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**OFFICIAL MINUTES OF  
CITY OF KEWAUNEE COMMITTEE OF THE WHOLE (COW)**  
Kewaunee Municipal Building, 401 Fifth Street  
**MONDAY MAY 24, 2021 - 6:00 P.M.**  
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- Present: Chairperson Blaha, Mayor Jelinek, Alderpersons Shelton, Brewster, Vollenweider, Taylor and Nelson.
- Excused: Alderpersons Stangel and Zimmerman.
- Others: Administrator Schnook, Clerk/Treasurer Decur, Attorney Nesbitt, BI Davister, PWD Strelow, EDPGF Monrroy, Police Chief Kleiman, Librarian Petrina and Marina Manager Kinjerski.

Chairperson Blaha called the meeting to order at 6:00 p.m.

APPROVAL OF THE COMMITTEE OF THE WHOLE APRIL 26, 2021 MINUTES

Discussion was held on the wording of the motion made regarding Dodge Street Reconstruction on page three of the April 26, 2021, Committee of the Whole Meeting Minutes. The motion reads as: *“Aldersperson Taylor moved, seconded by Aldersperson Nelson, to forward to Council the recommendation to go forward with the Dodge Street Reconstruction.”* It should read; *“Aldersperson Taylor moved, seconded by Aldersperson Nelson, to forward to Council the recommendation to go forward with the Dodge Street Reconstruction plan process.”*

Aldersperson Shelton moved, seconded by Aldersperson Taylor, to approve the April 24, 2021, Committee of the Whole Meeting Minutes with the changes discussed. Motion carried unanimously.

PUBLIC COMMENT

Chairperson Blaha opened the floor for public comment.

Helen Clinton, 1301 Kilbourn St., questioned why it was stated at the May 10, 2021 meeting that a quorum was present, when there wasn't a quorum. Ms. Clinton stated it would be nice if there was notification on the Committee of the Whole Agenda when a Special Council Meeting is to follow.

Kirt Johnson, 803 Milwaukee, stated he felt also that the Committee of the Whole Agenda should give notice if there is a Special Council Meeting following. Mr. Johnson also stated that the proposal from Mr. Kickbusch for duplexes on the Marquette School Property is going in the wrong direction and that after 6 months of discussion on Mr. Welhouse's proposal, with the Historical District strongly disagreeing with Mr. Welhouse's plans, the Council does not need to have much discussion on the issue. Regarding a Financial Committee, Mr. Johnson stated that any multi-million dollar business has a Financial Committee for transparency. Mr. Johnson also stated that he felt the Plan Commission appointments should be tabled as it was previously.

Gordon Krogh, 1305 Kilbourn St., stated the Mr. Welhouse has done a great job on his proposed development, but it just does not belong on the Marquette School Property.

Mayor Jason Jelinek stated that he would like to address the situation and his behavior at the last Common Council. Mayor Jelinek also stated he cannot be responsible for other people's action. He apologized for not letting certain comments slide off and disregard them, otherwise the meeting may not have escalated as it did. Mayor Jelinek does not want to give the impression that he is unreasonable or unwilling to hear the concerns of the citizens. He also stated that the Staff are employees and should not ever be the topic of a political discuss, they are here to do a job that we as a Council steer them to do and are getting the job done despite the political nonsense that sometimes surrounds them. Trust and communication are key to the success of Kewaunee. He stated that his passion lies in growing the City that so many of us love so that it can be financially, economically, and socially strong for us, our children, and hopefully to newcomers that wish to share in this great place.

Aldersperson Blaha stated that he met with Mayor Jelinek for about two hours and that the meeting went well.

Jeff Welhouse, 300 Hathaway Dr., stated that each building would hold two taxable units. Mr. Welhouse would only use TIF money for the additional cost to conform to the Historical District and would not charge the purchaser for cost of what was use from the TIF. So if it cost \$300,000 to build, \$50,000 was used from the TIF, he would sell the property for \$250,000.

Russ Forkert, introduced himself to the Council/Committee of the Whole members as the proposed purchaser of Salmon Harbor. Mr. Forkert also stated prior to the closing on Salmon Harbor some of the zoning issues need straightening out along with conforming use issues. Mr. Forkert stated he looks forward to improving Salmon Harbor and working with the City.

Aldersperson Nelson presented a letter she received from Joe Mills, 1124 Vliet St. Mr. Mills stated in his letter the concern he had regarding why the Finance Committee was on the Agenda it was stated at prior meeting that it was eliminated because it does not work. Mr. Mills also stated in his letter that when the Council discusses the need for a Finance Committee he would hope that an Aldersperson would make a motion to table the idea.

With no other comments, Public Comment was closed.

NEW BUSINESS

Development Proposal for Marquette School – Don Kickbusch

Don Kickbusch, 1213 Fifth Street presented the Committee of the Whole with a plan to put 18 duplexes on the Marquette School Property. The duplexes would be early American style with two bed and two bath. Mr. Kickbusch stated that he knows of 8 families that left Kewaunee because they couldn't find downsized housing. Mr. Kickbusch also stated that he felt the City itself could develop the Marquette School Property.

Discussion was held on if the property was subject to Historical District guidelines. Attorney Nesbitt stated that being in the area includes it in the Historic District that was applied for in the 1960s. The District not only included individual properties, it also included the area of the District. The Historic Preservation Commission generally makes the rules for that District, subject to the City Ordinances, and acts on a case by case basis.

Chairperson Blaha asked what the Marquette Property was zoned, and if it is zoned R-1 would it need to be changed to R-2 if the Twindominiums or Duplexes are placed on the property. Chairperson Blaha stated that the WI Realtor's Association does not recognize the term Twindominium.

Consider Letter of Intent to Purchase Public Property

Jeff Welhouse reviewed his intent and stated that he has had realtors list and sell his buildings as Twindominiums in the past.

Administrator Schnook stated that what is before the Committee tonight is a Letter Of Intent to negotiate – it is an agreement to enter into negotiations with the developer and not an approval of the sub-division.

Chairperson Blaha inquired if the land would have to be rezoned to allow anything but a single family home. It was stated it could be rezoned or pass a zero lot line ordinance.

Discussion was held on the assessment of the developed property. It would be worth approximately \$300,000 but sold at approximately \$250,000, so the assessed value would be what it was sold for. Further discussion was held on the TID and the use of the funds.

Discussion was held on using Cedar Corporation to help market the property.

Chairperson Blaha entertained a motion to consider the Intent to Purchase Public Property from Jeff Welhouse. It was stated that with no motion the Intent to Purchase Public Property has died.

Coronavirus and Local Fiscal Recovery Funds – Rich Taylor

Aldersperson Taylor stated that he heard the City will be receiving \$140,000 this year and \$140,000 next year from the Federal Government under the Relief Act, with it having to be allocated by 2024. Aldersperson Taylor asked if any funds have been received.

Administrator Schnook stated the City has not yet received any funds at this time. The City will be receiving \$280,000 in ARPA Funds and have to be allocated by 12/31/2024, so it gives the City plenty of time to determine the best use of funds. For now, the Mayor has directed the Staff to set up an interest-bearing account to place our first installments of funds, while Council determines the best use of the funds.

Discussion was held on some of the options that the money may be used for like Broadband and Lead Lateral Replacements. It was also discussed with the Council/Committee of placing the funds into a separate account so it is easier to track the expenditures. Once the expenditure guidelines are received there will need to be a lot of discussion regarding how the City can utilize the monies in the most efficient way. Discussion was also held regarding working with the entire County.

Finance Committee Discussion

Aldersperson Shelton stated that the League of Municipality strongly advise that a Municipality have a Finance Committee. The following is a direct quote from the League of Municipalities “the Council should be living within a system of checks and balances. We are stewards of public resources and act as fiduciary on behalf of the constituents. The Council has to have a system of controls and accountability that should be accomplished to achieve this directive and uphold the public trust.”

Aldersperson Shelton quoted from the 2019 Audit Report: “We identified certain deficiencies with internal control that we consider to be real material weaknesses.” The term material weaknesses is business speak for a very big problem. Auditors do not throw this term around lightly. Discussion was held on previous years audit the concern of the segregation of duties within the financial system.

Further discussion was held on how everyone on the Council is considered the Finance Committee, segregation of duties and how a Finance Committee duties/functions today would be completely different

than it was in previous years. It was also discussed on how a Finance Committee could help understand the City's finances with all of the projects going on and the City's debt.

Administrator Schnook recommended that he and Mayor Jelinek create a charter for a Finance Committee and bring it back to a Committee of the Whole Meeting.

At the June 14, 2021, Common Council Meeting, Alderperson Shelton requested the following to be put into the minutes:

Alderperson Shelton asked Administrator to forward any Audit reports to Council as soon as they are received so Council has time to review them prior to the meeting."

ENTER INTO CLOSED SESSION: Pursuant to Wisconsin Statute 19.85(1)(e): Deliberating or negotiating 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. PierPoint Development Proposal – Hamachek Site

Alderperson Nelson moved, seconded by Alderperson Vollenweider, to enter into closed session at 8:00 pm, pursuant to Wisconsin Statute 19.85(1)(e). Upon a roll call vote, motion carried unanimously.

Alderperson Vollenweider moved, seconded by Alderperson Brewster to reconvene into open session at 8:26 pm, pursuant to Wisconsin Statute 19.85(2). Motion carried unanimously.

ANY ACTION FROM CLOSED SESSION

None

ANNOUNCEMENTS

Alderperson Nelson stated that thirty-one people were present for the presentation held on May 11, 2021, about the Tug and Lighthouse.

Mayor Jelinek stated that Fox 11 interviewed Administrator Schnook regarding the opening of the Boat Launch and Campground.

ADJOURNMENT

Alderperson Brewster moved, seconded by Alderperson Shelton, to adjourn the meeting at 8:31 pm. Motion carried unanimously.

Submitted by Clerk/Treasurer Decur