Special Common Council and Budget Public Hearing Minutes
Tuesday, November 19, 2024 at 7:00 PM

The Common Council of the City of Neenah, Winnebago County, Wisconsin, met in special session at 7:00 PM, November 19, 2024, in the Council Chambers of Neenah City Hall.

Mayor Lang is the chair.

Present: Aldermen Erickson, Hillstrom, Lendrum, Weber, Pollnow, Steiner, Ellis and Council President Borchardt. Alderman Boyette was excused. Staff present Director of Finance Rasmussen, Director of Community Development & Assessment Haese, Director of Public Works Kaiser, City Attorney Rashid, and City Clerk Nagel.

Also Present: Deputy Finance Director Kahl, Water Utility Director Mach, Deputy Director of Community Development Schmidt, Parks & Recreation Director Kading, Library Director Hardina-Willhelm, Fire Chief Teesch, Police Chief Olson, Human Resources & Safety Director Fairchild, and Information Systems Director Schroeder.

Mayor Lang called the meeting to order at 7:03 PM.

I. The Mayor/Aldermen recorded their attendance on the RollCall-Pro System as the Clerk called the roll. Alderman Weber led the Pledge of Allegiance.

II. Proclamation
   A. Small Business Saturday, November 30, 2024
      Mayor Lang encouraged residents to shop locally this holiday season.

III. Introduction and Confirmation of Mayor's Appointment(s)
   A. None.

IV. Approval of Council Proceedings
   A. Approval of the Council Minutes and Proceedings of November 6, 2024 regular session.
   B. Approval of Committee of the Whole Minutes of November 6, 2024 Annual Security Training.
   C. Approval of the Committee of Whole Minutes of November 11, 2024 Budget Workshop.
   D. Approval of the Committee of the Whole Minutes of November 12, 2024 Budget Workshop.
   E. **(UC)**
      There being no objections, the above listed Council and the Committee of the Whole Minutes and Proceedings were ordered approved as written by unanimous consent.

V. Public Hearings
   A. Consider Special Use Permit to construct a gasoline station located at 1115 S. Commercial Street.
      Mayor Lang opened the public hearing at 7:03 PM.

      Amritpal Gill, owner of the both properties at 1115 and 1117 S. Commercial Street - Spoke in favor of the approval of the special use permit regardless of any requirements because he owns both adjacent properties. He also promised the residents of Neenah that he would have the lowest gas price in the city if he is allowed to construct this very simple gas station.

Doug Mantei, 2308 Haystacker Court, Kaukauna, WI – Mr. Mantei inspects convenience stores in Wisconsin as an occupation. Spoke in favor of the special use permit to construct a gas station at 1115 S. Commercial Street stating that the half acre requirement is not necessary for this location. Mr. Mantei indicated that since Mr. Gill owns both properties, the use of both properties interchangeably for each business would be allowed. As long as Mr. Gill stays at the minimum required six percent mark-up is maintained, the remaining eleven gas station/convenience stores will lower their gas price to stay competitive with the Neenah market.

After several calls for public comments, there were no additional appearances Mayor Lang closed the public hearing at 7:13 PM.

VI. Plan Commission report pertaining to the Public Hearings

A. Plan Commission meeting of November 12, 2024: (Ald. Steiner) (Minutes can be found on the City web site)

1. Commission recommends Council deny a Special Use Permit for a gasoline station located at 1115 S Commercial Street for the following evidence: The subject property does not meet the minimum lot size for gasoline stations per the Zoning Code. A minimum lot size of 0.5 acres is required. The subject property is 0.29 acres in size. **(RollCall-Pro)**
Motion by Alderman Ellis/Lendrum to approve the special use permit as presented, meaning move it forward in the process.

Deputy Director Schmidt advised in 2019, during a code review, it was identified that there wasn't a minimum lot size for gas stations. A survey was done of the cities eleven gas stations to find the average lot size of 0.90 acres. Understanding that gas stations generate a volume of traffic, adding a minimum lot size of 0.50 acres supports the traffic volume and property use.

Deputy Director Schmidt continued with the zoning of this property is C-1 General Commercial District, of which gas stations are listed as a special use. Since a gas station is a special use, a higher level of review is required. The property is .29 acres which is considerably smaller than the required 0.50 acres. The applicant acknowledges is the site is too small. There is no way the gas station can function with getting fuel trucks in and out by operating directly on its own site, they would have to use the property to the south. The owner does own the adjacent lot to the south, however, there is an opportunity for the property owner to combine the two properties into one parcel which would meet the minimum lot size requirement for the special use permit. However, in speaking in terms of the liquor license, if the lots are combined, the liquor store would not be able to sell liquor with the updated ordinance. Both the special use permit and the liquor license must be treated as two separate items otherwise it is circumventing the recently passed convenience store ordinance.

Council members held discussion on the roles of the Council and the Mayor, one of which is not gas prices. Businesses can charge their going rate, and customers can choose to pay that price or not, but that is not something the Council and Mayor gets involved with. Rules are in place for a reason, and without ordinances and minimum requirements, the city becomes a free for all. If this is approved tonight, it would be to benefit one individual, one property owner, one business owner; then where does the Council say no.

Motion restated and vote clarification: Motion by Alderman Ellis/Lendrum to approve the special use permit as presented, meaning move it forward in the process.

Alderman Steiner and Mayor Lang clarified that motion on the floor is to approve or move the special use permit forward, a no vote is to deny the special use permit.

Motion failed unanimously in a roll call vote, 0-8.

VII. Public Forum

A. Speakers should give their name and residential address (not mailing address) and are allowed five minutes to speak on any topic.
Mayor Lang opened the public forum at 7:26 PM.

Rich Wangard, 134 Alexander Drive – Spoke against the Alexander Drive sidewalk installation that is in the 2025 Budget. Mr. Wangard does not think sidewalks are necessary on the one block street, and it would ruin established landscaping. He also states the sidewalk would be too close to picture windows and bedroom windows with a ten foot setback. There are only a handful of pedestrians and some dog walkers who use Alexander Drive with little vehicle traffic, therefore sidewalks are not necessary.

Adam Paalman, 130 Alexander Drive – Does not think the sidewalks on Alexander Drive are necessary. He would rather see the money redistrirbuted to a different area of the budget. Mr. Paalman inquired about striping the road with a bicycle/pedestrian lane as an alternative to sidewalks.

Cheryl Fowler, 118 Alexander Drive, spoke on behalf of Joesph and Lois Dunn, 125 Alexander Drive, who could not be here tonight. Mr. and Mrs. Dunn do not think sidewalks are necessary on Alexander Drive because there are only six school age children who live on the block long road and they are not in any danger. There is no public transportation on the street and no heavy vehicle traffic. It is unnecessary to ask the taxpayer to pay for a sidewalk when the use isn’t there. Would like the consideration to installing a speed bump such as the one on Marathan Avenue or a bicycle/pedestrian lane.

Cheryl Fowler, 118 Alexander Drive – Opposes sidewalk installation because residents will not be able to park a vehicle in their driveway without being over the sidewalk.

Linda Garvey, 105 Alexandar Drive – Opposes Alexander sidewalks as they would not fall favorably on the aging residents. Putting in sidewalks in a forty-year-old established neighborhood seems odd to Ms. Garvey. She would like to see the money put into other infrastructure projects or into safety.

After several calls for additional public comments, there were no appearances. Mayor Lang closed the public hearing at 7:36 PM

VIII. Mayor/Council consideration of public forum issues

A. Alderman Lendrum stated that her sidewalk setback is 21.22 feet, which is smaller than the setback on Alexander Drive. She also extended an invitation to Alexandar Drive residents to tour her house as an example of what the sidewalk setback would look like. After recently breaking her leg, Alderman Lendrum used the sidewalks as part of her rehabilitation. To walk on the road would have been uneven and way to scary for her to do as part of her rehab.

B. Alderman Ellis shared that when it comes to sidewalks, the decision is not an easy one. The role of the Council is to legislate for the future, not for the current situation. We cannot abolish any type of standard because the residents do not want sidewalks. From a safety standpoint versus a beautification standpoint, Alderman Ellis will always vote for safety. Resident concerns have been heard, but like earlier in the meeting, the Council cannot just vote on what is best for individuals, it has to take everyone into consideration and not just for today but for the future.

C. Council President Borchardt is not a believer in one size fit all standard. When the constituents share their stories the Council must listen. If there were accidents or other issues the city was dealing with, he could see the need for sidewalks. There are other projects we could be using the money on. Council President Borchardt would rather look at sidewalks on a case-by-case basis.

D. Alderman Hillstrom, clarified that cost of budgeted for the sidewalk is $65,000, and reserves his comments until the budget portion of the agenda.

E. Alderman Steiner is in agreement with Council President Borchardt in that he likes to look at sidewalks on a case-by-case basis and not a uniform “one size fits all”. In the grand scope of things for the overall city, this is not a priority and the $65,000 could be used elsewhere.

F. Alderman Lendrum again offered to walk the residents along Alexander Drive through the GIS plotting of the sidewalks to get a better understanding of where the sidewalk setback would be located.

IX. Consent Agenda

A. Approve Change of Agent application to Walgreens #03392, 500 S. Commercial Street, Neenah WI, Adrianna Fryjoff. **(PSSC)**

B. Receive and place on file the Police Departments 3rd Quarter Report. **(PSSC)**

C. Approve the Final Plat for the Fourth Addition to the Homes at Freedom Meadows subdivision. **(PC)**

D. Approve the Preliminary Plat for the Second Addition to Freedom Acres subdivision subject to the conditions on the preliminary plat review letter. **(PC)**

E. **(UC)**

Seeing no objections, the Consent Agenda is approved by unanimous consent as presented.

X. Reports of standing committees

A. Regular Public Services and Safety Committee meeting of November 12, 2024: (Chairman Lendrum/Vice Chair Hillstrom) (Minutes can be found on the City web site)

1. Committee recommends Council approve the Police Department to use the remaining capital funds of $150,360.00 from the police department building expansion, the remaining capital funds from the vehicle barriers, and $7,600.00 from the Capital Facility fund balance to build a 40'x60' storage shed to house larger vehicles and equipment at an estimated cost of $218,000.00. **(RollCall-Pro)**

MSCRP Lendrum/Weber to approve as recommended by Public Services and Safety Committee, all voting aye.

B. Regular Finance and Personnel Committee meeting of November 11, 2024: (Chairman Erickson/Vice Chair Boyette) (Minutes can be found on the City web site)

1. Committee recommends Council approve Ordinance #2024-24 Annexing 20.9 acres of land located west of Woodenshoe Road and south of Liberty Avenue. **(Action on this item is under Plan Commission)**
2. Committee recommends Council approve the Fourth Addition to The Homes at Freedom Meadows Subdivision Development and Fee Agreement. **(Action on this item is under Board of Public Works)**

C. NMFR Joint Finance & Personnel Committee meeting of October 22, 2024: (Chairman Boyette) (Minutes can be found on the City web site)

1. Committee recommends both the City of Neenah and City of Menasha Common Councils approve Neenah-Menasha Fire Rescue's 2025 budget as presented that include both Mayor's reductions. **(RollCall-Pro)**

   MSCRP Borchardt/Ellis to approve as recommended by NMFR Joint Finance & Personnel Committee, all voting aye.

2. Committee recommends the City of Neenah Council approve Resolution 2024-16 to exceed the levy limit for Neenah-Menasha Fire Rescue's 2025 budget. **(RollCall-Pro)**

   MSCRP Borchardt/Ellis to approve as recommended by NMFR Joint Finance & Personnel Committee, all voting aye.

   Director Rasmussen explained that since the NMFR is a joint fire department, both the cities of Neenah and Menasha are allowed to exceed the levy limit within a certain percentage in the overall budget. The formula to arrive at the percent over levy is done by taking the CIP inflation rate plus two percent. In this case, the overall levy excess of 5.2 percent. This is an annual action taken by both the Fire Department and both Councils.

XI. Reports of special committees and liaisons and various special projects committees

A. Regular Plan Commission meeting of November 12, 2024: (Council Rep Steiner) (Minutes can be found on the City web site)
   1. Commission recommends Council approve the Annexation #236 (Ordinance #2024-24) and the property also receive an R-1, Single-Family Residence District zoning classification. **(RollCall-Pro)**
      MSCRP Steiner/Weber to approve as recommended by the Plan Commission, all voting aye.

B. Board of Public Works meeting of November 14, 2024: (Vice Chair Hillstrom) (Minutes can be found on the City web site)
   1. Council Action Items:
      1. The Board recommends Council approve the Development and fee Agreement for Fourth Addition to The Homes at Freedom Meadows Subdivision. **(RollCall-Pro)**
         MSCRP Hillstrom/Lendrum to approve as recommended by the Board of Public Works, all voting aye.

C. Reports on neighborhood groups.
   1. Business Improvement District Board (BID Board) Meeting of November 19, 2024 – Alderman Ellis
      1. Approved the Operational Budget which will come to the Council in December.
      2. Light show will coming to the downtown soon.
      3. Date to remember:
         a) December 6th, A Very Neenah Christmas with a new start time of 5pm – 8 pm this year. However, the live mannequins start at 6pm.
         b) December 12th, Luminary Night with the Cookie Crawl. The Cookie Crawl sold out in five minutes.
         c) December 14th, Saturday Open House with Gift Certificate purchases.

D. Neenah Arts Council
   1. Report from the Neenah Arts Council Meeting of November 14, 2024 – Alderman Erickson
      1. The Neenah Arts Council received the Community Champion Award at the League of Wisconsin Municipalities Conference in Middleton on October 24th. Neenah was one of fourteen municipalities to receive this award in the State of Wisconsin
      2. The Arts Council will be at the Very Neenah Christmas on December 6th in the Alta Building. We will be making ornaments as an individual takeaway.

E. Landmarks Commission
   1. Report from the Landmarks Commission Meeting of November 13, 2024 – Alderman Weber
      1. There was discussion around the plan and timeline for reviewing and revising the residential Landmark brochure by taking additional photography and include other historic sites in the city.

XII. Presentation of petitions
   A. Any other petition received by the City Clerk's Office after distribution of the agenda.

No petitions.

XIII. Council Directives
None.

XIV. Unfinished Business
None.

XV. New Business
A. Arrowhead Park Development Status Report. (Ald. Hillstrom)
Nothing new to report.
B. Any announcements/questions that may legally come before the Council.
None.

XVI. 2025 Budget Public Hearing
Mayor's Comments on the proposed 2025 Operating Budget and 2025 Capital Improvements Program Budget.

This year was a challenging year regarding the budget. We were faced with the difficulties of raising health insurance for city employees. The city was locked in a three-year plan with no rate increases, and when that ended, the city had to catch-up to current pricing. Therefore, the cost increase was about twenty-eight percent which translated into approximately1.1 million dollar increase for the city which we had to work really hard to overcome and did. Teamwork is what solved the budget issues in which Mayor Lang credited Director Rasmussen for her approach towards working together with department heads to balance the budget. This gives a better understanding of the big picture which led to additional reductions and eventually a balanced budget. This took a lot of hard work and a lot of willingness to work together, and we are proud to present a balanced budget today.

The proposed budget reflects an overall 2.4% increase, which means the average $275,000 home will see approximately a $44 tax increase for the entire year. This maintains our commitment to an excellent level of service to our residents and continued investment in public safety, infrastructure, growth of the community, and compensating our employees at appropriate levels to encourage retention and to recruit new employees as employees retire. Our goal is to move our city forward in every aspect of service to be exceptional not merely acceptable. We continue to operate on the City's core values as we continue to work towards our shared vision and our mission statement.

That being said, we are faced with an additional issue to resolve as it relates to the Transportation Assessment Replacement Fee (TARF), and how that impacts the 2025 budget. Mayor Lang read a statement regarding the TARF prior to opening the public hearing.

A. Public Hearing on the Proposed 2024 Operating Budget and 2024 Capital Improvements Program Budget.
Mayor Lang opened the public hearing at 7:55 PM. Mayor Lang acknowledged comments made during the Public Forum regarding Alexander Drive sidewalks.

After three calls for public comments, there were no appearances. Mayor Lang closed the public hearing at 7:56 PM.

XVII. Discussion and Consideration of Public Hearing and Other Matters Relating to the Recommended 2025 Operating Budget and 2025 Capital Improvements Program Budget.

Mayor Lang thanked Finance Director Rasmussen and Deputy Finance Director Kahl for their assistance and dedication in preparing the 2025 Budget. Mayor Lang also thanked all the Department Heads for doing a fantastic job presenting their budgets and working alongside Director Rasmussen and herself in making the hard decisions that come with the budgeting process.

At this time Mayor Lang turned the meeting over to Council President Borchardt to walk through discussions held at the Budget Workshops. This budget reflects good stewardship of taxpayer dollars through a collaborative effort between departments. The hard decisions made through the budget process were done so keeping this stewardship in mind.

A. Consideration of Resolution No. 2024-21 adopting the 2025 Operating Budget and Capital Improvements Budget. **(RollCall-Pro)**
Original Motion: Motion by Borchardt/Ellis to approve the budget as presented by the Mayor.

The Council worked off of Director Rasmussen's memo entitled Proposed Amendments to 2025 Operating and Capital Improvements Budget, dated November 13, 2024, which is attached to the meeting minutes.

1. Motion to increase Alderman pay by 5%. In 2025 this will affect the three alderman seats up for re-election in April. This will increase salaries expenditure and increase the amount of Undesignated General Fund balance applied by $620. See Pages 40 and 60. (Alderman Pollnow)
MSCRP Borchardt/Pollnow to approve an increase Alderman pay by 5%.

Director Rasmussen advised this has a $0 effect on the proposed tax rate for next year's budget.

a) Alderman Pollnow brought this amendment forward to be equitable and fair since Neenah is low in the overall Valley in alderman pay.
b) Alderman Steiner clarified that current seated aldermen will not receive the pay increase. The increase is only given to incoming aldermen once re-elected.
c) Alderman Hillstrom acknowledged that a 5% increase is more than employees are receiving, therefore, he will not be supporting this amendment. He could get on board with a lower percentage rate.
d) Alderman Ellis commented that the economy has not been great. Although the money is not a lot, it's about representation, and when he comes to meetings he comes to serve the community, not to get paid. He will not be supporting this amendment.
e) Alderman Lendrum will be voting against this amendemnt because it is not why she is here.

In accordance with Council Rules, the Mayor votes in the event of a tie. Motion failed in a roll call vote 4-5 with Mayor Lang, Aldermen Ellis, Borchardt, Lendrum, and Hillstrom dissenting.

2. Motion to delay reconstruction of Bergstrom Road (CTH G – Breezewood) from 2025 to 2026. This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $1,350,000. See Page 264. (Alderman Pollnow).
MSCRP Borchardt/Pollnow to approve the delay reconstruction of Bergstrom Road (CTH G – Breezewood) from 2025 to 2026.

This has a $0 effect on the proposed tax rate for next year's budget. This decreases the borrowing for 2025, which in turn could have a potential effect on future debt service tax levy rates.

a) Aldermen Lendrum will be voting against this item as it seems like it is "kicking the can down the road" stacking more projects up for next year. This makes subsequent budgets more difficult as the years go on. Plus, construction costs are not going down, they go up every year.
b) Alderman Pollnow was looking for ways to defer the expense this year for cash flow. Through discussions with Director Kaiser, there seems to be flexibility with this item because the PACER Rating is not as concerning as some of the streets and this would give him a little more time to track traffic at this location. Therefore, Alderman Pollnow thought it would be palatable to delay this a year.
c) Aldermen Ellis stated he too will be voting against this amendment for the same reasons given by Alderman Lendrum.

Motion passes in a roll call vote, 6-2 with Alderman Lendrum and Ellis dissenting.

3. Remove installation of sidewalks for Alexander Drive (Bruce-Commercial). This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $65,000. See Page 265. (Alderman Steiner)
MSCRP Borchardt/Steiner to approve the Remove installation of sidewalks for Alexander Drive (Bruce-Commercial).

Director Rasmussen advised this has a $0 effect on the proposed tax rate for next year's budget. This decreases the borrowing for 2025, which in turn could have a potential effect on future debt service tax levy rates.

a) Alderman Erickson represents this district and will be voting against it tonight particularly because the resident will not be able to park their vehicles in their driveway. She had voted against this in the past and will again tonight. This is not a safety issue, and we can save on borrowing $65,000 for the sidewalk.

b) Alderman Hillstrom confirmed with Director Kaiser the 25-foot setback for this subdivision. It is a 22-foot setback from the property line which is a common/standard setback for the city.

   Alderman Hillstrom will be voting against this tonight. Several years ago, the Council challenged the Public Works Department to establish criteria to prioritize which sidewalks should be installed. One of the top criteria is the proximity to a major park and a major arterial. Seeing people walking on sidewalks is always a safety and health hazard. With children, disabled residents, elderly, or dog walkers, it's very dangerous to not walk on sidewalks. Sidewalks were installed on two blocks on Plumber Court against the neighborhood wishes this year, and a resident told me how much the sidewalks are being used and changed the character of their neighborhood for the better. Alderman Hillstrom cannot see the Council ever approving another sidewalk again if this isn't passed tonight because it sets a precedent. We can't just look the snapshot of what this neighborhood is tonight because neighborhood will turn over.

c) Alderman Pollnow will be supporting the removal of the sidewalks because he doesn't believe that the neighborhood would be advocating for something that would make their neighborhood less safe and because there hasn't been recent discussion on an actual explanation as to why the sidewalks need to be installed.

d) Alderman Weber stated that sidewalks are always controversial. He is also in favor of addressing sidewalks on a case-by-case basis. Therefore, he will be supporting this amendment.

   Motion passes in a roll call vote, 5-3 Aldermen Hillstrom, Lendrum, and Ellis dissenting.

4. Remove purchase of a Citizen Request Management System (CRM) from Information Systems budget. This will decrease capital expenditure and capital borrowing in the Capital Equipment fund by $15,000. See Page 312. (Alderman Erickson)
   MSCRP Borchardt/Weber to approve the removal of the purchase of a Citizen Request Management System (CRM) from Information Systems budget.

   Director Rasmussen advised this has a $0 effect on the proposed tax rate for next year's budget. This decreases the borrowing in 2025, which in turn could have a potential effect on future debt service tax levy rates.

   a) Alderman Pollnow sees this item as more of a want than a need, therefore, he will be voting in favor of the removal.

b) Alderman Erickson proposed the amendment as currently there are multiple ways to get in touch with the mayor, aldermen, and staff. This is an opportunity to save money.

c) Council President Borchardt is going to vote against this amendment as he believes it is time to find different ways to communicate with City Hall, which is never a bad thing. It can be overwhelming to a new way of technology or staff answering more calls, but that's what we signed up for. If we can be closer to our constituents and get more options to do so, then he is in favor of it.

In accordance with Council Rules, the Mayor votes in the event of a tie. Motion carries in a roll call vote, 5-4 to remove the CRM from the budget, with Aldermen Hillstrom, Ellis, Borchardt and Steiner dissenting. The CRM will be removed from the budget.

At this point, Mayor Lang explained that any of the capital items that were proposed as amendments tonight will be reviewed again in April. Borrowing for the capital budget takes place in September, therefore, there are still opportunities to look at the capital budget was we move forward through the process.

5. Remove Undesignated Traffic Signal Upgrades. This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $25,000. See Page 266. (Director Kaiser)
MSCRP Borchardt/Pollnow to approve the removal of Undesignated Traffic Signal Upgrades.

Director Rasmussen advised this has a $0 effect on the proposed tax rate for next year's budget. This decreases the borrowing in 2025, which in turn could have a potential effect on future debt service tax levy rates.

Motion passes in a roll call vote, 8-0. The undesignated traffic signal upgrades will be removed from the budget.

6. Obtain an updated Storm Water Utility plan This will increase Storm Water Utility Outside Services expenditure and decrease Storm Water Utility fund balance by $100,000. See Page 338. (Alderman Pollnow)
MSCRP Borchardt/Ellis to approve obtaining an updated Storm Water Utility plan.

Director Rasmussen advised this has a $0 effect on the proposed tax rate for next year's budget. The utility is an enterprise fund with user fees that support it. There would be an outside services professional fee for this plan which would come out of the fund balance as part of the stormwater utility.

a) Alderman Pollnow had discussions with Director Kaiser in that the last stormwater plan completed was 2013. Alderman Pollnow thinks that we deserve to have an updated stormwater plan as a way to adequately reflect all the new DNR regulations. He feels it is prudent to have a plan in place when announcing there is a fee increase to the constituents.

Motion carries in a roll call vote, 8-0.

7. Remove Transportation Assessment Replacement Fee (TARF) See Page 245.
MSCRP Borchardt/Ellis to approve the removal of the Transportation Assessment Replacement Fee (TARF).

Alderman Lendrum/Ellis amended the amendment to stop charging for the current TARF term effective October 31, 2024, and to add $825,000 to debt service tax levy.

Director Rasmussen advised the motion is a temporary fix for this year. We would be adding the $825,000 to the debt service tax levy which would increase the tax levy from the proposed $44 to on a $275,000 house to $124. Included in the $124 increase is $44 to fund the operational budget, $40 to replace fees generated by TARF, and $40 to cover the shift of burden on businesses and tax-exempt entities portion which will no longer be charged for TARF.

a) Alderman Lendrum commented that this gives staff time and funding to confer and implement a permanent plan to replace the TARF.
b) Alderman Pollnow questioned the suspension of the TARF procedurally as the TARF was created by ordinance.

Attorney Rashid explained that the mechanism is still there until it is repealed. The proposal is to collect zero through the TARF for 2025 so as to give time to find a more permanent solution. In other words, the fee is zero. There will be a resolution forthcoming before the end of year. The fees are billed in arrears, which is why the motion is to go back to October 31, 2024. The city will still be collecting TARF in 2025 at a zero rate. A resolution cannot come forward to suspend the TARF until this body determines what it is authorizing to spend through this mechanism. The proposal is to authorize zero; this does not mean the mechanism goes away until the ordinance is changed.
c) Alderman Steiner clarified that businesses and tax-exempt organizations were paying TARF fees because it is on the water bill. With TARF being zero, the city must cover, or make-up for, that lost revenue.
d) Alderman Pollnow wanted it on record that there were two court cases involving other municipalities where their collection mechanisms were ruled unlawful. Now the League of Wisconsin Municipalities are advising all municipalities to stop using the

transportation fee collection mechanism. So, now we have to do our due diligence and remove this mechanism.

e) Alderman Ellis wanted to set the record straight, that what the city did under Mayor Kaufert was not the same as the other two cities named in an earlier lawsuit. Neenah did not do anything illegal at that time, nor are we currently doing anything illegal. This is a political game by people out of this area and all they are chasing ambulances. This is not an apples-to-apples comparison. The issue of TARF is not over, it is a great mechanism and tool that needs education on its functionality and benefits. Alderman Ellis referred to Attorney Rashid.

f) Attorney Rashid stated that he will not be explaining the issue any further as it is a legal matter, and a determination has not been made at this time.

g) Council President Borchardt thanked the staff for all their efforts in reacting to the lawsuit letter at midnight before the budget adoption meeting. Their effort is appreciated.

AMENDED AMDENDEMENT RESTATED: Alderman Lendrum/Ellis amended the amendment to stop charging for the current TARF term effective October 31, 2024, and to add $825,000 to debt service tax levy. Motion carried in a roll call vote, 8-0.

BUDGET AMENDMENT RESTATED: MSCRP Borchardt/Ellis to remove the Transportation Assessment Replacement Fee (TARF) as amended. See Page 245 Motion passed unanimously in a roll call vote.

8. Motion by Erickson/Pollnow to remove $100,000 for Carpenter Preserve Phase 1 page 303 and move it to 2026 budget.

The reason being is the Council was not presented with a plan for Carpenter Preserve. Therefore, for transparency reasons, Alderman Erickson would like to see the plan for Carpenter Preserve before approving any expenditure. The best action for the community is for Park and Recreation Commission to come before the Council and present the plan, just like they did for Arrowhead Park.

Director Rasmussen advised this would be a capital improvement so it would decrease the borrowing, and it would not affect the current tax rate. This will also be up for discussion in April as it is a capital item.

a) Alderman Pollnow is going to support this amendment as he believes in order to be a good steward of the people’s money the alderman have to be able to explain what the money is being used for. He also supports bringing forth a plan for Carpenter Preserve.

b) Alderman Hillstrom asked Director Kading to explain the plan for Carpenter Preserve. Director Kading explained the 2025 plan is to move forward with vegetation management specifically to the open forestry. There are a lot of dead trees or bad ash trees that are becoming a hazard to anyone wanting to use the preserve. There is also undergrowth of buckthorn removal. Then we will be looking at bridge structures and pathway systems within the preserve. The master plan is on the website, and public input opportunities were given. The plan was adopted by the Park and Recreation Commission. There are some fundraising efforts for a bridge, we are working with the donor to make that a reality. Bridges are valued at $70,000-$100,000 and we don't want to lose the donation. Therefore, Alderman Hillstrom will not be supporting this amendment.

c) Aldermen Steiner clarified this is part of the overall plan project, such as a phase one. So effectively by not receiving these dollars this year the entire plan is pushed back. He does not plan on supporting the amendment.

d) Alderman Weber appreciates Director Kading explaining the background of the plan to the Council. He feels it is a risk if we push this back a year.

e) Alderman Erickson would like the Park and Recreation Commission to come back to Council with a plan as it is important for Council to know what the plan is for the Carpenter Preserve.

f) Alderman Pollnow questioned if the Preserve Plan was part of the five-year plan. Director Kading educated the Council on the CORP (Comprehensive Outdoor Recreation Plan) which covers the entire Park and Recreation System; it is the umbrella of the system. Within that plan is the Carpenter Preserve Master Plan which has been reviewed and adopted by the Park and Recreation Commission. So, there is a Carpenter Preserve Master Plan within the CORP Plan that we are looking at how do we start implantation that plan.

g) Alderman Hillstrom commented that for one reason or another the Carpenter Preserve keeps getting delayed year after year. In 2003, it made sense to delay it because there weren't many homes in the subdivision. Currently there are many homes and use of the preserve is increasing. It would be nice to get something going there while former Mayor Carpenter, whom the preserve is named after, is still alive.

Motion failed in a roll call vote, 3-5, with Aldermen Hillstrom, Ellis, Borchardt, Steiner, Lendrum, and Weber dissenting. The $100,000 will remain in the budget.

After several calls for additional amendments, none were heard.

Director Rasmussen gave an overview of the budget numbers after the amendments were voted on and prior to the final amended vote. The summary spreadsheet is attached to the minutes. Mayor Lang expressed her appreciation of time and effort put forth by the Council during the budget process.

Council President Borchardt thanked the alderman for their questions and doing their due diligence with the proposed budget. He also recognized Director Rasmussen for all her work.

ORIGINAL MOTION RESTATED WITH AMENDMENTS: Motion by Borchardt/Ellis to approve the budget as presented by the Mayor with the following approved amendments 2, 3, 4, 5, 6, and 7 were approved, amendments 1 and 8 failed. Motion carries in a roll call vote, 8-0.

B. Such Other 2025 Budget Matters as Legally Come Before the Council.

XVIII Adjournment

Motion by Pollnow/Borchardt to adjourn, all voting aye. Meeting adjourned at 9:00 PM.

Respectfully submitted,

Charlotte K. Nagel

Charlotte Nagel, City Clerk

City of Neenah
2025 Adopted Budget
Corrections / Changes / Amendments
Effects on Tax Levy, Tax Rate, Borrowings and Expenditure Restraing Program (ERP)

OPERATING AND CAPITAL BUDGET

Item Description	Vote	Item Amount	Total Tax Levy (After TIF)	Actual Assessed Tax Rate	G. O. Capital Borrowing	General Fund Reserves Used	Other Fund Type Expenditures	ERP Over (Under)
			$ 20,720,993	$ 6.7287	$ 19,576,690	$ 300,000	$ -	$ (183,449)
Amendments								
1. Increase Alderman pay by 5%. In 2025 this will affect the three alderman seats up for re-election in April. This will increase salaries expenditure and increase the amount of Undesignated General Fund balance applied by $620. (Alderman Pollnow)	No	620	-	-	-	-	-	-
			20,720,993	6.7525	19,576,690	300,000	-	(183,449)
2. Delay reconstruction of Bergstrom Road (CTH G – Breezewood) from 2025 to 2026. This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $1,350,000. (Alderman Pollnow)	Yes	1,350,000	-	-	(1,350,000)	-	-	-
			20,720,993	6.7525	18,226,690	300,000	-	(183,449)
3. Remove installation of sidewalks for Alexander Drive (Bruce-Commercial). This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $65,000. (Alderman Steiner)	Yes	65,000	-	-	(65,000)	-	-	-
			20,720,993	6.7525	18,161,690	300,000	-	(183,449)
4. Remove purchase of a Citizen Request Management System (CRM) from Information Systems budget. This will decrease capital expenditure and capital borrowing in the Capital Equipment fund by $15,000. (Alderman Erickson)	Yes	15,000	-	-	(15,000)	-	-	-
			20,720,993	6.7525	18,146,690	300,000	-	(183,449)
5. Remove Undesignated Traffic Signal Upgrades. This will decrease capital expenditure and capital borrowing in the Public Infrastructure fund by $25,000. (Director Kaiser)	Yes	25,000	-	-	(25,000)	-	-	-
			20,720,993	6.7525	18,121,690	300,000	-	(183,449)
6. Obtain an updated Storm Water Utility plan. This will increase Storm Water Utility Outside Services expenditure and decrease Storm Water Utility fund balance by $100,000. (Alderman Pollnow)	Yes	100,000	-	-	-	-	100,000	-
			20,720,993	6.7525	18,121,690	300,000	100,000	(183,449)
7. Remove Transportation Assessment Replacement Fee (TARF) and add an additional $825,000 to debt service tax levy. This will have a net effect of nearly $0 in the debt service fund. (Alderman Lendrum)	Yes	825,000	825,000	-	-	-	-	-
			21,545,993	7.0213	18,121,690	300,000	100,000	(183,449)
8. Remove $100,000 Carpenter Preserve to 2026	No				-			
			21,545,993	7.0213	18,121,690	300,000	100,000	(183,449)
Totals (w/Final Assessed Value)		$ 2,380,620	$ 21,545,993	$ 7.0213	$ 18,121,690	$ 300,000	$ 100,000	$ (183,449)
		Change	**825,000**	**0.29**	**(1,455,000)**	**-**	**100,000**	**-**