

**CITY OF CEDARBURG  
COMMON COUNCIL  
November 9, 2015**

**CC20151109-1  
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, November 9, 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, Patricia Thome, Mike O’Keefe

Also Present - City Administrator/Treasurer Christy Mertes, City Attorney Michael Herbrand, Director of Engineering and Public Works Tom Wiza, Police Chief Tom Frank, Deputy City Clerk Amy Kletzien, Parks, Recreation & Forestry Director Mikko Hilvo, Library Director Linda Pierschalla, Library Board Members Sue Karlman, Steve Ruggieri and Vonna Pitel, Economic Development Board Member Peter Welch, 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 Thome, seconded by Council Member Arnett, to approve the minutes of the October 26, 2015 meeting as presented. Motion carried without a negative vote.

**COMMENTS AND SUGGESTIONS FROM CITIZENS** - None

**UNFINISHED BUSINESS**

**FURTHER CONSIDERATION OF THE PROPOSED 2016 CITY BUDGET; DISCUSSION AND DIRECTION THEREON**

City Administrator/Treasurer Mertes highlighted the budget changes from 2015 to 2016, which includes savings and some additional unexpected spending. There was a loss of revenue totaling \$200,000 that the City does not have any control over.

City Administrator/Treasurer Mertes reviewed the General Fund changes that were made to meet the zero rate increase:

- Removed funding for revaluation from Assessor's Office (\$10,000). There are enough funds to do a revaluation in the next year (\$116,000); however, removing this item will affect future years.
- Removed fire insurance dues from revenues & expenditures (\$42,000) because this is a pass through of funds.
- Removed funding for newsletter printing and mailing (\$7,500). The newsletter will be distributed electronically using Constant Contact, website, and cable television.
- Eliminated brush drop off site/part-time salaries (\$2,368) because there will not be a site available during the new building project.
- Removed transfer to Swimming Pool and added tax levy for fund (\$44,121) The Special Revenue Fund Levy will be the total of the Library and the Swimming Pool.
- Removed merit increase for the Library (\$2,000) and sick payout for retirement at the Library (\$7,000). The vacancy after the retirement should make up for most of the difference.

City Administrator/Treasurer Mertes explained that the City's Mission Statement states that the City delivers high quality programs and services in a fiscally responsible manner and just because the City can hold the rate down, doesn't mean that the City should. Looking at the Capital Improvement Fund, the City is again slowly using the reserves for the equipment replacement, streets and storm sewers. This year the City needed to borrow for the street project and equipment.

City Administrator/Treasurer Mertes stated that she recently attended an Ozaukee Economic Development meeting that stressed the importance of retention and recruitment of employees. Within the next few years, the Baby Boomers will be retiring and there will not be a large amount of people to hire. There will be a high demand for employees and the City will have to offer something to new hires to replace the Baby Boomers. Money and benefits are important to a new hire along with flexibility and investment in the employees. Over the years, the employees have fallen behind while the City has been trying to save money by instating furlough days and no pay increases for Department Heads. It would be beneficial to increase and show appreciation to those who did not receive pay increases during this time. The Clerk's Office has had changes from four full-time employees to three full-time employees to two and one-half employees and the Treasurer's Office has gone from four full-time employees to three full-time employees to 2 and three-quarter employees and now they are at 2 and one-half employees. It would be nice to show the employees that have to step up to do the extra work that they are appreciated. The benefits have been changing and lessening over the years also.

City Administrator/Treasurer Mertes stated that in regard to the Capital Improvement Fund, with the proposed 2016 budget, there will be no reserve left to fund much.

Mayor Kinzel stated that the debt service for 2016 and 2017 will increase a fair amount and will make the effort to get to the expenditure restraint more difficult, unless there is some nice growth.

City Administrator/Treasurer Mertes reviewed her forecasting for future budgets. If the increase remains at zero for this year, there will be a \$1.30 increase to the rate, which is \$360 on the average home in 2017. By not funding items now and thinking for the future, the City will get hit hard again and will require borrowing to complete some needed projects. The Library Levy is the same for three years in her projections. The Swimming Pool would remain stable. Capital Improvements

shows the amount that is needed for the projects in the five year plan now. The Debt Service will jump \$511,000 in 2017 and it will come back down slightly in 2018.

In answer to Mayor Kinzel's question, City Administrator/Treasurer Mertes stated that the new Public Works garage debt service is reflected in this amount; however, it would just be an interest payment.

The General Fund revenues are decreasing by four percent, due to the State Revenues declining. The General Fund expenditures reflect a two percent increase. There is a zero assessed rate increase in 2016; however, there will be an increase in 2017 and 2018 mostly due to debt service and capital projects.

Mayor Kinzel stated the City will be in the arrears because the Council wanted to keep the taxes level as citizens were going through the downturn. The City was being fiscally responsible and it turned out fine; however, there will be years with an increase unless the City experiences good growth.

Council Member Arnett explained that the mill rate was \$6.40 in 2011 and it will be climbing to \$9.00 in two years and he expressed concern for a 45% increase. He questioned at what point the taxpayers just say stop.

City Administrator/Treasurer Mertes stated that this is the equalized value, so in 2011 the equalized value would have been less than the assessed value. At the assessed value it still was \$6.49.

Council Member Arnett stated that the Council may want to step back and look at the whole picture to see what is being spent.

In answer to Council Member Arnett's question, City Administrator/Treasurer Mertes stated that the dam repairs are in the Capital Fund.

Library Director Pierschalla clarified the potential elimination of merit pay for the Library budget. She stated that although the Common Council determines the full amount for the Library budget, the Library Board determines how the amount will be allocated. The Library Board has their own Personnel Committee and the Library Board is assigned to oversee wages and pay for Library staff. Wages and comparables to other municipalities were studied and it was determined that talent needs to be retained. To pay for performance, you need to have funds available to do this or it is meaningless. The Library Board can still put the money in the budget for merit pay and take it from somewhere else. By virtue of State Statutes the Library Board determines how the funds are allocated. Not funding the staff members retirement payout will have to be absorbed somewhere else as well. At some point staff needs to be supported and given credit for what they do.

In answer to Council Member Arnett's question, City Administrator/Treasurer Mertes stated that the budget is balanced. She does not have the tax levy at a zero increase as requested by the Common Council but she has the tax rate at zero increase.

In answer to Council Member Filter's question, City Administrator/Treasurer Mertes stated that the tax rate is not going up and it will be the same as this year.

City Administrator/Treasurer Mertes explained that if the Council approved a \$0.03 increase to help fund the Capital Improvements for future purchases, it would cost approximately \$7.77 on the average home of \$259,000.

Council Member Thome stated that she has constituents who are concerned about being certain they are comfortably able to pay the taxes on their homes. But we also need to realize that they need to pay for what they use. She has not heard from anyone that the City is being irresponsible. She wants to move forward in a reasonable and responsible manner. There are some things that cannot be changed and it is becoming harder to continue cutting back.

Council Member Arnett stated the total City levy in 2011 was \$7.505 million and now the City is proposing \$8.45 million. He expressed frustration for the increase. Constituents want to keep their taxes low and the City provides a tremendous amount of service. He does not see a lot of waste.

City Administrator/Treasurer Mertes stated that as the City grows, the mill rate will go down. Before the new construction assessments are added to our tax base, the City needs to start providing services. The City keeps adding services and cutting staff at the same time; it is getting hard on the employees. It is becoming hard to constantly come up with new ideas and new ways to do things, there is only so much that can be done. They have been cutting the budget for the last ten years and there is no place else to cut.

Mayor Kinzel stated that he understood; however, he questioned eliminating the funding of part-time salaries for the brush drop off site.

Director Wiza stated that a temporary site would need to be set up until the new Public Works facility is built. Possible sites would be the former remote receiving station on Pioneer Road or the Kohlwey site. The City will need to put equipment there as well during the construction. Grass clippings are not brush and they cannot go into the curb. Grass clippings will go down the storm sewer and a citation will be issued. The City only provides brush pick up during the regular season. Grass clippings or yard waste needs to be dropped off at the Public Works facility. He stated that the City may get calls if this service is eliminated.

City Administrator/Treasurer Mertes stated that it will cost more to set-up a temporary drop-off site.

In answer to Council Member O'Keefe's question, Director Wiza stated that they are only proposing that the drop-off site be eliminated this year because the current public works site will not be available. Another site would need to be set up for next year and the citizens would need to be notified of the alternate site. It will be difficult for some citizens not to have a drop-off site.

In answer to Mayor Kinzel's question, Director Wiza stated that there will be some added costs to the \$2,368 to build an alternate drop-off site.

Council Member Arnett asked for an alternate unstaffed site to be available to citizens.

Director Wiza stated that the site will need to be staffed so that people do not drop off other unwanted items that would cost the City to dispose of elsewhere.

Mayor Kinzel highly recommended that the Council consider adding the cost of a brush drop-off site to the budget.

Council Member Arnett suggested that the City eliminate the \$49,894 that is budgeted to repair the Police Department parking lot. He provided pictures and suggested that the lot be patched in areas and crack sealed instead, to free up this amount.

In answer to Council Member Czarnecki's questions, Director Wiza stated that the parking lot was not included in the City Street program for a variety of reasons. Some areas, not the entire lot, are very broken and this requires excavation, adding stone, and applying new asphalt to those areas only. The quote for the parking lot included: patching broken areas, crack filling the entire lot and a slurry seal over the entire lot for a uniform appearance. He stated that this could be put off for another year but questioned whether the City would save money because the cost will only be deferred for another year. The City could do the crack filling with City staff; however, it would be a waste of money to crack fill the badly broken areas.

In answer to Council Member Verhaalen's question, Director Wiza stated that more of the parking lot could break apart, adding to the cost of the project if it is delayed, and also that the construction costs continue to increase.

Police Chief Frank stated that half of the quote to fix the parking lot is for the Police Department drive and parking lot and the other half is for the parking lot and the access to the Cedar Pointe Park. The bid includes this entire area. The park area is used pretty heavily by individuals cutting through from Wauwatosa Road to Cedar Pointe.

City Administrator/Treasurer Mertes stated that the parking lot repair was to reduce the lawn restoration efforts by Public Works in the spring because it is a difficult lot to plow. The resurfacing includes changes to make plowing easier.

Council Member Czarnecki was in favor of crack sealing the Police Department parking lot.

In answer to Mayor Kinzel's question, Director Wiza stated that asphalt could be added to the rutted area if needed; however, it is located at the dumpster site and does not affect pick up.

Council Member O'Keefe was concerned about removing the \$7,000 sick payout from the Library budget. The City can delay hiring a new person; however, they run a pretty tight ship and they do not have any over staffing. He questioned whether there would be a savings to delay hiring a new person.

In answer to Council Member Verhaalen's question, Director Pierschalla stated the person that is retiring has 30 years of service and her wage is approximately \$32,000. She is not sure that she could hire someone at that entry level wage. If Director Pierschalla waited to fill the position, she would need to use some part-time help in the interim. It is a needed position and she would rather not have much of a delay.

In answer to Council Member Thome's questions, Director Pierschalla stated that the employee will be retiring in October 2016 and a new employee would be hired to start in four to six weeks normally.

Mayor Kinzel stated that he understands the rising levy; however, it would be beneficial to keep the tax rate flat. If the parking lot repair is removed the City could fund an alternate brush drop-off site, merit pay, retirement payout, and the newsletter.

The Common Council discussed eliminating mailing the City Newsletter.

Council Member Thome stated that citizens should be encouraged to read the newsletter on the City's website.

Council Member Arnett suggested removing the parking lot resurfacing at the Police Department and funding the merit pay, retirement payout, brush drop-off site, and the newsletter. This would result in a \$25,000 savings.

In answer to Council Member O'Keefe's question, Director Wiza estimated that the crack filling for the Police Department parking lot could be done for \$5,000.

Council Member Thome favored evolving citizens to an electronic version of the Newsletter and building a database.

It was the consensus of the Common Council to mail the Newsletter one final time in the spring of 2016.

It was the consensus of the Common Council to remove the parking lot resurfacing and fund the following items:

- Spring Newsletter (\$3,750)
- Brush drop-off site (\$2,368)
- Merit pay (\$10,000)
- Library retirement payout (\$7,000)
- Crack sealing the Police Department parking lot (\$5,000)
- The remainder of the savings can be used to fund next year's Capital expenditures.

Council Member O'Keefe commended City Assessor Timm on reducing her budget by \$10,000 for the revaluation amount.

## **NEW BUSINESS**

### **CONSIDER AWARD OF ENGINEERING DESIGN CONTRACT FOR THE 2016 STREET AND UTILITY PROJECT; AND ACTION THEREON**

Director Wiza explained that staff requested proposals from four engineering consulting firms for design of the 2016 Street and Utility Project. A detailed Request for Proposal (RFP) was sent to each firm, and the scope of work was well defined. All four firms submitted responsive proposals,

and the lowest overall fee for service was submitted by M-Squared Engineering of Cedarburg, which is \$9,000 below the next proposal.

In answer to Council Member Filter's question, Director Wiza stated that is essential the consultant complete the survey work before the snow season; therefore, this item is before the Common Council without a recommendation from the Public Works and Sewerage Commission. It would not have been feasible to wait for a contract award until the November 30 Common Council meeting.

Motion made by Council Member Filter, seconded by Council Member Czarnecki, to award the engineering design contract for the 2016 Street and Utility Project to M-Squared Engineering. Motion carried without a negative vote.

**CONSIDER ENGINEERING DESIGN AND CONSTRUCTION STAKING PROPOSAL FOR THE SUSAN LANE REGIONAL STORM WATER POND; AND ACTION THEREON**

Director Wiza stated that Bob Tillmann will be requesting final plat approval for the six lot Fairfield Manor West Subdivision on Susan Lane in December. As part of this development, Mr. Tillmann will be dedicating a large out lot to the City for construction of a regional storm water pond.

Director Wiza explained that the pond will help attenuate flooding and provide storm water quality benefits, but design and construction will be at City expense. Since R.A. Smith National is completing the street and utility design for the subdivision, it would be cost effective to have them design the pond as well, as there is significant overlap in the site survey, storm water computations, and DNR permitting.

He further explained that the proposal for \$19,250 includes the development of a centerline profile for the future extension of Susan Lane. Establishing the future street grade will be helpful for any utility construction in Susan Lane, and would allow the City to install a connecting sidewalk between proposed Susan Court and the easterly segment of Susan Lane.

Motion made by Council Member Filter, seconded by Council Member Czarnecki, to award the engineering design and construction staking proposal for the Susan Lane regional storm water pond to R. A. Smith National in an amount not to exceed \$19,250. Motion carried without a negative vote.

**CONSIDER FUNDING TO PURCHASE LIGHTS TO DECORATE THE LARGER TREE IN FRONT OF CITY HALL FOR THE HOLIDAYS; AND ACTION THEREON**

Parks, Recreation & Forestry Director Hilvo stated that due to the imperfections of the larger tree, he is proposing that the project be contracted out to LaRosa Landscaping for \$4,000. They can make the tree look nice but it will not be spectacular.

Council Member O'Keefe stated that he is not prepared to spend \$4,000 to decorate the Holiday tree.

In answer to Council Member Regenfuss' question, Director Hilvo stated that David Frank Landscape did not respond to his request for a proposal to decorate the Holiday tree.

Council Member Arnett stated that after looking at the quote, he noted the size of the bulbs (C9 LED lights) and could find them at Home Depot for \$20.00 per string of 50. He reached out to Eric Stelter asking if any groups would be willing to sponsor the lights for the larger Holiday tree. He was able to get \$250 each from Bella Lei, Today's Dentistry, Amy's Candy and Real Fitness to cover the lights. He proposed that City staff put the lights up using our equipment.

Council Member O'Keefe stated that he has a small but passionate group of people that would be willing to work on some fundraising as well. He stated that he thought the original idea was to plant the smaller tree which would eventually takeover for the larger tree and then it was done immediately, which surprised a few people.

Council Member Thome would be happy with the tree looking like City staff strung the lights with the understanding that it is not a perfectly shaped tree and to meet the desires of the citizens.

Attorney Herbrand stated that his firm is offering \$1,000 to purchase lights to decorate the large Holiday tree.

The Council Members thanked Council Member Arnett for his fundraising and City Attorney Herbrand for his firm's donation to decorate the large Holiday tree and the Mayor will certainly recognize the contributors.

It was the consensus of the Common Council to purchase 3,000 lights and keep the remaining funds for replacement lights.

**CONSIDER ORDINANCE NO. 2015-18 AMENDING SECTIONS 7-1-1 AND 7-1-6 OF THE CODE OF ORDINANCES PERTAINING TO THE LENGTH OF PET LEASHES; AND ACTION THEREON**

Motion made by Council Member Verhaalen, seconded by Council Member Thome, to adopt Ordinance No. 2015-18 amending Sections 7-1-1 and 7-1-6 of the Code of Ordinances reducing the length of pet leashes from 10' to 6'.

Council Member Filter stated this has not been a cost efficient change in the ordinance.

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

**REVIEW 3<sup>RD</sup> QUARTER FINANCIAL REPORT; AND DIRECTION THEREON**

City Administrator/Treasurer Mertes stated that the 3<sup>rd</sup> Quarter Financial Report was presented in the Common Council material for their review and that every fund is in-line with the budget.

Mayor Kinzel thanked City Administrator/Treasurer Mertes for making sure the funds stay in-line with the budget.

**CONSIDER PAYMENT OF BILLS FOR THE PERIOD 10/22/15 THORUGH 10/30/15, ACH TRANSFERS FOR THE PERIOD 10/21/15 THROUGH 11/04/15, AND PAYROLL FOR THE PERIOD 10/11/15 THROUGH 10/24/15; AND ACTION THEREON**

Motion made by Council Member Filter, seconded by Council Member Czarnecki, to approve payment of bills for the period 10/22/15 through 10/30/15, ACH transfers for the period 10/21/15 through 11/4/15, and payroll for the period 10/11/15 through 10/24/15. Motion carried without a negative vote.

**CONSIDER LICENSE APPLICATIONS; AND ACTION THEREON**

Motion made by Council Member Czarnecki, seconded by Council Member Arnett, to approve new Operators License application for the period ending June 30, 2016 for Matthew C. Ehr, Jason D. Mutza, and Lynne R. Robertson. Motion carried without a negative vote.

Council Member O'Keefe asked to have the operator license application reviewed against the City Code in regard to listing prior arrest records.

City Attorney Herbrand will assist in the review.

Motion made by Council Member O'Keefe, seconded by Council Member Thome, to approve a renewal Operators License application for the period ending June 30, 2016 for Karen M. Nelson. Motion carried without a negative vote.

**ADMINISTRATOR'S REPORT** - None

**COMMENTS AND SUGGESTIONS FROM CITIZENS** - None

**COMMENTS & ANNOUNCEMENTS BY COUNCIL MEMBERS**

Council Member Verhaalen stated that he received an email from a constituent in regard to the tennis courts and numerous people have asked him why the citizens of Cedarburg are paying twice on the maintenance of the School District courts.

In answer to Council Member Verhaalen's question, Director Hilvo stated that the Cedarburg High School Athletic Director Lair and Director of Building/Grounds Koster addressed the Common Council in 2012 stating that there was a long time agreement between the City and School District for a 50/50 share on the maintenance of the tennis courts. There was no documentation, except for a letter from School Superintendent Kennedy to the Mayor in 1990 to consider a 50/50 share. The Common Council agreed to fund half of the maintenance on the High School tennis courts at that meeting. In regard to the Webster School courts, the School District and the Cedarburg/Grafton Rotary funded the repairs and never invoiced the City for \$10,000. Director Hilvo stated that he received an invoice this year for \$500 for nets that was not budgeted.

Council Member Verhaalen stated that City residents are paying approximately 70% for the maintenance of the School District tennis courts through their City taxes and School District taxes.

Mayor Kinzel stated that the City is often expected to pay for other community's costs. He said that the City should have a 50/50 access to the District courts.

Director Hilvo stated that the City has access to the courts for six weeks in the summer and the District has a six week season in the fall and a shorter season in the spring. In reality the share is closer to 60/40. City residents may not use the courts during school hours. However, John Koster did open the Webster Courts to a senior tennis league in September and October, as requested by Director Hilvo, and they were more flexible.

Council Member Thome stated that it was the Cedarburg/Grafton Rotary's intent that their donation to the School District tennis courts would benefit the citizens in the community.

Director Hilvo stated that the Town of Cedarburg would not contribute to the School District tennis courts at that time, stating that Town residents do not use the courts.

City Attorney Herbrand stated that it would be worthwhile to review the documentation between the School District and the City of Cedarburg regarding the maintenance on the School District tennis courts for the future.

In answer to Council Member Arnett's question, City Attorney Herbrand stated that he would review the agreement and discuss it at a future meeting.

**MAYOR'S REPORT** - None

**ADJOURNMENT**

Motion made by Council Member Filter, seconded by Council Member O'Keefe, to adjourn the meeting at 8:23 p.m. Motion carried without a negative vote.

Amy D. Kletzien, MMC/WCPC  
Deputy City Clerk