

**CITY OF TWO RIVERS CITY COUNCIL
PERSONNEL AND FINANCE COMMITTEE
Thursday, March 29, 2018
6:00 PM
3rd Floor Committee Room**

Call to Order

The meeting was called to order by Chairperson Patrick Gagnon at 6:00 PM.

Roll Call

Committee Members present: Kay Koach, Patrick Gagnon and Jack Powalisz.

Also present were: Gregory Buckley, City Manager; Dave Buss, Finance Director.

Invited Guest: Rick Carey, President of Metalware Corporation.

Committee Chairperson Gagnon asked the Committee to first address Agenda Item No. 6, Discuss Current Development Projects since Mr. Carey was in attendance. Councilmember Koach made a motion to move to Agenda Item No. 6, seconded by Councilmember Powalisz. Upon a voice vote, motion carried.

Discuss Current Development Projects

Metalware building on Columbus Street. Mr. Carey discussed a possible project involving building renovation and new construction of 5,000 square feet at Metal Ware's existing building on Columbus Street. This building has two major industrial tenants-Woodland Face Veneers and Rusch Machine, and the renovation/expansion project would help address both companies' growth needs. Mr. Carey stated that he would be interested in possible city assistance for this project.

Mr. Buckley expressed support for the project, but noted that it is not located in any existing TIF district and, if a new TIF district were to be created to assist the project, he doubted that the project as described would generate much in the way of TIF revenue. He noted that the City's Economic Development Revolving Loan Fund could provide loan assistance to either of the tenant businesses, to help finance capital investments that would result in new job creation, but the RLF cannot make a "landlord loan" to assist with the building project, since Metalware would not be employing any people at this location.

At Mr. Carey's request, Mr. Buckley agreed to send Mr. Carey an e-mail, addressing the availability of RLF financing to aid his tenant businesses in job creation activities.

No action was taken at this time as there are no definite plans presented. Mr. Carey was just asking if this could be an option for him to pursue at this time.

New Office/Production/Distribution Facility. Mr. Carey also addressed new facility options being considered by MetalWare, including expanding plastics production space and new, expanded distribution space. He noted that the company's Taylor Street facility, located in the Two of Two Rivers, does not meet the company's current or future needs. He added that he would be interested in marketing that facility, and might wish to pursue annexation into the City, to access water and sewer services.

Mr. Buckley stated that he had previously provided MetalWare with a proposal for assistance related to a new facility in the Woodland Industrial Park, proposing free land, possible TIF grant to the company, City funding of infrastructure to serve the new facility, and possible City loan for new machinery and equipment. Mr. Carey acknowledged the proposal, but noted that he does perceive some disadvantages to locating in the Woodland Industrial Park, relative to other area industrial parks.

Possible Downtown Redevelopment Project. Mr. Carey updated the Committee on his continued interest in this project. Mr. Buckley and Mr. Carey noted that the City of Two Rivers would need to play a major role in this project, including land assembly and likely TIF assistance. Mr. Carey expects to extend his current purchase agreements on the subject properties to April 30, 2018.

February 2018 Overtime Report

The Committee reviewed the February 2018 Overtime Report. Mr. Buckley stated departments are within their budgets to date. No action was taken on this item.

Health Insurance: Short Report on Claims and Cost Trends

Mr. Buckley stated that a meeting was held with Jay Scott, Associated Benefits Group to discuss the 2017 Plan Review and Claims History. In 2017, total medical claims paid were \$1,817,029 compared to \$1,931,027 in 2016, a -5.9% reduction. Prescription drug claims decreased by 12.1%. Mr. Buckley stated these changes should help the city in renewal process for next year.

Update on Capital Projects Financing

Mr. Buckley stated the City will be retiring \$2.2 million in G.O. debt principal in 2018. Mr. Buss noted that the number for G.O. principal retirement is actually larger, as some G.O. debt being repaid by the utilities is not reflected in the Debt Service Budget. New G.O. debt proposed for 2018 Projects included in the new Budget is \$2,291,500. Mr. Buckley stated some of the equipment purchases have started.

Follow-up Discussion Regarding City Manager's Evaluation and 2018-19 City Manager and City Goals

Mr. Buckley reviewed the revised list with the Committee. Discussion took place on prioritizing them and presenting the final list to the Committee for recommendation for approval of the full council.

Closed Session

At 7:35 PM, a motion was made by Councilmember Koach, seconded by Councilmember Powalisz, to enter into Closed Session.

Per Wisc. Stats. 19.85(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

Chairman Gagnon noted that topics for discussion in closed session included:

--Discuss matters pertaining to assistance to economic development projects and possible property acquisition

And Per Wisc. Stats. 19.85(1)(f) considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific person except where par. (b) applies, which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations.

--Discuss Personnel Matter

Upon a roll call vote, Ayes (3) Kay Koach, Jack Powalisz, Patrick Gagnon; Noes (0) None. Motion carried.

At this time Kim Graves, City Clerk and Dave Buss, Finance Director were excused from the meeting.

Reconvene in Open Session

At 8:01 PM, a motion was made by Councilmember Powalisz, seconded by Councilmember Koach, to reconvene in open session. Upon a voice vote, motion carried.

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Adjournment

At 8:01 PM, a motion was made by Councilmember Powalish, seconded by Councilmember Koach, to adjourn. Upon a voice vote, motion carried.

Kim M. Graves
City Clerk