

(Approved)

**SPECIAL CITY COUNCIL  
PLAN COMMISSION  
WATER AND SEWER UTILITY COMMISSION  
REDEVELOPMENT AUTHORITY COMMISSION  
MEETING  
Minutes**

**February 8, 2016**

**Brillion Community Center**

**6:30 PM**

**CALL TO ORDER:**

Mayor Gary Deiter called the meeting to order at 6:33 PM.

**ROLL CALL:**

**City Council:**

Present were Mayor Gary Deiter, Alderpersons Robert Brick, Mel Edinger, Crystal Fflug, Betty Nies (arriving at 6:37 PM ), Wally Sonnabend, Larry Van Frachen, and Carrie Wenzel. Also present were City Administrator/Clerk-Treasurer Lori Gosz, Deputy Clerk/Treasurer Joy Buboltz, Community Development Director Cheryl Welch, City Librarian Chris Moede, and Park & Recreation Director Ann Marx. Absent were Police Chief JoAnn Mignon and Fire Chief Rich Janke.

**Plan Commission:**

Present were Mayor Gary Deiter, Zane Zander, Gerald Sonnabend, Mike Buboltz, Alderperson Crystal Fflug. Also present were Building Inspector Mike Angoli, Community Development Director Cheryl Welch, and City Administrator/Clerk-Treasurer Lori Gosz. Absent were Lonnie Puskala and Al Ebert.

**Water and Sewer Utility Commission:**

Present were Mayor Gary Deiter, Jeff Wittmann, Mary Jo Krueger, Wally Sonnabend, Joe Levash, Dave Schwahn, Leonard Kopidlansky, and Dan Mertens. Also present were City Administrator/Clerk-Treasurer Lori Gosz, Deputy Clerk/Treasurer Joy Buboltz, Amy Vaclavik from McMahon, Paul Much from MCO, and Jerry Versteegen from MCO.

**Redevelopment Authority Commission:**

Present were Kim Buboltz, Ralph Rice, Jerome Popp, Beth Wenzel, Alderperson Mel Edinger, City Administrator/Clerk-Treasurer Lori Gosz, Community Development Director Cheryl Welch, and Mayor Gary Deiter. Absent was Rebecca Flanders

**Guests:**

Guests of the meeting were Vicki Shafran, Denny Lamers, TJ Lamers, and Rick Hermus.

**APPROVAL OF THE AGENDA:**

**Motion** –Edinger moved to approve the agenda as written. Seconded by Van Frachen. Call vote taken. Motion carried unanimously.

**PRESENTATION- INTEGRATED PUBLIC RESOURCES:**

Mayor Deiter stated the proposal by IPR for the operating of public utilities/properties may be the way of the future. He stated that he and City Administrator Gosz met with the representatives from the Integrated Public Resources a few weeks ago and came out of the meeting with a positive feeling. Mayor Deiter advised those in attendance to keep an open mind for this concept. Budgets are tight and this may be the future for Brillion.

Amy Vaclavik introduced the members of the Integrated Public Resources. She stated she has been the Client Representative from McMahon for the City of Brillion since the mid-1990's.

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Vaclavik thanked those in attendance for coming to this meeting.

Denny Lamers explained how the company of Integrated Public Resources was created. He stated the last portion of the design, build, and operating concept is to own. He explained that other communities are in the same situation as Brillion with tight budgets in which projects are being pushed off due to lack of funds. He stated that it is not good for McMahan when projects are pushed off. Denny Lamers explained that IPR offers the potential to do different situations from leasing lift stations to owning wastewater treatment plants. This doesn't affect the debt and tax limits for the City.

Denny Lamers stated that McMahan has had a long term relationship with Brillion which is very important to them. IPR might be a tool that can be used by Brillion. IPR has very little overhead.

The goal of this concept is to reuse the assets you have as long as you can. This concept brings in private dollars to public projects. This is a public/private partnership. This concept brings solutions to help the community.

Rick Hermus stated it may be asked why they want to invest in a municipal utility. He stated it is the return on the investment. The PSC would still regulate the utility. They are trying to improve on a model used in Illinois. This concept presented is a public/private partnership where the checkbook is open for inspection.

Hermus explained the benefits of this concept in which the delivery of service would be simple and the community would benefit. IPR would do an evaluation of the asset before purchasing that asset. That community could buy back that asset at any time from IPR. Denny Lamers stated IPR would step in and assume the debt of that asset of the municipality.

Hermus stated he understands there is a concern of the loss of the control in the community. There is still the open book policy for the community. This is a way for creating and using innovation within the community. With this concept the community is looking at other ways of doing municipal projects.

Denny Lamers stated that IPR would be help to market the City of Brillion.

Mayor Deiter asked for open discussion from those in attendance. Denny Lamers stated a question that may be on the minds of those in attendance is how he knows there are private investors. He assured those in attendance there are people wanting to invest in public utilities. The investors are looking for a 4%-5% return on their investment.

Van Frachen asked how IPR would collect the funds to operate the facility. Hermus stated with a water and sewer utility it would be through the collection on water and sewer bills. Van Frachen explained there may be a need in the near future for the City to construct another well. How would IRP charge for that? Hermus stated it would need to be structured in an agreement. Denny Lamers explained IPR wants to work with small and medium size communities. They want to keep this concept simple.

Wally Sonnabend asked who would take care of DNR Reports. Vaclavik stated the Utility Operator would take care of that. Fhlug asked if the concept is that IPR would purchase the asset and the community would receive a lump sum for it. Denny Lamers stated yes. He also stated that the agreements would be tailor to the community.

Mayor Deiter stated it was also discussed with IPR the concept of them constructing a new City Hall, Fire Department, and Police Department. Denny Lamers stated that is a possibility and the shortfall of funds for the project could be handled through a lease agreement. Gosz asked if the building would be owned by IRP would they then pay payment in lieu of taxes to the City. Hermus and Denny Lamers stated that if that asset today is a taxable property that would hurt the project. It would increase the costs of that project.

(Approved)

Mayor Deiter explained that the City of Brillion is growing and this may be the way to go. He feels this concept has merit to the City.

Wenzel asked how the City's debt capacity would be with selling an asset. Denny Lamers and Hermus stated that if the asset would be handled through a lateral transfer it would not hurt the City's debt capacity. Planning would need to be done so that lateral transfer would not be lost. Hermus explained this concept being presented may help the City with its expenditure restraint portion of their budget.

Denny Lamers stated that IRP would never raise utility rates without the Utility Commission's knowledge. Control would rest with the City. TJ Lamers explained that the PSC has control over water rates. If a sewer utility is privatized then that utility would need PSC approval for increases.

Edinger asked if grant writing would be done by IRP. TJ Lamers explained that each grant available has different requirements. Denny Lamers stated they do have grant writers on staff to apply for grants. Hermus informed those present that the Federal government is making more grants available for public/private partnerships.

Ralph Rice pointed out that when certain assets that are sold, the proceeds from that sale can't be used to fix streets or buy fire trucks by the municipality.

Fhlug stated that due to the vast amount of variables with this concept we need to get through those variables and need to breakdown the City's wish list. From that wish list, those variables will need to be worked on.

Mayor Deiter stated it is important to bring the City into a nucleus.

**ADJOURNMENT:**

**Motion** – Edinger moved to adjourn the meeting. Seconded by Brick. Call vote taken. Motion carried unanimously. The meeting was adjourned at 7:50 PM.

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Gary Deiter, Mayor

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Joy L. Buboltz, Deputy Clerk-Treasurer