

## Item 24-0585: Resolution #5-R-24 Increasing the Wheel Tax

### Common Council

Wed, Jun 19, 2024 7:00PM

#### Mayor Jake Woodford 27:30

So, we'll move on now to public participation. At each meeting, the Common Council reserves 30 minutes for members of the public to express their views on items which appear on our agenda, we have three who signed up to speak but I know we've got a few more. So, we'll get through the list of folks who signed up and then we will check and make sure that we haven't missed anybody. We ask that you please. When I call your name, approach the microphone, state your name and address or your affiliation for the record. And we ask that you keep your comments concise and to the point of taking into consideration comments that have been made before you. We also ask that you limit your comments to five minutes or less again on items that appear on the agenda. And we will as always help you keep time. So, with that, we'll get started. First is Walter blank. Welcome Walter.

#### Walter Blank (Appleton Concerned Taxpayers) 28:23

My name is Walter Blank, and I live at [XXXXX]. And I've been here before, and I'm going to apologize a little bit because I may not have a lot of new information, but I do have a lot that I've been thinking about since my last time here. And first of all, I'd like to talk about I still have good concern about what Chairman Firkus said at the Finance Committee meeting that concerning wheel tax that you guys had tried a lot of things and the best thing was still to raise that \$10 fee. And I just still reject that because I look at that, and, you know, we're not going to put back assessments; that's not happening. And the comments that I think that were made in support and against I Miss—er Alderperson of Fenton had really done a good job of looking at individual costs and that. So, it was well thought out, but it still didn't offer the solution because even she admitted it's a drop in the bucket. And Alderperson Meltzer had mentioned that some constituents were basic basically for this, even willing to give more. And, you know, maybe that's where we're going—\$50 maybe more. And Alderperson Wolff said sacrifice was—he was willing to make that. But I still reject that too, because, to be honest, I'm fairly well off. \$10 really doesn't bother me that much, but the big picture is, you know, we're really responsible for everybody.

#### Walter Blank (Appleton Concerned Taxpayers) 30:27

So, what I'm going to basically say is, there are two things that I've come up with that we still haven't explored a lot. And one is what I mentioned concerning hopefully getting the state to rectify some of the problems that were caused by the freezing of the shared revenue, and if that happens, I think it's going to take two years. And I'm working on that. As I said before, we've been successful on that, to get people that are willing to put forward that that legislation.

#### Walter Blank (Appleton Concerned Taxpayers) 31:01

But the second thing I looked at, and I thought more about it after last meeting, is that maybe we need to start looking at programs that we share with the county, with the surrounding municipalities. There may be money there that we can maybe save, even expand programs, but not spend as much money on. And so, I'm going to start looking into those things. I like win/win solutions. I like solutions where Appleton will get the money it needs and the taxpayers will get I'll just say the breaks that I'd like to see happen as far as Appleton Concerned Taxpayers.

**Walter Blank (Appleton Concerned Taxpayers) 31:38**

So, what I'd like to ask you to do is maybe somebody come up with a proposal to delay the increase of \$10 for two years, because I think it's going to take two years to get the legislation through. And hopefully the money will be there. And if through maybe meetings that I may have with different municipalities around here, the county and that, I may be able to identify other areas. So, I just want you to know that I haven't given up on just saying raise the wheel tax. I'm still fighting for the taxpayer in the city. That's what we're supposed to do. So, thanks for your time.

**Walter Blank (Appleton Concerned Taxpayers) 32:22**

Be kind of my wife. She heads dental surgery today. So, she's next. Thank you.

**Mayor Jake Woodford 32:29**

All right. Next is Deborah Blank. Welcome.

**Deb Blank (Resident) 32:38**

Hi, I'm Deb Blank, and I live at [XXXXXX] as well. I'll just do a quick refresher because everybody wasn't here. So, I'll be as brief as possible. I looked at how Appleton residents already pay for our roads, and I just wanted to kind of refresh that before you take a vote on this. Because as an Appleton taxpayer, we're already paying through car registrations, driver's licensing fees, gas taxes, county taxes, sales taxes, and the governor is going to look at, say, making sure that transportation funding will include electric car taxes, sales taxes on auto parts, repairs, tires (that's in his new budget), property taxes, federal taxes, 4 billion has been announced for Wisconsin transportation to invest in roads, bridges, public transit ports, and airports, wheel taxes. And yet Appleton residents continue to pay for new construction in addition to that—just as a just as a reminder.

**Deb Blank (Resident) 33:36**

And we I talked a little bit about the state budget, and its priorities in funding. And really, they're looking right now at—highways and roads is like number five, if you look at the budget really determines a priority. And roads don't come in there until like about number five in their list of priorities. So, they are looking to the local government to deal with roads.

**Deb Blank (Resident) 34:01**

So, after attending the Finance Committee meeting and attending the last Council meeting, I had shared that of all of Wisconsin's 807 cities, they all operate with the same parameters. So, they're all under the same shared revenue contingencies, which haven't been so good. So, I looked up the largest 24 Wisconsin cities, nine of whom impose a wheel tax, 15 of whom do not, and I called them and spoke with Finance Directors, DPW admin and engineers. They were really fascinating conversations. And I said "What do you do for roads? Because we are looking for solutions," and these were alternatives that worked for them, except one, which I pointed out before one, one is very frustrated because they spent \$2,000.50—two years and \$50,000 trying to institute a transportation utility fee investigating which kind of got wiped out. So, these were the responses from those who responded. "We prioritize our budget," "We do not assess any homeowner for new construction or repair," and one DPW admin noted that although their policy state—which I didn't share last time—although their policy states they assess, they've not assessed in the 13 years he's been there. Another said, "We do assess developers and use TIFs. We operate within our budget." And another city said "We haven't yet reached our levy." I was like, "Wow." Another said "A wheel tax—" and they were very proud of their roads, this community— "A wheel tax is a non-starter due to surrounding communities not having any." So as a result of that I went to gather information regarding Appleton surrounding communities from the Wisconsin D O T site, and those without a wheel tax include Little Chute, Kimberly, Greenville, Combined Locks, Fox Crossing, Town of Harrison, Neenah, Menasha. Only Kaukauna charges a \$10 wheel tax.

**Deb Blank (Resident) 36:00**

They also went on to say they borrow just like we do through bonded capital improvements. However, they were shocked when I told them that Appleton property or owners are paying \$434 per \$250,000 value of home to service our debt. And they use grants, which we do too. I know I'm sure I know we do.

**Deb Blank (Resident) 36:23**

What are some of the Appleton's efforts with respect to road repair or whether some things that could be done? I pointed out that \$1.2 million of the urban forestry was moved to stormwater, and I understand that and I know what eight other communities have done that but that freed up one \$1.2 million which is almost double what a \$10 will tax increase would elicit. And then we only used about—we use half of the state shared revenue additional funds that we received on infrastructure.

**Deb Blank (Resident) 36:57**

The bottom line here is the wheel tax is a regressive tax and it does—\$10 may not seem like a lot but it ends up being \$30 per car per family per year.

**Mayor Jake Woodford 37:10**

30 seconds remaining.

**Deb Blank (Resident) 37:11**

So, it really becomes—when you can choose to live in societies that surround us instead of here, it becomes a quality-of-life issue. Thank you.

[Cut]

**Mayor Jake Woodford 1:37:06**

Moving on to items held, this is item 24-0585 Resolution 5-R-24 Increasing the wheel tax. Alder Hartzheim

**Aldersperson Sheri Hartzheim (District 13) 1:37:16**

Would a motion and a second mean, we are approving what comes out of committee, which would be a denial of this?

**Mayor Jake Woodford 1:37:24**

Unless somebody wants a notwithstanding vote. Okay, so you'd like a vote notwithstanding. All right. So just to be clear, again, a notwithstanding vote means that an aye vote would approve increasing the wheel tax a nay vote would deny increasing the wheel tax. Everybody clear on that? But again, the recommendation coming out of out of committee's a denial, and—

**Someone Off-Camera and Microphone (possible Attorney Behrens) 1:37:49**

Perhaps just clarify.

**Mayor Jake Woodford 1:37:52**

And to clarify the amount is a \$10 increase on the existing wheel tax. So again, an aye vote would vote to approve a nay vote to deny the increase. Everybody clear on that? All right. So, let's see. We need a motion. Motion and a second to approve. No one wants to speak. All right. Well, then we'll move to vote. Okay. Just kidding. Alder Fenton, go ahead.

**Alderson Denise Fenton (District 6) 1:38:28**

Thank you, Your Honor. I think I've gone on record before, and but I will do it again. I don't like the wheel tax. The wheel tax is regressive. It—withstanding that it is a pretty small amount, the car registration hits people with lower incomes harder. However, we have—our—cities like us have run into a brick wall in looking at other ways to finance street reconstruction. So, we are left with cutting other things from the budget, borrowing more (which I think we all agree that we are happy that our borrowing trajectory has flattened out and that we will have less debt service to manage).

**Alderson Denise Fenton (District 6) 1:39:24**

So, we have not increased the wheel tax since its inception in 2014, and costs have increased dramatically in that time. The increase we're talking about here won't fully fund our road street reconstruction just as the original wheel tax didn't either—didn't fully fund street reconstruction and it didn't really fully replace special assessments. But we were—during the public commentary we had some examples of cities who have chosen not to implement a wheel tax. But we've had a number of cities—I believe 36—and a number of counties who have done this. And as to the shared revenue increase, we all know we put half of ours towards infrastructure.

**Alderson Denise Fenton (District 6) 1:40:25**

The city of Eau Claire, implemented a wheel tax in 2023, after the shared revenue changes were passed by the state. And in Eau Claire, the county already had a wheel tax, so—and I bring this them up because they're approximately our size. So, the difference between Eau Claire, I think, is geographically they've really grown outward so they've had a lot of streets to maintain.

**Alderson Denise Fenton (District 6) 1:40:59**

So, with all of this being said, I am reluctantly supporting this because as I think my colleague Alder Firkus said in committee, we've brought forth a number of options, and none of those who seemed useful or palatable to folks. So, I'll be voting for this holding my nose as it were.

**Mayor Jake Woodford 1:41:22**

Alder Hartzheim.

**Alderson Sheri Hartzheim (District 13) 1:41:25**

Thank you, Chair. Um, harkening back to your very recent comments in regards to if there's something going on in the budget or wherever else and we need some help with it, we should talk to staff. I had a really good meeting with you last week in regards to where can we find more money instead of going to our constituents to our vehicle owners in our city and asking them to foot this bill, and you and I came up with some—well, you mostly came up with some great ideas that could be explored further. And when Alder Firkus brought this or was talking about this in the finance committee meeting, he vehemently said do something about it if you want to do something about it. And that's why he and Alder Wolff put this forward, apparently. But I find that this is we're chasing our own tail in this regard.

**Alderson Sheri Hartzheim (District 13) 1:42:17**

I have not heard—I have heard from numerous people in my constituency who are vehemently opposed to this. This is not the way to fix this problem. But there are other solutions that can fix this problem, or at least help to mitigate this issue, and I would like us to explore those instead of going—as I said, two weeks ago when we were starting to discuss this but Alder Van Zeeland, then asked to have it held, we don't go to our boss and ask for a raise when our money is short. We go to our budget and figure out where we can get that extra money, not go to our boss for a raise. And this is going to a boss for a raise. It's just—it's inappropriate, in my opinion.

**Alderson Sheri Hartzheim (District 13) 1:43:00**

And I find it interesting that you know that plenty of people say the wheel tax has never been adjusted for inflation. Why should it be? Inflation is caused by governmental policies and yet here we are as a government, a municipal government, going to our constituents, our vehicle owners and saying, fix the problem that was caused by government. I find all of this incorrect and, again, cart before the horse sort of policy wa— policymaking. So, I encourage my colleagues to vote against this, because there are other solutions; we just have to explore them. And all it took for me was one meeting with you to try to brainstorm some ideas. And if every one of the 15 people in this room did that, we can fix this problem. Thank you.

**Mayor Jake Woodford 1:43:51**

Alder Smith.

**Alderson Martyn Smith (District 4) 1:43:55**

Thank you, Mayor. The wheel tax has a history that we all know that there was at one point, the special assessments. I remember what a relief it was not to be thinking about that and a relief for a lot of people in Appleton. This is just one of many streams for funding road repairs that we need, but I think that there's a compelling argument in my mind for keeping this stream basically proportional to what it once was. So, the \$10—taking it to \$30 keeps the stream as a not inconsiderable piece of the street repairs, and I think we should keep it—renew it in that sense.

**Alderson Martyn Smith (District 4) 1:44:40**

Also, I think kind of philosophically with a lot of difficult problems, we don't look for a silver bullet that meets everything but we look for a lot of different small streams. So yes, I agree with Alder Hartzheim that we're going to need to think bigger about ways to handle the street repairs and from—and find a lot of different revenue streams, but this is one that we shouldn't let drift away and become inconsequential. We should raise it by \$10. I have a lot of support for that from my constituents. And so that is why I would vote to keep this as a proportional piece of the of our road repair.

**Alderson Martyn Smith (District 4) 1:45:15**

Also, I should say, I don't intend to vote for raising this—continuing to raise this every year or in the next few years in any way, that I don't think this is something we should go to lightly. And the idea that this would just be something that we would move forward with and raise it often is completely wrong. I can't imagine myself, you know, voting for this to raise this tax again. I think that over 10 years, though, that's what's required to keep this a viable piece of the puzzle of how to fund our road repairs. Thank you.

**Mayor Jake Woodford 1:45:53**

Alder Firkus.

**Alderson Brad Firkus (District 3) 1:45:56**

Thank you, Chair. Just to reiterate a little bit of sentiment that, yes, the wheel tax has flaws. Nobody's going to sit here and tell you it's the best thing that's come up that anyone has been able to come up with for helping fund road reconstructions. It—but it is better than what preceded it I think. I not that—I know some people have kind of—the way it's been framed to refer back to the special assessment, I think is maybe scared some people as though it's a threat to go back to special assessment. I just want to be really clear: that's not an option. I don't think there's any support whatsoever. I have not heard anyone who feels that it should be that way. That is completely off the table. So, I just want to make that clear.

**Alderson Brad Firkus (District 3) 1:46:43**

But I do want to point—I do think talking about the special assessments does help to understand why we have the wheel tax. I went back and looked at the old budgets. The last year that the city had a special assessment to help with road reconstruction projects, special assessments made up about 35% of the funding for our road projects. The next year, the very first year of the wheel tax, when the city was bringing in quite a bit from the wheel tax because of people who were getting assessed it, or having to pay it that didn't actually live in the city and hadn't yet corrected that with the state, the wheel tax amounted to about 32% of the road reconstruction revenue. Fast forward to this year, it's 19%. If we had started this year, with that \$10 increase, we'd be sitting at about 29-30% of our road reconstruction projects being funded, which is within, you know, a reasonable distance of where we were when we had special assessments as part of this mix.

**Alderson Brad Firkus (District 3) 1:47:44**

I think what the main ask of this is, is let's not put more pressure on all those other streams, and let's not say, hey, we can't come up with other ways to keep up so we're going to just keep doing less, or do less, I should say. I should be probably a little more precise with how I characterize that. But that's the ask here. Just let's make an adjustment. Let's let this carry its load. This isn't the end. I'm not saying Now let now we can all go home and pat ourselves on the back if this passes, and everything's good. No, I encourage anyone come up with more ideas, bring them in front of us. Some of them will be palatable, some of them will not be, but let's have let's figure it out. Thank you.

**Mayor Jake Woodford 1:48:28**

Alder Schultz.

**Alderson Alex Schultz (District 9) 1:48:29**

Thank you, Mayor. I will support this, and I think I'm not going to repeat a lot of what my colleagues have already said. But I—you know, I feel like we were in this position because we're not—we sort of took our eyes off the ball. And maybe we're a little derelict to keeping up with this tax that's meant to do a certain thing every year, and we just kind of lost track of it and now we're at a point where we've got to bump it up because we haven't done it for eight years. And I would just—you know, for the first and second quarter of this year, all of us have been through committee meetings where we reviewed all of the fee structures for park rentals, golf course use, lots and lots and lots of fee adjustments because we found ourselves looking at a very similar situation. We hadn't been monitoring fees and trying to increase them incrementally over time. We sort of lost dropped the ball on that. And we were looking at fee increases some that we hadn't touched for 8-10 years. And some of those fee increases were 100%, 200%. I think one of those is like 250% increase to catch up.

**Alderson Alex Schultz (District 9) 1:49:34**

And so, this I feel it's like endemic to what we've been trying to do here as this acting body is to get caught up and find ourselves in a better footing to be able to offer all the services that we offer in this great community. And I think we've done that with the rest of our policies [unclear], kind of raising the support that we need to keep doing the stuff for our community. And that's the way I kind of view this, like, we just we also lost track of this one and it should have been raised incrementally a little bit over time. So here we are, we're asking for a 50% increase, which to me is not terrible.

**Alderson Alex Schultz (District 9) 1:50:06**

I would support 100% increase. But if we're going to go \$10, \$10 works for me. It gets us a little bit further down the road, and I think we do need to keep exploring other options, but that's how I frame this narrative. We've been playing catch up and we've we're getting to that point now, which puts us in a better footing.

**Mayor Jake Woodford** 1:50:25

Alder Van Zeeland.

**Aldersperson Katie Van Zeeland (District 5)** 1:50:26

Thank you, chair. When this was raised at finance, I brought up two—what I thought were—two very easily negotiable objections. I stated that I thought it was irresponsible to ask for more funding without being able being able to show some kind of plan as to what our citizens would get for that. And I thought that, given the timing, when our residents are really struggling with basic living expenses (while asphalt and construction inflation is actually on the decline), my hope was that we could look at doing something later. Not saying, no, never, let's put this away and pretend this never happened. So given that, I would like to make a motion to amend for the wheel tax fee to start in January of 2025, which would allow us a budget cycle to discuss what would be done with that funding, in the hopes that we can provide the citizens with the information that they need to make—you know, to understand why we're making this decision. Thank you.

**Mayor Jake Woodford** 1:50:26

We have a motion from Alder Van Zeeland. Is there a second? We have a motion and a second to make the effective date January of 2025. Discussion on this motion. And we'll clear the queue since we have a new motion. Alder Jones.

**Aldersperson Vaya Jones (District 10)** 1:52:11

Thank you, Chief. Speaking on the amendment, the concern I had in the original was, yes, had the constituents that were like it's 10 bucks, we'll figure it out. Sure. The constituents that came to me that were scared, they were scared and were against it. We kind of dug deeper figuring out where is this fear coming from, and the fear is that we're going to keep raising it, we're going to keep raising it, and if we pass it now, it's a stream that's work, and we're going to keep going back to them for more and more money. And while those who are educated and understand how things work, some people don't, and we—our district was hit very, very hard by the reassessment. So, they see those things happening. They're seeing this potentially happen, and they're scared that they're just gonna keep—we're just coming to get their money from them. And so, my concern with this was I want to hear the other ideas. I want to work harder on different options. Not wanting to say no to this, but talking about those other ideas, putting them together and having a better plan. With this amendment, I think that that is helping build the trust back in the constituents that are concerned. We're still looking at this, we're still moving forward, but we have a plan that we can show them we're prepared and that we care and that we're actually taking this seriously.

**Mayor Jake Woodford** 1:53:34

Alder Fenton.

**Aldersperson Denise Fenton (District 6)** 1:53:35

Thank you, Your Honor. If I—or perhaps you could answer this or direct it to some finance. What would be the timeline for implementing a change with the state? I think I asked—honestly, I think I asked this at committee but it has slipped my mind.

**Mayor Jake Woodford** 1:53:57

Director Ohman.

**Director Jeri Ohman (Finance)** 1:54:02

Thank you, chair. We need to provide the state with 120 days' notice prior to the change going into effect and it does have to go into effect on the first of a month.



**Aldersperson Denise Fenton (District 6) 1:54:13**

Thank you. That answers my question. So, 120 days.

**Mayor Jake Woodford 1:54:22**

Further discussion on the amendment. Alder Hayden.

**Aldersperson Patrick Hayden (District 7) 1:54:30**

Thank you, Chair. Could you just reread the amendment for me please? I'm sorry.

**Mayor Jake Woodford 1:54:36**

Alder Van Zeeland.

**Aldersperson Katie Van Zeeland (District 5) 1:54:37**

I had made the amendment for the wheel tax implementation is start in January 2025.

**Aldersperson Patrick Hayden (District 7) 1:54:44**

Thank you

**Mayor Jake Woodford 1:54:49**

Further discussion on the amendment. We have a motion and a second to amend the start date being January 1, 2025. Please cast your votes. Motion passes 10 to 4. The item has been amended.

**Mayor Jake Woodford 1:55:13**

We're back to the item as amended. Further discussion on the item as amended. Alder Doran.

**Aldersperson Chad Doran (District 15) 1:55:22**

Thank you. I guess I just want to start with a reminder for our colleagues. This resolution I've heard some say is like one stream of revenue, but I think the bigger problem here is we just keep picking around the edges of what the real issue is here. If we look at page 606 of the budget—this is just one place, I believe this is noted in the budget—this is from the capital improvement program for the concrete paving portion. At the bottom of the discussion of operating costs, this line has been in here for the four years I've been on Council and I believe quite a few years longer than that. It says "typically less than 1% of our streets are reconstructed on an annual basis. This fact coupled with the new streets added annually to the system results in no overall reduction in our citywide street and maintenance costs."

**Aldersperson Chad Doran (District 15) 1:56:20**

So effectively, every year, we're adding more streets than then we're repairing; we're not keeping up with the streets as we need to. We know this because our now two former Directors ago of Public Works, put on a presentation that's still available that I would urge our newer colleagues if they've never seen it to check out, talking about kind of raising the alarm of the problem that we're heading into. We have made progress with our debt service level, which is great. But that really only leaves us taking on more debt to pay for more roads, as an option.

**Aldersperson Chad Doran (District 15) 1:56:58**

This \$10 gets us so very little. If our colleagues feel like the wheel taxes is the alternative that that should get us what we need or to where we should be, we would have to raise the wheel tax to \$68 a year, per vehicle just to



be able to fund what the wheel tax allows now, which doesn't include our sidewalks or several other things. It's just street reconstruction.

**Alderson Chad Doran (District 15)** 1:57:28

So, we keep kind of looking at these little things that that make, you know, so little difference when we have such huge improvements that we have to make. And I think if this is the way we want to go, then then the Council, you know, the people that support this should really raise this up to the full amount that we need to be able to offset some of our costs, because even that doesn't get us anywhere near where we really need to be to get on top of the real problem that we have here. I don't support raising it \$10, and I wouldn't support it raising \$68. I don't think that's the answer.

**Alderson Chad Doran (District 15)** 1:58:03

The answer here is that we have to take a tough look at what we're spending money on as a city and prioritize. This infrastructure is one of our core responsibilities as a government, and we are not doing it adequately and have not for a long time. That's why we're in the position we're in. This isn't just a current administration issue. It's a past one and probably several administrations past.

**Alderson Chad Doran (District 15)** 1:58:26

Yes, there are outside factors, but those factors don't care that we're not keeping up. They're just things we have to deal with. So, I think this—I think the wheel tax was poorly set up to begin with when it was implemented because it didn't factor in what the real costs it was trying to offset where or what the real issue really was. I think that wheel tax is terrible, as a number of folks who have said that they support increasing it have also noted that it's not a fair tax, that what we really need to be looking at, is using this as an opportunity to direct staff to prioritize our infrastructure issues over other things. And I think that really starts with making cuts to other programs and services that we do to prioritize what our real responsibilities are. And I you know, I've said that for a long time. And I know some of you disagree with it. But that's really what this comes down to.

**Alderson Chad Doran (District 15)** 1:59:30

No one wants to borrow more. We can't keep asking our constituents for more money to pay for these things when we're not willing to look do the hard work that we've been elected to do is which is to budget responsibly for the things we are responsible for. So, I'm going to make an amendment to the amendment I guess. And—

**Mayor Jake Woodford** 1:59:59

just to be clear Alder Doran, you'd be making an amendment to the item as amended.

**Alderson Chad Doran (District 15)** 2:00:02

Sorry. Okay. Item—an amendment to the item as amended then, and I'm gonna say that I would just change the now therefore be it resolved clause to say that "the Common Council directs the city staff to find offsetting cuts in the 2025 budget to eliminate the wheel tax starting January 1 of 2025."

**Mayor Jake Woodford** 2:00:35

A second from Alder Hartzheim. Alder Hartzheim.

**Alderson Sheri Hartzheim (District 13)** 2:00:54

Thank you, chair. I have one concern even though I seconded. I would like it clear that we are not intending to go back to a special assessment policy for street reconstruction. I presume that that's what Alder Doran meant in this but I am not certain that's true.

**Mayor Jake Woodford** 2:01:20

Alder Meltzer.

**Aldersperson Vered Meltzer (District 2)** 2:01:22

Thank you. When we are here confronting the issue of how can we find enough money to keep up with our road reconstruction, gutting the tiny pot that we're talking about increasing shoots us in the belly as a community. Why would we make a decision to repeal the wheel tax now, when we are trying to find every way we can to better fund our road repair? And what opportunities do staff have within their own budgets to make the corresponding cuts to make this adjustment? Are we directing staff, kind of giving them a blank check to say, maybe you go fire someone, maybe you restructure an entire department, maybe you remove services, and these things won't come forward for the community to—for the community to consider until it's published in the budget. So, I think any adjustment that would have to be made to repeal the wheel tax is something that needs to be done openly and on the carpet and with a full discussion instead of asking staff to go do it privately within their own departments as a mathematical exercise. I think that that's incredibly unfair to staff, and I think it's incredibly harmful towards any aspirations we have of being a city that repairs more roads than our neighbors. Thank you.

**Mayor Jake Woodford** 2:02:57

I'd like to offer just a point of clarification, which is Council can take an action to direct staff to do something, but in this government, the mayor is responsible for developing the executive budget and service plan. The mayor develops the executive budget and service plan and submits that executive budget and service plan to the Council at which point it becomes the council's responsibility to set policy within the budget.

**Mayor Jake Woodford** 2:03:26

So, I would just say that I would treat this action as advisory on the part of the Council if you were to pass it, and so there will be no direction given to staff as a result of the proposed action. We will develop an executive budget and service plan as specified in in the municipal code. So, I just want to offer that point of clarification so that we can focus on the item that's been brought forward rather than rather than staff because as far as I'm concerned, this amend—this amendment that's been proposed doesn't concern staff at this time. Alder Alfheim.

**Aldersperson Kristin Alfheim (District 11)** 2:04:12

This is a doozy. Regarding the amendment, if I remember correctly, my colleague in the past conversations about reducing expense which is important issue to him. We would definitely have to get rid of Edison the dog because that doesn't seem like that would be a priority. We—we're definitely going to have to sell parks. We're going to cancel the library project altogether, and we're going to sell the parking ramps. This is what prioritizing in the method that's been amended means, having people try and guess what matters in a community, and I think that's not the direction we should go.

**Aldersperson Kristin Alfheim (District 11)** 2:04:54

I do believe that the alder who brought forth the original conversation are doing the best they can in a lousy situation, and I would ask that we would redirect our frustration to the actual problem at hand. Last year, or 18 months, whatever the answer was, we were given some crumbs from the state in shared revenue. Crumbs from the people who took away the cookie 14 years ago. The gentleman who spoke to us, Mr. Blank, earlier, said that they had worked very hard at correcting the shared revenue, and there's more work to be done. I would like to remind us that that is the issue. We cannot cut our way out of the problem that we have. We cannot raise funds to get us out of the problem we have, we must correct the problem and get back the cookie.

**Aldersperson Kristin Alfheim (District 11) 2:05:54**

That is not a Council issue. Again, again, I rec—I commend all of the alders that are trying. We know how lean our staff is running it. So, the idea that we can cut our way to being in the black means that we will take away community activities. That investment today are saving us from a far, far larger expense in the future. And we can validate that on a spreadsheet all day long. So, my intention is to vote against this amendment, and I will also vote against the wheel tax, because though it's a valiant effort, we should not have to go for more crumbs from our constituents. Let's go after the cookie. Thank you.

**Mayor Jake Woodford 2:06:45**

All right. At this time, we're going to take a 10-minute recess and come back. So 9:17 we'll reconvene.

**Mayor Jake Woodford 2:06:55**

All right, we're gonna come back to order. That? That? Yeah, we can get rid of that. Okay. I don't like being up on a big screen. That's really awkward.

**Mayor Jake Woodford 2:07:06**

Alright. So just to recap, where we are, Alder Doran has offered an amendment seconded by Alder Hartzheim, and that is what we are discussing now. So, let's get that taken care of. Alder Firkus.

**Aldersperson Brad Firkus (District 3) 2:07:22**

Thank you, Chair. I don't like the idea of just asking staff to just go out and figure out what kind of cuts would be palatable to the Council. So, unless there's something concrete and specific for us to consider I can't support this. Thank you.

**Mayor Jake Woodford 2:07:36**

Alder Croatt.

**Aldersperson Chris Croatt (District 14) 2:07:37**

Oh, thank you, Mayor. As an opponent of the wheel tax in general, I can commend—I commend my colleague for putting this forward, but I can't support it. I think we should just defeat this amendment and get back to the item that was in front of us which is the \$10 increase which I will not be supporting and I'll give my reasons for. Thank you.

**Mayor Jake Woodford 2:07:58**

Alder Schultz.

**Aldersperson Alex Schultz (District 9) 2:07:59**

Call the question.

**Mayor Jake Woodford 2:08:00**

We have a motion and a second call the question. Are two speakers in the in the queue. All those in favor of calling the question please signify by saying aye. Any opposed? All right. The ayes have it. The question has been called. This is on alder Doran's amendment. Please cast your votes.

**Mayor Jake Woodford 2:08:29**

Motion fails. Three to 11. And we're back to the item. All right, Alder Hartzheim.

**Alderson Sheri Hartzheim (District 13) 2:08:41**

Sorry, I was in the queue from—

**Mayor Jake Woodford 2:08:43**

Okay. Alder Doron.

**Alderson Chad Doran (District 15) 2:08:48**

I was in the queue from before as well, but I guess I'll just, since you called on me. I encourage my colleagues to defeat this increase if we're not going to take seriously what the real problem is here. And I just I find this frustrating. If we don't want to do things like the hard work of really tackling the budget and where cuts should come from, I don't I don't understand what we're what we're doing with these token-like appearance things here to the community to say we're trying to do something when this really does absolutely nothing.

**Alderson Chad Doran (District 15) 2:09:24**

It's frustrating. I've tried to offer amendments at budget time as some of my colleagues who spoke before said, you know, "We shouldn't ask staff to make these cuts. It's on us." I've done that before, and at that time, colleagues have said, "We can't we can't do this now. It's too late in the process. The community doesn't have time for input." It all just points to me how unserious you are about really tackling this this problem. And I just hope my colleagues will wake up to this at some point because we're just making this worse, and we're kicking this problem further down the road. So—but with that, I still encourage to vote no on this.

**Mayor Jake Woodford 2:10:02**

Alder Croatt.

**Alderson Chris Croatt (District 14) 2:10:03**

Thank you, Mayor. I would also encourage defeat of this \$10 increase for several reasons. I have my own fundamental reasons for not liking the wheel tax program that the state has, you know, defined parameters for on which vehicles get assessed, other aspects of it. You know, I mentioned it at the last Finance Committee meeting that, you know, the heaviest vehicles that that do the most damage to our roads don't pay, wheel tax. So fundamental issues with the wheel tax in general. But it did take care of a significant issue in our community, which was special assessments. So, I'm okay with that. But I don't want to see it increased.

**Alderson Chris Croatt (District 14) 2:10:43**

Increasing it would put us in the higher amount of within the state. It also puts us the highest in our area. I believe only one municipality has it in our area, and that's a \$10 one in Kaukauna. There are other options, and those other options are some tough decisions that we would all have to make if we believe in investing in our infrastructure, because this \$10 increase really doesn't do anything. It doesn't—it adds \$650,000 to the wheel tax fund, but it—and one of my concerns with the messaging that's been out about this is "If we if we don't do this, we're gonna go we're gonna have to go back to special assessments." And that's just not the case. Defeating this does not reinstate special assessments.

**Alderson Chris Croatt (District 14) 2:11:34**

Approving this does not fix a bunch of roads. And I think some people have been told that you're going to see all this investment in infrastructure if we collect \$10 more from you. That's not going to happen. You're not going to see all these new roads, getting repaved and built out. You know, I'm happy about our debt service being reduced, and that's a good thing, and we shouldn't—you know, there was a time not that many years ago that we weren't borrowing for street projects. I don't think we'll ever get back to that time, but maybe hopefully we do.

**Aldersperson Chris Croatt (District 14) 2:12:12**

And earlier, I believe my colleague, Alder Schultz talked about this this being like a catch up, the \$10 mean to catch up. I don't see it like that at all. And really, if you want to—if you believe in that as a concept, you need to go all the way to the \$68 that Alder Doran suggested earlier. And I just don't—I don't see it as a catch up. I don't see it as being tied to inflation. It shouldn't be tied to inflation. And I would encourage us to defeat this and look for other ways.

**Mayor Jake Woodford 2:12:45**

Alder Heffernan.

**Aldersperson Patti Heffernan (District 8) 2:12:49**

Thank you, chair. So, to the point that was brought up earlier about not going to your boss and asking for a raise. And as a person who actually had used food stamps and WIC and stand in line at food pantries to make our ends meet, that's exactly what you do. That is exactly what you do, especially if your boss is also using the road. I got my metaphors mixed, but I get—you get what I'm saying. It's 9:30 at night. If you want something you have to pay for it.

**Aldersperson Patti Heffernan (District 8) 2:13:18**

Whether we're a municipality or not, we are still subject to the cost of inflation. Labor costs has gone up. Material costs have skyrocketed. I don't know if any of y'all have had to put your own roof on anything lately, but shingles are not as cheap as they used to be, okay? Everything has gone up. We still have to pay fair prices for our contractors, and we make sure that we have contractors that have apprenticeship programs, so that has added in additional costs as well.

**Aldersperson Patti Heffernan (District 8) 2:13:46**

And when it comes to paying bills, and as somebody who has had a budget that I could not pay all of my energy bill, I could not pay all of my internet bills sometimes because it had piled up, not—like paying all of it or none of it is not an option. That's how things get shut down. So, if this is a band aid for the moment, while we are waiting for legislation to go at the state level to rep—Alder Alfheim's point, there is no reason that we cannot in the future once we receive funding through the state or there are other changes to our budget, that this isn't something that could be repealed at a later date. This is something that we have to do now to look at our budget as it sits in front of us, because there's only a certain amount of debt that we're allowed to have and we've been on a good trajectory and we want to keep that maintained at least. It doesn't sound like this is going to get it much better but we need to at least maintain where we are because a place of neutrality when it comes to your finances is sometimes better than you know coming out ahead because that's the best you can do.

**Aldersperson Patti Heffernan (District 8) 2:14:56**

This isn't like we are taking this money from constituents to line pockets of any kind. This is something that our constituents use every single day, our roads. Everywhere they gotta go, whether they're walking, or they're driving or they're riding their bikes you've got to use the roads to get to where you got to go. That's the way that we're set up right now. And I will be supporting this.

**Mayor Jake Woodford 2:15:20**

Alder Hartzheim.

**Aldersperson Sheri Hartzheim (District 13) 2:15:23**

Thank you chair. I hope everybody understands what a regressive tax means. The tax—this tax is going to hit the hardest, the people who are least able to afford it. That's the whole point. I cannot in good conscience allow that to continue. Obviously, I don't want to do away with the wheel tax so that we can go back to special assessments, but there have got to be better ways to make this happen. And again, I harken back to last week's discussion that I had with the mayor about some other potential solutions. I would rather we figure those solutions out and give those solutions a chance before we just hit the easy button and say, "Give us 10 bucks more every vehicle owner in this town." Thank you.

**Mayor Jake Woodford 2:16:12**

Alder Van Zeeland.

**Aldersperson Katie Van Zeeland (District 5) 2:16:14**

Thank you, Chair. I want to thank my colleagues for the earlier amendment. I think it's important for us to compromise where we can. But I still feel that I can't support this in good faith. You know, I keep hearing about material costs, material costs, but again, I got the data. The state says the prices are down back to before I was even elected, comparative to what our constituents are feeling. So, I can't support it at this time, but I'm thankful for my colleagues to consider mitigating the damage.

**Mayor Jake Woodford 2:16:52**

Alder Hayden.

**Aldersperson Patrick Hayden (District 7) 2:16:53**

Thank you, Chair. I would like to echo the points that Alder Alheim made. And I think one of the challenges I have with adding \$10 to this tax today is that the state legislature has shown a pattern of punishing communities and municipalities that do the right thing. So, I feel like if we do the right thing today, we'll pay for it later when they actually do open their pocketbooks and spend the 10s of billions of dollars that they're sitting on today to help us with road construction. So, I think we saw it last year with the budget with how communities funded their capital programs. Because our city has done a good job, we kind of we got hammered for doing the right thing there. And I worry that by doing the right thing now—I agree that raising the we'll tax \$10 is the right thing—I feel like we might pay for it again in two years. I'm hopeful with the composition of the state legislature might release those funds that we need to do this work.

**Mayor Jake Woodford 2:16:53**

Alder Wolff.

**Aldersperson Nate Wolff (District 12) 2:17:59**

Thank you Chair. I would just like to thank my colleagues for the conversation tonight. I think it's a needed conversation. We haven't talked about the wheel tax increase in since its conception. And we've talked about all these fee increases for other departments. So, I think that is an important thing to discuss, regardless of which way it goes. I'm going to ask everyone to support this resolution. And I understand for those of you who aren't why you're not, and hopefully if this—we will continue to find ways to improve our infrastructure budget. Thank you.

**Mayor Jake Woodford 2:18:41**

Alder Siebers.

**Aldersperson William Siebers (District 1)** 2:18:44

I'd like to call the question.

**Mayor Jake Woodford** 2:18:47

A motion and a second to call the question. There was one speaker in the queue. All those in favor of calling the question please signify by saying aye. Any oppose? All right, the motion to call the question passes. The question has been called. Please cast your votes. Again, vote notwithstanding. Aye vote approves the wheel tax as amended by Alder van Zeeland, effective January 1 2025. Again, aye vote approves; nay vote nice. Any questions? Hearing none, if you haven't voted yet, please cast your vote. Motion passes eight to seven the item has been approved.