

**CITY OF CEDARBURG
COMMON COUNCIL
May 14, 2007**

CC20070514-1

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, May 14, 2007 at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers. Mayor Myers called the meeting to order at 7:04 p.m. The meeting began with a moment of silence followed by the Pledge of Allegiance.

Roll Call: Present - Common Council – Mayor Gregory P. Myers, Council Members Chris Reimer, Steven Glamm, Haly Besaw, Paul Radtke, Sandra Beck, Kip Kinzel, Robert Loomis

Also Present - City Attorney Kaye Vance, City Administrator/Treasurer Christy Mertes, Director of Engineering and Public Works Tom Wiza, City Planner Jon Censky, Deputy City Clerk Amy Kletzien, Tom Wieland of Reilly, Penner & Benton, Town of Cedarburg Administrator Jim Culotta, Town Supervisors Dave Valentine, Larry Lechner and David Flowers, SEWRPC Representative Bill Stauber interested citizens and news media

STATEMENT OF PUBLIC NOTICE

At Mayor Myers' 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 had 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.

PRESENTATION – SENIOR CENTER SPONSORED 6TH GRADE ESSAY CONTEST WINNERS IN RECOGNITION OF OLDER AMERICANS' MONTH

The 6th Grade essay contest winners were not available for this meeting.

CONSIDER RESOLUTION NO. 2007-26 RECOGNIZING CITY CLERK SANDRA INGRAM

Motion made by Council Member Loomis, seconded by Council Member Glamm, to adopt Resolution No. 2007-26 recognizing City Clerk Sandra Ingram. Motion carried without a negative vote.

Mayor Myers stated that City Clerk Sandra Ingram is retiring as City Clerk as of June 1, after many years of very loyal and dedicated service. On behalf of the City and Common Council he wished Sandy and Tom a very long, happy and healthy retirement together.

Council Member Loomis stated that he has served on the Common Council since 2000 and City Clerk Ingram has always been a bedrock and so reliable. Everyone at City Hall and past Councils

have the highest respect for her. She is one of those rare individuals that no matter what fire storm was brewing on the Council or posing factions, she kept her head and was non-political. Her presence was very much appreciated and she will be missed.

PUBLIC HEARING – CONSIDER RESOLUTION NO. 2007-27 AMENDING THE CITY’S SANITARY SEWER SERVICE AREA AND ADOPTING SEWRPC STAFF MEMORANDUM ENTITLED, “RESPONSE TO REQUEST BY THE CITY OF CEDARBURG TO AMEND THE CEDARBURG SANITARY SEWER SERVICE AREA,” AS A GUIDE FOR THE PROVISION OF SANITARY SEWER SERVICE WITHIN THE CEDARBURG AREA

Mayor Myers declared the public hearing open on Resolution No. 2007-27 amending the City’s sanitary sewer service area and adopting SEWRPC staff memorandum entitled, “Response to Request by the City of Cedarburg to Amend the Cedarburg Sanitary Sewer Service Area”, as a guide for the provision of sanitary sewer service within the Cedarburg area. Deputy City Clerk Kletzien verified that proper legal notice had been given with publication in the *News Graphic* on April 26 and May 3.

Director Wiza introduced Bill Stauber from SEWRPC, who is assisting the City with the sewer service amendment to present a draft report.

Mr. Stauber stated that it has been over ten years since the City has considered a sewer service area amendment and he provided some background on what a sewer service area is and why the Regional Planning Commission is working with the City on the plan.

Mr. Stauber stated that the Sewer Service Area Plan is part of the regional water quality management plan. There is a sewer service area plan for each of the roughly 50 sewerage systems in southeastern Wisconsin in a 7 county area. The Regional Planning Commission is responsible for that water quality management plan and, accordingly, for the sewer service area plan that is part of the water quality plan.

Mr. Stauber provided an overview as follows of how the sewer service area planning fits into the water quality management plan and explained the cooperative effort that is important among the communities, regional commission and the DNR. SEWRPC and the DNR views the sewer service area planning as a cooperative effort on the part of the communities involved. The communities have the responsibility to determine the specifics of the sewer service area boundary. The Regional Commission focuses on the big picture and monitors the overall size of the sewer service area to ensure that it is properly sized relative to long-range population projections. SEWRPC is also responsible for identifying environmentally significant lands within the sewer service area. Finally, the DNR is the ultimate approval authority because they approve amendments to the water quality management plan, including sewer service area plans.

Mr. Stauber explained that the significance of the Sewer Service Area Plan is two-fold, as it identifies an outer boundary within which sanitary sewers may be extended. Sewers may not be extended beyond the Plan boundary without an amendment. Secondly, the Plan identifies environmentally significant lands within the boundaries.

Mr. Stauber stated that adoption of this plan by the community and the Regional Commission does not mandate the extension of sanitary sewers, rather the inclusion of an area in a sewer service area enables the extension of sewers, subject to local decision-making on the timing and whether sewers should be extended.

Mr. Stauber reviewed a map of the currently adopted Cedarburg Sewer Service Area and the proposed area to be added to the service area. The nature of the areas to be added between Wauwatosa Road and Horns Corners Road encompass about 865 acres. Some is environmentally significant (approx. 175 acres) and contains existing homes (40 dwelling units), along with approximately 530 acres of potentially developable lands. Mr. Stauber explained that the proposed sewer service area could accommodate approximately 600 new dwelling units.

Mr. Stauber explained that adjacent to the southeast corner of the current sewer service area is an area that the City has requested to be added as a long-range potential site for a wastewater treatment plant.

Mr. Stauber stated that a smaller change located north of Columbia Road on the eastern boundary of the current service area (about 3 acres) has also been included in the requested change. By agreement with the Village of Grafton, this area would be transferred from the City of Cedarburg to the Village of Grafton's service area.

In combination, the total proposed acreage is an increase in the sewer service area of about 985 acres, 218 acres are environmentally significant and about 162 are existing urban, including 40 dwellings and just over 600 acres of developable land.

Mr. Stauber explained that SEWRPC monitors the sizes of the sewer service areas and estimates the holding capacity (number of people that the sewer service area could accommodate) if they were fully developed in accordance with local plans. They estimate this to be about 19,300 persons. SEWRPC has a population projection range of 15,700 to 24,100 in the year 2035. The build-out population of the service area as revised with tonight's amendment falls roughly in the middle of the regional planning commission's long-range projection range of population.

In terms of process, SEWRPC will receive comments from the public on the proposed sewer service area amendment. The City of Cedarburg will consider these comments in their deliberations. If the City proceeds with approval, the Regional Planning Commission could consider the plan amendment at their June meeting. If the amendment is approved by SEWRPC, they would publish a final report and forward a copy to the DNR for their consideration. Mr. Stauber stated that the Regional Planning Commission meets quarterly on these matters and the next set of meetings would be late August or early September.

In conclusion, Mr. Stauber emphasized that this is a long-range planning situation and the inclusion of a sewer service area enables (does not mandate) sewers to be extended. A decision on whether and when to extend sewers is up to the City.

Director Wiza reiterated that this action to extend the sewer service area is an exercise to determine where sewers may be extended in the future and to determine areas that could develop into lands that would be served by utilities.

Director Wiza stated that changes in the Sewer Service area have occurred since the plan was last amended in 1996; however, the lengthy process does not make it feasible to make each change as it occurs. These changes include the western half (40 acres) of the Seidler Pond subdivision, a 3-acre parcel that is serviced by the Village of Grafton through an inter-municipal agreement, the annexation of the Zarling parcel on Pioneer Rd. for a potential wastewater treatment plant site, and the remaining lands include lands for the planning of the future interceptor sewers (specifically along the Sheboygan Rd. corridor). These sewers need to be sized for a given area and the City must plan for the future because it is difficult to add on later or after these initial decisions are made. During this exercise, the City looked at other areas that may logically come into the Sewer Service area. At this point, it is just a study and a planning mechanism and is not the City's intention to install sewers in the immediate future.

In answer to Council Member Beck's question, Director Wiza stated the cross-hatched section on the proposed map starts at the edge of the Prochnow Landfill.

In answer to Council Member Glamm's question, Bill Stauber stated that environmentally sensitive lands include primary environmental corridors and have concentrations of a number of resources such as wetlands, woodlands, wildlife habitat, or steep slopes. Eleven different elements are considered from a resource base.

Bill Stauber explained that the DNR is the regulatory authority over sewers and sewer extensions and will not allow sewer urban development to occur within a primary environmental corridor.

In answer to Mayor Myers' question, Bill Stauber stated the policy of SEWRPC has always been to provide as much flexibility to the communities as to where they want to draw the line. SEWRPC's key role is to make certain that the area is reasonably sized with respect to future population levels or the build-out population compared to the proposed plan density. They provide this analysis for all amendments of this nature and they need to find that it falls within the range of planning for 2035, which the City's plan does.

Mayor Myers asked Director Wiza to explain the consequences of not planning properly for the future.

Director Wiza explained that early sewer planning did not anticipate any growth west of Wauwatosa Road; therefore only 8" lines were installed in the area and were not able to be used by the Retzlaff development. In order to serve the Retzlaff development, the City had to extend larger diameter sewers from Lincoln Blvd. to Bridge Road. Director Wiza stated that a second generation of sewer mains is being installed to serve areas beyond the City's immediate developed area. The Pioneer Interceptor sewer has a main line sewer diameter of 27" from the 1990s and was up-sized to serve lands along Pioneer Road and the corridor heading west. Now the City is planning for the Sheboygan Road corridor and these interceptor sewers would be able to extend west to serve lands to the north and west of the City.

Director Wiza explained that the City is extending a second set of sewers around the existing city area and extending long lengths of large diameter sewer to bypass the current city sewer system. The City wants to be certain they are doing the exercise properly for the future, so that future generations do not have to run a third set of sewers extending around the area.

Mayor Myers opened the Public Hearing for public comment.

Dave Valentine, 8835 Sherman Rd., stated he lives within the proposed sewer service area, is the Town Chairman, and would be representing the interest of the taxpayers. Mr. Valentine opined that the City has done very little planning for the proposed sewer service area because of this major expansion of 18% to the current plan. He stated that because the City is attempting to comply with the State mandated Smart Growth program, the developable portion of the expansion area west of Wauwatosa Road shows 530 acres that will accommodate 600 housing units. This high density proposal conflicts with SEWRPC's 2035 Plan that allows a residential density of no more than 1 residence per five acres and transforms the rural character of the area to another example of urban sprawl. The Town has planned for 4.5 acres per residence.

In regard to JETZCO, Supervisor Valentine stated this proposed expansion should be halted until JETZCO is complete because it will interfere with the planning that was imposed by the City.

Mr. Valentine questioned the mapping of wetlands because his property, which contains wetlands, is not shown on the map. He stated that planning for more than one house per acre would affect the environmentally-sensitive areas. The current Town plan protects all wetlands, conservancies and environmentally-sensitive lands in the Town of Cedarburg.

Mr. Valentine questioned the City's statement at a recent meeting of JETZCO that it is their policy to not provide sewer and water beyond city limits, yet the City is laying the ground work for a new regional treatment plant with Grafton and provides sewer and water to Mequon. He also questioned whether the City's real plan is to annex the 5 Corners area and further erode the Town's tax base.

Mr. Valentine asked SEWRPC and the City to reconsider this proposed extension of the sewer service area. According to Mr. Valentine, the Town stands ready to negotiate a border agreement that benefits both municipalities.

Mr. Valentine opined that the City's proposal fails to address the potential benefits of ground water if private on-site water treatments (POWTS) were used instead of the City's traditional sanitary sewer. A POWTS system would purify the water and return it to the ground by not discharging the deep aquifer water into the surface water to be transported to Lake Michigan. The POWTS system is available for large developments or individuals and has been endorsed by the Town, Ozaukee County, State of Wisconsin and the Federal EPA.

Mr. Valentine stated the Town has never been consulted on this issue even though 88% of the expansion of the proposed sewer service area will occur in the Town of Cedarburg. The Town welcomes the opportunity to discuss the proposal with the City and SEWRPC.

Mr. Valentine questioned the City's claim to have a sanitary sewer service area in a good portion of the 5 Corners area. He questioned the consideration of further expansion until the certification is established, as SEWRPC has indicated that the DNR has not yet adopted the City's 1996 amendment. The Town is asking this certification be halted until planning is complete. As a Town resident and representative to the Town, he urged SEWRPC and the City to postpone any further consideration of the amendment.

Scott Brewer, 8910 Bridge Street, stated that the proposed concept concerns him. He is a veterinarian and he fears the proposed amendment to the sewer service area will change life in the Town. He stated that the City only allows three pets by ordinance and many of his neighbors have a greater combination of pets. Mr. Brewer expressed concern for the City's statement that it will be the property owner's decision to annex into the City, because he understood from Mr. Stauber that once the sewer lines run past Town property it will be the City's decision to connect.

Mayor Myers stated that the City has never participated in a forced annexation in their history and all annexations occur at the request of the property owner.

Jim Mikkelson, 8083 Sherman Ct., stated he is a developer and the President of the Association for Miller's Hill. As a developer he understands that the City cannot force annexation, and he is certain that Miller's Hill does not want to be part of the City. He questioned why the City would want to put sewer through their property when it is made up of horse farms and why the City would want to be responsible for private roads.

Mayor Myers reiterated that the proposed sewer service area amendment is a long-term plan and that environmental rules are unknown 20 years from now. He stated that the City is planning for the future and the possibility that the area may need sewer and water many years from today.

Jim Mikkelson stated that mound systems are designed to have a secondary placement and will last 30-50 years. If a mound system no longer works, then a holding tank is an option.

Mayor Myers stated that the environmental rules are changing rapidly.

In answer to Mr. Mikkelson's question, Director Wiza stated that the Prochnow landfill is currently in the sewer service area and is not a motivation in the amendment. He reiterated that no one can be forced to annex into the City. Based on Mr. Stauber's presentation, this will allow someone who wants sewer and water to be able to get the utilities if they annex. Director Wiza explained that Mayor Myers was emphasizing that the DNR used to require centralized wastewater treatment. Com83 liberated the use of on-site systems, but the regulatory requirements do change and the future is unknown.

Roger Bentz, 1051 Wauwatosa Road, stated he takes objection to the City's statement that they do not annex land. He stated that 20 acres of his farm was annexed by the City in 1982 as part of the Paulus subdivision, which was discovered on his tax bill.

Mark Maletzke, 990 Horns Corners Rd., expressed concern for the absence of a cohesive plan between the City and Town. He stated that it was presumptuous for the City to adopt a plan without

consulting with the Town. As a landowner and taxpayer, he agrees that there should be additional planning and the City should not be allowed to acquire land that belongs to the people. Mr. Maletzke stated that many people were responsible for the contamination of the Prochnow Landfill and the responsibility should be shared by those responsible. The City and Town should be concentrating on working together to remediate the area and possibly plan for a new fairgrounds or revenue center.

Anne Maletzke, 1110 Horns Corners Rd., stated she agrees that the City and Town should plan for the future; however, she expressed concern for owning 80 acres of the 560 acres that is being considered and needed to learn more about the proposal before taking a position. She stated that the plan is being rushed and asked for more time to understand the issue.

Council Member Glamm hypothetically asked Ms. Maletzke how she would feel if sometime in the future, she is approached by a developer, with an outstanding offer to develop her property into a residential subdivision to be served by city services. She could be told it is not feasible because the City did not properly plan for any future development.

Ms. Maletzke stated she understood that the extension of the sewer service area could increase the value of her property but she didn't understand the urgency in moving forward immediately.

In answer to Council Member Reimer's question, Ms. Maletzke stated that 10 days or two weeks is not long enough to decide whether she is for the proposal or against the proposal. She stated that it is time that the City and Town work together. Ms. Maletzke explained that people don't understand the division between the Town and City because it is recognized as one community.

Gerilyn Mikkelson, 8083 Sherman Ct., stated she lives in an association that's approximately 50 acres of this proposed area and she owns seven of those acres - she is not interested.

Don Monnot, 1857 Cherokee of Grafton, stated he owns 63 acres in the proposed area and is not opposed to planning ahead, as long as he is not being forced to join the City. He stated that planning and preparing for possibilities makes sense. He stated he was in favor of the dialog taking place between the City and Town this evening.

Sue Worzalla, 8716 Pioneer Road, stated that the proposed area is zoned Agricultural-2 and they own 25 acres in this area. She questioned why the City would even think of providing water and sewer in an area that raises livestock and contains tillable land and wetlands. She stated she was opposed to the proposal to extend the sewer service area onto her property adding it should be the property owner's decision.

At Mayor Myers request, Director Wiza explained that the City would prefer not to see adjacent lands developed into 5-acre parcels because it would be difficult to serve with sanitary sewer.

Sue Worzalla stated that a portion of their property could not be developed because of the creek and wetlands on the property.

Director Wiza stated that the environmentally sensitive areas are mapped and often you will find conservation subdivisions in those areas. He stated that nothing would be done to service the area until a decision was made by the property owner to develop the land.

Sue Worzalla expressed concern for any laws that may change in 5 or 10 years that would allow the City to annex her property, similar to the loss of property for the Paulus subdivision.

City Attorney Vance stated that State Statute prevents the City from forcing anyone to annex. If the majority of members in a certain area want to annex they will come in, but the City will not and has not forced any annexation. She stated she was unaware of what may have happened in 1982 and sewer service is only a planning tool at this point.

Mayor Myers stated the purpose of extending the sewer area is to give the Town residents options as property owners. He stated this was a public hearing for people to express their opinions and if people needed more time to investigate the proposal, the Common Council could defer action this evening.

Matthew Otto, 7916 Sherman Court, questioned who would be paying to have the 27" sewer lines up to the border of the City and asked if sewer is run down Sherman Road, will he be assessed?

Director Wiza stated a Town resident would only be assessed if they annexed and chose to utilize the service.

In answer to Matthew Otto's question, Bill Stauber stated that environmentally sensitive areas need, to be at least 5 acres in size to be identified by SEWRPC and the DNR utilizes SEWRPC's identification of an environmental corridor in its regulatory oversight of sewer extensions, which makes SEWRPC's identification consistent with the DNR.

In answer to Matthew Otto's final question, Director Wiza stated that the initial request for extending the sewer service area needs to come from the City, which is then reviewed by SEWRPC and subsequently a proposal is forwarded to the DNR.

Mark Samse, 8225 Sherman Ct., stated he was against the proposed extension of the sewer service area. He expressed concern for wanting to become larger than the Village of Grafton and increased taxes.

Glen Stumpf, 340 Horns Corner Rd., stated he owns approximately 30 acres in the proposed area. He stated he believes in regional planning and this proposal makes sense.

In answer to Mr. Stumpf's question, Director Wiza stated the City has extraterritorial plat review authority on land divisions within a three mile radius of the City. Considering approval of high acreage land developments immediately adjacent to its boundary would be a difficult decision for the City.

In this case, Mr. Stumpf is opposed.

Dave Flowers, 668 Martin Drive, encouraged the City not to take action this evening to allow time for consideration of tonight's public hearing.

Mayor Myer's encouraged Director Wiza to clarify any concerns, as a result of the public comment.

Director Wiza stated that the extension of the proposed sewer service area is not about annexing land. At this point, it is only a planning mechanism to decide whether or not to size accordingly for long-range growth or development. The City is not planning to annex or assess Town residents as a result of future planning. This future planning would only provide another option for Town residents, if they choose to annex anytime in the future.

In answer to Council Member Besaw's question, Director Wiza stated the decision on whether to extend the sewer service area, will aid in a more accurate planning of the current business park infrastructure.

In answer to Council Member Glamm's question, Director Wiza stated the computations to use oversized pipes need to be approved by the DNR, which requires a sign-off letter from SEWRPC.

Mayor Myers asked for any final comments.

Gerilyn Mikkelson, 8083 Sherman Ct., opined that more time is needed to make a decision.

In answer to the question from Tom Czarnecki, 8155 Sherman Road, Director Wiza stated the business park lands have been annexed and the sewers for that area are not an immediate concern; however, those sewers should be sized to serve anything upstream that will drain through the area in the future. This would make a difference between using a 12" or 15" sewer pipe in the current development.

Motion made by Council Member Loomis, seconded by Council Member Besaw, to close the public hearing. Motion carried without a negative vote.

In answer to Council Member Reimer's question, Director Wiza stated that topography plays a part in deciding where to extend the sewer service area.

Council Member Radtke stated that he appreciated Town residents' participation in this public hearing and he hoped it was understood that the proposed extension is only a planning tool.

Mayor Myers stated there are town properties in the current sewer service area that will most likely never be served because it would be cost prohibitive or an owner would oppose unless forced by environmental reasons.

Council Member Kinzel stated it would not be financially viable to run sewer service past town properties. This is a planning tool and it is important to plan for the future.

Council Member Beck agreed that this issue is extremely confusing. Council Member Beck used Keup Road as an example, where there are town and city properties next to each other. The choice

is up to the property owner whether they want to take advantage of city sewer and water. She suggested that people with unanswered questions talk to Director Wiza for clarification.

Council Member Beck encouraged the Town residents to consider the future and to understand the opportunities available.

Council Member Loomis encouraged the Town residents to consider the development of the Retzlaff property and the option that was made available to him when he was ready or willing to annex into the City.

Council Member Loomis questioned whether a decision should be made this evening.

In answer to Council Member Loomis's question, Bill Stauber stated that SEWRPC could discuss this issue in June, August or December, if a decision is postponed.

In answer to Council Member Loomis's question, Director Wiza stated that a decision should be made before next fall.

In answer to Council Member Loomis's question, Bill Stauber stated the proposed extension of the sewer service area goes before the Regional Planning Commission first, and that recommendation is then forwarded to the DNR for their decision. This process requires approximately a two month window.

Bill Stauber of SEWRPC stated it was very rare that the DNR would not approve a SEWRPC decision and he opined that a decision by the DNR could be expedited if there is local and SEWRPC approval of the plan.

In answer to Council Member Besaw's question, Bill Stauber stated that the current plan is reasonable and did not recommend any changes. He heard a concern from a number of speakers that the decision was moving too quickly. Mr. Stauber stated that allowing more time for further consideration of the sewer service area plan is a reasonable reaction.

In answer to Mayor Myers questions, Mr. Stauber and Director Wiza agreed that a decision could be delayed, for a short time, to get a better understanding of the plan.

Mayor Myers stated he heard that property owners are concerned about their land and their right to control what happens to their land. He stated that this needs to be considered and people should have the opportunity to understand the situation. The proposed extension is simply a planning tool which will provide options in the future.

Mayor Myers stated it was the consensus of the Common Council to postpone a decision on the extension of the sewer service area until the June 25 Council meeting. He stated that there would not be a formal notice to Town residents for the next meeting because it will only be a continued discussion from tonight's public hearing.

PUBLIC HEARING – CONSIDER ORDINANCE NO. 2007-18 REZONING A 1.33 ACRE AND A 2.14 ACRE PARCEL OF LAND LOCATED ALONG THE WEST SIDE OF BOBOLINK AVENUE FROM RS-4 SINGLE-FAMILY RESIDENTIAL DEVELOPMENT 10,000 SQUARE FOOT MINIMUM LOT SIZE REQUIREMENT TO RS-2 SINGLE-FAMILY RESIDENTIAL DEVELOPMENT 15,000 SQUARE FOOT MINIMUM LOT SIZE

Mayor Myers declared the public hearing open on Ordinance No. 2007-18 rezoning a 1.33 acre and a 2.14 acre parcel of land located along the west side of Bobolink Avenue from RS-4 Single-Family Residential Development 10,000 square foot minimum lot size requirement to RS-2 Single-Family Residential Development 15,000 square foot minimum lot size. Deputy City Clerk Kletzien verified that proper legal notice had been given with publication in the *News Graphic* on April 26 and May 3, 2007.

City Planner Censky stated that this item originated at the Common Council level. Plan Commission members were asked to review the existing zoning on property located along the west side of that portion of Bobolink Avenue in the City of Cedarburg to determine if that zoning would promote development patterns that are consistent with existing development in the area. According to the Official Zoning Map, this land is zoned RS-4, which requires a minimum lot size of 10,000 sf. While lands immediately to the west (Keup Trail Subdivision) are zoned RS-1 with minimum lot sizes of 20,000 sf, across the street in the Village of Grafton lot sizes appear to be approximately 10,000 sf or smaller.

The Plan Commission unanimously recommended the RS-2 Zoning District with a minimum lot size of 15,000 sf.

As no public input was received, a motion was made by Council Member Kinzel, seconded by Council Member Beck, to close the public hearing. Motion carried without a negative vote.

Council Member Beck offered and moved for the adoption of Ordinance No. 2007-18. Motion was seconded by Council Member Kinzel and carried without a negative vote.

PRESENTATION – 2006 AUDIT REPORT

Tom Wieland of Reilly, Penner and Benton, presented the City's 2006 audited financial statements.

Auditors Communications

The financial statements were fairly presented, no problems were encountered during the audit and they had full cooperation from staff. Mr. Wieland urged the Council to closely review pages 3-15 of the management's discussion and analysis and budgetary comparison information. He explained that pages 16-67 are the standard financial statements of the municipality.

Graphs

- Budget vs. Actual – Almost all the General Fund revenues were on budget.
- Pie chart – City is dependent upon taxes which make up 68% of the total General Fund revenues.

- Expenditures – All items were within budget in the categories of General Government, Protection of Persons and Property, Public Works, Parks and Recreation, Conservation and Development and Capital Outlay. Protection of Persons and Property make up 47% of the total General Fund expenditures.
- General Fund Fund Balance – The City has a strong fund balance. The undesignated amounts have been fluctuating between \$1.4 million and \$1.7 million over the past five years.
- Governmental Revenues – illustrated a break down of Taxes, Intergovernmental and all other revenues.
- Governmental Expenditures – illustrated a break down of Governmental Funds, Capital Outlay and Debt Service. The City does not spend a lot of money on Capital. Debt Service is dropping.
- Local Tax Levy – illustrated a break down of the Total Tax Levy, Levy for the TIF (none), and Total Levy without TIF (same).
- Utility Operations – Revenues have gone between \$9.5 million and \$10.5 million for Cedarburg Light & Water. The profits - net income before contributions have been consistent between \$1.1 million and \$1.3 million.
- Sewer Operations – Net income is not quite as strong as Light & Water. The Utility net income comparisons graph shows Light & Water net income has exceeded the Sewer Utility's net income for the last five years

Numerical - Highlights

- Operating Fund had a \$155,000 excess of revenues over expenses.
- Debt Service netted revenue of \$246,000.
- Capital Improvements had a decrease of \$37,000.
- General Fund Fund Balance is \$2.4 million, with \$900,000 reserved.
- Revenues achieved 100.1% of budget.
- Expenditures stayed under budget.
- Borrowing - No borrowing in 2006 – repaid \$835,000. Allowed to borrow up to \$58 million and have borrowing against that amount of \$5.8 million.
- Total Assets are \$106 million.
- Total Liabilities are approximately \$16 million.
- Equity is \$90 million (infrastructure and property)

Other Disclosures

Mr. Wieland stated the accounting policies are standard in the financial statements for governmental units. Cash and investments are consistent with the City's investment policy.

GASB 45 will require accrual-basis accounting for post employment healthcare benefits.

Page 56 outlines subsequent events that have happened in the community since December 31, 2006:

- Created a TID District
- Labor contracts
- Received an award from HUD

- New debt issue

Mr. Wieland discussed the new standard of material weakness. He also explained that more audit standards are being created, which will require auditors to spend an additional 10-15% more time on an engagement.

Mr. Wieland stated that the City's financial statements and budgets are very thorough and he thanked staff for their hard work.

Questions and Comments

In answer to Council Member Loomis' question, Mr. Wieland stated the nature of the audit adjustment involved fixed assets.

Council Member Loomis confirmed with Mr. Wieland that the City has sufficient internal controls in place.

In answer to Council Member Besaw's question, Mr. Wieland stated that the City is not governed by Sarbanes Oxley except for a document destruction policy and whistleblower policy, which the City has in place.

PRESENTATION – MAYOR'S COUNCIL MEMBER APPOINTMENTS

Mayor Myers stated that each Council Member should retain their seats on the current boards, commissions and committees.

APPROVAL OF MINUTES

Motion made by Council Member Radtke, seconded by Council Member Beck, to approve the minutes of the April 30 Common Council meeting. Motion carried without a negative vote.

REPORT OF BOARDS, COMMISSIONS & COMMITTEES - None

COMMENTS & SUGGESTIONS FROM CITIZENS - None

UNFINISHED BUSINESS – None

CONSIDER WAIVING PARK RENTAL FEES FOR SUMMER SOUNDS

Motion made by Council Member Glamm, seconded by Council Member Besaw, to waive the park rental fees for Summer Sounds in Cedar Creek Park this season.

Mayor Myers stated that Summer Sounds is a great community event because all of the proceeds are put back into the community and future events.

The City agreed to a recognition of special thanks for their contribution in lieu of acting as a sponsor, as suggested by Steve Shapson, at the recommendation of City Attorney Vance.

Motion carried without a negative vote.

CONSIDER MEETING DATE TO CANCEL IN SUMMER

Mayor Myers stated that historically, the Common Council has canceled a meeting during the summer months.

Council Members offered July 9 and August 13 as possible dates to consider.

It was the consensus of the Common Council to cancel the August 13 meeting.

LICENSE APPLICATIONS

Motion made by Council Member Radtke, seconded by Council Member Kinzel, to authorize issuance of premise licenses for the period ending June 30, 2008 to:

Class A Liquor & Fermented Malt Beverage License

Bonus, Inc.
(agent - Layton Olsen)
W61 N286 Washington Avenue

Toto's, Inc.
(agent – John Striepling)
W63 N157 Washington Avenue

Class B Wine License

Wollersheim Winery, Inc.
(agent - Constance J. Niebauer)
N70 W6340 Bridge Road

Class B Fermented Malt Beverage License

J. L. Joyce Enterprises, Inc.
(agent - James P. Joyce)
W63 N144 Washington Ave.

Otte Restaurant, LLC
John M. Otte – agent
W63 N540 Hanover Avenue

Silver Creek BrewPub, LLC
(agent – Todd Schneeberger)
N57 W6172 Portland Rd.

Steven W. Banas
The August Weber Haus
W63 N678 Washington Avenue

Class B Intoxicating Liquor & Fermented Malt Beverage License

Klug's Creekside Inn, Ltd.
(agent – Bruce Klug)
N58 W6194 Columbia Rd

Ernie's Wine Bar, LLC
(agent – Benjamin M. Grade)
N49 W5471 Portland Rd.

COMMON COUNCIL
May 14, 2007

CC20070514-15

BLCB, LLC.
(agent – Brook J. Brown)
W61 N520 Washington Ave.

R.C.B. Maxwell's, Inc.
(agent - Richard Buser)
W63 N699 Washington Ave.

MacBeebs, LLC
(agent – Catherine A. Heebner)
W62 N238 Washington Ave.

Settler's Inn, LLC
(agent – Joan D. Dorsey)
W63 N657 Washington Ave.

C. Wiesler's Inc.
(agent – Mike G. Jackson)
W61 N493 Washington Ave.

Henry Liang
Kowloon Chinese Restaurant
W63 N145 Washington Ave.

Christopher Morton/Timothy Ryan
T.J. Ryans
W62 N599 Washington Ave.

Christopher Morton/Timothy Ryan
Mortons' Wiscons Inn
N56 W6339 Center Street

Sheila J. Rzentkowski
R.J. Thirsty's
W62 N559 Washington Ave.

Donna M. Taylor
Cream & Crepe Cafe
N70 W6340 Bridge Rd.

Thomas Restaurant, Inc.
(agent - Raymond Thomas)
W63 N688 Washington Ave.

New Fortune
(agent - Jerry Phoa)
W62 N547 Washington Ave.

Larry Weidmann/ Gordon Dreblow
L & G Express
N50 W5586 Portland Road

Smurawa-Mueller Companies, LLC
(agent – Mary Mueller)
W61 N497 Washington Avenue

PHD, Ltd.
(agent – Peter Demopoulos)
W61 N514 Washington Avenue

The Irish Pub of WI, LLC
(agent – Colum P. Mac Carthy)
W62 N550 Washington Avenue

Class C Wine License

Otte Restaurant, LLC
(agent – John M. Otte)
W63 N540 Hanover Avenue

Steven W. Banas
(The August Weber Haus)
W63 N678 Washington Avenue

Wholesale Beer License

Silver Creek Brewing Co.
(agent – Todd Schneeberger)
N57 W6172 Portland Road

and the issuance of Cigarette Licenses for period ending June 30, 2008 to:

R.C.B. Maxwell's, Inc.
W63 N699 Washington Ave.

CVS/Pharmacy
W63 N152 Washington Ave.

Toto's, Inc.
W63 N157 Washington Ave.

Speedway Superamerica LLC #4203
W63 N121 Washington Ave.

Walgreen Co. #2042
W61 N294 Washington Ave.

Bonus, Inc.
W61 N286 Washington Ave.

Super Sales USA, Inc.
W62 N174 Washington Ave.

Christopher Morton/Timothy Ryan (T.J. Ryans)
W62 N599 Washington Ave.

Christopher Morton/Timothy Ryan (Mortons Wiscons Inn)
N56 W6339 Center Street

and the issuance of renewal Operator's License for period ending June 30, 2008 to:

Joel M. Christophersen
Richard H. Nielsen
Susan R. Schneider
Nathan E. Ford
Christopher J. Morton
Richard L. Von Trebra
Merton E. Asp
Jon P. Saporito
Matthew G. Brockmeier
Shirley Hetchler
Angela A. Vey
Adam A. King
JoAnn M. Morton
Ryan L. Olsen
Larry A. Gergens
Frederick A. Beyer III
Brooke J. Williams-Hartling
Ronald D. Gourley
Charlotte A. Jasenski
Julie A. Schlabach
Wendy A. Kickbush
Gina A. Heidemann
Eric P. Norene
Deborah Bath

Mark L. Tietz
Norine C. Helmlinger
Laurie J. Stuetgen
Denise M. Beno
Sara M. Yunke
Diane E. Joslin
Debra J. Van Dinter-White
Sharon L. Nelson
Gordon K. Dreblow
Patricia A. Buhrow
Larry P. Weidmann
Stephan L. Venturini
Robert J. Nieman
John A. Lutz
Brian S. Smith
Gerald J. Henning
Gail A. Johnson
James W. Zipter
Timothy J. Ryan
Elizabeth F. Riley
Lori A. Randula
Carol A. Pokrandt
Christine L. Pope
Chad G. Boppel

Bradley F. Diamond
Jamee Vaughn
Robert Rhiel
John W. Schlump
Andrew M. Aldred

Kevin J. Bachmann
Elizabeth M. Ryan
Patrick D. Yunke
Sheila L. Schlump

Motion carried without a negative vote.

Motion made by Council Member Loomis, seconded by Council Member Besaw, to authorize issuance of Temporary Class B Licenses to Cedarburg Fire Department, Inc. for Maxwell Street Days, Firemen's Park, W65 N796 Washington Avenue for May 26, July 14, September 1 and October 6 from 5 p.m. to 9 p.m. and on May 27, July 15, September 2 and October 7 from 8 a.m. to 6 p.m. Motion carried without a negative vote.

CITY ADMINISTRATOR'S REPORT

City Administrator/Treasurer Mertes reminded the Council of the Senior Picnic on Wednesday, May 23, and asked them to RSVP to the Senior Center by May 16 if available to help prepare and serve the meal.

COMMENTS & SUGGESTIONS BY CITIZENS - None

REPORTS & COMMENTS BY COUNCIL MEMBERS

Council Member Reimer stated that he had contact with two citizens that disapproved of the size of the stamps on the concrete sidewalk replacement pieces.

Mayor Myers suggested that any concerns should be forwarded to Director Wiza.

MAYOR'S REPORT

Mayor Myers stated he issued proclamations declaring the month of May as Older American's Month and the week of May 13 – 19, 2007 as National Police Week.

ADJOURNMENT

Motion made by Council Member Besaw, seconded by Council Member Radtke, to adjourn the meeting at 9:20 p.m. Motion carried without a negative vote.

Amy D. Kletzien, CMC
Deputy City Clerk