

## **Finance Committee Meeting January 31, 2012**

The **Finance Committee** met January 31, 2012, at 6:00 p.m. in the City Hall Conference Room. Present were Chairperson Mark Ahner, Committee Members Jerry Partridge, Bill Melnik and Roxanna Brush. Also present were Mayor Chris Grenz, Councilperson John Uden, Public Works Director Allen Kelm, Fire Chief Dale Berg, Police Chief Doug Colombik and Recorder/City Clerk Becky Stanton.

### **Selection of the Chairperson**

\* \* \* *Committee Member Melnik moved to nominate Committee Member Ahner to be the Chairperson of the Finance Committee, seconded by Committee Member Brush. Motion carried unanimously, 4-0.*

### **Approval of Minutes of November 18, 2011, Meeting**

\* \* \* *Committee Member Partridge moved to approve the Finance Committee minutes of November 18, 2011, seconded by Committee Member Melnik. Motion carried unanimously, 4-0.*

### **Review of DIS Technologies contract**

The Committee reviewed the above contract. It is for three years at a discounted rate of \$765 per month.

\* \* \* *Chairperson Ahner moved to recommend to the Council to approve this contract after legal review, then draft a Resolution, seconded by Committee Member Brush. Motion carried unanimously, 4-0*

### **Review of Resolution Salary for City Employees**

Chairperson Ahner explained that the Committee needs to see how these salaries in the Resolution compare with what is in the Budget. He compared it to the Budget book and has three questions which the City Clerk will research. The Human Resources Committee had approved the positions of Director of Public Services, Public Works Superintendent and Public Utilities Superintendent. Salaries had not been approved by Council. The Council had decided to wait for the structure change until the new mayor was in office.

\* \* *Committee member Brush moved to recommend to the Council to approve this Resolution with corrections, subject to approval by the Mayor and review by the City Attorney, seconded by Committee Member Partridge. Motion carried unanimously, 4-0.*

### **Recommendation for Captain and Lieutenant Salaries for Police Department**

This item was pulled from the agenda because the Human Resource Committee is going to review this item.

### **Discussion of Water/Sewer Rates**

Mayor Grenz had requested that Chairperson Ahner place this on the agenda to discuss lowering water rates. He had discussed this with Director Kelm who noted that the Waste Water Plant has estimated costs of six to eight million dollars to meet the new EPA standards. Chairperson Ahner noted that the public has been hit with an increase in water rates, street maintenance assessments and flood insurance premiums.

Mayor Grenz proposed to lower the water rates by 25% of the increase and then have a 2% increase annually thereafter, limiting any increase to only 2%. He then proposed to allocate the revenues raised from the 2% increase to necessary projects in the future, then increase the sewer rates 1% or 2% gradually for the next seven or eight years to set aside money for upgrades.

Committee member Uden expressed concern that the City would lower water and sewer rates and then have an increase in commercial building, which would require upgrades. These upgrades would then necessitate an additional increase in rates.

Director Kelm would like to go over the planned projects with the Mayor to review what is planned and the estimated costs.

\* \* *No motions were made.*

### **Swimming Pool Improvements**

Mayor Grenz had requested that Chairperson Ahner place this on the agenda to discuss improvements to the swimming pool. Councilperson Hollowell drew up some plans and rough estimated costs. Committee member Partridge inspected the pool last summer before it closed and it needs repair to the docks. The Council had set aside approximately \$6,000 for repairs, which is not enough money to complete the necessary repairs. A. C. Ronning and Councilperson Hollowell worked together to determine the solutions to the swimming pool repairs. They both recommended using concrete to replace the wood. Councilperson Hollowell explained in detail the construction process and the options. Option 1 repairs the two main docks and has

estimated costs of \$19,100; Option 2 repairs the two main docks, plus closes in the first small area into a pool, and has estimated costs of \$77,410. Mayor Grenz recommended that the Committee authorize a Budget Amendment of \$100,000 to complete the upgrades and repairs to the pool; and any private money raised could be used to repair the bathhouse. Discussion followed. Councilperson Hollowell cautioned the Committee that there were costs to this project that were not included in his cost estimates, so it will cost more than noted above. Director Kelm explained the process to start this project.

*\*\* Committee member Brush moved to recommend to the Council approval to move forward with the funding of the repairs, maintenance, new diving board and the installation of a concrete pool as outlined in Options 1 & 2, seconded by Committee Member Partridge. Motion carried unanimously, 4-0.*

**Request of Citizens**

None

There being no further business, the meeting was adjourned at 7:30 p.m.

**Finance Committee:**

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Chairperson Mark Ahner

**Respectfully Submitted:**

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City Clerk Becky Stanton