

**CITY OF CEDARBURG  
COMMON COUNCIL  
November 30, 2015**

**CC20151130-1  
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, November 30, 2015, at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers. Mayor Kip Kinzel called the meeting to order at 7:30 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, Director of Engineering and Public Works Tom Wiza, City Clerk Constance McHugh, Library Director Linda Pierschalla, City Attorney Michael Herbrand, Library Board Member Steve Ruggieri, Economic Development Board Members Eric Stelter and DJ Burns interested citizens and news media

**STATEMENT OF PUBLIC NOTICE**

At Mayor Kinzel's request, City Clerk McHugh 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 Filter, to approve the minutes of the November 9, 2015 meeting as presented. Motion carried unanimously.

**PROCLAMATION – 25<sup>TH</sup> YEAR OF THE ANNUAL FRED BEYER THANKSGIVING DINNER**

Mayor Kinzel presented a proclamation to Ryan Olsen of Piggly Wiggly in appreciation for the work involved in the annual Fred Beyer Thanksgiving dinner.

**COMMENTS FROM CITIZENS**

Council Member Arnett said his daughter Mary Arnett, who is in the audience, would like to know how Mayor Kinzel got his first name.

Mayor Kinzel said his first name came from his mother, who named him after a soap opera star.

**FURTHER CONSIDERATION FOR THE PROPOSED 2016 BUDGET**

City Administrator/Treasurer Mertes presented a Tax Levy History spreadsheet. The tax rate for the City remains the same at \$6.97 per \$1,000 assessed value. She said the overall tax rate for the City will decrease by \$0.31. The tax rate will be \$18.29 per \$1,000 assessed value.

The following changes were made to the budget per the direction of the Council at the last meeting:

- \$8,000 added to the General Fund for merit pay increases;
- \$2,000 added to the Library Fund for merit pay increases;
- \$2,368 was added for the brush drop-off site;
- \$3,750 was added for the Spring newsletter;
- \$7,000 was added for Library retirement payout;
- \$49,864 was removed for the Police Department parking lot repaving in the Capital Improvements budget;
- \$5,000 was added for crack sealing the Police Department parking lot in the Capital Improvements budget.

In addition, the budget includes a septic tank rate increase from \$41.58 per 1,000 gallons to \$44.91 per 1,000 gallons. The fixed rate for haulers will increase from \$5 per truckload to \$10 per truckload.

Council Member Filter asked how much the tax rate is increasing.

City Administrator/Treasurer Mertes again explained the City's tax rate is remaining the same and the net tax rate is decreasing by \$0.31, or -1.7%. Property owners will not see an increase in taxes.

Mayor Kinzel and the Council thanked City Administrator/Treasurer Mertes and staff for their efforts in preparing the budget.

**CONSIDER APPLICATION OF SPEEDWAY LLC, MICHAEL WEBER, AGENT, FOR A "CLASS A" CIDER ONLY LICENSE FOR SPEEDWAY 4203 AT W63 N121 WASHINGTON AVENUE**

Wisconsin Act 55 created "Class A" cider only licenses. "Class A" cider licensees may sell cider, as defined in State Statutes, for consumption off-premises, and may not offer samples of intoxicating liquor. Municipalities are not allowed to charge an annual fee or initial issuance fee for a "Class A" cider license.

Motion made by Council Member Filter, seconded by Council Member O'Keefe, to approve the application of Speedway LLC, Michael Weber, agent, for a "Class A" cider only license for Speedway 4203 at W63 N121 Washington Avenue. Motion carried unanimously.

**DISCUSS FUNDING FOR THE CEDARBURG HIGH SCHOOL TENNIS COURTS**

Attorney Herbrand said that since the last Council meeting he had an opportunity to review the minutes of the May 14, 2012 Council meeting regarding the discussion of funding the High School

tennis courts. He said it appears that historically the City has been given first use of the tennis courts after school use and prior Councils have agreed to share the costs of courts using a 50-50 split. At the May 14, 2012 meeting, the Council made a motion that the Council agrees that within three years it will budget for and intends to share the costs of maintenance and rebuilding the tennis courts at the School District. This motion is contingent upon a mutually acceptable access agreement which provides that, after School District access, City residents and recreation programs will perpetually get first priority access to the courts. The method of funding and the amount will be finalized during the next budget cycle.

Attorney Herbrand suggested the Council consider entering into an Intergovernmental Agreement with the School District setting forth ground rules as to how future funding will occur. His goal would be to have a more formal understanding with the School District.

Council Member Filter said residents of the Town of Grafton, Village of Grafton, Town of Jackson, and Town of Cedarburg also use the tennis courts and get a free ride because these communities do not contribute towards the costs of the courts.

Attorney Herbrand said the purpose of a formal agreement would be to establish rules as to how cost sharing occurs, and how future costs will be handled.

Council Member Arnett said several of his constituents have questioned why they are paying twice for courts – once through City taxes and again through School taxes. He said there is not a lot of support on behalf of City residents to pay twice for these courts.

Attorney Herbrand said the agreement could spell out that the costs are shared for now, but going forward there is not carte blanche approval as to a 50-50 cost sharing. The agreement would also spell out the methodology as to communications between the City and the School and the decision making process. He further stated that past Councils do not necessarily bind current or future Councils.

Council Member Verhaalen questioned usage statistics of 54% usage by the School District and 46% usage by the City.

Attorney Herbrand said the agreement would formalize what the Council will be doing in the future in terms of funding and how the process will work. He suggested he prepare a draft agreement that could be presented to the School District in advance of it being brought back to the Council.

It was the consensus of the Council that this is the direction to take and that Attorney Herbrand prepare an agreement to present to the Cedarburg School District and the Common Council.

**CONSIDER ORDINANCE NO. 2015-19 AMENDING SECTION 10-1-16(b) OF THE CODE OF ORDINANCES TO PLACE A YIELD SIGN FOR EASTBOUND PARKLAND ROAD TRAFFIC AT RIDGEWAY LANE**

Director Wiza said the Park Ridge Subdivision extended Parkland Road west of Ridgeway Lane, and the appropriate traffic signage at the Ridgeway intersection for eastbound Parkland Road traffic is a yield sign.

Motion made by Council Member O’Keefe, seconded by Council Member Czarnecki, to adopt Ordinance No. 2015-19 amending Section 10-1-16(b) of the Code to place a yield sign for eastbound Parkland Road traffic at Ridgeway Lane. Motion carried unanimously.

**CONSIDER ENGINEERING SERVICES PROPOSAL FROM GRAEF FOR ASSISTANCE WITH DNR MUNICIPAL DAM GRANT APPLICATION AND ASSOCIATED TECHNICAL WORK**

Director Wiza said Graef has submitted a proposal for engineering services to evaluate options to further bring the Cedarburg dams into compliance with NR 333 spillway capacity standards and investigate the potential modification to the floodplain. In addition, the DNR is offering a Municipal Dam Rehabilitation grant which Cedarburg may be able to take advantage of. Cedarburg dams are in need of repairs and spillway capacity modifications that appear to be eligible. This is a competitive grant program with limited funding, but there is a good chance for the City to receive assistance. As part of the application, Graef will prepare preliminary plans and cost estimates for improvements to the City-owned Woolen Mills and Columbia dams. Staff is recommending the Council retain Graef to prepare the necessary plans, hydraulic modelling, and provide assistance in filing the grant paperwork. The estimated cost is \$23,400. The application deadline is January 21, 2016.

Council Member O’Keefe questioned spending the \$23,400 at this point and asked how much grant money is available.

Director Wiza said the grant money can be quite significant. At this point he does not know how the grant money will be divided among the entities that apply for the grants.

Council Member Regenfuss asked if the grant money will bind the City in any way.

Director Wiza said accepting grant money is always a concern. He said the grant will not be pursued if there are too many strings attached. If it is the Council’s desire to leave the dams as is, the grant should not be pursued.

Attorney Herbrand said the Council may want to work towards “practical compliance”. In this case, further engineering must be done.

DJ Burns, N105 W7585 Chatham Street, said there are a lot of changes going on at the DNR now in terms of NR 333. He said he would like to see the deadlines for compliance pushed back like what has happened in other communities. He urged the Council to hold off any study until more is known about the clean-up of Cedar Creek. The EPA is hosting a meeting here on December 3 followed by a public comment period.

Mr. Burns further stated that \$400,000 is the maximum grant award under this program. He said it is his understanding that only one of three dams in the City meets the threshold requirements for obtaining a grant.

Council Member O’Keefe suggested this matter be tabled as the Creek clean-up meeting is in three days and the Council does not yet have enough information.

Council Member Arnett questioned if some of this engineering work can be reused.

Director Wiza stated it could be. He said Graef has prepared conceptual drawings. This proposal would take things to the next phase.

Council Member Thome agreed that it may make sense to hold off on taking action on this until the EPA public comment period is over.

The Council took no action on this request.

**CONSIDER MAYOR KINZEL'S APPOINTMENTS TO THE COMMUNITY DEVELOPMENT AUTHORITY (CDA)**

Motion made by Council Member O'Keefe, seconded by Council Member Thome, to approve Mayor Kinzel's appointments of the following to the Community Development Authority (CDA):

Mayor Kip Kinzel  
Council Member Mitch Regenfuss  
Eric Stelter (term expires 09/05/16)  
Dale Lythjohan (term expires 09/05/16)  
Andy Detro (term expires 09/04/17)  
Eric Arvold (term expires 09/03/18)  
Joe Kassander (term expires 09/02/19)

Motion carried unanimously.

Council Member Czarnecki cautioned any group that is working with land owners as to what is said to the land owners so that unrealistic expectations are not set.

**CONSIDER ORDINANCE NO. 2015-20 LEVYING PROPERTY TAXES ON THE GENERAL, DEBT SERVICE, SPECIAL REVENUE, AND CAPITAL IMPROVEMENT FUNDS FOR FISCAL YEAR 2016; ORDINANCE NO. 2015-21 APPROPRIATING THE NECESSARY FUNDS FOR THE OPERATION OF THE GOVERNMENT AND ADMINISTRATION OF THE CITY OF CEDARBURG FOR FISCAL YEAR 2016; ORDINANCE NO. 2015-22 APPROPRIATING THE NECESSARY FUNDS FOR THE 2016 CAPITAL IMPROVEMENT BUDGET; ORDINANCE NO. 2015-23 ESTABLISHING THE USER CHARGE SCHEDULE AND APPROPRIATING THE NECESSARY FUNDS FOR THE SEWERAGE FUND FOR THE OPERATION OF THE WASTEWATER TREATMENT PLANT FOR FISCAL YEAR 2016; AND ORDINANCE NO. 2015-24 APPROPRIATING THE NECESSARY FUNDS FOR THE OPERATION OF THE SPECIAL REVENUE FUNDS AND ADOPTING THE INDICATED BUDGETS FOR FISCAL YEAR 2016;**

Motion made by Council Member Filter, seconded by Council Member Czarnecki, to adopt the following ordinances:

- Ordinance No. 2015-20 levying property taxes on the General, Debt Service, Special Revenue, and Capital Improvement Funds for fiscal year 2016;
- Ordinance No. 2015-21 appropriating the necessary funds for the operation of the Government and Administration of the City of Cedarburg for fiscal year 2016;
- Ordinance No. 2015-22 appropriating the necessary funds for the 2016 Capital Improvement budget;
- Ordinance No. 2015-23 establishing the user charge schedule and appropriating the necessary funds for the Sewerage Fund for the operation of the Wastewater Treatment Plant for fiscal year 2016;
- Ordinance No. 2015-24 appropriating the necessary funds for the operation of the Special Revenue Funds and adopting the indicated budgets for fiscal year 2016.

Motion carried unanimously.

**CONSIDER ORDINANCE NO. 2015-25 AMENDING SECTIONS 7-2-5(b)(7) AND 7-2-23 OF THE CODE OF ORDINANCES INCREASING THE FEE FOR OPERATOR'S LICENSES FROM \$30 PER YEAR TO \$35 PER YEAR AND AMENDING SECTION 3-3-4(f)(1) OF THE CODE OF ORDINANCES ESTABLISHING A FEE FOR COLOR COPIES**

Motion made by Council Member Filter, seconded by Council Member O'Keefe, to adopt Ordinance No. 2015-25 amending Sections 7-2-5(b)(7) and 7-2-23 of the Code of Ordinances increasing the fee for Operator's licenses from \$30 per year to \$35 per year and amending Section 3-3-4(f)(1) of the Code of Ordinances establishing a fee for color copies, effective January 1, 2016. Motion carried unanimously.

**CONSIDER ORDINANCE NO. 2015-26 ESTABLISHING 2016 PAY RANGES FOR NON-REPRESENTED EMPLOYEES**

Motion made by Council Member Thome, seconded by Council Member Czarnecki, to adopt Ordinance No. 2015-26 establishing pay ranges for non-represented employees of the City. Motion carried unanimously.

**CONSIDER REVISED FC-4: INVESTMENT POLICY**

City Administrator/Treasurer Mertes said the ad hoc Debt/Investment Advisory Committee met and discussed revisions to the City's Investment Policy. The Committee recommended the following changes:

- The City Administrator/Treasurer will report investment activity as requested by the Mayor or Common Council.
- It would be beneficial to retain an investment advisor. The firm or individual will be selected by the City Administrator/Treasurer and the ad hoc Committee and recommended to the Council for approval.
- The investment advisor will have no authority to take possession of City monies or investment securities, nor execute investment transactions on behalf of the City until approval is obtain from the City Administrator.

- The investment policy shall be reviewed annually by the ad hoc Debt/Investment Advisory Committee. Any changes shall be recommended to and approved by the Council.

Council Member Czarnecki said City Administrator/Treasurer Mertes would like the ability to retain an investment advisor. These revisions allow for that and put the proper checks and balances into place. In addition, a committee with expertise and years of experience will have oversight.

Motion made by Council Member Arnett, seconded by Council Member Czarnecki, to adopt revised Policy FC-4: Investment Policy. Motion carried with Council Members Czarnecki, Arnett, Verhaalen, Regenfuss, Thome and O'Keefe voting aye and Council Member Filter voting nay.

**CONSIDER AUTHORIZING CITY ADMINISTRATOR TO SEEK RFPs FOR INVESTMENT ADVISOR**

City Administrator/Treasurer Mertes said that in an effort to increase interest income and portfolio diversity, she is requesting authorization to send out Requests for Proposals for investment services.

Motion made by Council Member Czarnecki, seconded by Council Member Thome, to authorize City Administrator/Treasurer Mertes to seek RFPs for an investment advisor.

Council Member Arnett said any firm or individual selected will need to earn their fee.

Council Member Filter said it is important to make sure that none of the investments are too risky. Council Member Regenfuss said this is a point well made.

Attorney Herbrand said State Statutes govern investments that can be made by municipalities. Investment advisors/firms will know the rules and regulations.

Motion carried with Council Members Czarnecki, Arnett, Verhaalen, Regenfuss, Thome and O'Keefe voting aye and Council Member Filter voting present.

**PAYMENT OF BILLS**

Motion made by Council Member Filter, seconded by Council Member Thome, to approve the payment of the bills for the period 11/05/15 through 11/20/15, ACH transfers for the period 11/05/15 through 11/20/15, and payroll for the period 10/25/15 through 11/07/15. The motion carried unanimously.

**LICENSE APPLICATIONS**

Motion made by Council Member O'Keefe, seconded by Council Member Czarnecki, to authorize the issuance of new Operator licenses for the period ending June 30, 2016 to:

Paul D. Anderson  
Jeremy M. Gruenweller

Timothy T. Friedeck  
Jennifer E. Wilcox

Motion carried unanimously.

Motion made by Council Member O'Keefe, seconded by Council Member Czarnecki, to authorize the issuance of renewal Operator's licenses for the period ending June 30, 2016 to:

Julie A. Schlabach

Motion carried unanimously.

**CITY ADMINISTRATOR'S REPORT**

City Administrator/Treasurer Mertes thanked the Council for adopting the budget.

She will be on vacation December 3-8.

**COMMENTS AND ANNOUNCEMENTS FROM CITIZENS**

Eric Stelter, N54 W5989 Portland Road, said when there are City projects or RFPs sent out, local businesses should be consulted. He encouraged the Council to keep things local.

**ADJOURNMENT**

Motion made by Council Member Filter, seconded by Council Member Regenfuss, to adjourn the meeting at 8:40 p.m. Motion carried unanimously.

Constance K. McHugh, MMC/WCPC  
City Clerk