

NOVEMBER 1, 2004

Special Budget meeting was called to order by Mayor Meyers at 6:00 p.m., in the Council Chambers, City Hall Plaza.

PRESENT: Michael Feirer, Brad Parks, Gerald Nelson, Tim Kraus, Jerry Bennington, Sr., Russell Stauber, Don Krueger and Ray Gougeon

ABSENT: Tom Buttke and Edward Beaudry, Jr.

The flag was saluted and the pledge given.

Chairman Bennington of the Finance, Budget and Personnel Committee assumed the chair.

The following budgets were reviewed: City Administrator's Office; Finance; Non-departmental Budgets; City Assessor; Police Department (Law Enforcement, Ordinance Enforcement, School Crossing Guards, Dispatch Center); Emergency Management; Law Enforcement Restricted Revenue Fund; Celebrations and Entertainment (Palm Sunday Chorus, School Patrol, Marshfield Civic Band); Municipal Court; City Clerk/Elections/Purchasing; Information Systems; Planning and Economic Development; Historic Preservation Committee; Industrial Park Operation and Development; Parks and Recreation Department; Room Tax Fund; Parks and Recreation Capital Projects Fund; Fairgrounds; Public Works Administration; Aging; Water Main Construction O/L Fund; Stormwater Utility and Capital Project Funds.

Administrator Brehm stated that on page E-44 under item #3; Illegal Taxes, Tax Refunds and Uncollectible Taxes, Special Assessments and Receivables; that budget does not include an estimated \$124,000 for the taxability issue of the Saint Joseph's Hospital Daycare Center. At this point in time, the Common Council has directed an appeal to the Supreme Court for their consideration.

Alderman Kraus - There is a lot of concern as to the funding source for the School Liaison Officer. In other communities and the comparables that they have received, the School Liaison Officer has been jointly funded by the School Districts and the Cities. The Marshfield School District does not have it in their funding sources. This is a very touchy subject because we want to provide public safety for the community but sooner or later we have to look at what is the smartest way for residential taxpayers to fund this. There are a lot of children that go to our School District that are getting a service from us that pay taxes outside of the city. It is unfortunate that we have notified the School District for the second straight year that we would like some kind of partnership and in fact have been unable to get that forward.

Police Chief Stroik responded that the schools are in our city. Anything that occurs within our city, they are responsible for to provide the public safety. They have assigned people to the schools during the school year because without them there, they would be constantly responding to the schools. Probably more so based on history because more activity would be occurring. It is community oriented policing. They are based in that community. They are not only in the school itself but in the community of the school, neighboring residents, the streets and anything occurring around there. That way the normal shifts of patrol officers do not have to respond to the school consistently throughout the day. If all of the officers have to respond and they have rotating shifts, they would have to provide juvenile offender training to 25 people versus 2. They have a limited training budget. His preference is to keep the Liaison Officers in the schools because it is going to save money and time.

Administrator Brehm - On page F-5 in regards to the Central Dispatch concept that is being evaluated by the City of Marshfield, Wisconsin Rapids and Wood County, those meetings have been ongoing for the last year. The Common Council appointed a subcommittee to represent the City of Marshfield on its behalf. One of the things that have come up in these discussions was the cost of providing capital equipment to bring this service online. That subcommittee as well as himself has endorsed paying up to 1/3 of that cost or about \$335,000. This is contingent upon the Common Council's final approval. His recommended budget does not include any appropriation for the startup cost. The budget assumes that if a Central Dispatch Service were to be implemented, it would occur on January 1, 2006.

Discussion was held on the retirement of the Community Development Authority Director and taking a look at the structure of the Planning and Economic Development group.

Administrator Brehm said that he would contact the President of the CDA and indicate an interest of the Common Council to begin a process of sitting down and evaluating those options.

Alderman Stauber-There are a lot of funds going towards economic development. Both in our parks and also in additional funds from various sources. It seems that with Mill Creek Business Park slow to fill and Yellowstone Industrial Park around the corner, are we structured in the most effective manner? Are we expending our funds in the most effective manner?

Administrator Brehm responded that he didn't know if restructuring would fill up Mill Creek Business Park any faster. We are not a rapidly growing community. Under the current structure, both the Directors of Main Street and MACCI work very closely with the Director of Planning and Economic Development as far as the economic development aspect goes. He looks at them as extension of the arms of the City without having to bear the payroll costs or the benefits that go with having an employee under your employ. If it is the direction of the Common Council to include that into the scope of the evaluation, they can take a look at that. A lot of the initial contacts for economic development and the initial work comes from MACCI and/or Main Street. So they do play a very strong and supportive role to our economic development department.

Director of Marshfield Area Chamber of Commerce and Industry Barb Fleisner talked about the return on the investment in our industrial parks. In Air Park, the total assessed value in that park is \$3.8 million, employing 102 employees. In Mill Creek Business Park, the total assessed value is \$3.9 million, employing 148 employees. The Eastside Industrial Park has an assessed value of \$35 million, employing 1,717 employees. It would take an awful lot of storefronts up and down Central Avenue to come to that employment total. We are community wide just not in the industrial parks. While we wish we would have more businesses that would locate in Mill Creek Business Park the fortunate part is that we are not losing them to other communities. They are locating here and building perhaps on the northside or outside of our industrial parks. So that tax base is staying in our community. Regarding the consolidation of services, the City has a very talented City Planning Department. It is money very well spent. From the private industries perspective, and there have been developers that have said that it is very refreshing to come into Marshfield where you have the business community being led by the Chamber of Commerce that is bringing the deals to the table. Then we sit as a team and then when it comes to extraterritorial zoning, land use issues, tax incremental financing districts, BID district issues, those are all things that should be government led because they are tax dollar involvement. That is the public/private

partnership that we see that we work very well together. Main Street also provides a very vital function in the community. But when you look at Main Street they are involved in Historic Preservation and façade enhancements. But when it comes to business development, MACCI has counseled 57 businesses in the downtown. They are coming to the Chamber for business plan development or financial plan development. That is what the Chamber brings to the table working very well with Main Street.

Alderman Kraus-It seems redundant when we are tasking the Planning and Economic Development Department to do the same thing that MACCI is providing to us and has been providing for many years.

Alderman Parks-Economic Development is not easy and it is not over night. But we need to take a look at this as a result oriented portion of what we are doing. The results that we are looking for are the new businesses, the groundbreaking in Mill Creek and filling up Air Park.

Alderman Stauber-What if the structure were to change. If the Planner were to report to the Public Works Department, GIS would report to the Public Works and/or IT Department; MACCI, Main Street and MEDA report to the Administrator and the Director position deleted.

Administrator Brehm responded that the most effective way for economic development and planning is by it's own separate department. Public Works serves a function dealing with issues of public works. It has it's own expertise. Planning and Economic Development also requires some specialties and when he recommended the creation of a Planning and Economic Development department several years ago, he recommended it based upon the organizational chart and not the one that Alderman Stauber just brought up. He feels that the current organizational chart that we have is the one that would work most effectively.

Alderman Kraus-Public safety and fire protection all being one, streets, roads and grounds are two areas that we in fact are not able to really make big cuts in because those are our primary services. So really we are stuck with some of these other areas, Parks and Recreation being one of them along with some others that are the only avenues for us to try and do some consolidation of services and see if we can save some money. There are many good ideas that he received while at the Wisconsin League of Municipalities Conference.

Parks and Recreation Director Ed Englehart commented that his staff worked hard this year to try to meet the parameters. They have the same staffing levels that they had in 1990. They have assumed a number of other responsibilities in their department, such as the fairgrounds, Oak Avenue Community Center and some of those areas with some enhancements of services. This community has invested a lot over the past 10 years with both public and private dollars. There is a need and respect to try to maintain those facilities. They do need to always look at other ways that they can become efficient and try to retain services. They have modified some of the services and shrunk some.

Recessed at 8:00 p.m.

Reconvened at 8:05 p.m.

Alderman Kraus-There has been an increase over the last few years of engineering requirements with the Veterans Parkway, some of the infrastructure increases we have done for Wal Mart and

the Conference Center and things like that, but now that we are over that bubble, why are we not able to reduce one engineering position?

Public Works Director Knoeck said that they have not had a decrease in engineering projects over the last few years. If you were look at the CIP that was approved this last year, 2004 - 2008, in 2004 we have \$2.5 million dollars in CIP projects for the engineering department. That increases to \$4.2 million in 2005 up to \$5.3 million in 2006 and levels out at \$4.4 million in 2007 and 2008. In 2004, we do have a light year in CIP projects. That is based on CIP projects that have been pushed back to maintain the level tax rate in the past years. But the CIP doesn't show a decrease in future years. They have in the past done engineering on private developments. History has shown that we have about 30% of a full-time engineer that have been involved in those types of projects. It has only been done when they have had the flexibility in their scheduling to do that work. In years when they haven't had room in their scheduling, they haven't taken on that work. But what it has allowed them to do is fund a full-time position with some private dollars and have that full-time position on staff but being reimbursed by the private side for a portion of that position. The projects in the CIP do not include any private development projects. Those are all projects related to infrastructure improvements, street improvements, sewer projects and so forth and not private development projects.

Alderman Gougeon-He asked Mr. Knoeck hypothetically what would happen if they eliminated one engineer?

Mr. Knoeck responded that if they were to lose an engineering position they would end up contracting out for more of those services. When they look at their delivery costs for engineering and construction services on a major project like an Oak Avenue Reconstruction project that they did last year, they are averaging around 6%-7% of total construction costs for their engineering staff; in-house engineering design and construction administration. If you look at some of the consultant projects that they have had in the past, they are averaging in the area of 10%-12% for design and construction services. As they monitor their costs and come up with an average rate, they are in the \$33.00/hour rate. That includes benefits and salary. If you look at consultant engineering services, they are in the \$50-\$55/hour rate and sometimes higher. We can contract out for engineering services but we will pay more in the long run.

Due to the lack of time, the following budgets will be reviewed at the November 2, 2004 special budget meeting: Street Construction Fund; Urban Development Fund; Public Facilities; Building Services and Inspection; City Hall Remodeling Fund; Fire and Rescue Department; Fire Protection Fund; Emergency Medical Services; Street Division; Vehicle and Equipment Internal Service Fund; Various special revenue funds; Residential Rev. Loan Fund 216; Utility Dividend Fund 225; Deb Service Funds; TID #3; TID #2; TID #4; TID #6; TID #5 and TID #7.

Motion by Nelson, second by Gougeon to adjourn at 8:58 p.m.

Motion carried

Deb M. Hall
City Clerk