

Minutes of the Finance Committee – May 19th 2015

A meeting of the City of Prairie du Chien Finance Committee was held on Tuesday May 19th 2015 at 6:00 PM in City Hall. Chairman Nate Gilberts called the meeting to order.

GENERAL ITEMS TO BE ACTED UPON:

- 1. Call to order/Roll Call** – Nate Gilberts (Chairperson), Jean Titlbach, Karen Solomon, Ron Leys CITY STAFF ALSO PRESENT- City Administrator Aaron Kramer, City Planner Garth Frable
- 2. Certification of the open meeting law agenda requirements and approval of the agenda** – MOTION: Solomon SECOND: Titlbach VOTE: 4-0
- 3. APPROVAL – Minutes of the May 5th 2015 meeting** – MOTION: Solomon SECOND: Titlbach VOTE: 4-0

ACTION ITEMS

- 4. DISCUSSION AND ACTION – Claims** – ACTION: To approve the claims MOTION: Gilberts SECOND: Solomon VOTE: 4-0

5. DISCUSSION AND ACTION – Adjustment of St. Feriole Island Tariffs/Creation of St. Feriole Island Improvement Fund - A memo from City Administrator Kramer outlining a proposed increase in the island tariff fees and the creation of an Island Improvement Fund was reviewed. Blair Dillman (Prairie Sand and Gravel) was present and said he was opposed to Kramer's proposal and would like to see the next ten (10) years of tariff revenue to only go to improvements on the Island and not the General Fund. Kramer said this would create approximately a \$250,000, 10-year deficit in the general fund. Dillman also questioned why Gavilon, the company which operates the docks on the north end of the Island, was not involved in the discussions. Kramer said he had not contacted Gavilon based on the recommendation made April 27th by Dillman's attorney, and the City was not aware of the actual terms of the lease agreement between Prairie Sand and Gravel and Gavilon so it is not aware of the financial arrangements of the deal. Kramer said he had discussions on the tariff proposal earlier in the day with Heath Thomas, who manages the Gavilon operations in Prairie du Chien, but Thomas could attend the Committee meeting due to a prior commitment. Under the proposal, the tariff would be increased 100 percent over the next five years, in annual increments of 20 percent, with the majority of the new revenue going to the Island Improvement Fund. After 2020, one-half of the new revenue would go in the Fund, and the other half in the General Fund. Kramer said this would provide a steady annual stream of revenue to make improvements to the Island. Kramer noted the tariff fees have not been increased since Dillman and the City signed the tariff agreement in 1994, and the tariffs were actually reduced between 2004 and 2009. Frable produced a memo which streamlined the tariff fee schedule and reporting process. Discussion was held on the proposal. ACTION: To recommend the Council approve an Ordinance creating a St. Feriole Island Improvement Fund, with revenue from the fund coming from an increase in the Island tariffs, and directing staff to draft a new tariff agreement to present to Dillman MOTION: Leys SECOND: Solomon VOTE: 4-0

- 6. ADJOURNMENT (6:59 PM)** - MOTION: Gilberts SECOND: Solomon VOTE: 4-0

Submitted by City Administrator Aaron Kramer