



Finance/Personnel Committee

335 South Broadway
De Pere, WI 54115
<http://www.de-pere.org>

Regular Meeting

Draft Minutes

Tuesday, July 9, 2019

6:30 PM

De Pere City Hall Council Chambers

1. Call to Order. Mayor Walsh called the regular meeting of the Finance/Personnel Committee to order at 6:30 PM on Tuesday, July 9, 2019, at the De Pere City Hall Council Chambers, 335 South Broadway Street, De Pere, Wisconsin 54115.

Attendee Name	Title	Status	Arrived
Scott Crevier	Aldersperson	Present	
Ryan Jennings	Aldersperson	Present	
Amy Chandik Kundinger	Aldersperson	Present	
Casey Nelson	Aldersperson	Present	
Michael J. Walsh	Mayor	Present	

Also Present: City Administrator Lawrence Delo, Finance Director Joe Zegers, Aldersperson Jonathan Hansen, City Attorney Judith Schmidt-Lehman, Human Resources Director Shannon Metzler, Development Services Director Kimberly T. Flom, Fire Chief Alan Matzke, Police Captain Chad Opicka, Attorney Timothy E. Hawks and Members of the Green Bay Firefighter's Local 141.

2. Approval of the Minutes of the June 11, 2019 Regular Meeting of the Finance/Personnel Committee.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Casey Nelson, Aldersperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

3. Public Comment Period and other announcements.

The Mayor offered the audience the opportunity to speak on any item not on the Agenda; no one came forward. Aldersperson Jennings invited the public to the many events happening in the downtown this week: the Farmer's Market, Yoga in the Park, Art Walk and the Food Truck Rally. The Mayor also mentioned the Art in the Park event in Voyageur Park.

4. Fire Department Overtime and LifeQuest Services Billing Reports for June, 2019.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Casey Nelson, Aldersperson
SECONDER:	Scott Crevier, Aldersperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

5. Approval of June 2019 Police Overtime Report.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Ryan Jennings, Aldersperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

6. Consideration and Acceptance of \$1000 Donation from Kwik Trip, Inc. to the Fire Department.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Ryan Jennings, Alderperson
SECONDER:	Scott Crevier, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

7. Consideration and Acceptance of \$1000 Donation from Kwik Trip for the Police Department K-9.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Scott Crevier, Alderperson
SECONDER:	Amy Chandik Kundinger, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

8. Consideration and Acceptance of \$1000 Donation from Walmart to the Police Department.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Casey Nelson, Alderperson
SECONDER:	Scott Crevier, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

9. Consideration and Acceptance of a Grant in the Amount of \$9,846 from Capital Credit Union "Elevate Communities Program" for Police Emergency Response Equipment.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Scott Crevier, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

10. Consider Approval of Northeast Wisconsin Technical College Hold Harmless Agreement for Current and Future Years.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Casey Nelson, Alderperson
SECONDER:	Ryan Jennings, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

11. Consideration and Possible Action on Request to Create Academy Trainee Position in the Police Department and Assigning the Position to the Appropriate Pay Grade in the City's Compensation Plan.*

In response to Alderperson Nelson, Human Resources Director Metzler clarified that qualified applicants would be paid an hourly rate while attending academy classes, which is typical practice of departments that offer a sponsorship program.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Amy Chandik Kundinger, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

12. Consideration and Approval of Obtaining Drone Insurance with Global Aerospace.*

Alderperson Jennings asked about total insurance limits to which Human Resources Director Metzler advised is detailed in the attachment to her memo: \$1,000,000 for liability, personal injury, contractual liability and product liability; \$100,000 for fire legal

liability and \$5,000 for medical expense and bail bonds. In response to Alderperson Nelson, HR Director Metzler confirmed that the drone itself is already insured; however, separate liability coverage is needed as the drone is a specific exclusion in City's umbrella policy.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Scott Crevier, Alderperson
SECONDER:	Ryan Jennings, Alderperson
AYES:	Crevier, Jennings, Kundinger, Nelson, Walsh

13. Consideration and Possible Action Regarding Program Options for the Former Revolving Loan Fund (RLF) Program.*

Development Services Director Flom presented the Committee with alternative options for use of the former revolving loan fund (RLF) balance of 1.4 million (\$400,000 in outstanding loans and \$1,000,000 on account) to foster continued business-focused economic development. Options include:

1. Maintaining a revolving loan program that is not regulated by the state for business start-up or for expansion, partnered with a local bank to administer; council could set program objections under the same criteria or establish new targeted criteria; staff suggests a \$600,000 starting balance to make program worth it, which would become self-sustaining upon making good loans.
2. Creating a facade or building investment grant program for non-TID areas (currently only TID #7 or #9 are eligible) to encourage renovations of structures/buildings in commercial areas; this proposal is a grant program, not sustainable funds, with funding distributed first come-first served until fund depletion and termination of the program.
3. Develop a property acquisition fund for economic development for properties that become available quickly and to shorten acquisition turnaround time. Part of the RLF balance could be put into a strategic acquisition fund with defined standards and objectives to target undevelopable properties that are not marketable in the private market. Additional considerations for program objectives could include the level of investment: appraised value, less than appraised value or case-by-case and whether certain areas are more desirable than others. The program could be structured to terminate as funds are depleted or to be replenished by sales for redevelopment or recapture the purchase from future TID structure.

The current RLF funding can be placed into a special account by Resolution, which would terminate the current program, pending further direction of the Committee and Council.

Discussion followed regarding the presented options. Mayor Walsh indicated he liked the facade option the least as it terminates the fund; he preferred the other two options which provided opportunity to replenish the funds. Alderperson Chandik Kundinger shared whether both options could be maintained. Alderperson Crevier asked whether the fund has always had the 1.4 million balance, to which DSD Flom indicated it has generally been in the million dollar range and the loan program was promoted in order to avoid having to give money back to the state. Upon further discussion, Alderperson Crevier indicated he would lean toward still having the revolving loan fund but that it's

hard to know how to appropriately divide the funds for a property acquisition fund also. DSD Flom added that the current loan program did not work for all business and a local program may not have as many restrictions. Discussion followed regarding programs and funding to promote businesses to locate in De Pere. Alderperson Jennings indicated that he preferred keeping TID funds for facade grants and continuing the loan fund managed by De Pere, but whether it could be expanded to potentially include sustainability projects for loans to businesses that a bank may not typically do. DSD Flom added that this suggestion would move the program in a way that achieves the vision of the city and promote development in a way that banks may not be willing to do. Alderperson Jennings added that he would support division of funds with 2/3 going to the RLF fund. In response to Alderperson Nelson, DSD Flom explained that in the past, loan documents were prepared in-house and city administered under state guidelines, with required reporting necessary to the state for both the city and loan recipients. Staff is more comfortable moving forward with a financial institution partnership in order to administer good loans. Alderperson Nelson discussed the option of possibly opening up the funding for residential, as well as throughout the community, but whether \$600,000 would be enough funding to support an expanded program, and his preference would be to continue the program with city management. The Mayor added that he recalls only two loans that defaulted during the time of the former program. Administrator Delo indicated that with limited funding it would be necessary to have focus of the types of businesses that would be encouraged to use the program or particular sites in need in order to make good use of the money and manage it well. The Mayor advised the Committee that the Committee could decide to move the funds to a special account and then decide objectives for use of the funds at a later time and that those objectives would come back to the Committee for discussion and approval at a future meeting.

Mayor Walsh made a Motion to move the RLF account to special account to be used for economic development objectives to be reviewed at later date for specific direction, which was seconded by Alderperson Crevier. Upon further discussion, Alderperson Nelson asked whether separate action was needed to close out the current RLF program, to which both City Attorney Schmidt-Lehman and DSD Flom indicated was not necessary.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael J. Walsh, Mayor
SECONDER:	Scott Crevier, Alderperson
AYES:	Crevier, Jennings, Kunding, Nelson, Walsh

14. Request of Ald. Hansen for Consideration of Creating an Ordinance Requiring Employers to Provide Notice to Employees of Right to Unpaid Time Off Work to Vote.*

Alderperson Hansen advised that this item was brought back from the May Finance/Personnel Committee meeting. Feedback was solicited from the business community through the De Pere and Green Bay Chambers, and despite the efforts, the De Pere Chamber did not receive any feedback. Jayme Selen of the Green Bay Chamber advised in an e-mail included in the agenda packet that the consensus of businesses is that City government should educate citizens regarding voting, provided suggestions of how share the information and encouraged the City to take those actions start before enacting an ordinance. Alderperson Hansen shared that although those were good ideas and were helpful, he feels that the ordinance would still benefit the community because social media and newsletters would not reach all residents, and by employers sending it out, the

information is given strictly to individuals to whom it applies. In regard St. Mark's, those comments were made only regarding voters who are able to get to the polls. He further explained that the ordinance requires annual notification through four options to advise individuals of their right: mailing to employees' home addresses, a payroll stuffer, posting in a break room or by employee newsletter.

The Mayor commented that the suggestion is a good idea, but he feels it would have heard by now if there was a problem with taking time off to vote; the hours for polling are liberal and absentee balloting is also available; based upon the feedback, employers were not very enthused about it. Alderperson Chandik Kunding asked about the cost factor to communicate a rule that is already in place. Administrator Delo responded that ordinances are complaint-based and would not be actively enforced, so no effort was conducted into researching additional costs at the present time.

No action was taken as this item failed for lack of a Motion.

RESULT:	NO ACTION
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15. Review and Possible Action on City of De Pere Investments and Cash Detail for May 31, 2019.

Finance Director Zegers provided the monthly summary to review both rates of return for investments and what investment cash amounts exist from month-to-month. The Summary as of May 31, 2019 indicates 3 million in cash and 22 million in investments, and rates of return vary from approximately 2% to 5.1%. Investment income was budgeted conservatively and has exceeded that amount. The report's second page indicates a month-to-month comparison and shows when tax payments and shared revenue are received.

Alderperson Jennings asked about the cash investment summary indicating \$800,000 for the revolving loan fund as it was earlier discussed as being 1.4 million, to which Finance Director Zegers - indicated that \$800,000 is in a cash account and the other \$200,000 is invested as part of City's pooled cash account. Administrator Delo asked about interest on the checking account and where it is located in the monthly report to which Finance Director Zegers indicated the interest is within the checking account balance. Alderperson Nelson confirmed that interest and appreciation is year-to-date and also asked about the risk of investments, to which Finance Director Zegers indicated that funds have to fall in line with City's investment strategy and state statutes.

Mayor Walsh made a Motion to accept the report and place it on file, which was seconded by Alderperson Nelson. Upon vote, Motion carried unanimously.

No further action was taken as this item was for discussion purposes.

RESULT:	DISCUSSED
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16. Hearing on Grievance Submitted by the De Pere Professional Firefighter's Association, IAFF Local #141 - Concerning Elimination of Captain Position and 2010 Salary Therefore.

Attorney Timothy E. Hawks appeared on behalf of the Local 141, thanked the Committee for hearing this grievance, and in his opening statement indicated the grievance should be heard due to an anticipatory breach of the collective bargaining agreement as the union

believes that it is the intention of the City to not pay the former captains the rate of pay they would be entitled had they remained captains in 2020. Further, it is believed that the planning of the reorganization spanned the time of the tentative agreement reached in September 2018, and the captains' votes could have been altered if this information was shared, even if upsetting or not ultimately acted upon; an elimination of rank was not expected to occur within 60 days of the execution of the contract and Wis. Stats. § 62.13(5m) should be adhered to when ranks are eliminated or reduced. The union believes the amount in dispute is \$1,600-\$1,800 per former captain in 2020, and advancing the case will cost considerably more for both parties. Attorney Hawks would recommend waiving a potential claim for overtime if the City will agree to pay the difference in pay. In response to the Mayor, Attorney Hawks indicated the management rights clause was violated.

City Attorney Schmidt-Lehman indicated that the City's position is that there hasn't been a violation of the collective bargaining agreement. There is no guarantee that the captains will be employed by the City in 2020, one has retired in advance of the grievance; the former captains will be paid the 2019 rate and until 2020 there is no violation of the pay that is to be expected. In addition, there is no violation of Article 12, and the management right clause violation is not alleged in the grievance and should not be heard by the Committee. The City's position is that there is no lost overtime as the captains did not assume the duties of the chief or acting chief and did not receive acting pay. The timing is clear that not until after the agreement was reached did the administrative staff of the fire department come forward with the reorganization proposal. Unfair labor practice claims would not be heard in this venue and should rather be directed to the Wisconsin Employment Relations Commission. The City's perspective is that the only issue is alleged violation of 2020 salary to be paid for former captains, and that if the provisions of § 62.13(5m) are considered, those provision have not been violated by the City.

Attorney Hawks indicated that a grievance is amendable during the grievance process, and the union is amending its grievance to include a violation of the management rights clause.

Attorney Schmidt-Lehman asked that the record reflect that the City objects to amending the grievance on the hearing floor; City records indicate that the amount in dispute is approximately \$4,000 per former captain and is a more substantial dispute than the union believes; the contract language requires a violation of an anticipatory breach to be heard by an arbitrator; allegations of dishonest bargaining are inaccurate and inflammatory; a claim for overtime is inaccurate; the City and fire administration acted responsibly in exercise of its management rights for the reorganization and the City requests denial of the grievance.

Mayor Walsh asked Attorney Hawks for clarification of the pertinent dates: June 8 (parties reached tentative agreement), August 8 (contract was executed) and September 28 (estimated date in which union officers reported was the week the Chief announced the reorganization of the department). Attorney Schmidt-Lehman indicated that the City has the dates as June 6, August 8 and September 26. In between those dates, the Finance/Personnel Committee heard the reorganization concept on September 11 and the Council did so on September 18. The reorganization was discussed in public at the

budget study session on October 3, and the reorganization was approved as part of the final budget on November 20.

Mayor Walsh moved to go into closed session, seconded by Alderperson Jennings; upon roll call vote, motion carried unanimously at 7:46 PM.

Mayor Walsh moved to go back to regular order, seconded by Alderperson Nelson; upon roll call vote, motion carried unanimously at 8:19 PM.

Mayor Walsh made a Motion to deny the grievance as the grievance isn't ripe, as it requires that someone must be harmed and no harm has occurred and no part of the contract has been violated, which was seconded by Alderperson Crevier. Upon vote, motion carried unanimously.

17. Future agenda items.

None.

18. Adjournment.

Upon Motion of Mayor Walsh, seconded by Alderperson Nelson, the Finance/Personnel Committee unanimously adjourned at 8:22 PM.

Respectfully submitted,
Angela Zills