

Item 24-0061: Resolution 1-R-24 the Resolution for use of Efficiency and Conservation Block Grant Funds

Finance Committee

Mon, Jan 22, 2024 5:30PM

[Note: the recording did not start until a couple minutes after the meeting had started. The recording begins after Item 24-0061: Resolution 1-R-24 the Resolution for use of Efficiency and Conservation Block Grant Funds was taken up. Alderperson Denise Fenton (District 6) made a motion to approve and that was seconded by Alderperson Katie Van Zeeland (District 5), which is the point at which the recording started.]

Alderperson Katie Van Zeeland (District 5) 00:01

Second.

Alderperson Brad Firkus (District 3) 00:01

All right, we have a motion in a second. So, to get the ball rolling. I guess if either the—anyone here that—

Alderperson Katie Van Zeeland (District 5) 00:10

I'd be happy to.

Alderperson Brad Firkus (District 3) 00:11

Okay. Alder van Zeeland.

Alderperson Katie Van Zeeland (District 5) 00:14

If everyone I'm sure recalls the discussion about receiving this grant a while back. At that time, there was some discussion from some of our colleagues, namely, Alder Hartzheim about using this for the library project. Myself and my other authors on this wanted to be sure that there was not a better way to use that grant. We kept in touch with staff, and at the end of the day, the library is the best use for this and would help cover the only extra cost for the library, which is of the third move.

Alderperson Brad Firkus (District 3) 00:52

All right. I'll defer to any of the colleagues that are co-sponsors, then I'll come to you Alder Hartzheim. So, Alder Fenton, if you'd like to go ahead.

Alderperson Denise Fenton (District 6) 01:01

Thank you, Chair. Um, when we first received this grant, I believe back in May, I was really excited (and I may ask Director Gazza to confirm), but at the point that—or I'm sorry, we approved the library bids in May. The grant was later on. But we—the open item—there was an open item in the library bids for the geothermal heating and cooling. And I know we've allocated \$1.2 million for that, but when I saw this grant come in, my first thought is, "Oh, we can use those towards the geothermal, which is incredibly important to me." And I think we need to have a long vision here, in terms of spending money up front, because the minimal amount of research that I've been doing shows us that geothermal hooling—heating and cooling can save us up to 40% in operating costs down the road. And a lot of the estimates of the admittedly high upfront costs are that within nine years, you even out. So, I think we have to be really careful about not being as we say pennywise and pound foolish. And I agree with my co-author that you know, there have been some unforeseen expenses. So, I think it's always a good idea to have a buffer for that. But my biggest concern on that library is energy efficiency and sustainability.

So, I want this money to go to the lib—towards the library to ensure that we're able to do the geothermal. Thank you.

Alderson Brad Firkus (District 3) 02:45

Alright. Alder Meltzer, did you have anything you wanted to add at this point. You'll need a mic. Someone could just grab one from the—

Alderson Vered Meltzer (District 2) 02:53

I'll grab one in a minute. For the next time I speak. Thank you. I think that this is just a moment of perfect synergy. There really isn't another better use for this grant, and it's answering a need. So, I was very happy to co-sign this resolution. Thank you.

Alderson Brad Firkus (District 3) 03:16

Now, Alder Hartzheim.

Alderson Sheri Hartzheim (District 13) 03:18

Thank you, Chair. In general, I agree with all three authors in this regard. This is the perfect place to use these funds, which is why I asked for them to be used this—in this manner when we first received them. And when we first received them, there wasn't the issue of "We have to move the library again." It was we're going to use these funds, and we're going to reduce the taxpayer burden for the library project.

Alderson Sheri Hartzheim (District 13) 03:45

And I was asked to sign on to this resolution, and I made it clear that that was what I wanted to do. And the other authors of this resolution did not agree with that. They would like to keep these library funds in the library, and the overage that's caused by adding these grant funds to the project can be paid—can be used for anything in the library project.

Alderson Sheri Hartzheim (District 13) 04:08

That to me is the breaking of a promise. We have told the citizens of this city that we will not spend more than \$26.4 million on this project. And then we voted for \$2 million of ARPA funds, which I said no to as well. And now we're going to ask for another 130-some-thousand on top of that. This resolution would be acceptable to me if we refunded these funds to the taxpayers of the city. And I understand that that's not the purpose of the resolution. That's not why these three authors who voted no against my amendment to do this in the first place, voted or wanted to put this resolution together now. It is just a lie that we're telling ourselves, and I hope that we can reject it or amended to say that these funds will not increase the budget of the library. Thank you.

Alderson Brad Firkus (District 3) 05:06

Anyone else? Alder Meltzer, what microphone number do you have now? All right. Thank you.

Alderson Vered Meltzer (District 2) 05:14

Thank you. In my opinion, we are keeping our promise. This is a grant. This is not taxpayer money. We're not changing the amount of money that we're asking the taxpayers to pay for the project. Thank you.

Alderson Brad Firkus (District 3) 05:27

Just one second. I neglected before—we do—since we do have members in the audience, did either of you care to speak on this item? Or are you here just to listen? Or is there any other item that you're hoping to address us tonight on?

Member of the Public 05:45

[First part of comments not picked up by microphone] ...additional ARPA funds earmarked for mental health.

Aldersperson Brad Firkus (District 3) 05:48

Okay, I just wanted to check before we got too far in this conversation. Thank you for letting me know. We'll—when we get there, I'll make sure to give you an opportunity to speak if you wish. All right. So, thank you for letting me take that pause. So, all right, who all had their hands up? Alder—okay, so we'll go Alder Hartzheim and then Alder Van Zeeland.

Aldersperson Sheri Hartzheim (District 13) 06:05

Thank you, Chair. I think that's a convenient story that we tell ourselves. "It's grant money, so it's free." But these grant dollars could go to any other project in this city and reduce the tax burden for our taxpayers. It is it is a bald-faced lie to tell ourselves that this is not increasing the budget of this library. Thank you.

Aldersperson Brad Firkus (District 3) 06:28

All right. Yep. Alder Van Zeeland.

Aldersperson Katie Van Zeeland (District 5) 06:29

If I could just add, though, the wording of this is "to offset the expenses" of the of the extra move. And I guess what I see is, I don't see how rejecting this resolution would accomplish reducing the tax burden either. You know, at this point, we have just a few days to act to receive these funds, and all we need to do is provide a qualifying project that does so. So, I—I did attempt to find a compromise with Alder Hartzheim. I understand Alder Hartzheim's feelings about this, but I don't think that voting down the resolution would do anything to help our taxpayers either.

Aldersperson Brad Firkus (District 3) 07:20

All right. Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 07:22

Thank you, Chair. I don't disagree that we should use these funds for the library. Where I disagree is that these extra funds should be kept in the library project. We are then doing nothing more than increasing what we told our constituents we would not exceed in this project. It's absolutely convenient. It's great. It's convenient. It's free dollars that we can use for the extra move for the library. Unfortunately, that isn't how it works. That still breaks a promise. Yes, we still have this extra—these extra fees. We still have this extra move to pay for. But we should be looking elsewhere for it. Because we made a promise, and we need to keep it. Thank you.

Aldersperson Brad Firkus (District 3) 08:07

All right, Alder van Zeeland.

Aldersperson Katie Van Zeeland (District 5) 08:08

Could I just clarify with Director Gazza, it's my understanding that when we had the discussion about moving the library, that the project funds would come out of the—I'm sorry that the cost of the move would come out of the current project funds. Is that correct, Director Gazza?

Aldersperson Brad Firkus (District 3) 08:32

Director Gazza?

Director Dean Gazza (Parks, Recreation, and Facilities) 08:34

Yes, exactly. So, we have a—we have a budget for the entire project and it includes all the construction contracts that were approved. Also, in there is contingency, there's furniture, or signage, and other things. Some of the costs that we allocated came in, you know, higher; some come in lower. And it's my job to have to manage that budget to bring it within the budget amount allocated.

Director Dean Gazza (Parks, Recreation, and Facilities) 08:58

When this was proposed, I didn't look at it as adding \$134,180 to the budget. I look at it as I'm still accountable for the amount that—the cap that was set. What this should do is reduce the amount the taxpayers have to pay, because we're actually reducing the—we're offsetting the amount that ends up getting borrowed by \$134,180 because this will—this is other money that replaces money. That other would have been borrowed.

Aldersperson Katie Van Zeeland (District 5) 09:28

Thank you.

Aldersperson Brad Firkus (District 3) 09:30

Alder Hartzheim.

Aldersperson Sheri Hartzheim (District 13) 09:32

Thank you, chair. If that is the case, then I believe that we need to amend this resolution to make that very, very clear that these dollars will not be added to the bottom line of this library project.

Aldersperson Brad Firkus (District 3) 09:45

All right. Is there anyone else here that wish—sorry Alder Meltzer and then Alder Croatt.

Aldersperson Vered Meltzer (District 2) 09:53

Thank you, and maybe this is a question for Dean Gazza, but it's my understanding that there are not other qualified projects at this time that would be able to use this grant money is that true?

Aldersperson Vered Meltzer (District 2) 10:06

Thank you.

Aldersperson Brad Firkus (District 3) 10:06

Director Gazza?

Director Dean Gazza (Parks, Recreation, and Facilities) 10:06

The difficulty is \$134,180, you would have to initiate something. Generally, by initiating something you need other offsetting money. We don't have any other monies budgeted to fulfill. So, this would—this in itself wouldn't pay for a project; it would be a part of a project. So, because the library has a lot of energy saving initiatives related to the purpose of this grant already in the works, it makes it a easy fit. Otherwise, if it wasn't for the library, then I would have to maybe, I don't know, go out and buy a bunch of lights, LED lights, with the money and then install them somewhere, or think of a project to use the money for, I mean, which isn't out of the realm, but it's a prod—it creates a separate project. But it wouldn't be a situation where I'd say "Okay, let's go put solar on—let's go put solar on a police station for \$500,000" but I need the difference now to get the project done because I only have \$134,000 for design and maybe a few other things. I guess what I'm saying is there's no other project that's underway or has or has matching funds to go along with this to complete a larger project.

Alderson Brad Firkus (District 3) 10:07

Alder Croatt.

Alderson Chris Croatt (District 14) 11:30

Thank you, chair. Couple things. I'm a little bit confused as to the intent of this money, because I'm all for using it for the library and using it for, for example, the geothermal system which I think is a good use of, obviously, of the grant for efficiency and conservation. But then I'm hearing someone else, one of the other authors talk about using it to pay for the move which I think what it comes down to is how you look at it. Which is basically you know, moving money around and deciding how you're going to allocate that money. I share the concerns of Alder Hartzheim with this, and I would like to see some language that would basically clarify the offsetting part of this. If that would come forward, I would support it. Thanks.

Alderson Brad Firkus (District 3) 12:22

Alder Van Zeeland and then Alder Fenton.

Alderson Katie Van Zeeland (District 5) 12:23

Thank you, chair. The only reason for the wording for the offsetting the cost of the move is because we did designate that the funding for the extra move would come out of the current budget for the library. When Alder Hartzheim and I discussed possibly working on this together we just couldn't find wording that would, I guess, please the both of us and the other authors, and without there—you know, with there being a timeframe to get it introduced for us to meet the deadline of the 30th I just thought it best to have this discussion with Director Gazza and then to amend as necessary here as opposed to putting something forth that I was unsure if we would be able to justify that. So, it—I believe that Director Gazza and I are on the same page as saying off setting from the library project, and that was something that I did discuss with Alder Hartzheim that this would only be used for the library project.

Director Dean Gazza (Parks, Recreation, and Facilities) 13:33

Because—

Alderson Brad Firkus (District 3) 13:34

Oh sorry, go ahead, Director Gazza.

Director Dean Gazza (Parks, Recreation, and Facilities) 13:35

I would say verification has to be provided to get the money—so the verification that we actually did the sustainable work in order to get the money. I could not present them with a receipt for the move. They're telling me that's not qualified and I would not get the money. So, it has to be something to do with the project.

Alderson Brad Firkus (District 3) 13:57

Director—or sorry, thank you Director Gazza. Alder Fenton and then Alder Hartzheim.

Alderson Denise Fenton (District 6) 14:01

Thank you, Chair. Um, and thank you, Director Gazza. That was just basically what I was going to say here. The resolution says that we're going to apply this to the library project. The Department of Energy—the rules on the use of the grant—tell us that we must use this on an energy efficient—a project to reduce energy use, reduce fossil emissions and improve in energy efficiency. So, we, without having any language added to this resolution, we were directed by the grant how we can use it, and we're saying in this resolution we want to use it for the library project. Thank you.

Alderson Brad Firkus (District 3) 14:38

Alder Hartzheim.

Alderson Sheri Hartzheim (District 13) 14:40

Thank you. I agree and understand where this is coming from, but I think it's a convenient bait and switch to tell ourselves we're using this for funding something that the grant says we can do but then the offset that we have extra, we're going to just keep throwing it into the library project. That feels wrong to me. I would like to present an amendment please. In the therefore be a result I would like it to say after the third line, "Appleton Public Library building project. And the offset savings will reduce the taxpayer portion of the overall library project budget."

Alderson Chris Croatt (District 14) 15:24

Second,

Alderson Brad Firkus (District 3) 15:25

All right, we have a motion and a second. So, let's discuss the amendment. Alder van Zeeland.

Alderson Katie Van Zeeland (District 5) 15:32

It sounds like we are somewhat in alignment here. I guess I just, again, want to clarify, it was my understanding that the cost of the move would come out of the current budget, and so when I said in the resolution that it will offset the savings, I—just like Director Gazza, I didn't see that adding to the budget. But I'm wondering if this is the best wording to ensure what Alder Hartzheim is getting at. I'm wondering if we could actually use numbers or if maybe Director Ohman could address that.

Alderson Brad Firkus (District 3) 16:19

Mic number please? Three? All right. Go ahead, Director Ohman.

Director Jeri Ohman (Finance) 16:30

Trying to determine how to answer that. I don't have the project numbers in front of me, where we stand, what is left out there. Typically, that's director Gazza who handles those amounts as we go through the project phase. So, I'm not sure that I can answer it. I don't—unless you can form—formulate it in a different way that I can....

Alderson Katie Van Zeeland (District 5) 17:05

Okay.

Alderson Katie Van Zeeland (District 5) 17:08

If I could just follow up?

Alderson Katie Van Zeeland (District 5) 17:09

If you want.

Alderson Katie Van Zeeland (District 5) 17:10

Could we ask Director Gazza if he has any ideas on how to word this properly?

Alderson Sheri Hartzheim (District 13) 17:21

Might I, chair?

Alderson Brad Firkus (District 3) 17:22

Um, is this just...?

Alderson Sheri Hartzheim (District 13) 17:25

Kind of a wording sort of thing.

Alderson Brad Firkus (District 3) 17:27

Okay, if it if it's a...

Alderson Sheri Hartzheim (District 13) 17:28

What I just stated as a amendment, if my secondary will grant me the leeway the "will reduce the taxpayer portion of the overall library project by \$134,180."

Alderson Chris Croatt (District 14) 17:45

That was what I thought the intent was.

Alderson Sheri Hartzheim (District 13) 17:46

Okay.

Alderson Brad Firkus (District 3) 17:47

Okay. Is that—is that understood, then?

Director Dean Gazza (Parks, Recreation, and Facilities) 17:51

Well, it's not going to reduce the—well, the budget is still the same. It ain't reducing the budget because it keeps the budget the same. It's reducing the amount of money coming from one source versus the other. I mean, because I think you said reducing the budget by \$134,000—we're not reducing the budget. The budget still stays the same, the project budget. It's that you're reducing the amount levied for the project because—

Alderson Katie Van Zeeland (District 5) 18:24

Correct.

Alderson Brad Firkus (District 3) 18:25

So...

Director Dean Gazza (Parks, Recreation, and Facilities) 18:25

—you're getting grant money.

Alderson Brad Firkus (District 3) 18:26

Sorry. So, I mean, really, when we're talking about this, the budget of the library is—I'm going to be fuzzy on the numbers—\$40 million dollars.

Director Dean Gazza (Parks, Recreation, and Facilities) 18:34

Yeah. \$40,400,000.

Alderson Brad Firkus (District 3) 18:36

But the tax payer burden, if you will, is the borrowing—the \$26.2 that the Council had authorized in 2021 now, was it? 22?

Director Dean Gazza (Parks, Recreation, and Facilities) 18:46

Something like that.

Aldersperson Brad Firkus (District 3) 18:47

It's been a long time. So, I mean, there's a little bit of difference between reducing the budget and reducing the borrowing amount. Now we have already—if I'm correct, we have already borrowed the money we need for this project. We've already authorized that in previous budgets. So, I don't know then—if we're talking about reducing the project, then we probably have to specify what part of the project we mean. Are we going to reduce—it, just—I'm just trying to get some clarity myself to know what exactly we mean, when—well, what are we directing—what would this be directing staff to do?

Director Dean Gazza (Parks, Recreation, and Facilities) 19:23

So, it is interesting, because when you're working with the application process, and because it's a federal grant, there are some requirements. So, when you submit that, they actually have to approve it. So even if we submit it, they may come back and say, "No, you know, this doesn't apply for whatever reason. Let's do this." I don't see why it wouldn't. But it's almost like rather than saying it's for geothermal for energy conservation or the reduction of greenhouse gases or the reduction of just, you know, overall energy costs at the library site, and we might find that rather than targeting it towards the geothermal, it gets targeted towards electric car chargers or it gets a future solar project or something.

Aldersperson Brad Firkus (District 3) 20:09

Alright, so just so—I want to follow up, just so I'm kind of understanding. So just for a moment, barring this amendment, if this resolution were to pass the Council, we're talking about applying these funds to a specific part of the library project, presumably funds that we have already borrowed and would have put against these initiatives—presumably, again, the geothermal—would no longer be needed. But as you said, there are parts of the project—you know, you budget this much for this part, this much for this part, things kind of fluctuate. Now \$134,000, that seems like it would be a pretty big fluctuation. That's something that would probably not—you know, that's not going to be a fixtures and we got, you know, more comfy chairs kind of thing, you know, were, "Oh, we have an extra \$134,000 to go spend on this or that."

Director Dean Gazza (Parks, Recreation, and Facilities) 20:57

No, it's just getting—whatever is unspent gets unspent.

Aldersperson Brad Firkus (District 3) 21:00

Right.

Director Dean Gazza (Parks, Recreation, and Facilities) 21:01

Basically. So, it just goes back to the, yeah, city. My goal is to have that naturally come in under budget, or, you know, 30% into the project we're trending well, feeling pretty comfortable right now, but you don't know, you know. We're at the ground, and I don't anticipate any anything major at this point, but you never know. We'll be—we'll be drilling for the geothermal, and we'll hit some old buried car cars or something, or oil starts spraying up, you know. Who knows what—

Aldersperson Sheri Hartzheim (District 13) 21:34

Knock on wood please.

Director Dean Gazza (Parks, Recreation, and Facilities) 21:36

But what I'm saying is, you know, you don't know what you don't know. And—but at this point, we don't anticipate that we—we've done scans of the ground, and we've also done a lot of tests. So.

Aldersperson Brad Firkus (District 3) 21:46

All right. I want to let Alder Mets—Meltzer get to the next one, but just to kind of close the loop on what I'm trying to talk through and think through here. So, at this point, it's—like you alluded to, we don't really know for sure the complete and total picture of what's going to be up and down based on what's budgeted. But the presumption is that anything where we're under on spending, under the budget, those are things collectively that we're anticipating will fund the second move that was unplanned, and—

Aldersperson Brad Firkus (District 3) 22:19

—this could be used for that, but may not be used for that if we—if this is one of the areas, because of this grant being applied to the library project, that could but not necessarily will be used for the move. Is that fair, or is that—?

Director Dean Gazza (Parks, Recreation, and Facilities) 22:19

Right.

Director Dean Gazza (Parks, Recreation, and Facilities) 22:33

Yeah, because you couldn't—you can't say it's specifically for that otherwise they would reject it. But what it does is help the budget overall, just like we applied for dollars from WE Energies—we're anticipating \$70,000 from them. We're anticipating other funds from the—some other grants and tax credit opportunities that will bring the project in under budget, but until I got confirmation, I don't want to throw a party.

Aldersperson Brad Firkus (District 3) 23:03

Sure. Yeah. To the best that you can forecast, is this—is this kind of the—would this amount be kind of what swings the "Hey, we have enough extra, enough things came under to fund the move." Or is it something that, like, you know, we can do it without this right now we think, but something could happen, and this is where then that would be this would become...?

Director Dean Gazza (Parks, Recreation, and Facilities) 23:24

Absolutely.

Aldersperson Brad Firkus (District 3) 23:25

Okay. All right. Thank you for clarifying that. Alder Melt—Meltzer, floor is yours.

Aldersperson Vered Meltzer (District 2) 23:31

Thank you. So, if I may, maybe this is a question for Alder Hartzheim, but so we have Alder Hartzheim's amendments on the table right now. How is this amendment different from if we were to look at the therefore part and just change the very last word where we have project expenses, change "expenses" to "borrowing". Would that—would that be doing the same thing as the current amendment on the table?

Aldersperson Brad Firkus (District 3) 24:07

Alder Hartzheim, I guess, since is your amendment if you wish to respond?

Aldersperson Sheri Hartzheim (District 13) 24:10

That's a valid question and probably will do the trick. I think I'm making it clear to everyone here, what I want is this library is currently at \$40.4 million, overall. I don't want it to be \$40.534,180 million dollars. I don't want the extra \$134,180 to be lumped into the project. That breaks a promise to our constituents. If we can figure out an amendment that will do just that, I'd be satisfied with it. I thought that what I put out there might be, but perhaps what is presented as a question from Aldersperson Meltzer might be the solution. I guess we just have to all understand what the meaning is, and that's why I said I don't want—I want it to be 40.4. That's it. Not \$40.534,180 million.

Aldersperson Brad Firkus (District 3) 25:10

All right. Anyone else? Alder Fenton.

Aldersperson Denise Fenton (District 6) 25:16

This is probably a question that I'm going to direct at Director Ohman. So, the nearest I can figure, in the 2021 budget we had \$2.4 million. The 2022 budget, we had \$10 million—no, I've got it backwards, right? Yeah, \$10 million, and then in 2023 was \$13.5. Right?

Director Jeri Ohman (Finance) 25:36

It was over three years.

Aldersperson Denise Fenton (District 6) 25:37

Over three years? Okay. So, third to 2.3—anyway. Math. Um, what have we actually borrowed for the library project?

Director Jeri Ohman (Finance) 25:47

We have borrowed the entire amount that was budgeted, because the last—

Aldersperson Denise Fenton (District 6) 25:47

Was that \$26.4 or...?

Director Jeri Ohman (Finance) 25:47

I believe that was the total, whatever we, we budgeted for. And I get confused with the ARPA dollars in there versus not in there—

Aldersperson Denise Fenton (District 6) 26:06

Right.

Director Jeri Ohman (Finance) 26:06

—for the total amount. And I don't have it in front of me, but we borrowed over three years.

Aldersperson Denise Fenton (District 6) 26:09

Okay.

Director Jeri Ohman (Finance) 26:11

And I'm trying to recall which three years it was.

Aldersperson Denise Fenton (District 6) 26:16

Well, in the budget, it was '21, '22, and '23.

Director Jeri Ohman (Finance) 26:19

Okay.

Aldersperson Denise Fenton (District 6) 26:19

That's what we had in the budget.

Director Jeri Ohman (Finance) 26:21

So, we have already borrowed all those funds.

Aldersperson Denise Fenton (District 6) 26:23

Okay.

Director Jeri Ohman (Finance) 26:25

What I see happening if we—if the project comes in under budget, we would basically be shifting other project costs that were also budgeted to borrow for and just kind of shifting everything. So, at that point where we know we have debt available—debt funds to spend—it would cover a different project, and we wouldn't borrow for that project that's also approved, if that makes sense. I can't go back and change what we've already borrowed.

Aldersperson Denise Fenton (District 6) 26:53

And that was my question—if I can continue with the Director. And that was my question. So, if we change wording about the borrowing costs, it's really kind of moot because the borrowing for the library has already happened.

Director Jeri Ohman (Finance) 27:10

Correct.

Aldersperson Denise Fenton (District 6) 27:11

And, okay. Thank you.

Aldersperson Brad Firkus (District 3) 27:13

All right. Anyone else? With all of this in my—my thought process is if we were to approve this amendment and go forward with it, what happens if then we needed that resource—that extra resources for this project. Right now, I think things feel relatively optimistic. I'm just wondering how do you work yourself out of that situation versus if you don't amend this, move forward, let things play out, we may very well be able to maintain that that budget amount that we've already set our goal for on this library project. And as Director Ohman has just identify that, if—under that scenario, those funds just go to the next borrowing thing. We don't borrow as much for that next thing. So, I—my feeling right now would be that I'm not comfortable with the world in which we do this amendment, pass this with the amendment, and what hap—how we handle a scenario where all of a sudden, overages end up being above and beyond what we expect versus—I know, to Alder Hartzheim's point and the commitments we're trying to shoot for here, but at the same time, I want to play it a little bit safe. Because I feel like we're in a much better—it's a much better place to handle that scenario versus if we go forward with this. Alder Fenton.

Alderson Denise Fenton (District 6) 28:40

And I just have another question. And I'd like to play Pollyanna for a moment. And so, my question can be for Director Gazza or Director Ohman or both of you. So, the Friends are going gangbusters with their fundraising? What if they raise 14 million? Have—do we have a—

Alderson Brad Firkus (District 3) 28:59

I just—I think that might get a little bit outside of the scope if we're talking about Friends and the donation piece.

Alderson Denise Fenton (District 6) 29:05

Okay, so um, but I'm talking about the overall budget of the library. So, if the if the fundraising exc—we've been talking a lot about if the fundraising doesn't match...

Alderson Brad Firkus (District 3) 29:15

I'm just hesitant to proceed with that question because I think—because that would be the—

Alderson Denise Fenton (District 6) 29:19

The Friends would have to—

Alderson Brad Firkus (District 3) 29:20

—that would be—that would not be our money. So, if another entity that's doing fundraising raises more money than their target goal for assisting this project, that's—I don't think we get to say what happens to that. That's because—and under this scenario you're saying like if someone like them were to exceed expectations. That's their call of whether or not they want to put it toward this or not

Alderson Denise Fenton (District 6) 29:22

Agreed. Thank you Chair.

Alderson Brad Firkus (District 3) 29:28

We don't get to—Okay. So, just want to not really go down that path too much, because that's maybe a little too speculative and outside of what we have control. I have Alder Van Zeeland and Alder Hartzheim.

Alderson Katie Van Zeeland (District 5) 29:52

I just want to clarify again, I think that Alder Hartzheim and I are in agreement with the spirit of the resolution, and the reason for the—I don't want to say vagueness, but for—lack of specifics is because of the timeframe to accept the grant at this point. So, I guess I would also say that there would be an option to, you know, for an alder to introduce a resolution that would properly take care of things the way that Alder Hartzheim is looking to do. The important part now is to accept the grant prior to the 30th of January.

Alderson Brad Firkus (District 3) 30:30

Director Gazza?

Director Dean Gazza (Parks, Recreation, and Facilities) 30:31

Yes, they did make an extension to March 31.

Alderson Katie Van Zeeland (District 5) 30:37

Thank you.

Director Dean Gazza (Parks, Recreation, and Facilities) 30:38

Yep. So, the time—I wouldn't worry about the time. The one thing I was going to say and raise my hand earlier is if you got to the end of the project, by leaving it somewhat vague, there are opportunities to put solar on the library, there's opportunities to do vehicle charging stations at the library, there's opportunities to do that. So, leaving it—you know, leaving it vague gives us the ability to use the money exactly the way the grant would like it to be used for. If, for example, the money that we already do have borrowed covers the cost of the full geothermal already.

Alderman Brad Firkus (District 3) 31:12

Okay. Just real quick. If we're talking about extra bells and whistles, oh, that's another thing that would have to come through the Council. It's not just a unilateral "Hey, we've got extra money now," so to speak—

Director Dean Gazza (Parks, Recreation, and Facilities) 31:23

Absolutely.

Alderman Brad Firkus (District 3) 31:23

—and we're gonna just—these are things we could do. So okay, that that that helps me feel more assured that we're committing to what we're saying.

Director Dean Gazza (Parks, Recreation, and Facilities) 31:32

Absolutely.

Alderman Brad Firkus (District 3) 31:33

Alder Hartzheim and then Alder Doran.

Alderman Sheri Hartzheim (District 13) 31:35

Thank you Chair. Respectfully, leaving this on the table and saying things like "We have commitments we tried to shoot for," isn't enough for me. We're not trying to shoot for; we have promised, and leaving an extra \$134,180 in this project is the breaking of a promise. So, I would encourage us to vote for this amendment so that it can move forward in the spirit of what we've discussed. I would like this to go to the library. I just don't want us to break the promise. Thank you.

Alderman Brad Firkus (District 3) 32:11

Alder Doran, mic number, please.

Alderman Chad Doran (District 15) 32:12

Thank you. I think to the points that that the chair was making and Director Gazza were making are the reasons that I think this amendment is important, because the grant money can, from what Director Gazza has said, be used for the geothermal project, which is which is a fine use of where this money can go. Could offset some of the borrowing we've already done, reducing the taxpayers' burden here. But if we just accept this and say, "Well, the project came in at budget so we have these extra funds available now; we can add on extra things to the library," it's to what Alder Hartzheim's point was, is that now we're increasing the commitment that we've made to the library. So, I think this this—the amendment that she's making here is something that we should all support in that we've made a commitment. We've already gone past that commitment once by the \$2 million that was that was set aside from the ARPA spending. This is just another way to go above and beyond that commitment that has been made. And I think we've got to hold the line here, that this money can be used but should be reducing that that amount that we're asking taxpayers to chip in for this project.

Alderman Brad Firkus (District 3) 33:34

Thank you. Anyone else? Alder Alfheim. Had that right this time. **[Note: he was referencing the fact that, due to the similarity in last names, it's easy to mix up the names of Alderman Alfheim and Alderman Hartzheim.]**

Alderman Sheri Hartzheim (District 13) 33:44

We're sitting next to each other.

Alderman Kristin Alfheim (District 11) 33:46

I appreciate that everyone so far has said "We are supportive of utilizing these dollars." I think to Alder Hartzheim's point, we are not breaking any promises by accepting this grant. However, to her point, if down the line we're asking for more, than that is a valid question. My point to this conversation would be: but that's not where we are. We have an agreement from staff and from Council that we all are absolutely trying to do exactly what Alder—Alder Hartzheim is recommending. And if anything, at any point, something different, which is the increase or overage, is asked for, we then all have that obligation to say "That's not what we promised." We all will have to have that conversation and be accountable to it. That's not tonight's vote.

Alderman Kristin Alfheim (District 11) 34:40

Tonight's vote is taking what I understand from Director Gazza is no brainer money, no brainer money, in taking this and utilizing towards this project. The danger is valid, to Alder Hartzheim which is we don't want to make—we don't want to spend more than that. We theoretically are reducing our costs even if that isn't on paper. And I think that she has a valid point that will come to fruition at some point in time if there's a threat to break that promise. It's just not today. There is no promise broken today by taking this grant. There would be if they come back and say "We need more money for," and then you have that pillar to stand on, and I respect that. But for tonight, there is no promise broken. It's doing exactly what we said we'd do it with the most efficient use of dollars possible. Thank you.

Alderman Brad Firkus (District 3) 35:33

Alder Hartzheim.

Alderman Sheri Hartzheim (District 13) 35:34

Thank you, Chair. To Alder Alfheim's points, the danger is valid. So, if the danger is valid, let's take it off the table with this amendment right now and be done with it, then we never have to have that discussion again. We have made it clear that we are keeping our promise. Thank you.

Alderman Chris Croatt (District 14) 35:49

Alder Croatt.

Alderman Chris Croatt (District 14) 35:51

Thank you, Chair. I was just—um just echo what Alder Hartzheim just said. I understand what Alder Alfheim is saying, but I also think that this is our opportunity to put that protection in. And we should support that. Thank you.

Alderman Brad Firkus (District 3) 36:05

Anyone else? All right, I think we've gotten where we need to on this conversation. So, we'll go ahead and vote on the amendment. So, all those in favor of the amendment?

Alderson Sheri Hartzheim (District 13) 36:17

Aye.

Alderson Chris Croatt (District 14) 36:17

Aye.

Alderson Brad Firkus (District 3) 36:18

Opposed?

Aldersons Firkus, Van Zeeland, and Fenton 36:19

Nay.

Alderson Brad Firkus (District 3) 36:20

Amendment fails two to three. So, we're back to the item as presented. Is there any further conversation on the item? All right, I'm not seeing any so we will go ahead and vote. All those in favor?

Alderson Brad Firkus (District 3) 36:34

Of the item as amended?

Alderson Brad Firkus (District 3) 36:37

No, unamended. Sorry. Did I say amended? My apologies. So, this is the item with—as presented. So, item as presented. We're voting on that. All those in favor?

Aldersons Firkus, Van Zeeland, and Fenton 36:49

Aye.

Alderson Brad Firkus (District 3) 36:50

Opposed?

Aldersons Hartzheim and Croatt 36:51

Nay.

Alderson Brad Firkus (District 3) 36:52

All right, that motion passes three to two. That will go before the Council when we next meet on February 1. Sorry, February 7.