

**OFFICIAL MINUTES
OF THE
CITY OF KEWAUNEE COMMON COUNCIL
JUNE 10, 2019 – 6:00pm
AMENDED**

Present: Mayor Christman, Alderpersons Dworak, Jackson, Schiller, Jelinek, Stangel, Kuehl, Mills, Zimmerman and Student Representative, Remington Schleis.

Excused: None

Others Present: Administrator Schnook, Clerk/Treasurer Decur, Public Works Director Strelow, Librarian Petrina and CEDPGW, Autumn Linsmeier.

Mayor Christman called the meeting to order at 6:00 pm and the Pledge of Allegiance was recited and followed by a prayer/meditation.

APPROVAL OF May 13, 2019, & May 20, 2019, COMMON COUNCIL MINUTES.

Aldersperson Mills stated that on page 3, under Goose Management, in the motion it should read "owners" not "owner".

Aldersperson Mills moved, seconded by Aldersperson Dworak, to approve the May 13 & May 20, 2019, Common Council Meeting Minutes with the listed change. Motion carried unanimously.

PUBLIC COMMENT/COMMUNICATIONS

Mayor Christman opened the meeting for any Public Comments.

Hearing none, Mayor Christman Closed Public Comment

CONSENT AGENDA

- a. **Boards, Commissions, Committees and Staff Report; (Community Center, Lighthouse, Planning and Staff Reports**
- b. **ORD 604-19 – on Mobil Food Establishments-Second Reading**
- c. **ORD 605-19 – on Tourist Rooming Houses – Second Reading**
- d. **Read, Accept and Place on File: 2018 Financial Statements**
- e. **ORD 606-19 – Building Inspection – Second Reading**
- f. **Ambulance Rates**
- g. **Operator’s License**
- h. **Combination Class B Liquor and Fermented Malt Beverage License**
- i. **“Class A” Intoxicating Liquor and/ or Class “A” Beet License**
- j. **Class “B” Beer License**
- k. **Other License**

Mayor Christman asked that the Park & Recreation Minutes be pulled from the Consent Agenda.

Aldersperson Schiller asked that, b. ORD 604-19 and c. ORD 605-19 be pulled from the Consent Agenda for further discussion.

Aldersperson Jelinek moved, seconded by Aldersperson Kuehl, to approve the removal of Park & Recreation Minutes from 5a, 5 b. ORD 604-19 and 5c. ORD 605-19 for further discussion, and approve the remainder of the Consent Agenda as presented. After a roll call vote, motion carried unanimously.

5a. Park & Recreation Minutes

Mayor Christman asked that the Park & Recreation Minutes go back to the Committee for revisions to Status on Clock Corner. It stated Mayor Christman got in touch with someone from the state about the trail by the clock corner. It should read “Mayor Christman got in touch with WI DNR Rails to Trails Coordinator Roberta Winebar about the trail by the clock corner.” Work can be done in this area only if “A plan is presented & approved by Dave Myers at the County as the County is in charge of the Trail.”

5c. ORD 605-19 – on Tourist Rooming Houses – Second Reading

Aldersperson Schiller had concerns regarding the wording of Sec. 18-226 (a) (3) which reads “The owner must provide off street parking for all overnight guests.” The concern is that in the B2 District there is no off street parking available to some of the establishments. Aldersperson Schiller also had concerns regarding the effective date of the ordinance.

After some discussion it was agreed to word it as follows, “The owner must provide parking for all overnight guests, in accordance with the zoning district in which it is located.”

Aldersperson Mills had minor grammatical changes he found that need attention if we want the ordinance to read the correct way.

Aldersperson Schiller moved, seconded by Aldersperson Kuehl, to amend, Sec.18-226 (a) (3) to read as: “The owner must provide parking for all overnight guests, in accordance with the zoning district in which it is located” and make the effective date as of April 1, 2020, and approve Ordinance No. 605-19, Tourist Rooming Houses. Upon a roll call vote, motion carried unanimously.

Aldersperson Mills asked Attorney Nesbitt if grammatical changes can be made to Ord. 605-19 after it has been adopted. Attorney Nesbitt stated that as long as the language is not changed it could be done.

Administrator Schnook asked Attorney Nesbitt to what extent an ordinance can be changed after it has been adopted. There is concern about changing the nature of the language. Aldersperson Mills stated that there will be no language changes, just punctuations.

5b. ORD 604-19 – on Mobil Food Establishments-Second Reading

Aldersperson Mills stated again that the changes are minor, missing some words, or grammatical errors like the previous ordinance, no relative change in the verbiage.

Aldersperson Schiller moved, seconded by Aldersperson Jelinek, to approve Ord. No 604-19, Mobile Food Establishments. Upon a roll call vote, motion carried unanimously.

MAYOR’S REPORT

Community Center Update

Aldersperson Zimmerman updated the Council regarding the Community Center. The Community Center is currently investigating the cost of purchasing the land across from City Hall for the development of a Center and investigating property by the Prevea Clinic and the possibility of adding to the Fitness Center. There is a possibility the County has some land that also may be available.

Mayor Christman stated that she saw in the Community Center Minutes that the Committee is also looking at possible grants.

Administrator Schnook asked Alderperson Zimmerman if the Committee has talked to anyone from Special Olympics regarding a proposed gym. Alderperson Zimmerman stated that they have not at this time. Alderperson Schiller stated that Special Olympics has looked at the space that is being proposed and because of the size it would not work for their needs.

Shopko Store Closing Update

Mayor Christman noted that not much has change regarding the Shopko Store Building, other than the owner will be maintaining the property. The Hometown Pharmacy has started with the interior space and applied for the State License so they are hoping to be able to open in August.

Kewaunee School District Update – Remington Schleis

Mayor Christman stated that tonight is the last meeting for Student Representative, Remington Schleis, and asked him where he will be going to school. Student Representative Schlies stated that he is not going on to school. He will be traveling to Portugal and when he gets back he will be enlisting in the Army. Mayor Christman thanked him for his time on the council and wished him well.

Student Representative Schleis stated that he was not at the April meeting. He was at State for the FCCLA competition, where 3 Kewaunee students won gold medals and 1 team will be moving onto Nationals.

The graduating class of 2019 had 72 students. 20 of them will be attending 2 or 4 year Colleges, 30 students will be attending Technical School, 1 will be enlisting into the Army and 22 students are undecided what they are going to do.

NEW BUSINESS

USDA Rural Development Assistance Presentation – Brian Hudson

Mayor Christman introduced USDA Rural Development Representative Brian Hudson to the Council.

Mr. Hudson reviewed the USDA Rural Development Available Funding Programs, which include Single Family Housing Loans & Guaranteed Rural House Loans, Single Family Repair Loans or Grants, Community Facilities Loans, Grants and Loan Guarantees, along with many more.

RES 1074-19 Wastewater Treatment Facility Compliance Maintenance Annual Report – Brandon Strelow

Public Works Director Strelow presented to the Council the 2018 Wastewater Treatment Facility Compliance Maintenance Annual Report. We received A's, on all but one category. In the Influent Flow and Loadings category we received a B, because we went over our peak flow 3 different months last year due to heavy rains and flooding. We ended the year with a G.P.A. of 3.92.

Alderperson Jelinek moved, seconded by Alderperson Mills, to adopt RES 1074-19 – Acknowledging review of the 2018 Compliance Maintenance Annual Report (CMAR) and Directing the City Public Works Director to Submit the Report to the Wisconsin Department of Natural Resources. Upon a roll call vote, motion carried unanimously.

Proposal to Repair Storm Sewer on Center Street-Brandon Strelow

Mayor Christman stated that the proposal to repair Center Street was discussed at the Committee of the Whole Meeting. One of the questions asked was where we would get the money for the repairs. Mayor Christman asked Public Works Director Strelow if anything has changed in the plans. Strelow stated that nothing in the plan has changed, but he went over the budget with Clerk/Treasurer Decur and has listed the accounts where the funds can be taken from. Mayor Christman reviewed the suggested accounts and amounts as follows:

101-53-53310-371 – Gravel, Street Repair Material	\$10,000
101-53-53310-820 – Capital Improvement Reserve	\$10,000
101-53-53440-111 – Salaries – Full Time	\$ 2,981.40
101-53-55210-800 – Capital Outlay	\$12,008.60

Aldersperson Schiller asked if this should be handled under a budget modification. Administrator Schnook stated that the dollar amounts are within the authority of the Administrator.

Aldersperson Zimmerman moved, seconded by Aldersperson Kuehl, to proceed with the Storm Water – Center Street Repairs. Upon a roll call vote, motion carried.

Review/Approve Updated Work Plans for CEDPGW Position – Autumn Linsmeier

Community and Economic Development Planner and Grant Writer Linsmeier gave a presentation to the Council regarding the goals of her position. Some of the topics included grant writing vs. grant facilitation, Community focus on development, structural changes in the Committees and Staff and the vision of what can be completed with the changes.

Discussion was held on how to start the changing of Committees and what types of things the Council should look at when considering someone for a Committee. Aldersperson Schiller thought if the Committees are restructured in the right manner that the Committee of the Whole could be dissolved and the Council could meet twice a month to handle upcoming issues more timely.

This will item be placed on the June 24, 2019 Committee of the Whole Meeting Agenda for further discussion.

RES 1076-19 Authorizing the Issuance and Establishing Parameters for the Sale of Not-to-Exceed \$4,000,000 Water System Revenue Bonds of the City of Kewaunee, Wisconsin, and Providing for the Payment of the Bonds and Other Details with Respect to the Bonds

Mayor Christman presented Resolution 1076-19, and introduced Jordan Masnica from Baird.

Mr. Masnica stated that this was brought to the Committee of the Whole three weeks ago and everything in the handout is the same, with one exception: Since the 2003 Bond issuance the interest rate has gone down around 1 to 1 ¼ percent and the decreased interest should be taken advantage of by refinancing. Mr. Masnica also reviewed the parameters for the interest rate and the debt service savings.

Administrator Schnook reviewed an e-mail he received from Justin Fischer regarding the refinancing of 2003 USDA Water Revenue Bonds, in particular that part of the refinancing will eliminate confusion on USDA Rural Development loan payments. Water Utility will be responsible for all future debt service payment on the new bond. Administrator Schnook also reviewed the letter from Attorney Nesbitt outlining some concerns regarding the mortgage lien in section 5a, which since has been removed.

Attorney Nesbitt explained some of the concerns regarding the bookkeeping issues, particularly the special funds that have to be set up that are required by the Bond. It asks for a Special Redemption Fund, Depreciation Fund, Operation and Maintenance Fund. Attorney Nesbitt would like to see someone from Baird work with the City to make sure things are set up correctly.

Alderson Schiller felt that Baird could create a Compliance Manual that anyone could understand the language, so when staff changes this document would be used by the next person so they have understanding of purposes for what is being done. Alderson Schiller also noted that in the Resolution, Sec. 7 (e), it states the City will prepare a budget not less than sixty days prior to the end of each Fiscal Year. Alderson Schiller feels there is no way a budget can be prepared and adopted by the first of November when the City does not receive pertinent information from the state needed for the budget. Alderson Schiller also had a concern with what the City's Auditors would charge to comply with the request to file a separate audit that would need to meet the following requirements: a statement in detail of the income and expenditures of the System, a statement of the Net Revenues of the System, a balance sheet, accountants' comment, the number of connections to the system for each classification, a list of the insurance policies and the volume of water used as the basis for computing the service charge. Alderson Schiller also has concerns regarding authorizing the Mayor and Administrator to sign the final disclosure document that has not been drafted at this time and have them take this personal undertaking when they sign the disclosure.

Discussion was held on if there would be an actual savings after the additional time for the keeping of the separate records and the Audit. Administrator Schnook mentioned that we inquired the cost of an audit that will be required next year on one of our grants and Baker-Tilly quoted about \$3,500 dollars. Multiply that by 24 years would be somewhere around \$84,000.

Alderson Schiller moved, seconded by Alderson Mills, to table Resolution 1076-19. Motion carried unanimously.

RES 1075-19 – Application with Board of Commissioners of Public Lands for \$1 Million Dollars to Fund the River Road Rehabilitation Project

Mayor Christman presented Resolution No. 1075-19, this is for the work to be done on River Road.

Administrator Schnook stated that this is for the Board of Commissioners of Public Lands, the Council has previously passed a resolution approving the application process and we are doing this again because it wasn't the official language that the Board of Commissions require.

Clerk/Treasurer Decur stated that there are two reasons for bringing this back to the Council. First one is the timing, the Resolution needed to be adopted after the City received the application packet. The second reason was that the interest rate went from 4.5% to 4.0%.

Alderson Kuehl asked that in the paragraph after THEREFORE, BE IT RESOVLED the last sentence should read the "15th day of March" not the "15th day".

Alderson Schiller moved, seconded by Alderson Dworak to approve Resolution 1075-19, Application with Board of Commissioner of Public Lands for \$1 Million Dollars to Fund the River Road Rehabilitation Project. Upon a roll call vote, motion carried.

Update on Boat Launch Project

Administrator Schnook stated that this is primarily information, Staff will be meeting with Chris Halbur and Jessica Terrien from the DNR regarding two things: Which grants we can close out now, and which grants we can receive an extension.

Update on River Road Project

Administrator Schnook stated that there is not much on River Road, but would ask Public Works Director Strelow to give the council an Update of the Residential portion of the project.

Public Works Director Strelow stated that he has all but three signatures to move forward on the project. Public Works Director Strelow also stated that he has tried to contact the remaining 3 property owners and is waiting for a call back. The County is looking at pulverizing the road some time during the last two weeks of June. DeGroot is tentatively scheduled to be here on August 5.

Alderperson Schiller stated he has been in contact with Lunda, who has the Bridge Contract. Because the City provided them office space before they are asking for Office Space, from August 15th through December 15th for their Engineers.

Mayor Christman asked if the County has provided a Gantt chart. Administrator Schnook stated they are working on one.

Administrator Schnook explained that when we bid the River Road Project, we bid about \$66,000 of Kewaunee County's work, so the County owes us about \$66,000. However, the City is going to have to pay the County about \$30,000 for paving. The County plans on paving one layer this year and the second layer next year in 2020. So, until Spring of 2020, we will not know how much the city's actual cost will be. Attorney Nesbitt is working on the contract regarding the issue.

Update on Alta Survey

Administrator Schnook stated that the Alta Survey for the Klockner Site now known as Ellis Point, is not yet complete, but is very close. Administrator Schnook presented a draft copy of the proposed map. The map shows the setbacks the City requested to protect our tie backs along the Harbor Wall, along with flood zones, test wells, abandoned sewer, an old concrete pad and more.

Alderperson Schiller asked if Cedar Corp received a copy of the closure paperwork from the DNR. Administrator Schnook stated that Cedar Corp has received the paperwork, but the hotspot is not currently on the map. They will make sure they show it on the map.

Alderperson Schiller questioned if Flood Zone B was buildable.

Update on Water and Sewer Rate Study

Administrator Schnook explained that he is waiting for the information from assessor Muelver that Baker Tilly is asking for. Specificity an assessed value on each user and the assessed square footage, including not-for-profits. Administrator Schnook asked Assessor Muelver for a cost to collect this information and when it is received he will let Council know the amount.

April Cash Report

Mayor Christman asked if anyone had questions on the cash report.

May - YTD Revenue/Expenditures

Mayor Christman asked if anyone had questions on the Revenue and Expenditure Reports. Mayor Christman questions the impound charges located on page 5 of the expenses. Clerk/Treasurer Decur stated that the impound charges are off-set by the Police Miscellaneous Revenue Fund.

Aldersperson Mills questioned what Insurance dividends meant and why there was \$16,500 budgeted for Insurance Dividends and nothing has been received. It was explained that this is a one-time payment received from our Worker's Compensation Policy.

Aldersperson Mills asked what the Undistributed Receipts is. Aldersperson Jackson stated that this is for Utility Accounts with a credit balance.

Approval of May 2019 Accounts Payable

Mayor Christman asked if there were any questions on the Accounts Payable.

Mayor Christman asked about the amount of Ordinance Changes we received for the \$677.91 that shows on page 7. Clerk/Treasurer Decur stated that it was 6 or 7, and it is determined on the revised pages that need to be codified.

Aldersperson Kuehl moved, seconded by Zimmerman, to approve the May 2019 Accounts Payable in the amount of \$466,052.09. Upon a roll call vote, motion carried unanimously.

Distribution of the 2019 City of Kewaunee Integrated Plan

Mayor Christman stated that everyone should have the adopted Integrated Plan in their packets, if not see CEDPGW Linsmeier.

ANNOUNCEMENTS

Mayor Christman congratulated Public Works Director Brandon Strelow, as he received his Associate's Degree in Natural Resources and completed eight of fourteen classes from the Public Works Management Institute.

Mayor Christman congratulated Josh Jacobs for passing his Distribution Systems and Sanitary Sewage Collection Systems tests, and Tony Sinkula for passing his General Wastewater and Sanitary Sewage Collection Systems tests.

Mayor Christman thanked Shawn Swanson for spearheading the fundraising through several organizations for a new score board at Haney Park.

Alderspersons Dworak and Schiller announced that they will not be attending the June 24, Committee of the Whole Meeting.

Aldersperson Stangel stated that Bill Draeb has sent in the paperwork to see if he can get assistance in fixing his property.

Mayor Christman thanked the Tug Committee for a great job on D-day.

Aldersperson Zimmerman stated that if anyone has not seen the Fresnel Lens at the Historical Society to do so. It is amazing.

Administrator Schnook congratulated Autumn Linsmeier on receiving her Master's Degree in Public Administration.

Administrator Schnook also wanted everyone to be aware that the Public Works Crew has found a large leak in our water system near the Coho Motel and will be working to repair it.

ADJOURNMENT

Aldersperson Zimmerman moved, seconded by Aldersperson Mills to adjourn the meeting at 8:19 pm. Motion carried unanimously.

Submitted by Clerk/Treasurer Decur