

**CITY OF CEDARBURG
COMMON COUNCIL
October 12, 2015**

**CC20151012-1
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, October 12, 2015, at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers. Mayor Kinzel called the meeting to order at 7:00 p.m.

ROLL CALL: Present - Common Council – Mayor Kip Kinzel, Council Members John Czarniecki, Jack Arnett, Art Filter, Rick Verhaalen, Mitch Regenfuss, Mike O’Keefe

Excused - Council Member Patricia Thome

Also Present - City Administrator/Treasurer Christy Mertes, City Attorney Michael Herbrand, Director of Engineering and Public Works Tom Wiza, Police Chief Tom Frank, Building Inspector Mike Baier, Superintendent of Public Works Joel Bublitz, Parks, Recreation & Forestry Director Mikko Hilvo, Superintendent of Parks and Forestry Kevin Westphal, Wastewater Superintendent Eric Hackert, Light & Water General Manager Dale Lythjohan, Deputy City Clerk Amy Kletzien, Library Director Linda Pierschalla, Library Board Members Sue Karlman, Steve Ruggieri and Vonna Pitel, Mechanic Bill Hintz, interested citizens and news media

STATEMENT OF PUBLIC NOTICE

At Mayor Kinzel’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 Filter, seconded by Council Member O’Keefe, to approve the minutes of the September 29, 2015 meeting as presented. Motion carried without a negative vote with Council Member Thome excused.

COMMENTS AND SUGGESTIONS FROM CITIZENS

NEW BUSINESS

CONSIDER RESOLUTION NO. 2015-19 AUTHORIZING THE SUPERINTENDENT OF PARKS & FORESTRY TO ACT ON BEHALF OF THE CITY TO APPLY FOR AN URBAN FORESTRY GRANT; AND ACTION THEREON

Superintendent Westphal explained that the 2016 Urban Forestry Grant application requires annual approval by resolution from the Common Council. The grant would pay for 50% of the submitted

expenses, which includes EAB insecticide treatment, Ash tree removal and replacement and staff training. The total grant request is \$25,000.

In answer to Council Member Filter's question, City Administrator/Treasurer Mertes stated that the grant revenue has not been added to the budget.

Superintendent Westphal stated that the grant involves matching funds. It is uncertain whether the City will receive the full approval of the grant amount.

Motion made by Council Member Filter, seconded by Council Member O'Keefe, to adopt Resolution No. 2015-19 authorizing the Superintendent of Parks & Forestry to act on behalf of the City to apply for an Urban Forestry Grant. Motion carried without a negative vote with Council Member Thome excused.

CONSIDER RESOLUTION NO. 2015-20 WITHDRAWING FROM THE LOCAL GOVERNMENT PROPERTY INSURANCE FUND (LGPIF) EFFECTIVE JANUARY 1, 2016; AND ACTION THEREON

City Administrator/Treasurer Mertes explained that the dissolution of the Local Government Property Insurance Fund (LGPIF) was included in the initial State budget proposal by the Governor. As a result, the League of Municipalities, WMMIC and CVMIC joined forces and created MPIC (Municipal Property Insurance Company). Since then the Local Government Property Insurance Fund is remaining intact; however, they are raising their premiums 85-100% for 2016. Not included in this increase is also an increase in the values. The Local Government Property Insurance 2016 quote for the City is \$45,198; an increase of \$20,859 or 86%, whereas, the quote from MPIC is \$28,930 (an increase of \$4,591 or 19%). Due to budget restraints the additional \$16,268 in savings is needed.

In answer to Council Member Regenfuss' question, City Administrator/Treasurer Mertes explained that the City will have the same third party to process claims and the coverage is similar and even includes items we are currently paying extra for, such as Jake our K-9 Officer. It should be a smooth transition. She also explained that she has reached out to local businesses for insurance coverage; however, they are unable to come close or have not approached the City.

Motion made by Council Member Arnett, seconded by Council Member Czarnecki, to adopt Resolution No. 2015-20 withdrawing from the Local Government Property Insurance Fund (LGPIF) effective January 1, 2016. Motion carried without a negative vote with Council Member Thome excused.

CONSIDER RESOLUTION NO. 2015-21 REQUIRING THE REPAIR OF THE CN RAILROAD CROSSING AT SPRING STREET; AND ACTION THEREON

Director Wiza explained that the Spring Street CN Railroad crossing has been deteriorating to the point that it is becoming a hazard to motor vehicles. The crossing not only presents a bumpy ride, but pieces of the wood timbers have broken off and steel lag bolts protrude in places. As a result, Council Member Rick Verhaalen had asked if the Public Works Department could fix the railroad crossing on Spring Street; however, the City has no jurisdiction to repair the crossing and staff has

made repeated past attempts to get the railroad to make repairs with no success. Council Member Verhaalen did some research and found that the railroad has a policy in place and it is best to go through the formal complaint procedure.

Council Member Verhaalen stated the City needs to file a formal complaint by adopting Resolution No. 2015-21. This resolution will allow staff to file the complaint with the railroad and require them to take action.

City Attorney Herbrand added that no action by the railroad to the formal complaint will trigger an investigation and resolution.

Motion made by Council Member Verhaalen, seconded by Council Member Czarnecki, to adopt Resolution No. 2015-21 requiring the repair of the CN Railroad crossing at Spring Street. Motion carried without a negative vote with Council Member Thome excused.

Council Member Arnett added that if the railroad fails to repair the rail crossing within 30 days after the issuance of the Resolution, the City should follow through the next day or as soon as possible to take all necessary steps to petition the Office of the Commissioner of Railroads for an investigation and order for the repair of the tracks.

CONSIDER APPROVAL OF WCA GROUP HEALTH TRUST HEALTH INSURANCE PREMIUM RATES FOR 2016; AND ACTION THEREON

City Administrator/Treasurer Mertes explained that the Employee Health Insurance Committee met with AFG and they presented a preliminary health insurance premium rate increase of 7.5%. As a result, the Committee recommended going out for bids. In the beginning of this process, the City asked WCA for a disruption report, prompting them to come back to the City with a final rate increase of 5%. The Trust is requesting the City sign a one year agreement and staff is recommending approval. Including changes in type of coverage, it is an increase of \$52,750 over the 2015 budget.

Motion made by Council Member Regenfuss, seconded by Council Member O'Keefe, to approve the WCA Group Trust Health Insurance premium rates for 2016. Motion carried without a negative vote with Council Member Thome excused.

CONSIDER PROPOSED 2016 BUDGET; DEPARTMENT PRESENTATIONS, DISCUSSION, AND DIRECTION THEREON

City Administrator/Treasurer Mertes provided two worksheets at the request of Council Member Arnett comparing the spending of Public Safety and Public Works with area communities. She used a State Report for the 2013 comparison and actual budget documents for the 2015 comparison. The 2015 comparison was difficult and may not be a true comparison because each municipality prepares their budget differently and may have a different structure than the City of Cedarburg.

Council Member Arnett explained that Public Safety and Public Works is approximately 70% of the City's budget (General Fund) and he was looking for a benchmark in comparison to other Municipalities.

City Administrator/Treasurer Mertes explained that the current proposed budget contains a 2.1% levy increase and 1.4% assessed tax rate increase. The rate increase now is at \$0.10, which would be a \$30 increase for the average home in the City (\$279,000). For every \$11,965 added or subtracted in the budget, \$0.01 needs to be added or subtracted from the rate.

The Common Council directed a 0% increase in the levy. The growth in the City allowed for \$57,000 levy increase and the State's levy limit will allow an increase of \$354,000, which is included in the budget to make it balance. She is still waiting for the County, State and School levies.

Police Department

Police Chief Frank highlighted the following budget information:

Station and Administration

- Additional 1% wage increase for dispatchers for catch up (\$5,800).

Patrol and Investigations

- A 3.2% increase to Patrol salaries per contract, along with additional pay grade increases for newer officers.
- Sick payout increased due to an anticipated retirement in 2016. In answer to Mayor Kinzel's question, Chief Frank confirmed that the City is contractually obligated to pay this upon retirement.
- Revenues decreased in the Court Penalties and Costs by 33.33% to show the current history with the Mid Moraine Municipal Court System. In answer to Council Member O'Keefe's questions, City Attorney Herbrand stated that the City used the Circuit Court system prior to the current court and it is cheaper than creating our own court.

Emergency Management/Auxiliary Police

- 33.33% increase to Radio Equipment Maintenance for 20 new portable radio batteries.

Capital Improvement

- The third siren will be replaced for Emergency Management.
- Chief Frank requested a License Plate Reader which reads all license plates including parked cars and parking lots and instantly alerts the officer of any issues with plates. Our City attracts many people from out of town and this would be very beneficial to the Department. The Village of Grafton and the City Mequon have readers. The reader would be a tremendous investigative tool for the City.
- Asphalt Repair and Resurfacing at the Police Department and Cedar Pointe Park. Council Member Filter suggested combining this project with the City's Street project. Superintendent Bublitz stated that this will help the Department with plowing and restoration problems in the lot.
- Call Recorder to replace a 15 year old failing system that no longer has updates. It is needed for 911 calls by law.
- Squad replacement for two 2012 vehicles including equipment.
- High-risk incident equipment for eight patrol rifles and ten plate carriers to supply each officer with their own equipment.

Library

Library Director Pierschalla explained that the Library is a “body politic” overseen by a seven member Library Board of City residents appointed by the Mayor and Common Council. Day to day management is delegated to the Library Director. The Library’s governance is determined by Wisconsin State Statute Chapter 43. The Library is primarily funded from local property taxes and also receives revenue from the non-librariied non-resident County tax. Director Pierschalla reviewed the Library’s 2015 accomplishments, and the 2016 objectives and long-term objectives

The following budget information was highlighted:

Library – Special Revenue Fund

- Library Revenues – County revenues increased by 22.27%.
- Library copies – were reduced to reflect the actual usage.
- Rent of City Property was reduced because they are not getting the rentals they expected in the Community Room.
- Sick Leave Payout increased due to an anticipated retirement in 2016.
- Health Insurance increased due to an employee changing from single to family coverage.
- No increase to the Professional Services. This account was used for union/legal opinions.
- The Marketing account was decreased.
- Electric increased slightly; however, there is not much difference between the old library and the new Library.
- Natural Gas, Telephone and Water Service accounts were decreased.
- Professional Publications and Dues along with Travel & Training increased for new staff and conferences.
- Publications and Subscriptions have remained flat. In answer to Council Member Czarnecki’s question, Director Pierschalla explained that this is all the materials in the collection. The Library is probably not getting as much for their money as in the past.
- Maintenance/Contracted Services increased by 45.68%, due to maintenance agreements in the absence of a maintenance employee for the facility.

In answer to Council Member Arnett’s questions, Director Pierschalla explained that the \$53,055 deficit in the proposed budget could be paid by the City with an increase to the levy. In regard to the loss of shared services from the Town, the City lost approximately \$100,000. The amount paid by the County for non-librariied services is nowhere near this amount.

In answer to Council Member Filter’s question, City Administrator/Treasurer Mertes stated that the difference between the 2015 and 2016 budgets is a \$53,000 deficit.

In answer to Council Member Regenfuss’ question, Director Pierschalla explained that the Library is only reimbursed if a Town resident checks out material. There is no reimbursement for simply using the facility.

Council Member Arnett asked how often the Library Board has reached out to the Town.

City Administrator/Treasurer Mertes referenced a quote from the *Town News Today* indicating that the Town is not interested in shared services, which stated “Valentine added that the Board is

leaning away from city/town shared services as they tend to be continual points of disagreement, except for fire/rescue services, which has worked great.”

Mayor Kinzel stated that the Town has refused a shared services agreement twice.

Library Board Member Ruggieri stated that forming a Joint Library Board is a multi-year project involving the County and State. It would not be an immediate answer.

Director Pierschalla stated that the Library did not get a budget increase from the City in 2014 and received a small increase in 2015. Much of the increase to the proposed budget is from an increase to the preventative maintenance agreements.

Building Inspection

Building Inspector Baier highlighted the following budget information:

Building Inspection

- Personnel and Operating Budgets have decreased.

In answer to Council Member Filter’s question, Deputy Clerk Kletzien explained that the City does invoice businesses that are monitored and billed to the City for Weights & Measures by the State.

City Hall Complex

- Personnel and Operating Budgets have remained flat.

Cemetery Fund – Special Revenue Fund

- Personnel and Operating Budgets have decreased.

Council Member Filter stated that the cemeteries look great and the grass cutting is excellent.

Capital Improvement

- Painting exterior of complex buildings.
- Paving of half of parking lot.
- Removing and replacing a concrete retaining wall by the Fire Department/creek.

Sewerage

Superintendent Hackert highlighted the following information:

- The Utility gained 25 sewer service customers.
- The monthly connection fee remains the same and there is a slight increase to the flow rate.
- There were 18 sanitary sewer backup calls that the Department does not charge the customer.
- The CMAR report earned all As.
- Accomplishments include: replacing truck #61, hosting a WWOA meeting, and three operators became Wisconsin Advanced Licensed Operators. The Plant has not received a new discharge permit and there may be decisions to make to meet the new regulations.

- Variances include: increases in salaries due to becoming advanced operators, increase in telephone, decrease in electric, increase in training, safety equipment, and an increase to root control cleaning. A reduction in sludge volume totaling \$7,000 needs to be added which will cover the increases in the above variances.
- Depreciation expenses on buildings & equipment increased by 1.2%

Capital Improvement Budget

- Capital Improvements amount to \$800,000 for engineering projects, miscellaneous equipment, street repairs, UV bulb replacement, rebuilding sewer pumps and replacing digester blowers and controls.

Engineering

Director Wiza highlighted the following information:

- 2015 accomplishments, 2016 objectives and long-term objectives were reviewed.

Public Works & Engineering

- Increases to the sick payout and Workers' Comp insurance.
- Operating expenditures and Revenues budgets increased, with a net increase of 2.05%.

Conservation and Development

- Contract increase of 4% (2% per year) for City Planner; Increase City Planner hours from 16 hours/week to 20 hours/week.

Council Member Czarnecki stated that if the City wants to be a developer friendly City, it is good to have the City Planner available.

City Administrator/Treasurer Mertes suggested a possible increase to the room tax to offset the decrease in donations from the Chamber of Commerce. An increase to the room tax would help fund the flower basket program and a portion of the Economic Development Coordinator. The present room tax is 5% and the maximum allowed is 8%. A 6% increase would add \$13,000 in revenue, a 7% increase would add \$26,000 in revenue, and an 8% increase would add \$39,000 in revenue.

Capital Improvement Budget

- The Capital Improvements include: Public Works facility, equipment replacements, stormwater consulting and improvements, and street improvements, totaling \$9,793,750.

In answer to Council Member Arnett's question, Director Wiza explained that accessory items and depth of the pond make the Susan Lane Storm Water Pond more expensive.

Council Member Regenfuss stated that the pond will benefit the City because the developer has dedicated a large parcel of the land to the City for this purpose.

In answer to Council Member Arnett's questions, Director Wiza explained that most sidewalk repairs are done by removing and replacing sections, whereas, some grinding is used in cases where a tree might be in danger.

Public Works

Superintendent Bublitz highlighted the following information:

- 2015 accomplishments, 2016 objectives and long-term objectives were reviewed.
- Budget variances include: increases in salaries, contracted services, travel & training, garage/maintenance supplies, machine equipment/maintenance, repair & maintenance services, and snow and ice equipment and materials. There were decreases in signs, supplies & parts due to the completion of the retro-reflectivity standards sign replacement throughout the City and a decrease of one part time seasonal employee. Revenues consist of State transportation aids and appliance/furniture pickups.

Capital Improvement Budget

- Public Works facility and equipment replacements which were also highlighted.

Health & Sanitation

Director Wiza explained that the City has a seven year contract with Wastewater Management, which includes a 3% increase this year. The City will lose \$9,000 in recycling grant money.

Unfunded

Superintendent Bublitz explained the need for a camera with a locating wire and monitor (unfunded item). He stated that the City is responsible for locating storm sewers and liable for repairs. The camera would be used by Public Works, WWTP, and the Light Water Utility. This will eliminate any rental of equipment.

He also highlighted the need to repaint or replace the downtown garbage cans (unfunded).

Light and Water

At the request of the City auditing firm, General Manager Lythjohan provided the Utility's Total Operating Revenues, Total Operating Expenses, Net Income, Net Position and Impact Fee Collections.

Parks, Recreation and Forestry

Director Hilvo highlighted the following information:

- The Net Cost of the Recreation budget was reduced by 0.79%.
- Decrease in DPW seasonal employee and telephone.
- Increase in Employee Training & Travel for a conference in St. Louis, MO.
- Celebrations increased due to the Hanging Basket program. All fees are waived for Summer Sounds.
- The Park & Open Space plan will be done in-house for a \$15,000 savings.

Capital

- Park Improvements: Prairie View Shelter – restroom/grading, Zuenert path resurface, and the addition of a net climber in Cedar Creek Park.
- Equipment Replacements: aerial lift truck and a John Deere mower/snowblower.

Unfunded

- Contracted street tree pruning, Hanover Avenue boring for water/sewer lines to save eight trees, irrigation system for City Hall, swimming pool grounds, and Behling Field, and a one ton 4x4 dump truck with plow for forestry work.

In answer to Council Member Filter's question, Director Hilvo explained that all pruning is currently done by staff.

Special Revenue Fund – Recreation Programs (Self-Supporting)

- Includes 20% of the Recreation Supervisor position.
- Increases for office supplies, chip timer, and furniture upgrade will come from the fund balance.
- The Civic Band receives payment for some of their performances and that money is used for stipends, music and uniforms. \$1,000 will be added from the General Fund.

Special Revenue Fund – Swimming Pool

- The City has proposed a 2 year agreement with the Town of Cedarburg for a 20% contribution to the pool (\$6,600).
- Some staffing hours have been decreased at the pool.
- Fundraising and sponsorships are available.
- Considering an increase in pool fees. Director Hilvo explained that the City of Hartford is building a new facility and they will have lower fees than the proposed City fees. Director Hilvo is uncertain whether the pool will make enough money with the increase in fees, which the budget is based on.

Director Hilvo asked the Common Council if the City wants to raise the pool fees.

Council Member Arnett stated that he has not heard any negative comments regarding the City's family pass fees and he did not think people would be opposed to an increase. It is a good value for families.

Council Member Regenfuss stated that the Town is considering a one year pool agreement and is advocating for fundraising and sponsorships to make the pool self-supporting.

Director Hilvo stated he is working on establishing a Friends of Cedarburg Parks and Recreation group and Friends of the Community Pool group.

Council Member Regenfuss stated that the All Children's Playground is a community amenity and needs to be replaced.

Council Member Czarnecki stated that we need to package all of the services that Town residents use and charge the Town for these services.

Mayor Kinzel stated that the Town is not willing to participate in any other shared services.

Council Member Czarnecki stated that the Town has opted out of shared services over the years, yet the City continues to offer and pay for them...and Town residents continue to use these services.

Council Member Czarnecki stated that the City is subsidizing the lower tax environment enjoyed by the Town.

Council Member Regenfuss stated that they have had little or no feedback on the pool, in part due to not having a quorum for the September 17 Community Pool Commission meeting. He agreed that the Town should pay non-resident fees to use the pool, if an agreement is not reached.

Council Member O'Keefe stated that a Town survey indicated that 80% of the Town residents want a shared services agreement for the Community Pool.

Director Hilvo was encouraged that a non-resident fee for the Town residents may make up for the deficit if there is not a shared services agreement.

In answer to Council Member Arnett's question, Director Hilvo could not explain why the swim instructions were down this year. When calculating pool usage, three swim lessons equal one swimming pass. The weather was not favorable in the beginning of the season and that may have affected the swim lesson participation.

In answer to Council Member Verhaalen's question, Director Hilvo confirmed that the Town of Cedarburg does not contribute to the tennis courts in the School District. The City is paying the District \$210,000 towards the tennis courts along with \$800 for nets. The City needs the School District courts because the Adlai Horn courts will be closed.

Mayor Kinzel stated that the Town Board does not necessarily listen to their residents in regard to shared services. He stated that this will not be solved now because the City cannot roll back 20 years of angst for this budget.

Council Member Czarnecki stated that it's the duty of Town Representatives to continue a low tax environment in the Town. Obviously, if given the chance, Representatives for the Town are going to opt to pay less for any service their residents enjoy.

City Attorney Herbrand stated that the agenda item asks for direction on the loss of Town support for the pool, if that should happen.

City Administrator/Treasurer Mertes stated that it would help with the expenditure restraint to leave the \$19,000 in the budget for Public Works time opening and closing the pool.

Mayor Kinzel moved the next item up for consideration before continuing with the budget review.

CONSIDER RESOLUTION NO. 2015-22 TO APPROVE AMENDMENT NO. 2 TO THE LONG TERM POWER SUPPLY CONTRACT FOR WPPI PARTICIPATING MEMBERS; AND ACTION THEREON

Mayor Kinzel stated that General Manager Lythjohan is presenting an Amendment No. 2 to the Long Term Power Supply contract for WPPI participating members for consideration.

Motion made by Council Member Filter, seconded by Council Member Arnett, to adopt Resolution No. 2015-22 to approve Amendment No. 2 to the Long Term Power Supply contract for WPPI

participating members. Motion carried without a negative vote with Council Member Thome excused.

CONSIDER PROPOSED 2016 BUDGET; DEPARTMENT PRESENTATIONS, DISCUSSION, AND DIRECTION THEREON

City Administrator/Treasurer Mertes continued with the budget review.

Other

- Contingency Reserve: \$54,000 was added to this account for 2015 to help get to the maximum percentage of increase allowed by the expenditure restraint program. The 2016 proposed expenditures are over the estimated percent to qualify for the revenue, therefore, there is nothing added for 2016.
- Transfers to Special Revenue Fund – Pool: will be \$42,000 if the \$19,000 is added.
- Transfer to Special Revenue Fund – Rec Programs: \$1,000 is to support the Civic Band.

City Administrator/Treasurer Mertes suggested that the Fund Balance could be used for some Capital items.

- Property Taxes on the Revenue side, is the increase needed (4.55%) to balance the budget.
- The State computer aids are doubling next year, although the State is exempting more equipment.

City Administrator/Treasurer Mertes mentioned that the Treasurer's office shows the revenue for interest. She is researching the addition of an investment advisor through Ehlers to see if she could possibly increase the City's interest earnings, which may help the budget by approximately \$20,000.

Debt Service

- This funds all of the principal and interest payments for the year.
- For 2016, City Administrator/Treasurer Mertes is able to offset some of the debt payments with funds from Capital from the Library proceeds and the savings on the building debt service fund balance. The City received a rebate from the IRS for the Build America Bond refund on the State Trust Fund loan. As a result, the tax rate is only \$0.39 for the Debt Service. She stated that the Debt Service for 2016 is \$705,000 and in 2017 it will be \$1.3 million, which means the tax rate will double and Debt Service will make the 2017 budget more difficult.

Internal Service

- This fund reflects all the City's insurance costs.
- The City's Workers' Comp insurance is increasing due to the experience modification factors going over 1 for 2016 because of the history of losses.
- Each type of insurance coverage is budgeted along with a small budget for any claims that the City pays during the year. In 2015 the City paid \$81,000 in claims; however, under revenues there were insurance recoveries, due mostly to the ladder truck claim of \$60,000.

- Revenues include a dividend income from CVMIC and any insurance recoveries including Workers' Comp or claims. The insurance coverage is charged out to the different departments either based on property values or salaries to reflect the true cost of operations.
- The Fund Balance has been increasing and is up \$120,000 over the last five years. This was a recommendation from the auditors to continue increasing this fund. If something would happen that is not covered by insurance the City has \$860,000 to cover a potential claim.

Other Special Revenue Funds: Room Tax and Parks & Playgrounds

- An increase in revenues is being projected because tourism has increased with the economy and the City began collecting from the vacation rental homes. This will also increase expenses because it is returned to TP&D and the General Fund.
- The room tax rate has not increased since 1994.

Mayor Kinzel stated that he cannot see increasing the room tax unless the City receives a written agreement to fund additional items.

- Impact fees were received for new developments in the parks. The City does not budget any revenues because the amount is unknown each year. A transfer out to Capital Improvements of \$50,000 should technically be \$150,000 because of the Prairie View Park shelter project; however, there is only \$60,000 available. The remainder is coming from the Capital Fund balance or the levy. Most of the impact fees were used for the Creek Walk.

Capital Improvement

- The balance is coming from the Environmental Fund and is not adding to the levy because it is there for Prochnow. There is \$10,000 in the levy towards this fund but there is always going to be environmental expenses. City Administrator/Treasurer Mertes pointed out the proposed fund balances for each of the reserved accounts in the Capital Improvement Fund. Some of the amounts are higher because of borrowing and will level out later.
- The 2016 levy is down to \$1.3 million and in 2017 the City will need a \$2 million levy to meet all of the current Capital Improvements in the budget. This will be a \$760,000 levy increase.

In answer to Council Member O'Keefe's question, City Administrator/Treasurer Mertes explained that the \$1 million entry for dam repairs is an estimated borrowing amount.

Strategic Plan

City Administrator/Treasurer Mertes explained that a column was added at a Council Member request to show whether an item is mandated or not.

Council Member Filter asked for a printed copy of the Strategic Plan.

Unfunded List

- The south end of Washington Avenue banners and updating all City entrance signs from grey to green is part of the Conservation and Development Budget from Economic Development Coordinator Sheffield.
- City Administrator/Treasurer Mertes reminded the Common Council that the Code needs to be updated.

- The Library unfunded amount is \$41,592.

CONSIDER RENEWAL OF THE FOLLOWING LEASES OF CITY PROPERTY; AND DIRECTION OR ACTION THEREON

City Administrator/Treasurer Mertes stated that over approximately the last five years, rooms and storage areas at the Lincoln Building and Community Gym have been leased out to businesses and not for profit groups. Staff wants to make the Council aware of this practice and ask them to review the current leases and recommend changes and/or authorize continuation or termination for 2016. The current leases are as listed:

- Cedarburg Youth Baseball (Lincoln Building)
- Cedarburg Youth Baseball (Adlai Horn & Cedar Pointe Parks)
- North Shore United Soccer (Lincoln Building)
- Cedarburg Festivals (Community Center Gym)
- Cedarburg Festivals (Lincoln Building)
- Cedarburg Cultural Center (Lincoln Building)
- Teri Jackson (Refreshment stand at Cedar Creek Park baseball diamond)
- A Plus Driving School, LLC (Lincoln Building)
- Solar Recreation (Community Center Gym)

City Administrator/Treasurer Mertes explained that there would be a loss of \$14,690 if the leases are canceled or an increase in revenue if rates are raised. She added that A Plus Driving School is the only business that pays property tax.

Council Member Czarnecki suggested that the City check the utilities that are used by the lessees and to get closer to the market asking price.

City Administrator/Treasurer Mertes agreed to look at all the costs.

Council Member Arnett expressed caution at over pricing in comparison to the size of the space being leased.

CONSIDER PAYMENT OF BILLS FOR THE PERIOD 09/24/15 THORUGH 10/02/15, ACH TRANSFERS FOR THE PERIOD 09/23/15 THROUGH 10/09/15, AND PAYROLL FOR THE PERIOD 09/13/15 THROUGH 09/26/15; AND ACTION THEREON

Motion made by Council Member Filter, seconded by Council Member Regenfuss, to approve payment of the bills for the period 9/24/15 through 10/2/15, ACH transfers for the period 9/23/15 through 10/9/15, and payroll for the period 9/13/15 through 9/26/15. Motion carried without a negative vote with Council Member Thome excused.

CONSIDER LICENSE APPLICATIONS; AND ACTION THEREON

Motion made by Council Member Arnett, seconded by Council Member O'Keefe, to approve new operators' license applications for the period ending June 30, 2016 for Emily E. Eineichner,

Benjamin A. Kraft and Douglas E. Yip. Motion carried without a negative vote with Council Member Thome excused.

ADMINISTRATOR'S REPORT – None

COMMENTS AND SUGGESTIONS FROM CITIZENS - None

COMMENTS & ANNOUNCEMENTS BY COUNCIL MEMBERS

Council Member Filter stated that it has been one year since former Council Member Yip received his heart transplant. He will be having a celebration at the American Legion Post on October 24.

Council Member O'Keefe congratulated Cedarburg Festivals on a great Oktoberfest.

MAYOR'S REPORT - None

ADJOURNMENT

Motion made by Council Member Filter, seconded by Council Member O'Keefe, to adjourn the meeting at 10:33 p.m. Motion carried without a negative vote with Council Member Thome excused.

Amy D. Kletzien, MMC/WCPC
Deputy City Clerk