

MINUTES

1. CONVENE CITY COUNCIL WORK SESSION MEETING

Mayor Labadie called the meeting to order at 5:30 P.M.

A. Roll Call

Present. Mayor Labadie; Councilmembers Sanschagrín, and DiGruttolo; City Administrator Nevinski; Communications and Recycling Coordinator Wilson; Parks and Recreation Manager Czech; Finance Director Schmuck; and City Clerk/HR Director Thone

Absent: Councilmembers Maddy and Gorham

B. Review Agenda

Sanschagrín moved, DiGruttolo seconded, approving the agenda as presented. Motion passed 3/0.

2. RECYCLING RFP

Communications and Recycling Coordinator Wilson explained that the City's current recycling contract will end on December 31, 2025, and would be putting out an RFP for this service. He gave a brief overview of the 3 scenarios they will be looking for including a single-sort recycling collection, which would essentially be a replacement of their current contract; organics material collections; and alternate scenarios from the haulers. He reviewed the proposed timeline and noted that the goal would be to publish the RFP by April and make a selection by mid- to late-summer so it could be included in the 2026 budget process. He noted that they were also planning to have public engagement. He explained that what was before the Council tonight was their first rough draft of the RFP and staff was looking for some feedback with the hope to present a final draft at the next Council meeting. He briefly answered some of the questions that Councilmember Sanschagrín had submitted earlier in the day.

Councilmember Sanschagrín asked how many providers Communications and Recycling Coordinator Wilson expected to respond to the RFP.

Communications and Recycling Coordinator Wilson explained that they would be sending it out to all of the City's existing haulers that were licensed. He noted that he may look at other cities and see who their providers have been, but did not know how many the City would expect to respond to the RFP.

City Administrator Nevinski noted that he had been through this process with another city that was about three times the size of Shorewood and believed that they had four haulers who bid.

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Councilmember DiGruttolo asked if any of the haulers covered trash, recycling, and organics and noted that the idea of potentially bundling the services may make them more interested or if there was a way to suggest that within the RFP.

Mayor Labadie stated that the City had not yet authorized unified garbage hauling, so until there is direction from the Council to do so, she felt it was premature and could set up an expectation within the residents.

Councilmember DiGruttolo asked when the Council may be discussing this idea and if they could do it before the RFP was sent out.

Mayor Labadie stated that she felt that the Council could discuss it, but did not think that it would happen before the RFP was sent out.

City Administrator Nevinski stated that if that is a path that the Council wanted to travel, that would be a longer discussion because it was a very sensitive issue. He stated that should the decision be made to go down that path, there would be a statutory process that the City would have to follow. He noted that another option would be for the City not to do the RFP and just extend the existing contract again, but last year the Council had communicated that they wanted to go out for an RFP for recycling this year. He noted that the City he lives in has curbside organics, recycling, waste collection, and yard waste collection, and they have four haulers for each of them. He gave the example of the City getting some proposals for curbside organics that they like it was likely that it would not be something implemented immediately on January 1, 2026, and would be phased in. He reminded the Council that, at this point, they were just planning to put out an RFP and not enter into contracts.

Mayor Labadie asked when and how the City planned to get public input. She noted that Communications and Recycling Coordinator Wilson had mentioned doing an online survey and stated that the concept of surveys kind of gives her hives. She asked if there would be one e-mail per household or would there be a way where one person could submit thirty responses, and noted that she would like to know if there would be a way for the City to ensure the accuracy of the information being submitted.

Communications and Recycling Coordinator Wilson stated that the City had the ability to implement something like one response per e-mail. He noted that they were already planning to add demographic information in order to understand which part of the City people live in, so it could possibly be attached to that portion.

Mayor Labadie stated that she felt it may be worth looking into a way to attach the survey to an address. She shared some history of the last time the City had considered unified haulers and explained that she wanted this public input to be as fair and representative of the majority of the households as possible, so the voices being heard were not just the loudest.

Councilmember Sanschagrín stated that he felt the proposed RFP had been put together quite well and noted that he appreciated the flexibility that had been included with the different scenarios as well as the questions.

Mayor Labadie reminded the Council that they were not voting on this tonight and the intent was just to give staff feedback. She stated that she would agree with Councilmember Sanschagrín that the questions had been well thought out and felt the proposal timeline was doable.

Councilmember Sanschagrín suggested that they somehow include some goals and accountability related to customer service because that was the most frequent complaint he had heard about these services.

Communications and Recycling Coordinator Wilson explained that he would make some of the changes suggested by the Council and bring this proposal back to a future meeting.

City Administrator Nevinski noted that if the Council was comfortable with this, instead of bringing it back, they could put it out in order to get things moving, and then plan to bring back survey results as well as responses from the haulers, to the Council.

Mayor Labadie stated that one point brought up by Councilmember DiGruttolo was the possibility down the road that one hauler may want all of the City's business and they have their contract term went all the way to 2030. She asked if the length of a contract term was prudent or typical and expressed concern that it could lock the City into things.

City Administrator Nevinski stated that he felt a contractor who was going to come in would also be looking for some degree of security and what they were proposing right now was a five-year contract which was, most likely, what the haulers would be looking for. He stated that if they decreased the length of the contract, he did not believe the City would receive as many responses.

Councilmember DiGruttolo stated that seemed like it would become a game with the contracts and would almost suggested that it could never actually be changed, so they may all be together.

City Administrator Nevinski explained the options he felt the City had related to managing contracts including the possibility of extending contract terms in order to let the contract dates catch up so, if they ended up moving to unified haulers, they would be able to arrange things to be under one contract.

Councilmember DiGruttolo noted that usually you are able to negotiate a better rate if the City would be giving them more business because it essentially incentivized them to give the City a better deal because they knew they would be getting all of the City's business. She stated that she felt that they should get some idea on what the competitive costs may be and thought the City should also, as they were putting this out, try to find out what the difference may be in a unified scenario. She stated that she also felt the City may not want to sign a five-year contract without knowing if they could get a better rate for residents if they consolidated. She stressed that she was not saying that the City should consolidate because it was clearly a conversation that needed to take place, but just did not want the City to close any doors that may lessen the City's negotiating power.

Councilmember Sanschagrín asked if one option may be to go through this process and consider extending the existing contract for another year.

City Administrator Nevinski agreed that they could extend it for a year or two if the Council decided that they wanted to take more time to look into this.

Mayor Labadie asked how many haulers Communication and Recycling Coordinator Wilson felt did waste, recycling, and organics services, or at least more than one.

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Communications and Recycling Coordinator Wilson explained that he did not know that specific information.

Mayor Labadie noted that it was also possible that a hauler may tell the City that they did not want to handle all three. She stated that when she had originally looked at the proposed RFP she thought it had looked fine, but then with the point raised by Councilmember DiGruttolo, the contract date ending in 2030 sort of jumped out at her.

Communications and Recycling Coordinator Wilson explained that he was also curious about what the landscape of haulers would look like in the near future as well, because with the Waste Management Plan, there are a number of requirements included of things that will be required, but also the Packaging Law that was also passed which require manufacturers to be in charge of certain costs.

Councilmember Sanschagrín asked if the City should incorporate those things into the RFP.

Communications and Recycling Coordinator Wilson noted that they do not know when the organics recycling would come into effect, the Packaging Law was already in effect, but felt the haulers already understood that piece.

Mayor Labadie stated that there were a lot of variables in this situation.

Councilmember DiGruttolo asked if it would be harmful to put out the RFP and see what came back. She stated that she felt that when it came back, the City would have more data and information.

Councilmember Sanschagrín agreed and noted that the City's fallback position could just be to extend the existing contract for a year or two.

Mayor Labadie cautioned that there may not be a guarantee if the City did not like what they saw in the RFPs that Republic would agree to extend the existing contract.

City Administrator Nevinski stated that his guess is that Republic would also submit an RFP and if the City wanted to extend their contract, they would simply submit the RFP and tell the City that was their pricing. He stated that the City would know what their options were pretty quickly, but cautioned that Republic would not default to the prior contract, if the City actually did an RFP.

Communications and Recycling Coordinator Wilson stated that he believed the most recent contract extension included a fifteen percent increase.

There was Consensus of the Council to proceed with their earlier direction to staff.

3. SOUTH SHORE SENIOR PARTNERS AGREEMENT

Parks and Recreation Manager Czech explained that the City had a strong partnership with the South Shore Senior Partners (SSSP), which is a non-profit organization that offered activities that were targeted towards seniors that are fifty-five or older. He noted that the partnership stemmed from when the building was owned and operated by the five member cities in the area, and when Shorewood took over the building, they maintained the partnership with SSSP. He stated that the agreement between Shorewood and the SSSP was from 2009 to 2014 and since that time has

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been operating on a month-to-month basis with kind of a handshake agreement, which continued the terms of the original rental agreement. He explained that staff had put together an updated draft agreement, but when the City Attorney reviewed it, there were some sticking points which need some additional guidance from the Council related to insurance and background checks. He explained that he and City Administrator Nevinski had met with the SSSP Board and presented this draft agreement and gave a brief overview of some of the concerns the SSSP Board had about the draft agreement terms.

Councilmember DiGruttolo stated that she would feel more comfortable having this conversation with the City Attorney actually present in order to discuss indemnity, liability, and if there may be a way to put terms in the contract that if there is an incident where the deductible needed to be paid that the SSSP would pay it, not the City.

Councilmember Sanschagrín asked if Park and Recreation Manager Czech had stated that the City would incur higher liability if the City conducted background checks than if they did not.

Park and Recreation Manager Czech clarified that if the City were to conduct the background checks, the City would incur higher liability, but the City Attorney would need to shed some light on the liability in the current situation, where there were no background checks.

Mayor Labadie agreed that she would also like the City Attorney to weigh in on this issue. She asked if background checks were required on an annual basis and, if so, how much would a background check be for each individual. She stated that she also had a question relating to liability, for example, if there was a claim involving the SSSP, the City would have to pay the deductible, and asked what would constitute a claim and shared varied examples.

Councilmember DiGruttolo stated that it could also be a situation where they were in a building where other children and young people were located and there could be claims or allegations related to that. She stated that she felt that possibility was another reason to conduct background checks and why it would have to be done on an annual basis.

Mayor Labadie noted that they have to have background checks in order to volunteer in the school district, but did not think it was done annually. She suggested that they look into the possibility of mirroring what schools were required to do for background checks. She noted that she had some concerns about the proposed rental agreement and asked if there would be any issues if they held off on this topic for another few weeks.

Park and Recreation Manager Czech reiterated that they had been operating without an agreement since 2014.

Mayor Labadie reiterated that she would like the City Attorney to be here when the Council discusses this issue. She suggested that in order to have more efficient use of the City Attorney's time, that the Council think of potential questions prior to the meeting and submit them to City Administrator Nevinski.

Councilmember Sanschagrín stated that he felt changing the term of the agreement to just two years made sense to him.

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Mayor Labadie noted that she felt that SSSP had provided a valuable service to the community and knew that for some of the volunteers, serving at the South Shore Community and Event Center was the highlight of their day.

City Administrator Nevinski explained that staff would plan to bring this back at a regular City Council meeting and present some options based on the input the Council had given tonight.

4. RATE ANALYSIS

Finance Director Schmuck gave an overview of the proposal from staff to use a financial advisory firm to develop a long-term financial management plan for the City's governmental and enterprise funds, including utility rate studies. She noted that the last utility rate study was conducted in 2013, and before that it was in 2009. She explained that she had reached out to some consultants and found that the City could get a rate study along with a long-term financial management plan for all the City funds at a rate of half of what they had paid for just a utility rate study in 2013. She reminded the Council of some of the conversations that took place during their Council Retreat on this topic and explained that she felt that some of those conversations led to the conclusion that they should consider looking at entering an agreement with an outside consultant for this work so they can use it in the 2026 budget process.

Councilmember Sanschagrín asked what the output would be and asked if it would be something like an Excel model that they would hand over to the City.

Finance Director Schmuck stated that they would do an actual written report analyzing the City's existing structure where the City could give them a few different scenarios. She noted that they would also give the City the actual Excel working documents that they utilized to come up with their report which meant that she would be able to further manipulate the document in future years. She explained that she did not have the time or resources to compile this data and statistical information. She stated that she felt that this would be a very valuable tool for the City to use on an ongoing basis in their budgeting process. She noted that the expense could be spread across all funds because it would entail all funds. She noted that the estimated cost of twelve thousand dollars was not budgeted for 2025 but it could be split up, however, the City would like. She stated that she did not believe any of the funds would end up having a significant impact from this added expense.

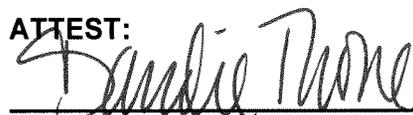
Councilmember DiGruttolo stated that she thought this was a great idea, especially since the Council was attempting to make decisions based on as much data as possible.

Finance Director Schmuck stated that she would work with the consultant to get an engagement letter put together in order to bring it back at the next City Council meeting for consideration.

5. ADJOURN

Sanschagrín moved, DiGruttolo seconded, Adjourning the City Council Work Session Meeting of March 10, 2025, at 6:21 P.M. Motion passed 3/0.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor