allocate \$35,000 from the 2014 budget Reserve for Contingency to purchase the salt allocated to the City under the current DOT contract. These costs are fixed. Once the order quantity is exceeded, the prices can fluctuate.

Mr. Porter noted that cold weather related repairs will most likely require additional funds in 2014. The Public Works budget must be monitored closely and the Public Works Department may have to reduce other operating budget expenditures to remain within budget.

Mr. Archambo noted that the quarterly financial report will address the additional costs of the extended winter season and assess whether remedial action is necessary. There may be a report to the whole Council to summarize the impact of increased winter costs.

Mr. Wojcehowicz noted that water main breaks are 50% over average. The costs of water main break restoration and contractor assistance will increase as the cold weather continues.

Moved by Ald. Tilleson, seconded by Ald. Donegan to recommend approval of a \$35,000 fund transfer from the Reserve for Contingency for purchase of salt up to the current DOT contract allocated amount - Ayes: 5

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS] Next: 2/18/2014 7:30 PM
TO:	Common Council
MOVER:	Joel Tilleson, Alderman
SECONDER:	Peter Donegan, Alderman
AYES:	Donegan, Hanson, Organ, Tilleson, Birschel
EXCUSED:	Wilson, Dubinski, Ewerdt

5. Memo from the Admin. Support Specialist recommending entering into a professional services agreement with Quest for a web-based construction document distribution system

The Committee reviewed a memo from the Engineering Admin. Support Specialist recommending entering into a professional services agreement with Quest for a web-based construction document distribution system.

Mr. Porter introduced Ms. Hitt as the Engineering Department Administrative Support Specialist.

Ms. Hitt explained that Engineering staff would like to revise and improve the current, outdated, manual construction bid document distribution system. All records are currently being created manually and distributed on paper. By entering this agreement, QuestCDN would take over the document distribution and eliminate the labor and supply costs required to create paper documents. With such a system, the documents are uploaded as PDFs by City staff and may be downloaded for a fee online. The system requires bidders to agree to receive addenda by email and eliminates the need to fax said addenda.

Ald. Donegan remarked that the City's revenue would be reduced, but savings would occur due to reduced labor and overtime. He asked if these figures were calculated.

Mr. Porter confirmed that Ms. Hitt spends many hours overtime preparing these documents, but the exact amount was not calculated. He noted that the new system would add a greater level of transparency to the bidding process.

Responding to a question, Ms. Hitt stated that the total revenue from construction documents equals approximately \$2,000 per year.

Moved by Ald. Donegan, seconded by Ald. Tilleson to recommend approval of a thirty-six month contract with QuestCDN for a Software as a Service (SaaS) web based construction document distribution system - Ayes: 5

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS] Next: 2/18/2014 7:30 PM
TO:	Common Council
MOVER:	Peter Donegan, Alderman
SECONDER:	Joel Tilleson, Alderman
AYES:	Donegan, Hanson, Organ, Tilleson, Birschel
EXCUSED:	Wilson, Dubinski, Ewerdt

6. Vouchers

Moved by Ald. Tilleson, seconded by Ald. Birschel that each and every voucher be allowed and paid - Ayes: 4
Present: 1 (Donegan)

RESULT:	APPROVED [4 TO 0]
AYES:	Hanson, Organ, Tilleson, Birschel
ABSTAIN:	Donegan
EXCUSED:	Wilson, Dubinski, Ewerdt

7. *Proposed settlement in property valuation cases, Target Corp. v. City of Wauwatosa, Milwaukee County Case Nos. 11-CV-12111 and 12-CV-8470, regarding the property at 3900 North 124th Street

The Committee reviewed a memo from the City Attorney regarding the proposed settlement in property valuation cases, Target Corp. v. City of Wauwatosa, Milwaukee County Case Nos. 11-CV-12111 and 12-CV-8470, associated with the property at 3900 North 124th Street.

Moved by Ald. Tilleson, seconded by Ald. Donegan to convene into closed session per Wisconsin Statutes 19.85 (1)(g), conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, may reconvene into open session - Ayes: 5

It was moved in closed session to recommend approval of the proposed settlement in property valuation cases, Target Corp. v. City of Wauwatosa, Milwaukee County Case Nos. 11-CV-12111 and 12-CV-8470, associated with the property at 3900 North 124th Street with the settlement cost funded by the Reserve for Contingency - Ayes: 5

The meeting adjourned 9:07 p.m.

RESULT:	RECOMMENDED FOR APPROVAL [UNANIMOUS] Next: 2/18/2014 7:30 PM
TO:	Common Council
AYES:	Donegan, Hanson, Organ, Tilleson, Birschel
EXCUSED:	Wilson, Dubinski, Ewerdt

Carla A. Ledesma, CMC, City Clerk