



# City of Racine Meeting Minutes

City Hall  
730 Washington Ave.  
Racine, WI 53403  
www.cityofracine.org

## Finance and Personnel Committee

*Chairman James T. Spangenberg, Vice Chair Thomas Friedel,  
Alderman Pete Karas, Alderman Sandy Weidner,  
Alderman Aron Wisneski*

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Monday, June 26, 2006

5:00 PM

City Hall, Room 103

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**The meeting was called to order by Alderman James Spangenberg at 5:02 p.m. in Room 103 of City Hall.**

**PRESENT:** James T. Spangenberg, Thomas Friedel, Pete Karas, Sandy Weidner and Aron Wisneski

### **Approval of Minutes for the June 12, 2006 meeting.**

**to Approve the Minutes**

#### **06-1646**

Subject: Communication from the Racine Zoological Society requesting that the fees for the stage on wheels be reduced for six events at the Racine Zoo this summer.

Recommendation of 03-14-06: That the item be deferred

Recommendation of 03-27-06: That the item be deferred.

Recommendation of 06-26-06: That the item be received and filed.

Fiscal Note: N/A

*David Brown, Assistant Finance Director, appeared before the Committee and requested that the item be received and filed.*

**Recommended to be Received and Filed**

#### **06-2121**

Subject: Communication from the Library Board of Trustees requesting the City adopts a resolution to support the libraries in Racine County.

Recommendation: Adoption of the draft resolution to provide 100% reimbursement for library services provided to Racine County residents.

Fiscal Note: N/A

*Alderman Tom Friedel stated that the Racine Library services communities outside of the city with the understanding of reimbursement by the County of Racine. Currently 100% reimbursement has not occurred. The draft resolution is to inform the County of the responsibility of paying for services rendered by the City of Racine.*

**Recommended For Approval**

#### **06-2113**

Subject: Communication from the Director of City Development requesting amendments to the agreement for a site assessment grant for the Horlick Malted Milk Company campus.

Recommendation: That the Mayor and City Clerk be authorized and directed to enter into

amended contracts with Horlick Haban, LLC., to provide the funding necessary to satisfy the site assessment grant for the Horlick Malted Milk Company campus.

Fiscal Note: On behalf of Horlick Haban LLC., the city applied for and was awarded a site assessment grant from Wisconsin DNR totaling \$59,790. The grant required at least a dollar for dollar match, which Horlick Haban LLC. has agreed to provide. Total project costs are now estimated at \$137,057. The amendment is needed to reflect the higher project costs and to restate that the project is at no cost to the city.

*Brian O'Connell, Director of City Development, appeared before the Committee. The City applied for the grant to pay for site assessment. The cost for site assessment has increased, hence the amendment to the contract with Horlick Haban, LLC. Brian is requesting that the grant now be passed to the property owner. Horlick Haban LLC. will provide the 50 percent match that is required for the grant. The project is at no cost to the City.*

**Recommended For Approval**

**06-2090**

Subject: Communication from the Director of City Development requesting approval to apply for the State of Wisconsin Housing Cost Reduction Initiative (HCRI) funding to promote home ownership in targeted areas of Racine.

Recommendation: That the Director of City Development granted permission to apply for the Housing Cost Reduction Initiative (HCRI) grant, in the amount of \$127,000, to be utilized to support home ownership in the north side and south side Weed and Seed areas that will be administered by the Wisconsin Department of Commerce's Bureau of Housing.

Fiscal Note: No match required on the part of the City.

*Joseph Heck, Assistant Director of City Development, appeared before the Committee. The grant is based on a match were applicants are to save an amount of money and the grant will match that amount. Funds are to be utilized for the purchase of a home in the north and south side Weed and Seed areas. Funds will also pay closing cost, first year of property insurance, utility hookup, pre-purchase inspections, and administrative costs.*

**Recommended For Approval**

**06-2091**

Subject: Communication from the Housing Department requesting approval to enter into an on-line credit services agreement with Trans Union Residential Credit Solutions to receive credit reports on-line.

Recommendation: That the Mayor and City Clerk be authorized and directed to enter into an on-line credit service agreement with Trans Union Residential Credit Solutions to be able to receive credit reports on line for the Housing Department.

Fiscal Note: Fees for credit reporting service are available in Account No. 811.000.5610, Housing Department Professional Services.

*Joseph Heck, Assistant Director of City Development, appeared before the Committee. The Housing Department has been receiving credit reports via fax. With the change in staff, the request is to receive them electronically. The agreement will be amended to receive the credit reports on line. The service fee will remain the same.*

**Recommended For Approval**

**06-2029**

Subject: Communication from the City Attorney submitting the claim of Jimmie & Lois

Beaulieu for consideration.

Recommendation: That the claim be denied.

Jimme & Lois Beaulieu, 3312 Victory Ave, claim reimbursement for damages in the amount of \$196.60 arising from an auto striking his fence. The Beaulieus assert the City is liable due to the fact that the car was fleeing police officers. The City denies any negligence in the manner of pursuing the offenders.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. Officers were chasing a vehicle that hit a residence's fence. Both individuals in the vehicle were apprehended. The offenders caused the damage, not the city.*

**Recommended For Denial**

**06-2030**

Subject: Communication from the City Attorney submitting the claim of Dorothy Miller for consideration.

Recommendation of 06-26-06: That the item be deferred.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. Last year the Parks Department mowed tall weeds surrounding privet hedges that were located behind a wall. The workers believed the wall signified the property line. Dan recommends that the claim be denied because the privet hedges will grow back. The Committee recommends the item be deferred so that pictures can be taken to show if the privet hedges are growing back.*

**Deferred**

**06-2031**

Subject: Communication from the City Attorney submitting the claim of Megan O'Driscoll for consideration.

Recommendation: That the claim be denied.

Megan O'Driscoll, 406 Main Street, apt. 2, claims reimbursement for damages to her auto after a temporary stop sign at the intersection of State Street and Main Street was blown over by unusually strong winds and struck the hood of her car as it was passing. The City denies any negligence in the maintenance of the stop sign.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. A temporary stop sign, stabilized with sand bags on the wheels, blew over during high winds resulting in damage to the claimant's vehicle. Dan recommends denial because it was an act of nature causing the sign to blow over.*

**Recommended For Denial**

**06-2032**

Subject: Communication from the City Attorney submitting the claim of Progressive Insurance for consideration.

Recommendation: That the claim be denied.

Progressive Insurance claims reimbursement in the amount of \$8,633.88 for damages to their insurer's auto, Ryan Smith, which slid on an icy roadway into the rear of a DPW Solid Waste collection truck that was backing into the intersection of Taylor Avenue and Jerome Blvd. The insurance company claims that the City's driver was more negligent by backing up then Mr. Smith was for sliding several car lengths into the back of the truck. The City denies it was more negligent than the other driver.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. During a snowstorm the vehicle slid into a snowplow that was backing up because of the need to reset the plow. The driver noted the snowplow backing up, but could not stop because of his vehicle sliding. Police investigation shows fault to the claimant. Recommendation is for claim to be denied.*

**Recommended For Denial**

**05-1260**

Subject: Communication from the City Attorney submitting the claim of Jennifer Polzin-Groth for consideration.

Recommendation: That the claim be denied.

Jennifer Polzin-Groth, 1613 Perry Avenue, claims reimbursement in the amount of \$778 for items damaged during the sewer backup in her basement on or about May 8, 2006. The City received a complaint about the sewer system and the garbage blocking the main was cleared. It is impossible to determine who tried to flush the garbage into the sanitary system. The City responded promptly to correct the situation and therefore denies responsibility.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. The sanitary sewer backup was the cause of someone placing a large plastic bag, underwear, and grease into the sewer. The City's maintenance record shows that the sewer had been cleaned. Recommendation is to deny the claim because the City was unaware of items placed into the sewer.*

**Recommended For Denial**

**05-1279**

Subject: Communication from the City Attorney submitting the claim of Raymond Leitheiser for consideration.

Recommendation: That the claim of Raymond Leitheiser be settled with payment of \$9,988.76 for vehicle repairs and an additional payment of \$18,000 for medical for a total settlement of \$27,988.76.

Fiscal Note: There are sufficient funds available in account 101.160.5910, Judgment and Claims for the settlement.

*Dan Wright, City Attorney, appeared before the Committee. A police squad car went through an intersection hitting a motorcycle. Property damage was paid at \$9,988. Medical cost and pain and suffering will be paid at \$18,000. Recommendation is to pay claim at a total settlement of \$27,988.76*

**Recommended For Approval**

**06-2092**

Subject: Communication from the City Attorney submitting a letter of resignation due to

retirement.

Recommendation: That the item be received and filed.

Fiscal Note: N/A

*Dan Wright, City Attorney, appeared before the Committee. The letter is submitted for retirement purpose.*

**Recommended to be Received and Filed**

**06-2124**

Subject: Communication from the Public Health Administrator requesting permission to accept funding from the Centers for Disease Control in the amount up to \$106,692 to be utilized for the Lead Poisoning Prevention Program.

Refer to the Board of Health.

Recommendation of the Finance & Personnel Committee 06-26-06: That the Mayor and City Clerk be authorized and directed to enter into an agreement in the amount up to \$106,692 with the Centers for Disease Control funds to be utilized for the Lead Poisoning Prevention Program (Grant Control No. 2006-010).

Fiscal Note: 50% in-kind soft match required on the part of the City.

*Janelle Grammer, Public Health Administrator, appeared before the Committee. Janelle is uncertain what the actual amount of the grant will be. They are anticipating it to be up to \$106,692 that will be utilized for the Lead Prevention Program.*

**Recommended For Acceptance**

**06-2103**

Subject: Communication from the Public Health Administrator requesting permission to accept funding with the Cities United for Science Progress and the U.S. Conference of Mayors and DuPont in the amount of \$175,000, to be utilized for the elimination of childhood lead poisoning.

Refer to the Board of Health.

Recommendation of the Finance & Personnel Committee 06-26-06: That the Mayor and City Clerk be authorized and directed to enter into an agreement in the amount of \$175,000, with the Cities United for Science Progress and the U.S. Conference of Mayors and DuPont (Grant Control No. 2006-019) funds to be utilized for the elimination of childhood lead poisoning.

Fiscal Note: No match required on the part of the City.

*Janelle Grammer, Public Health Administrator, appeared before the Committee. The funds will be utilized for outreach and education regarding childhood lead poisoning. Accepting this grant will help the City to apply for a multimillion-dollar grant for next year because of the required number of lead poison children within a certain range.*

**Recommended For Acceptance**

**06-2107**

Subject: Communication from the Public Health Administrator requesting permission to accept additional funding in the amount of \$14,521 with the Wisconsin Department of Health and Family Services to be utilized for the Women, Infants and Children Program.

Refer to the Board of Health.

Recommendation of the Finance & Personnel Committee 06-26-06: That the Mayor and City Clerk be authorized and directed to enter into an amended contract with the Wisconsin Department of Health and Family Services for the Women, Infants and Children Program (Grant Control No. 2005-048).

Fiscal Note: Contract will be increased to \$14,521 with no match required on the part of the City.

*Janelle Grammer, Public Health Administrator, appeared before the Committee. The amended amount is obtained mid-year when last year's amount that was not spent is then divided among the State for the current year.*

**Recommended For Approval**

Miscellaneous Business

None

A motion was made by Alderman Spangenberg and seconded by Alderman Friedel that the Committee be convened in closed session pursuant to sec. 19.85 (1) (e) of the Wisconsin Statutes to discuss the city loan guarantee for a business loan to Schmidt Industrial Truck and sec. 19.85 (1) (g) to confer with legal counsel concerning strategy in pending litigation regarding the case of Dennis Hart v. Transit Mutual of Racine, et al.

Roll Call Taken: Ayes: Aldermen Spangenberg, Friedel, Weidner, Karas, and Wisneski

Noes: None

Abstain: None

The Chairman then announced that the Committee would convene in closed session for the reason stated in the motion and pursuant to Wisconsin Statute 19.85 (1) (e) (g)

Others also present: David Brown, Sylvia Coronado-Romero, Brian O'Connell, and Carolyn Engel

**06-1936**

Subject: Communication from Racine County Economic Development Corporation requesting a City loan guarantee for a business loan to Schmidt Industrial Truck.

Recommendation of 06-12-06: That the item be deferred

Recommendation of 06-26-06: That the City of Racine guarantee a business loan from the Racine County Economic Development Corporation to Schmidt Industrial Truck, Inc., said guarantee not to exceed \$100,000.00 for a term of five years. Further recommends that the appropriate City officials be authorized to execute a Limited Guaranty of Specific Transaction documenting said guarantee.

Fiscal Note: There are sufficient funds available in the City Industrial/Economic Development fund.

**Recommended For Approval**

Others also present: David Brown, Sylvia Coronado-Romero, Dan Wright, and Gene Gasiorkiewicz

**06-2156**

Subject: (Direct Referral) Communication from the City Attorney requesting to discuss in closed session the proposed settlement of Dennis Hart v. Transit Mutual of Racine, et al.

Recommendation: That the actions pending in U.S. District Court for the Eastern District of Wisconsin entitled Dennis Hart v. Transit Management of Racine, Inc., First Group America, Inc., John Diers and Dan McCabe, Case No. 01-C-766 and Dennis C. Hart v. Transit Management of Racine, Inc., Brad Putzier & John Diers, Case No. 04-C-0721, be settled in the total amount of \$60,000.

Fiscal Note: Settlement to be charged to account 105.600.5950 BUS - claims

**Recommended For Approval**

**There being no further business to come before the Committee, the meeting adjourned at 6:30 p.m. The next scheduled meeting of this Committee is at 5:00 p.m. on Monday, July 10, 2006.**

**Respectfully submitted,**

**Alderman James Spangenberg, Chairman  
Finance and Personnel Committee**