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**OFFICIAL MINUTES OF  
CITY OF KEWAUNEE COMMITTEE OF THE WHOLE (COW)**  
Kewaunee Municipal Building, 401 Fifth Street  
**MONDAY JUNE 28, 2021 - 6:00 P.M.**  
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Present: Chairperson Nelson, Mayor Jelinek, Alderpersons Shelton, Blaha, Vollenweider, Stangel, Nelson and Zimmerman.

Excused: Alderpersons Taylor and Brewster.

Others: Administrator Schnook, Clerk/Treasurer Decur, Attorney Nesbitt, PWD Strelow, EDPGF Monroy and Ambulance Director Steiner.

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

APPROVAL OF THE COMMITTEE OF THE WHOLE MAY 24, 2021 MINUTES

Alderson Blaha moved, seconded by Alderson Stangel, to approve the May 24, 2021, Committee of the Whole Meeting Minutes as presented. Motion carried unanimously.

PUBLIC COMMENT

Chairperson Nelson opened the floor for public comment.

Helen Clinton, 1301 Kilbourn St., stated that she is in favor of the Dodge St. reconstruction. She is not in favor of cutting down trees, widening the street or a bike lane. Ms. Clinton also inquired about a quote regarding green streets.

Helen Clinton, 1301 Kilbourn St., also stated that she was unhappy with another closed session regarding the Hamachek Property. She wanted to know if the site was buildable, how much the City will be putting into the project and if approved to go forward with PierPoint Development Project, what impact on our existing business it would have.

With no other comments, Public Comment was closed.

2020 ANNUAL FINANCIAL AUDIT REPORT-JUSTIN HOAGLAND, BAKER-TILLY

Justin Hoagland, Baker Tilly, reviewed the 2020 Financial Statement Report and Reporting and Insights from 2020 Audit with the Committee of the Whole/Council Members. He touched on the Internal Control issues that he finds 95% of smaller communities have with segregation of duties and financial statement closing process. He stated that the City has been in a negative Fund Balance for many years, the deficit has been decreasing in the last 4-5 year. In 2016 the negative balance was (\$309,551), with the deficit decreasing to (\$5,072) in 2020. If the loan for the new City Hall Roof would have been borrowed in 2020, when it was replaced, the City would be looking at the General Fund balance of \$110,000. Therefore, the city is definitely going in the right direction. Mr. Hoagland also reviewed the Charts for General Obligation debt Capacity, Debt service to non-capital expenditures, Operating results for the Water Utilities and Sewer Utilities.

Alderson Shelton asked if there were any policies that could be adopted to help with the segregation of duties and if a Finance Committee would be helpful. Alderson Shelton questioned the increase in Debt Service to non-capital expenditures from 2019. Justin Hoagland stated that there are pro's and con's

regarding a Finance Committee and the increase in the Debt Service to non-capital expenditures was due to re-financing in 2019.

Further discussion was held on how the negative General Fund Balance is going in the right direction, how obtaining grants has helped the General Fund and the overall finances of the City.

NEW BUSINESS

Dodge Street Update – Brandon Strelow

PWD Strelow stated that the Dodge Street update is to help inform and update all members of the Committee on the process and timing of a project of this magnitude. In the packet, the Committee will find documents regarding the Dodge Street Project Planning and Potential Dodge Street Funding Sources. PWD Strelow wanted to reiterate that the City is in the early planning stage of the project and there has been a lot of concerns regarding street widths, bike lanes or green streets. These are just options and potential funding strategies. Ultimately, the Council has the final say on the design. PWD Strelow introduced Jim Loreti, Eric Fowle and Seth Hudson, from Cedar Corp, who are here to give everyone an update and answer any questions.

Eric Fowle from Cedar Corp stated that when you come to the basic road and utility construction parts of the project there is not a lot of grant money available. It is a pretty typical project that we are looking at as the responsibility of the Community. For the roadwork, the City may get some help from the Local Road Improvement Program, but with the Utility portion of the project, it will mostly be from Loans. The exception may be for lead water laterals and lead water services. There are some funds out there to apply for.

Discussion was held on bike lanes and why they were included in the plan as an option as it would be easy to find funding for the Bike Lanes. Also some of the ARPA Funds may be able to be used for recreation options in the plan but that will not be known until the regulations are finalized.

Aldersperson Shelton asked with the 2.2% increase for the bike lanes, what the cost would be. It was said to be about \$77,000.

Jim Loreti, from Cedar Corp, reviewed the preliminary Dodge Street Project Planning Documents, showing the steps the City needs to go through from the start of the project to the finish time line for the project.

Aldersperson Shelton stated that she has talked to a lot of her constituents and they really want the new streets, sidewalk, safe water and no parking limits. She also stated that her constituents oppose street widening, tree removal and bike lanes. Knowing this is just informational, Aldersperson Shelton promised to bring this information to a future Meeting.

Harbor Assistance Program Grant Resolution – Abigail Monrroy

EDPGF Monrroy presented Resolution No 2003-2021 to the Committee Members. The Resolution is required to apply for a Harbor Assistance Program (HAP) Grant. The HAP Grant is being requested to aid in the Piling Replacement in the Kewaunee Harbor Project. It is intended that the grant application will be in the amount of \$311,300, with a matching share of 20% in the amount of \$62,260 being paid by the City of Kewaunee. EDPGF Monrroy stated that the matching funds can come from in-kind contribution such as staff time for Grant Administration and Project Management.

Aldersperson Zimmerman asked which pilings would be replaced. EDPGF Monrroy stated the pilings by the Tug.

Aldersperson Blaha moved, seconded by Aldersperson Stangel to forward to the Council the recommendation to approve Resolution No. 2003-2021, to authorizing a Harbor Assistance Program (HAP) Grant Application.

Further discussion:

Aldersperson Shelton would like to see two representative of the City of Kewaunee, authorized to sign agreements, forms, claims and other required documents, not just the Mayor.

Discussion was held on what the Mayor would be responsible to sign, such as the application, agreements and if something would need to be adjusted within the Budgeted Amount (move funds between budget line items). If the amount of match or funds being listed needs to have a requested change, it would need Council approval.

Attorney Nesbitt stated that the proposed Resolution is just a document required by the Grant Agency and has nothing to do with the construction of the project. The Grant funding agency always looks for one person to be responsible to answer question in respect of the grant. The Construction portion of the project takes a whole new path, there will be request for bids, bids that are received and construction contracts that are authorized and entered, these will need to be brought to Council for approval prior to any construction.

Further discussion was held on what the Mayor has authority to sign and if the language could be changed. Attorney Nesbitt stated that he is not sure what the Harbor Assistance Program would allow to be removed from the Resolution.

Aldersperson Shelton stated that on the Harbor Assistance Program application it states for signatures either "name or names" of authorized representative. It was stated that the language in the resolution comes directly from the grant agency.

After some discussion the previous motion went to a vote, motion carried unanimously.

Consider Restructuring Ambulance Department Pay – Joe Steiner

Ambulance Director Steiner reviewed with the Committee the 2020 Ambulance Department Annual Report. He also reviewed lost revenue due to a patient being on Medicare and Medicaid, which is about 70% of the Department calls.

Ambulance Director Steiner stated that there is concern and real problem with attracting and retaining EMS personnel due to not being competitive with our current wage structures. Ambulance Director Steiner also stated that the biggest problem is the Department hires and trains personnel only for them to find a better paying Department. The current pay rate is based on call response per hour. Ambulance Director Steiner would like to eliminate the Standby Wage for 24/7, which is \$1.67, per hour and go with straight pay as most of the Communities are paying. Current staffing is 3 personnel per hour per shift. Per our state license level of AMET Squad, one must be an AEMT, the second must be an EMR or above and the third can be any CPR certified personnel. This would increase the 2022 Budget wage line item from \$122,000-\$125,000 to approximately \$262,800 per year for labor coverage. Ambulance Director Steiner stated that the increase in wages would be shared with the surrounding Townships with the current formula that is used for all service expenses using the individual Equalized Values. So for example, the City would not pay the total increase of approximately \$160,000. Instead, it would be responsible for approximately \$60,000.

Discussion was held on the proposed wages compared to surrounding areas, which are very similar. Discussion was also held on the age range, shortage of EMS's and a possible agreement for new hires that are put through training to commit to one year or they would need to reimburse the City.

Resolution Regarding the Purchase and Sale of Property – Alderperson Shelton

Alderperson Shelton presented a Resolution to the Committee of the Whole regarding the restricting no purchase and sale of property by the Mayor, City Staff, Officer or Agent without Common Council approval. The Resolution also stated that no negotiations to purchase or sell property can be initiated by the Mayor, City Staff, Officer or Agent without the prior approval of the Common Council.

Alderperson Zimmerman moved, seconded by Alderperson Vollenweider, to accept the Resolution as written.

Further Discussion:

Attorney Nesbitt was asked if the Resolution was legal, he stated that it is questionable. Attorney Nesbitt stated that he has found nothing definitive, whether it is legal or not. It leans toward going too far in putting limitations on the executive branch. The State Statute says the Council has general control over the affairs of the City, and the Mayor has executive powers of the City. Taking those actions away from the Mayor could invade the executive authority of the Mayor. Attorney Nesbitt suggested that before passing this resolution the City requests an opinion from the Attorney General's Office or the League of Municipalities.

Discussion was held on the language "that no negotiation to purchase or sell such property can be initiated by the Mayor, City Staff, Officer or Agent, without the prior approval of the Common Council of Kewaunee". Discussion was also held on what kind of funds a Mayor has authority to spend, whether it is a budgeted item versus a non-budgeted item, and if removing the above language would still be construed as invading the powers of the Mayor. Attorney Nesbitt did not think so.

Alderperson Zimmerman moved, seconded by Alderperson Vollenweider, to amend the previous motion to accept the Resolution with the removal of the last paragraph, "be it further RESOLVED, that no negotiations to purchase or sell such property can be initiated by the Mayor, City Staff, Officer or Agent, without the prior approval of the Common Council of Kewaunee". Alderpersons Shelton, Blaha, Vollenweider, Nelson and Zimmerman – aye, Alderperson Stangel – nay. Motion carried.

Resolution – Council Meeting Accuracy of Recording Resolution-Alderperson Shelton

Alderperson Shelton presented a Council Meeting Accuracy of Recording Resolution to the Committee of the Whole Members. The Resolution requests that the Clerk "draft minutes within 48 hours of Council Meeting, e-mail draft minutes by the end of the third business day following each Council Meeting". Also request that the "Clerk will accept suggestions for revision from Council Members and with aid from memory, notes, other Council persons and recordings, the Clerk faithfully and truthfully makes all evidence-supported revisions. The Clerk records revision request, requestor's name, date of request, as an addendum with final minute's version. The Clerk will accept revisions up until the time that minutes are accepted by the full Council in a future Council Meeting".

Clerk/Treasurer Decur was asked by Committee of the Whole Members what time she felt she would need to produce draft minutes of a meeting. Clerk/Treasurer stated that it depends on schedules, the last set of minutes took almost two week. It is very hard to determine how long it will take to complete the minutes because she has other responsibilities on a daily basis and is continuously interrupted.

Administrator Schnook recommended this Resolution be tabled or abandoned this is extreme micro-managing and does not take into consideration of bills that need to be paid, money coming in, elections, financial reports, revenue and expenditure reports, etc.

Discussion was held on the 48-hour time frame, and the possibility of Council receiving the Minutes earlier.

Aldersperson Blaha moved, seconded by Aldersperson Vollenweider to table the Resolution for Council Meeting Accuracy of Recordings. Motion carried unanimously.

Resolution on Ordinances and Resolutions – Aldersperson Shelton

Aldersperson Shelton stated that she is frustrated in the lack of ability to find the Resolution without going to the City Hall and get them from the Clerk. Aldersperson Shelton presented a Resolution for Ordinances and Resolutions; “regarding Wisconsin State Statute 62.11 (a), (b), (f), the clerk shall have the care and custody of the corporate seal and all papers and records of the City. The Clerk shall attend the meetings of the Council and keep a full record of its proceedings and the Clerk shall keep all papers and records in the Clerk’s Office open to inspection at all reasonable hours. Also therefore, be it resolved by the Kewaunee Common Council of Wisconsin that the Clerk makes available to Council members a listing of all passed resolution, and makes available to Council Members new Resolution within 3 business days of their passing. Be it further resolved that the Clerk makes available to Council members all pending Ordinances, which are passed by Council but not yet enacted within 3 business days of passing Council. And be it further resolved that the Clerk makes available to Council members all enacted ordinances”.

Discussion was held regarding Resolutions; the Resolutions that are passed are in the Committee of the Whole/Council packet Council wants them again after they are officially signed, dated and posted. Discussion was held on the time frame of the Resolutions being requested, how many years, and the restriction of the 48 hours to get the Ordinances and Resolutions to Council. After further discussion regarding the time frame of requested information and the time to send them to Council, it was decide, to bring this back at a later time.

Aldersperson Blaha moved, seconded by Aldersperson Zimmerman, to table the resolution request on Ordinances and Resolutions. Motion carried unanimously.

Creation of a finance committee – Aldersperson Shelton

Chairperson Nelson presented an outline she put together regarding the formation of a Finance Committee, along with some tasks that could be assigned to the Committee. Chairperson Nelson stated that she did some research on Finance Committees from other Municipalities and prepared a list of responsibilities.

Aldersperson Shelton moved, seconded by Aldersperson Zimmerman, to forward to Council the formation of a Financial Committee.

Discussion was held regarding the overall duties and structure of a Finance Committee.

Administrator Schnook stated that before the Council creates a Finance Committee they need to understand themselves how the finances work. Administrator Schnook presented the Committee of the Whole a Budgeting & Finance 101 list that they should understand prior to issuing duties and creating a Finance Committee.

Discussion was held on having a training session for the Council to help them understand the financial process. Committee of the Whole members were asked to review the Budgeting & Financing 101 list and if there is something they would like added, let Administrator Schnook know.

After some discussion;

Aldersperson Shelton withdrew her motion.

ATV Discussion – Aldersperson Blaha & Police Chief Kleiman

Aldersperson Blaha stated he has been getting a lot of call regarding ATV usage within the City now that Algoma and Luxemburg have adopted an ATV Ordinance.

Clerk/Treasurer Decur stated that Chief Kleiman was unable to attend the meeting, but left a message that he is in favor of adopting an Ordinance for ATV's and would suggest following the Ordinance that the City of Algoma adopted.

Discussion was held on signage and restrictions. It was discussed that Alderspersons Blaha and Stangel would get in contact with Police Chief Kleiman to review the Ordinance and bring it back to the Committee of the Whole meeting.

Pierpoint Development Proposal Overview – Mayor Jelinek & Kathy Howlett-Despot

Mayor Jelinek presented a power point reviewing the history of the Hamachek Site starting in 2015 until present. It gave steps that previous and present Council, have taken to try and market the property.

Developer Kathy Howlett-Despot presented to the Committee of the Whole members an overview of the proposed The Gathering at Pierpoint Hotel, Spa and Event Center. She reviewed the concept, marketing, phase I being the Pierpoint Hotel, phase II being the Wellness Spa and Retreat Center, and conceptual drawings.

Discussion was held on finances, concept and what would be asked of the City.

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

Aldersperson Stangel moved, seconded by Aldersperson Blaha, to enter into closed session at 9:11 pm, pursuant to Wisconsin Statute 19.85(1)(e). Upon a roll call vote, motion carried unanimously.

Aldersperson Vollenweider moved, seconded by Aldersperson Blaha to reconvene into open session at 10:20 pm, pursuant to Wisconsin Statute 19.85(2). Motion carried unanimously.

ANY ACTION FROM CLOSED SESSION

Aldersperson Stangel moved, seconded by Aldersperson Blaha, to forward to the Common Council a motion to have the City Attorney draft a 60 day First Right of Refusal for the PierPoint Development, with the following conditions: an executed development agreement between the developer and the City of Kewaunee; a commitment from an acceptable financial institution to provide necessary debt financing for the project; the commitment of individuals or organizations or corporations to provide equity financing sufficient to complete the project; approval or status of the application for any grant or other program from the State of Wisconsin or other to complete the project; disclosure of all other material components of the project including whether the developer intends to pursue any franchise or license

agreement for the operation of the hotel as well as if the developer intends to employ and identify who that would be as a third party manager of the property. Upon a roll call vote, motion carried unanimously.

Aldersperson Vollenweider moved, seconded by Aldersperson Blaha, to forward to the Common Council a motion to have Seth Hudson of Cedar Corp present to Council a proposal for the purpose of creating a RFP for the Hamachek Property. Motion carried unanimously.

ANNOUNCEMENTS

Mayor Jelinek commended Chairperson Nelson on the handling of tonight's meeting.

Chairperson Nelson stated that July 10th and 17th there will be Lighthouse Tours.

Aldersperson Zimmerman stated the Kewaunee will be having Fireworks on July 3.

ADJOURNMENT

Aldersperson Zimmerman moved, seconded by Vollenweider to adjourn at 10:26 pm. Motion carried unanimously.

Respectfully Submitted by Clerk/Treasurer Decur