

## CITY OF WAUWATOSA

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### BUDGET & FINANCE COMMITTEE MEETING

Tuesday, September 9, 2003

Committee Room #1

PRESENT: Alds. Bruderle-Baran (8:08 p.m.), Casey, Grimm, Matthews, McCarthy, Stepaniak, Subotich – 7

EXCUSED: Ald. Jenkins

ALSO PRESENT: T. Wontorek, City Admin.; B. Aldana, Asst. City Atty.; R. Braier, Finance Dir.; W. Kappel, Public Works Dir.; J. Wojcehowicz, Water Supt.; C. Ledesma, City Clerk

Ald. Stepaniak as Chair called the meeting to order at 8:04 p.m.

#### **2004 fee schedule for Hart Park**

Mr. Kappel said the Board of Parks and Forestry Commissioners has approved the 2004 rental rates for Hart Park. The changes include an increase in the Sunday field rental. This increase will not affect any school district rentals. There was a modest increase in the rental rates for rooms in the Muellner Building, but the increase is in line with other rentals in the area. The effective date for the new rates will be January 1, 2004. He said the Board of Parks and Forestry Commissioners have reserved the right to approve any other requests for special consideration. He recommended approval of the fee schedule.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend approval of the 2004 fee schedule for Hart Park – 6

#### **Increase in water rates as recommended by the Public Service Commission (PSC)**

Mr. Wojcehowicz said that in May, the committee gave the water utility approval to file an application with the Public Service Commission (PSC) to increase water rates. This is the first time in eight years the city has applied to the PSC to see if the city is getting a fair rate and making a fair income from the water rates. He said they are proposing to raise the rates approximately \$4 per quarter. This will produce an additional \$564,830 in operating revenue for the utility in the next fiscal year. He recommended approval of the increase.

Ald. Matthews asked who determines the rates. Mr. Wojcehowicz said the water utility requests the raise and the PCS makes the final determination. Mr. Tschudy said the water utility supplies the figures and based on those figures, the PSC makes adjustments. Mr. Wojcehowicz said they can request a range of percentages. In this case, the utility was looking for a 7.5% raise and the PSC decided that 7% was appropriate. Ald. Matthews said her concern was the fact that the water utility rates would be raised at the same time as the hydrant fees are being added to residents' bills. Mr. Wojcehowicz pointed out that the hydrant fees have only been shifted from one bill to another. The residents, who are already paying the hydrant fees, will just pay them on their water bill instead of their tax bill. He said the Council should approve this increase because it makes sense after eight years of zero increases.

Ald. Casey said the water utility is a separate fund and it is self-sustaining. No city dollars are involved with the exception of the residents' water bills. He thought it was important to be aware that many residents are

concerned about cost and fee shifting as well as the proposal to move the fire hydrant fees to the water bill. He said it makes sense to raise the fees to cover costs and build reserves for future projects.

Moved by Ald. Casey, seconded by Ald. McCarthy to recommend approval of the increase in water rate – 7

### **Three-year contract extension for auditing services**

Mr. Braier said Virchow Krause & Co. has submitted a pricing proposal for a three year extension on the auditing contract they have with the city. His recommendation was to extend the auditing contract for a three year period at the rates quoted by Virchow Krause in their letter of July 28, 2003. After the three year option is exhausted, the timing would be right to seek proposals from other auditing firms. He said the contract was last bid out three years ago. He explained that it would be advantageous for the city to stay with Virchow Krause & Co. because they city has just converted its financial statements to comply with the new Governmental Accounting Standards Board (GASB) 34 requirements. The assistance and guidance provided by Virchow Krause was very helpful during this process and would also be appreciated over the next three years as the city fine tunes its audit report. Continuing with Virchow Krause would accelerate the refinement of the reports as the auditors were helpful in its initial development and there would be no learning curve.

Moved by Ald. McCarthy, seconded by Ald Bruderle -Baran to recommend approval of the three year contract extension with Virchow Krause & Co. – 7

### **Municipal Clerk II vacancy in the City Clerk's office**

Ms. Ledesma said the Municipal Clerk II position in the City Clerk's office will become vacant due to the current municipal clerk taking a position in another department. She said the person in the Municipal Clerk II position is not only responsible for the licensing paperwork and renewals; they also take minutes at the Legislation, Licensing and Communications Committee meetings. The biggest area of concern is that this position also handles the elections. There will be 4 elections in 2004, including a presidential preference election in February. It is critical to fill this position as soon as possible so that training can begin on the election duties.

Moved by Ald. McCarthy, seconded by Ald. Grimm to recommend approval to fill the Municipal Clerk II position in the City Clerk's office --

Ald. Bruderle-Baran asked if there were any ramifications to the budget. Ms. Ledesma said the position is budgeted for 2004.

Vote on the motion was Ayes: 7

### **Report on alley assessments**

Ms. Aldana said as requested by the committee, she contacted several surrounding municipalities to find out how they assess for alley repaving projects. There seem to be three general ways alley assessment are handled: 1) no special assessment is levied and instead general tax funds are used; 2) special assessments are levied based on front footage abutting the alley without distinguishing between properties that have existing vs. potential alley access; and 3) special assessments are levied with and distinguish between those that have existing vs. potential alley access.

Dr. Thomas Ehlert, 8118 Jackson Park Blvd. said he and the other residents have had several exchanges between their group and Mr. Kappel. He said the neighbors think their alley repaving is a unique situation and they would like to be treated as such. Mr. Kappel does not agree.

Christopher Drager, 8222 Jackson Park Blvd., cited a resolution that says assessments shall be calculated by the footage based on use. The residents on his side of the street do not have use of the alley at this point. He believes that any assessment should be based on that. If someone puts up a garage and starts to use the alley that would be different. They are unhappy with the assessment and don't want to pay it.

Karen Roy, 8130 Jackson Park Blvd., said she did not want to pay an assessment for repaving an alley she doesn't use.

Mickael Arthur Roy, 8130 Jackson Park Blvd. agreed with the other residents.

Ald. Matthews said there is an alley in the eighth district that is almost identical to the situation on Jackson Park Blvd. One side of the alley has single family houses with no driveways on the alley and the other side is multi-family housing. She said she was interested in the Whitefish Bay alley assessment example. Whitefish Bay uses special assessments for all property abutting an alley, but they have two levels of assessment. Properties with vehicular access through either a garage or parking pad are assessed 100% of 1 equivalent share. Property that abuts an alley but does not have access is assessed at 33.3% of 1 equivalent share. It is not based on front footage. She basically liked the approach to assessing alley repaving, but she said the engineering department would have to try to monitor who has alley access. After the fact, it would be very difficult to determine who has gained access. She liked the language in the Whitefish Bay ordinance. She wanted the policy to be fair to residents who live across the alley from heavy users. Maybe this could be addressed without completely changing the city's policy.

Ald. Casey concurred with Ald. Matthews. He thought the Whitefish Bay model could provide a situation where the assessments would be more equitable. He said the alley on Jackson Park Blvd. was built to give access to properties on the north end. There are a couple of other examples of alleys in the city where some residents have access and some have not. He requested that staff look into this issue more closely and see what the ramifications of any changes would be.

A suggestion was made that maybe driveways installed after the fact could be determined by the permits that are pulled. Ms. Aldana pointed out that there are no permits required for parking slabs in driveways on alleys. Ald. Casey suggested that a permit be required for driveways in alleys in order to show where the new access is. He said he has access to the alley and he is prepared to pay his full share of the assessment.

Ald. McCarthy said that to argue that Jackson Park Blvd. is a unique alley situation is an untenable position. Each one of the property owners has the option of having access to the alley and some choose not to use it. He said it would be hard to gauge how much of a problem a change in the policy would pose to the engineering department. He pointed out that people who have already been assessed for alley repaving in similar situations under the current policy could come back and demand a refund of the money they were charged. He would like to hear about the impact on the engineering department.

Ald. Bruderle-Baran agreed with Aids. Casey and Matthews. She wanted to see a comparison of what assessments would be under the current policy and under the Whitefish Bay policy.

Mr. Kappel said the engineering department could put together that kind of comparison. He cautioned that if a new policy is formulated, they would have to go out and look at each alley in order to do an individual calculation for each alley. He said staff has been discussing this issue for about a year now. The next step would

be to look at a policy similar to Whitefish Bay's policy. He stressed that they need to get the assessment rates set for next year so this type of change will have to be made soon.

Ald. Matthews said maybe the city's rates need to reflect residential use compared to multi-family use. The rates need to reflect that the heavier users will get a heavier assessment. She was unsure of how this would be done administratively, but she thought this change would reduce the number of people coming back and saying they were unfairly charged.

Moved by Ald. Bruderle-Baran, seconded by Ald. Matthews to hold this item until the next meeting and send it back to the engineering department for information on alternate alley assessment policies --

Ald. Grimm said he would like to place the item on file because he believed that Mr. Kappel's recommendation was the most equitable and should be supported.

Moved by Ald. Grimm, seconded by Ald. McCarthy to place the report on alley assessments on file --

Ald. Matthews said she thought the alley assessments should be looked at another way. The idea of changing the groupings deserves more review. Ald. McCarthy reiterated his concern that opening up the possibility that residents could demand adjustments on former alley assessments or subsequent owners might decide to create access, would cause a nightmare. Ald. Matthews said she asked Mr. Kappel to look at the way alley repaving assessments are calculated and not whether the residents have access or not. All the residents on the alley would pay, but residential users might have a more equitable breakdown of the assessments.

Ald. Casey asked what percentage of the cost special assessments cover for paving projects. Mr. Kappel responded that the city recovers 60% of the cost for paving and they try to get 100% on the alley repaving work through the special assessments, but there is a maximum cap. Ald. Casey added the balance of the cost is paid using city funds. He said if the policy was working totally well the neighbors would not be attending the meeting to object.

Upon a roll call vote Ayes: 3, Noes: 4 (Matthews, Bruderle-Baran, Casey, Stepaniak)

Motion fails.

Vote on the original motion was Ayes: 7

**Claim of Kathleen Berme-Danner, 3169 N. 80<sup>th</sup> Street, Milwaukee**

Ms. Aldana said Ms. Berme-Danner submitted a claim for \$258.72 in damages because her car hit a pothole. Ms. Aldana recommended denial because the city had no prior notification of the pothole.

Moved by Ald. Bruderle-Baran, seconded by Ald. Subotich to recommend denial of the claim – 7

**Vouchers**

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
L. Kavelaris	\$201.18	Police – 4/20-4/25/03 – Green Bay Hostage Negotiations Training

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
D. Redman	\$1,840.28	Fire – 8/19-8/25/03 – Dallas, TX International Assoc. of Fire Chiefs Conf. & Pre-Conf. Workshop
C. Ledesma, B. Williams	\$815.98	Clerk – 8/12-8/15/03 – Madison Annual Clerk’s Conference
J. McGuire	\$85.33	Health – 8/25-8/27/03 – Stevens Point 6 <sup>th</sup> Annual Public Health Nursing Conf. Tools for Building the Future

Moved by Ald. Casey, seconded by Ald. Bruderle-Baran that the vouchers  
be allowed and paid – 7

The meeting adjourned at 9:00 p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

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