



COMMITTEE OF THE WHOLE

ITEM NUMBER 4B

DATE: September 21, 2021

SUBJECT: DISCUSSION - Stormwater Utility Creation.

SUBMITTED BY: Peter Riggs, Director of Public Works

BACKGROUND/HISTORY:

Another in a series of discussions regarding the creation of a stormwater utility. This discussion includes follow-up information for questions asked by members of the Common Council at the September 7, 2021 discussion. In particular staff has provided a listing of properties with the most amount of ERUs and potential impacts depending on possible budget ranges. Other discussion regarding the draft feasibility study provided at the September 7, 2021 meeting is expected.

Staff continues to work on solidifying code language for the forth coming ordinance to present to the Common Council for a final decision on the creation of a Stormwater Utility. It is expected that this ordinance will be presented at the October 5, 2021 Committee of the Whole Meeting.

BUDGET/FISCAL IMPACT:

This item is for discussion purposes only. Stormwater Utility formation will have impacts on future budgets, but this discussion does not contain any actionable items with direct financial impacts.

RECOMMENDATION:

No recommendations are required for this discussion.

TIMING/IMPLEMENTATION:

This item is for discussion at the September 21, 2021 Committee of the Whole meeting.

A related ordinance will be drafted and presented at the October 5, 2021 Committee of the Whole Meeting and then scheduled for final consideration at the October 19, 2021 Common Council meeting.



City Clerk
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1161 - (262) 763-3474 fax
www.burlington-wi.gov

CITY OF BURLINGTON
Committee of the Whole Minutes
Jeannie Hefty, Mayor
Diahnn Halbach, City Clerk
Tuesday, September 21, 2021

1. **Call to Order - Roll Call**

Mayor Jeannie Hefty called the Committee of the Whole meeting to order 6:30 p.m. Roll Call - Present: Alderman Shad Branen, Alderman Theresa Meyer (via Zoom), Alderman Bob Grandi, Alderman Ryan Heft, Alderman Steve Rauch, Alderman Jon Schultz, Alderman Tom Preusker, Alderman Bill Smitz. Excused: None

Staff present: City Attorney John Bjelajac, Finance Director Steve DeQuaker, Assistant City Administrator/Zoning Administrator Megan Watkins, DPW Director Peter Riggs, Police Chief Mark Anderson (via Zoom), HR Manager Deb Epping (via Zoom) and City Engineer Gregory Governatori.

2. **Citizen Comments:**

Yvette Moeller, 724 Crestwood Drive, commented in regards to Echo Lake and Dam and feels the City isn't being transparent enough, encouraged putting together a lake management team, and suggested some board members not have preconceived opinions about what should be done about the lake and dam.

A.J. Schkeryantz, 33201 S. Honey Lake Road, commented that he supports saving the lake and dam and that it is the "nostalgia of Burlington" and asked the Council to consider forming a lake committee and creating a lake management plan.

3. **Approval of Minutes** - To approve the September 7, 2021 Committee of the Whole Meeting Minutes.

Motion: Alderman Preusker. Second: Alderman Grandi. With all in favor, the motion carried.

4. **DISCUSSION:**

A. **A discussion to amend the City of Burlington's Revolving Loan Fund and Grant Policy and Procedures Manual.**

Director DeQuaker introduced the discussion item and then handed it over to Carolyn Engel, RCEDC, for further details.

Engel recommended three changes to the program, which included delegating loan and grant approvals to RCEDC's Loan Committee and Board of Director's instead of bringing to Council

for consideration, because it would speed up the approval process. The second change would be to allocate 30% of available funds for grants in 2022, which amounts to \$52,000; and thirdly, to reduce the maximum grant amount for new businesses that have been in operation for a year or less, from \$10,000 to \$2,500, which is more consistent with other grant programs within the County.

Alderman Schultz wanted to know how many loans per year has the City approved so far. Engel responded there have been 4 loans, and the majority of approvals has been for grants. Schultz stated that he is okay with giving loan authority to the RCEDC, but felt the grants should still come before the Council because he values hearing from the owners and having that face-to-face contact. Engel replied that quarterly updates would be provided to the Council so they would know which new businesses were approved, and asked Council to consider streamlining the approval process, which currently takes about 6 weeks to process.

Alderman Preusker stated he would like to revisit the policies before giving up any control of the approval process and wanted to know if something could be implemented to better protect the City if grant recipients don't comply with the requirements of the program. Engel responded reducing the grant amount to \$2500 for start-ups would help lessen the risk to the City and could add a requirement of a solid business plan.

Alderman Rauch commented that \$10,000 is more valuable for start-ups versus giving to existing businesses that don't necessarily need it.

Alderman Grandi stated that he is in favor of expediting the process and understands the 2 week delay between Committee of the Whole and Common Council meetings and suggested the possibility of allowing the approvals to go same night COW/Council and keep the Council involved in the approval process. Grandi then asked Engel to explain the process. Engel replied that staff first reviews the application, then it goes to the RCEDC loan committee, which is made up of volunteers with backgrounds in banking, accounting, law, real estate, and small business development; if approved, then it goes to Council for final approval.

Alderman Branen asked Engel if the loan advisory committee has any personal interaction with the applicant during the vetting process and if there are any costs associated with RCEDC. Engel responded the committee interacts with staff based off their recommendation and written presentation and does not meet with the applicant. Engel also stated there are no additional costs, but the applicant is charged a 1.5% processing fee. Branen stated that he appreciates the RCEDC's input because of the indepth vetting process they utilize, but felt it would lose some of the personal connection from what we have now.

Alderman Meyer commented that the RCEDC is a good steward of this program, has provided great recommendations to the City, and all are still in business and trusts that the RCEDC can do this in order to streamline the process. Meyer then asked a question about one of the program objectives regarding creating jobs above the median income, and wanted to know if that is happening or if there is data to support that objective. Engel responded they collect average wage rates and would begin including in the quarterly reports.

Alderman Heft commented that he does see some efficiencies in the timeline process, but also values the face-to-face interaction with the applicant. Heft then asked why \$2500 is being suggested for the maximum grant amount for start-ups. Engel responded the smaller amount allows the money to be spread out among more businesses and start-ups are typically higher risk. Alderman Schultz commented that the list of start-ups have a history of being successful in the City of Burlington. Alderman Smitz commented that it's the start-ups that benefit more from the higher dollar amount and asked if there are any other options the start-ups can utilize. Engel responded there are none within RCEDC's programs.

Alderman Preusker commented that it makes sense to limit the risk from start-up businesses, but didn't feel cutting dollars was the way to do it, and suggested for them to have a solid business plan before being approved.

Alderman Schultz asked about the agenda timeline process. Watkins responded that agenda items for upcoming meetings are due on the Friday after each current meeting; draft packets are then reviewed by the City Administrator the following Tuesday/Wednesday, and final packets are collated into pdf's, assembled, and distributed by the Friday before the next meeting, which can be a 2-3 hour process.

B. A discussion regarding Stormwater Utility Creation.

Director Riggs provided an overview, stating that this is another in a series of discussions regarding the stormwater utility and is a follow-up in response to questions asked by the Common Council regarding providing a list of properties with the most amount of ERUs and potential impacts depending on possible budget ranges, as well as a look at the draft feasibility study. Riggs further stated that staff continues to work on solidifying code language for the forthcoming ordinance to present to the Common Council for a final decision about creating a Stormwater Utility.

Greg Governatori, Kapur, provided an overview of the updates within the feasibility study and further reviewed the water credit process and breakdown of the top ERU properties, which equates to 56 parcels.

Alderman Grandi wanted to be sure facts are conveyed to the public before any ordinance is approved, because people are going to want to know what this will cost, which still needs to be determined. Grandi also wanted to know potential future costs and stated if this information isn't provided, people will feel the City isn't being transparent.

Alderman Rauch stated the budget is going to be whatever the Council determines it to be, and once that is determined the ERU's can be calculated based on the budget.

Alderman Branen wanted to know what isn't being funded with the current revenue sources. Riggs responded the utility would provide some relief within the Capital Project budget, which could be put towards stormsewer projects, address deficiencies within the stormsewer, provide a storm water master plan, provide additional rounds of street sweeping, and improve leaf collection activities. Branen asked if the City doesn't create this utility, would these tasks not be addressed. Riggs responded that it would continue to be constrained by levy limits. Branen asked if the fee would be included with the quarterly water bill. Riggs responded that it would be billed as a separate line item within the quarterly water billing system.

Alderman Preusker asked if the City, or other municipalities, have reached out to legislature to see if levy limits could be increased in order to comply with unfunded government mandates. Preusker commented that he would like to see a proposed budget prior to approving an ordinance. Preusker then asked if the utility would reduce the current levy limit. Riggs replied that the levy would be reduced by the total amount spent on stormwater related purposes in 2013, which is the year the legislature wrote the statute.

Alderman Schultz asked how much was spent in 2013 on stormwater. Riggs responded the amount was between \$30,000 to \$40,000 which was primarily contractual services. Schultz then asked if a map or a list of all the stormwater piping throughout the City, listed with its age, exists. Riggs responded that GIS mapping of the sewer system is available but it does not list age.

5. **RESOLUTIONS:**

- A. **Resolution 5121(30)** - To approve the Acceptance of a Storm Sewer Drainage Easement Agreement with Steven Licht and Joan Licht.

Director Riggs presented Resolution 5121(30) and 5122(31) together as they are related. Riggs explained that this is one of the three small storm water projects that were approved as part of the 2021 Burlington Drainage Project, in which a utility easement is needed to extend the storm sewer in order to alleviate the backyard stormwater ponding that has been occurring at this location.

- B. **Resolution 5122(31)** - To approve the Acceptance of a Storm Sewer Drainage Easement Agreement with Kenneth Squire and Eileen Squire.

See Resolution 5121(30).

- C. **Resolution 5123(32)** - To approve the Acceptance of an Access Easement Agreement with Wisconsin Electric Power Company and Bohner's Lake Sanitary District.

Director Riggs explained that WE Energies installed a large regional natural gas pipeline along the southern edge of the City limits, and as part of the project, installed a gas valve assembly near the intersection of Liberty Drive and S. Pine St (Hwy. 83), which is next to the Bohner's Lake Sanitary District (BLSD). Riggs explained that WE Energies attempted to connect to an existing driveway owned by BLSD but was denied access by Wisconsin Department of Transportation due to their plans to eliminate the connection for BLSD because of safety concerns on Hwy. 83. Riggs further stated that an this easement agreement provides for the construction of a driveway to be used by WE Energies and BLSD to acces their facilities off of Liberty Drive and the City will not be responsible for any construction or ongoing maintenance costs for the driveway.

- D. **Resolution 5124(33)** - To approve the purchase of computer equipment for remote access from Digicorp in the not-to-exceed amount of \$33,000 utilizing American Rescue Plan (ARPA) dollars.

Director DeQuaker stated that when the Stay at Home order was issued in March of 2020, Administration quickly transitioned staff from work to home, and employees that were able to work from from home, utilized their personal PC's and/or laptops, which could be problematic with open records requests. DeQuaker further explained that due to the ongoing pandemic, it's imperative for staff to utilize city infrastructure versus their own technology should the need arise again to work remotely and the new equipment will replace current desktop units and will be utilized on a daily basis when not being used remotely. DeQuaker stated that Digicorp, the City's IT support, has provided a quote for equipment and IT services and could be funded susing ARPA dollars as it is a qualifying expense.

Alderman Preusker asked if the City sought bids or used VendorNet. DeQuaker responded that they went directly to Digicorp as they provided all the IT services for the City, but they could solicit bids or check with VendorNet if that's what Council wanted.

Alderman Schultz inquired about security and the process for remoting in. DeQuaker responded that remote access is done through VPN and employees should be saving information to the network and not on a local drive. Schultz wanted to be sure that the City is protected if a laptop was lost or stolen. DeQuaker stated that Digicorp provides security software and the network is backed up nightly.

Alderman Branen felt this purchase might be worthwhile to obtain other pricing and asked DeQuaker if it would be time consuming to do. DeQuaker responded that VendorNet can be time consuming because it's cumbersome to use, but would rely on Director Riggs to help him. DeQuaker also stated that he could easily purchase the laptops at BestBuy, but the expense is in the setup and getting the software installed, which is provided by Digicorp and are familiar with the City's system, but would definitely be willing to look to see if the City can get a better price either through VendorNet or other sources. Branen stated that the relationship with Digicorp is important but so is the bottom line.

6. **ORDINANCES:** None

7. **MOTIONS:** None

8. **ADJOURNMENT**

Motion. Alderman Smitz. Second: Alderman Heft. With all in favor, the motion carried and the meeting was adjourned at 7:43 p.m.

Minutes respectfully submitted by:

Diahnn C. Halbach
City Clerk
City of Burlington