Regular meeting of the Common Council was called to order by Mayor Meyers at 7:00 p.m., in the Council Chambers, City Hall Plaza.

PRESENT: Michael Feirer, Brad Parks, Gerald Nelson, Tim Kraus, Jerry Bennington, Sr., Russell Stauber, Donald Krueger, Ray Gougeon, Tom Buttke and Edward Beaudry, Jr.

ABSENT: None

The flag was saluted and the pledge given.

Pastor Mark Lafferty, Alliance Missionary Church gave the invocation.

RECOMMENDATIONS FROM MAYOR

1. Word to the Wise: Whenever you see a successful business, someone once made a courageous decision. Author: Peter Drucker

<u>CC04-317</u> Motion by Parks, second by Nelson to approve the minutes of the Common Council meeting of September 28, 2004. All Ayes

Motion carried

Item Z-1; Proposed Fourth Amended Memorandum Agreement between the City of Marshfield and the Board of Regents of the University of Wisconsin System, was added to the agenda and Items BB, CC and DD; Closed Session were removed from the agenda.

PUBLIC COMMENT PERIOD

None

MINUTES OF GOVERNING BOARDS AND COMMISSIONS

<u>CC04-318</u> Motion by Bennington, second by Kraus to receive and place on file the minutes of the University Commission of July 21, 2004; Community Development Authority of September 2, 2004; Library Board of September 8, 2004 special meeting; Library Board of September 14, 2004 regular meeting; Board of Review of September 28, 2004 and September 30, 2004. All Ayes **Motion carried**

MINUTES OF COUNCIL COMMITTEES

<u>CC04-319</u> Motion by Stauber, second by Krueger to approve the minutes of the Cable TV Committee of September 28, 2004. All Ayes

Motion carried

<u>CC04-320</u> Motion by Feirer, second by Parks to approve the minutes of the Board of Public Works of October 4, 2004.

Alderman Nelson announced that the Highway Committee met and the County has granted our request to change the speed limit from Lincoln Road going west to Sycamore will be 35 MPH.

Vote on motion **CC04-320**; All Ayes

Motion carried

<u>CC04-321</u> Motion by Buttke, second by Gougeon to approve the minutes of the Finance, Budget and Personnel Committee of October 5, 2004.

<u>CC04-322</u> Motion by Stauber, second by Kraus to remove FBP04-127; to approve filling the vacant Police Officer position in the Police Department; and hold it over until after the budget discussions are over. Nelson, Krueger, Buttke and Beaudry voted Naye, rest Aye.

Motion carried

Vote on motion <u>CC04-321 as amended</u>; Nelson voted Naye, rest Aye. Motion carried

<u>CC04-323</u> Motion by Bennington, second by Parks to approve the minutes of the Judiciary, License, and Cemetery Committee of October 5, 2004. All Ayes **Motion carried**

<u>CC04-324</u> Motion by Buttke, second by Beaudry to receive and place on file the minutes of the Mayor's Select Committee on Fire Department Facility Needs of August 4, 2004. All Ayes **Motion carried**

<u>CC04-325</u> Motion by Buttke, second by Krueger to receive and place on file the minutes of the Mayor's Select Committee on Fire Department Facility Needs of September 7, 2004. All Ayes **Motion carried**

<u>First reading of Ordinance No. 1030</u>, pertaining to compensation for Aldermen.

Alderman Kraus said that one of the things that we are going to run into is a morale problem. We are short changing four out of five elected official positions and the non-reps. As a business owner you need to be competitive with the outside world and the comparables that are out there. We have to do the same with the workers that are working for us. He believes that the City can probably get rid of some positions or at least talk about getting rid of some positions. But if we got good people out there, we are doing a disservice to them and then when it affects morale it affects production. We are doing a disservice to our residents that we are servicing. He would like to see the Council heavily look at setting the bar now for all non-reps and elected officials. We don't have a benchmark to start from. He would like all elected officials start with a benchmark of being the average of the comparables and going up from there. He would like to see the non-reps have some sort of starting point also.

Administrator Brehm recommended adding 3 words to the ordinance. In Section 3.04 (1)(b) after the words "\$2,993.00 for", add the words, "committee work for" Aldermen.

He added that you need to treat the employees fairly and consistently. There are policies that the Common Council has established as to how you determine the level of benefits for non-represented employees and that pay plan was adopted in 1991. The pay plan is based upon the market and that is our midpoint.

Alderman Nelson-There is a necessity for a change. The elected positions should be looked at. The rating system that we have for the rest of the non-represented, the elected positions should be ranked in that same similar manner. He feels that the City Clerk and the Assessor positions should be appointed and not elected.

Alderman Beaudry-The problem that he sees with creating an expectation and then setting a compensation accordingly is that the compensation has to be set before the individual is elected. You don't have any way of determining whether or not the person who is going to be elected in the next election will fulfill that expectation. So you have one working against the other.

Alderman Kraus felt that this should go back to the Finance, Budget and Personnel Committee for reconsideration knowing that there is new information involved.

<u>CC04-326</u> Motion by Kraus, second by Parks to send Ordinance No. 1030 back to the Finance, Budget and Personnel Committee for reconsideration.

Alderman Buttke-He doesn't have a problem with what they are trying to do but he doesn't feel that with the budget crunch the way it is that now is the time to do that.

Vote on motion <u>CC04-326</u>; Feirer, Bennington, Krueger, Gougeon and Buttke voted Naye, Parks, Nelson, Kraus, Stauber and Beaudry voted Aye. Mayor broke the tie and voted Aye. **Motion carried**

Alderman Stauber-The City Clerk's position is the second from the lowest as far as the comparables. Given that the 2005 and 2006 salaries are going to be \$44,765 and \$45,884 is that going to get us closer to the comparable average? Should we have gone with the 2.5% flat increase or should we have looked at this as a time to make a correction? How would you factor in the proposed merit pay then because this position is not entitled to the proposed merit pay?

Human Resources Specialist Baehr responded that there is no doubt about it. The City Clerk's position is below the average. We provide the salary survey for a reason. She supports bringing positions up to the average. That is the fair thing to do but you need to do that for all positions then and be consistent. She would not factor in the merit pay. The merit pay is for exceptional work and that would probably be somewhat infrequent. If you looked at an average manager's wage, we would be looking at about a \$200 merit pay. That is not significant enough to factor in there.

Alderman Beaudry-In the past he has been one of the ones that have gone along that yes it should be fixed, but not this year. That is why we are in this fix is because we haven't done it for the past years. We just keep getting farther and farther apart. He understands that maybe this is not the year but that is what we have said for the past 9 years. It is just getting away from us.

Ms. Baehr explained the non-represented survey. You can look at the rankings but because we look at comparing the position to make sure it is truly comparable to the place that we are surveying. Not all of those places will have comparable positions. So when you look at the city ranking you have to look to see how many places had a similar job description as the City of Marshfield. The most important thing that you need to look at is the fact that 18 of the 22 positions that were surveyed are below the average for all of our comparables.

Administrator Brehm added that another thing that complicates it for the non-represented employees is that although you look at external comparables, you also have to look at internal comparables amongst positions. You have to take a look at what impact of adjusting those midpoints would have as far as their internal rankings amongst the other positions. There are a lot of factors that he considered when recommending the 2.5% adjustment. Certainly fairness to the employees and it is

comparable to the CPI. When you listen to the budget presentation you will see that there are some significant shortfalls in the budget for 2005. Also when it comes to bargaining, we had talked quite a bit in regards to whether or not we take the lead and establish some levels of compensation in which we can use as a basis for bargaining. The budget deficit is significant.

Alderman Parks-This is the 4th budget that he has been through. He finds it hard to believe that at any point in time in the future is going to be the right time to make these adjustments. The budget is not going to get any easier. At some point in time we have to bite the bullet and make these wrongs, right and it should start tonight.

<u>CC04-327</u> Motion by Kraus, second by Beaudry to send Payroll Resolution No. 2004-43 regarding setting the compensation for the City Clerk effective May 1, 2005 and May 1, 2006 back to the Finance, Budget and Personnel Committee for reconsideration and to take into consideration the average of comparables when determining the rate of pay for the City Clerk's position. Feirer, Bennington, Krueger, Gougeon and Buttke voted Naye, Parks, Nelson, Kraus, Stauber and Beaudry voted Aye. Mayor broke the tie and voted Naye.

Motion failed

<u>CC04-328</u> Motion by Parks, second by Kraus to amend Payroll Resolution No. 2004-43 to set the compensation for the City Clerk effective May 1, 2005 for the 2-year term at \$46,408 which is the average of the comparables. Feirer, Bennington, Stauber, Krueger, Gougeon and Buttke voted Naye, Parks, Nelson, Kraus and Beaudry voted Aye.

Motion failed

<u>CC04-329</u> Motion by Stauber, second by Gougeon to amend Payroll Resolution No. 2004-43 to set the compensation for the City Clerk effective May 1, 2005 at \$44,765 (2.5%) and May 1, 2006 at \$46,556 (4%). All Ayes

Motion carried

<u>CC04-330</u> Motion by Stauber, second by Gougeon to approve Payroll Resolution No. 2004-44, setting compensation for the Municipal Court Judge effective May 1, 2005 at \$14,367 and May 1, 2006 at \$14,726. All Ayes

Motion carried

<u>CC04-331</u> Motion by Bennington, second by Feirer to approve Payroll Resolution No. 2004-45, adopting a salary schedule for non-represented position classifications of the City of Marshfield effective January 1, 2005. All Ayes

Motion carried

<u>CC04-332</u> Motion by Bennington, second by Feirer to approve Payroll Resolution No. 2004-46, authorizing performance-based compensation adjustments for non-represented employees. All Ayes **Motion carried**

<u>CC04-333</u> Motion by Buttke, second by Bennington to approve Resolution No. 2004-42, adjusting the pay for temporary, seasonal and part-time positions effective January 1, 2005. Parks and Nelson voted Naye, rest Aye.

Motion carried

Discussion was held on the merit plan approval.

Administrator Brehm explained that the change that took place from the perspective of the merit adjustment was a change in policy, not a payroll resolution. The policy change was approved by the Finance Committee a week ago. The Common Council approved that policy change this evening by ratifying those minutes. A policy does not come before the Common Council for consideration other than through the minutes. A payroll resolution is required to come before the Common Council per your policy. That is why they were shown separately and acted upon individually this evening.

<u>CC04-334</u> Motion by Parks, second by Kraus to reconsider the minutes of the Finance, Budget and Personnel Committee of October 5, 2004. Bennington, Gougeon and Beaudry voted Naye, rest Aye. **Motion carried**

<u>CC04-335</u> Motion by Parks, second by Kraus to vote on motion FBP04-133, motion approved revising Personnel Policy No. 3.800, allowing for the implementation of a merit plan effective January 1, 2005. Bennington and Beaudry voted Naye, rest Aye.

Motion carried

Alderman Parks-He is not opposed to a merit plan but he believes that if we are going to have a merit pay plan that the Finance, Budget and Personnel Committee should take a look at it and give their blessing. If nothing else, be in a position to give recognition to the people who are earning merit pay. Anything short of that, we are not doing our duty.

<u>CC04-336</u> Motion by Parks, second by Kraus to add the words that any merit increases are to be reviewed and signed-off by the Finance, Budget and Personnel Committee.

Administrator Brehm commented that there are merit plans currently in place at the Library and the Electric and Water Utility and those governing bodies do not participate in that evaluation. If you truly want to implement a merit plan to reward extraordinary performance than what it really boils down to is trust of those immediate supervisors that they are going to evaluate those employees to the best of their ability. You are part of the process now but informally. By giving feedback to staff when those annual performances are done. Whether it is throughout the year or at that specific anniversary date. Your current policy establishes that level of performance evaluation.

Alderman Nelson is not in favor of the merit increase. He worked under it for many years and has seen the good parts and the inequities and consequences. But we have a tremendous budget crunch situation. Now is not the time to start it.

Alderman Stauber said that during the discussion at the Finance, Budget and Personnel Committee he too fought for some type of external check and balance. He never really quite got onboard with the merit plan as proposed and voted no for that reason. He gave it more thought after the meeting. He could finally understand removing the politics from the process. What his issue was is just having a little bit of control or review of the merit pay increases. What made him comfortable is the ability to ask for a report to know who is getting what. The pay plan was developed back in 1994 and it was developed as a two-part. One is your base salary increases, cost of living included and then you have merit. The merit was never implemented. We are correcting a policy that is over 10 years old. He is comfortable with the action of the Finance, Budget and Personnel Committee, even though he did not approve it at that time. He wouldn't support the motion on the floor but he would ask that the

Finance, Budget and Personnel Committee be given a monthly report on where these moneys are going.

Alderman Kraus-He does not disagree that the first line supervisor should be evaluating somebody. That is pretty standard if you really want to do the proper evaluation. If you look at the dollars on these, it would be real easy to say that it is \$5.00 a week. Because that is what it comes out to before taxes. About \$5.00 a week on a \$50,000 salary. He does not disagree with supervisors evaluating but this is dollars expended to support this. Is it going to come out of that department's budget? Are we setting a certain fund aside to fund these each year with an expectation of 10 or 5? The good thing about having the Finance, Budget and Personnel Committee involved is the recognition. The merit plan that we have has no guts. This merit plan is not a merit plan. If you want to give somebody \$4.30 extra a week after taxes, where is the incentive? The incentive is to be able to hit that midpoint in the pay scale or go 5% above the midpoint because you are the best in your department. That is a merit plan.

Administrator Brehm responded that you have to recognize what the roles are. In regards to where is the money coming from, it comes from each individual departments budget if and when a merit adjustment is granted. In regards to this particular merit plan that was proposed and approved by the Finance Committee, it is based on overall merit for an entire calendar year. There are different kinds of merit plans out there.

Alderman Krueger wanted to know how this merit plan would impact bargaining?

Human Resources Specialist Baehr stated that she doesn't feel it will have an impact on bargaining. This is for compensation for exceeding the performance standards.

Vote on motion <u>CC04-336</u>; Bennington, Stauber, Krueger, Gougeon, Buttke and Beaudry voted Naye, Feirer, Parks, Nelson and Kraus voted Aye.

Motion failed

<u>CC04-337</u> Motion by Buttke, second by Krueger to eliminate the merit pay plan for 2005. Feirer, Kraus, Bennington, Stauber, Gougeon and Beaudry voted Naye, Parks, Nelson, Krueger and Buttke voted Aye.

Motion failed

<u>CC04-338</u> Motion by Beaudry, second by Gougeon to approve the recommendation of the Finance, Budget and Personnel Committee as originally stated in motion FBP04-133. Parks, Nelson, Krueger and Buttke voted Naye, Feirer, Kraus, Bennington, Stauber, Gougeon and Beaudry voted Aye.

Motion carried

Recessed at 9:05 p.m. Reconvened at 9:17 p.m.

<u>Second reading of Ordinance 1028</u>, attaching certain lands from the Town of McMillan, Marathon County, being located in the SE 1/4 of the SW 1/4 of Section 33, Township 26 North, Range 3 East.

<u>CC04-339</u> Motion by Bennington, second by Gougeon to approve Ordinance No. 1028. All Ayes **Motion carried**

Second reading of Ordinance No. 1031, providing for the amendment of sections 15-01(6), 16-03(2)(a), 17-37(6) and 18-31(1)(b) of the Municipal Code of the City of Marshfield relative to the powers of the Building Services Supervisor and the Zoning Administrator.

<u>CC04-340</u> Motion by Buttke, second by Parks to approve Ordinance No. 1031. All Ayes **Motion carried**

<u>Second reading of Ordinance No. 1033</u>, amending sewer service charges and amending provisions regarding holding tank service charges, portable toilet waste and septic tank waste.

<u>CC04-341</u> Motion by Buttke, second by Feirer to approve Ordinance No. 1033. Parks, Nelson, Bennington, Stauber and Gougeon voted Naye, Feirer, Kraus, Krueger, Buttke and Beaudry voted Aye. Mayor broke the tie and voted Aye.

Motion carried

<u>Second reading of Ordinance No. 1034</u>, amending the official map of the City of Marshfield, Wisconsin Municipal Code, pertaining to a zoning revision on portions of the property located at 2808 West Huetter Street from 'A' Agricultural Holding District to 'R-2' Large Lot Single Family and 'R-4' Low Density Single and Two Family Districts.

<u>CC04-342</u> Motion by Bennington, second by Kraus to approve Ordinance No. 1034. All Ayes **Motion carried**

<u>Second reading of Ordinance No. 1035</u>, amending Section 18-63(5)(f) of the Municipal Code of the City of Marshfield relative to zoning setback requirements of the 'B-4' General Commercial District.

<u>CC04-343</u> Motion by Nelson, second by Parks to approve Ordinance No. 1035. All Ayes **Motion carried**

<u>CC04-344</u> Motion by Kraus, second by Feirer to approve Budget Resolution No. 15-2004, transferring \$6,900 from the Finance Department budget to the City Hall Plaza budget for office remodeling. Parks voted Naye, rest Aye.

Motion carried

<u>CC04-345</u> Motion by Bennington, second by Nelson to approve the Public Participation Plan for Central Avenue reconstruction. All Ayes

Motion carried

<u>CC04-346</u> Motion by Feirer, second by Parks to approve the Consultant Contract for Marshfield Residential Intensive Survey Project for Historic Preservation Committee. All Ayes **Motion carried**

<u>CC04-347</u> Motion by Nelson, second by Beaudry to approve the concept of Fourth Amended Memorandum Agreement between the City of Marshfield and the Board of Regents of the University of Wisconsin System and direct staff to work with UW officials to draft the same. Also direct appropriate staff to sign this Agreement once it is drafted. All Ayes

Motion carried

Recessed at 9:37 p.m. Reconvened at 9:50 p.m.

City Administrator Brehm presented the recommended 2005 City Budget and Work Programs. The total 2004 budget for all city funds is \$33,704,931. This is a decrease of \$958,411 or 2.8% less than fiscal year 2004. This decrease in the budget reflects the cost of providing basic services, an aggressive capital improvement program, and the transfer of the public fire protection charge from the tax roll to the water bill. The tax rate necessary to finance the recommended 2005 budget is \$10.62 based on assessed valuation. This budget is predicted upon a projected tax base yet to be finalized. The final assessed valuation data will not be known until early November.

Alderman Kraus requested that Administrator Brehm bring back to the next meeting or as soon as possible information on if there any type of assets, be it land or anything else that we have in our coffers that maybe could generate some sort of revenue.

Motion by Nelson, second by Gougeon to adjourn at 10:20 p.m. **Motion Carried**

Deb M. Hall City Clerk