

## MINUTES

### SHEBOYGAN COMMON COUNCIL COMMITTEE OF THE WHOLE WEDNESDAY, NOVEMBER 9<sup>th</sup>, AT 6:00 P.M.

The meeting was called to order by Common Council Vice President Hammond at 6:30 p.m.

Aldermen Present: Boeldt, Carlson, Hammen, Hammond, Heidemann, Kath,  
Kittelson, Matichek, Roeseler, Sampson, Van Akkeren, Versey.

Aldermen Excused: Bohren, Dekker, VanderWeele.

Pledge of Allegiance was recited.

On Motion by Alderman Hammen and second by Alderman Versey to approve the minutes of 11/02/2011. All ayes. Motion carried.

Public Forum on Agenda Items. Limit 3 minutes per person, called from the audience by Common Council Vice President Hammond.

Dolcye Johnson -1306 No. 3 <sup>rd</sup> Street, Sheboygan
Dick Suscha - 15 N. Point Drive, Sheboygan
Carol Dussault -2736 No. 30 <sup>th</sup> Street, Sheb.
Maeve Quinn - 310 St. Clair Avenue, Sheboygan
Henry Nelson - 1926 Settlement Trail, Sheboygan

Discussion and possible action on the City of Sheboygan, Wisconsin 2012 Budget.  
Open to the floor.

City Chief Administrative Officer Jim Amodeo, discussed where we stand today on the 2012 Budget. Roughly a \$660,000 shortfall. Looking to outsource cleaning services, not replacing a Director in Public works, Recall elections to deal with, estimates are between \$20,000 to \$40,000, also have roughly \$100,000 more to spend on the dredging project. Currently 30 employees handed in retirement papers, another 20 more have requested information, with benefit meetings today and tomorrow. In 2011 - 30 retirees would cost \$500,000, if additional 15-20 retire, have not budgeted for that and could have an additional expense upwards of \$480,000.

Open to the floor with good discussion on Garbage Collection. We have 2 **informal** bids to outsource Garbage Collection. Currently in budget - we have 1.6 million for 2012. 1.6 million in motor vehicle fund for new garbage trucks, \$400,000 in other capital for equipment in Motor vehicle fund. Currently have 3 million in that fund. Estimates per household to privatize would be around \$9.00 - \$10.00/month. 17,000 to 17,500 households. Roughly between 1.8 to 1.9 million dollars. The city would be neutral - the fee per household would be \$9.00 - \$10.00/month. Household would be a unit. 2 family = 2 units. 4 family = 4 units. 3-5 year contract, 5 would be great. Most would propose 3 years. In the Whitewater STUDY, 71% of the State in 2001 data is privatized for sanitation already. December 7<sup>th</sup>, 2011 is the date for decisions on retirement.

Deputy Director Dave Biebel spoke. "It's like a moving target right now"  
People are submitting resignations, we are looking at our T.O., how we do business, the impact of the Walker Bill and the State Budget moving Forward. It gives us a new way of operating business

from a public works standpoint in The City with significant savings as we move forward. Five managers are leaving. Looking to combine 2 positions - would save \$100,000. Garbage collection still an issue. Hope to get answers from employees soon on retirement. To re-organize, would have 8 people in the labor pool if we privatize garbage. There will also be some savings if we out source the "skill set" employees that retire. Timeline: 6-9 month lead time to get new trucks and it's expensive. 1-2 man trucks and could utilize seasonal help. Life cycle on garbage trucks are 8 years. Of the 1.6 million to do complete garbage for the city of Sheboygan Budget - \$419,000 labor full time 2012. Could save 15 to 20% on seasonal help.

Other Revenue Generating Options discussed.

Wheel tax - \$2.00 to \$2.50 a wheel or \$8.00 to \$10.00 a vehicle when you register your plates. The intent was to repair roads. Generated \$250,000 a year. Used for pot holes, but not to pave streets. Storm water fee generated 1.5 million in revenue had about \$600,000 to \$700,000 in expenses for infrastructure repair for storm water drains.

Reducing Fire Stations would save several hundred thousand dollars. Looking at Public library to contribute more. We did get contribution from transit. Currently we have 5.6 million in The General Fund undesignated reserves. Higher the rating - better the Bond rating. 18% of next years budget should be set aside for General Fund Reserves per City Ordinance. Strive to Keep Bond Rating. City is Stable.

Fire Department Discussion with Chief Hermann, we are adequately staffed.

If we would go down to a 4 station model with 72 firefighters only one firefighter would be added to one of those 4 fire stations because only one fire station has only 2. If you go to a 4 station model we are rushing this decision. For instance, station 5 was built 27 years after land was purchased. Discussion on response times, centralizing a fire station on the DPW Land, fire fighters should wait until 5 fire fighters are on scene before going in. With 5 Stations, 16 are on scene when everyone is called in, with 4 stations, 15 on scene. With 4 stations waiting longer for second truck to arrive.

Raise fees, raise revenue, cut services.

Discussion on keeping garbage and charging a \$3.00 monthly fee.

Common Council Vice President Don Hammond, Chimes In.

We pay \$7.61 if we use 17,500. Increasing by \$3.00 takes it to \$10.61 if the privatization is \$9.50 we are actually saving the tax payer dollars. Adding a fee makes it neutral. We need to look at the Library. They make a very substantial portion of our levy. 2.4ish million - that's a big number. We no longer have maintenance of effort issue. So is there opportunity there? Cut \$300,00 with Dave Biebel. There are retirements, with Mr. Biebel's comments earlier. We know there are going to be retirements. Do we just say look, we're cutting \$200,000 figure it out...make it happen. These are some of the tough decisions we are going to have to make. We haven't looked at this deep enough. We haven't looked at the fundamental structure of Government in this City. We've continue to operated a 1950's model, in your 2011. Do we need to be combining departments. Do we need to combing Administration. Do we need to be combing a lot of those things and we let a whole year pass without even looking at any of that, obviously we had some **distraction** but we've let the whole year pass without looking at that stuff. We need to look at it that way. To some extent I agree if we can get through this year, we can look at that but the other side I also don't want to incur new fees in those types of things as a temporary band-aid. We all know long

after we're gone if there's a fee there, it's very difficult to get rid of it. The Fire Department obviously closing a station creates some issues there, but will be some savings there. None of these are going to be easy decisions but again, \$300,000 from DPW, \$200,000 from library, close a fire station, we are right where you were talking about before. I'm not saying those are the right answers, but there are a lot of alternatives to that without raising a fee.

On Motion by Alderman Van Akkeren and second by Alderman Boeldt to Recommend to the Full Council to Keep Garbage Collection In-House, Charge a Road Maintenance Fee of \$2.00 a tire and a monthly \$3.00 garbage collection fee.

Ayes: Boeldt, Kittelson, Matichek, Van Akkeren, Versey.

Nays: Carlson, Hammen, Hammond, Heidemann, Kath, Roeseler, Sampson.

Motion Failed.

On Motion by Alderman Roeseler and second by Alderman Carlson to Recommend to the Full Council to Privatize Garbage.

Healthy discussion followed.

Mayor Bob Ryan spoke.

Friendly Amendment by Alderman Versey to stipulate a 5 year contract. Alderman Carlson - No.

Ayes: Carlson, Hammen, Hammond, Kath, Roeseler, Sampson, Versey.

Nays: Boeldt, Heidemann, Kittelson, Matichek, Van Akkeren.

Motion Passed.

On Motion by Alderman Versey and second by Alderman Sampson to Recommend to the Full Council to close one fire station with 72.5 Fire fighters.

Ayes: Boeldt, Hammen, Sampson, Versey.

Nays: Carlson, Hammond, Heidemann, Kath, Kittelson, Matichek, Roeseler, Van Akkeren

Motion Failed.

On Motion by Alderman Versey to Recommend to the Full Council to institute a \$2.00 per tire Road Maintenance Fee. Failed for lack of a second.

On Motion by Alderman Kittleson and second by Alderman Roeseler to Recommend to the Special Council on November 28<sup>th</sup> with a favorable recommendation, Council Document 15-47 - By Alderman Hammond, Bohren, Matichek and Van Akkeren ordering the 2012 Budget appropriations for the City of Sheboygan funds. And, Council Document 15-48 - By Alderman Hammond, Bohren, Matichek and Van Akkeren ordering the 2012 Budget appropriations and the 2011 Tax Levy for use during the calendar year 2012.

All Ayes. Motion carried.

Next Meeting Date: Wednesday, November 16<sup>th</sup>, 2011, 6:30 p.m.

Motion to adjourn made by Alderman Boeldt and second by Alderman Roeseler.

All ayes. Motion carried.

The meeting was adjourned at 8:15 p.m.

Respectfully Submitted By Alderman Julie Kath - District 3