

**Town of Menasha Board of Supervisors Special Meeting - Budget Workshop  
Municipal Complex - Assembly Room - Thursday, October 16, 2008**

**Minutes**

**1. CALL TO ORDER**

At 5:00 p.m., Town Chair Arden Tews called the special meeting to order which was moved to the Police Training Room. Present were Supervisors Gerhart, Hanson, Ziegler, and Youngquist. Also Clerk Backman, Administrator Sturgell, Dir. of Finance Piergrossi, Community Dev. Dir. Dearborn, Assessor Eiberger, Street Superintendent Gallow, Wastewater Superintendent Laabs, Water Superintendent Roth, Barb Knaack, Melvin Schultz, Josh Woodside, Kate McQuillan, Jay Schroeder, Captain Mike Gallagher (Town of Menasha Fire Dept.), Pam Jentz (Town of Menasha Fire Dept.), Mike Lynch, and Paul Eisen.

**2. BUDGET WORKSHOP**

**Sewer Budget**

Finance Director Piergrossi presented the 2009 Utility Budget beginning with the sewer utility. Municipal sewer rate comparisons were shown with the Town of Menasha being third lowest as of Oct. 2008. Highlights discussed were union contracts, 69% cost increase in meter maintenance, 13.63% increase at treatment plants, amount of cash savings used, noted the last rate increase was in Nov. 2004, and projects to include HVAC upgrades, GPS locations and capital projects.

Next, Director Piergrossi explained the potential increase in sewer rates and she recommended a sewer rate study. Discussion ensued regarding a planned expansion with Phases 1 and 2 in the amount of \$39 million for the Grand Chute-Menasha West Sewerage facility on Ehlers Road, and she stated in 2016 they projected another 20% increase. Staff posed questions on how to handle it in 2009, our cash in the bank, and the need to have regular rate increases each year; the costs are significant each year, she said. Supervisor Youngquist recommended funding our Depreciation fund and suggested looking at a 5-10% increase. Discussion ensued. Options suggested were to increase SAC (sewer availability charge) fees, or implement even, balanced rate increases over the next five years. A potential sewer rate increase for 2009 was suggested; either: 5% increase or \$72.15; 7.5% increase or \$73.86; 10% increase or \$75.58; with possibly a 20% increase thereafter.

Opinions on which rate increase to use were discussed with Supervisors Hanson, Ziegler and Chair Tews agreed with a 5% increase; and Supervisors Gerhart & Youngquist agreed with 7.5% increase.

Res. Josh Woodside, Lakeshore Drive, suggested a 5% increase in January and another in June.

Res. Jay Schroeder, N. Lake Street, was of the opinion not to split the rate. More discussion ensued about the prospect of raising SAC fees, and Chairman Tews stated board members may explore this idea at the Utility Commission meeting.

In the Capital Reserve account, various items were discussed and it was noted there was no new borrowing.

**Water Budget**

Water rate comparisons were given by municipality with the Town being second lowest as of Oct. 2008; with combined sewer and water rates, Town of Menasha was again second lowest. 2009 Water Budget highlights included a rate increase in June 2008; union contracts including Teamsters and AFSCME, 11% cost increase for salt, 69% increase in meter maintenance, depreciation funding, and 15% decrease in purchased water. Projects discussed were HVAC upgrades, GPS locations, and capital projects including two well projects; at University Drive and American Drive (see attached).

The Board and staff discussed the possibility of water rate increases without a study, which Director Piergrossi stated could be done according to the PSC, but after 3 or 4 years it would then require a full-blown study.

Various accounts were discussed. Hourly overtime was discussed; there were changes in some payroll percentage splits; and the rate for seasonal employees increased. In the Capital Reserve account, projects were discussed.

**Capital Projects**

Chairman Tews referred to the 5-Year Capital Improvement Program schedule and reviewed the following 2009 projects. Board members discussed whether to keep or drop them from the project list for next year:

**\*Irish Road Reconstruction incl. 10' trail - CTH II to Jacobsen Rd (DESIGN):** OUT OF 2009

**\*CTH 'AP' (Midway Rd) Concrete Sidewalk Construction-Earl St. to Oneida St. (CONSTRUCTION):** ON HOLD

The Board questioned whether the funding was for both sides of the road as this is a joint project with the City of Menasha. Comm. Dev. Dir. Dearborn's opinion was to complete both sides due to safety concerns. The project was put on hold until Administrator Sturgell discussed it further with the City.

**\*Storm Water Management Implementation (DESIGN & CONSTRUCTION):** IN FOR 2009

Three ponds; we're at a stand-still regarding purchasing sites. Only received one of three planning grants applied for, but the grant money received will be utilized for the Cold Spring pond. Most agreed to keep the project in; Supervisor Hanson disagreed.

**\*Residential Road Reconstruction incl. Barlein Ct, Jenny St. & Sandys Ln. (DESIGN & CONSTR):** IN FOR 2009

**\*Lake Street Reconstruction w/Asphalt Trail - Fritse Park to Winchester Rd. (DESIGN):** IN FOR 2009

**\*East Shady Lane Reconstruction incl. 10' Trail - CTH CB to Cold Spring Rd. (DESIGN):** MOVE TO 2010

Easements required from some residents due to water lines being moved to the opposite side of the road. Sewer size must be increased along this road. Project Design was moved to 2010, with Construction moved from 2010 to 2011.

**\*Fritse Park Renovation (2&3 of 3):** IN FOR 2009 pending further review

**\*Wittmann Park Entrance Road, Tennis & BB Court or Playground Equipment:** IN FOR 2009

**\*Palisades Park Play Area, Parking Lot & BB Court:** IN FOR 2009, but cut basketball court project

**\*Emergency Generator Hookup / Backup System:** OUT OF 2009; use fund balance

**\*Reconditioning East Shady Lane Storage Building:** UNDECIDED; will discuss at a Plan Commission meeting.

Board discussed obtaining quotes to replace roof and partial four walls; or moving the building to another site.

**\*Fiber Optic/Telecommunication Upgrade:** IN FOR 2009; but figure the cost of sharing with Menasha Utilities and Winnebago County Sheriff's Department.

**Training - 2009 Budget Detail**

In this year's budget, detailed expenditures for attendance to conferences, seminars, and other miscellaneous training were requested of each department. Board members prompted questions to department heads about various training fees, out-of-state travel, and miles, meals & lodging expenses. There were no changes in the training budgets.

**Subscriptions & Dues - 2009 Budget Detail**

Detail of each department's subscriptions and dues budgets were requested by the Board and provided this year. After several questions by Board members, there were no changes for 2009.

**Items Left Undecided**

Board members discussed the replacement schedule of vehicles by department. Supervisor Youngquist felt we should fully fund for replacement of vehicles and felt money should be moved into the fund. Finance Director Piergrossi agreed saying we should be putting the money in this year; next year we may not be able to. After discussion, Board members agreed to fund for replacement of vehicles.

Staff felt the maintaining of our streets and resurfacing them when needed was most important.

The Board felt the Town over-budgeted on fuel and discussed what actual fuel consumption was used; and average cost per gallon for gas/diesel used for setting this budget. The Board suggested taking \$50,000 from the fuel fund. Resident Jay Schroeder, N. Lake Street, felt we could afford to take \$100,000 from the fuel fund. After discussion, the Board came to a consensus to reduce both gas and diesel by \$0.50 cents per gallon which would realize a savings of \$35,000 and moved it to the road Resurfacing Program.

In the Assessor's budget, \$8,000 was moved from fund balance to continue funding for the next reassessment. The emergency generator was moved to fund balance.

In the Fire Department's budget, the co-op student position will be eliminated. The student will continue to work through May, and not return for the second semester of the year. Their data entry employee is on hold until discussed at the October 20, 2008 Special Meeting.

After discussing all outstanding items, the Board reviewed the potential use of fund balance for the following items:

Fund the equip. repl. fund for fire vehicle maint.	\$ 154,957
Emergency generator hookup	10,000
Town reassessment	8,000
Fire Dept. Health Insurance	14,955
Street resurfacing	100,000
2% levy limit	5,905
Current proposed offset	<u>80,349</u>
Total:	<u>\$ 374,166</u>

The allocated sum of \$374,166 would amount to approximately 10.44% left in fund balance for 2009.

3. **ADJOURN**

At 10:35 p.m. MOTION: Ziegler/Hanson to adjourn. Motion carried unanimously.

Respectfully submitted,

Karen Backman, Town Clerk