

**Village of Fox Crossing
Special Meeting of the Board of Trustees – Budget Workshop
Municipal Complex – Arden Tews Assembly Room
Monday, September 25, 2023 - 5:00 p.m.**

Minutes

1. Call to Order

President Dale Youngquist called the workshop to order at 5:00 p.m.

Clerk Darla Fink noted those present: President Youngquist, Trustee Michael Van Dyke, Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Jason Patzwald, and Trustee Barbara Hanson, Village Manager Jeffrey Sturgell, Finance Director Jeremy Searl, Director of Community Development George Dearborn, Street Superintendent Randy Gallow, Chief of Police Scott Blashka, and Deputy Finance Director Myra Piergrossi. Excused: Trustee Dale McNamee. There was one attendee.

Village Manager Sturgell announced that earlier today Trustee Dale McNamee submitted his letter of resignation effective immediately. He will be excused from this Budget Workshop and the Regular Village Board Meeting this evening and then this Trustee position will be vacant until a further decisions is made by the Board.

2. Presentation of Garbage and Recycling Budget

Finance Director Jeremy Searl explained that we are having this workshop due to Superintendent Gallow's retirement taking place later this week. We are having a small workshop tonight to go over the Garbage and Recycling Budget along with a request for the purchase of a new truck mounted leaf vacuum system yet this year.

Director Searl noted the garbage rate includes an increase of \$4.00/ton from the County, with the total tonnage amount coming in higher than average last year. The recycling rate per ton remains the same at \$5.00/ton. The yard waste rate also is staying constant at \$35.00/ton. Winnebago County's yard waste rate is \$34.00/ton and Outagamie County's rate is \$36.00/ton so we use an average to be conservative. The tonnage volume was estimated using the 2023 January to August actuals and adding the 2022 September through December actuals but we are expecting 30% more leaves collected than last fall as this program continues to grow. Recycling tonnage is forecast slightly less than last year's forecast and yard waste is also down 38% from last year's forecast. It's assumed this number will continue to decrease as less residents are bagging leaves and more are having them collected by our leaf collection program. Leaf collection is forecast at a 273% increase over last year's budget as this program was brand new last year, but we are aware of its popularity.

The Harter's contract rate also increases 7% this year as a result of the newly signed contract. This contract continues with rate changes based on CPI, with a 5 year extension through 2028 and an option for a 3 year renewal if mutually agreed to at that time.

There is continued debt payment related to the 2022 purchase of the truck mounted leaf collection system. In the Equipment Replacement Fund (ERF), \$101,404 is being set aside, with \$50,000 earmarked for cart replacement. With all of the above information considered, there is a recommended garbage rate increase of \$25.00 per household/year. The last rate increase in this fund was in 2020.

Trustee Ziegler asked how we are doing on carts at this time. Superintendent Gallow advised we do have some carts in stock and purchased more this year. The problem we're facing is the bulk of these carts were purchased in 2009 and have a 10-12 year warranty which is now expiring. He stated somewhere along the line we are going to have to look to replace them all and recommended looking at a different vendor for the carts. He recently had a meeting with Harter's discussing damage to carts where they advised they use a different vendor and have a lot less problems with damage. If the Board was going to consider a full replacement of carts, they could possibly split the Village into four quadrants and replace one quadrant at a time. The new carts include GPS trackers and serial numbers so we're able to track them.

Trustee Koeppe asked what we do with the old carts that are no longer able to be used. Superintendent Gallow advised we are able to recycle them with the County. Trustee Koeppe asked if there has been any consideration to leasing the carts from Harter's. Randy recommended against that due to a slower response time and the level of care we take since we own them.

Trustee Patzwald asked how frequently we've increased the garbage rate to residents. Director Searl stated the last increase was 2020, prior to that we increased nearly every year over the previous five years. Originally, there was a large balance to pay off from a loan to purchase the bulk of the carts which has now been paid off. We kept the rate stable over the last few years, but now that the funds has been used up, we need to increase rates again.

Director Searl explained the piece of equipment looking to be purchased is a similar machine to what was purchased in 2022 which is a dump truck with an attached vacuum to collect leaves from the curb, and is operated by one person, rather than three like the trailer type unit. The specific truck being discussed is also a 30 yard truck so it will collect more volume with each pass compared to our current machine. The cost is approximately \$50,000 more than the current machine for a total of \$285,000. There is currently one unit in production that we may be able to receive in time for this year's leaf collection if the Board makes a decision on this equipment tonight. We could also wait to order it until next year, but due to build out time and price increases, it will cost 10-15% more and may not be ready in time for leaf collection next year.

Director Searl stated they are proposing using the Winnebago County Spirit Funds which has to be used for something we would otherwise use debt for, to offset some of the cost of this piece of equipment. There are other options available such as borrowing, sale of assets, using fund balance, or Clayton settlement funds. At this time the Board needs to determine if they want to go forward with the purchase, and if so, whether to purchase in 2023 or 2024, and how to fund this purchase.

Trustee Ziegler questioned how many staff members are needed to operate each machine. Superintendent Gallow advised the trailers require 2-3 people while the larger truck mounted machines only need one person. He figured they would need a total of four machines at some point, as the leaf collection program really increased in popularity and use. This would also provide a backup machine in case one ever goes down which would save on time and labor costs.

Trustee Hanson asked how much we would be saving by purchasing the machine now as compared to waiting. Randy advised it would be a savings of approximately \$10,000-\$15,000. He stated the company currently has one on hold for us, and if we approve the purchase they will release it to us and we should receive it in October to assist with this year's leaf collection efforts. Trustee Koeppe asked the expected lifespan of one of these trucks. Randy stated they estimate 18-20 years.

Trustees Ziegler and Van Dyke stated they are in favor of getting the machine ordered now and asked about possible options for garbage rate increases. If the garbage rate was increased to \$225 rather than \$215 we may not need to increase the cost again next year. There was a suggestion to split the difference and increase to \$220 per household per year. All Trustees were in support of

this compromise. The Board approved ordering this truck mounted leaf vacuum now. Superintendent Gallow stated he will place the order tonight. The Board recommended using the Winnebago County Spirit Funds and finance the remaining \$140,000 likely over the next ten years.

Trustee Koeppe asked how much of a yearly increase this would be to the ERF. Director Searl estimated an additional \$25,000-\$26,000 annually to this fund.

3. **Motion to Reconvene to the October 2, 2023 Budget Workshop which will begin at 5:00 p.m.**

At 5:41 p.m., **MOTION:** Trustee Van Dyke, seconded by Trustee Ziegler to reconvene to the October 2, 2023 Budget Workshop to begin at 5:00 p.m. Motion carried.

Respectfully submitted,

Darla M. Fink, WCMC
Village Clerk

Note: *These minutes are not to be considered official until acted upon at an upcoming regular meeting, therefore, are subject to revision.*