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Office of the City Administrator

FINANCE-PERSONNEL COMMITTEE
Tuesday, March 8, 2022
5:45 PM
North Conference Room

Minutes

1) Call to Order, Roll Call

Present:
Alderman Jeffrey Hansher
Alderman Glenn Bushee
Mayor John Wirth
Alderman Robert Strzelczyk **-- Absent**

Also present: William Jones, City Administrator, Justin Schoenemann, Assistant City Administrator, Jennifer Engroff, Finance Director, Marie Keyser, Assistant to the Finance Director, Kim Tollefson, Community Development Director, Brian Sajdak, City Attorney, Kathleen Schilling, Ozaukee County, Brian Roemer & Lisa Trebatoski from Ehlers & Associates

2) Approve Meeting Minutes

a. February 8, 2022 Finance-Personnel Meeting Minutes

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Hansher
SECONDED BY: Alderman Bushee

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

3) Vouchers Paid

a. February 2022 Vouchers Paid List

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Bushee
SECONDED BY: Alderman Hansher

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

4) Resolutions

a. **RESOLUTION 3920** A Resolution Awarding the Sale of $9,490,000 General Obligation Promissory Notes, Series 2022A; Providing the Form of the Notes; and Levying a Tax in Connection Therewith

Finance Director Engroff introduced Brian Roemer & Lisa Trebatoski from Ehlers & Associates to talk about the note sale that took place on March 8, 2022.

Mr. Roemer noted that there were seven bids and the low bidder was Northland Securities, Inc. from Minneapolis, MN. Their low bid percentage was 1.8371. The principal amount is $9.49M and the total Net Principal & Interest is $10,586,398. The notes mature March 1, 2030 and are therefore callable beginning March 1, 2029 or any date thereafter.

Mr. Roemer talked about the financing cost of this sale as well, and reviewed the debt service levy. He also mentioned about the cost of the ratings call with S&P and the fact that the price of the call paid for itself versus being non-rated.

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Hansher
SECONDED BY: Alderman Bushee

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

b. **RESOLUTION 3921** A Resolution Approving the First Amendment to a Lease Agreement with United States Cellular Operating Company LLC, in Connection with Installation of Additional Telecommunications Equipment on the City's Water Tower Located Along North Weston Drive

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Bushee
SECONDED BY: Alderman Hansher

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

c. **RESOLUTION 3922** A Resolution Approving a First Amendment to the Cell Tower License Agreement with United States Cellular LLC Extending the License Term at 11830 North Port Washington Road Through 2047

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Hansher

SECONDED BY: Alderman Bushee

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

d. **RESOLUTION 3923** A Resolution Authorizing a Fifth Amendment to the Employment Agreement Between the City of Mequon and William H. Jones, Jr.

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Bushee
SECONDED BY: Alderman Hansher

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

e. **RESOLUTION 3924** A Resolution Approving a Revolving Fund Loan in the Amount of $100,000 for Mind+ Neurology, a Medical Clinic, Located at 12200 Corporate Parkway

Community Development Director Tollefson & Ozaukee County Economic Development Director Schilling explained the basis of the loan. Director Schilling helps the City administer the program. Mind+Neurology is a new medical clinic. The request for the loan is to assist with leasehold improvements. The applicant will be required to create a minimum of five full time equivalent positions as part of the loan application. The applicant expressed they are going to fill over 20 positions. In addition there will be $1.4M in tenant improvements.

The balance of the Revolving Loan Fund is $405,000. Director Schilling reviewed the credit history of the shareholders, and secondarily, Trish McEnerney from BMO Harris reviewed the credit as well. Both recommended approval.

The Economic Development Board recommended approval on February 22, 2022 by a vote of 5 - 1.

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Bushee
SECONDED BY: Alderman Hansher

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

f. **RESOLUTION 3917** A Resolution Approving a Third Amendment to the Development Agreement for the Town Center Master Planned Mixed-Use Development for Foxtown Center, LLC

Community Development Director Tollefson explained this request is from Foxtown Ventures (owners of the Town Center Foxtown Master Planned Project) for a one year delay of their completion of Building D. The project team was delayed during construction due to poor structural condition of the original building's framing and roof structure. It was supposed to be completed at the end of 2021, and now they are requesting an extension to the end of 2022. Director Tollefson explained this does not have a negative fiscal impact on the City.

In addition, Foxtown Ventures seeks approval to delay the completion date of Building E-3 from 12.31.2022 to 12.31.2026 (four year delay). This does have a potential negative fiscal impact on the City. Staff recommends the following contingencies in response to the developer request:

1. During construction, the area of Parcel 3/Building E-3 has been used for construction storage and staging. Given the proposed delay in construction, this development agreement amendment requires Parcel E be cleared of all materials, then graded (final grade), seeded and function as green space by June 1, 2022.

2. In addition to a completion date for Building E-3 of December 31, 2026, this development agreement amendment requires Parcel F (23 pocket homes) complete construction of 80%, or 18 homes, and achieve final occupancy by December 31, 2026.

3. This amendment provides the City 30% of collection of the tax revenue in 2023 based on a project value of $50M despite the projected value of $45.9M, in order to achieve the City's expected return on investment. The Developer will receive the remaining tax revenue less administrative fees and the entire project's base improvement value, which result in less than the 70% otherwise provided in the original development agreement.

4. The amendment also provides the right to the City to withhold future tax reimbursements if the Developer defaults in the new completion dates for Parcel E/Building E-3 or Parcel F at 80%. Both parties continue to have the right to cure any default.

RESULT: **Approved by Voice Acclamation [Unanimous]**
MOVED BY: Alderman Bushee
SECONDED BY: Alderman Hansher

AYES:	Hansher, Bushee
ABSENT:	Strzelczyk

5) Information Items

a. Compensation Study

Assistant City Administrator Schoenemann explained the last time the City engaged with an outside vendor on a Compensation Study was 2014. This study is recommended every four to five years to make sure the City is providing salaries that are appealing to applicants while staying competitive in the current job market.

Alderman Bushee wanted to make sure if the City spends the money for the study, the City will follow through with the results.

b. Finance & Personnel Work Plan

6) Adjourn

Alderman Bushee made a motion to adjourn the meeting at 6:27PM, seconded by Alderman Hansher. Both voted in favor "aye."

Respectfully Submitted,

Marie Keyser
Assistant to the Finance Director