

SUMMARY OF PROCEEDINGS

STEERING COMMITTEE

Date: Tuesday, June 19th, 2018
Time: 10:00 a.m.
Place: ECWRPC Offices, 400 Ahnaip Street, Menasha, WI

Committee Members Present:

Jerry Erdmann (Chair).....Shawano County
 Jeff NooyenOutagamie County
 Dick Koeppen..... Waupaca County
 Jeremy Johnson (Perm. Alt. for Beth Moses) Menominee County
 Alice Connors.....Calumet County
 Martin Farrell Fond du Lac County
 Dave Albrecht (Perm. Alt. for Shiloh Ramos) Winnebago County
 Donna Kalata..... Waushara County

Committee Members Absent/Excused/Unexcused:

Staff /Others Present:

Eric FowleExecutive Director
 Walt Raith Assistant Director
 Melissa Kraemer-Badtke Principal Transportation Planner
 Pam Scheibe-Johnson.....Controller
 Sarah Van Buren Economic Development Planner

1) Welcome & Introductions

Mr. Erdmann welcomed attendees to the meeting.

2) Statement of Compliance with Wis. Stats. Sec. 19.84 Regarding Open Meetings Requirement

Mr. Fowle stated that the meeting notice was posted and distributed as required and that a quorum was present.

3) Pledge of Allegiance

4) Approval of Agenda / Motion to Deviate

Ms. Kalata motioned to approve the agenda/deviate, Mr. Nooyen seconded the motion. The motion passed unanimously.

5) Public Comment

No public comment.

6) Nomination and Election of Steering Committee Chair and Vice-Chair for 2018-19

Ms. Kalata nominated Martin Farrell, Ms. Connors motioned that a unanimous ballot be cast for Mr. Farrell and that the nominations be closed. Ms. Kalata seconded the motion made by Ms. Connors. The motion passed unanimously.

Ms. Connors motioned to nominate Jeff Nooyen as Vice-Chair, Ms. Kalata seconded the motion. Ms. Connors motioned to close nominations and cast a unanimous ballot for Mr. Nooyen, Mr. Koeppen seconded the motion. The motion passed unanimously.

7) Approval of April 19, 2018 Steering Committee Meeting Summary of Proceedings

Mr. Koeppen motioned to approve the summary of proceedings, Mr. Nooyen seconded the motion. The motion passed unanimously.

8) Announcements

a) Commissioner Status

Mr. Fowle announced that Mr. Albrecht has been appointed to serve as the permanent alternate of Shiloh Ramos, Winnebago County Board Chair. Mr. Strehlow, Waushara County, still has an outstanding appointment at this time.

b) July 27, 2018 Quarterly Commission Meeting

Mr. Fowle noted that the meeting will take place at 10:00 a.m. in New London, WI.

c) GLRI Tree Planting Grant Awards

Mr. Fowle noted that East Central collaborated with Bay Lake RPC and has received several hundred thousand dollars from the Great Lakes Restoration Initiative for tree planting projects. The projects in the East Central region that received funding were: City of Fond du Lac, City of Oshkosh, Village of Hortonville, and Calumet County. Approximately \$25,000 or 20 percent of the total was awarded to projects within the East Central region. This is a 2 year program, so next year for 2019 East Central will have another \$122,000 to give away so please be sure that communities with needs are aware of that.

Ms. Kalata asked if the award recipients had issues with the ash borer. Mr. Fowle replied that the project is in response to the Emerald Ash Borer. The last time the grant was in effect some entities needed to have projects where trees were maintenance and/or removed, this year, the project is strictly for tree planting and replacement only.

d) Other

Mr. Raith noted that the July Quarterly meeting is where the preliminary budget and levy is set.

9) New Business/Action Items:

a) Resolution No. 17-18: Amending the Transportation Improvement Program for the Fox Cities (Appleton) Transportation Management Area – 2018

Mr. Fowle noted that action on this agenda item was being taken on behalf of the full Commission due to timing.

Mr. Moesch explained that there were some changes to the STP-Urban projects. The City of Kaukauna relinquished their funds for the Veteran's Memorial Lift Bridge, the cost of the bridge went up after the community decided to move ahead with the bridge funding. This has been ongoing for a few years and it was finally decided to give the money back. The community is looking for another funding source, possibly a lift bridge aid federal funding source in the future. That \$880,000 needed to be redistributed to other STP-Urban projects in the same fiscal year. The funds will be redistributed to projects in Calumet County (now 80 percent federally funded), City of Menasha (now 80 percent federally funded), and the Town of Grand Chute. The funds must remain in the same fiscal year or it could possibly be lost.

Mr. Farrell asked if this was typical that if the funds are not going to be used for a specific project then they can be reallocated to other projects. Mr. Raith responded that the Transportation Committee and the Policy Board decides where the STP-Urban funds go to. STP-Urban is fairly flexible. Mr. Raith noted that it was nice to see some projects become 80 percent federally funded.

There was brief discussion regarding the projects receiving the reallocated funds.

Ms. Connors motioned to adopt the resolution, Mr. Johnson seconded the motion. The motion passed unanimously.

b) Discussion and Direction on Assistance for Potential EDA Infrastructure Grant for City of Waupun, within Dodge County.

Ms. Van Buren noted that the City of Waupun will be building a \$150 million soybean processing facility within the industrial park. It will be the first of its kind in the State of Wisconsin. Currently, Wisconsin is the 12th largest soybean producer in the country. Unfortunately for Wisconsin farmers, all of their soybeans must be processed elsewhere and then shipped back into the state. This is going to be a huge boost to the agricultural community. The community is seeking funding assistance from EDA (Economic Development Administration) for help with infrastructure improvement needed within the industrial park. Specifically, EDA funding would be requested to help with roads, water, and electric to help the rest of the industrial park be more site-ready. The City of Waupun is split between Fond du Lac County and Dodge County, specifically Main St. is the county line. The project is on the Dodge County side. Technically, the project is not in the East Central region and not in the Economic Development District (EDD). Dodge County is in the MadREP region, MadREP is not an EDD. It could cause some difficulties for the City of Waupun if they do decide to move forward with EDA funding, but in reality it probably would not. If East Central does not help assist the staff in putting together the EDA grant and submit it on their behalf, East Central would still be responsible for providing some data and doing a resolution of support for the project as well as MadREP they would be responsible for those same things as well. Fortunately, this project is consistent with the goals of East Central's CEDS as well as the CEDS from MadREP. The question being put to the committee today is how does the Commission proceed? The City of Waupun on the Fond du Lac County side is technically a member. The project resides in the Dodge County side. This project will have an economic impact for not only the region but for the entire state. The East Central region has not received any EDA funding other than a 3-year planning grant since 2013. If the City of Waupun does go for funding they would have a good chance of receiving it because the East Central region as a whole is prime for receiving another grant.

Mr. Farrell asked for clarification on what they are asking of East Central Regional Planning Commission is just help writing a grant, is that correct? Ms. Van Buren replied that was correct. Mr.

Farrell also asked if there was any idea as to the amount of staff time and if anything was allocated for this in the work plan. Mr. Fowle replied there was nothing specific for projects there is a general work program item for assisting communities in that application process and that is one of the top tasks under that program. Since the project is under the jurisdiction of another entity, it is best to consult with the Steering Committee prior to taking action. Ms. Van Buren added that there was time in the work program under that job element for the work, but also there is time is a specific work element for implementing the CEDS and assisting with this project will aid East Central in implementing a CEDS goal. Mr. Fowle added that the time is accounted for.

Mr. Farrell asked that the money would come from the state, correct? Ms. Van Buren replied that the funding would come from EDA, the match would come from the City of Waupun and any of their other partners. Mr. Farrell asked if it was federal or state EDA. Ms. Van Buren explained that the Economic Development Administration is an agency within the US Department of Commerce, they are the federal agency specifically tasked with economic development.

There was brief discussion regarding the impact, timeline, and funding of the project.

Mr. Albrecht motioned to approve the decision to provide assistance in writing the potential infrastructure grant for the City of Waupun within Dodge County, Mr. Nooyen seconded the motion. The motion passed unanimously.

10) Informational/Discussion Items:

a) Summary of June 14 AWRPC Regional Planning Summit

Mr. Fowle provided a summary of the regional planning summit. Items included in the overview were as follows: summit theme, participation, presentation details, future presentation at Counties Association, panel discussion, overall takeaways from the event, event success and feedback, and recurrence of the summit opportunities.

There was brief discussion regarding the event: panel discussion, similarities and differences amongst the RPCs, staffing, and concept behind the summit.

b) Summary of June 15 AWRPC Annual Meeting

Mr. Fowle provided a summary of the annual meeting. Items included in the overview were as follows: background history of the meeting, chair rotation, guests, project management, and innovation in economic development.

c) Update on 2018 Budget Targets

Mr. Fowle and Ms. Scheibe-Johnson provided an overview of the 2018 budget targets. Items included in the overview were as follows: brief background of the annual budget process, assumptions, monitoring of changes and variations, bottom line gap, projections since the retirement of Mr. Huffman, Easter Seals project, billing and budget targets, projects, and projected deficit.

Ms. Connors commented that she did not care for the deficit, since she has been sitting on the Steering Committee, there has been a deficit in the budget every year and now another \$40,000 is being looked at, possibly. We must do a better job. Mr. Fowle replied that previously the Commission did not have

any cash reserve. At least now there is the cash reserve to fall back on in the event of emergencies. The biggest factors that have changed are the salary and cost of benefits increases that the counties are feeling as well coupled with the lack of increases on the levy have now combined to start fostering that pattern.

Mr. Albrecht asked if the \$30,000-\$40,000 gets added to a previous deficit that we have. Mr. Fowle replied that it would reduce the cash reserve. Ms. Scheibe-Johnson added that for 2017 the agency was in the black until GASB 68 began. Ms. Scheibe-Johnson added that it is a paper entry that the Commission has no control over. Ms. Scheibe-Johnson stated that she prefers to ignore the GASB 68 adjustment, that being the case, the Commission was in the black last year to almost \$40,000. The GASB 68 pushed the agency to a deficit of \$40,000, the pension expense was an addition \$83,000 last year. 2017 was the first year since Ms. Scheibe-Johnson has been at the Commission that the agency did operate in the black. That was an encouraging year and we strive to continue to do that. Breaking even and being cash-neutral would be perfect, however it is getting tough to get into that position.

Mr. Johnson asked what approximate figure the cash reserve was at. Ms. Scheibe-Johnson replied that the amount was at \$250,000. Basically that is saying that today, if the entity was closed, by the time the bills were paid the assets collected and sold the fixed assets, that is what would remain to be divided amongst the counties. Mr. Farrell stated that was a good overview in trying to put things into perspective.

Mr. Nooyen asked if it was possible to either concentrate efforts on a smaller scope or the municipalities that you do contract with get them to contribute more to avoid a deficit. Mr. Fowle explained that was possible and that he intends to discuss that as planning for 2019 moves forward and the risk must be assessed. The Commission has been able to provided services for free or nearly free, however it may not be able to continue to do so.

There was brief discussion regarding how GASB 68 has provided an unrealistic view and the outlook is not as good as the actual outcome as well as developing a checks and balances system for participation of municipalities regarding East Central services for budgetary purposes.

d) Recommendations from June 5, 2018 Joint Regional Comprehensive Plan / Economic Development Committee Meeting

Mr. Fowle noted that a joint meeting of the Regional Comprehensive Planning Committee and Economic Development meeting was held on June 5th. The conversation revolved around the Initiative 41 effort and the strategy developed by the consultant for the project, TIP Strategies. All of those committee members and the Commission as a whole feel that the work being done on I-41 over the years and concept around economic development along that corridor is a good thing. The committees themselves feel that East Central should leverage this, bolstering the agency's potential leadership in the area or at least looking at what East Central can do to implement segments of that strategy and work with partners that will implement other sections of the strategy. Moving forward, the committee wanted to form recommendations to this committee for consideration as it may impact the budget. The bottom line is the committees wanted Mr. Fowle to reach out and begin discussions with the various economic development organizations in the corridor to discuss implementation and sustainability. East Central's role regarding the I-41 bottleneck issue between DePere and Grand Chute was also discussed. Finally, based on the committee's desire the recommendation was also sent to hire a second economic development staff member to do more coordination on the I-41 corridor and more work in general will help the region. Ms. Van Buren's position is primarily funded through EDA and between the CEDS and

other items has a busy workload. If East Central is going to do more in this arena, another employee will be needed. There is potential to hire an economic development staff member with the retirement of Mr. Huffman.

Brief discussion ensued regarding the importance of the continued development of I-41 and the recommendations put forward by the joint meeting.

e) Discussions on 2019 Preliminary Budget

i) Staffing Plan

Mr. Fowle explained the projected staffing plan for 2019. The biggest impact on the budget is whether or not the Commission refills the position vacated by Mr. Huffman's retirement. Mr. Fowle shared a preliminary projection if the agency remained at full staff capacity and converted the sewer service position to an economic development position. Given the revenues projected at this point, there would be a deficit of \$185,000. In a typical year, there would be a deficit of \$100,000 that is backfilled with contract work. In this case, due to some of the reductions in funding, particularly at the federal level with the Department of Defense which is done and there will be no further revenue along with a few other changes, which is where the big impact comes. If that position were converted to economic development, at this point, it would be fine it would be a great thing for the Commission to do with the caveat of trying to find better dedicated funding for that position. In any given year, the agency can meet the deficit of \$50,000-\$100,000 for the most part on contract work. To support that position, additional outside revenue must be found. There is the potential to do that and Mr. Fowle outlined the potential options available. Even if that comes to fruition, it is getting more and more difficult to get contracts and be competitive. Revenue and how the agency gets revenue must be examined and adjustments made. There are some adjustments that can be made, such as charging or increasing fees for projects previously offered at no-cost or low-cost. Mr. Fowle provided a brief outline of potential revenue changes. Mr. Fowle does not feel that any potential changes will affect the Commission's ability to remain competitive, there is a waiting list to receive Commission services. If there are to be changes, this must be made quickly so municipalities can be notified of the upcoming changes so they can budget for it.

There was discussion regarding the need to move forward with increasing fees for Commission services in an effort to decrease the projected deficit, potential opportunities for future funding and partnerships, and other methods to reduce the projected deficit internally in the short-term.

ii) Revenue Sources/Alternatives

See above agenda item for discussion details.

iii) Levy Establishment Scenario

Mr. Fowle provided a brief overview of the levy. Items included in the overview per scenario were: equalized values, equalized levy rate, levy cost and impacts, and levy increase.

There was brief discussion regarding statutory limit regarding the levy rate, potential levy increase, and July date of setting the levy rate at the Quarterly Commission Meeting.

11) County Issue Sharing / Roundtable Discussion

Roundtable discussion included the following: dynamic projects in the region, addressing program leaders vs. legislators as a unit regarding East Central needs, revolving loan fund program changes, Waushara County 4H resolution, 47/55 Corridor in Menominee County updates and expansion, Shawano County human services building site updates, and roundabout construction updates.

12) Next Meeting Date & Agenda

The next meeting of the Steering Committee will be held on Monday, July 16th at 1:30 p.m. at the East Central Office.

13) Adjourn

Ms. Connors motioned to adjourn, Mr. Albrecht seconded the motion. The motion passed unanimously.