

Minutes of the Executive Committee

Monday, May 20, 2019

Present: Supervisors Paul Decker, Jim Heinrich, Dave Swan, Peter Wolff, Christine Howard, Larry Nelson, and Dave Zimmermann. Wolff left the meeting at 8:58 and returned at 9:20, left at 9:52 and returned at 10:16, and left at 10:50 and returned at 11:10.

Also Present: Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, County Board Supervisor Duane Paulson, Collections & Business Services Manager Andy Thelke, Accounting Services Manager Danielle Igielski, Emergency Preparedness Director Gary Bell, Parks & Land Use Director Dale Shaver, Land Resources Manager Perry Lindquist, Solid Waste Supervisor Analiese Smith, County Clerk Meg Wartman, The *Freeman* Reporter Darryl Enriquez.

Meeting Approvals

MOTION: Swan moved, second by Nelson to approve mileage for Decker's attendance at the Milwaukee M-7 Challenges of Disruption forum. Motion carried 7-0.

Future Meeting Date

- June 17, 2019 (Swan absent)

Discuss and Consider Follow-up on FMIS Audit

Schubert discussed managements' responses and the statuses of the audit recommendations as outlined in the report. The Financial Management Information System (FMIS) audit was originally completed in February 2017. Schubert said this review consisted of determining the status of the original recommendations based on information provided by the Department of Administration management and performing limited review of related documentation, as deemed appropriate by Internal Audit. The original report included six recommendations intended to improve efficiency and strengthen internal controls related to the FMIS system. The Department of Administration has implemented four of the recommendations and has plans to implement the remaining two recommendations.

Wolff left the meeting at 8:58 a.m.

MOTION: Heinrich moved, second by Zimmermann to accept the FMIS Internal Audit follow-up report. Motion carried 6-0.

Discuss and Consider Health Clinic Audit Scope

Schubert gave background on the Waukesha Employee Health & Wellness Center and discussed the scope of this audit to address the following objectives: evaluate the level of compliance with the Healthstat performance metrics including an evaluation of the methodology of monitoring and reporting the status of performance metrics; evaluate the accuracy of the results for 2018; evaluate the level of compliance with revenue adjustments based on performance guarantees, if needed; evaluate the CBIZ 2018 calculations and reporting of the ROI, utilization reviews, costs, revenues, estimated savings (employer and employee), and performance measures; determine the appropriateness and reasonability of the methodology utilized for each assessment related to the

County only (not including the City or School District results); and accurateness and completeness of the data as presented.

Schubert said the contractor will be expected to work directly with the relevant contractors (CBIZ and HealthStat) for relevant portions of the audit work. County staff will manage this project and be involved throughout. This audit will be performed in a coordinated effort with a consultant. It is a third party audit and the focus will only be on the County component of the center.

Wolff returned at 9:20 a.m.

MOTION: Howard moved, second by Zimmermann to accept the Internal Audit scope for the Waukesha Employee Health & Wellness Center. Motion carried 7-0.

Appointment 174-A-004: Brianna Rasmussen to the Hartland Library Board of Trustees; Appointment 174-A-005: Torin Misko to the Dispatch Operations Commission

MOTION: Swan moved, second by Heinrich to approve Appointment 174-A-004. Motion carried 7-0.

MOTION: Wolff moved, second by Zimmermann to approve Appointment 174-A-005. Motion carried 7-0.

Ordinance 174-O-028: Modify Scope of Capital Project 200815 Digital Radio System Upgrade to Allocate Funds for Digital Paging System Upgrade

Bell discussed this ordinance which modifies the scope of the Digital Radio System Upgrade capital project to include an upgrade of the existing analog paging system to a digital system. The current capital project is expected to have sufficient budget authority to fund this paging system upgrade estimated to cost \$240,000 without having to appropriate additional funding. The paging system will essentially be part of the digital radio system because it is integrated with radio tower site infrastructure, will be managed by Radio Services staff, and will operate through a countywide digital signal. Maintenance costs for the upgraded system will be adjusted from the existing budgeted base in future operating budgets when the system is implemented.

MOTION: Heinrich moved, second by Nelson to approve Ordinance 174-O-028. Motion carried 7-0.

Ordinance 174-O-032: Approve Second Amendment To The Construction and Operating Agreement Between Waukesha County and Resource Recovery Systems, LLC and Modify the 2019 County Budget for the Material Recovery Facility (MRF)

Shaver, Lindquist, and Smith discussed this ordinance which amends an existing contract between the County and Republic Services, Inc. in the operation of the Material Recovery Facility (MRF). The agreement has six years remaining with a possible five-year extension.

Operating costs for the MRF increased nearly \$670,000, largely from a change in the processing fee assessed by the vendor on all County tonnage, increasing from \$32/ton to \$50/ton in the new agreement or \$530,320 associated with increased costs to increase the quality of the materials to meet market demands. The waste disposal fees paid by the vendor to dispose of waste co-mingled with recyclable materials also increase \$139,500 to \$279,000, reflecting an increase in the budgeted residue rate for tonnage from 9% to 20%. The ordinance also reduces the dividend payment to partner communities by \$907,000 reflecting reduced material sales and higher operating costs. The

remaining dividend of \$645,000 reflects agreements to reimburse communities for hauling and recycling carts.

Revenue (excluding fund balance) are expected to decrease approximately \$746,000. This includes a reduction in material sale revenues of nearly \$841,000, mainly due to a reduction in the estimated gross revenue per ton (from \$100/ton to \$80/ton) to reflect market experience. Additional changes include an increase in the residue rate as noted previously and a modification to the revenue cost-sharing schedule resulting in a minimum of \$20/ton for the vendor when the revenue per ton is less than \$100/ton. This is offset with an increase in fees for equipment repair and replacement of \$75,000. Rates change from \$4/ton (when revenues are higher than \$98/ton) to a fixed \$5/ton, regardless of price flexibility. Similarly, the vendor-paid education fee is no longer subject to price flexibility and is set at \$2/ton, resulting in a revenue increase of \$20,000. The ordinance also increases fund balance by \$508,570 due to the reduction in revenues of \$745,750 being only partially offset with expenditure reductions. At the end of 2018, the MRF has an unaudited, estimated cash balance of approximately \$4.30 million.

The Department estimates that over the remaining six years of the contract, material sales will recover slowly due to improved markets and efforts to increase the quality of materials. Staff have indicated further adjustments to preserve fund balance can include further revisions to the community dividends and enacting a material processing fee.

Wolff left the meeting at 9:52 and returned at 10:16.

MOTION: Zimmermann moved, second by Wolff to approve Ordinance 174-O-32. Motion carried 7-0.

Discuss and Consider Legal Advertising Contract with *Waukesha Freeman*

Wartman discussed this item as outlined in her handout and is requesting a one-year contract extension with Conley Media LLC/Waukesha Freeman for publication of legal advertising through May 22, 2020. The current contract provides for extension of additional periods subject to approval by the County Board. Wartman went on to discuss the rates for publishing legal notices which increased for 2019.

MOTION: Howard moved, second by Swan to approve a one-year extension with Conley Media LLC/Waukesha *Freeman*. Motion carried 7-0.

Update on Customer Service Data

Spaeth covered the County Board customer service rankings of 4.94 on a 5-point scale.

Environmental Scan of County Board Sizes and Salaries

Spaeth covered County Board sizes and committee information in southeastern Wisconsin and counties with county executives. Supervisors relative to population provides a per capita number. Waukesha County compares very efficiently on a per capita basis. Supervisors also serve on many other boards, commissions, and other County duties.

State Legislative Update

Spaeth referred to information she distributed to the County Board electronically on Friday.

Wolff left the meeting at 10:50.

Approve Minutes of April 15, 2019

MOTION: Zimmermann moved, second by Howard to approve the minutes of April 15. Motion carried 6-0.

Standing Committee Reports by Committee Chairs

Committee chairs gave reports on the respective committee meetings.

Wolff returned at 11:10.

Chair's Report on Economic Development and Transportation Issues

Decker covered recent meetings he attended and several upcoming meetings.

MOTION: Howard moved, second by Zimmermann to adjourn at 11:25 a.m. Motion carried 7-0.

Respectfully submitted,

Peter M. Wolff

Peter M. Wolff
Secretary