

*****FINANCE MINUTES*****

July 23, 2013

**SAUKVILLE MUNICIPAL CENTER
639 E GREEN BAY AVE, SAUKVILLE, WI**

Village President Barb Dickmann called the meeting to order at 7:15 p.m.

Village Administrator Dawn Wagner gave the Statement of Public Notice.

Members Present: Barb Dickmann-present, Bob Hamann-absent, David Maglio-present, Dan Sauer-present, Mike Krocka-present, Michael Gielow-absent, and Joe Caban-present.

Others Present: Dawn Wagner, Mary Kay Baumann, Roy Wilhelm, Jason Johnson-Advanced Disposal, and Mark Jaeger.

APPROVE CLAIMS FOR JUNE 2013 IN THE AMOUNT OF \$189,579.57

Krocka/Sauer made a motion to approve claims for June 2013 in the amount of \$189,579.57. Motion carried.

BUDGET WATCH

Wagner stated that copies of the budget watch were provided in the packets for review. We are currently at 48% which is slightly below average for this time of year.

INVESTMENT REPORT

Dickmann reviewed the report provided by Vicki Lee. There was a decrease in pooled savings. Lee continues to work with Ehlers on better rates.

ADVANCED DISPOSAL CONTRACT PROPOSAL

Jason Johnson of Advanced Disposal stated that the partnership with the Village has worked well and they would like to continue.

Johnson reported that the cart system is working well.

Johnson stated that a contract extension with the Village came down to cost.

Advanced Disposal is offering 3 options:

- 5 year extension - same as current contract with 2013 price adjustment waived.
- 7 year extension - all fees for municipal buildings would be waived at a savings of \$472.96/month.
- 10 year extension - Fuel surcharge would be waived for years 1-5, would continue for years 6-10 with a rebate if rates go down.

On all three (3) options, Advanced Disposal would waive the 2013 CPI adjustment.

CPI for the 7 and 10 year extensions would be fixed at 3.5% for years 1-5 and adjusted for years 6-10. On the 7 year extension, the Village would realize a cost savings of \$34,000. The 10 year extension would offer a savings of \$46,000.

Wilhelm stated that there have been changes since Advanced Disposal bought out Veolia. Wilhelm stated he isn't comfortable with a 7 or 10 year extension as that is too long. He would recommend the 5 year.

Wilhelm stated that he also has concerns with the potential for Advanced Disposal to go to incineration.

Johnson stated that Advanced Disposal's business model is based on landfills. Johnson stated that, unless an incineration facility is built locally, there would be no value to them making that change.

Johnson stated that the only risk to the Village is the fuel surcharge.

Johnson stated that Advanced Disposal is honoring all contracts that were implemented prior to the sale of Veolia.

Sauer stated that he felt the 3.5% CPI for 10 years seemed rather high.

Johnson stated that the 3.5% would be fixed for the first 5 years and that was the trade-off for no fuel surcharge.

Wagner stated that this is only a proposal. There does not need to be a contract approval tonight.

Wagner offered a hypothetical if the Committee was not comfortable with the current proposal. "What if CPI was fixed at 3.0% for the first 5 years instead of 3.5%?"

Maglio stated that 10 years is a long time, but considering the savings... The budget would be a "known" over the next 5 years.

Krocka stated that he is not a proponent of long term contracts. The savings is there but it still leaves the unknown.

Caban agreed with Maglio on the savings but also agreed with Sauer in that the CPI is on the high side.

Johnson stated that he could authorize 3.0% on the 10 year extension. He stated that the rebate only exists in one other contract that they currently have.

Maglio/Sauer made a motion to move forward with the proposed 10 year extension with a 3.0% fixed CPI for years 1-5 and the additional terms listed in the proposal. This would also include Advanced Disposal moving to quarterly billing. Motion carried.

2013-14 CAPITAL PROJECTS SCHEDULE

Wagner offered this information for review to ensure that all Committee members are on the same page.

Wagner stated that Wilhelm put together a schedule for the street improvements so we are good to go for spring 2014.

MEMORANDUM OF UNDERSTANDING - EMERGENCY DISPATCH TASK FORCE

Wagner reported that this MOU states that if a study is done, all user groups would give consideration to the results.

Krocka/Sauer made a motion to recommend to the Village Board authorization of staff signature on the MOU - Emergency Dispatch Task Force as presented. Motion carried.

OTHER MATTERS

Dickmann and Caban both received an e-mail survey regarding paperless packets.

Dickmann will respond to the e-mail survey on behalf of the Board.

Dickmann shared the new Business Directory that was put together by Michelle Jaeger and Marilyn Haroldson. It has a list of all businesses in the Business and Industrial Parks and also includes a map. The directory also includes information regarding the new loan program.

Wagner stated that the next Finance and Village Board meetings would be held Tuesday, August 6th and would include Building Inspection Services with the Village of Grafton for 2 years.

Wagner reported that due to staffing changes, the Code will need to be modified regarding reference to the Community Development Director and the Utility Superintendent.

The tentative date for the 2014 Budget Tour has been set for Monday, September 30th.

Live at the Triangle is tomorrow night, July 24th, with Vinyl Groove performing.

National Night Out has been set for Wednesday, August 13th.

Krocka reported that the Police Reserves had their first summer picnic. It was well attended including three of the officers and their families.

ADJOURNMENT

Maglio/Krocka made a motion to adjourn. Motion carried at 7:58 p.m.

Mary K. Baumann
Deputy Clerk