

**CITY OF MILWAUKIE
BUDGET COMMITTEE MEETING
May 12, 2016**

Chair Stoll called the meeting to order at 6:00 p.m. Committee members and staff introductions were done.

Members Present: Lisa Batey, Jesse Boumann, Scott Churchill, Milo Denham, Mark Gamba, Michael Osborne, Ronn Palmer, Wilda Parks, Karin Power and Jon Stoll

Excused: None.

Staff Present: Casey Camors and Bill Monahan

Approval of prior meeting minutes

It was moved by Mr. Gamba and seconded by Mr. Denham to approve the April 28, 2016 meeting minutes as written. Motion passed unanimously.

Call for Public Comment

None.

Budget Review and Discussions

Ms. Camors began with mentioning the packet including the Q&A documents; she asked if members had ample time to review these items

Committee took a few minutes to review the packet.

Ms. Camors asked for follow up questions on the Q&A documents or the proposed budget. The process thus far has included budget trainings which reviewed the layout of the five-year financial forecast, previous biennial budget, and discussed local budget law as well as the role of the committee. Two weeks ago was the first Budget Committee meeting where the Committee had their first look at the proposed budget and some departments presented their budget. The Q&A documents were developed after the first meeting and the members have been provided the answers to those original questions. Any changes to the budget process can be addressed at the next quarterly meeting. A possible fourth meeting, if needed, will be determined later tonight, if the Committee determines it is necessary. In the packet, is an Issue and Option (I & O) paper; this is an item that staff is recommending for modification to the proposed budget. **Mr. Eaton** will discuss the I & O paper with the Committee later in the meeting.

Mr. Parkin presented the Public Works Administration budget; he discussed the Department's functions, accomplishments and goals. There is a truck that will need replacement for the asset manager position.

Mr. Churchill asked about the anomaly of other materials and supplies for FY 2016.

Mr. Parkin responded it is the replacement of the radios; this has not been done given the County bond measure on the ballot.

Mr. Churchill asked if the bond measure passes will the money be spent.

Mr. Parkin responded the money would stay in the General Fund.

Ms. Batey stated the bond measure is going for the infrastructure only and the City would be responsible for purchasing radios.

Chief Bartol clarified the radios are at the end of life expectancy because the system is approximately 25 years old. A previous Police Chief piggy backed off the Portland system; Milwaukie chose to stay with Portland since the City was a subscriber of this system not an owner. If the bond passes, Milwaukie will change to the Clackamas County system. If the bond does not pass, Portland just recently upgraded their system, but the LOCOM console is not upgradable to the new Portland system and the cost to upgrade this will be \$150,000. The benefit to the City allows for improvement of inoperable communication between the County and the City. The budget reflects the Portland upgrade.

Mr. Churchill clarified the budget reflects upgrades the City might not need.

Chief Bartol responded \$150,000 will still be needed to replace the console.

Mr. Parkin added a few years ago, the City thought a few radios would need to be replaced and this amount reflects that replacement.

Mayor Gamba asked if the City moves to the Clackamas County system will Milwaukie's radios work with their system.

Chief Bartol responded the radios would work for a short period of time; the County is requiring older radios to be upgraded. Milwaukie's radios are showing quite a bit of wear and already need to be replaced.

Mayor Gamba stated if the City remains with Portland, it spends \$150,000; if the City moves to the County, what is the amount of money spent on new radios.

Chief Bartol responded he does not have that number.

Mr. Parkin added anticipating spending \$4,000 per radio.

Chief Bartol recommends a portable for every officer.

Ms. Batey stated getting back to the \$25,000 line item.

Mr. Churchill stated it looks like it is placeholder for the radios.

Mr. Parkin stated he does not have the number from last year's budget but believes it was approximately \$38,000; this amount will not be spent before the end of the year.

Ms. Camors added this will not impact the budget allocation since it is an estimate.

Mr. Parkin and **Mr. Eaton** presented the Transportation budget which includes the State Gas Tax and Street Surface Maintenance Program (SSMP). Mr. Parkin will discuss the State Gas Tax portion of the fund; he discussed the Department's functions, accomplishments and goals. A change for the upcoming year will move street sweeping from the Transportation Fund to the Stormwater Fund.

Mayor Gamba asked that since during the Stormwater master plan, the Council adopted the highest version of the fee structure; if money is used for street sweeping, will that affect the process for treatment and flooding.

Mr. Parkin responded there is an impact.

Ms. Batey asked if the Stormwater swale maintenance position was filled.

Mr. Parkin responded yes.

Mrs. Power asked if the frequency of sweeping is required by NPDES permit.

Mr. Parkin responded yes.

Mr. Parkin continued by stating that the funding level does not provide for capital improvements; the capital projects that will be done will be funded by grants. This fund is looking to replace a service truck.

Mayor Gamba asked if this vehicle is different than the truck mentioned in the Public Works Administration budget.

Mr. Parkin responded yes; that vehicle is used by the Asset Manager position.

Mayor Gamba asked if the vehicle replacements are rolled into Ms. Fuchs replacement concept.

Mr. Parkin replied vehicle replacement is not just looking at the years or mileage but also a review by the mechanics to clear the vehicle.

Mr. Eaton presented the SSMP budget which is staying consistent with this biennium's budget. Material and services includes a physical assessment of the streets.

Ms. Parks asked if it is under contractual services.

Mr. Eaton responded yes; an assessment has not been done for 6 or 7 years.

Ms. Parks stated in this current year and next year there is twice as much allocated for asphalt; is this due to efficiency.

Mr. Eaton responded this fund's reserves are being spent to get more projects done.

Mr. Denham asked the narratives reflect an explanation of street sweeping and why it is done.

Mr. Churchill asked about the increase in State Gas Tax professional services.

Mr. Parkin responded the budget a few years ago was very tight; he will look into specific items on this line. Within this line item, is the maintenance of signals done by Clackamas County and with Light Rail, the number of signals in the City has increased.

Ms. Batey asked about the self-insurance claims line.

Ms. Camors responded the City continues to budget for this item in case something happens; the City self-insures items under \$1,000.

Mr. Parkin continued with State Gas Tax maintenance stating that in the prior years the budget was tight and projects did not get completed so now the City is trying to catch up on projects.

Mr. Churchill stated a catch-up is one year; this is more than a catch-up because it is increasing over several years.

Ms. Camors added it is all asphalt; the new trench paver works quicker and staff can complete more projects.

Chair Stoll asked about the fee in lieu of construction revenue.

Mr. Eaton responded these are fees collected in a holding account until a project is initiated. When a specific project has expenses, there is a transfer to the cover expenses. There will be ADA projects that will be covered by these funds.

Ms. Camors stated it is deferred revenue; not entitled to funds until an appropriate project comes along to use the funds. After 10 years, if the money is not used, the City is required to remit those funds back to the appropriate person.

Mayor Gamba asked if the cost of paving and maintaining the streets has been calculated, so the City can determine if revenue bonds would be a funding option. **do we** want that reflected in this budget.

Comment [CC1]: We need more context here.

Mr. Eaton responded that is not reflected in this budget and he has not gotten very far with the calculation.

Mr. Parkin presented the Water budget. It is proposed to add a .5 FTE to manage the cross-connection program. This Fund has climbed out of a deficit from a few years ago; thanks to the CUAB in keeping rates low while funding the infrastructure. Also in the budget, the reserve level is proposing to be doubled to 50% to assist with volatile years.

Mr. Boumann asked if City has fluoride in water.

Mr. Parkin responded it is not added, only what is provided naturally. He continued with the vehicle replacement request. The reservoir at 40th and Harvey will need to be recoated inside and outside; further discussion will take place at an upcoming work session.

Mayor Gamba asked what level of work on the reservoir is reflected in the budget.

Mr. Parkin responded a hybrid solution; fully covering the inside and the outside but not removing all the existing paint.

Ms. Batey asked if that will take place over two years.

Mr. Parkin responded it is the first year.

Ms. Batey asked what is in the second year.

Mr. Parkin responded that the Stanley Reservoir Well #6 needs work, but it is not as expensive.

Mr. Eaton added that the Stanley Reservoir was in this current budget but did not get done, so it is being moved into next year.

Mr. Churchill asked about the increase in rents and leases.

Mr. Parkin responded that is the cell tower leases.

Ms. Batey stated this is under expenditures not income.

Mr. Parkin responded he is not sure and will need to look into.

Mr. Churchill stated he has heard from citizens about the rates.

Mr. Eaton added staff trying to get the back log of projects done.

Mr. Churchill stated it is hard to answer citizen's questions about rates when there are high reserves.

Mr. Parkin stated the CUAB had concerns with increasing reserves and they limited the rate increase.

Chair Stoll asked about the issuance of debt.

Ms. Camors responded the utility funds are looking into a property purchase; the Wastewater Fund will take out the loan and the other funds will make payments with interest back to the Wastewater Fund.

Mr. Churchill clarified that this is the property adjacent to the Johnson Creek Facility.

Chair Stoll asked if there is any borrowing actually happening.

Ms. Camors responded yes; there will be a promissory note.

Mr. Parkin continued there is a capital project to possibly relocate Well #8 to the Wichita park site; currently there is too much iron in the water.

Mayor Gamba asked if the pH measure is the same at the other sites being considered.

Mr. Parkin responded yes; there are some measures that will give the City 2-3 years to postpone the project due to the expense.

Ms. Batey asked if it was part of capital outlay.

Mr. Parkin responded yes. Another issue that arose with Well #2, is that when pulling up the pump within the well shaft, we noticed the casing looked like it could collapse at any time.

Mayor Gamba asked why would it collapse.

Mr. Parkin responded the casing is deteriorating; it might have been in this condition for a long time.

Mr. Eaton stated all the big capital projects have been presented; the remaining projects include water line replacement and those projects that were not completed this biennium.

Mr. Churchill asked if all those projects will be sub-contracted out.

Mr. Eaton responded yes.

Mayor Gamba asked if it all is pipe bursting or other lining replacement.

Mr. Eaton responded it is all open trench construction.

Mr. Parkin presented the Wastewater budget. The big issue with this Fund is treatment cost, which accounts for 64% of expenditures. The CUAB will be meeting next week to discuss this issue. There are also vehicle needs in the fund since all four funds share vehicles.

Mr. Churchill asked if this is within the operating equipment in FY 2015.

Mr. Parkin responded it is not operating equipment.

Mr. Churchill asked why there is an increase in that account.

Mr. Parkin responded he will need to find out.

Chair Stoll asked about the increases in professional services and rents and leases.

Mr. Parkin responded professional services is for the anticipated inflow and infiltration (I & I) study; the rents and leases he is not sure why there is an increase in this account.

Mayor Gamba stated he thought that the study was done in-house.

Mr. Parkin responded there is extensive set-up and monitoring to do the study. The IGA requires the City to maintain a low inflow and infiltration.

Ms. Batey asked does infiltration mean discharge into the pipes; what are you looking for with this study.

Mr. Parkin responded it is looking for cracks.

Ms. Batey stated the video inspection is done every few years; are items flagged so they can be reviewed at a later date.

Mr. Parkin stated it is not easy to see a bad connection from the video. The main reason is to keep the pipes clean, so blockages do not create claims.

Mayor Gamba stated he is aware that it is hard to schedule this type of work during storms, but it would be easier to see problems if done during storms.

Mrs. Power asked if this study serves as an audit to find other issues that staff is not aware of.

Mr. Parkin responded yes.

Mr. Eaton continued with the Wastewater capital project is the clay pipe replacement program and Wastewater pipe replacement program.

Mr. Churchill asked if the contingency line is for capital.

Mr. Parkin responded yes it would be for capital.

Mr. Denham asked if the \$50,000 for Kellogg Creek is for manhole repair from the storm event.

Mr. Eaton responded it is a placeholder for the bridge repair; the City is currently going through the FEMA process.

Mr. Parkin presented the Stormwater budget. This budget includes both sweepers; one should have been replaced a few years ago, but the City was unable to do so. The City will need two, so there is a reliable back-up. The newer of the sweepers is 10 years old but is completely worn out due to extra use when the other sweeper was not working.

Mr. Churchill asked if there will be more frequent cleaning cycles.

Mr. Parkin responded it is hard to have a program with one sweeper. The City is looking into one of them being a smaller sweeper, easier to operate in parking lots and get into smaller spaces.

Mayor Gamba asked if the sweeper would be small enough to do the new path.

Mr. Parkin responded there might be one to fit the path.

Mr. Churchill asked if the old one would be sold to another agency.

Mr. Parkin responded the last sweeper was taken as a trade-in with the purchase of the new Vactor; the City received \$3,000.

Mrs. Power asked why the City picked up a second water pollution control permit, thought that the City was under the County's larger permit.

Mr. Parkin responded that DEQ grouped the City as a co-permittee with Clackamas County and the cities of Gladstone, Happy Valley, Johnson City, Lake Oswego, Oregon City, Rivergrove, West Linn, Wilsonville and the Oak Lodge Sanitary District. The grouping is done to capture the municipal areas of the County that separately would not have met the 100,000 population level required to have the base level NPDES MS4 discharge permit. The agencies work together to secure the original permit and subsequent updates but work independently on the reporting requirements and have responsibility for their agency's permit implementation. The second permit is the Underground Injection Control (UIC) permit that was issued last year to those cities utilizing a certain number of UICs for stormwater control.

Comment [CC2]: I don't understand who was grouped and why.

Mrs. Power stated just to clarify that this was a DEQ requirement.

Mr. Parkin responded the City had drywells exceeding what the City had permits for.

Mayor Gamba asked if there is a certain type of work that covers this compliance for NPDES (National Pollutant Discharge Elimination System).

Mr. Parkin responded there is specific work that is completed along with a report summarizing the testing done by staff.

Mayor Gamba asked what the City is currently doing to meet requirements.

Mr. Parkin responded that quite a bit of work is being done to meet the requirements including sweeping, planting, and student education of responsible ways to handle stormwater collection.

Mrs. Power added DEQ provides lower cost loans if an agency directs work towards watershed restoration. Good stewardship programs also allow for easier permit renewal.

Mayor Gamba stated the same creek runs through Milwaukie and the County for some property owners and they are unable to get permits for projects since Milwaukie is not part of

NCUWC (North Clackamas Urban Watershed Council). Does the budget allow for a shift in funding for this type of program.

Mr. Parkin responded work mentioned could be paid from the professional services line since there is not a specific line item for this work but further review would be needed.

Mr. Churchill asked about contractual services increase in FY 2016.

Mr. Parkin responded there are new requirements, such as testing for the DEQ permit paid from this line.

Mr. Churchill asked about the facility repairs increase.

Mr. Parkin responded it is for catch basin repairs.

Ms. Camors clarified it is for catch basin repairs less than \$10,000 and disposal costs.

Mr. Churchill asked if it is mostly the disposal costs that are increasing.

Ms. Camors stated it is mostly the catch basin repairs.

Mr. Parkin added the disposal costs are increasing; the catch basin repairs are completed by City staff.

Mayor Gamba asked what is being disposed.

Mr. Parkin responded that it is mud from streets.

Mrs. Power explained Water Environment Service's TMDL (Total Maximum Daily Load) permit regulates discharge into the Willamette River. There is pending litigation to set lower temperatures to discharge; the Court is expected to rule on it by the end of the year.

Ms. Batey asked if all new construction pays the Stormwater SDC.

Mr. Eaton replied SDC is paid no matter what the type of treatment is used. The SDC is to meet the City's oversizing to meet Stormwater requirements, not individual properties. SDCs are paid by owners for new impervious surface created.

Ms. Batey asked if a house is built on a street that does not require any additional improvements, would that owner still pay SDC's.

Ms. Camors responded that staff will need to check on this.

Mr. Eaton clarified that SDCs are not water quality triggers but are for Stormwater only. The methodology of SDC rates was further explained.

Ms. Camors asked the Committee to review the documents related to the Water Fund's minimum reserve policy change and the Issues & Options paper for Main Street Undercrossing.

****Committee took 15 minute break****

Ms. Camors stated **Mr. Eaton** will discuss the Issues & Options paper for Main Street Undercrossing.

Mr. Eaton explained the budget adjustment is in relation to the TriMet intergovernmental agreement currently under negotiation to address the close-out of the Light Rail project.

Ms. Batey asked if there was a recommendation.

Ms. Camors responded her recommendation is to move the funds from the General Fund.

Mayor Gamba asked if it is for stormwater mitigation.

Mr. Eaton responded yes and there is also a traffic signal constructed related to the Light Rail project.

Ms. Camors discussed the updated fiscal policy for the minimum fund balance requirement for the Water Fund. The operating reserve would increase from three months to six months.

Mr. Denham asked if there is a metric that would trigger use of the reserve.

Ms. Camors responded the reserve can only be appropriated through a formal budget process.

Mr. Denham asked if there is a volatile year and is there a metric established ahead of time that the City would recognize when this type of situation would occur.

Ms. Camors responded the quarterly reports would identify the situation. The proposed adjustment to the minimum fund balance policy is for long term changes. It is a cash flow issue to stabilize the fund in the long term.

Ms. Batey clarified 2011 – 2012 were wet years and agreed with the higher reserve to promote the water efficiency initiative the Mayor signed earlier this month.

Mayor Gamba stated he agrees with the change.

Chief Bartol presented the Code Enforcement budget. The abatement line was increased to cover work of the abatement process. The abatement process pertains to properties that are a code concern and possibility of a health and safety issue; the homeowner is unable or unwilling to take care of the property. The City will come in and take care of the needed cleanup and recoup some of the money spent on the abatement by placing a lien on the property. Currently, there are six to eight properties that could use abatement, but there is not enough money in the budget. The Officer finds creative opportunities / solutions to have the work done.

Mr. Denham asked how much does it cost per property.

Chief Bartol responded that it depends on the property.

Mr. Denham asked what an average cost would be for a property.

Chief Bartol responded it depends on what tasks will be performed and how long it will take.

Mr. Churchill asked about the FY 2016 professional services line.

Chief Bartol responded it is a litigation case on McBrod Street.

Chief Bartol presented the Police Field Services budget. There are no big changes other than vehicle purchases; he would like to replace two vehicles a year at \$50,000 each. The fleet is significantly aging; 28% of the fleet is in excess of 80,000 miles, 15% of the fleet is in excess of 100,000 miles; several vehicles are in excess of 150,000 miles. He would like to continue to replace two patrol vehicles and one staff vehicle a biennium.

Ms. Parks asked why nothing is budgeted for training and equipment.

Chief Bartol responded the budget for training is under education and training.

Ms. Batey clarified the \$150,000 capital outlay is for the two patrol cars and one unmarked car.

Mr. Denham asked what the total number of vehicles in the fleet is.

Chief Bartol responded there are thirty-three.

Ms. Parks asked how many canine units the City has.

Chief Bartol responded one.

Ms. Batey asked if dogs are being trained to identify other drugs and not marijuana.

Chief Bartol responded yes.

Mr. Denhem asked if they are switching to electronics for drug detection.

Chief Bartol responded he is not aware of that program.

Chair Stoll asked if the education and training budget is sufficient.

Chief Bartol responded yes, it is a slight increase from prior years. In the past two years, the City has hired and trained nine officers to fill vacancies and retirements. The biggest challenge in the upcoming five years is that 30% of the force is eligible for retirement; this will create huge attrition. Currently, 50% of the patrol unit has less than five years of experience; management has been actively recruiting the different levels of staff giving them exposure to different experiences to fill future vacancies.

Mr. Osborne asked what a conviction fee is.

Chief Bartol responded the photo radar vendor receives a flat fee for every citation processed.

Mrs. Power asked why response time for priority one calls decreased but is projected to increase; is this due to staffing?

Chief Bartol responded they had been down to minimum staffing and paying overtime to maintain the minimum staffing requirements. There should be four to five officers on a shift to cover all the officers.

Mrs. Power asked if it is common for officers to be riding by themselves.

Chief Bartol responded yes for our area, in high risk cities officers double up. He continued with the Police Administration budget; there was an increase in the training & education line to accommodate possible training at the FBI academy. He continued to the Police Support Services budget; this budget reflects the half-time position taken over from the Information Technology budget. This position will perform the administrative duties that were done by the captains and sergeants, and allow them to go out into the field.

Mr. Churchill stated Trimet has an analyst on board and the City interested in going that direction.

Chief Bartol responded this position eventually would perform crime and statistical analysis.

Ms. Flores presented the Community Development budget; she discussed the Department's functions, accomplishments and goals.

Ms. Parks asked if the money in the budget for Kronberg Park is a grant.

Ms. Flores responded yes; the City has not heard the status of the grant yet.

Mr. Denham asked if the grant will cover all of the costs.

Ms. Flores responded 70% of the costs will be covered.

Ms. Flores pointed out this budget is \$600,000 less than last biennium's budget.

Ms. Batey asked why that is.

Ms. Parks responded the Riverfront Park and Light Rail projects are done.

Ms. Flores stated there will be the wayfinding work, but the City is looking for other sources to fund this project.

Mr. Osborne asked about the increase in printing costs.

Ms. Flores responded that there are a lot more events / projects that require printed materials.

Chair Stoll asked about the City Attorney line.

Ms. Flores responded there are disposition and development agreements along with the triangle site documents that will need to be reviewed by the City Attorney. A breakdown of the dues and subscriptions line was presented.

Ms. Camors added the Q& A shows a list of the professional services, since a lot of the Council goals are in Community Development.

Mr. Denham asked that since this Department is an engine for City growth, what would you do with an extra \$100,000?

Ms. Flores responded she would split the money across the economic initiatives.

Ms. Batey asked if the gateways on McLoughlin Blvd in the Capital Improvement Plan are part of wayfinding.

Ms. Flores responded yes, it is part of the wayfinding plan.

Mr. Churchill asked if Adams Street was in 2018.

Ms. Flores responded yes it is part of the South Downtown plaza.

Mr. Churchill asked if this could be done in 2017 to get ahead of the Harrison / Main Streets project.

Ms. Camors added with a biennial budget, there is timing flexibility in spending for the projects.

Mr. Egner presented the Planning budget. He discussed the Department's functions. The proposed budget adds one temporary full-time planner. There has been an increase in planning activity in the last few years; pre-application conferences have increased 50%.

Mr. Boumann asked why would the planner position not be permanent if the Department has a staff need.

Mr. Egner responded the position should be evaluated in two years. The Department has managed but feels like they are falling behind.

Mr. Boumann asked if Planning is responsible for the long-term planning of sidewalks.

Mr. Egner responded it falls under Community Development but Engineering is developing a plan compliant with ADA regulations. Engineering is the project lead.

Chair Stoll stated his concern about the lack of sidewalks around the City.

Mr. Egner responded it is a funding issue. Federal level case law has hindered some improvements.

Mayor Gamba stated he is concerned with the number of FTEs based on all the upcoming projects; are three planners enough to complete all of the projects?

Mr. Monahan responded there are quite a few projects, but recommends getting further down the road on these projects and evaluating where additional staffing would be beneficial.

Ms. Batey asked to what degree do current planning services provide income to pay for a current planner.

Mr. Monahan responded the planning fees collected provide a percentage of the income; the fees are low to serve redeveloping activities within the community. It is not full cost recovery.

Mr. Egner stated **Ms. Flores** was able to get the half-time project manager to be paid by the County.

Ms. Flores clarified that herself and **Mr. Egner** are working managers who spend time out in the field.

Comment [CC3]: ? - I don't understand this sentence; that is verbatim, I believe she wanted to know how much of the fees collected can cover an additional planner, but I don't want to assume that is what she was asking.

Comment [CC4]: What provides it?

Mr. Denhem asked with the Comprehensive Plan update and the projects **Mayor Gamba** listed, is the budget line enough to complete all the projects.

Mr. Egner responded it is a good number.

Ms. Flores stated the amount for the consultants is a good quote.

Mr. Egner clarified there is a lot of staff time to manage the consultants.

Mr. Churchill stated he appreciates their work and agrees with **Mr. Monahan's** perspective.

Mr. Egner stated his Department has used a little of the consulting money to hire a consultant to assist staff with current projects.

Mr. Eaton presented the Engineering budget. He discussed the department's functions and accomplishments. The land use applications have stretched the staff at times. There is a minor increase in education and training for licenses. The vehicle replacement is to replace the current van that is not very useful, with a Ford Escape or similar.

Ms. Parks asked if \$35,000 will be sufficient.

Mr. Eaton responded that is the amount he received from **Ms. Fuchs**.

Mr. Churchill thanked **Mr. Eaton** for being flat on his FTE count.

Mr. Eaton presented the System Development Charge (SDC) budget. As development occurs, charges are collected within this fund; projects must meet certain criteria to use the money within this fund. To accomplish the CIP projects, the Stormwater and Transportation balances within this Fund will significantly decrease.

Mayor Gamba asked if \$50,000 is for the study.

Mr. Eaton responded it is to go through the process to come up with new SDC rate and this will be presented to City Council.

Mayor Gamba asked if Engineering needs something in this budget for current projects, when the City looks at a fee structure to fund construction of bike and pedestrian paths.

Mr. Eaton responded that would be a new revenue stream.

Ms. Camors responded it depends on the amount of money; a larger amount could be added with a supplemental budget. A smaller amount can be rolled into this budget when the Council adopts the budget.

Mr. Eaton added that since at this point the options are varied, he chose not to address it within this budget. There are a few ADA projects to lay this ground work but they are restricted by the amount of money available, only certain money can be used for bike and pedestrian projects.

Ms. Batey asked if general CIP projects will be discussed. She had a question regarding Riverfront Park, feels the \$3 million is low and gives citizens false idea of what the costs are for the park, she had heard a much higher numbers

Mr. Eaton responded that number was provided prior to completion of phase two. The park project was reduced by \$1.6 million which is the pedestrian bridge.

Ms. Camors added phase one was \$3.6 million, over a period of four years.

Mr. Denham asked if the Committee will receive a final CIP.

Ms. Camors responded the final CIP will go to the City Council for adoption; she clarified the CIP document is informational purposes and for their review. The Budget Committee only approves the Budget; the City Council approves the CIP and fee schedule.

Ms. Vandagriff presented the Building Inspection budget. She discussed the Department's functions and accomplishments. The increase in contractual services is due to an increase in plumbing permits and electrical permits being brought in house.

Ms. Parks stated this is why there is an increase in resources.

Ms. Vandagriff responded yes and explained the previous process with the County.

Mayor Gamba asked when solarized project is launched this fall what can be done to streamline and make the permitting more cost effective.

Ms. Vandagriff responded the solar permits are a flat fee and inspections are done the same day.

Mayor Gamba asked if an additional amount would be needed in this budget if there were a large influx of applications.

Ms. Vandagriff responded no.

Chair Stoll asked does Ms. Vandagriff have ideas of stable funding sources.

Ms. Vandagriff responded there was a fee increase adopted to build reserves.

Ms. Camors asked for follow up questions for any of the departments presented.

Mayor Gamba stated the monthly Metro mayor's group is in the process of changing its function and changing its dues structure based on per capita structure. Milwaukee's dues would be \$1,000. This should be added to the City Council budget.

Ms. Camors responded that the budget should have enough to cover the item but a motion to add this to the budget can be done.

Ms. Parks stated \$1,000 in the grand in scheme of the whole budget should be okay.

Ms. Camors stated she is confident the City Council budget will cover it.

Mr. Denham stated it seems appropriate to put the amount in the budget.

Mayor Gamba stated to he would like to reduce the Pilot to quarterly and put the savings to the website refresh project.

Ms. Batey asked if **Mayor Gamba** and **Mr. Churchill** were on the Council when the Pilot was not distributed.

Mr. Churchill stated there was a backlash.

Mayor Gamba asked was the backlash a loud minority or a majority of the people.

Mrs. Power stated 70% of survey respondents like receiving the Pilot.

Ms. Batey stated she does not want it to go away all together.

Mr. Churchill stated further Council discussion should take place due to the prior reaction when the Pilot was cut.

Mr. Osborne stated he looks at social media but enjoys receiving the Pilot in mail.

Mayor Gamba stated his concern of not receiving the web refresh needed with the current budget.

Mr. Nieman recommended that a City Council study session should be dedicated to this discussion. There are ways to decrease the cost than can be explored.

Mrs. Power agreed to a future study session.

Mr. Churchill stated the City Council should be cautious about cutting the Pilot due to the prior backlash.

Mr. Denham asked if there is enough money in the budget to do a good website refresh.

Mr. Nieman responded yes; there will be funding in future budgets for website refresh to be more consistent.

Mr. Monahan added after the website refresh is complete, Council can discuss and evaluate what was done with the \$10,000 to determine what the amount should be in future budgets.

Mr. Nieman added the City is growing analytics on the website, social media and the Pilot for future improvements.

Ms. Camors asked for any additional questions. At this point, the Committee can approve the budget tonight, continue with a follow-up meeting on May 26th or add an additional meeting, if necessary.

Mr. Churchill stated it could be handled on May 26th.

Chair Stoll stated it could be handled on May 26th.

Mayor Gamba stated it could be handled on May 26th.

Mr. Denham stated there should be another meeting on May 26th.

Mr. Boumann asked what would be covered at the meeting on May 26th.

Ms. Camors responded that there is no prepared content since the departmental reviews are complete. It would be items the Budget Committee would like to discuss.

Chair Stoll stated he believes the budget can be approved tonight, but others have questions brought forward this evening that will need to be answered.

Committee discussed approving the budget tonight or waiting until May 26th.

Mrs. Power stated she can support the budget.

Mayor Gamba stated he is concerned with the Planning position and all the future projects; he believes there should be future discussion.

Mr. Monahan responded to address this with people or process. City should wait to see if the projects will be started before adding staff.

Ms. Batey asked if the City would have the ability to hire a temporary person in Planning if needed.

Mr. Monahan responded that the City should see where we are going with the projects. The City has reduced the number of consultants but recently the use of consultants has increased due to the expertise needed with some projects.

Mr. Denham stated if the budget is approved; would a supplemental budget be needed to add an employee.

Ms. Camors responded that the City Council could adopt through a resolution.

Ms. Batey stated staffing is sufficient.

Mayor Gamba does not want to see projects slip if a planner is not added.

Mrs. Power made a motion to approve the proposed budget with the following changes:

- In the General Fund, reduce the resources line item intergovernmental estimates by \$50,000 in FY 2016;
- Reduce beginning fund balance from \$5,445,000 (FY 2017) and \$5,142,000 (FY 2016) to \$5,395,000 (FY 2017) and \$5,092,000 (FY 2016);
- In the Transportation Fund, increase the state gas tax intergovernmental grants by \$50,000 in FY 2016; increase state gas tax capital outlay by \$50,000 in FY 2017;

- Add \$1,000 City Council's budget for dues and subscriptions.

Mr. Churchill seconded the motion.

Chair Stoll asked if there was any discussion.

Mr. Denham stated that he was uncomfortable approving the budget tonight.

Ms. Camors clarified when the notice is sent out for the Budget Committee it included three meetings, the third meeting states if necessary. The third meeting can be cancelled with proper notice.

Mr. Denham stated that there is a lot to digest and would feel more comfortable waiting to approve until the next meeting.

Mr. Palmer called for a vote of the proposed budget.

Chair Stoll called for a vote: 9 yes and 1 abstention.

Ms. Camors asked the Committee to vote one at a time for the minutes.

Mrs. Powers yes.

Mr. Palmer yes.

Ms. Parks yes.

Chair Stoll yes.

Mr. Churchill yes.

Mr. Boumann yes.

Mayor Gamba yes.

Mr. Denham abstained.

Ms. Batey yes.

Mr. Osborne yes.

Mr. Monahan stated the Budget Committee's quarterly meetings are a good review and the Committee members attending other City meetings can absorb this useful information.

Ms. Camors thanked the Budget Committee for their time. She thanked the department heads, **Mr. Monahan**, the Finance staff, specifically Ms. Dennis and Ms. Serio.

Mr. Monahan thanked the Budget Committee, Ms. Camors, the directors and the Finance staff.

Announcement of next meeting date, time and place

The meeting for May 26th at 6:00 pm is cancelled.

Adjourn

It was moved by **Mr. Churchill** and seconded by **Mayor Gamba** to adjourn the Budget Committee meeting at 10:07 p.m.

Respectfully submitted,

Judy Serio, Accountant