

**CITY OF SHOREWOOD
CITY COUNCIL WORK SESSION MEETING
MONDAY, JUNE 8, 2026**

**5755 COUNTRY CLUB ROAD
COUNCIL CHAMBERS
5:30 P.M.**

MINUTES

1. CONVENE CITY COUNCIL WORK SESSION MEETING

Mayor Labadie called the meeting to order at 5:32 P.M.

A. Roll Call

Present. Mayor Labadie; Councilmembers Maddy, Sanschagrín, Gorham, and DiGruttolo; City Administrator Nevinski; City Clerk/HR Director Thone; and Director of Public Works Morreim

Absent: None

B. Review Agenda

Sanschagrín moved, Maddy seconded, approving the agenda as presented. Motion passed 5/0.

2. DISCUSSION

A. Engineering Staffing Discussion

Public Works Director Morreim presented on Engineering Staffing as found in the Agenda Packet. City Clerk/HR Director Thone shared information on the engineering models as found in the Agneda Packet. Public Works Director Morreim continued with the presentation as found in the Agenda Packet.

Mayor Labadie asked about the various cities that were looked at, and how many are fully built out with water. Mr. Morreim noted that he did not have the information.

Councilmember DiGruttolo stated that the report noted many potential future infrastructure projects, such as installing water, which seems to suggest that the Staff is asking for higher consultant costs and lower engineering costs to save money. Mr. Morreim shared that many CIP projects involve water and that there are currently zero water projects in the CIP, except Mill Street. He added that all the new water main projects were pushed out due to increased costs and the lack of a guarantee or requirement that residents hook up. That makes it more financially challenging. He explained that the Mill Street project is different in that it is more strategic and regional, as it is a piece to connect to, and the City is not performing the road project.

Councilmember DiGruttolo pointed out that the model comparisons are insufficient because different data are being used for each model. She noted that the report states that model two does this in the short term, but model one does this in the long term. She stated that if water projects and other big projects are being pushed off in the CIP, that is already saving money in consultant fees. She added that, by having a consultant, the consultant would be incentivized to expand the scope or make decisions in the employer's favor. She asked if the City could make a rule that whoever the consultant is cannot win the bid for the project. The consultant would only

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provide consulting advice and work with the contracted engineering firm. She stated that she is looking at the long-term cost savings and the resident input that the Council and the City received. She added that there is a perception that engineering costs appear excessive, that hiring the consultant, who also works for Bolten and Menk, seems like a conflict of interest, and that the consultant's influence appears very strong. There is little visibility into engineering decisions until they are made and discussed after the fact. She shared that the charts were not measuring the same thing the same way. Mr. Morreim disagreed that the consultant has as much control as Councilmember DiGruttolo claims over project scopes and such. The ultimate control is vetted through a process under his direction, and there is a process with the Council to approve as well. He added that project scopes are vetted through the project process. He gave the example of Eureka Road and all the options provided, some more expensive, but the cheapest project was chosen. He noted that consultants in certain industries are stereotyped as adding things to projects to pad their pockets. He has not seen that with Bolten and Menk and noted that it is an unfair assertion, with City Engineer Budde doing a very good job. He explained that City Engineer Budde wants to put the best project through for the City and the residents in the most cost-effective manner.

Councilmember Gorham shared that there might be a perception that the consultant would drive up costs, but in his experience with the City Engineer, that is not the case. He noted that a street is a street and will not be paved in gold. Councilmember DiGruttolo shared that it is not just the streets. She gave an example of the overengineering of Freeman Pond. She asked how the City determines whether a project is being overengineered if the City does not have a staff engineer. Mr. Morreim stated that multiple options for the ponds were evaluated, with the design standards recommended by a different engineering firm. He asked why people think the ponds were overengineered. The ponds are large, but a lot of stormwater goes into them. Just saying the ponds are overengineered does not mean they are. He shared that, regarding the residents who are sharing that information, he would like to speak with them to see their point of view and have the conversation.

Councilmember DiGruttolo asked whether there is ever any overengineering or scope creep. Mr. Morreim shared that the issue is minimal and that he personally does not see it. He added that it is a generalization of consultants.

Councilmember Gorham stated that there are many good reasons to adjust the model. If the Council is worried about overengineering and gold-plating to benefit Bolten and Menk, there does not seem to be any good evidence of that.

Councilmember Sanschagrín shared that one consideration to make is what is highlighted by being committed to the Shorewood vision. He added that it is a concern as strong as having split motivations. He stated that many residents have concerns about preserving Shorewood's natural character. A case study is one of the projects that highlighted whether there was a need to clear-cut the entire property, as opposed to another design. He explained that if the position is internalized, there will be greater ownership in preserving the natural character of the City. He appreciated that the City was considering model one. He asked if there is a variation to model two, considering the use of a part-time engineer. Mr. Morreim stated that the option could be explored, but he has not seen part-time work occur unless someone retired from the city and then worked part-time afterward. Many engineers who work for cities retire and then work for a consulting firm. He shared that the Council's goals for the position are long-term, improving responsiveness and institutional knowledge, and he thought that having a part-time person would not accomplish those goals. Councilmember Sanschagrín asked whether, if the City were to

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update some version of the water plan, the engineering technician would take that on. Mr. Morreim explained that he was not sure who would take that on. Updating the plan would be 20 to 40 hours of work. He added that everything is in the plan, but the costs need to be updated. Councilmember Sanschagrín explained that the memo included information about linking east and west Shorewood with water, and that determining whether that is even possible would need to be part of the plan. Mr. Morreim noted that it had been discussed in the past and is feasible, but multiple other projects need to be completed to link east to west. Councilmember Sanschagrín stated that there is no cost associated with that and that it would need to be analyzed and added to the plan. Mr. Morreim stated that it could happen. He recommended that high-level policy changes be made before the City expands the water plan beyond its current scope. Councilmember Sanschagrín agreed. He added that the plan would not be implemented as written now, given the direction the Council has given.

Councilmember DiGruttolo asked if the Staff had reached out to James Landeini. Mr. Morreim noted that he did not.

Mayor Labadie shared that, in considering a part-time position for the engineering department, she worries that, in the grand scheme of things, Shorewood is a stepping-stone City for gaining valuable experience. Shorewood has fairly large road projects, and not a large business district. She added that the City does need road improvements and water lines put in. She noted that hiring someone part-time would narrow the applicant pool; there is enough work to share with someone 50/50 with another city, and every time a person familiar with the City leaves, everything has to start over. She added that someone coming in as a part-time role, especially if younger, will view the position as a stepping stone and may move on quickly. Councilmember DiGruttolo stated that it is the same risk as with a consultant, since they would have no responsibility or ties to the City.

Councilmember Maddy asked how long Andrew Budde had been working for the City. Mr. Morreim shared that it had been seven years. Councilmember Gorham pointed out that it is not normal. He added that having a company like Bolten and Menk is a good thing because there is always someone to pool from. City Clerk/HR Director Thone shared that it is uncommon to have someone like Andrew Budde serving the City continuously. However, the Bolten and Menk model has an engineer serve the same city throughout their tenure. She added that, especially for a City of Shorewood's size, with most engineering firms, the City would just be getting the newest engineer each time as the others moved to larger cities. She pointed out that when higher-level staff positions in the city become available, certain candidates will apply, while others will prefer to work in a larger city.

Mayor Labadie stated that in the past, Shorewood had a city prosecutor who was processing the City's criminal matters, and that person was a solo practitioner. Then the City changed to the model of hiring a firm, and an individual within the firm was assigned to the City. If that person could not handle cases, others from the firm could fill in. She added that it would be the same for the engineer; if someone cannot be there, someone else could step in with a high level of competency. She noted that many cities are using firms rather than individual solo practitioners. Mr. Morreim noted that in Shorewood's case, as in many other cities, project managers seem to be consistent. He shared that if something were to happen with an individual such as Andrew Budde, there are others at the firm who are knowledgeable about the city staff, city processes, development, practices, policies, and city code. Many of those individuals are doing reviews behind the scenes. He noted that Bolten and Menk may be a little less typical in having the same person handle tasks, but Excelsior has also had the same city engineer for many years.

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Councilmember Sanschagrín asked what the timeline would be if the City were to go with model one. Ms. Thone shared that it would be three to nine months. Mr. Morreim added that this would be the case if the Council wants to create a new position. He noted that the recommendation is that a staff member is currently doing about 60 to 70 percent of what the new position would do. The most cost-effective option would be to wait, which would be cost-neutral. He added that if a new position were needed, it would require an additional employee's salary.

Councilmember Maddy stated that the proposal is to add an engineering tech as budget-neutral. An engineering tech at a \$130,000-per-year fully loaded is \$500 in work per day. He asked where the City is cutting costs. Ms. Thone noted that on page 11 of the Agenda Packet, the analysis shows that the \$116,000 to \$138,000 is fully loaded for the position. If the City transfers the engineering tech position from the streets inspector position it currently holds, that would be budget-neutral. Councilmember Maddy asked who would inspect the streets then. Ms. Thone shared that some of those duties overlap between the streets inspector and the engineering tech. Councilmember Maddy asked whether this model would redistribute responsibility at a different price. Mr. Morreim explained that there would be higher technical expertise with an engineering tech. There would be drafting abilities that could be utilized for smaller projects. Hiring an engineering tech would allow the City to do more of those technical things in-house.

Councilmember Maddy asked whether the proposal is to fire the street inspector and then open a hiring process for an engineering tech. Mr. Morreim stated that the Staff is not proposing that at all. Councilmember Maddy asked how the plan would be budget-neutral, given that the City would not be eliminating the street inspector. Mr. Morreim noted that the transition would happen when the street inspector retires or resigns. Councilmember Maddy asked if the street inspector had given a date. Mr. Morreim stated that he had not. Councilmember Maddy asked where the money would come from without firing anyone. City Administrator Nevinski stated that if the Council wants to move forward with adding a position, hiring someone would be part of the budget discussion.

Councilmember DiGruttolo stated that the analysis showed that hiring an engineering tech would reduce consultant costs because the tech could handle some of the work. She noted that there would be some savings because it would cost less to pay the engineering tech than to pay the consultant. Mr. Morreim agreed and stated that a portion of the \$116,000 to \$138,000 is benefits, so the hourly wage is about \$42 to \$52 per hour, which is half of the costs the consultants are charging. He added that the Staff has already been reducing that cost by completing some of the tasks that Bolten and Menk formerly handled. An example of that is a sanitary and sewer cleaning project coming up; the Staff is doing all the fieldwork for it. He noted that, even before the conversation started, the costs were being brought back in-house, and the Staff is being more intentional about transitioning some of those things.

Mayor Labadie noted that the current Staff would take on the smaller chunks of the existing project. She asked whether there would be enough hours in the day for the current Public Works Staff to do that if the Council decides to go with model one. She added that hiring an engineering tech would put more strain on the Public Works Department. Mr. Morreim noted that he was a little confused by the question but would try. He shared that the proposal is not to take on smaller chunks of larger capital projects. If the City decides to bring on an engineering tech, the Staff would have to figure out how to keep that person busy. He does not currently have a plan for that, and if there is a down year like the one we are currently in, it would be a struggle to stay busy.

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Councilmember Sanschagrín shared that he does not understand the need to couple the engineering tech position with the street inspection role. He asked whether the current streets inspector is underutilized. Mr. Morreim noted that the street inspector is not underutilized. Ms. Thone stated that when this was first proposed in March, the Staff reviewed each of the relevant job descriptions and the consultant's scope of work. One of the positions reviewed was the streets inspector. The streets inspector position was aligned with the engineering tech position held by other cities. She explained that Mr. Morreim compared the engineering tech job duties to the street inspector's and found that some of the street inspector's duties aligned more closely with those of an engineering tech. The current job description of the streets inspector was not completely aligned with the position's actual day-to-day job duties – as presented in that memo.

Councilmember Gorham asked if the streets inspector is full-time. Mr. Morreim confirmed that to be true. Councilmember Gorham asked whether the streets inspector is inspecting streets full-time. Mr. Morreim explained that for smaller, non-specialized capital projects, the streets inspector is responsible for inspection. The streets inspector manages the right-of-way projects, which are a bigger item. He added that the streets inspector works with Mr. Morreim on pavement management projects. The streets inspector updates the utility records and has also been involved in the lead service line survey. He shared that there are some intermittent tasks the streets inspector can accomplish with the reprioritization of duties, but ultimately, there are always things the streets inspector can do. He stated that his goal is to implement an asset management system in which the street inspector would play a critical role.

Councilmember DiGruttolo asked whether the City is optimally structured right now to meet all the needs the Council has outlined in the past. Mr. Morreim stated that over the past year, there have been productive conversations and that the Staff has listened to Council's priorities. He noted that the Staff has provided decent options. He personally does not think the system in place right now is broken; it is far from it. There is always room for improvement, but when the Council wanted the Staff to be the face of most things, the Staff took that to heart and has done a good job of transitioning, which has been for the better. He added that the City has been able to reduce consulting hours. He shared that as he has grown in his role, his oversight of CIP projects has expanded. To the point that the consulting firm controlled some of the costs, which may have been truer in the past, even though the Council still had to approve the recommendations. He noted that the Staff has much more control over and understanding of the needs that come down from the Council, which drive the CIP plans. He noted that there are big things the engineering tech could handle well, but tasks such as asset management would be better left to the street inspector. He added that the streets inspector has a lot of great institutional knowledge that is super valuable. He understands the pressure from the residents and the things that have been communicated, but many of those things the City already has. He noted that when he and City Administrator Nevinski were hired, City Engineer Budde was a wonderful asset for learning about the City. He noted that the City is in a good position for a City of Shorewood's size, and that the number of large CIP projects is low, but there will, at times, be more to do.

Councilmember DiGruttolo shared that Mr. Morreim is the City Council's advisor and the professional engineer on the Staff, and the Director of Public Works, if he states that the City is optimally designed and structurally sound right now to accomplish all of the goals, save the costs, have oversight, and respond quickly. She added that she will believe Mr. Morreim because she is not an engineer. She asked whether the City is optimally designed and whether there are changes the City Council needs to make to policy, personnel, governance, or transparency. She asked what the trigger would be for any changes in that. Mr. Morreim noted that, based on what

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he mentioned and the analysis, he would say yes: the City is optimally structured to perform a wide range of engineering projects at various levels. He added that customer service can be provided for both simple and more advanced tasks. Councilmember DiGruttolo asked if the cost of those services is high compared to other cities. Mr. Morreim stated that he is not looking at everyone's billable rates; generally, they are all the same. He noted that he cannot say that someone is billed out \$10 more per hour. Generally, all the cities are the same. He added that, with City Engineer Budde, the time he spends on a job will be less than that of someone new to the job. Every city is different, so it would be hard to make direct comparisons, but Shorewood is unique and structured to be cost-effective. He noted that this is reflected in the year-to-date costs, which are trending under \$500,000. He shared that many things are happening now, such as better communication, changes in project size, and listening to what the Council is saying.

Councilmember Sanschagrín noted that, looking at the CIP and the schedule of projects, such as the mill and overlay projects, many are done in one year and then none the next. He asked if the City would benefit from flattening that work out and optimizing the overall CIP schedule. Mr. Morreim explained that from the economies of scale, flattening the work would not be beneficial to the City. He shared that if the City had larger, consistent mill-and-overlay projects, it would be beneficial to have them done every year. Larger cities may have \$2,000,000 mill-and-overlay projects, which offer good economies of scale. He noted that doing every other year is the best way to go, because the City will get better pricing by going for a bid. That has already been seen.

Mayor Labadie shared that there has been a lot of good discussion, but that the Staff is looking for direction.

Councilmember Sanschagrín stated that model one makes sense, but he does not want to wait for an event that they do not want to have happen with the streets inspector leaving. He asked whether there was another approach to accelerate the transformation the Council is seeking.

City Administrator Nevinski pointed to page 13 of the Agenda Packet, where three options were laid out for the Council and could be used as a basis. He pointed out that Councilmember Sanschagrín was suggesting option two, which is adding the engineering tech position.

Councilmember Sanschagrín asked if it would be possible to share with another city. He added that part-time would be another option, but he understands the concerns associated with it. City Administrator Nevinski stated that those discussions were not had about sharing someone. He pointed out that he does not know whether other cities in neighboring communities are looking for an engineering tech. Mr. Morreim shared that it would be challenging to share someone. He stated that he had not seen that type of idea. Ms. Thone explained that, from an HR perspective, it would be difficult to recruit for and find. She noted that in theory, it would be a good option, but does not know how feasible that would be.

Councilmember Gorham asked how long Option One would take to implement. Mr. Morreim stated that he anticipates it will be about one to five years, but does not know for sure. Councilmember Gorham stated that the last time he was reluctant to create an additional position, knowing that some of the duties are tied to the street inspector. He added that there is a lot of value in the engineering tech role, but the priority of that is not urgent. There is value in a Shorewood person representing Shorewood's interests and offsetting some of the consultant costs. He asked how much would be levied if the decision were made to go with option one. Mr. Morreim pointed out what was laid out in the March presentation. He added that many of

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the projects are not twelve months a year, but someone would be employed twelve months a year. He explained that once a project is completed, the consultants are no longer billing for it.

Councilmember Gorham shared that he is okay with having a vision for the role, but the decisions do not need to be immediate. Mr. Morreim pointed out that the Staff has changed significantly in its activities. If changing significantly means hiring someone, then the City is not quite there yet. He added that the Staff has listened and changed many things, most notably the customer contact, with the Staff doing most of that.

Councilmember Maddy pointed out that three options have been given, but the fourth option would be to continue doing what the City is already doing, which is budget-neutral. He added that this is a solution to a problem that the City does not have. There are consulting engineers to take care of the big stuff, and the Staff is taking care of the little things. He noted that he did not see why the budget needed to be changed because of events from three years ago.

Mayor Labadie pointed out that the work session would need to be recessed to keep to the time, and that staff needed

Councilmember Sanschagrín moved, Mayor Labadie seconded, recessing the work session meeting until after the regular meeting. Motion passed 4-1 (Maddy).

Mayor Labadie recessed the meeting at 6:52 P.M. The meeting reconvened at 9:37 P.M.

Mayor Labadie summarized the first portion of the meeting.

Councilmember Sanschagrín stated that it would be helpful to lay out all the work the Staff has done to be responsive, such as the tasks that the Staff has taken over and how much that is saving residents. He added that a specific direction would be chosen now, but over time, the Council would continue to review it regularly to see whether the goals are being achieved. Mayor Labadie agreed that those are great ideas.

Mr. Morreim stated that Councilmember Maddy had noted an option four, which is not a thing, but he understood what was being brought forward. He noted that before the discussion, the Staff was looking for option one to be the direction the Council would go in, but at this point, upgrading the streets inspector position to an engineering tech has been his vision. He explained that, eventually, upgrading the position to one with a more technical background would be his recommendation. He noted that the streets inspector is very technically proficient, and when the time comes, someone else will take the role who is just as capable and will step things up just a little bit.

Councilmember Gorham stated that if option one is the preferred option but the City is not ready to execute it, then the outcome of the discussion could be a staffing plan that would wrap up what the Council and the Staff have been doing. Pointing out that when the time comes, the City is ready to go with that plan. He added that the engineering strategy's success should be revisited every three to six months. Mayor Labadie asked if the suggestion was to stay the course for now. Councilmember Gorham explained that he is choosing option one and that the City is executing on it, just not right now. He shared that the decision would be to take the Streets Inspector position to transition to the engineering tech role, and that there would be a plan so that when the City is ready to execute, it can be done easily.

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Councilmember DiGruttolo stated that her concern is that the Council is continually putting things off and that there needs to be a timeline in place. She noted that the only thing that she does not like about option one is that it is uncertain when the street inspector will retire. The plan needs to be time-bound: if the streets inspector does not retire within the next two years, the City will move ahead and hire someone. Councilmember Gorham pointed out that there are efforts underway to change things. Mr. Morreim added that the plan is to have quarterly check-ins with the metrics that the City has. The idea of solidifying the plan and preparing the position description of what the City would look to hire on a timeline. He pointed out that every budget season, there could be a check-in to see whether the Council wants to add the position. Councilmember DiGruttolo explained that the City should plan for this person to step into the role by budgeting for a new position, so that a massive levy would not be needed to hire them. She added that during check-ins, those numbers should reflect how much is being saved. She noted that she would be more comfortable stating that the City will transition eventually and will not eliminate the streets inspector position, but that in two years the money will be there to hire for the new position or to transition that. City Administrator Nevinski pointed out that money can be set aside for one year's salary, but that is an ongoing thing. He noted that in year two, that would then become part of the levy. He shared that the suggestion makes sense if the City is making a one-time purchase.

Ms. Thone asked whether it would make sense to plan for the new position in the 2028 budget and to do all the things that Councilmember Gorham discussed. That would give the Staff time to do some of the things that were asked for. She noted that staffing opportunities arise, and if the plan is ready and budgeted for 2028, the opportunity could be seized. City Administrator Nevinski titled it "succession planning" and said there would be details to work out, but it is possible. Councilmember DiGruttolo agreed that is not a bad plan.

Mayor Labadie asked whether, until the new position could be implemented, things would remain the same. Councilmember DiGruttolo stated that things have changed because the course was not working. She would like to see how the changes play out. Mr. Morreim noted that it will be reported back to the Council.

Councilmember Maddy asked what would happen next time a street is reconstructed if this is done. Mr. Morreim noted that if an engineering tech is being hired in addition to the current staffing, there will need to be a different conversation. Ms. Thone pointed out that that information may not be known, but within the 2028 budget, there might be opportunities where that is a budget-neutral decision. Councilmember Maddy added that Bolten and Menk have at times been hired to do things they were overqualified to do, so he could see where things were going. Mr. Morreim stated that the streets inspector plays a critical role in resident engagement. Hiring an additional person would allow for more engagement, but that is not being considered until 2028. Then it would give the Staff time to plan what that would look like based on the CIP plan.

Councilmember DiGruttolo pointed out that there is an opportunity to find out what an engineering tech could do all day. Mr. Morreim pointed out that he could find things to do, but as that relates to reducing consulting costs, there would not be a one-for-one. Councilmember DiGruttolo pointed out that the engineering tech helps free up time for the streets inspector to focus on things like right-of-way.

Mayor Labadie pointed out that the Council had given direction and asked whether there was anything additional the Staff needed. The Staff confirmed they had enough direction.

Maddy moved, Gorham seconded, Adjourning the City Council Work Session Meeting of June 8, 2026, at 9:54 P.M. Motion passed 5/0.

ATTEST:



Sandie Thone, City Clerk



Jennifer Labadie, Mayor

