MINUTES OF THE FINANCE COMMITTEE

TUESDAY, FEBRUARY 26, 2019, 4:30 PM
CITY HALL, ROOM 207
AMENDED

A. ROLL CALL.

Present: Veronica Corpus-Dax, Kathy Lefebvre, Bill Galvin, Barbara Dorff.

Also present: Fire Chief David Litton, Park, Rec & Forestry Director Dan Ditscheit, Public Works Director Steve Grenier, City Attorney Vanessa Chavez, Finance Director Diana Ellenbecker, and Asst. Finance Director Pam Manley

B. APPROVAL OF THE AGENDA.

Moved by Ald. Kathy Lefebvre, seconded by Ald. Bill Galvin to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

C. APPROVAL OF MINUTES.

1. Approval of the minutes from the January 29, 2019 meeting.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

D. REGULAR BUSINESS.

1. Resolution authorizing transfer of 2019 budgeted revenues and expenses between accounts.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

2. Consideration with possible action the request from Chief David Litton to approve an Intergovernmental Agreement between the City of Green Bay Metro Fire Department and the Bellevue Fire Department.

Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to approve. Motion carried.

Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

3. Consideration and possible actions on the request to move forward with the City Hall elevator modernization and secure a funding source.

Moved by Ald. Bill Galvin, seconded by Ald. Kathy Lefebvre to approve. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

4. Consideration with possible action on COGB v. Acting Midwest Regional Director, BIA, Docket Nos. IBIA 19-003, IBIA 19-013, and IBIA 19-014.

The Committee may convene in closed session pursuant to Section 19.85(1) (g), Wis. Stats., for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Committee may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to go into closed session at 5:03pm. Motion carried. Ald. Barbara Dorff read the closed session language.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Bill Galvin to return to regular order of business at 5:29pm. Motion carried.

Moved by Ald. Bill Galvin, seconded by Ald. Veronica Corpus-Dax to have staff proceed as directed in closed session. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

E. INFORMATIONAL.

1. 2019 Contingency Account:
$112,076.00

2. The next Finance Committee meeting will be held on Tuesday March 12, 2019 at 4:30 PM.

F. ADJOURNMENT.

Moved by Ald. Veronica Corpus-Dax, seconded by Ald. Kathy Lefebvre to adjourn. Motion carried.
Yes- Barbara Dorff, Bill Galvin, Kathy Lefebvre, Veronica Corpus-Dax, No- None, Abstain- None

G. VERBATIM MINUTES.

- The Finance Committee, oops, I'll wait.

- Good, you're good.

- Now I will call to order the Finance Committee for Tuesday, February 26th. And roll call, Alder Galvin?

- Here.

- Alder Dorff, here.

- Alder Corpus-Dax?

- Here.

- Alder Kathy Lefebvre?

- Here.

- Okay, alright. I will entertain a motion for approval of the agenda.

- I'll make a motion to approve the agenda.

- Okay.

- Second.

- Motion by Alder Lefebvre, second by Alder Galvin. All those in favor?

- [Together] Aye.

- Opposed? Motion carries. Approval of the minutes.

- Motion to approve.

- Motion to approve.

- Okay, a motion by Alder Corpus-Dax, second by Alder Galvin, all those in favor?

- [Together] Aye.

- Opposed? Motion carries. Regular business, item one. Resolution authorizing transfer of 2019 budgeted revenues and expenses between accounts.

- Okay, we had something similar to this at the last meeting. Again, through state statute, if you present a budget at a certain level and then you decide to change it after the budget is approved, you have to go through and get council approval. The main reason we're doing this is Triangle Sports Area has always been a separate division. And now that they are part of this, that park is part of the city, the city's parks, so we decided to make that division go away, and just put it underneath Park and Rec Division.

- That makes sense.

- So basically, that's why you're seeing, basically, all the 640s go away, I see there's a couple other changes. Do you wanna talk through a little more details of what it is, really, it's no dollars have changed. Total budget exactly the same. It's just moving in a category of line items, so that is how we're gonna track actual, starting in 2019. It has no impact, state statute says, though, if you've approved it at the council level, at one, at a certain level, we have to, if we're making any amendments, we have to bring it in front of you. And it absolutely a complete wash, and it's just moving it into a more appropriate divisions.

- Okay, any discussion?

- No, I don't see anything.

- Okay, I'll entertain a motion.

- Motion to approve.

- Second.

- Motion to approve by Alder Gavin, second by Alder Corpus-Dax, all those in favor?

- [Together] Aye.

- Opposed? Motion carries. Alright, item two. Consideration with possible action the request from Chief David Litton to approve an Intergovernmental Agreement between The City of Green Bay Metro Fire Department and the Bellevue Fire Department.

- Can I interject here?

- Yeah.

- I was asked by another Alder to delay this 'til our next scheduled meeting. He was talking to some people today, getting some information about this, and he was wondering if we would be willing to hold it for, what is it, two weeks?

- Would it be alright to hear about what exactly the agenda item involves before we do that?

- Right, I just wanted to put that out there before we got into too much of the nuts and bolts.

- Sure. I'd just like to hear from, maybe from, Fire?

- You have to then defer to the Chief to explain the--

- Chief, come on up and--

- The agreement, how it came about--

- Yeah, what's involved with it, I'd like to find out.

- [David] Well, I think you've got an agreement before you. And if you don't I can probably be able to get a copy in front of you, but essentially we were approached by Bellevue Fire to see if we could assist them in the area of vehicle maintenance. They've had some ongoing issues with their private shop that they use, and they've had long delays in repairs, and things of that nature. And so they approached us about seeing if our emergency vehicle technicians that are certified would be able to help them in those areas, with diagnostics, quick repairs, and things of that nature. So as a result of that, we kind of worked through this agreement, it's stipulated in there the kind of things that our shop would be doing, only if and only, they have time available to do so, it's not create a, in any way, shape, or form, any delay in our maintenance routine, or otherwise in our emergency repairs of our fleet. Obviously we would not let that happen. And the rates that are indicated in there are inclusive of, not only their salaries, but all their benefits, so the rate is actually higher than, the rate in the contract here is higher, which will--

- Get a little profit.

- [David] We'll get a little bit of money out of it for revenue stream. I would expect that in any given year, that this will generate more than $10,000.00 in revenue, if that. We're not talking about a regular occurrence, we're talking about emergency situations that arise for them, and so forth. This has absolutely nothing to do with emergency operations with us, with fire, or EMS, or anything else. This is strictly our maintenance shop. I did not hear from any other Alders about, a question about this at all, so.

- Who that Alder that spoke aware it was just about a maintenance agreement?

- I'll be honest with you, I didn't go into too much depth with him because I didn't have much time to be on the phone with him, but he said he had a meeting today, that he was meeting with some interested parties in this. They had some concerns. Now I know the PD has done work for EWGB, Pulaski PD, a number of others. I don't know what kind--

- Like maintenance work?

- Maintenance work, help them set their squad cars up, 'cause they do so many here, it's much easier for them to just take, so I don't know, and I mean, this seems pretty simple to me. But he's got some concerns. We could agree on it here, but then it would get pulled at council, and I don't know.

- [David] I wouldn't ask that you approve it tonight, let it be polled at council, let him discuss it there.

- Okay.

- I would like that too.

- [David] Bellevue has, they have some things they are waiting on us to kind of work through for them, in the very near term.

- Alright, I'll let him know.

- [David] I don't have any issue with that, I'll be there to explain at council.

- Right, I don't mind at all polling it at council.

- [David] This is not a, this is not an agreement like we have with Allouez, where we are actually providing fire and EMS coverage for the Village of Allouez. It's strictly to do with our maintenance shop.

- Okay.

- [David] If and only if our maintenance shop has time to do it.

- Right, this would never run into overtime, or anything else.

- [David] If it does run into overtime, the rates stipulated in here is overtime rate, is above and beyond what we pay, including their benefits.

- Alright.

- I always think cooperation, in any way, with other outside groups is really good.

- Mm hm.

- It's good for the whole community too. And before our budget meeting, I said to Chief Litton and we had talked to that, something maybe we need to talk about down the road is a regional fire department.

- Well someday we will

- It'll help with everybody, with their funding, it helps.

- Sure, okay, and other stuff. So, you could explain to the Alder that we have no problem with him bringing that up.

- And having a poll?

- Yeah, and having it polled. Just to facilitate things, we can move it forward.

- I don't have any problem with it.

- I'll suggest that he give you a call, let's do it that way.

- [David] Yeah, good.

- That would be very nice.

- Oh yeah, right, right.

- Alright.

- [David] Anytime, I'm available anytime. Thank you, I appreciate it.

- Any other questions, for discussion?

- Nope.

- I'll entertain a motion.

- Motion to approve.

- Second.

- Move to approve by Alder Galvin, second by Alder Lefebvre. All those in favor?

- [Together] Aye.

- Opposed? The motion carries. Alright, item three. Consideration and possible actions for the request to move forward with the City Hall elevator modernization and to secure a funding source. Staff.

- In this case I'm gonna defer to our Director of Parks, who is also responsible for City Hall maintenance.

- For elevators.

- We also have Director of Public Works here, who also worked on the bid. So I think we'll start with Director Dan Ditscheit.

- Okay.

- Also a quick caveat?

- Excuse me?

- A caveat.

- Sure.

- I think yes, the elevators do need to be running right, 'cause I got caught in it.

- When!

- Oh, that was a couple of months ago. It wouldn't move.

- [Dan] So, I want to start out first with some of the reasons why we're requesting the funding before we actually start to talk about how much funding we need.

- Okay.

- [Dan] So this is a fairly large dollar amount that we're talking, so I understand why there's a concern with coming up with the money to replace the elevator. So I'm just giving you the information so that you can make an informed decision. The elevators, typically elevators like ours last approximately 30 to 40 years, that is the lifespan. Ours are over 60 years old, and they are original to the building. So the current, and also previous maintenance, elevator maintenance companies that we work with on an annual basis, they've told us that not only are the parts hard to come by for the elevator repairs, but also the people who are familiar with the technology behind them, are all retiring, so the know-how is going away along with the equipment. So approximately two to three years ago, we did have one elevator that broke down for several weeks. And that was because the elevator could not find the parts to repair the elevator. So they had to actually fabricate the part locally. They couldn't find it anywhere. So luckily, we really haven't had the situation happen where both elevators are down very often at the same time. But if that ever does happen, we have no ADA accommodations to get either staff or the general public to any of the floors above the first level. So really, what this is is kind of preventative because at some point we will have a catastrophic failure. I can't predict when that's going to happen, but the elevators are old. It will happen at some point. And if it happens when it's not planned for, it could be down for several months, not several weeks. By the time we find funding to do it, by the time we go through the bidding process to hire a contractor, and order the parts with the lead time, and then actually do the work, it'll be quite a bit of time, which, that would cause quite a bit of havoc in kind of our meetings, and just the operations of City Hall. So what we're looking at for dollars here is, back in, I think it was 2016 or '17, we did bond $430,000.00 towards this elevator project. So that was based on a suggested maintenance repair from an elevator company. So one of the ones we've worked with in the past, they gave us that dollar amount to work with. Now what we found out when we put the specifications together to put this out to bid, is that really wasn't all inclusive. So that was kind of their idea of the work that needed to be done, it wasn't an all-inclusive list. So DPW did publicly bid out this project last year. It came in considerably over budget, so what we decided to do at the time was to not award the bid. I don't even think that was discussed at council. But our decision at a staff level was to just kind of restructure the bid, change it a little bit to try to get the price reduced a little bit in the next rebid. So Public Works did rebid the project out. And bid opening was January 15th. And it was about 130,000 to 150,000 less than last year's bid, so it was successful in bringing the bid numbers down, but it still is considerably higher than our budget. So right now, the base bid, we have one bidder that bid on the project, and their base bid came in at $833,595.00. There are three alternates, which Public Works is recommending we award all three alternates at this time. And we can talk to you about what those three alternates are if you have questions. But then Public Works is also requesting that include an $80,000.00 contingency above and beyond the base bid and the alternates. We don't really know what we're gonna find when we start dismantling the elevators. If something comes up, it's nice to have a little extra money, just in case, to handle those change orders that might come up. So, like I said, we originally bonded $430,000.00. We spent about $15,000.00 in engineering, so we have about

$415,000.00 left, which means we would have to come up with an additional $570,000.00 if we were to award the bid with the three alternates and the contingency. Now at last week's, or at the Park Committee meeting two weeks ago, we did present our 2019 Capital Improvements Plan to the Park Committee. And because City Hall is considered a Park and Recreation division, we did include the $570,000.00 in our Bond Request for 2019, at the Park Committee, because this is, the funding is actually decided by your committee, and the city council, it was referred to you for further discussion.

- Any discussion?

- Sure.

- Okay.

- What did we change from the first bid to the second bid that saved us over $100,000.00?

- [Dan] Well, Steve can probably answer that better than I.

- [Steve] The original bid that we put out last year, the hardware that controls the operation of the elevator, the controllers themselves, we wanted a proprietary controller so it was consistent with elevators across the city. When you start dealing with these types of systems, you don't really want to mix and match systems if you don't have to, you want to get one system standardized on it so that our maintenance staff and our vendors, there's redundancy in parts we can minimize inventory. Overall, from a system-wide perspective, it makes for a more efficient and lower cost operating system. That was part of the problem we were told by the vendors who were bidding on the project, was different manufacturers, obviously, as a municipality bound by public bidding statutes, I can't pick an Otis elevator, I can't pick a Schindler elevator, we have to put a proposal out that multiple vendors, multiple manufacturers can bid on, and each one of them has their own proprietary controller. So Otis won't even license their controller to operate a Schindler car, okay. We got that feedback, there was two things, the controller and the timing of the contract. We had a pretty compressed timeframe, and we actually bid it out at a kind of weird time of the year. So we opened the bid window up, gave the contractors more time to take a look at it, and bid it, and then we took that requirement for the proprietary controller out. We were simply told that we were either gonna get really high bids, or we're not gonna bid it at all. So we took that out, and as Dan indicated, we got about $100,000, $150,000 lower bid this time out. It's still not where we would have liked it, but what we're finding is--

- Are we gonna get the system that we wanted, is that it?

- [Steve] What's that?

- Because we don't have the system that we wanted, or?

- [Steve] Well, price wise, it's still not where we had hoped it would come in. This is a bigger number than we were expecting based on our recent experience. But there's not as many folks out there who are doing this kind of work. The workforce, Dan indicated that with older technology elevators, we're starting to lose that expertise, but there's also just the sheer number of contractors doing this type of work, they're not out there. Those who are are, are doing more private work. So, your metros, or where they can work for a private entity and there's higher profit margins, they're simply not taking, there isn't enough public sector work out there to keep them interested. So our opinion, Public Work's opinion, we don't think you're going to see better bidding conditions that what we've had. We've done everything that we can to get the best price. So we're recommending move it forward as it was let.

- Okay, what kind of elevator do we have right now?

- [Steve] I believe these are Otis'.

- [Dan] I think that they are.

- Okay, are we rebuilding the engine, putting in a new engine, buying a whole new car?

- [Steve] We're keeping the chassis, and throwing everything else away, okay. The cars themselves will be refurbished, but the operating system, the counterweights, the guide rails, the controllers, we're basically keeping the cars, because the cars fit in the shaft.

- Sure.

- Yeah, that's a good thing.

- [Steve] But everything that operates the cars is coming out and being replaced.

- [Dan] And even with the cars, we are doing some cosmetic fixes, so one of the alternates for $30,000.00 was to replace all of the doors on all of the levels, with new doors. So they'll look like new cars, but they're in essence the same ones.

- And that kind of segues into my next one. Why didn't we include our alternate one, two, and three, in your original bid? Or ask for these things in with that original bid? Or is this something that came up after the fact?

- [Steve] I think it was something that came up after the fact in an attempt to try to, we put a bid out for, here's the scope of work.

- Sure.

- [Steve] When it came back expensive, we wanted to put it in as alternate so that we could say, based on the price, is this something, is this a want, or is this a need?

- Okay.

- [Steve] And unfortunately, even though we structured it that way, they're all needs.

- Even the doors are needs?

- Yeah.

- Okay, we're gonna get new music in there?

- [Steve] We're gonna get music in there.

- No, I just want 'em to work, I don't wanna be stuck in one

- Alright.

- [Dan] The other thing I wanted to mention is the bids can only be held for 60 days, and the bids were open on January 15.

- So we're under a little time.

- [Steve] So, to a certain extent, what we are asking for, is we're asking to put the cart in front of the horse. At some point in the not too distant future, Wednesday night, Public Works is gonna bring our Capital Improvement Program for 2019 in front of the Improvement Service Committee. And what we expect to hear from I and S, is a recommendation to approve, modify, what have you, our CIP, and the second part of that recommendation, usually is, and forward onto the Finance Committee here for request for bonding. So I think we're the last ones to come through. Once we do that, then Finance Department will have the opportunity to put the 2019 Bond Request in front of you, and what we're asking for tonight, is will you carve out, the 500 and some thousand dollars, make that commitment, that before you fund anything else, you're guaranteeing that that 500 and some thousand we need for the elevators, is part of the Bond Request that gets approved, because, quite honestly, that probably is the most important project that's in the Bond Request this year because it directly involves the ADA requirements for this building, and as a city government, we have to provide that to our residents.

- Okay.

- Not just that, like I said, what happened to me, before, that you don't want people stuck in there.

- Well, depending on who they are.

- I found out, you pushed another button, and it didn't, it wouldn't go to second, it didn't want to go there.

- [Steve] I had these discussions with various people, and I've also stated, I am 51 years old, and I have mobility limitation issues that date back from my 20's, so not all the time, but there are days, where physically, I cannot take the steps and I need those elevators.

- Okay, well we have to do ADA requirements, we just have to do that.

- Here's my question, and this is part of what we've been, as the Finance Committee, and as new Alders, this new Alder group that we have, is our finances, as it pertains to budgeting and, now, bonding. And we budget, and whatever we don't budget, we want to bond, and we're getting concerned about the amount of bonding. We're concerned about our budgeting process. Capital Improvement Plans, you're looking, are we looking 10 years down the road, are we looking 5 years, are we looking 20? I mean, these bonds are 30 years, are we looking 30 years down the road?

- [Steve] Not always. That's one of the nice things, is with the bonding, we can set the bond terms, to be consistent with what we're bonding for, and that's something that the Finance Director has been very good about doing over the last several years, is relooking, taking a second look at how we do our bonding. As Dan indicated, the elevator life span is anticipated to be 30 years. Now maybe on this one, because we're doing a rehab, it's gonna be mostly new, but not 100% new. Maybe we look at a 20 year bond instead, and that'll help reduce some of those bond payments on an annual basis. What I look at, when I'm meeting with Diana and talking about our bonding needs, I don't necessarily look at, to me it's not, if you can't budget for it, you bond for it. Okay, there are certain things that are more appropriate in your operating budget, and there are certain things that are more appropriately handled through bonding. When I look at my bonding needs, I look at my debt service payment. So it's a combination of the term of bond, the interest rate you're paying on the bond, and the principal amount of the bond. If I can hold my debt service payment, whatever debt I'm retiring in 2019, if my debt service payment for my new debt is equivalent, then I'm cost neutral to the budget because it doesn't increase or decrease the impact to the operating budget.

- Write that down, pen, go.

- But what I would like to see in the future, moving forward with Green Bay, is that we're spending roughly $17 million a year to maintain our bonding, to pay it off. I'd like to see us start, slowly, because of good planning, budgeting, and everything else, reducing the amount of our bond, thus reducing the amount of our bond payment. I know of communities who do not bond for anything. They have no debt. And I understand that that's not something we can leap into, it's something that you have to work your way towards. And then there's a lot of ways to get at that, and we don't have that source, I understand that. But I guess, my push would be, as we move forward, over the next several years, what I would like to see is we develop a plan on how do we reduce the amount of bonding that we hold every year. So as we reduce it, we're not, like you said, offsetting it, so it's even, and I like that, that's good. But I'd like us to do even better, where we pay off bonding, and we're not taking out as much the next year.

- [Steve] I'm sure Diana will correct me if I'm too far off base, but one thing to keep in mind, just as a general, and me to use a rule of thumb, okay, I hope you understand what leap I'm making, I don't do that, but if you want to look at a rule of thumb, a million dollars worth of bonding, is about a penny on the levy. So a million dollars worth of bonding is one penny, your debt service is a penny on the levy. The equivalent in operating budget, is about $58,000.00. So if you want to offset $17 million worth of bonding, that 17 cents worth of levy capacity you gained back, which is going to be substantially less than one million, I think one million dollars at 58,000, comes out to like, I don't remember if it was 43 or 63 cents.

- 63 cents, yes.

- [Steve] 63 cents. So a million dollars worth of operational budget is 63 cents on a levy versus one cent in debt service. If we can get rid of $63 million worth of bonding, we can have the same impact as one million dollars worth of operating budget. That's where the challenge is gonna lie.

- And the challenge is, what could we do if we didn't have any bonding, and we had $17 million more in our budget right now? What could you do with--

- [Steve] Well, the challenge that we're gonna run into is on expenditure restraint, and levy limits. We can't raise the levy that high.

- Absolutely, and I understand all that, but I think our city needs to start looking towards these down the road type ideas.

- And I also want to say I do appreciate bonding, it's kind of like having a mortgage on your home.

- [Steve] That's exactly what it is.

- And so you can't buy the home all at once, so you spread the payments out, and too, the bond, for a short term item, over 20 years, that's not smart, if the item's gonna be done within five years, but through the long term like you bond for the mortgage for your home, if we can keep it flat, that is great, I think. And then we're not raising taxes, because you retire the debt, and the new debt comes on, and you try to keep that flat. I can't conceive of a city that doesn't bond, but I wouldn't expect that of us I guess.

- There's some out there, but, and there's some, though, that are raising their monies through things like TIFs, they put more investment in TIFs than we have been in the past. And now the TIFs are paying off.

- Well, see that's not always good to put in TIFs either, so

- Well, right, it's not always the answer, but, there's things that we need to be more cognizant of, I think. We need to learn more about, Diana, we're gonna have to lean on you guys to teach us, but I just think there's areas that we really need to be aware of. Like, my follow up question is, does this $570,000 affect Capital Improvement for the park, for other plans that you might have had on the back burner?

- [Dan] What we do, what we've been doing, with City Hall versus Park Department projects, is we view them independently. At one time DPW kind of managed City Hall when that was switched over to Parks, we didn't want to take away, or the approach that was taken is we didn't want City Hall to take away from other Park projects. So we have our Park Capital Improvement Plan, and we have our City Hall Capital Improvement Plan.

- [Steve] But does it factor into the overall--

- It has to.

- [Steve] Bond issue for the city? Absolutely, that's something that we all try to work collectively on. I'm really looking at my bonding needs this year.

- Right.

- [Steve] I've got Webster.

- Well, I've had some long talks with Tony Fietzer in the last few days, and he's been kind of educating me on graders, and plows, and repairs, and how old they are, and the fact that we--

- That's budget.

- Well, but we rent and lease some, and I mean, but this all factors in, and if you're gonna replace a grader, I think you're bonding for that aren't you?

- [Steve] Nope.

- $400,000.00?

- [Steve] Nope.

- You budget for that.

- [Steve] That's my operating budget. So last year when we entertained the budget in October and November, the first $1.2 million that I sacrificed out of my budget was in my City Equipment Usage fund. That, every time a piece of steel rolls out the door, I charge myself X number of dollars for that piece of equipment. That money comes out of the operating budget, and goes into my 203 account, which I then use to buy, that's essentially a depreciation schedule if you will. Okay, and that money rolls over, so about $1.2 million a year goes into my equipment replacement fund. Now, garbage trucks, garbage trucks are $275,000, $265,000 a piece, and they have about an eight year life span. So I replace two a year, because I got 16 front line trucks. And this year, I got, Zero.

- Zero.

- Now it's Alder Lefebvre's turn. She asked for a question.

- No, I've just got a statement. I do appreciate, too, Alder Galvin, bonding. We don't always want to just bond, bond, bond. We have to be, really look at why we're bonding, and what we're gonna bond for. And sometimes it does make sense, like companies, they borrow a lot of times because it's cheaper for them to borrow than to spend their own money, because rates are low. So we have to look at some of that too. What is the interest rate, do you think, that we would get?

- I can't really answer. Last year we were just under, south of 3%. I really don't know, we haven't even gone out to look at interest rates yet, we haven't gone down that far. We did get a 2 point, I apologize, you're right, Baird, the Department of Public Works uses an interest rate plus to put out on, for their Special Assessments Building. And did he come in at 2.8?

- [Steve] 2.75%, is what we're estimating at this point in time, we won't know until we actually--

- And that'll be for the 20 year bond?

- Yep.

- Yeah.

- And we don't know, if we wait in the future, you know they've been talking to the Feds about raising these interest rates, too. It's something, too, you've gotta look at, is it good, maybe, to do it right now, instead of waiting because you don't know down the road what the rates, rates will even go, who knows? You don't know the future on some of it, so.

- Alright, any further discussion?

- This is almost like a meeting thing.

- Yes.

- Can I add just one little bullet point, and it's absolutely true what Alder Galvin has said, that we have $17 million in our budget. I just want to remind people that of that $17 million, about almost over $9 million of them has other funding sources. So about $9 million is on your general levy, which is paid by taxes. The other ones are paid by TIFs, parking, utilities, and Bay Beach, and some other funding sources. So, a little bit of clarification when we're looking at bonding for a general levy versus ones that we have funding sources.

- Thank you.

- [Dan] And then, just to reiterate, too, what we're looking for, and Steve mentioned this. So what we're looking for is your commitment to bond for this if you're interested in doing that, no matter what happens with the rest of the Bond Request for the year, so that Steve can go ahead and award the contract and move ahead with it.

- Yes, I mean whatever we do still has to be approved by council, right?

- [Dan] Correct, yes.

- Okay, any other questions?

- Unless we're gonna put a Porta Potti in those things, and some food and water? I think we outta approve it.

- Okay, was that a motion?

- That's a motion.

- Alright, moved by Alder Galvin, is there a second.

- I'll second.

- Okay, second by Alder Lefebvre. All those in favor?

- [Together] Aye.

- Opposed? Motion carries. And just to explain to the studio audience here, this next item, we're going to probably go into closed session, and then you have to leave the room. What's left after that is only going to be, this number is the contingency, which you have on the agenda I gave you, and when the next meeting will be held. So you're basically are going to be done. Unless you don't want to go back to the dorm, or wherever. Alright, item number four. Consideration with possible action on COGB versus Acting Midwest Regional Director, BIA, Docket Numbers IBIA 19-003, IBIA 19-013, and IBIA 19-014.

- And I'm going to refer this over to our attorney.

- [Vanessa] These are pending cases, and since they are in litigation, I recommend going into closed session business.

- Okay.

- I'll make a motion.

- Second.

- A motion by Alder Galvin to go to closed session.

- Second.

- Second by Alder Corpus-Dax. We'd like to read, I will read, the committee may convene in closed session pursuant to Section 19.85, Wisconsin Statutes, for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The committee may thereafter reconvene in open session pursuant to Section 19.85, Wisconsin Statutes, to report the results of the closed session and consider the balance of the agenda. So all those in favor of going into closed session, I didn't do that, did I?

- No.

- I didn't?

- No.

- Did I do that, no, all those in favor of going into closed session?

- Oh, that part, yeah.

- Yeah, correct.

- Say aye.

- [Together] Aye. Okay, opposed, motion carries, we are now in closed session. Okay, does she need to go back in too?

- Do we have to wait for everyone to get back in here?

- I don't think so.

- I think we should vote.

- I'll make a motion--

- Open closed session.

- There you go, I'll second.

- Okay, motion by Alder Corpus-Dax, second by Alder Galvin. All those in favor?

- [Together] Aye.

- Opposed? Motion carries.

- That was turned back on?

- Yep it was. We're back into open session. Regular order of business, and Alder Galvin, would you like to make a motion?

- Yep, I'll make a motion that staff proceed as directed during the closed session.

- Second.

- Motion by Alder Galvin, second by Alder Corpus-Dax. All those in favor?

- [Together] Aye.

- Opposed? Motion carries. Alright, informational?

- We started with $112,076.00 for the beginning of the year for the 2019 budget. We haven't used the contingency at this point yet.

- Okay.

- That's good.

- And the next Finance Committee meeting will be on Tuesday, March 12th, at 4:30 p.m. I'll entertain a motion to adjourn.

- Motion to adjourn.

- Second.

- Motion by Alder Corpus-Dax, second by Alder Lefebvre. All those in favor?

- [Together] Aye.

- Opposed? Motion carries, we are adjourned.

- Okay.

- Thank you.