

City of Sheboygan
2017-11-27

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CITY OF SHEBOYGAN

FINANCE AND PERSONNEL COMMITTEE

NOVEMBER 27, 2017

Chair Donohue called the meeting to order at 4: 00 p.m. The Pledge of Allegiance followed.

COMMITTEE MEMBERS PRESENT:

Chair Mary Lynne Donohue, Vice Chair Jim Bohren, Alderpersons Ron Rindfleisch, Andy Ross and Todd Wolf

STAFF / OFFICIALS PRESENT:

Mayor Michael Vandersteen, City Attorney Charles Adams, City Clerk Susan Richards, City Administrator Darrell Hofland, Director of Public Works David Biebel, Director of Finance Nancy Buss, Director of Planning and Development Chad Pelishek, Director of Transit and Parking Derek Muench, Director of Human Resources and Labor Relations Sandy Rohrick, Superintendent of Water Utility Joe Trueblood, Board of Water Commissioners President Gerald Van De Kreeke, Mead Library Business Manager Debbie DeAmico, Budget Analyst Carrie Arenz, Human Resources Secretary Vicki Leonhardt

PUBLIC PRESENT: Dawn Brulla, Carol Wirth

MINUTES

Motion by Alderperson Wolf, seconded by Alderperson Ross to approve the minutes of November 13, 2017. Motion carried.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

3.1 (ITEM 1): RO 213 - 17 - 18 / NOVEMBER 6, 2017 / DOC

5.1: In order to fund the south water tower at \$2.4 million, and refund the 2007 revenue bonds at \$2.34 million for interest savings, the Sheboygan Water Utility intends to seek a revenue bond issuance for the combined purposes in the amount of \$4.74 million in 2018. Interest savings on the refunded bonds is estimated to be \$229,000. By way of this report, the Board of Water Commissioners requests Common Council approval for the utility to proceed with the sale and acceptance of aforementioned revenue bonds. (ITEM 2): RES 99 - 17

- 18 / NOVEMBER 20, 2017 / DOC

5.7: Provide for the sale of approximately \$4,855,000 Water Utility Revenue Bonds, Series 2018.

Superintendent of Water Utility Joe Trueblood provided insight to the current condition of the existing water tower within the industrial park, specifically its limited capacity to serve the existing park and need for extensive repairs. The repair process includes draining, sandblasting and recoating of the existing tower. The additional water tower is necessary to serve the expansion to the Sheboygan Business Center, its increased demand for water usage and function as the main water tower while the repairs on the existing tower are completed. This new water tower prompts the sale of revenue bonds to generate funds to support its construction. Carol Wirth, President of Wisconsin Public Finance Professionals, LLC provided extensive details on the revenue bond financing in support of this project. These Water Utility Revenue bonds are repaid via water utility payments, requiring no tax levy money and do not count against the city's statutory debt limit. The bonds will be sold on the non-bank qualified market, while calling bonds issued in 2007 to take advantage of lower interest rates. Non-qualified bond market allows for a shortened marketable issue in an effort to manage debt for future utility project borrowing. The net savings of realized by calling the 2007 bonds is anticipated to be \$262,993. The possibility of utilizing the State of Wisconsin Green Tier funding as a revenue source was discussed. This funding program requires pre-approval and was recently used to fund the UV disinfection system. However it is not available for use in water tower construction.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve the revenue bond issuance. Four ayes, one abstain (Bohren). Motion carried.

3.2 RES 98 - 17 - 18 / NOVEMBER 20, 2017 / DOC

5.8: Authorize establishing appropriation in the 2017 Budget for engineering software. The Geographic Information System (GIS) was approved as part of the 2018 Capital Improvement Program. The GIS system will be ordered now to ensure that it is in place by January, 2018. This provides cost savings with the elimination of the annual license for the existing Websoft program due for payment in January, 2018.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve. Motion carried.

3.3 GEN ORD 29 - 17 - 18 / NOVEMBER 20, 2017 / DOC

7.1: Amending Section 82 - 33 of the Municipal Code so as to amend the positions in the Office of the Mayor Table of Organization.

Director of Human Resources and Labor Relations Sandy Rohrick presented information on the revisions to this position to include the duties of a Communications Specialist. This hybrid position is evolving and the duties within the office are changing. This position currently manages the agendas, minutes and organization of several committees including Committee of the Whole, Mayor's Leadership Cabinet and Mayor's International Committee, and

internal and external newsletters. New duties include design and development of website, social media and other internal and external communications. Mayor Michael Vandersteen requested Item No. 15 within the job description be amended to include Committee of the Whole and Mayor's Leadership Cabinet.

Motion by Alderperson Rindfleisch, seconded by Alderperson Ross to recommend the Common Council approve amending Section 82 - 33 of the Municipal Code to amend the position within the Office of the Mayor Table of Organization including amendments discussed. Motion carried.

3.4 GEN ORD 30 - 17 - 18 / NOVEMBER 20, 2017 / DOC

7.3: Amending Section 82 - 33 of the Sheboygan Municipal Code so as to add a part-time Clerk 1 in the City Clerk's Office.

City Clerk Susan Richards presented details on this new part-time position approved in the 2018 Budget. This position was created by transferring funds between the Elections division and Office of the City Clerk departmental budgets. This position ensures the Office of the City Clerk has a trained staff person to support all areas within their office on a yearly basis.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve amending Section 82 - 33 of the Municipal Code to add a part-time Clerk 1 within the Office of the City Clerk Table of Organization. Motion carried.

3.5 (ITEM 1): RC 419 - 16 - 17 (RO 207 - 15 - 16) / CLAIM NO. 16 - 15 BRAEDEN SCHEELE (ITEM 2): RO 210 - 17 - 18 / CLAIM NO. 18 - 17 SHEBOYGAN SOCIETY SCALE MODEL RAILROAD ENGINEERS, LTD. (ITEM 3): RO 211 - 17 - 18 / CLAIM 19 - 17 KENNETH AND RACHEL LILGE (ITEM 4): RO 224 - 17 - 18 / CLAIM NO. 22 - 17 MICHAEL BEECK.

City Attorney Charles Adams indicated the status of each claim. (ITEM 1): RC 419 - 16 - 17 (RO 207 - 15 - 16) / CLAIM NO. 16 - 15 BRAEDEN SCHEELE. This claim can be filed. No claim was filed and the two year submission period has expired. (ITEM 2): RO 210 - 17 - 18 / CLAIM NO. 18 - 17 SHEBOYGAN SOCIETY OF SCALE MODEL RAILROAD ENGINEERS, LTD. This claim can be filed as it has been denied. (ITEM 3): RO 211 - 17 - 18 / CLAIM 19 - 17 KENNETH AND RACHEL LILGE. This claim can be filed as it has been denied. (ITEM 4) RO 224 - 17 - 18 / CLAIM NO. 22 - 17 MICHAEL BEECK. This claim can be filed as it has been denied.

Motion by Alderperson Wold, seconded by Alderperson Rindfleisch to recommend the Common Council file. Motion carried.

3.6 RES ___ - 17 - 18 / DECEMBER 4, 2017: Resolution approving the amendments to the Non-Represented Employee Benefits Policy for calendar year 2018, Policy Number HR 101 - 18.

Director of Human Resources and Labor Relations Sandy Rohrick provided a summary of the changes to Non-Represented Employee Benefits including the following; a 10 percent increase to employee health insurance premiums, reductions to the employer funded health savings account contributions to \$600 (individual plan / \$1200 family plan), the ability to include a maximum of 24 hours of discretionary paid time off with vacation carry-over hours not exceeding 40 hours total, the second and third shift hourly premium of \$0.4, a bereavement pay benefit, the inclusion of holidays worked as hours worked during a weekly period. Alderperson Rindfleisch inquired on the cost of holiday hours relative to the calculation of overtime salaries. It was noted the cost was approximately \$16,000.

Motion by Alderperson Wolf, seconded by Alderperson Rindfleisch to recommend the Common Council approve. Motion carried.

3.7 RES ___- 17 - 18 / DECEMBER 4, 2017: Resolution adopting the 2018 City Compensation Program for Non-Represented Employees.

Director of Human Resources and Labor Relations Sandy Rohrick provided details on the compensation review for non-represented employees. The review supports the Strategic Plan initiative to recruit, develop and retain self motivated individuals to support the city's mission. With low unemployment rates, the labor market is increasingly competitive. After review of all non-represented positions it was determined a number of these positions were below the market rate of compensation. In several cases, city employees have been hired and trained but left the city for higher pay while performing the same duties. A review of employee turnover rates indicated this figure has doubled since 2014. The current pay for performance program initiated in 2012 will continue with adjustments to allow salaries below the market rate to be shifted to the appropriate level. The revisions include expansion of the current 16 salary grades to a total of 19. Discussion relative to the changing demands of the future work force and the need to promote improved work - life balance continued referencing several different topics including flexible work hours, working from home and possibility of altering City Hall hours.

Motion by Alderperson Rindfleisch, seconded by Alderperson Wolf to recommend the Common Council approve. Motion carried.

NEXT REGULAR MEETING DATE: December 11, 2017

ADJOURN

Motion by Alderperson Wolf, seconded by Alderperson Ross to adjourn at 5: 25 p.m. Motion carried.