



156 East First Street
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August 22, 2017

CALL OF MEETING TO THE MEMBERS OF THE COUNCIL OF THE CITY OF NEW RICHMOND

Notice is hereby given there will be a Special Session of the Council of the City of New Richmond on Monday, August 28, 2017, at 5:30 p.m. in the Council Chambers of the Civic Center, 156 East First Street, New Richmond, WI 54017.

AGENDA:

1. Call to Order
2. Clerk's Roll Call
3. Pledge of Allegiance
4. Adoption of Agenda
5. VFW Request
6. Resolution Opposing AB 399, AB 309 and AB 361
7. Presentation of Five Year Capital Improvement Plan
8. Presentation of First Draft of 2018 Budget
9. Communications & Miscellaneous
10. Closed Session per State Statute #19.85 (1)(c)(e):
 - a) TID# 6 Sale of Land
 - b) Non-Union and Union Wages and Salaries
 - c) Review of Land Contracts pertaining to City owned parcels
11. Open Session – Action on Closed Session Agenda
12. Adjournment

Fred Horne, Mayor

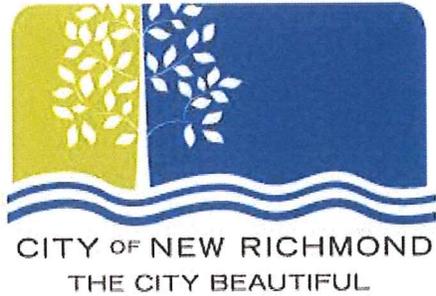
cc: The New Richmond News
Northwest Communications
City Website



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TO: Mayor Horne and City Council
FROM: Mike Darrow, City Administrator
DATE: August 24, 2017
RE: VFW Request

The City Council will continue their discussion on the VFW's request for a building at Freedom Park during this work-session. This issue was tabled during the August 14, 2017, regular Council meeting in order to allow for additional details to be presented. Additional information, with possible recommendations, may occur during this work-session.



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TO: Mayor Horne and City Council

FROM: Mike Darrow, City Administrator

DATE: August 24, 2017

RE: Resolutions Opposing AB399, AB309 and AB361

The City Council will continue the discussion on both of these proposed resolutions during this work-session. These items were tabled to allow the City Council time for review prior to additional discussion. Information on Assembly Bills 399, 309 and 361 can be found by going to the Wisconsin State Legislature website and searching for AB399, AB309 and AB361. Additional information, with possible recommendations, may occur at this work-session.



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TO: Mayor Horne and City Council

FROM: Mike Darrow, City Administration
Rae Ann Ailts, Finance Director

DATE: August 17, 2017

RE: 5-Year Capital Improvement Plan (CIP)

Attached to this memorandum is the draft 2018-2022 Capital Improvement Plan (CIP). Projects identified within the draft incorporate projects identified in the previous 2015-2019 CIP and include new needs as identified by staff, Council members, and through input from the community from various engagement processes. The proposed plan provides an opportunity for Council to not only consider projects, but to assess and rate projects by assigning priority levels.

Our intention during the work session on Monday evening is to provide an overview of the projects spanning the next five years as well as establish core themes for which each project would be reviewed. We are asking the Council to consider the following steps in reviewing, and ultimately adopting, a capital improvement plan:

1. **Brainstorming** (August 2017). The following list of capital improvement projects is a list of projects identified through the last CIP planning process or through needs expressed during previous meetings, etc. The “homework” for the City Council and staff during this brainstorming exercise is to develop core themes for which projects will be categorized and rated to aid in deciding which projects will move forward or receive funding consideration. In the past, we have used themes like “health, safety and general welfare” to describe our prioritized funding logic. Another consideration is to review projects and prioritized based upon the alignment of the project with the mission statement of the City: “The City of New Richmond’s primary mission is to provide its citizens with reliable, efficient and economic public services.”

By establishing themes, projects will be evaluated through a consistent central-theme litmus test.

For example: Street Project XXXXX- Step 1. Does this project meet the criteria set forth by the City Council? If so, in what ways does it meet our litmus test (findings)? If themes are health, safety and general welfare, this project, if completed, could significantly reduce traffic congestion, allow for additional trails/sidewalks, and complete a central element in our Safe Routes to School project.

2. **Evaluation – Alignment of Projects with Core Themes (September)**

In September the core themes are established, and an evaluation of each project begins as well as a ranking based on the core themes.

Public Engagement (and October). After the establishment of core themes, and working in parallel with step 2, we will ask the community for input on the projects that have been identified. The public will be presented with these themes as well as opportunities for ranking. In addition to the citywide projects, we will be setting up a larger-community wide initiative for projects that may be identified by other taxing jurisdictions.

3. **Sources and Uses and Financial Impact Evaluation** (November-January). Once projects have been identified, ranked and discussed within the community, staff will begin to prepare financial scenarios for project funding through the use of grants, general fund opportunities, borrowing, TID funds, etc. We will also layer in financial projections and any impacts funding would have on our debt during this analysis.

4. **Formal Approval.** We anticipate approval of the CIP project during the early part of 2018.

Below are frequent questions that were identified during our last CIP process:

How did we come up with these projects? Many of these projects were identified by department heads as part of previous planning sessions or have been identified by the City Council or general public. Ultimately, the ranking of these projects and project funding will be a policy decision.

How is the public involved in these projects? It is important to understand that we are not going to be asking for Council approval of millions of dollars in capital costs without a transparent process. Each project will require additional review by Boards and Commissions, and in some cases, a public hearing/community meeting (library, street projects for example) to move forward. Community input will be critical to this project at the beginning, as well as during project construction.

Can we add projects or eliminate projects as a part of this project? Yes! Again, this list is meant to serve as a working guide for our review. If there are projects that we missed, or there are things critical to your specific aldermanic district, please let us know.

How certain are we about costs related to these projects? In many cases we utilized a “cost per lineal foot” process using 2017 cost estimates. We also added a 10-15% contingency to each project. In other cases, we are putting a best guess on future funding, etc. For most projects, up front engineering “soft costs” will be necessary to get detailed costs. We will also continue to look into grants, etc. to help offset the costs.

Are there additional ways to save money on these projects? Yes. During the meeting, we will identify other ideas, including project assessments by property owners for street improvements, which could significantly reduce the cost of street projects as identified within the proposed matrix. These are brainstorming ideas which are meant to generate additional conversation.

Why are you including the CIP for the Utility Commission? Since some of these projects would be "jointly-funded" (particularly street projects) it is important for you to understand sources and uses of funds from the Utility as well. The proposed water/wastewater project for the airport would also be a joint decision. That type of project will require input from the Airport Commission, EDC, Public Works, Utility and City Council for it to move forward.

Conclusion

During the meeting on Monday, August 28th, we will be asking the Mayor and City Council to identify themes for approving these types of projects. (Utility Commission will participate during their September meeting). Prior to that meeting, please think of core values, themes or CIP mission statements that are important to you, your constituents and our community as we begin this important planning process.



TO: Mayor Fred Horne and City Council

FROM: Mike Darrow, City Administrator
Rae Ann Ailts, Finance Director

DATE: August 23, 2017

RE: 2018 Budget Review

Attached to this memorandum is the first draft of proposed general fund expenditures for fiscal year 2018. The general fund, in combination with the Utility budgets, reflects over 18 million dollars in service which provide for safe municipal drinking water, emergency services, infrastructure maintenance and improvement, programming for children and adults, a vibrant and growing economy, and land use planning that will propel us into the future while creating a sustainable, beautiful community.

The budget process began in late spring with department heads reviewing operations and associated service costs while identifying future needs within City operations. Since that time, we have worked with staff, department heads, council members and stakeholders in categorizing those needs within several general theme areas, helping us to develop funding priorities for FY 2018. , This collaborative approach has elicited a number of new ideas ranging from revenue generation to operational cost savings.

These themes have been further defined and prioritized to align with the mission and values of the City. As part of this alignment process, the team developed a vision statement which focuses attention on how the needs (themes) identified in the budget will be accomplished in the coming year. The 2018 vision statement is:

The City of New Richmond strives to bridge our heritage with the current and future needs of our growing community. We will accomplish this through:

- Providing reliable, safe and convenient services
- Striving to be leaders in local government through the use of innovation, sustainable best practices and fiscal responsibility
- Fostering transparency through community engagement
- Acknowledging the significant return on investment to our economy through the support of local programs and services
- Retaining and attracting staff to meet the growing expectations of our community

It is through the identification of needs that has led us to an essential core value in FY2018: the need for staffing level increases to keep pace with our growing community and expectations of core services within the “City Beautiful.”

The table below outlines several key City metrics which provide examples of increased demands from prior years when compared to our general operating expense budget. These metrics illustrate the need to bridge the expectations of today with the needs of tomorrow, for example:

- The number of police calls has increased by 502 calls from 2014 to 2016. At this pace, 2017 calls are expected to increase by another 800 calls when compared to last year.
- Public Works is caring for increased miles of streets and trails in addition to absorbing the care and maintenance of the Cemetery and street construction management and inspection.
- The equalized value of the City has grown \$168,323,900 (29%) from 2012 to 2017, while operating expenditures have remained relatively flat over the same period.
- The number of Full Time Equivalent Employee's has remained at 2012 levels, with seasonal staff remaining consistent over the last several years.

5 Year Historical Operational Trends

	2012	2013	2014	2015	2016	2017 YTD	2017 Projected
Police Calls	5150*	3831	3498	3613	4000	3419	4827
Fire Calls	216	218	210	215	218	145	218
Miles of Street	57	58	58	58	58	58	58
Miles of Trail	10	13	13	14	14	14	14
Building Permits Issued	267	202	231	287	307	491	550
New Dwellings	79	17	21	56	57	65	75
Construction Value	\$22,463,297	\$6,061,709	\$24,273,237	\$33,492,461	\$30,691,055	\$17,091,252	\$26,650,000
Cemetery	Association	Association	Association	Association	City	City	City
Full Time Employees	70	69	69	71	71	70	70
Seasonal Employees	4	5	4	6	7	8 (2 Cemetery)	8 (2 Cemetery)
Total Population	8,395	8,533	8,616	8,715	8,807	8,909	8,909
Equalized Value	\$549,022,900	\$554,028,300	\$575,488,500	\$607,269,700	\$661,173,500	\$717,346,800	\$717,346,800
Assessed Value	\$587,058,000	\$585,295,970	\$583,152,300	\$588,500,090	\$611,740,800	Pending	Pending
Expense Budget	6,142,051	6,363,117	\$5,842,809	\$6,111,010	\$6,185,545	\$6,039,740	\$6,039,740
Expense Change From Previous Year Budget		+221,066	-\$520,300	+\$268,201	+\$74,535	-\$145,805	

*2012 was last year where a case number was drawn for all citations

On Monday evening, department heads will present information on general budget themes and key needs going into the next fiscal year. Outcomes for this meeting include:

- Understanding and approval of key themes
- Overview of department needs
- Approval of next steps within the budget process
 - Public participation process (based upon core themes)
 - Set future meeting dates for draft 2.0

During the month of September we will be asking Council members and key stakeholders within the community along with members of the press to join our BudgetLab FY2018. The purpose of this lab exercise is to offer an opportunity for community members, policy members and key stakeholders to better understand the budget process; direct and indirect budget line-items as well as the overall mission and core values within each department. At these meetings, staff will ask for feedback and innovative ideas from those who make up our community. We hope that a transparent and collaborative process will foster additional ideas as we build a better budget together.