

**CITY OF CEDARBURG
COMMON COUNCIL
May 9, 2016**

**CC20160509-1
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, May 9, 2016, at the Cedarburg Public Library, W63 N589 Hanover Avenue, Community Room. Council President O'Keefe called the meeting to order at 7:00 p.m.

ROLL CALL: Present - Common Council – Mayor Kip Kinzel (arrived 8:05 p.m.), Council Members John Czarnecki, Jack Arnett, Dick Dieffenbach, Rick Verhaalen, Mitch Regenfuss, Patricia Thome, Mike O'Keefe

Also Present - City Administrator/Treasurer Christy Mertes, City Attorney Michael Herbrand, Deputy City Clerk Amy Kletzien, Director of Engineering and Public Works Tom Wiza, City Planner Jon Censky, Library Director Linda Pierschalla, Library Board Member Steve Ruggieri, Tom Wieland of Reilly, Penner, Benton, interested citizens and news media

STATEMENT OF PUBLIC NOTICE

At Acting Mayor O'Keefe's request, Deputy City Clerk Kletzien verified that notice of this meeting was provided to the public by forwarding the agenda to the City's official newspaper, the *News Graphic*, to all news media and citizens who requested copies, and by posting in accordance with the Wisconsin Open Meetings law. Citizens present were welcomed and encouraged to provide their input during the citizen comment portion of the meeting.

APPROVAL OF MINUTES

Motion made by Council Member Arnett, seconded by Council Member Thome, to approve the minutes of the April 25, 2016 meeting as presented. Motion carried without a negative vote.

COMMENTS AND SUGGESTIONS FROM CITIZENS

PRESENTATIONS

PRESENTATION OF THE 2015 AUDIT REPORT; AND ACTION THEREON

Tom Wieland of Reilly, Penner and Benton presented the results of the 2015 City audit. The City received a clean opinion with no exceptions and his firm had full cooperation of the staff.

GASB Statement 68 has been fully implemented as required by the Government to have the City's financial statements mirror somewhat of the private sector. The statements now include all debt, pension plans and assets. In the past the financial statements only included the operations for the current year.

Graphs

- General Fund Revenues – The main source of revenue is taxes (72%) and intergovernmental revenue (12%).

- General Fund Expenses – The four main expenses are General Government, Protection of Persons and Property, Public Works (Protection of Persons and Property and Public Works comprises 75%) and Parks & Recreation.
- Fund Balance – Equity at the end of the year is approximately \$2.5 million. The non-spendable is comprised of the current year inventory and prepaid expenses, the assigned general fund balance is what the City sets aside for revaluations and encumbrances and the unassigned general fund equity is approximately \$2.1 million. This has been constant over the last five years.
- Governmental Revenues – Includes special revenue, debt service and capital improvements. Most of the revenue is derived from taxes. All other revenues had a significant increase from \$2.2 million to \$3.6 million. Approximately \$1.3 million of this is due to adding the Fire Department and EMS to the financial statements.
- Governmental Expenditures – \$10 million is current, capital outlay is \$3.5 million compared to \$4.6 million. Capital outlay can always fluctuate depending on projects. The past two years include building the library, which is the reason for the change over the last five years.
- Local Tax Levy – Has remained fairly constant over the past five years. In 2012-15 there was an approximate 1% increase in the tax revenue.
- Utility Operations – Light & Water total revenue has been constant except for the net operating income increase, due to a significant repair and maintenance on the reservoir. Power purchased dropped for the electric utility by approximately \$162,000. Sewer operations have been constant and usually run on a net operating loss because of approximately \$1 million worth of depreciation expense included in this number. From an operating standpoint, the cash flow is fine; however, at some point it may catch up and the City may need the additional revenue for expansion and repairs.
- Financial results were highlighted as follows:
 - Operating Results – The General Fund revenues were approximately \$871,368 over expenditures compared to \$268,882 in 2014, as a result of EMS and Fire Department.
 - Debt Service – The fund balance will be impacted by borrowing.
 - Capital Improvements – Deficit of \$2.2 million, due to spending money that was borrowed in the previous year.
 - TIF Districts – TIF No. 2 was closed in 2015. TIF No. 3 is starting with some small administrative expenses.
 - Internal Service – Not significant change.
 - Sewer and Water – Significant amount of contributed capital for the current year from Light & Water.
 - General Fund - Fund Balance - \$2.5 million compared to \$2.3 million one year ago.
 - Capital Projects Fund – Fund Balance - Significant increase because of the \$3.7 million borrowed during 2015 that has not been all spent.
 - Budgeting comparison 99% of revenues were received. The City did not budget for the Fire Department and is at 106% of revenue. Expenditures were 96% of budgeted amount. The budget process is working well.
 - The City borrowed approximately \$3.5 million (\$700,000 was used to refinance old debt and \$750,000 was used for debt repayment) for future projects. The City is allowed to borrow \$51 million. Mr. Wieland recommend staying within 75% of this amount which is \$28 million. The debt subject to that is \$9 million.

- Financial Position (with or without GASB Statement 68) – Total assets increased approximately \$6 million. Total liabilities increased approximately \$2 million because of borrowing. Equity increased \$4 million without the pension (GASB Statement 68) or \$6 million with the pension. Total equity is \$110 million.

All the accounting policies are standard for a governmental entity. The difference between last year and this year is a few more disclosures as far as the pension plan because of GASB Statement 68. Cash and investments are consistent with the Investment Policy.

Included in the financial statements are subsequent events that happened since December 31, 2015 but before May 2, 2016. The three items are: \$9.7 million bond issue, three year extension on the spending of utility impact fees and new electric rates as of May 1, 2016.

Also included is a discussion of the contingencies or potential liabilities. The City is still involved in the Prochnow Landfill and the Pleasant Valley landfill. The Water Utility is dealing with the aeration system at well #4. The City is still working on the environmental aspect of an industrial building.

Management Letter

Tom Weiland explained that the purpose of the Management Letter is to communicate with Management and the Council regarding internal control matters and disclose if there are any significant deficiencies or material weaknesses, which are deficiencies that could cause the financial statements to be misstated. He highlighted two comments on this letter, one is best practices and a conflict of interest policy and the fact that the operating organization signs a statement to that effect annually. The other is component units, which may include friends type organizations if the City exerts any control over them and whether they should be included in the financial statements or not.

In answer to Council Member Dieffenbach's questions, Tom Wieland explained that they do not cover the supplemental statements because they do not do audit procedures on those items. There are two auditors because the City elected to hire two different firms to audit the organization.

City Administrator/Treasurer Mertes stated that it is difficult to have two auditors because of timing of information. Cedarburg Light & Water did not want to change auditors when the City did the last RFP.

In answer to Council Member Dieffenbach's questions, Tom Wieland stated that his firm does audit other utilities. In regard to the pension fund, he confirmed that the State fund is over funded and it is the City's portion; however, the City cannot use that amount to offset future contributions. It is not a financial benefit for the City. Regarding the room tax, City Administrator/Treasurer Mertes explained that it is shown in the special revenue fund at the end of the audit report.

In answer to Council Member Thome's question, Tom Wieland stated that as long as the Wisconsin Retirement System is overfunded, the City is overfunded. If it becomes underfunded, then the City's contribution rates will increase. He cautioned that a 1% change in their assumptions can be \$4 million swing on the financial statements.

In answer to Library Board Member Steve Ruggieri, Tom Wieland explained that if the Council has any control of the Friends groups (Library, Parks & Recreation, etc.) they will need to be included in the financial statements.

Council Member O'Keefe stated that he will be acting Mayor until Mayor Kinzel arrives later and he will retain his right to vote as the Seventh District Council Member.

STATE OF LIBRARY REPORT AND UPDATE ON NEW FACILITY

Library Director Pierschalla presented the 2015 Annual Library Report.

What was New in 2015

- 2015 was the first full year of operation in the new building.
- Director and Assistant Director spent a lot of time on building maintenance.
- The Library is now able to hold summer reading program events in the Library instead of the Cultural Center.
- Offered 113 Adult programs with attendance of 1,383.
- Offered 10 Teen programs with attendance of 105.
- Offered 137 Children's programs with attendance of 7,820.

2015 Year of Growth

- 208,020 items were checked out in 2015, compared to 196,774 in 2014.
- 10,203 residents registered for Library cards, compared to 8,957 in 2014 (cards expire every three years).
- 4,204 non-residents registered for a card, compared to 4,517 in 2014.
- Total Library card holders are 14,407 compared to 13,474 in 2014. 14,508 research questions were answered in 2015, compared to 13,254 in 2014.
- 110,943 people entered the Library (actual gate count).
- 21,018 Wi-Fi log-ins (first year recorded).

Director Pierschalla stated that the Library brings people to downtown Cedarburg and they consider themselves an economic anchor for the downtown.

Technology and Community Space

- Community Room is used for classes
 - Class given to area business people on Reference USA, which is a powerful database also available to card holders.
- Media room is available upstairs with mediascape equipment.
 - Used for instructional classes and group projects.
- Want to create a digital lab in the future.
 - Video and sound editing equipment.
- Community Room hosted 100 people for John Katzka's Great Decisions series.
- The Friends of the Library group raised almost \$1 million for the interior of the Library. They are a very active group and have provided two 3D printers for children and adults to use at no charge.

Electronic Content

- Wisconsin Digital Library
 - 11,233 e-books were checked out.
 - 4,936 audiobooks were check out.

Staff

- The staff is very friendly and helpful to the community.

Funding Facts

- The Library is funded by property taxes, County reimbursement and fees.
- There was no budget increase in 2014; moved into the new building in July. Used up fund balance.
- In 2015 there was a deficit due to the costs of the new building operations.
- In 2016 there was a deficit from facility maintenance agreements.
- In 2017 there will be an increase in revenue from the County.

Looking to the Future

- The Library Board is working on a Strategic Plan
 - Technology Center for the Community
 - Friends of the Library and fund development for strategic enhancements to the Library.
 - Potential merger with Libraries in Dodge and Washington Counties, which could add 32 libraries to the system.

Return on Investment

- In fiscal year 2015 the Library tax revenue was \$707,306.
 - Per capita tax is \$61.50.
- Access to Easicat – all libraries in Ozaukee and Sheboygan Counties including Lakeland College.
- E-collection in Wisconsin Digital Library.
- Access to research databases – Ancestry, MorningStar, Reference USA, etc.

Efficiencies

- Shared services through Eastern Shores Library System.
- Shared digital collection through Wisconsin Digital Library – WPLC.
- Shared services through participation in State Departments that broker contracts and find grant opportunities.

Director Pierschalla stated that the Library is building for the future and thanked the Community for its support.

In answer to Council Member Dieffenbach's questions, Director Pierschalla stated that a non-resident card holder is anyone living outside the City of Cedarburg. The Cedarburg Library is only reimbursed for non-resident use, if they check out materials.

In answer to Council Member O'Keefe's question, Director Pierschalla stated that the Town pays into the County for using other libraries and their money follows wherever their residents use a library. The reimbursement is at approximately 85% of the actual costs and will eventually reach 100% reimbursement, as agreed by the County.

Council Member Arnett stated that the Town pays in excess of \$30,000 per year to use the bookmobile which does not stop in the Town of Cedarburg.

In answer to Council Member O'Keefe's question, Director Pierschalla stated that a joint Library would need to be formed between the Town of Cedarburg and the City to receive the full funding from the Town. That process is very difficult.

In answer to Council Member Czarnecki's questions, City Administrator/Treasurer Mertes stated that the total shortfall for 2014 and 2015 is \$32,000. Director Pierschalla stated that the Council allocates the overall budget amount and the Library Board determines how it is dispersed. Council Member Czarnecki asked for a copy of the letter explaining this process.

In answer to Council Member Verhaalen's question, Director Pierschalla stated that the City of Cedarburg Library already receives a reimbursement from Washington County for the Jackson area residents; however, as the area expands the City will receive reimbursement from other non-librariated areas in Washington and Dodge Counties.

In answer to Council Member Regenfuss' question, Director Pierschalla stated that the reimbursement formula is based on operational costs multiplied by circulation by non-librariated residents.

In answer Council Member Verhaalen's question, Library Board Member Ruggieri stated that there has been ongoing negotiations for the merger. He expects something to happen in about six weeks.

Director Pierschalla stated that there are advantages to having Washington and Dodge County libraries joining the system, as there would be additional State aid available.

In answer to Council Member Czarnecki's question, Director Pierschalla stated that some of the disadvantages include more staff at the System, more materials being moved around, and possibly more lost items. She stated that the benefits outweigh the disadvantages because they would have access to more material.

Library Board Member Ruggieri explained that the goal of the merger from the Eastern Shores group is to offer all of the residents more benefits at a lower cost through the shared services. State aid has not increased to the system throughout the State since 2011. The trend is going toward more and more systems merging together.

NEW BUSINESS

CONSIDER AWARD OF CONTRACT FOR CONSTRUCTION OF THE SHEBOYGAN ROAD REGIONAL LIFT STATION AND ASSOCIATED UTILITY IMPROVEMENTS; AND ACTION THEREON

Director Wiza explained that staff advertised for and received bids for the Sheboygan Road regional lift station construction contract. A total of three bids were received with the low bid being submitted by Advance Construction, Inc. in the amount of \$1,537,691. He stated that this is a complicated project because it will cross Cedar Creek which involves directional boring, three force mains and four electrical conduits. The City wants to start on this project as soon as possible;

however, approval of the sewer and water plans is still needed from the DNR. He asked that the Council award the contract, contingent upon approval of the sewer and water plans from the DNR.

In answer to Council Member Dieffenbach's question, Director Wiza stated that the City worked with Advance Construction approximately seven or eight years ago. They are out of Green Bay and are currently constructing a \$2.7 million lift station and utility project in Grafton.

In answer to Council Member Arnett's question, Director Wiza stated that this lift station will serve all new construction to the north; however, the well will be compartmentalized in three phases as the lands are developed. The lift station is designed for growth.

Motion made by Council Member Thome, seconded by Council Member Czarnecki, to award the contract for construction of the Sheboygan Road regional lift station and associated utility improvements to Advance Construction Inc. in the amount of \$1,537,691 contingent upon the approval of the sewer and water plans from the DNR. Motion carried without a negative vote.

CONSIDER APPLICATION OF DEELISH, LLC, CHRISTIAN LEONARD, AGENT, FOR A "CLASS C" WINE LICENSE FOR SAL'S PIZZA, W63 N635 WASHINGTON AVENUE; AND ACTION THEREON

City Administrator/Treasurer Mertes stated that Christian Leonard, the owner of Sal's Pizza, has applied for a "Class C" wine license. He currently holds a Class "B" beer license. There is no statutory quota on "Class C" wine licenses, which can be granted to restaurants only.

Motion made by Council Member Regenfuss, seconded by Council Member Arnett, to approve the application of Deelish, LLC, Christian Leonard, agent, for a "Class C" wine license for Sal's Pizza, W63 N635 Washington Avenue. Motion carried without a negative vote.

CONSIDER EXPANDED OUTDOOR ALCOHOL BEVERAGE LICENSE FOR THE STILT HOUSE AT W62 N630 WASHINGTON AVENUE; AND ACTION THEREON

Owner Gordon Goggin explained that he is asking the Council to approve an expanded outdoor alcohol beverage license for the Stilt House to use the north half of the driveway adjacent to his business. He will be leasing this area and has received approval from the Landmarks Commission and the Plan Commission.

City Attorney Herbrand added that Mr. Goggin has obtained an adequate agreement to use this proposed space.

In answer to Council Member O'Keefe's question, Mr. Goggin explained that he currently uses the south side of the driveway and will be adding the north side of the paved driveway as well.

In answer to Council Member Dieffenbach's question, Mr. Goggin stated that he will not have any outdoor entertainment in this area.

Motion made by Council Member Arnett, seconded by Council Member Thome, to approve the expanded Outdoor Alcohol Beverage License for the Stilt House at W62 N630 Washington Avenue. Motion carried without a negative vote.

CONSIDER RELEASE OF THE 25' SETBACK LIMIT FOR PROPERTY LOCATED AT W68 N101 EVERGREEN BOULEVARD (TODAY'S DENTISTRY) AND REPLACE WITH THE STANDARD 10' SETBACK OF THE B-4 OFFICE AND SERVICE DISTRICT; AND ACTION THEREON

Planner Censky stated that this lot is part of a residential area that allows a 10' setback. This lot was rezoned in 2011 to an Office Service District. The change in setback is necessary for an addition to the office building. If approved, the City will do a limited release of the 25' setback restriction solely for that portion of the westerly boundary of the lot. The lot will be subject to the required 10' side yard setback of the B-4 Office and Service District of the City of Cedarburg Zoning Code. Such limited release is conditioned upon Lot 1 continuing to be subject to the setback restriction of the City of Cedarburg Zoning Code.

In answer to Council Member Dieffenbach's question, Planner Censky stated that the business will maintain 20' adjacent to the south and west property line.

Motion made by Council Member Thome, seconded by Council Member Arnett, to approve the release of the 25' setback limit for property located at W68 N101 Evergreen Boulevard (Today's Dentistry) and replace with the standard 10' setback of the B-4 Office and Service District. Motion carried without a negative vote.

CONSIDER HIRING EHLERS FOR PURPOSES OF ADVISING AND ASSISTING IN THE REDEVELOPMENT OF THE AMCAST PROPERTY AND POSSIBLE TIF DISTRICT CREATION; AND ACTION THEREON

City Attorney Herbrand explained that the CDA is in discussions with a developer interested in cleaning up and developing the Amcast site. In order to do so, he is looking for a public/private partnership. The City would help through the use of tax incremental financing. The CDA is requesting the City hire Ehlers to assist in the creation of a TIF district. He stated that the developer is a good candidate and the project passes the "but for" test. He suggested the City hire Ehlers contingent upon receiving information in writing as to the cost of the remediation, the proposed development, timing of the project and a request of the City with the amount of financial assistance needed, which would allow Ehlers to work on a feasibility study over the next four or five weeks.

Council Member Czarnecki stated the Council should have more information about the project.

City Administrator/Treasurer Mertes stated that Ehlers needs more information for them to start reviewing and preparing scenarios.

In answer to Council Member Czarnecki's questions, City Attorney Herbrand stated that the property will be under contract after they receive documents from Amcast. Additional available funding is unknown at this time.

DJ Burns stated that when the property was added to the superfund list it made some funding not applicable to the project, which will require them to explore other opportunities.

In answer to Council Member Dieffenbach's question, City Attorney Herbrand stated that the developer will be utilizing the full eight acres on both sides of Hamilton Road.

In answer to Council Member Arnett's question, DJ Burns stated that he has all of the information that is required when routinely reviewing a possible TIF.

Council Member Thome asked if a project plan was given to Ehlers. DJ Burns stated that Ehlers looks at the site for the proposed usage and if it is practical.

In answer to Council Member Arnett's question, City Administrator/Treasurer Mertes stated that Ehlers needs to review reports and plans. She had Ehlers do a spreadsheet or projection of the project with the information that has been given to-date. The costs of the project may be paid off in 20 years and construction could possibly start in four or five years.

In answer to Council Member Arnett's question, City Administrator/Treasurer Mertes explained that Ehlers would create a plan document for the project for \$15,000, if the City decides to go ahead with the TIF.

Mayor Kinzel arrived at 8:05 p.m.

In answer to Council Member Arnett's question, DJ Burns stated that he has been working with the Community Development Authority and they have requested that the City hire Ehlers to assist in the creation of a tax incremental district. He is on a timeline for the project and he offered to do the project plans.

Council Member Czarnecki expressed concern for not having enough information to review.

Mayor Kinzel explained that the Council is not creating a TID this evening.

City Administrator/Treasurer Mertes explained that Ehlers does not charge an hourly rate; however, she can ask them if they will split charges between the feasibility study and other work.

Council Member Thome stated that Ehlers will help the City stay in compliance with the process.

In answer to Council Member Arnett's questions, DJ Burns stated that he has provided theoretical and conceptual models of what will be on the site and Ehlers said that was sufficient to begin the process.

City Administrator/Treasurer Mertes stated that a policy and application would help this process.

DJ Burns asked the Common Council if they were looking for architectural renderings including elevations on the proposed redevelopment of the Amcast site.

In answer to Council Member Czarnecki's question regarding what DJ Burns will submit on the redevelopment of the Amcast site, Mr. Burns stated that they are dealing with an environmentally contaminated site and he has conceptual models and site plans for what will go on the site showing what he intends to build; however, he does not have any drawings showing side elevations on a 30 unit development for instance. He said that he has what Ehlers has requested.

In answer to Council Member Regenfuss' questions, DJ Burns stated that he does not have the estimated lease rates, etc. because the development will be starting in three years and these figures will change. He will look at the construction costs and the build out timeline along with the

assessed valuation. Ehlers will be evaluating this information for the TIF. This is the only information available at this time. They will also look at past projects that he has completed, the type of site and configuration, the vision of the City and the neighbors, then he will determine what can be built on the site. This is the conceptual framework that is typical of any brownfield redevelopment. If he does not know the results of the multi-million dollar environmental cleanup is going to yield as far as developable space or useable space. It is difficult to put forth \$100,000 – \$250,000 into architectural renderings that may not show the building that will eventually be built. In regard to a list of possible tenants and lease rates, DJ Burns has given that information to the CDA.

Council Member Arnett envisioned the plans to consist of price per square foot for residential construction and estimated rent.

DJ Burns stated that he will put forward the numbers and Ehlers will look at them and determine whether or not they meet a common sense test. The City Assessor will also review the very same numbers and projections. At the most local level, the Assessor will confirm that it appears to be a reasonable estimation of value that will be created as a result of the redevelopment.

City Attorney Herbrand explained that tonight's action is to engage Ehlers to start the process. The Council is not committing to create a TIF for the site tonight. Decisions will be made later based on the numbers. It may be possible to ask Ehlers for a phased contract for this project.

Mayor Kinzel confirmed with DJ Burns that this decision is before the Council because of the timing with the Amcast attorney and providing a vote of confidence that the City wants to look at this project seriously. The City will only spend money after a recommendation from the CDA and another review by the Common Council.

City Administrator/Treasurer Mertes stated that her understanding was that the Council is giving approval now and once the agreement is signed then the process would begin.

Mayor Kinzel stated that the Council could have a special meeting to approve the Ehlers contract, if needed.

Council Member Arnett asked if Ehlers would be able to do progress billings on the project and cap the expenditure at \$15,000.

City Administrator/Treasurer Mertes will ask Ehlers if this is possible.

Council Member Arnett stated that he does support this project because something needs to be done with the current site and he would like to find a way to move forward.

City Attorney Herbrand suggested that the City approve the feasibility study and to start the process and to allow staff to negotiate an agreement with Ehlers to that affect. The TIF will come back to the CDA on June 7 and the Common Council on June 13. If the Council wants to go onto the next step at that time, the Council will be in a much more educated position to do so.

DJ Burns stated that information has been shared to this point; and time is of the essence.

In answer to Council Member Czarnecki's question, DJ Burns stated that time is of the essence because Amcast does not have any additional funds and they are almost at the point of being finished with even attempting to resolve the issues with this site.

In answer to Council Member Dieffenbach's question, DJ Burns stated that he will not have anyone to negotiate this conveyance document with because this is the bankruptcy attorney's last chance to have this moved over through the CDA and into his hands. It has been in limbo for ten years and it will remain as is, if he is unable to move forward at this time.

In answer to Council Member Thome's question, DJ Burns confirmed that the responsible people at Amcast are aging out on the project and without the conveyance mechanism in place, the property will go to the County or City for ownership.

Mayor Kinzel stated that the City would need to demolish the building to prevent any further safety hazard.

DJ Burns stated that the CDA was created to work on blight elimination and clearance of the hazards from the community. Also, to avail itself of all the redevelopment tools, such as a TIF or availability of any brownfield grants at the local, State or Federal level.

In answer to Council Member Verhaalen's question, City Attorney Herbrand answered that the site will languish longer than it already has if the City does not move forward with DJ Burns' plan.

City Attorney Herbrand explained that the Council will know a lot more in the next five weeks and it would make sense for the Common Council to move forward with the Ehlers study.

Council Member Arnett asked staff to explore doing this process on an hourly basis and keep it to a minimum until such time the City will need to start incurring costs.

Motion made by Council Member Arnett, seconded by Council Member Regenfuss, to hire Ehlers to advise the City on the redevelopment of the Amcast site and to authorize City staff to negotiate a market hourly rate for feasibility services not to exceed \$15,000.

In answer to Mayor Kinzel's question, DJ Burns stated that he is seeking the opportunity to work with Ehlers, City staff, City Attorney and the City's Environmental Attorney that was retained for the benefit of this project to help him move forward. He will be doing the vast majority of the work on constructing the project plans and Ehlers will serve to bring the plan through the Joint Review Board and the remaining process; however, at this point the City should not have to expend \$15,000 of funding to get to the next stage. He stated that City Administrator/Treasurer Mertes should be able to negotiate an appropriate accommodation with Ehlers.

Council Member O'Keefe stated that this meets the intent of a TIF District. DJ Burns is a developer who has environmental experience willing to work with a greatly contaminated area and the City almost has an obligation to go ahead with this project.

Council Member Dieffenbach stated that he does not like being backed into a corner when there will be another meeting in two or three weeks to treat it properly. He will vote no.

Council Member Czarnecki stated that he will also vote no. He has not received any of the information that he has requested from the CDA meeting. He expressed concern for the sudden urgency to move forward. This is not the way to move ahead on this project. The City does not have any drawings or cost projections on the project. He understands that it is a fluid project and the numbers will change; however, nothing has been presented at this point.

Mayor Kinzel stated that the Council is not creating a TIF tonight; this is only a mechanism to keep this project moving forward as quickly as possible. The CDA was created for the specific purpose of doing this project and the process has to be allowed to work.

In answer to Council Member Thome's question, City Administrator/Treasurer Mertes stated that she approves of the motion; however, she wanted Ehlers to have the needed information to analyze the project before an agreement with Ehlers is signed.

DJ Burns stated that he has shared redevelopment costs and the cost of cleanup on a general scale with the CDA. He also shared more relative information with City Administrator/Treasurer Mertes and City Attorney Herbrand this afternoon. He presented his information to the CDA and he is unaware if the information was distributed to the Common Council at this point.

Motion carried with Council Members Arnett, Verhaalen, Regenfuss, Thome, and O'Keefe voting in favor and Council Members Czarnecki and Dieffenbach opposed.

ANNUAL REVIEW AND CERTIFICATION OF CODE OF ETHICS

In answer to Council Member Dieffenbach's question, City Administrator/Treasurer Mertes stated that the Ethics Code was last updated in 2004.

Council Member Dieffenbach suggested that the City may be able to strengthen their conflict of interest proceedings, as suggested by Reilly, Penner and Benton.

Motion made by Council Member Dieffenbach, seconded by Council Member Thome, to approve and certify the Code of Ethics. Motion carried without a negative vote.

CONSIDER MAYOR KINZEL'S APPOINTMENT OF GREG ZIMMERSCHIED TO THE ECONOMIC DEVELOPMENT BOARD (TERM EXPIRES 04/30/19) AND MARK ROLLER TO THE COMMUNITY POOL COMMISSION (TERM EXPIRES 04/30/18); AND ACTION THEREON

Mayor Kinzel stated that Greg Zimmerschied has been an alternate member of the Economic Development Board to this point.

Motion made by Council Member O'Keefe, seconded by Council Member Arnett, to approve Mayor Kinzel's appointment of Greg Zimmerschied to the Economic Development Board (term expires 04/30/19) and Mark Roller to the Community Pool Commission (term expires 04/30/18). Motion carried without a negative vote.

CONSIDER PAYMENT OF BILLS FOR THE PERIOD 4/22/16 THROUGH 4/29/16, ACH TRANSFERS FOR THE PERIOD 4/21/16 THROUGH 5/4/16, AND PAYROLL FOR THE PERIOD 4/10/16 THROUGH 4/23/16; AND ACTION THEREON

Motion made by Council Member Czarnecki, seconded by Council Member O'Keefe, to approve payment of the bills for the period 4/22/16 through 4/29/16, ACH transfers for the period 4/21/16 through 5/4/16, and payroll for the period 4/10/16 through 4/23/16. Motion carried without a negative vote.

CONSIDER LICENSE APPLICATIONS; AND ACTION THEREON

Motion made by Council Member Regenfuss, seconded by Council Member Arnett, to authorize the issuance of the following 2016-2017 alcohol, operator and cigarette licenses:

Authorize issuance of alcohol licenses for the period ending June 30, 2017:

Class "A" fermented malt beverage and "Class A" cider only (off-premise consumption only):

Speedway LLC, PO Box 1580, Springfield, OH 45501, Michael R. Weber, Agent, premises to be licensed: W63 N121 Washington Avenue, known as Speedway 4203.

"Class A" intoxicating liquor (off-premise consumption only):

Frill Inc., W63 N680 Washington Avenue, Cedarburg, WI 53012, Lynn Knutson, Agent, premises to be licensed: W63 N680 Washington Avenue, known as Frill.

Class "A" fermented malt beverage and "Class A" intoxicating liquor (off-premise consumption only):

Bonus Inc., dba Olsen's Piggly Wiggly, W61 N286 Washington Avenue, Cedarburg, WI 53012, Ryan L. Olson, Agent, premises to be licensed: W61 N286 Washington Avenue, known as Olsen's Piggly Wiggly.

Toto's Inc., 4600 W. Brown Deer Road, Brown Deer, WI 53223, John M. Striepling, Agent, premises to be licensed: W63 N157 Washington Avenue, known as Otto's Wine and Spirits.

Super Sales USA Inc., PO Box 493, Cedarburg, WI 53012, Douglas Gall, Agent, premises to be licensed: W62 N174 Washington Avenue, known as Citgo Super Sales Cedarburg.

Wisconsin CVS Pharmacy, LLC, One CVS Drive, M/C 1160, Woonsocket, RI 02895, Dione Jeffery, Agent, premises to be licensed: W63 N152 Washington Avenue, known as CVS Pharmacy #8775.

Rustic Palate LLC, W63 N712 Washington Ave, Cedarburg, WI 53012, Michelle L. Taraboi, Agent, premises to be licensed: W63 N712 Washington Avenue, known as Rustic Palate.

Walgreen Co., P.O. Box 901, Deerfield, IL 60015, Brett D. Zingsheim, Agent, premises to be licensed: W62 N190 Washington Avenue, known as Walgreens #13620.

Class “B” fermented malt beverage and “Class B” intoxicating liquor (on or off-premise consumption):

Ernie’s Wine Bar LLC, N49 W5471 Portland Road, Cedarburg, WI 53012, Benjamin M. Grade, Agent, premises to be licensed: N49 W5471 Portland Road, known as Ernie’s Wine Bar.

Stagecoach 520 LLC, W61 N520 Washington Avenue, Cedarburg, WI 53012, Anne M. Conley, Agent, premises to be licensed: W61 N520 Washington Avenue, known as Stagecoach Inn/The 520.

RCB Group Inc., W63 N699 Washington Avenue, Cedarburg, WI 53012, Richard C. Buser, Agent, premises to be licensed: W63 N699 Washington Avenue, known as Maxwell’s.

C. Wieslers Inc., W61 N493 Washington Avenue, Cedarburg, WI 53012, Mike G. Jackson, Agent, premises to be licensed: W61 N493 Washington Avenue, known as C. Wieslers.

Kowloon Chinese Restaurant Inc., W63 N145 Washington Avenue, Cedarburg, WI 53012, Henry A. Liang, Agent, premises to be licensed: W63 N145 Washington Avenue, known as Kowloon Chinese Restaurant.

Fineco LLC, W63 N140 Washington Avenue, Cedarburg, WI 53012, Daniel S. Pals, Agent, premises to be licensed: W63 N140 Washington Avenue, known as Grapes and Tastes.
Steven Walter Banas, W58 N438 Hilbert Avenue, Cedarburg, WI 53012, premises to be licensed: W63 N678 Washington Avenue, known as August Weber House.

North 48 Inc., W62 N599 Washington Avenue, Cedarburg, WI 53012, premises to be licensed: W62 N599 Washington Avenue, known as North 48.

Morton’s Wisconsin LLC, N56 W6339 Center Street, Cedarburg, WI 53012, Chris Morton, Agent, premises to be licensed: N56 W6339 Center Street, known as Mortons Wisconsin Inn.

Thomas Restaurant, LLC, W63 N688 Washington Avenue, Cedarburg, WI 53012, Nicole Schemenauer, Agent, premises to be licensed: W63 N688 Washington Avenue, known as Tomaso’s.

Dreblow Jr. and Weidmann, N50 W5586 Portland Road, Cedarburg, WI 53012, premises to be licensed: N50 W5586 Portland Road, known as L&G Express.

Peter Wollner Post No. 288 of the American Legion, W57 N481 Hilbert Avenue, Cedarburg, WI 53012, James A. Lee, Agent, premises to be licensed: W57 N481 Hilbert Avenue, known as Peter Wollner Post No. 288 of the American Legion.

Cedarburg Cultural Center Inc., W62 N546 Washington Avenue, Cedarburg, WI 53012, Stephanie Hayes, Agent, premises to be licensed: W62 N546 Washington Avenue, known as Cedarburg Cultural Center.

RCB Group Inc., W62 N550 Washington Avenue, Cedarburg, WI 53012, Richard C. Buser, Agent, premises to be licensed: W62 N550 Washington Avenue, known as The Stonewall Pub.

Cedars III LLC, W53 N404 Park Lane, Cedarburg, WI 53012, Michael F. Kowalkowski, Agent, premises to be licensed: W53 N404 Park Lane, known as Cedars III.

MacBeebs LLC, Owned by Catherine Heebner, 3041 N. 75th Street, Milwaukee, WI 53210, Catherine Heebner, Agent, premises to be licensed: W62 N238 Washington Avenue, known as Farmstead.

Anvil Pub & Grille LLC, N70 W6340 Bridge Road, Cedarburg, WI 53012, Donna M. Taylor, Agent, premises to be licensed: N70 W6340 Bridge Road, known as Anvil Pub & Grille.

Settlers Inn LLC, W63 N657 Washington Avenue, Cedarburg, WI 53012, Joan D. Dorsey, Agent, premises to be licensed: W63 N657 Washington Avenue, known as Settlers Inn.

Silver Creek Brewpub LLC, N57 W6172 Portland Road, Cedarburg, WI 53012, Todd Schneeberger, Agent, premises to be licensed: N57 W6172 Portland Road, known as Silver Creek Brewpub.

Easy Street Pub & Grill LLC, W62 N559 Washington Avenue, Cedarburg, WI 53012, Daniel W. Brush, Agent, premises to be licensed: W62 N559 Washington Avenue, known as Easy Street Pub & Grill.

Cedarburg Art Museum & Society, Inc., W63 N675 Washington Avenue, Cedarburg, WI 53012, Jill Hepburn, Agent, premises to be licensed: W63 N675 Washington Avenue, known as Cedarburg Art Museum.

Class "B" fermented malt beverage (on or off-premise consumption) and "Class C" wine (on-premise consumption):

Morales Restaurants LLC, 2550 Country Aire Drive, Cedarburg, WI 53012, Debra A. McQuaid, Agent, premises to be licensed: W63 N674 Washington Avenue, known as Vintage Café & City Deli.

Donna M. Taylor, 1441 Keup Road, Grafton, WI 53024, premises to be licensed: N70 W6340 Bridge Road, known as Cream & Crepe Café.

P.J. Piper LLC, W61 N514 Washington Avenue, Cedarburg, WI 53024, Judith Fergadakis, Agent, premises to be licensed: W61 N514 Washington Avenue, known as P.J. Piper Pancake House.

J.L. Joyce Enterprises Inc., W63 N144 Washington Avenue, Cedarburg, WI 53024, James P. Joyce, Agent, premises to be licensed: W63 N144 Washington Avenue, known as Jim's Grille.

Otte Restaurants LLC, W63 N540 Hanover Avenue, Cedarburg, WI 53012, John M. Otte, Agent, premises to be licensed: W63 N540 Hanover Avenue, known as Romano's Pizzeria.

World on a Plate Inc., W62 N547 Washington Avenue, Cedarburg, WI 53012, Albert Yee, Agent, premises to be licensed: W62 N547 Washington Avenue, known as The Burg/Burger, Brats & Beer.

GG & KR LLC, W62 N630 Washington Avenue, Cedarburg, WI 53012, Gordon M. Goggin, Agent, premises to be licensed: W62 N630 Washington Avenue, known as Stilt House.

Two Crafty Chicks LLC, W61 N506 Washington Avenue, Cedarburg, WI 53012, Kathleen Hartzheim, Agent, premises to be licensed: W61 N506 Washington Avenue, known as Board & Brush Cedarburg.

Java House Café & Micro Roaster LLC, W63 N653 Washington Avenue, Cedarburg, WI 53012, Scott A. Sidney, Agent, premises to be licensed: W63 N653 Washington Avenue, known as Java House Café & Micro Roaster.

Deelish LLC, W61 N635 Washington Avenue, Cedarburg, WI 53012, Christian T. Leonard, Agent, premises to be licensed: W63 N635 Washington Avenue, known as Sal's Pizza.

Class "B" fermented malt beverage (on or off-premise consumption):

Messina II Inc., 1759 Hillside Court, Grafton, WI 53024, Carmelo J. Raffaele, Agent, premises to be licensed: W67 N866/890 Washington Avenue (Pavilion/Columbia St. Mary's Center), known as Messina II.

Baehmann's Golf Center Inc., W73 N1122 Washington Avenue, Cedarburg, WI 53012, Kurt Baehmann, Agent, premises to be licensed: W73 N1122 Washington Avenue, known as Baehmann's Golf Center.

JW's 19th Tee LLC, 4720 Hwy I, Saukville, WI 53080, Jodi L. Wisnefske, Agent, premises to be licensed: W67 N866/890 Washington Avenue (Pavilion/Columbia St. Mary's Center), known as Crave Catering.

"Class B" winery license (on or off-premise consumption):

Wollersheim Winery Inc., 7876 Hwy 188, PO Box 87, Prairie Du Sac, WI 53578, Constance J. Niebauer, Agent, premises to be licensed: N70 W6340 Bridge Road, known as Cedar Creek Winery.

The Chiselled Grape Winery LLC, W64 N713 Washington Avenue, Cedarburg, WI 53012, Harald Tomesch, Agent, premises to be licensed: W64 N713 Washington Avenue, known as The Chiselled Grape Winery.

Authorize issuance of Cigarette Licenses for period ending June 30, 2017:

Super Sales USA, Inc. (Citgo)
W62 N174 Washington Avenue

Fineco, LLC (Grapes & Tastes)
W63 N140 Washington Avenue

Bonus Inc. (Olsen's Piggly Wiggly)
W61 N286 Washington Avenue

Speedway, LLC (#4203)
W63 N121 Washington Avenue

Toto's Inc. (Otto's Wine & Spirits)
W63 N157 Washington Avenue

Walgreen Co. (#13620)
W62 N190 Washington Avenue

Authorize issuance of new Operator's Licenses for period ending June 30, 2017:

Emma M. Allison	Sam D. Hoffmann	Michael J. Slamann
Edmund R. Baehmann	Avery J. Lohrmann	Ashley N. Sugden
Ashley J. Devault	Nicholas W. Schultz	Katie L. Williams

Authorize issuance of renewal Operator's Licenses for period ending June 30, 2017:

Mark S. Adgate	Jesse D. Gall	Nicholas J. Rech
Sadie E. Arft	David B. Haberman	Sheridan P. Riley
Hannah C. Aronson	Chad E. Hamblin	Zachary R. Ringel
Stephanie J. Baldwin	Jill Hepburn	Sean M. Rodgers
Patricia M. Bartlein	Sarah L. Hepburn	Terrance E. Ronsman
Deborah Bath	Leslie Heppe	Shaw H. Ruppel
Lindsey J. Berndt	Bradley J. Herian	Ann M. Ruska
Michael C. Besaw	James M. Hintz	Deborah A. Sajdak
Karla M. Biermann	Cassandra M. Hogan	Susan E. Schrader
Bonnie S. Boettcher	Brian M. Jackson	Alan M. Schroeder
Michael C. Brehm	Teri L. Jackson	Thomas J. Shippen
Mary E. Campbell	Katherine A. Jackson	Richard S. Siefert
Craig S. Campbell	Christine M. Jackson	Mary K. Steinbrecher
Christine A. Capelle	Gregory J. Jourdain	Julie M. Streicher
Abigail R. Carpenter	Jean L. Kobin	Kim K. Stroessner
Shane R. Cassidy	Rachel M. Konicek	Michelle L. Taraboi
Christine M. Christon	Michael F. Kowalkowski	Beth M. Taylor
Joel M. Christophersen	Benjamin A. Kraft	Bryan E. Taylor
Jordan Z. Cole	Shirley K. Krenzke	Jodie E. Thierfelder
Kathleen A. Crowe	Bruce A. Krenzke	Scott R. Thomas
Catherine L. Dahlke	James A. Lee	Harald G. Tomesch
Steven F. Danner	Dennis H. Loberger	Jerry E. Truchan
Eva M. Danner	Brandon J. McCarthy	David L. Vahsholtz
Danielle J. Deller	Gloria H. Mitchelson	Nekana L. Voith
Shirley A. DeVona	Jason D. Mutza	Richard L. von Trebra
Paul E. Dickson	Sharon L. Nelson	Frank N. Vroman
Tricia A. Dooley	Richard H. Nielsen	Jessica M. Wallace
Thomas M. Dorsey	Sheryl L. Pals	Clarey Wamhoff
Gordon K. Dreblow	Daniel S. Pals	Larry D. Weidmann
Jonathan P. Dunne	Maureen M. Peck	Michelle L. Welch
Eric W. Engstrom	Allison C. Peters	John A. Welk
Jacqueline J. Ertl	David J. Polacek	Patrick R. Weyer
Steven D. Eskin	Christine L. Pope	Troy A. White
Arthur E. Filter	Krystal L. Poppe	Jeffrey A. Wrobbel
Christina N. Gabrielson	Melissa M. Radtke	Todd R. Zaeske

CONSIDER APPROVAL OF NEW OPERATOR'S LICENSE APPLICATIONS FOR THE PERIOD ENDING JUNE 30, 2016 FOR THE FOLLOWING; AND ACTION THEREON

Motion made by Council Member O'Keefe, seconded by Council Member Thome, to approve new Operator's License applications for the period ending June 30, 2016 for the following: Terry B. Krueger, Marcy C. Lever, Cheryl M. Raymond, Shirley K. Krenzke, and Maureen M. Peck. Motion carried without a negative vote.

AUTHORIZE ISSUANCE OF TEMPORARY CLASS "B" BEER LICENSES TO CEDARBURG FIRE DEPARTMENT INC. FOR MAXWELL STREET DAYS, FIREMEN'S PARK, W65 N796 WASHINGTON AVENUE, FOR MAY 29, JULY 17, SEPTEMBER 4, AND OCTOBER 2 FROM 8:00 A.M. TO 6:00 P.M.

Motion made by Council Member Thome, seconded by Council Member O'Keefe, to authorize the issuance of Temporary Class "B" Beer licenses to Cedarburg Fire Department Inc. for Maxwell Street Days, Firemen's Park, W65 N796 Washington Avenue, for May 29, July 17, September 4, and October 2, 2016 from 8:00 a.m. to 6:00 p.m. Motion carried without a negative vote.

AUTHORIZE ISSUANCE OF A FESTIVAL CELEBRATION PERMIT TO FESTIVALS OF CEDARBURG, INC. FOR STRAWBERRY FESTIVAL TO BE HELD ON JUNE 25, 2016 FROM 10:00 A.M. UNTIL 6:00 P.M. AND ON JUNE 26, 2016 FROM 10:00 A.M. UNTIL 5:00 P.M.

Deputy Clerk Kletzien explained that Festivals plans on having music and the food court open in the City Hall parking lot until 8:30 p.m. on Saturday, June 25.

Motion made by Council Member Regenfuss, seconded by Council Member O'Keefe, to authorize issuance of a Festival Celebration Permit to Festivals of Cedarburg, Inc. for Strawberry Festival to be held on June 25, 2016 from 10:00 a.m. until 8:30 p.m. and on June 26, 2016 from 10:00 a.m. until 5:00 p.m. Motion carried without a negative vote.

ADMINISTRATOR'S REPORT

City Administrator/Treasurer Mertes asked the Council Members to contact her if they have any questions on the 1st Quarter Financial Report.

COMMENTS AND SUGGESTIONS FROM CITIZENS - None

COMMENTS & ANNOUNCEMENTS BY COUNCIL MEMBERS

Council Member Dieffenbach reminded the Council Members to attend the Greater Cedarburg Foundation Awards on Wednesday. The Fire Department will be receiving an award to coincide with their 150th anniversary. This is the first time that an organization has received this award.

Council Member Arnett stated that a constituent would like to see a Community Dinner Table down Washington Avenue and he asked who should be contacted.

Council Member Verhaalen stated that the Council should schedule a special Council meeting if needed, in regard to the possible TIF.

MAYOR'S REPORT

ADJOURNMENT – CLOSED SESSION

Motion made by Council Member O'Keefe, seconded by Council Member Thome, to adjourn to closed session at 8:45 p.m. pursuant to State Statutes 19.85(1)(g) to confer with legal counsel who is rendering oral or written advice concerning strategy to be adopted by the Council with respect to litigation in which it is or is likely to become involved, more specifically to discuss the Prochnow Landfill, and State Statutes 19.85(1)(e) to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session, more specifically, to discuss the possible redevelopment of the Amcast property. Approval of closed session minutes of February 29, 2016. Motion carried unanimously on a roll call vote.

RECONVENE TO OPEN SESSION

Motion made by Council Member Thome, seconded by Council Member Dieffenbach, to reconvene to open session at 9:37 p.m. Motion carried without a negative vote.

ADJOURNMENT

Motion made by Council Member O'Keefe, seconded by Council Member Thome, to adjourn the meeting at 9:37 p.m. Motion carried without a negative vote.

Amy D. Kletzien, MMC/WCPC
Deputy City Clerk