

**CITY OF CEDARBURG  
COMMON COUNCIL  
June 28, 2021**

**CC20210628-1  
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held online utilizing the Zoom app and in-person at the City Hall Council Chambers on Monday, June 28, 2021.

Mayor O’Keefe called the meeting to order at 7:00 p.m.

Roll Call:           Present - Mayor Michael O’Keefe, Council Members Jack Arnett, Patricia Thome, Barbara Lythjohan, Sherry Bublitz (attended via Zoom), Robert Simpson, Kristin Burkart

Excused – Council Member Rick Verhaalen

Also Present - City Administrator Mikko Hilvo, Attorney Michael Herbrand, City Clerk Tracie Sette, Engineering & Public Works Director Mike Wieser, Water Recycling Center Lead Operator Dennis Grulkowski, Fire Chief Jeff Vahsholtz, Library Director Linda Pierschalla, Director of Parks, Recreation and Forestry Danny Friess, City Forester Kevin Westphal, Public Works Superintendent Joel Bublitz, news media and interested citizens.

**STATEMENT OF PUBLIC NOTICE**

At Mayor O’Keefe’s request, City Clerk Sette 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.

**COMMENTS AND SUGGESTIONS FROM CITIZENS** – None

**APPROVAL OF MINUTES**

A motion was made by Council Member Thome, seconded by Council Member Burkart to approve the June 14, 2021 Common Council minutes. Motion carried without a negative vote with Council Member Verhaalen excused.

**NEW BUSINESS**

**DEPARTMENT PRESENTATIONS, DISCUSSION, AND DIRECTION THEREON**

**STRATEGIC PLAN REVIEW**

Administrator Hilvo summarized the focal points of the City’s current Strategic Plan.

- a) Enhance Effectiveness of our City Government by promoting sound fiscal management that seeks to minimize debt, pre-funding significant expenditures, maximizing non-tax revenues, and sharing expenses with other government entities when feasible as well as improving

efficiencies and productivity between city departments, residents, and businesses through technology.

- b) Support Economic Development by providing opportunities for business growth, fostering historic preservation in historical areas, preserving quality of life and continuing the vitality of the local economy. The focus currently is on Highway 60 Business Park and smart growth areas.
- c) Improve and Maintain Infrastructure by proactively maintaining public facilities while planning and improving infrastructure compatible with growth. Current objectives include dam compliance, improvements to water recycling center operations, updates to street and utility projects plan, completion of Highway 60 Business Park infrastructure, support urban forestry services, continue work on ADA compliances issues.
- d) Enhance quality of life services through community partnerships.
- e) Provide a Safe, Secure, and Healthy Community by providing exceptional public services such as through the Public Works Department and Cedarburg Fire/Police services.
- f) Strengthen neighborhoods by developing smart growth plans which promote diversity, equity, and inclusion.

A conversation ensued about the best use of American Recovery Plan (ARP) funds. This topic will be on a future Council agenda.

### **CITIZEN SURVEY REPORT – REVIEW 2021 REPORT**

Administrator Hilvo presented the results of the 2021 Citizen Survey. The report is available on the City of Cedarburg's website.

### **DEPARTMENT CHANGES**

#### **ASSESSOR-REVALUATION**

Administrator Hilvo explained Grota Appraisals contract is a three-year agreement, therefore, assessment costs will not be changing in 2022. Costs associated with the 2022 revaluation have been prefunded through annual allocations of funds for future revaluations.

#### **CITY CLERK – ELECTIONS**

City Clerk Sette explained the only addition to the 2022 budget for the Clerk's office would be postage for absentee ballots since there will be four (4) elections in 2022.

#### **ENGINEERING**

Engineering and Public Works Director Wieser explained street projects for 2022 include sidewalk and asphalt repair. The budget for 2022 street projects is currently \$855,000.

Council Member Arnett suggested the City focus efforts on the busiest streets.

#### **FIRE DEPARTMENT**

Fire Chief Vahsholtz explained that he is requesting an increase in the fire department budget for hiring an additional firefighter/EMT in 2022. He further explained by deferring any Capital Budget for 2021, he was able to provide funds to hire a new full-time employee. Capital Budget funds for 2022 will solely focus on upgrades to Fire Station #3. Chief Vahsholtz explained the need for a facility study to be completed. The building is in need of locker rooms and ADA compliance upgrades.

In response to Council Member Thome's question, a fire study would be beneficial to the department in the event the Fire Department moves forward with a consolidation plan.

### **LIBRARY**

Library Director Pierschalla explained how losses due to COVID-19 caused excessive use of fund balance in 2021. She further explained there were many cuts to the budget, such as staff funding their own training, yet utilizing fund balance was still necessary. To balance the budget, an additional \$20,000 is required in 2023 and 2024 or Library services will need to be cut.

The final year of the Library Building debt will be 2026. Capital Improvements for the Library are funded through the City's General Fund.

### **PARKS, RECREATION & FORESTRY**

A Capital Improvement Plan for the Parks, Recreation & Forestry department includes building a playground in the new Baehmann development. Impact fees will be used for this project.

The Forestry department has a goal of planting 300 replacement trees. Currently, 171 have been planted.

### **POLICE DEPARTMENT**

The Police Department currently has no major changes requested to the budget other than standard squad replacements. They are looking into updating the building to include an electronic locking system.

### **PUBLIC WORKS**

The Public Works department is requesting approximately \$300,000 for the purchase of vehicles and equipment. Public Works Director Joel Bublitz and Bill Hintz continue to research ways to lengthen the usage of vehicles. Keeping vehicles maintained and washed has been a successful way to keep vehicles in use for a longer duration. It becomes too costly to keep and maintain vehicles that are 15-20 years old.

Public works is requesting an additional staff member for 2022 based on the increase in subdivisions and miles of roads maintained along with help with forestry operations.

The biggest complaint this past year has been delays in snow plowing, followed by street repair complaints. Public Works Director Joel Bublitz explained it takes 3-4 hours to completely plow the

City after a snow storm with the current amount of employees. Council Member Burkart would like to see plowing efforts focus on curb areas near schools.

### **WATER RECYCLING**

The Water Recycling Center is proposing a rate increase of \$1.00 per \$1,000 to cover administrative costs for permit renewals. The current rate will increase from \$7.55 to \$8.55 per \$1,000.

### **DEBT SERVICE**

Administrator Hilvo explained the increase in Debt Service for 2022 will be \$114,000. There will be a decrease in debt service by 2023. He also explained most of the debt is from Swimming Pool improvements, the TID Business Park, Amcast cleanup, and the Public Works Building. Within 48-60 months, debt service totals will improve considerably.

### **HEALTH INSURANCE**

Administrator Hilvo provided a brief overview of proposed changes to the current health insurance plan. There are (2) plans proposed for 2022. One plan introduces monthly premiums to be paid by employees while keeping deductibles the same as 2021. The other plan includes no premiums while raising the deductible. The City may decide to adopt a state plan for 2023.

Council Member Burkart mentioned she is struggling with the thought of raising rates for employees.

### **SALARIES**

Administrator Hilvo recommended a cost of living raise of 3% for employees in 2022.

### **PRIORITIES FOR 2022**

The Council discussed the following budget priorities:

- 1) Focus on streets, Fire/EMS, Public Works, & creating a sustainable capital fund.
- 2) 3% cost of living increase
- 3) Health Insurance
- 4) One additional Firefighter/EMT in July 2022.
- 5) One additional Public Works/Forestry Crew member in January 2022.

### **DISCUSSION ON 2022 HEALTH INSURANCE; AND ACTION THEREON**

The Personnel Committee reviewed and recommended changes to the 2022 and 2023 health insurance plans. The Council discussed the potential impact of employees paying a health insurance premium for a single and family plan vs. the higher deductible plans as discussed earlier.

Council Members Burkart and Thome thanked the Personnel Committee for their efforts in vetting the new insurance plans.

Council Member Burkart is uncomfortable with requiring employees to contribute to insurance costs.

Council Member Bublitz explained how necessary a new plan is due to rising insurance costs.

A motion was made by Council Member Thome to accept the insurance plans as proposed, seconded by Council Member Arnett. Motion carried without a negative vote with Council Member Verhaalen excused.

**DISCUSSION ON POTENTIAL IMPLEMENTATION OF A WHEEL TAX; AND ACTION THEREON**

At its June 15th meeting, the Finance Committee voted to refer its research on a Wheel Tax to the Common Council for review and consideration as budget season approaches. The Finance Committee made it clear they were not looking for any action from the Council at this time. The City of Cedarburg currently maintains 56.35 miles of road with an annual budget of \$1M. The average rating for these roads is 5.7 on a scale of 1-10 (a rating of 1 is the worst). The city maintains a 7-year street improvement plan with a focus on main streets and arterials leading to the city. This has led to some smaller streets being pushed toward the end of their service life. The Council may decide to increase the City's Street improvement budget for the next several years in order to continue to improve our streets and sidewalks. It will be a challenge to do so with the current levy limits in place. Implementing a wheel tax is a potential source of revenue which would increase funding for City streets and sidewalk repairs while not having any impact on levy limits. The Finance Committee considered the positives of a Wheel Tax which include completing needed projects more quickly than the current budget allows. The Committee also considered the negative factors which include the regressive nature of such a tax, the possible unpopularity of the tax, and the fact that the tax may not produce enough revenue to significantly impact our streets program. The Finance Committee's research indicates that each \$10 of wheel tax would produce approximately \$100,000 in revenue for the City.

Administrator Hilvo explained to the Council that if the City were to raise taxes above Expenditure Restraint limits, the City would lose approximately \$200,000 in state funding.

Each Council Member expressed reasons for disliking a potential Wheel Tax but thanked the Finance Committee for their creativity with proposing new ideas for revenue sources.

No action was taken by the Council.

**DISCUSS AND APPROVE PRELIMINARY BUDGET PARAMETERS, INCLUDING OPERATING EXPENDITURES AND/OR TAX LEVY, GROWTH TARGETS FOR DEVELOPMENT OF THE PROPOSED 2022 BUDGET; AND ACTION THEREON**

A discussion ensued regarding the 2022 Budget Parameters. The Council finalized the objectives, providing a framework for the 2022 Budget. The Council agreed upon the following items:

- 1) A slight increase in the tax rate will be considered.
- 2) Focus should be on streets, Fire/EMS, Public Works, & working to create a sustainable capital fund.
- 3) A cost-of-living increase of 3% should be included.

- 4) Health Insurance – It was decided that employees will have 2 options:
  - a. One is a high deductible (\$3000/\$6000) no premium payment option.
  - b. The other is a lower deductible (\$2000/\$4000) with 8% premium contribution.
- 5) One additional Firefighter/EMT to be added in July 2022.
- 6) One additional Public Works/Forestry Crew member to be added in January 2022.

**CONSIDER BUDGET CALENDAR FOR 2022; AND ACTION THEREON**

Administrator Hilvo explained the Budget Calendar included in the Council packet. Mayor O’Keefe thanked Administrator Hilvo for beginning the budgeting process in June.

A motion was made by Council Member Thome to approve the 2021 Budget Calendar as presented in the Council packet, seconded by Council Member Burkart. Motion carried without a negative vote with Council Member Verhaalen excused.

**CONSIDER MAYOR O’KEEFE APPOINTMENT TO COMMUNITY DEVELOPMENT AUTHORITY; AND ACTION THEREON**

Mayor O’Keefe notified the Council of his impending appointment of James Roemer to the Community Development Authority. His experience with commercial residential real estate development, property management and regional bank lending make him a well-qualified candidate to serve in this capacity. Mayor O’Keefe also informed the Council that Mr. Roemer recently moved to Cedarburg.

A motion was made by Council Member Thome to approve Council Member Arnett’s recommendation of the appointment of James Roemer to Community Development Authority, seconded by Council Member Arnett. Motion carried without a negative vote with Council Member Verhaalen excused.

**CONSIDER PAYMENT OF BILLS DATED 06/07/2021 THROUGH 06/18/2021, TRANSFERS FOR THE PERIOD 06/11/2021 THROUGH 06/21/2021 AND PAYROLL FOR PERIOD 05/30/2021 THROUGH 06/12/2021; AND ACTION THEREON\***

Motion made by Council Member Burkart, seconded by Council Member Lythjohan, to approve payment of bills dated 06/07/2021 through 06/18/2021, transfers for the period 06/11/2021 through 06/21/2021 and payroll for the period 05/30/2021 through 06/12/2021. Motion carried without a negative vote with Council Member Verhaalen excused.

**CONSIDER LICENSE APPLICATIONS; AND ACTION THEREON**

A motion was made by Council Member Burkart and seconded by Council Member Thome to approve the new Operator’s License applications for the period ending June 30, 2022 for Patrick H. Curran, Jason D. Demczak, Samantha R. Gerber, Adam T. Kirschbaum, and Marybeth S. Nicolosi. Motion carried without a negative vote with Council Member Verhaalen excused.

A motion was made by Council Member Burkart and seconded by Council Member Thome to approve the renewal Operator’s Licenses for the period ending June 30, 2022 for the following:

Daniel A. Brisley	Susan E. Schrader	Cristian A. Tyrpak
Sam Hoffmann	Eric L. Siudak	William J. Walker
Kristen M. Klug	John P. Stolte	Stacey L. Wedereit
Zachary R. Lewis-Grill	Aubrey A. Thiede	Larry D. Weidmann

Motion carried without a negative vote with Council Member Verhaalen excused.

### **ADMINISTRATOR’S REPORT**

In addition to the Administrator’s report included in the packet, Administrator Hilvo informed the Council that Senior Center Director Aubrey Suppinger resigned her position. Administrator Hilvo researched various ways to trim the budget with this position, but it was determined a full time Senior Center Director is required. The interview process will begin with internal candidates.

### **COMMENTS AND SUGGESTIONS FROM CITIZENS** – None

### **COMMENTS AND ANNOUNCEMENTS BY COUNCIL MEMBERS**

Council Member Bublitz was happy to see people out enjoying and supporting the City this past weekend during ‘Support Local Business Weekend.’

### **MAYOR’S REPORT** – None

### **ADJOURNMENT - CLOSED SESSION**

A motion was made by Council Member Thome and seconded by Council Member Burkart, at 9:26 p.m., to adjourn to closed session pursuant to State Statute 19.85(1)(e) to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session. Specifically discussed was an Intergovernmental Agreement between the City of Cedarburg and Town of Cedarburg to provide for orderly growth and development and for the connection of Forward Way to Hilltop Drive. Motion carried on a roll call vote with Council Members Bublitz, Arnett, Thome, Lythjohan, Simpson and Burkart voting aye and Council Member Verhaalen excused. (6-0)

### **RECONVENE TO OPEN SESSION**

Open session reconvened at 10:02 p.m.

### **DISCUSSION AND POSSIBLE ACTION ON INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CEDARBURG AND THE TOWN OF CEDARBURG TO PROVIDE FOR ORDERLY GROWTH AND DEVELOPMENT AND FOR THE CONNECTION OF FORWARD WAY TO HILLTOP DRIVE**

A motion was made by Council Member Arnett to approve the Intergovernmental Agreement between the City of Cedarburg and Town of Cedarburg to provide for orderly growth and development and for the connection of Forward Way to Hilltop Drive contingent upon each community adopting a final

authorizing Resolution approving said agreement, seconded by Council Member Thome. Motion carried without a negative vote with Council Member Verhaalen excused.

**ADJOURNMENT**

A motion made by Council Member Arnett and seconded by Council Member Burkart to adjourn the meeting at 10:04 p.m. Motion carried without a negative vote with Council Member Verhaalen excused.

Tracie Sette  
City Clerk