

**CITY OF MERRILL
COMMITTEE OF THE WHOLE
Wednesday, August 13, 2014 at 5:30 P.M.
City Hall Common Council Chambers
1004 East First Street**

AGENDA

1. Call to order
2. Public Comment
3. Consider strategic planning document
4. Consider bids for West First Street Utilities Improvements. (Bids to be opened on August 11th, 2014)
5. Discuss recommendations from July 23rd, 2014 Water and Sewage Committee meeting regarding cross-connection inspection services
6. Presentation on GIS Capabilities
7. Adjournment

NOTE: It is possible that a quorum of the Common Council will be present at this meeting. However, no Common Council action will be taken.

Agenda prepared by City Clerk Bill Heideman

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at 536-5594.

Date and time agenda was posted: _____ *Posted by:* _____



Strategic Plan

2014-2019

July 31, 2014



Planning Committee

Mayor William Bialecki

Alderspersons:

John Burgener, Council President

Pete Lokemoen

Chris Malm

Tim Meehean

Rob Norton

Kandy Peterson

Ryan Schwartzman

David Sukow

Former Aldersperson:

Steve Hass

David Johnson, City Administrator

Participating Department Heads:

Jane Deau, Enrichment Center

Rich Grenfell, Transit Administrator

Tom Hayden, City Attorney

Bill Heideman, City Clerk

Ken Neff, Police Chief

Ramona Pampuch, Maintenance Supervisor

Dave Savone, Fire Chief

Stacy Stevens, Library Director

Kathy Unertl, Finance Director

Dan Wendorf, Parks & Recreation Director

Regular Participants from the Public

Gene Bebel

Judy Woller

Facilitated & Compiled by:

Art Lersch

Community Resource Development Educator
University of Wisconsin Extension, Lincoln County

Table of Contents

Executive Summary	4
Primary Core Values	6
Vision	7
Mission	7
SOAR Analysis	8
<i>Strengths</i>	8
<i>Opportunities</i>	9
<i>Aspirations</i>	10
<i>Results (expected)</i>	11
Strategic Issue Identification	13
Strategic Issue Prioritization	15
Strategic Plan Framework	17
Strategic Issue #1: How can Merrill city government help grow the city’s tax base?	17
Strategic Issue #2: Are there any services Merrill City Government needs to provide that it currently is not? Are there services that city government may not be able to provide any longer or should not be offering?	22
Strategic Issue #3: What is Merrill City Government’s budget philosophy?	24
Strategic Issue #4: How does Merrill city government create and implement strategic economic development and redevelopment?	28
Conclusion	31

Executive Summary

City of Merrill stakeholders met eight times to complete the city government's first ever strategic plan. Important work achieved included a SOAR (strengths, opportunities, aspirations, results) analysis, the pronouncement of core values for city government, the development (and formal Council approval) of both city government vision and mission statements, the identification and prioritization of strategic issues, a review of city services (information provided by department heads), the creation of a vision statement for the community, the identification of strategies and action steps to address the chosen strategic issues, and additional action planning.

Along with achieving all this, another goal was to use the process as a means to better educate both internal leaders and the public about how city government functions and to facilitate better communication and working relations among city officials. Although the public did not participate to the degree that was hoped, despite efforts to engage them, those residents who did attend the meetings made it known early on that they wanted to be participants rather than mere spectators. This, along with the strengthening of internal relationships among city government leaders, is nearly as important a byproduct of the process as the plan itself.

Since this was the first time the stakeholders took part in a comprehensive strategic planning process, they often had to learn about procedures while doing them. Methods used to generate ideas and to ultimately prioritize the issues city government will focus on in the coming five years were kept somewhat basic, hopefully not to the detriment of the outcome. That said, the strategic plan outlined in this document, like most plans of its type, is meant to be simply a framework for action. It is not a panacea, and most important, it should be modified to reflect changing priorities and resources. Perhaps the greatest strength of this particular plan is that city government has already begun to address many of the issues contained in it. The fact that those issues have now been identified in writing will compel city government to focus even more of its resources to address them. Using processes outlined in this document, the planning group chose the following four strategic issues for city government to concentrate on in the coming years.

- ***How can Merrill city government help grow the city's tax base?***
- ***Are there any services that we need to provide that we currently are not? Are there services that we may not be able to provide any longer or should not be offering?***

- ***What is Merrill city government's budget philosophy?***
- ***How does city government create and implement strategic economic development (and redevelopment)?***

Details of how these issues will be addressed begin on page 17 of this report.

Primary Core Values

For the first time in recent history, City of Merrill government stakeholders identified core values for how the government should operate. They became the principles upon which planning conversations took place.

- ***Responsive***
- ***Customer Satisfaction***
- ***Greatest good for the Most Residents***
- ***Government that is easy to do Business With***
- ***Adaptable***
- ***Consistent***
- ***Highest level of Quality Service***
- ***Fairness***
- ***Progress***
- ***Active Listening***
- ***Interact well Together***
- ***Best use of Limited Resources***
- ***Safety***
- ***Positive outlook***
- ***Trust***

Vision

Using the core values and information from other discussions, planning group members developed the following vision statement.

"We, the employees and officials of the City of Merrill, envision superior services while being open, responsible, and transparent to the public"

Mission

Stakeholders also developed the mission statement below.

"The mission of the City of Merrill government is to provide high quality services in an innovative, consistent, and efficient manner"

Both the city government mission and the vision statements were formally and unanimously approved by City Council during its May 13, 2014 meeting. It is believed that this is the first time city government has had either a mission or vision statement. Following approval, the statements were added to the City of Merrill website and will be communicated via other means from now on.

Also created during the planning process was a community vision statement.

"Merrill, embracing our diverse heritage while working toward a brighter future"

Further review and formal approval of this statement is pending.

SOAR Analysis

SOAR stands for strengths, opportunities, aspirations, and results. This type of analysis is similar to a SWOT (strengths, weaknesses, opportunities, threats) overview, but emphasizes the positive aspects of a particular organization. Opportunities are in many cases also challenges that are being or will be faced. Planning group members completed this exercise in preparation for identifying and prioritizing the most important strategic issues city government will face over the next five years.

Strengths

- € Safety services.
 - Both the fire and police departments are career rather than volunteer operations
 - Both the police and fire department are administered by very competent, strong leaders
 - Both the police and fire department staff take a highly professional approach to their work
 - The police and fire departments work well together to achieve common goals

- € The city workforce is committed/dedicated to public service and is highly competent. (An example would be city employees having to do utility work during Merrill's coldest winter on record). Many of them correctly have the attitude that they are filling career positions.

- € All city departments have a community focus. Their employees are constantly thinking of ways to strengthen the community through the services they provide.

- € City officials and employees are proud of Merrill and passionately wish to improve it.



- € The city currently has good, strong, progressive leadership.
- € The number and diversity of services the city provides is extensive. (E.g. Services are provided to citizens of various ages.)
- € City government has extensive interaction with the Merrill Area Public School District, especially the fire and police departments.
- € Availability of MP3/Merrill Productions videotaping government in action to show how committees and Council function.
- € There is a unique public transportation system for this size a city.

Opportunities

- € Become even more involved in regional efforts that will allow for the pooling of resources.
- € Work more closely with more of the entities that promote regional efforts such as Centergy, Grow North, and North Central Regional Plan Commission.
- € Increase the openness and transparency of city government by improving internal and external communications.
- € Communicate by using a wider variety of means including social networking and other online options.
- € Focus on just a few specific, potentially very impactful economic development projects (Lincoln House; former Guys Shop, etc.). Create a marketing strategy to persuade developers, including those who live in the area, to take on the projects.
- € Continue to explore multijurisdictional ways (intergovernmental cooperation) to provide services (e.g. city and county; working with Tomahawk, etc.).

- € Search and apply for state and federal grants to offset equipment and perhaps other costs.
- € Hold meetings with other governments to learn about their “best practices” and apply those methods if/when it makes sense.
- € Continue attending North Central Wisconsin fire and police chief meetings (learning more about regional issues).
- € City IT department needs to provide training to Council members and residents on how to best use social media and other communication strategies.
- € Develop or join multi-city/county cooperatives that purchase supplies. Cooperatives drive down prices because they buy in bulk. Take a similar approach to providing employee benefits (check out UW-Platteville arrangement.)

Aspirations

Group members were asked to use the city government and community vision statements as references for the discussion.

- € Focus residential development in the central city area rather than in the outskirts of the city.
 - Continue blight elimination
 - Develop whole areas rather than just isolated lots
 - Review and change when it makes sense zoning ordinances that impede residential re-development
- € Aspire to be responsive to the changing needs of the community.
- € City government needs to have a user friendly attitude while stressing to residents that it can't do it all.
- € Aspire to educate people how city government works.

- € City government needs to be friendlier to businesses. Help business owners through the process of locating here or expanding. If a regulation cannot/should not be changed, give business owners other options that will help them do what they need to do.
- € More open and transparent communication should be fostered. There needs to be communication improvements between city departments. Information should be out sooner. (IT can help facilitate this). Department reports to oversight committees should be forwarded to alderpersons. Committee minutes should be completed and distributed in a more timely fashion. Make it easier for people to watch MP3 broadcasts (now only on cable; IT can help facilitate).
- € Aspire to be the best we can be: we should be developing and communicating best practices in government management.

Results (expected)

- € City government should do all it can to recruit businesses to the area. It should be more strategic about what businesses are recruited. Specifically, there are opportunities to target insurance industry businesses because this is a regional hub for that service.
- € City government should do all it can to squelch the area rumor mill.
- € City government should have stronger ties to the local hospital and be more active in promoting the health of the community. The hospital is a vital institution in our community and losing it would be devastating.
- € “Nurture” business growth. City government should do everything it can to promote the economic health of the community by working closely with businesses that wish to expand or relocate here. Be a facilitator rather than an entity that throws up road blocks to business expansion, retention, and relocation. (The city with the county economic development director as the point person is currently finalizing details that will likely bring a business incubator to Merrill).
- € City government should embrace technology (make information about city government and the community more available).

€ City government should pass more ordinances that enhance residents' quality of life. A recent example would be the "chicken ordinance" allowing residents to raise chickens and have home grown, healthier eggs.

€ City government should help foster a healthier community (e.g. support of River Bend Trail project).

€ City government should take specific actions to attract new residents and increase the tax base.

€ City government should take specific actions to help bring more family supporting jobs to Merrill. Many of these jobs can be realized by promoting industrial growth.



€ City government should help foster a greener, more eco – friendly community.

€ City government should utilize more highly sophisticated technology uses.

€ City government should help find and implement ways to attract and retain young professionals.

€ Each department needs to do a better job of communicating successes. This will help to develop pride in both the community and city government.

€ City government helps solve regional problems. Solving regional problems will help strengthen the city.

Strategic Issue Identification

Planning group members were asked to think in terms of important, complex issues that city government will likely have to address in the coming years. They used the results of the SOAR analysis to help determine the issues.

- € Rising costs of providing public services while the city's tax base is declining or stagnate (blight issues contribute greatly to this challenge)
 - Economic development, including the creation of such amenities like the River Bend Trail, and job creation are important elements in the attempt to strengthen the tax base
 - Increasing and maintaining the optimal city population is key to increasing the tax base

- € Are there any services that we need to provide that we currently are not? Are there services that we may not be able to provide any longer or should not be offering?



- If services are to be maintained at current levels or even increased, how will that be funded? (Note: It was mentioned that successful efforts to grow the city's tax base and to maintain or increase the city's population will be key components in helping city government pay for the services people need and want.)

- € What is Merrill city government's budget philosophy?

- € How can Merrill city government help to better engage the public and organizations in projects that will enhance quality of life? Government can no longer do anything important without the help of organizational partners and citizens.

- € How can city government facilitate partnerships with entities that are working to address regional issues? (I.e. with other governments, with nonprofit organizations, with private business, etc.)

- € How can city government help foster a cultural change within Merrill where its citizens are more trusting of one another, their city government, and have more hope for and faith in the future?
 - Perhaps some of this can be done by promoting the positive things that are already happening in the city.
- € City government workforce recruitment and retention. (How can we offer competitive compensation? What other incentives can be offered to hire and keep high quality employees?)
- € Develop Route 51 corridor and County G areas. Foster dialogue with townships in order to get this done. Consider developing northward up County K. Prioritize development by choosing areas that have the best potential return on investment (best bank for the buck.)
- € Finding ways to maintain and improve the city's aging infrastructure. Where/how can the funds be acquired? - This may also be tied to tax base issues. - Break down components of this in order to prioritize what is most needed. (Some infrastructural projects are being mandated by the state. These and others based strictly on deterioration issues are time sensitive). Decide which of these projects can be "piggybacked" (e.g. upgrade sewer system and then fix the roads in that area, etc.)
- € Eliminate blight.
- € Dealing with increased, more pervasive drug use in and around the city.
- € Strengthening fire prevention. This could help reduce blight and benefit economic development.
- € Our aging population.

Strategic Issue Prioritization

Participants were asked to next begin thinking about which issues already mentioned are the most important for city government to address in the coming years. They were asked to do so also based on the following:

- a. What is urgent and important? (What is the difference between urgency and importance?)
- b. What is not urgent and important? (Issues that city government has time to plan how to address)
- c. Can progress toward addressing the strategic issue be measured? (How can progress that is made be communicated to city government internal stakeholders and the public?)

After discussion and a voting process, planning stakeholders chose the strategic issue priorities below. The issues were put into question format to better facilitate action planning processes (i.e. create an action plan that will help answer the questions).

- ***How can Merrill city government help grow the city's tax base?***
- ***Are there any services that we need to provide that we currently are not? Are there services that we may not be able to provide any longer or should not be offering?***
- ***What is Merrill city government's budget philosophy?***
- ***How does city government create and implement strategic economic development (and redevelopment)?***

The strategic issues chosen primarily have to do with focusing city government resources on promoting economic development and redevelopment that makes the most sense. Most of the issues are tied together by this common thread. It was mentioned during the last strategic planning session that the city may want to consider developing a new comprehensive plan based on this strategic plan framework.

Other issues that were considered were:

- “What can city government do to maintain and improve the city’s aging infrastructure?”
- “How can city government facilitate partnerships with entities that are working to address regional issues?”
- “How can city government better inform and educate internal and external stakeholders in the most transparent way possible about the positive things it is facilitating, some of the challenges it is facing, and how it functions?”

It was agreed that all these “other” issues will be addressed at some level, but will not be areas where city government focuses most of its efforts in the coming years.



Strategic Plan Framework

Because these strategic issues are so intertwined, a few strategies and action steps are repeated throughout the framework. Taking steps to fulfill a particular strategy may help further another.

Strategic Issue #1: **How can Merrill city government help grow the city's tax base?**

The planning group identified the following principles upon which strategies for this issue were developed.

- € Make it easier for people to start or expand a business within the city. Too often, city government regulations are obstacles to business development. City officials/employees need to do a better job of helping potential and current business owners find options that will still allow them to comply with regulations while helping them establish or expand their enterprises. We need to say “yes” much more often than “no.” We need to become more business friendly.
- € Find ways to promote job creation and diversity. For this and the principle above, the planning group decided that it will be important to maintain city funding for Lincoln County Economic Development Corporation.
- € Redevelop dilapidated housing sections especially in downtown areas and develop new housing where it makes the most sense. Nearly 65% of the city's total equalized value is derived from residential property (2012 Wisconsin Department of Revenue). Great strides are currently being made to improve the overall quality of the city housing stock, but much more must be done to ensure that homes for sale are quickly sold and houses throughout every ward are well maintained. Planning group members agreed that it is now time to once again approach the county to request that it tighten up its foreclosure process (stick to three rather than five year + timeline).
- € Economic development. When we tear down the old, make certain that we replace it with something better (not possible normally with residential development). Becoming even more aggressive on eliminating blight will be key to good economic development. Prioritizing projects based on their potential for a solid return on investment will also be vital.

- € Attract young families to the area by creating jobs and improving the city’s “quality of life” amenities. It was acknowledged that attracting young families will also serve to slow population decline (between 2000 and 2010, the city’s population declined nearly 5%). In theory, attracting young families will also help slow aging population trends and reverse current population projections.

Suggested Metrics

- *Grow the city’s tax base by 20% during the five year strategic plan implementation period. (Achieve an annual increase of 3-5%). (Measure by comparing the previous year’s figure with the current year’s figure; report on actions taken and results; if actions not taken then why.)*
- *Increase the number of jobs in the city by at least 10% (about 500 jobs) by the end of the plan implementation period, with half offering a “family supporting” wage.¹ (Communicate specific actions that city government performed to help create those positions.)*

Responsible Parties

The following three entities were identified as being the primary lead parties responsible for spearheading actions

- City Redevelopment Authority (in collaboration with the mayor and city administrator)
- Lincoln County Economic Development Corporation
- Common Council (as primary decision making authority)

¹ According to the MIT Living Wage Calculator (<http://livingwage.mit.edu/counties/55069>), the minimum adequate living hourly wage for a family of four in Lincoln County is \$17.61, or approximately \$36,600 per year. According to the American Community Survey (U.S. Census Bureau), there were 4,600 people employed in the city in 2012 (2008-2012 estimates).

The entities listed below are seen more as partners in implementing processes.

- Redevelopment Resource Team
- Economic development consultants
- Merrill Area Development Corporation
- Merrill Area Chamber of Commerce
- Centergy and whenever possible Grow North
- Private developers

(Note: Efforts to increase the tax base in general will be ongoing.)

Strategies	Action Steps	Timeline
a. City government takes more of an active role in marketing the city	<ul style="list-style-type: none"> • Promote the city and city government by the latter telling stories about existing services, the local educational system, and quality of life amenities (frequently update the city website; partner with the chamber when possible; partner with community entities when possible; use various media to tell the story) • Designate staff to help coordinate and carry out these marketing efforts (could be all department heads, etc.) 	Have promotional tools in place and begin using them in earnest by no later than the end of 2014
b. Increase developable land by exploring and implementing annexation agreements when feasible	<ul style="list-style-type: none"> • Determine which properties outside city limits have the most potential for economic development and then take measures to implement the projects • Continually assess those economic development projects that have the greatest potential to grow the tax base – e.g. return on investment (TIF will continue to be an important tool; see below and strategic issue #4) 	Look for opportunities throughout the plan implementation process and beyond (have ongoing talks with property owners)

Strategies	Action Steps	Timeline
	<ul style="list-style-type: none"> Plan and implement infrastructure projects first (i.e. after citizens' immediate needs are met) that have the potential to help grow tax base because there is an accompanying business/company building on that site² Seek out and work with appropriate project developers Apply for grants, etc. (to help supplement economic development projects, whether in annexed areas or not) 	
<p>c. Work with/make it easier for existing businesses and corporations to expand their operations (if city government regulations prevent them from doing something, city government must help them find another way to reach their goals that still follows regulations)</p>	<ul style="list-style-type: none"> Review existing business ordinances and regulations to determine how restrictive or enabling they are When possible modify those ordinances or regulations that are not "user friendly" Create new ordinances or regulations that without violating laws make it easier for businesses to expand or locate in the city Involve existing industry and business owners to better capitalize on their contacts (attract new businesses, etc.) 	<p>Begin as soon as the plan is formally approved</p> <p>(Note: A review of these provisions took place a few years ago and some recent improvements have been made. However, group members agreed that it is time to conduct another thorough assessment.)</p>
<p>d. Seek to partner more often with Merrill Area Development Corporation (MADC) on economic development projects that will help strengthen the city's tax base</p> <p>(Note: Several group members indicated that the MADDC</p>	<ul style="list-style-type: none"> City government continues to build strong relationships with MADDC board members and leaders Continue to support and work closely with Lincoln County Economic Development Corporation (under new director; closely 	<p>Ongoing/when opportunities arise</p>

² Current criteria for prioritizing infrastructure projects are: 1. Broken/need; 2. Impact if any on tax levy (need to borrow); 3. Is economic development project dependent on need to upgrade infrastructure; 4. What are the developer's plans?; 5. What is the ROI?

Strategies	Action Steps	Timeline
Board should attempt to better define that organization's mission, including how it relates to working with city government. There was some indication that the planning group believes that part of MADC's mission is and should be to do what the city cannot.)	<p>linked to MADC)</p> <ul style="list-style-type: none"> • Work with the Redevelopment Authority, MADC and other entities to explore development of vacant , underdeveloped, or undeveloped parcels within city limits (as of July 2014, there were three or four parcels that could be targeted) 	
e. Strengthen the relationship with existing railroad business development entities (often related to more regional economic development initiatives)	<ul style="list-style-type: none"> • Learn even more about what the railroads have to offer and how the City of Merrill and them can collaborate • Redevelopment Resources make the appropriate contacts when it is desirable and feasible for city government to work with railroads on a regional or local project • Redevelopment Resources along with city leaders, primarily the mayor and city administrator, negotiate services when applicable 	Ongoing, but show that measures have been taken to complete the action steps during the first year of plan implementation (by the summer/fall of 2015)
<p>f. Reduce blighted residential property by 25% based on current (July 2014) numbers</p> <p>(Note: It was mentioned that Merrill is currently at the forefront of resolving these cases. This strategy is included because the city wants to make sure it continues these efforts and better ascertain the impact of such activities on the overall economic and aesthetic health of the community.)</p>	<ul style="list-style-type: none"> • City government takes the lead with other partners such as the chamber to promote Merrill as a family friendly city • Apply for grants, etc. (to help supplement residential property projects) • Continue to apply for (and hopefully receive) CDBG grants for income eligible home owners wishing to repair homes 	Even more systematic ways to measure how much impact is being made should be in place by the end of the first year of plan implementation (summer/fall of 2015)
g. Establish more Tax Incremental Financing (TIF) Development incentives	<ul style="list-style-type: none"> • Prioritize TIF related opportunities based on similar criteria being used to rank potential economic development and redevelopment projects 	Focus initial efforts in second and third years of plan implementation (mid-2015 through mid-2017). Ongoing thereafter.

Strategies	Action Steps	Timeline
	<ul style="list-style-type: none"> • Recognize and pursue opportunities for city expansion through annexation • Gain a better understanding of funding sources available to help support TIF development projects • Work with the Redevelopment Authority, MADC and other entities to explore development of vacant , underdeveloped, or undeveloped parcels within city limits (as of July 2014, there were at least three or four parcels that could be targeted) 	

Strategic Issue #2: Are there any services Merrill City Government needs to provide that it currently is not? Are there services that city government may not be able to provide any longer or should not be offering?

The planning group stated that ongoing analysis of what kinds of services are being provided, how they are being provided, and especially at what levels they are being provided will be an important way to ensure responsible budgeting practices. Emphasis was placed on adjusting levels of service when appropriate rather than eliminating or adding services.

Suggested Metrics

- *Information about what services citizens value and what trends may affect service provision*
- *Ongoing department level analyses and periodic reporting to administration*
- *Decisions about what levels services should be offered at based on the information gathered*

- *Cost of providing services remains the same or is even a bit less throughout the plan implementation period. (If costs are rising, then revenue needs to be generated to cover those costs.)*

Responsible Parties

- City Administrator
- Department heads
- Council
- Mayor
- Department staff

Strategies	Action Steps	Timeline
a. City wide macro analysis of services department by department (include in program descriptions the outcomes that are expected to be derived) ³	<ul style="list-style-type: none"> • Each department annually compiles information about the level of services that is needed currently and whether that level will need to increase or can be reduced in the future • Analyze overall picture of service provision in the context of annual budget preparations and also using a needs first then wants approach (see strategies b. and c.) • Explore with other entities (government and non-government) collaborations to provide services when it makes sense 	Complete by the beginning of the second year of plan implementation (summer/fall 2015)

³ Some elements of Performance Based Budgeting may need to be employed to ensure that the extent to which expected outcomes are achieved can be documented.

Strategies	Action Steps	Timeline
	<ul style="list-style-type: none"> Negotiate and implement those collaborations 	
<p>b. Internal department analyses of current services, what may be needed in the future, <u>and at what levels services should be provided</u></p> <p>(Note: It was acknowledged several times during the planning process that local governments often do not have much control of what services they provide but can often make decisions about the level at which they are delivered.)</p>	<ul style="list-style-type: none"> Each department compiles information about the level of services that are needed currently and whether that level will need to rise or can be reduced in the future (begin by using the reports that were developed during the strategic planning process) Provide information about the level of services offered to the public and to city government decision makers on an annual basis as part of the regular budget development process 	Conduct annually
<p>c. Identify services that are recognized priorities indicated by the public (begin with National Citizens Survey results)</p>	<ul style="list-style-type: none"> Create and implement other tools that indicate citizens' attitudes about services, what services are needed, what services are wanted, and what levels services should be provided (focus groups; surveys, etc.) 	Conduct twice during the plan implementation period (within five years); during the summer/fall of 2015 and the winter/spring of 2018

Strategic Issue #3: **What is Merrill City Government's budget philosophy?**

Such a philosophy should be multi-tiered, meaning that it must include plans for contingency savings, borrowing provisions, prioritizing expenditures, and guidelines for carrying over funds from one year to the next, etc. The budget philosophy should be applied consistently over time. In part, a clearly stated budget philosophy may have to begin by modifying some existing city budget policies.

Suggested Metrics

- *Leveling off of debt payments from year to year⁴*
- *Number of inefficiencies in internal services discovered and remedied declines from year to year of plan implementation*
- *Cost of providing services remains the same or is even a bit less throughout the plan implementation period. (If costs are rising, then revenue needs to be generated to cover those costs.)*
- *Evidence that potential partners in service provision and purchasing have been contacted and that arrangements that make sense (i.e. reduce costs for the parties involved while maintaining efficiencies) are implemented*
- *Evidence of substantial increases in revenue of at least 20% as a result of city government led or arranged development projects (Note: Grow the city’s tax base by 20% over the strategic plan implementation period; see strategic issue #1.)*

Responsible Parties

- Finance Director
- Department heads and Council
- Redevelopment Authority
- Administration/staff
- Council

Strategies	Action Steps	Timeline
a. Level debt structure so that debt payments are relatively equal from year to year (makes budget projections)	<ul style="list-style-type: none"> ▪ Continue to obtain bond counseling to help structure debt more equitably over time ▪ Develop comprehensive plan for near and 	Complete the action steps under strategy a. by the end of 2014

⁴ In 2014, debt service payments are estimated to be about 11.9% of total expenditures. In 2013, it was about 5.3%. In 2012, it was about 6.9%.

Strategies	Action Steps	Timeline
<p>easier)</p> <p>(Note: During the final planning session, there was discussion about the way library expansion debt had been structured back in 2001 and how that has made it more difficult to restructure debt payments over the years.)</p>	<p>long-term capital/infrastructure needs</p> <ul style="list-style-type: none"> ▪ Create a more systematic process for city government to judge specifically how annexed land will be developed or re-developed and how much additional revenue may be derived from the new activity (cost/benefit as to whether it will be worth it in the long run to do the project) 	
<p>b. Maintain as many services at the highest level possible that the budget allows</p>	<ul style="list-style-type: none"> ▪ Determine and eliminate if present any inefficiencies in the way services are provided ▪ Explore providing services in partnership with other entities (other governments, nonprofit organizations, etc.) ▪ Negotiate and implement collaborative or partner service provision arrangements when and where it makes sense ▪ Develop carry over options for unspent dollars from one fiscal year to the next at the department level 	<p>Begin immediately; review annually/ongoing</p>
<p>c. Increase revenue through annexations when feasible</p>	<ul style="list-style-type: none"> • Determine which properties outside city limits have the most potential for economic development and then take measures to implement the projects • Continually assess those economic development projects that have the greatest potential to grow the tax base – e.g. return on investment (TIF will continue to be an important tool; see strategic issue #4) • Plan and implement infrastructure projects 	<p>Ongoing; when opportunities are created or present themselves</p>

Strategies	Action Steps	Timeline
	<p>first (i.e. after citizens' immediate needs are met) that have the potential to help grow tax base because there is an accompanying business/company building on that site</p> <ul style="list-style-type: none"> • Work with MADC and other entities to explore development of vacant , underdeveloped, or undeveloped parcels within city limits (as of July 2014, there were at least three or four parcels that could be targeted) • Apply for grants, etc. (to help supplement economic development projects) 	
<p>d. Seek to consolidate internal services and purchases when feasible (attempt to centralize at least some of the services that maintain city government itself). Possible examples include lawn mowing, purchases of supplies, etc.</p>	<ul style="list-style-type: none"> ▪ Ongoing evaluation of internal workflows to determine if steps of getting things done can be consolidated without losing the ability to provide services well and keeping existing staff (change workflows if that is the case) ▪ Implement bulk purchasing options across various departments when feasible ▪ Contact other entities to ask how they might be able to partner with city government on bulk purchases 	<p>Begin a more systematic exploration of potential options in early 2015. Ongoing thereafter.</p>

Strategic Issue #4: **How does Merrill city government create and implement strategic economic development and redevelopment?**

Part of addressing this strategic issue will be creating and then ranking a list of potential projects based on a number of criteria (see strategy a. below.) The city needs to continue its work to become even more nimble when economic development opportunities that perhaps were unforeseen arise.

Suggested Metrics

- *Growth in tax base by 20% over the five year plan implementation period. (Achieve an annual increase of 3-5%).*
- *Increase the number of jobs in the city by at least 10% (about 500 jobs) by the end of the planning period, with half offering a "family supporting" wage*

Responsible Parties

The following three entities were identified as being the primary lead parties responsible for spearheading actions.

- City Redevelopment Authority (in collaboration with the mayor and city administrator)
- Lincoln County Economic Development Corporation
- Common Council (as primary decision making authority)

The entities listed below are seen more as partners in implementing processes

- Redevelopment Resource Team
- Economic development consultants
- Merrill Area Development Corporation
- Merrill Area Chamber of Commerce

- Centergy and whenever possible Grow North
- Private developers

Strategies	Action Steps	Timeline
<p>a. Continue to prioritize possible projects based on potential ROI (tax base increase), need for additional or repaired infrastructure and ability to pay for that (will developer pay?), ability to afford/finance the development project aside from infrastructure expenses, the likelihood of finding a developer, and potential for spin off economic development or redevelopment</p>	<ul style="list-style-type: none"> • Create and use a rating sheet that allows for a systematic cost/benefit analysis of potential economic development and redevelopment projects • Build relationships with local developers and find more ways to help them become more qualified to take on local development and redevelopment projects 	<p>Ongoing: Looking for and implementing economic development and re-development opportunities never ends</p>
<p>e. Engage in more active promotion of the city and its potential (to attract developers, jobs and residents)</p>	<ul style="list-style-type: none"> • Continue to upgrade and maintain the city website (promotion of city) • Identify who specifically will engage in the promotional work • Seek opportunities to collaborate with other entities (e.g. Merrill Area Development Corporation, Lincoln County Development Corporation) on promotions that have the potential of attracting businesses and developers to the city • Create and implement a list of additional promotional actions that the city is or is not currently undertaking (determine capacity to take on that additional work) • Establish and implement a schedule of <u>regular</u> 	<p>Begin by the winter of 2015. Ongoing thereafter.</p>

Strategies	Action Steps	Timeline
	<p>public relations activities (e.g. radio appearance every two weeks; newspaper article every two weeks)</p>	
<p>f. City government should develop its own “advertising” about what it is doing to attract economic development and improve quality of life</p>	<ul style="list-style-type: none"> • Research and implement when it makes sense ways other cities are going about doing this (best practices) • Ask local stakeholders experienced in advertising how city government can and should play a more active role in developing promotional materials for this purpose • Develop and install at least two attractive welcome signs, one coming off of Highway 51/39 and the other to be determined based on traffic counts • City government becomes a more active organizer and sponsor (with partners) of events or activities that showcase Merrill (work even more closely with media to promote the events, etc.) 	<p>First year of plan implementation. Ongoing.</p>
<p>g. Establish more Tax Incremental Financing (TIF) Development incentives</p>	<ul style="list-style-type: none"> • Prioritize TIF related opportunities based on similar criteria being used to rank potential economic development and redevelopment projects • Recognize and pursue opportunities for city expansion through annexation • Gain a better understanding through research of potential funding sources to help support TIF development projects • Work with the Redevelopment Authority, MADC and other entities to explore 	<p>Focus initial efforts in second and third years of plan implementation (mid-2015 through mid-2017). Ongoing thereafter.</p>

Strategies	Action Steps	Timeline
	development of vacant , underdeveloped, or undeveloped parcels within city limits (as of July 2014, there were at least three or four parcels that could be targeted)	

Conclusion

Evaluation, or the documentation and communication of successes, will be an ongoing process throughout this plan’s implementation. As was discussed in the final planning session, constant reporting at the committee level and periodic updates provided at Council or Committee of the Whole meetings will be important methods used to communicate progress. The suggested metrics and benchmarks contained in the plan will help the city create effective evaluation methods. Just as important as documenting and communicating the successes stakeholders, including city residents, will want to know when something in the plan is not accomplished and why. Thus, having this plan is an opportunity for city officials to communicate even more widely and systematically what city government does, what it cannot do and why, and what it might need help doing.

As mentioned in the Executive Summary, this plan is not a panacea. However, if followed closely – but with the caveat that changes be made to it when necessary - it can become a powerful tool helping city government focus on what is truly important. As resources provided to city governments either remain unchanged or in some cases dwindle, those who work for local governments will be even more challenged to develop ways to provide the same level or even higher levels of service based on resident demand. The more tools available to help achieve that the better. Moreover, in some cases, residents may have to be told that their demands cannot be met, at least temporarily. If that is the case, a way to justify that will be to say that city government now has a plan that one day, if successfully implemented, may help provide the additional resources needed to help satisfy service demands well into the future. This plan also makes it clear that more creative thinking about how to govern and provide services is today more than ever necessary to grow communities.

The plan also complements and builds on many of the positive efforts being made by countless numbers of people helping to improve the City of Merrill, whether they work for city government, non-profit agencies, or are community volunteers. It in no way impedes, but seeks to facilitate their efforts. And that, perhaps more than any other reason, is why the public must be kept abreast of the progress made toward implementing the City of Merrill's first ever strategic plan.

1408150

**City of Merrill
Water & Sewage Disposal Committee
Wednesday, July 23, 2014 at 5:00 P.M.
Basement Conference Room, City Hall, 1004 East First Street**

Members Present (2 of 3): Alderman Rob Norton (Chairperson) and Alderman John Burgener. Alderwoman Kandy Peterson had an excused absence.

Others Present Included: Mayor Bialecki, City Administrator Dave Johnson, Utility Superintendent Kim Kriewald, City Attorney Tom Hayden, Building Inspector/Zoning Administrator Darin Pagel, Finance Director Kathy Unertl, Alderman Ryan Schwartzman, Alderman Dave Sukow, Duane Pfister and City Clerk Bill Heideman. A student was in attendance to videotape the meeting for the Cable Access Channel.

Call to order

Alderman Norton called the meeting to order at 5:03 P.M.

Consider bids on West First Street project (amended agenda item)

This was part of an amended agenda. Utility Superintendent Kriewald reported that the bids received on the West First Street project were incomplete. The project is going to be rebid, with bids scheduled to be opened on August 11th, 2014.

No action was taken.

Review DNR Sanitary Survey Report

A copy of the report, prepared by the Wisconsin Department of Natural Resources (DNR), was in the meeting packet. Utility Superintendent Kriewald provided a verbal review of the report. The survey identified two deficiencies and resulted in five recommendations. Both the deficiencies and the recommendations are being addressed.

No committee action was necessary, requested or taken.

Cross-Connection Inspection Program and related ordinance revision

One of the deficiencies identified in the DNR sanitary survey report is that cross-connection inspections are not being done in a timely manner. City Administrator Johnson explained that there are options to address this issue, as follows:

- Contract with a company that provides inspection services
- Have the inspections done “in-house” by City staff
- Direct the property owners to have the inspections done

It will be necessary to do about 230 inspections in order to get “caught up” to the satisfaction of the DNR. Alderman Norton suggested that a contracted service would be the best option, at least temporarily.

Motion (Norton/Burgener) to recommend that the cross-connection inspection duties be eliminated from the Building Inspector/Zoning Administrator job description and that Utility Superintendent Kriewald be authorized to seek quotes to secure a contracted program to temporarily provide cross-connection inspection services. Carried.

The recommendations will be considered by the Committee of the Whole at a meeting on August 13th, 2014. Consideration of the related ordinance will be put “on hold” until a long-term decision is made on who will be providing cross-connection inspection services.

Operations Report

The report was in the meeting packet. Utility Superintendent Kriewald mentioned that there are some issues to address at the landfill.

Public Comment

None.

Next meeting

Wednesday, August 20th, 2014 at 5:00 P.M.

Adjournment

Motion (Norton/Burgener) to adjourn. Carried. Adjourned at 5:38 P.M.

Minutes prepared and submitted by:

William N. Heideman, CMC, WCMC
City Clerk