

April 13, 2020

CITY OF WASHBURN COMMON COUNCIL MEETING

5:30PM

Washburn City Hall & Remote Call-In

City Council Members:

Present, in-person:

Laura Tulowitzky, Tom Neimes, Mary McGrath, Carl Broberg

Present, call-in:

Karen Spears-Novachek, Aaron Austin, Jennifer Maziasz

Municipal Personnel:

In-person:

Mayor Richard Avol, City Administrator Scott J. Kluver,
Assistant City Administrator Tony Janisch,

Call-in:

Director of Public Works Bob Anderson, City Attorney Max
Lindsey

Excused Absence:

None

Call to Order - Meeting called to order at 5:30PM by Mayor Avol. Roll call attendance depicted six (6) of seven (7) members of the Common Council in attendance. Quorum of the Council recognized. Austin joined meeting after rollcall.

Approval of Minutes – City Council Meeting of March 9, 2020 - A motion was made by McGrath to approve the March 9, 2020 minutes of the City Council, second by Neimes. Motion carried unanimously.

Approval of Expenditures- No expenditures were presented for approval. The Finance Committee did not meet before this meeting.

Public Comment – There was no public comment.

Mayoral Announcements, Proclamations, Appointments- The Mayor gave thanks to many for their support during his term.

Discussion & Action on Resolution #20-005 Ratifying the Mayor’s Proclamation of March 17, 2020 and Declaring a Health Emergency in the City of Washburn – There was no discussion. Moved by McGrath to approve Resolution #20-005, ratifying the Mayor’s Proclamation of March 17, 2020 declaring a Health Emergency in the City of Washburn, seconded by Neimes. Motion carried unanimously.

Discussion & Action on Resolution #20-006 Providing for the Issuance, Sale, and Delivery of \$1,059,000 General Obligation Promissory Note, Series 2020A, of the City of Washburn; Establishing the Terms and Conditions Therefor; Directing their Execution and Delivery; Creating a Debt Service Account Therefor; and Awarding the Sale Thereof – Administrator Kluver stated new resolutions were received regarding the General Obligation Promissory Notes. Sean Lentz from Ehlers continued, drawing attention to the Series 2020A Sale Day Report regarding \$1,059,000 promissory note to refinance the Series 2010A issue for the Public Work Building, Boat Ramp Project and Water Utility Meter Replacement Project. Lentz stated that a single proposal to an RFP was received from Bremer Bank with a 1.78% interest rate. The repayment schedule would be over a 10-year period (2030) and funded through water utilities, sewer utilities, boat ramp fees and refunding of 2010 bonds. Lentz continued that the savings from refinancing 2010A issue at a new rate would be \$82,828 over the 10 years. Payments are set to drop in 2024 when new financing for the Bayfield Street Project would be needed. Moved by Broberg to approve Resolution #20-006, seconded by McGrath. Motion carried unanimously.

Discussion & Action on Resolution #20-007 Providing for the Issuance, Sale, and Delivery of \$417,000 Taxable General Obligation Promissory Note, Series 2020B, of the City of Washburn; Establishing the Terms and Conditions Therefor; Directing their Execution and Delivery; Creating a Debt Service Account Therefor; and Awarding the Sale Thereof – Kluver stated that this resolution is part two of the overall borrowing and is for the refinancing of the Coal Dock Project. Because of this, it will be a taxable issue note, but will still have a lower interest rate than the original loan. Lentz included that the loan amount would be for \$417,000, and Bremer is offering a 2.68% interest rate with an eight-year repayment schedule.

The savings from refinancing is \$74,262 over the period. Moved by Broberg to approve Resolution #20-007, seconded by Tulowitzky. Maziasz questioned the use of Coal Dock for recreation other than commercial. Kluver answered that one of the grants received for the Coal Dock the dock must open and available for commercial use, otherwise the grant amount would need to be paid back. However, recreation purposes could be done, it just cannot interfere with commercial activity. Kluver further noted that because the Coal Dock generates income, this was the reason for the different taxable interest rate, it could not be a tax-exempt borrowing. Motion carried unanimously.

Discussion & Action on Resolution #20-004 Updating the City's Debt Post Issuance Compliance Policy and Procedures – Kluver stated that part of the process with borrowing money is updating or reapproving the City's rules for borrowing the funds. Moved by Broberg to approve Resolution #20-004, seconded by McGrath. Motion carried unanimously.

Public Hearing, Discussion & Action on Ordinance 20-003 to Amend the Land Use Map of the City's Comprehensive Plan to Change a Portion of Land from Moderate Density Residential to Highway Commercial/Residential – Moved by McGrath to open the floor for Public Hearing, seconded by Neimes. Motion carried unanimously. There was no public comment. Moved by McGrath to close the floor for Public Hearing, seconded by Tulowitzky. Motion carried unanimously. Avol stated that this resolution is regarding the businesses within the assisted living building. Maziasz stated that at the Feb. 10th meeting there were questions from the parties involved. Maziasz further stated that with the COVID-19 cautions in place there might be less of a desire to attend a public meeting and further asked if these questions were answered and if the property landowners were notified. Avol stated that the questions were mainly though the Bayfield County Administrator, which were addressed. Kluver added that the responses to the County were satisfactory, and that the property landowners have been notified. He further included that the next step will be a zoning ordinance change and that there were some recommendations that the County has made. Attorney Lindsey noted that has looking into the requirements for public hearings in light of COVID-19 and the City has complied with public hearing requirements. Moved by Broberg to approve Ordinance #20-003, seconded by Tulowitzky. Motion carried unanimously.

Discussion & Action on Acceptance of Bid and Award of Contract for the Central Avenue Pavement Rehabilitation Project – Kluver stated that two bids were received for the Central Avenue project, with the low bid of \$64,801.32 from Northwoods Paving of Ashland. Public Works Director Anderson stated that the condition of the pavement on Central Ave. is past any type of preservation work. This project will use the existing road as a base with 3 inches of new pavement placed on top, from Bayfield Street to the start of Marina Drive. Discussion continued regarding the heavy-loaded truck traffic usage. Moved by Tulowitzky to accept the bid and award contract for the Central Avenue Pavement Project to Northwoods Paving, seconded by Broberg. Motion carried unanimously.

Discussion & Action on Contract with Sand Creek for an Employee Assistance Program – Kluver stated this is a recommendation from the Personnel/Finance Committee with the primary focus of the program being counseling services for staff, especially staff that deal with health and emergency situations. The is a service that Bayfield Co utilizes and as such is offered at a discounted rate, \$20/person per year. Moved by Tulowitzky to approve to a contract with Sand Creek for an employee assistance program, second by Broberg. Motion carried unanimously.

Discussion & Action on Employee Leave Donation Program Policy – Assistant Administrator Janisch stated this is another recommendation from the Personnel/Finance Committee. With the current COVID-19 pandemic, staff have been asking the possibility to donate sick/vacation time to other employees who may be in need. Janisch continued that this is a practice that has occurred in the past at the City, and this policy formalizes this practice and allows employees to donate time without being taxed on the donation. Moved by McGrath to approve an Employee Leave Donation Program policy, second by Neimes. Motion carried unanimously.

Discussion & Action on Creation of a COVID-19 Emergency Business Loan Program – Mayor Avol stated that he came up this this idea, using funds from a program that was no longer in operation, to help Washburn business during this time of crisis. Kluver included the recommendation of \$76,000 be utilized for

the program, and that the \$30 recording fee be absorbed in the application process. Kluver further noted that the criteria were discussed at committee level. Avol added that he wanted the process to be administrative and that no elected official will be on the determining board. Moved by Novachek to approve the creation of a COVID-19 Emergency Business Loan Program and absorb the \$30 recording fee, second by Tulowitzky. Neimes stated that he prefers that preference be giving to main street businesses and the suggested motion be changed to reflect this. Discussion ensued. No second was received for the proposed change and the amended failed. McGrath and Neimes abstained. Austin, Broberg, Maziasz, Novachek, & Tulowitzky voted in favor. Motion carried.

Discussion & Action to Create and Classify Severance Liability as a Designated Fund – Kluver stated this item was also discussed with the Personnel/Finance Committee, and identified when proceeding with the refinancing plan, it was recommended that the City’s employee severance liability be placed in a designated fund which could not be spent with Council approval. A motion was made by McGrath to approve the creation of an Employee Severance Liability Designated Fund, second by Novachek. Motion carried unanimously.

Discussion & Action on Financial and Maintenance Agreements with the Wis. Department of Transportation Outlining Project and Cost Responsibilities for the 2024 Bayfield Street Reconstruction Project – Kluver stated this is the first agreement with the State, for the first half of the Bayfield St. Project. The figures included are only estimate and actual numbers will not be known until later, when the work would go to bid. A motion was made by McGrath to approve the financial and maintenance agreements with the Wis. Dept. of Transportation outlining project cost responsibilities for the 2024 Bayfield Street Project, second by Broberg. Motion carried unanimously.

Discussion & Action on Location of Decorative Lights for the Bayfield Street Project – Robust discussion ensued regarding decorative lighting and location. Tulowitzky noted that decorative or pedestrian lighting would have a different look and appeal than highway lighting, and this lighting should at least stretch to where pedestrians will be walking, at least to 5th or 6th Ave. Kluver added that if we tell the DOT that the City would like decorative lights along some portion of Bayfield St., they will begin engineering of this. If the City changes this later on, we may have to pay for the engineering costs. Kluver further stated that the sooner the area is defined, the better; and that there is still time to determine the specific style of lighting. Neimes made a motion to approve the location as stated with the ability to change at a later date. Discussion continued. Neimes withdrew his motion. A motion was made by McGrath to approve the location of decorative lighting on Bayfield Street from 5th Ave. W to Washington Ave., second by Neimes. Motion carried unanimously.

Discussion & Action on Release of RFP for Engineering Services for Bayfield Street Reconstruction Project – Avol noted an error in general information of the RFP, proposals are due May 14th, not May 1st as indicated. He also noted that Bob Anderson, Director of Public Works, would not be the contact person as he is leaving this position. A motion was made by McGrath to release the RFP for engineering services for the Bayfield Street Project, second by Broberg. Motion carried unanimously.

Discussion & Action on Ordinance 20-004 to Designate the City Clerk to Issue Operator (Bartender) Licenses – A motion was made by McGrath to approve Ordinance 20-004, second by Broberg. Motion carried unanimously.

Alcohol Licensing Matters

New Bartender License Applications - #21-50 through #21-53 – A motion was made by Broberg to approve New Bartender License Applications – #21-50 through #21-53, second by McGrath. Motion carried unanimously.

Discussion & Action on Public Works Director Job Description, Authorization to Solicit for Position, and Authorization to Expend Funds for Interim Consultation Services – Mayor Avol expressed his appreciation for the work that Bob Anderson has done for the City and is sad to see him leave. A motion was made by McGrath to approve the Public Works Director job description and authorized the solicitation of the position and authorize the expenditure of funds within budget limits for

consultation services, second by Tulowitzky. Motion carried unanimously.

Closed Session Items

Compensation to Assistant City Administrator for Temporary Assumption of DPW

Director Duties – A motion was made by Broberg to go into closed session at 6:56 pm pursuant to Wisconsin State Statute §19.85(1) (c), for personnel matters; following which the Council may reconvene in open session to take any action that may be necessary on the closed session items, second by Neimes. Motion carried unanimously via roll call vote.

Discussion occurred on the appropriate salary for the Assistant Administrator during the interim period when he will also be acting as Public Works Director. McGrath moved, and second by Tulowitzky, that from the period of May 11, 2020 until such time as a new public works director is hires, the Assistant Administrator salary shall be equivalent to \$58,992.10. Furthermore, the Administrator is authorized to take any actions deemed necessary for additional support, consultation, or interim positions during this period. Motion Carried unanimously.

Adjourn – Motion to adjourn by Broberg, seconded by Neimes. Motion carried unanimously. Meeting adjourned at 7:17 pm.

Tony Janisch
Assistant City Administrator