



Wauwatosa, WI

Financial Affairs Committee

Meeting Agenda - Final

7725 W. North Avenue
Wauwatosa, WI 53213

Tuesday, January 9, 2024

7:30 PM

Zoom Only:
<https://servetosa.zoom.us/j/81144274572>,
Meeting ID: 811 4427 4572

Regular Meeting

VIRTUAL MEETING INFORMATION

Members of the public may observe and participate in the meeting via Zoom at the link above. To access the Zoom meeting via phone, call 1-312-626-6799 and enter the Meeting ID.

CALL TO ORDER

ROLL CALL

FINANCIAL AFFAIRS COMMITTEE ITEMS

1. Consideration of partial rescission of certain 2023 Personal Property Taxes [24-0004](#)
2. Consideration of recommendation for 2024 Utility Rate changes [24-0011](#)
3. Consideration of technical changes to the purchasing ordinance [24-0016](#)
4. Discussion of settlement offer in the matter of Wheaton Franciscan Healthcare vs. City of Wauwatosa, Milwaukee County Circuit Court Case No. 2019-CV-009786 [24-0005](#)

The Committee may move to convene into closed session for this item pursuant to Wis. Stat. §19.85 (1)(g) for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Committee may reconvene into open session to consider the balance of the agenda.

ADJOURNMENT

NOTICE TO PERSONS WITH A DISABILITY

Persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (414) 479-8917 or send an email to tclerk@wauwatosa.net, with as much advance notice as possible.



Wauwatosa, WI

7725 W. North Avenue
Wauwatosa, WI 53213

Staff Report

File #: 24-0004

Agenda Date: 1/9/2024

Agenda #: 1.

Consideration of partial rescission of certain 2023 Personal Property Taxes

Submitted by:

Sarah Tyrrell

Department:

Assessor

A. Issue

Shall the Common Council approve the partial rescission of 2023 property taxes of certain personal property accounts?

B. Background/Options

After the tax roll was delivered to the Treasurer, errors were discovered on several personal property tax bills. These errors have resulted in incorrect values calculated on the affected personal property tax bills. The circumstances surrounding the rescission of taxes are summarized on the attached document.

The amount of tax subject to rescission and repayment to the affected accounts is \$79,497.51. Rescinded taxes are eligible for chargeback to the other taxing jurisdictions, thus providing revenue to offset approximately 70% of this amount.

C. Fiscal Impact

The amount involved requires an expenditure of \$79,497.51, but approximately 70% of that amount is expected to be reimbursed to the City from other taxing jurisdictions via the chargeback process.

D. Recommendation

Staff requests that the Financial Affairs Committee recommend to the Common Council that the partial rescission of 2023 property taxes, in the total amount of \$79,497.51, be approved, and that a Level 3 fund transfer be approved in order to accomplish the repayment and recognize chargeback revenue.

Acct/TK #	Name	Location	Real/PP	2023 Value	Correct Value	2023 Tax	Taxes Paid	Amt of Taxes to be Refunded/Rescinded	Taxes to be Paid by Owner	Reason for Rescission	Statute
291297449	Froedtert Hospital Pavillion Building	8750 William Coffey Dr	PP	749,000	561,700	16,031.92	-	4,008.92	12,023	TAX BILL EXPORT DID NOT CALCULATE ASSESSMENT RATIO	74.33(1)(f)
291297458	Froedtert Memorial Lutheran Hospital Inc Eye Institute	925 N 87th St	PP	209,900	157,400	4,492.79	-	1,123.79	3,369	TAX BILL EXPORT DID NOT CALCULATE ASSESSMENT RATIO	74.33(1)(f)
291297468	Ally's Power House Café	10460 W Innovation Dr #300	PP	397,800	171,800	8,514.68	-	4,837.68	3,677	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
291296247	Michelle Schaf	7251 W North Ave #5	PP	1,800	900	38.53	-	19.53	19	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
291296816	Story Hill Renovations LLC	12040 Feerick St Unit F	PP	3,900	1,900	83.48	-	42.48	41	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
291296445	U Break I Fix	2751 N Mayfair Rd	PP	24,800	11,800	530.83	-	277.83	253	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
291296981	Smart Measurement LLC	10437 W Innovation Dr #315	PP	1,700	800	36.39	-	19.39	17	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
291296200	Zywave Inc	10100 W Innovation Dr #300	PP	5,369,400	2,137,900	114,928.89	-	69,167.89	45,761	PREVIOUS DOOMAGE ASSESSMENT WAS NOT REMOVED	74.33(1)(a)
Totals								79,497.51	65,160.00		



Staff Report

File #: 24-0011

Agenda Date: 1/9/2024

Agenda #: 2.

Consideration of recommendation for 2024 Utility Rate changes

Submitted by:

John Ruggini

Department:

Finance Department

A. Issue

The 2024 Budget included a 5.0% Sanitary Sewer increase. Based on a higher than expected Milwaukee Metropolitan Sewerage District (MMSD) rate increase and better than anticipated local revenues, we recommend forgoing the local rate increase.

B. Background/Options

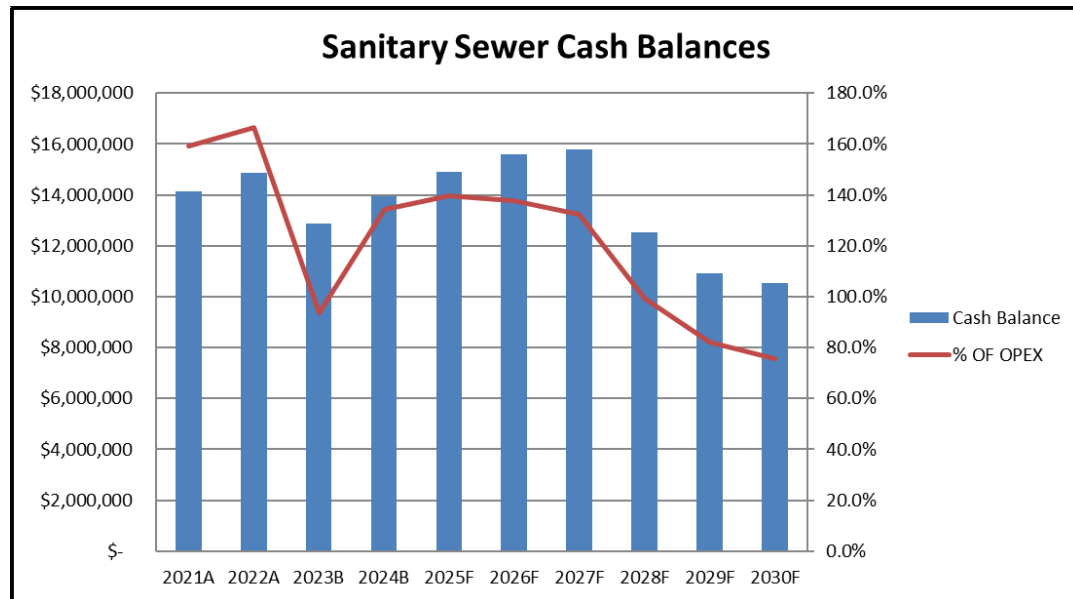
The City's Sanitary Sewer utility includes a local charge and MMSD charges. The Local Sewer Usage is a charge we set based on water usage for maintenance of our sanitary sewer system.

The sewer usage portion of residential (1-2 family) bill is based on the previous year's winter quarter. For example, 2024 sewer usages will be based off 2023 winter quarter usage. The reasoning behind this method is to offer a discount, in that we understand that not all of the water that is used in summer will be going down the drain. Some water will be absorbed or drain into the storm sewer during watering of the grass/gardens/flowers, washing of cars, going into swimming pools, etc

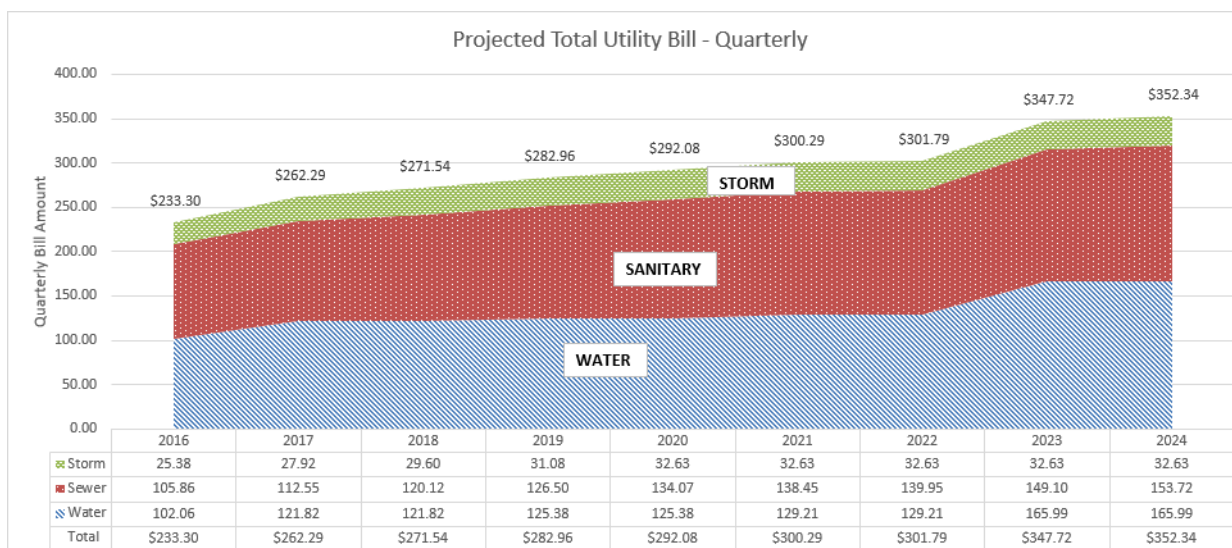
MMSD charges a Sewer Usage charge based on water usage to cover the billings for water treatment and a Sewer Connection is a fixed charge for connection to our sanitary sewer system. Both are billed through our Sanitary utility.

The 2024 Budget included a 5.0% increase in the local sanitary sewer rate. At that time, a 4.0% MMSD increase was assumed which would have resulted in a total sanitary increase of 4.6%. Combined with a 0% Water and 0% Stormwater, the total utility bill increase was projected to be 2.2%. However, a 7.0% MMSD increase, combined with a 5.0% local increase, would result in a 5.9% sanitary sewer increase and a 2.5% bill increase. In addition, it appears the winter quarter average is not decreasing, as originally thought, but remaining consistent for most residential customers.

Given the recent water rate increase, we decided to review 2023 and 2024 sanitary revenue estimates. Upon review, we believe both 2023 and 2024 sanitary revenues will exceed budget and reserves are forecasted to remain above our 25% minimum through 2030 as shown below. Based on this information, we recommend forgoing the 5% sanitary local rate increase as a way to provide ratepayer relief for the 7.0% MMSD increase and the prior year water rate increase.



The table below shows historical and the revised 2024 estimate for an average quarterly utility bill. The total average bill is estimated to increase 1.3% from \$347.72 to \$352.34.



C. Strategic Plan (Area of Focus)

N/A

D. Fiscal Impact

Based on a revised revenue estimate, 2024 local sanitary revenue will exceed budget even with forgoing the 5.0% rate increase so there is no anticipated negative impact on the budget.

E. Recommendation

We recommend that sanitary sewer local rates be increased 0.0% for the 2024 fiscal year. As budgeted, water and storm sewer rates will remain at a 0.0% increase as well.



Staff Report

File #: 24-0016

Agenda Date: 1/9/2024

Agenda #: 3.

Consideration of technical changes to the purchasing ordinance

Submitted by:

John Ruggini

Department:

Finance

A. Issue

Minor technical changes are required to clarify and modernize the purchasing ordinance

B. Background/Options

Minor technical changes are required to clarify and modernize the purchasing ordinance. These are noted in the attached document. The only substantive change is eliminating the requirement for posting public notices on the bulletin board. We believe this is obsolete and unneeded as all solicitations requiring public notice are noted on the website and in the newspaper. In the past two years we have not observed a single person reviewing bids on this bulletin board.

C. Strategic Plan (Area of Focus)

N/A

D. Fiscal Impact

None

E. Recommendation

We recommend the attached changes to the purchasing ordinance.

3.20.010 - Reserved.

Editor's note— Ord. No. Q-19-34, pt. VII, adopted December 17, 2019, repealed § 3.20.010. Former § 3.20.010 pertained to purchasing department—Established—Appointment, salary and bond of purchasing manager and derived from Ord. O-06-11 § 1 (part), adopted 2006.

3.20.020 - Reserved.

Editor's note— Ord. No. Q-19-34, pt. VII, adopted December 17, 2019, repealed § 3.20.020. Former § 3.20.020 pertained to purchasing manager—Scope of purchasing authority and derived from Ord. O-06-11 § 1 (part), adopted 2006.

3.20.030 - Requisitions and estimates.

All using departments of the city shall file detailed estimates of their requirements in supplies, materials, equipment, and contractual services in such a manner, at such time, and for such future periods as the finance department shall prescribe. This shall in no wise prevent any using department from filing with the finance department at any time a requisition for supplies, materials, equipment, or contractual services, the need for which was not foreseen when the detailed estimates were filed.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. Q-19-34, pt. VIII, 12-17-19)

3.20.040 - Purchasing procedure.

- A. All expenditures for supplies, materials, equipment or services shall be made in accordance ^{with} one of the following procedures, except as otherwise provided in subsections B or C of this section or by resolution of the common council:
1. When any single purchase or group of related purchases shall exceed twenty-five thousand dollars (or such other amount as the state of Wisconsin may set in Wisconsin Statutes Section 62.15), competitive bids shall be obtained in accordance with the procedure prescribed in Section 3.20.050 of this chapter and if the bid is awarded to other than the lowest responsible bidder, acceptance of any such bid shall be only with the consent and approval of the common council.
 2. When any single purchase or group of related purchases shall be neither less than ten thousand dollars nor more than twenty-five thousand dollars, the purchase may be authorized without the taking of quotations or bids as described in Section 3.20.050 or 3.20.060 of the chapter, subject to the common council's approval of the payment for such purchase, unless a different threshold is required by applicable laws or regulations. Such purchases shall be made in a manner consistent with applicable administrative procedures related to doing business with Disadvantaged, Minority, Veteran or Women-owned Business Enterprises ("DBE/MBE/VOBE/WBE").
 3. When any single purchase or group of related purchases shall be less than ten thousand dollars, the purchase may be authorized without the taking of quotations or bids as described in Section 3.20.050 or 3.20.060 of the chapter, subject to the common council's approval of the payment for such purchase, unless a different threshold is required by applicable laws or regulations. Such purchases shall be made in a manner consistent with applicable administrative procedures related to doing business with Disadvantaged, Minority, Veteran or Women-owned Business Enterprises ("DBE/MBE/VOBE/WBE").
 4. In the case of emergency which requires immediate purchase of supplies, materials, equipment or services, any using department, city official or department head may secure such supplies, materials, equipment or contractual services by purchase order, without the taking of quotations or bids as prescribed in Section 3.20.050 or 3.20.060

of this chapter subject only to the consent and approval of the common council; provided, however, that a full explanation of the circumstances of such emergency shall be entered in the minutes of the common council and shall be open to public inspection.

5. Except as provided in subsection (A)(7) of this section, the common council delegates authority to the board of parks and forestry commissioners to approve expenditure without further approval by the common council, when any single purchase or group of related purchases of less than five thousand dollars is made under the direction of the board of parks and forestry commissioners. This provision is an exception to subsections (A)(2) and (A)(3) of this section.
6. For purposes of renting or leasing equipment or property, the procedure to be followed shall be determined by considering the maximum total expenditure for such lease or rental agreement over the term of such agreement.
7. a. Contracts. If any purchase is to be made by contract, the contract shall first be submitted to the city attorney for review. All contracts shall be countersigned by the comptroller as provided in Section 62.09 of the Wisconsin Statutes.
- b. Except as provided in subsection (A)(7)(c) of this section, all contracts must be approved by the common council.
- c. Department directors are authorized to execute contracts on behalf of the common council provided: (1) the contract is one year or less in duration; and (2) the City's total liability under the contract is twenty-five thousand dollars (or such other amount as specified in subsection (A)(1) or (C) of this section) or less; and (3) the amount of the contract does not exceed the amount approved in the annual budget by the common council for the purchase.
- B. Materials and metering equipment, purchased by the water utility shall be exempt from the requirements of subsections (A)(1) through (A)(3) of this section provided that:
 1. The purchase is funded by a party other than the water utility;
 2. The purpose of the materials and equipment is to improve or extend water service; and
 3. The materials and equipment are to be owned by the water utility.
- C. Contractual professional services in an amount up to one hundred thousand dollars may be procured in a manner consistent with administrative policy; Contracts for professional services in an amount over one hundred thousand dollars must be approved by the common council.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-13-11, §§ I, II, 7-16-2013; Ord. No. O-17-11, pts. I—V, 4-4-2017; Ord. No. O-22-16, pts. I, II, 4-19-2022)

3.20.050 - Sealed bid procedure.

Whenever sealed bids are required by this chapter, the following procedure shall be observed:

- A. The finance department shall solicit sealed bids from all prospective suppliers who shall have requested that their names be maintained on an appropriate list, and from any other suppliers, by sending them a notice sufficient to acquaint them with the proposed award and such other requirements herein contained.
- B. The city finance department shall advertise for bids by the posting of such notice in locations and through methods reasonably expected to give appropriate notice to those who may be interested in submitting bids.
- C. All bids shall be submitted sealed to the finance department. The finance department may require a surety to accompany any bid in the form of a surety bond in such amount as the finance department shall prescribe. If the successful bidder shall not, within ten days after the award, enter into a contract with the city of Wauwatosa pursuant to their bid, the bidder shall forfeit such surety.

D.

All bids shall be opened in public at the time and place specified in the above-mentioned notices.

- E. Any bid with alterations or erasures therein may be rejected, and any or all bids may be rejected by the finance department.
- F. After taking into consideration the quality offered with a bid, delivery terms and service reputation of the bidder, the contract shall be awarded to the lowest responsible bidder. In the event the award shall be of a long-term contract, a copy of such contract shall be filed with the finance director.
- G. After examination, tabulation by the finance department, and award of a bid, bids may be inspected by the competing bidders.
- H. In the event more than one successful bid received is of the same total amount or unit price, and if no additional factors make clear that any of the bids is in the best interests of the city, the finance department shall break the tie by drawing lots.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. Q-19-34, pt. IX, 12-17-19)

3.20.060 - Quotations.

Whenever sealed bids are not required and unless otherwise provided by this chapter, the following procedure shall be observed:

- A. Wherever possible, the using department shall solicit at least three competitive quotations from prospective suppliers.
- B. Such solicitation shall be by direct mail, facsimile, telephone, e-mail or personal contact, or any combination thereof, and ~~by the posting of public notice on the public bulletin board outside of the using department's office whenever possible.~~
- C. The using department shall forward evidence of the solicitation of quotations to the finance department for review and approval, who shall keep a record of all open market orders and the quotations submitted in competition thereon, and such record shall be open to public inspection.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. Q-19-34, pt. X, 12-17-19)

3.20.070 - Encumbrance of funds.

The finance department shall not issue any order for delivery on a contract or any open market order unless and until the department certifies that there is to the credit of each of the using departments concerned a sufficient appropriation balance, in excess of all unpaid obligations, to defray the cost of such supplies, materials, equipment, or contractual services. The finance director shall countersign all contract and open market orders.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. Q-19-34, pt. XI, 12-17-19)

3.20.080 - Inspection of deliveries.

The using department shall inspect, or supervise the inspection of all deliveries of supplies, materials, equipment, or contractual services to determine their conformance with the specifications set forth in the order or contract, except that in the case of public works under the jurisdiction of the board of public works, the city engineer or director of public works shall inspect

or supervise the inspection of such deliveries.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-19-34, pt. XII, 12-17-19)

3.20.090 - Surplus stock.

The using department shall have the power to dispose of all surplus supplies, materials, and equipment not needed for public use or that may have become unsuitable for public use. Any such disposal shall be conducted in a manner which is in the best interest of the city, and shall not require approval of the common council.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-09-03, Part I, 2-17-2009; Ord. No. O-19-34, pt. XIII, 12-17-19)

3.20.100 - Rules and regulations.

The finance department shall establish and from time to time amend all rules and regulations authorized by this chapter and any others necessary to its operations; such rules and regulations and amendments thereto shall be subject to the approval of the city administrator.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-19-34, pt. XIV, 12-17-19)

3.20.110 - Records of perpetual inventories, tools on check and equipment.

The finance department shall keep accurate perpetual inventory records of all capital items and equipment owned and purchased by the city. Such inventory records shall be maintained within the general cost and accounting system of the city of Wauwatosa.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-19-34, pt. XV, 12-17-19)

3.20.120 - City's transactions covered by purchase orders.

All purchases for using department of the city covering any and all expenditures for supplies, materials, equipment, and services in an amount greater than five thousand dollars must be covered by a city purchase order or contract, except those purchases made by authorized use of a city purchasing card.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-17-11, pt. VI, 4-4-2017; Ord. No. O-19-34, pt. XVI, 12-17-19)

3.20.130 - Financial and other interests in contracts and orders prohibited.

Neither the finance department, nor any member of the finance department staff, shall be financially interested or have any personal benefit, either directly or indirectly, in any contract or purchase for any supplies, materials, equipment, or contractual services purchased by the city. Nor shall the any member of the finance department accept or receive, directly or indirectly, from any individual, firm or corporation to which any contract or purchase order may be awarded, any gifts, commission, compensation, or remuneration other than from the city of Wauwatosa in connection with the performance of their duties.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-19-34, pt. XVII, 12-17-19)

3.20.140 - Purchases from or with state, federal or other local governments.

Notwithstanding the provisions of this chapter, the finance department may make purchases from or in conjunction with another unit of government, including the state or federal government, or public cooperative buying group, provided the price of the purchase was set by open, competitive bids, without the intervention of city bids.

(Ord. O-06-11 § 1 (part), 2006)

(Ord. No. O-19-34, pt. XVIII, 12-17-19)

3.20.150 - Escalator clauses.

In bids for the purchase of commodities or services in excess of one year, the specifications may allow the bidders to submit a proposal for an annual increase so long as the criteria for the increase is included in the bid.

(Ord. O-06-11 § 1 (part), 2006)

3.20.160 - Waiver of the bidding process.

The common council may by resolution waive the bidding process for the purchase of specific commodities, products, equipment or services when it is deemed to be in the public interest. Such waiver may be done at any time and shall remain in effect until changed by the common council.

(Ord. O-06-11 § 1 (part), 2006)



Wauwatosa, WI

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Staff Report

File #: 24-0005

Agenda Date: 1/9/2024

Agenda #: 4.

Discussion of settlement offer in the matter of *Wheaton Franciscan Healthcare vs. City of Wauwatosa*, Milwaukee County Circuit Court Case No. 2019-CV-009786

The Committee may move to convene into closed session for this item pursuant to Wis. Stat. §19.85 (1)(g) for the purpose of conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. The Committee may reconvene into open session to consider the balance of the agenda.