

Village of Fox Crossing
Special Meeting of the Board of Trustees – Budget Workshop
Municipal Complex – Arden Tews Assembly Room
Monday, October 17, 2022 – 5:00 p.m. – 9:00 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 including: President Youngquist, Trustee Michael Van Dyke, Trustee Kris Koeppe, Trustee Gregory Ziegler, Trustee Mark Englebert, Trustee Barbara Hanson, Village Manager Jeffrey Sturgell, Director of Community Development George Dearborn, Director of Finance Jeremy Searl, Deputy Finance Director Myra Piergrossi, Director of Information Technology Tim Plagenz, and Street Superintendent Randy Gallow. Excused: Trustee Dale McNamee. There were zero attendees.

2. Presentation of Departmental Budgets

Information Technology

Director Searl stated there is not much change in the Information Technology budget other than the larger items in 0210 Professional Services and Equipment Software Account. There are no payroll related expense requests. In the 0210 Account, there is a request for continuation of security penetration (PEN) testing for \$6,525, a budget rollover for the Village website redesign of \$20,000 offset with fund balance, and a continuation of services to utilize Laserfiche Workflow for \$8,000.

The 0815 Computer Equipment/Software Account includes the regular annual computer equipment replacements and server upgrades at a cost of \$27,650. The following items have already been discussed during their specific department budget sessions:

Municipal Court online interface for sending delinquent accounts to collection: \$2,775

Police Department Squad Car IT setup due to increasing the fleet: \$9,000

Police Department SRO set up (2) offset with fund balance: \$18,000

Community Development building permit online/web interface offset with fund balance: \$25,000

Police Department and Fire Department Power DMS software offset with fund balance: \$29,284

Other IT items requested that have not been previously discussed include:

Fire Department laptop and AV system for in-field training offset with fund balance: \$2,000

IT requests replacement of Network Switches offset with fund balance: \$28,000

IT requests to purchase and set up redundant firewalls offset with fund balance: \$5,950

IT requests expansion of the Storage Area Network System (SANS) offset with fund balance: \$17,500. The entire SANS system was set to be replaced in 2024 but the existing system is in good shape, just running out of space. Director Plagenz had the choice of either replacing the entire system early or purchasing the expansion and pushing the entire replacement back to 2026.

In the Equipment Replacement Fund, the Fire MDCs were replaced with iPads. The funds set aside for these items was put towards the SANS system that is needed due to its high expense. IT is continuing the process of replacing the phones which started in 2021. In 2022, the voicemail system was upgraded which paved the way for replacing the phones. In 2023, they are requesting \$10,000 for approximately 15 new phones. There are a total of approximately 100 phones to be replaced in time.

Looking ahead to 2024, the AS400 accounting software and Microsoft Office licenses are coming up for replacement. This was pushed out one year as we need to have a discussion on the decision for these programs as well as other options. AS400 is an outdated technology and we have the option of going to a cloud based system on a subscription service which is the way most government entities are heading. If going into a subscription based product, this expense would then go on the levy rather than come from the Equipment Replacement Fund as it will be an ongoing expense. Director Searl suggested a future workshop to discuss these options. Microsoft Office 365 also has a cloud based subscription option but is very expensive (\$40,000 - \$45,000 per year) due to the number of licenses the Village would need.

Director Plagenz advised that a new AS400 system can be purchased, but it is very limited on entities that use them anymore. He has looked at other options that might work better and have a cloud based option, but most have extraordinary set up charges at nearly \$400,000. He also warned the Board about increases coming in higher costs for cyber insurance and stated he will continue to work to minimize the Village's risk. President Youngquist advised he agrees this is worth scheduling a future workshop for to discuss.

Special Revenue Fund – Garbage/Recycling

Director Searl stated the plan is to maintain the rates at \$190 per household. The contract garbage rate for the landfill includes an increase of \$4.00/ton (went up \$2.00/ton last year). Recycling remains at \$5.00/ton. Yard waste increased \$4.00/ton. He noted when we use the Outagamie County landfill which we do for some of the leaf disposal, the cost is \$2.00/ton more. Tonnage volume is estimated using last year's numbers and volumes are coming in slightly lower (approximately 3% down). The Harter's contract will have maximum increase of 3% which was written into the contract. This is year three of the contract which is the final year, but we do have the option to extend for another three years. The first debt payment we've had in a few years related to the 2022 purchase of the Leaf Collection System in the amount of \$28,560 for principal and interest begins in 2023. The purchase of new radios (shared overall purchase with Streets, Parks, etc.) is \$6,400.

The Equipment Replacement annual funding of \$61,404 is included with details listed on the Board's budget document for multiple pieces of equipment. The Board asked if we will need to purchase more garbage carts for residents this year. Superintendent Gallow stated he has been receiving a lot of replacement requests from residents for new carts. The majority of carts were purchased in 2009 and are past their life expectancy. He stated we may need to look at purchasing more soon. He suggested replacing half of them one year and the other half the next or have a plan in place to replace all of them soon. The 2022 Budget included \$20,000 for replacement of carts, and the 2023 Budget includes \$10,000 for cart replacement. Any funds not used for this purpose go into the ERF. He noted if Harter's destroys or damages a cart, they replace the cart.

Superintendent Gallow stated he'd like to schedule a time to discuss the brush and chipping program with the Board to see what they would like the Street Department's role to be. They currently have a spring and fall program, each of about 4-5 weeks in length, completed in back to back weeks. He stated they are spending so much time going out to pick up brush where residents are cutting down multiple trees and want the Street Department to clean it up. He stated there should possibly be a size or time limit per site, as they are spending way too much time doing this which is taking time from their other responsibilities. Other local municipalities charge for this type of program after a certain amount of time is spent at a location. He stated there are ordinances that are not being followed and not being enforced with brush being put at the curb weeks ahead of when it should be. He asked for the Board's consideration on this for a future discussion.

Street Department

Director Searl stated in Street Department revenues, there is an increase in budgeted miscellaneous revenue for the elderly and bus transportation system through Valley Transit. They have a credit system and the Village has gotten that credit amount fairly consistently over the last few years which we haven't been budgeting for, however it's been consistent enough to start going forward. All other revenues are directly related to expenses and will be discussed throughout.

Director Searl stated Superintendent Gallow requested a new position similar to last year for an Engineering Technician to be split between Streets (30%) and Stormwater (70%). Based on earlier discussions, due to levy limits and expenditure restraints, this position was cut by Manager Sturgell prior to finishing the proposed budget.

In the 0210 Professional Services Account, there is an increase due to cost increases and time needed by Winnebago County for cutting our ditches and Village right-of-ways. This has been a point of frustration for the Village, as the County has only been here once this year and we've seen a decline in this service in recent years. He stated \$25,000 has been added to this account to buy the piece of equipment needed for the Village to cut these ditches ourselves. Superintendent Gallow stated by the time the County gets here for the first time (which was September this year) to cut this grass, we're already getting complaints as early as May and June. The Village then cut back this grass to help minimize complaints, however the Street Department's equipment is not geared for this type of cutting. He stated by purchasing this equipment and using our team to complete this labor, the Village would recoup the costs in approximately 17 years for a service we're really not receiving from the County. He stated there is also an option of renting a tractor and paying an hourly rate for its use, but we would not own the equipment and don't have this process in our control.

In the 0331 Gasoline/Fuel Account, there is an increase of \$25,000 due to the current fuel market. They could have budgeted for more of an increase, but they are expecting to see a savings in salt to cover this overage. The Salt 0375 Account has a decrease in the price by \$2.60/ton, and due to the high level of salt we currently have on hand, Superintendent Gallow doesn't expect to need the regular amount. In the Resurfacing 0373 Account, there is a proposed budget of \$750,000 which is consistent with last year, which includes \$100,000 on the levy, \$150,000 from fund balance, and borrowing the remaining \$500,000.

In the Road Repairs 0374 Account, there is \$25,000 budgeted as the normal amount for general road repair issues and an additional \$100,000 offset with fund balance for additional concrete panel repairs. The 0846 Capital Signs, Signals, Etc. Account includes \$70,000 for the installation of temporary lights at Rocket Way and Larsen Road for traffic control for the new Neenah High School which is split 50/50 with the Town of Neenah. The 0854 Capital Equipment Other Account includes \$25,000 for the purchase of a 7' flail mower attachment that can be attached to a tractor to reach into ditches and increase the cutting area of the tractor as previously discussed. The Street Light LED project includes \$14,200 offset with fund balance to update 42 street lights with an average payback in less than 4.5 years.

Currently, the budget for Valley Transit has not been approved but they provided budget estimates. The cost for Valley Transit and Dial-A-Ride to the Village is \$75,455 (a net increase of \$7,786 from last year). Valley Transit did switch to a different provider last year that costs more but provides better service and utilizes technology much more. In 2022, the rates were \$3.50 per resident (no change) and \$14.35 for the Village which was a 37% increase, however with the increased state/federal aid, the amount paid by the Village is only a bit more than the price per ride in 2021.

In the Equipment Replacement Fund, Dump Trucks #23 and #24 are planned to be replaced in 2022 but due to supply chain issues will not be available until 2023. Truck #20 is also budgeted to be replaced this year. Each truck comes at a cost of \$204,000. Each truck was \$10,000 more than expected so those updated amounts are now reflected in the ERF. A fund balance transfer was used to cover the increase. Replacement of the 12-ton trailer was brought before the Board recently for permission to order early so we can hopefully receive it in 2023 with a price increase of \$17,000 which was offset with a transfer from fund balance. Replacement of the bucket truck at an increased size with a taller extension for \$273,000 which was recently bought before the Board for permission to order early as well. The price of the bucket truck was \$130,000 more because of the larger set up which was funded by a transfer from fund balance. The #18 Slope Mower is scheduled for replacement in 2024 but Superintendent Gallow stated the Street Department no longer needs this equipment, however the Parks Department indicated they would like to keep it. The total in the budget for the ERF transfer from fund balance is \$65,000. The Board decided to place the ditch cutting equipment on the bubble for further discussion later in the budget process.

Municipal Complex

Director Searl stated there are planned capital improvements totaling \$208,600 which includes a \$200,000 carry over from last year for the replacement of the deteriorating trench drains in the vehicle storage building which we did not receive any bids for in 2022. There is a request for replacement of security camera #18 for \$2,600, and \$6,000 for new tables in the Assembly Room. Superintendent Gallow reminded the Board that nothing has been done with the Municipal Complex since being built, other than some paint, mechanical changes, roof, HVAC update, etc., but we are still running into problems as we've outgrown this space. He asked what the Board foresees as their plan for this building as far as expansion, remodeling, replacing flooring and carpet, security changes, etc. The Police Department has a lot of requested changes, but maybe we should consider looking at a separate safety building which would allow for more space for operations in this building. It will take some time and money to determine the best route to take, but it's something we need to get started on. The Board stated it would be best to schedule a workshop in the future to discuss this issue.

Stormwater Utility

Director Searl reminded the Board that there was a position to be split with Street and Stormwater for an Engineering Technician which was cut prior to the proposed budget. There is no rate change requested for the stormwater rate, which will remain at \$140/ERU. There has been an increased number of ERUs, therefore ERU revenue has still increased without a rate increase. He stated Manager Sturgell will get into the details of the requested capital projects, but stated they are proposing the use of \$2 Million Dollars of Clayton Settlement Funds for 2023 projects. In Debt Repayment, \$1.8 Million Dollars will be repaid in 2023, \$1 Million Dollars of that is the refinancing of the Note Anticipation Note approved earlier this year, and the remaining is traditional annual debt payments.

Capital Projects

Manager Sturgell went through the list of Street Capital Projects for the upcoming year.

1. Brighton Beach Road Utilities Replacement for design and construction with projected costs at \$360,000 for streets, \$1.35 Million Dollars for water, \$367,500 for private lateral work (offset with special charges), \$52,500 in lateral program costs, and \$665,000 for sanitary sewer.
2. Church Pond (Jacobsen Road Middle Pond) design and construction along with Jacobsen Road urbanization with trail and stormwater improvements from CTH CB to Irish Road including

design and soil borings. The land acquisition for the pond and the Jacobsen Road cross culvert improvement project were completed in 2020. The cost for design and soil borings is budgeted at \$50,000 from prior borrowing in the stormwater fund. The construction of the pond is budgeted at \$3.3 Million Dollars offset with \$2 Million Dollars of settlement funds. The design for this development is slightly incomplete due to the plan showing 30 residential lots instead of the planned 31 lots, due to the addition of road access between lots 13 and 14. Manager Sturgell explained he has some concerns with the numbers for this development, as he doesn't think the Village will be making a lot of money for the amount of work involved. They would need to sell the lots at \$48,500 per lot just to recoup the cost of the land, which does not include gas, electric, street lighting, etc. The original thought of doing this development was to generate revenue to fund the pond. It is possible we could try a different layout to get more lots with higher density, however his thought is to only go forward with the pond construction at this time until the numbers make more sense. The Board agreed it makes sense to construct the pond only and let a developer take over from there.

3. Sand Point Pond design and construction and East Shady Lane Urbanization with a 10' Trail from CTH CB to Cold Spring Road including design and soil borings. The East Shady Lane urbanization is budgeted for \$100,000 from streets and \$20,000 from stormwater. The Village did receive a grant for reconstruction of the Shady Lane Trail. We don't know when we will receive the funds, but we know we will be responsible for design of the project and the grant will cover the construction. The Pond is budgeted at \$50,000 in design costs from 2022 borrowing and \$1.4 Million Dollars in construction from stormwater.
4. East Shady Lane Resurfacing from Irish Road to 750 feet West of Clayton Avenue for a total budgeted cost of \$455,000.
5. Stroebe Road and Causeway Reconstruction including design and soil borings. There is \$53,000 budgeted for this project from prior borrowing. Manager Sturgell advised the Board that this has been a work in progress for the last few years with the culvert replacement conducted in 2020, the water main replacement from the railroad tracks to Harry's Gateway conducted in 2020, and the water main being upgraded to 16" line from the railroad tracks to Northern Road in 2022.
6. Winchester Road reconstruction including design and soil borings from Green Bay Road to North Lake Street for a budgeted cost of \$120,000.
7. Earl Street urbanization including design and wetland delineation from Midway Road to Airport Road for a budgeted cost of \$72,000 in urbanization, which is a joint cost with the City of Menasha, and \$25,000 in stormwater costs.
8. Blake's Way reconstruction with a budgeted design cost of \$10,000.
9. Jacobsen Road Railroad Overpass Deck Repair with a budgeted design cost of \$15,000. Manager Sturgell advised this could lead to a significant project in the next year or two. The County is responsible for all bridges over a certain size, and they advised of some areas that need cosmetic work on this bridge. The DOT contracts a company that will scan the bridge deck to determine if it's a simple repair or if a complete redecking is needed. Once this scan is complete, they will provide the information for what is needed in the near future.
10. Road Resurfacing Program for a total cost of \$750,000 (\$500,000 in borrowing, \$100,000 from the levy, and \$150,000 from fund balance, which will be split into seven parts):

Part I roads to resurface include Fox Run, Landing Boulevard, and Starboard Drive

Part II roads to resurface include Plummer Avenue and Gruenwald Avenue.

Part III roads to resurface include Lori Lane (from Jacobsen Road to Prairie Lake Circle) and Prairie Lake Circle (from Lori Lane north to the new portion of paved roadway).

Part IV roads to resurface include Dublin Trail (removing the boulevard at West American Drive as it is too narrow for fire trucks, snow plows, etc.).

Part V roads to resurface include Theresa Avenue (upper level only as this had binder placed in 2020).

Part VI roads to resurface include North Mayer Street (north of Airport Road), Twelve Oaks Court, and Wittmann Drive (from Wittman Park Lane to Appleton Road). This section will only be completed if we have enough funds leftover.

Part VII roads to resurface include Lynch Avenue (from Gardner's Row Street to West Grove Street), West Calumet Street (joint project with City of Appleton), Gardner's Row Street, Embrey Court, Short Street, and Grove Street (from Gardner's Row Street to Appleton Road which is also a joint project with City of Appleton). These sections will only be completed if we have enough funds leftover, otherwise they will likely get moved into 2024.

11. Fiber Optic Project from the Municipal Complex to CTH II with construction budgeted to cost \$400,800 from prior borrowing, and an additional \$100,200 in prior borrowing for water. The fiber optic line is being completed along CTH II yet this year.
12. Fire Station #40 parking lot replacement construction cost is budgeted at \$150,000. The areas by the front and back of the fire truck bay will be replaced in concrete due to more wear and tear, and the additional parking lot area will be paved with asphalt.
13. Demolition of the old Storage Building is budgeted at \$50,000 from prior borrowing, however Superintendent Gallow is likely to get this project done for cheaper than expected.
14. Street, Park, and Utility Radio Replacement is budgeted to cost \$70,000.

Stormwater Projects

1. West American Drive Drainage Improvements including land acquisition and construction budgeted at \$2 Million Dollars (\$300,000 from prior borrowing and \$998,209 from ARPA Grant Funds). This project is nearly complete however the remainder will be carried over to 2023.
2. Bridgeview Court Storm Sewer Culvert Project including construction for a budgeted cost of \$165,000 offset with stormwater fund balance.
3. Pfeifer Pond (Irish Road South Pond) for design and soil borings is budgeted at \$50,000. This land was acquired in 2020.
4. Irish Road North Pond land acquisition budgeted at \$300,000. Manager Sturgell stated he doesn't foresee this happening this year, but wanted to keep it on the Board's radar for upcoming projects.

5. Schildt Park Pond for design and soil borings budgeted at \$50,000. This land was purchased quite a few years ago and this pond would help with current water issues along with preparing the park for future additions.

Bubble Items

The Board had a number of items “on the bubble” to discuss include Fire Fighter Paid-on-Call wage scale, funding of the School Resource Officers beginning in April/May rather than July, and the ditch mower/tractor for the Streets Department.

The Board asked Superintendent Gallow if the tractor he is requesting can be used for any other operations. He stated we would truly be buying the equipment for three months of operations, but the areas of concern will be cut more frequently than they are currently being cut as we won't have to contract out for this service from the County. He stated the money saved by buying this equipment will get paid back in the long run as this tractor will last 20+ years. He stated the equipment owned by the Street Department can always be used by Parks or other departments, however the Parks Department needs a smaller machine to plow the trails so this tractor couldn't be used for that purpose. Currently, this budget includes the rental of this machine for another year and we can re-evaluate the purchase of this equipment in the future. The Board took an informal vote and decided to rent this equipment for another year or two and come back to this in the future.

Next, the Board discussed the wages for both School Resource Officers to begin in May rather than July. The question was where to find the funds for an extra two months of wages. The Board consensus was with the Police Department being down so many officers, they don't think they'll have a problem finding the funds for these two extra months.

Finally, the Board discussed the proposed Fire Fighter Paid-on-Call wages. The Board agreed they feel Chief Harbison is satisfied with the increase to \$12/hour starting and can be built on in the coming years. Trustee Englebert stated he thinks the Board should make a commitment to keep trying to step up this pay year after year as he feels they deserve more money than they're getting, but understands this comes down to levy limits. Manager Sturgell stated we also need to be cognizant of what the rest of the Village staff will think of this increase. The current budget proposes an overall 4% increase for our non-represented employees, however other local municipalities have already approved higher increases. President Youngquist reminded the Board by updating this wage scale, they will be eliminating considerable time taken by the Fire Chiefs and our Payroll Coordinator to calculate “add pays” every paycheck based on each firefighter's certifications. The Board discussed starting the pay at \$12/hour for now, and increasing the pay by \$1/hour at all levels midway through the year.

3. **Motion to reconvene to the October 24, 2022 Budget Workshop Immediately Prior to the Regular Village Board Meeting**

At 9:18 p.m., **MOTION:** Trustee Van Dyke, seconded by Trustee Hanson to reconvene to the October 24, 2022 Budget Workshop at 5:00 p.m. immediately prior to the Regular Village Board Meeting. Motion carried.

Respectfully submitted,

Darla M. Fink, Village Clerk

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