

MINUTES

SHEBOYGAN COMMON COUNCIL

COMMITTEE OF THE WHOLE

Wednesday August 4th 2010 at 7:00 p.m.

The meeting was called to order by Chairman Rindfleisch at 7:00 p.m.

Ald. Present: Bohren, Bouck, Bowers, Dekker, Hanna, Heidemann, Kath, Kittelson, Montemayor, Radtke, Rindfleisch, VanderWeele, Versey, Wangemann

Ald. Excused: Hammond

Pledge of Allegiance

Approval of the Minutes of the July 21st meeting – motion to approve Montemayer/Heidemann Vote taken – 14-0 motion carried

1. A motion to file documents 25-42, 25-43, 25-77 and 3-32 made by Montemayer/Radtke
Under discussion – motion to open the floor to Ed Wackowski to talk about the issues he raised was made by Bouck/Bohren – vote taken – all ayes.
Discussion was held regarding fiscal control of the Transit Commission per Ed Wackowski's document 25-43. Ald. Hanna asked question about audit/approval and what the difference is. More discussion took place on the changes in procedure that were put together by the finance department. Ordinance was changed so Transit Commission would not have to see the bills. Ald. Bouck tried to clarify former finance director's findings regarding approval – not audit. According to citizen Wackowski the Transit Commission is violating city ordinance and finance department is violating city ord. Further discussion took place between Mayor and citizen Wackowski. Ald. Hanna asked if further discrepancies were found from Schenck in the audit? Citizen Wackowski stated he did not know and apologized if he appeared argumentative, but this is a highly emotional issue – bus drivers are the best employees, but something has to be done to follow the ordinance. Thank you.
Ald. Bohren asked citizen Wackowski if he would like us to hold doc. 25-42 and Ald Bouck asked question on the doc – vote taken to hold document 25-42 Bohren/Bouck – 13 ayes 1 nay
Director of Transit Ron McDonald was called upon to respond to the issue – And now for the rest of the story. Bills have been paid like this since the commission was set up. This was talked about by the finance director and the city attorney. City Attorney drafted an ordinance which was approved by the council. The Transit Department is audited more than any other department in the city. There have never been any findings by Schenck or anyone else. Further discussion was held on how the process works. Director McDonald stated that there are no improprieties occurring in the Transit Commission. Mayor asked about the Ord. that is here before us. Further discussion held about changing it was a non-issue and that we should pass the ord. 21-50. Attorney McLean was asked – Could we make a recommendation the council. It was stated that this was more of a historical issue and the ord. change was updated to reflect what we do. Montemayer/Heidemann modified the motion and recommended to full council to pass the ordinance. Ald. Bohren asked if new aldermen should read the ord. first. Chairman read the ord. to committee before voting. Ald. Bowers spoke questioning what the procedure was. Director McDonald stated this will not change our procedure. Ald. Bouck stated his

respect for citizen watchdogs and asked citizen Wackowski what the down side would be. Citizen Wackowski said the down side is spelled out in the book. Times change, things change. This is a road map to spending. Further discussion took place. Citizen Wackowski stated that the ord. has been violated – this is a system of checks and balances. The service is bad and the money is not being properly used. We are not doing what we are supposed to do.

Mayor: Responded to checks and balance system – our finance department and Schenck, who audits the transit department approves of the ordinance.

McDonald: Books were audited by Schenck in 2008 and there were no discrepancies. He explained further – he follows what the contract says. He talked to finance and Attorney McLean to the change the ordinance.

Motion to pass the Ordinance made by Montemayor/Heidemann – vote taken

All ayes (15) – motion passes

Motion made to file document 6-39 Bohren/Versey – vote taken

All ayes(15) – motion passes

Motion made to file Documents 9-21 and 9-25 by Montemayor/Dekker

Under Discussion Ald. Hanna spoke as did Ald. Bouck. Floor was opened (Bohren/Bouck) for Dolyce Johnson and Marge Mattern to speak about their concerns regarding Ald. Kittelson voting on Fire Department issues. It was stated she has a bias towards the fire department.

Mayor wanted to speak at this time. Ald. Bohren stated he has a problem with the Mayor speaking and doesn't like it because this is the council's committee of the whole. Bohren/Bouck made a motion not to let the mayor speak. Motion passes 7/6 with 1 abstention.

Discussion continued and the floor was opened up to Attorney McLean for his legal opinion. He read the letters and emails and stated there was no breach of ethics here, just a concern of bias. He then stated that we all come here with certain biases. Discussion was held on what bias is. He stated that Ald. Kittelson's record speaks for itself. Attorney McLean continued his discussion stating that is our duty as alderpeople to act on legal issues and not abstain on things. He went on to cite several cases.

Ald Bouck stated that we are put on notice here that there is no ethical violation here other than people are watching.

Attorney McLean stated that if you have questions, let's relook at the ethics board and get a confidential opinion on things. Give our office a call so we can discuss before matters come up. Err on the side of caution and call the office. It is your duty as a public official to watch each other and talk to us.

Chairman Rindfleisch thanked Attorney McLean and stated we all come with biases and to be aware of them.

Ald. Wangemann stated briefly that there is no ethics violation here and that we can trust Ald. Kittelson's judgment.

Ald. Bohren asked for Ald. Kittelson's response on how she votes.

Motion to file the documents Montemayor/Dekker
All ayes - motion carried.

Ald. Bowers spoke on Document 8-37 Floor was opened up Bohren/Versey to have several people speak on behalf of the document.

Pat Aaholm addressed the council per an email she sent to every alderperson earlier in the day.

Ald. Bowers began discussion on a 3 page handout he gave to each alderperson.

Fay Uraynor discussed her portion of the 3 page handout given to each alderperson. She talked about the budget and the bottom line of cash balance – what do we have in the check book, which at this time is \$136,529. She also stated that with government, we do not have to break out everything.

Ald. Hanna asked about Marginal Cost Basis versus Complete Cost Basis – is that appropriate?

Fay responded – further discussion continued – we have a paper profit going back into the General Fund and accounting is done all different ways. There is no consistency in ambulance accounting practices throughout the ambulance world.

Ald. Bohren asked questions about the way the FonduLac Fire Department handles things and Fay responded something to the effect of greatly under valuing salaries and benefits. Further discussion took place regarding Marginal Cost Basis.

Ald. Kittelson asked Fay Uraynor about the \$136,529 in the checking account. Discussion ensued.

Ald. Bouck stated that he is on the opposite side of this issue – making her case and missing the past history. He continued to explain the history and how it made financial sense. She made great suggestions and would she please apply for the finance director's job.

Ald. Wangemann stated that we are getting off the point. This financial talk is interesting but off the topic.

Chairman Rindfleisch stated that we are being provided financial information that was requested when we put this document on hold.

Ald. Bohren makes the motion on the Resolution to send it to council with a favorable recommendation to go ahead with the referendum and to amend it having an implementation date of Jan. 1, 2012 rather than Jan. 1, 2011 reason being that gives ample time to educate the public, and gives purchasing agent enough time to put this out for bid, etc. Ald. Wangemann gives the motion a second.

Under further discussion Ald. Bowers says it is too much time – wants July 1, 2011

Ald. Hanna states that when they did the school board referendum, they held public listening sessions and would suggest we do the same. We will hold 5 public listening sessions/forums to educate the public giving them the best information we can. Bohren/Bouck accept friendly amendment.

Further discussion by Ald. Bouck – is it a binding or non-binding referendum? Do we need to define this? Ald. Wangeman states that it is binding and council shall comply with the decision of the people.

Gary Maples spoke next and was asked to stick to the topic of whether to hold a referendum. He is retired from 2 different banks and has 35 years of banking experience. We need to look at the quality of financial statements and ask for a simple answer. Take out profit and take out contribution. The only thing that counts is net cash flow minus cash expenses. There are some potential holes – cash is the only thing that counts. Further discussion followed. Gary Maples stated that Terry Hanson's report indicated the Fire Department deficit will grow. Don't look at the ambulance as a long-term panacea for the future that will eliminate the growing deficit.

Ald. Bouck talked about union issues and obstacles to be surmounted

Ald. Hanna asked how do we appropriately get fees no matter who does the ambulance?

Attorney McLean stated that we keep the question simple on the referendum. We need to decide format, provide some time frame. A lot of issues here - take time to develop the proper question. We can make it mandatory or advisory. Can only answer yes or no and then what do we do? Don't rush and develop it appropriately. Talk to the county and include them. Going out for bid gets difficult.

Ald Wangemann: agrees with Attorney McLean – this is a yes/no document. Keep it simple yes or no – use the KISS principle.

Ald. Bowers: keep it simple and don't put the cart before the horse.

Ald. Hanna: agrees with Tom – keep question clean – get information out to the people – creates a healthy community – try to make an informed decision.

Ald. Bohren: further discussion on voluntary contributions from non-profits – put out to bid. A separate issue from the referendum.

Ald. Bouck: politically conflicted – complicated issue – willing to give citizens their chance to be heard – against my ideals, but now we will see who has the ability to get the word out.

Bowers calls the question/second by Wangemann - fails

Bohren/Bouck make motion to pass the amended resolution – motions fails

Bowers calls the question to end input and debate/second by Wangemann – fails again

Fire Chief Hermann is allowed to speak – he has questions on green sheet handed out by Fay Uraynor – discussion continues. Chief agrees with Gary Maples figures. Chief states take 18 people away and what do we have? This is a decision this body needs to make – changes we

make now will affect the future of the city. Discussion concerning the continuation of the Oshkosh Ambulance Service continued between the Chief and Ald Bowers.

Ald. Wangemann asked the Fire Chief Are you against the Referendum?

Fire Chief responded that he was not opposed to a referendum for the right reasons. Don't choose this as an easy way out, this is what you were elected to do. We have to be responsible if the public is up in arms as a result of whatever we do here. Fear is an easy way out. I have no fear of a referendum, listen to the people speak.

Ald. Bohren quoted a letter that the Fire Chief wrote in 2002.

Fire Chief stated that letter was written for a union magazine in 2002. Things have changed since then. Ald. Versey spoke of a misstatement the chief made – chief apologized.

Ald. Bouck further spoke on the difficulty of putting this out for referendum. This is a complex issue that we as a council should be dealing with. By putting this out for referendum, there could be unintended consequences.

Ald. Montemayor spoke of a referendum in 1988 where the citizens said yes to the city ambulance. She stated also that this is not a simple issue – very complicated. We paid for Orange Cross – they are not free. We have no out if this referendum is binding.

Chairman Rindfleisch questioned the terminology of private and would that pre-clude non-profit?

Attorney McLean stated that can be interpreted in different ways. If mandatory, be very careful. If advisory, one can change things.

Ald. Bowers: further discussion on private/non-profit – keep it broadbased. Make it binding and let the people decide.

Ald. Hanna calls the question/ second by Bouck - all ayes – 14

Vote taken on amended Resolution to send a favorable recommendation to council
Radtke/Wangemann

Roll call vote taken - 11 ayes 2 nay and 1 abstention Motions passes

Meeting adjourned at 10:03 p.m. Radtke/Wangemann

Respectfully Submitted

Aldersperson Jean Kittelson
President of the Common Council