

August 18, 2014

CITY OF WASHBURN COMMON COUNCIL MEETING

Present: City Council Members: Richard M. Avol, Linda S. Barnes, Kristy M. Jensch, Christine M. Kelly, Mary McGrath, Mary C. Nowakowski, and Jeremy P. Oswald.

Municipal Personnel: Mayor Scott A. Griffiths, City Administrator Scott J. Kluver, Assistant City Administrator Kenneth Cammilleri, City Attorney David Siegler, and Public Works Director Gayla Salmi.

Absent: None

Call to Order - Meeting called to order at 5:30PM by Mayor Griffiths. Roll call attendance depicted all seven members of the Common Council in attendance. Quorum of the Council recognized. **Pledge of Allegiance.**

Approval of Minutes – City Council Meeting – July 14, 2014 – Motion by Avol, seconded by Nowakowski, to approve Records of Official Proceedings for the July 14, 2014 City Council Meeting. Motion was unanimously carried.

Approval of Expenditures – A motion by Finance Committee Member Avol was made to approve the monthly expenditure vouchers, seconded by Barnes. Motion unanimously carried on roll call vote of all seven Councilors in attendance.

Public Comment – None

Mayoral Announcements, Appointments, or Proclamations –

EMT Open Recruitment – Mayor Griffiths announced that the City is actively seeking to recruit volunteer EMTs and Paid Daytime EMTs for the Ambulance Service. With training courses at WITC beginning next month, the Mayor encouraged all those who might be interested to contact Dan Clark, the Ambulance Service Director or ACA Ken Cammilleri for further information and applications.

Proclamation of Spinal Cord Injury Awareness Month – The Mayor proclaimed August Spinal Cord Awareness Month.

Recognition of Donors for Memorial Park Kitchen Building – The Mayor noted that extensive work has gone into the landscaping around the Memorial Park Kitchen Building which has greatly improved the building appearance. He recognized and extended gratitude to the following community businesses and individuals who contributed the historic building's landscape improvements: Bill's Collision Center, Coco's, Humble Be, LLC, John Baregi, Karlyn's Galley, Leino's Gas & Goods, North Coast Coffee, Olson Building Materials, Pathways, Sweet Peas Soapery, Washburn Hardware, Washburn IGA, and Washburn Marina. Councilor and Historical Preservation Committee Chair Jensch also complemented John Baregi for his work constructing the brick walkway up to the building.

Update on Phragmites Containment/Removal Efforts in City/Region –Mayor Griffiths and the Public Works Director Salmi have meet regularly to discuss how to address invasive plant species including the phragmites, an invasive reed species that threatens native rice plants. He noted that Great lakes Restoration Initiative (GLRI) grant funding may be available in the future to address the removal of non-indigenous phragmites at the Waste Water Treatment Plant, which were originally installed in the sludge storage reed bed, but further research and investigation into the technical aspects of this task will need to be done in order to potentially move forward to correct this issue in the future.

Public Hearing(s) and Council Action –

Discussion & Action on Resolution 14-006 Harbor Commission Budget Amendment for Yard Trailer – McGrath motioned, Nowakowski seconded, to approve Resolution 14-006 to adopt a Harbor Commission Budget Amendment to include the costs of a yard trailer. Motion carried.

Discussion & Action on Harbor Commission Recommendation for Financing the Marina Public Boat Launch Area Improvements Project with a Combination of Harbor Commission and TID #2 Funds – Proposed financing for this project will be split between Harbor Commission funds and available funding through TID#2 to meet match requirements set for the grant recently awarded for this project. This borrowing will not affect property taxes but will affect the City’s overall borrowing capacity. Nowakowski motioned, seconded by McGrath, to approve boat launch improvement project plan and financing 50/50 plan. Nowakowski motioned, Avol seconded, to open the floor. Motion carried. Harbor Commission Chair Carl Brodberg spoke in support of approving the financing proposal for this project. Motion on the floor to approve the financing plan carried.

Discussion & Action on the Repurchase of Private Property Previously Sold to John and Ana Weinel (Tax IDs 32612, 32603, and 32607) and the Financing Thereof – McGrath motioned, seconded by Nowakowski, to approve the re-purchase of the properties previously sold by the city to John and Ana Weinel (Tax IDs 32612, 32603, and 32607). John Weinel appealed to the Council not to exercise its right to repurchase the property under the sale agreement. He indicated that he wanted to move forward with plans to build an amphitheater which he had originally proposed when the property was originally purchased from the City. He argued that the proposed amphitheater would help bring Stagenorth into financial viability by boosting the operation’s sales to breakeven revenues, particularly in the summer when ticket sales and other revenues are low. He noted that Stagenorth currently experiences a \$120,000 shortfall each year.

Mr. Weinel proposed that the facility would most likely host a Summerstock Outdoor Shakespearean Theater for audiences of 500 to 1,000 people. The design would consist of a bowl with a three tier ring of stones and a grass berm around the ring to accommodate overflow and would utilize natural lighting and natural amplification, but there would not be a need for him to keep all of the lakefront property to complete this proposed project. He proposed that the project timeframe would take 4 years.

Mr. Weinel also mentioned that he is attempting to bring in an experienced theater operator for the Stagenorth building either as a partner or new owner.

Council members credited Mr. Weinel’s efforts to find effective management for the theater’s operation but some members expressed reservations with regard to the limited state of current plan, the proposed construction timeframe, and noise and parking issues. Scott Burchill, Operation Manager for Stagenorth, spoke in support of the argument that this proposed amphitheater would help produce greater theater revenues. Oswald motioned to table this issue for 6 months. Motion failed for lack of a second. Motion on the floor to repurchase the property carried with Avol and Oswald opposed.

Discussion & Action on Resolution 14-007 for the Initial Resolution Authorizing the

Taxable Borrowing for the Marina Public Boat Launch Area Improvements Project and the Repurchase of Private Property Previously Sold to John and Ana Weinel (Tax IDs 32612, 32603, and 32607) Up To the Amount of \$691,000, and a Refinancing of Existing Debt for the Civic Center and Lake Superior View Golf Projects - This resolution would authorize the borrowing of these project and will be a taxable borrowing. Staff informed that Council that Bremer bank is offering a 4.975 interest rate on the proposed borrowing of \$691,000. Staff also noted that the option was available to receive financing through the State Trust Fund for a period of 9 years with a 3.5 % interest. This option offers less financing costs would is expected to bring about \$60,000 in savings to the City over the term of the loan. State Trust Fund Loans have been considered by the City in the past, but past Councils have favored use of local banks. Although the Council indicated that it prefers doing business with local banks, they acknowledged that the cost savings could not be overlooked. Avol motioned, second by McGrath to approve resolution 14-007 and to go with the State Fund unless Bremer Bank is willing to meet the State Trust Fund Offer. Motion carried.

Discussion and Action on Request to Waive Utility Connection Fees for Properties Recently Sent Connection Notices – Avol motioned, Oswald seconded, to waive inspection, connection and street opening fees for the following mandated utility connections for the following properties: 1813 W Bayfield St., 1819 W Bayfield St., 904 Grandview Blvd., 428 W 12th St., 1404 Bratley Dr., and 1300 Bratley Dr. Motion Carried.

Discussion and Action on Pitblado/Skoglund Petition for Site Plan and 2nd Floor Addition Design Approval (Tax ID# 391331) – Avol motioned, seconded by Jensch, to approve the site plan and building design for 300 Pump House Road and to refer the issue to the Plan Commission. Motion carried.

Discussion and Action on Funding Razing Expenses and Approving a Contract with C&W Trucking to Provide Razing Services – Brian McAvaney-Smith and Amy McAvaney, the owners of 521 W. 4th Street property spoke to the Council and requested to rescind the raze order as the felt the order would be a substancial financial burden. Council recognized that that the interest on the cost of this project going directly to the tax role would be much higher than a special assessment. Council asked Mr. & Ms. McAvaney if they would be amendable if the City moved forward with raze but rather than applying the entire cost the tax roll, the proposed a special assessment of 3% over 5 years to cover the cost of the raze. Mr. & Ms. McAvaney agreed. Motion by Oswald, seconded by Barnes, to authorize use of funds not to exceed \$9,000 for the raze of the primary structure at 521 W 4th Street (Tax ID# 33737) using funds from the Community Development Fund and any remaining funds from the General Fund to be paid back though a special assessment of 3% interest over five years, and to approve the C&W Trucking Contract. Motion carried.

Motion by Oswald, seconded by Nowakowski, to authorize use of funds from the Community Development Fund and any remaining funds from the General Fund not to exceed \$14,000 to raze the property located at 816 W. Pine Street (Tax ID# 32840) to be paid back though the application of costs to next year's tax bill, and to approve the C&W Contract for the project.. Motion carried.

Discussion and Acceptance of SEH, Inc Engineering Report on the Wastewater Treatment Plant – Motion by Nowakowski, seconded by Barnes, to accept the Engineering Report for the Waste Water Treatment Plant (WWTP) modifications prepared by Short Elliott Hendrickson (SEH), Inc. Motion carried.

Discussion and Action on Authorization for SEH, Inc. to Proceed with the Design and Bid Phase for the Wastewater Treatment Plant Upgrade Project – The City has been working with SEH under a previously approved contract to provide engineering services necessary to complete Wisconsin Dept. of Natural Resources (DNR) WWTP upgrades. With Phase I now complete, Council was requested to provide authorization to begin the Design and Bid Phase of the project. Motion by McGrath, seconded by Oswald, to authorize SEH, Inc. to begin project design and bid

phase for WWTP upgrades at the cost of \$52,800 as set by the project contract agreement. Motion carried.

Discussion and Action on Resolution 14-008 Providing for the Sale of Approximately \$1,525,000 General Obligation Promissory Notes, Series 2014, and Discussion on Proposed Projects, Equipment, and Related Items – Council discussed altering the existing proposed financing plan to include the leasing of select pieces of capital equipment. Because debt related to leasing cannot be paid for with money obtained from bond financing, Administrator Kluver suggested that the Council could approach financing this portion of the proposed borrowing plan by shifting existing allowable debt directly to the tax levy. Though this action may not be replicated in the future due to current levy limit laws, the net result of this action would likely result in an impact on the tax levy similar to what was originally estimated as part of the original proposed borrowing plan, but considerable savings on interest payments could be achieved in the process. Bonding could take place for a total of around \$500,000, rather than what was originally proposed, resulting in considerably less use of the City's available debt capacity, allowing more available capacity to finance potential emergency expenses for the next 10 years. The Council also revisited equipment purchasing priorities as part of the bonding discussion but made no decisions on the subject. Council expressed interest in the leasing proposal and directed staff to provide more information and clarification at the next meeting. Jensch motioned, seconded by Oswald, to table Resolution 14-008 until the next Common Council Meeting. Motion carried.

Update, Discussion and Action on the Stormwater Swale Project – After dismissing the services of Miller Engineering, staff was instructed to locate a new engineer firm to address current issues with the storm water conveyance swale recently constructed at the north end of West End Park along Holman Lakeview Drive. Ruckert & Mielke Engineering (R&M) has agreed to assist with this work. Motion by Avol, seconded by Jensch, to approve the proposed contract with Ruckert & Mielke, Inc Engineering to provide peer review services and identify corrections to the design of Phase I of the West End Beach Restoration Project for an amount not to exceed \$10,000. Motion carried.

Discussion and Action on Site Plan Review – (Tax ID# 32841) 820 W. Pine St., Kyle Cadotte, Petitioner – Avol motioned, Jensch seconded, to approve the proposed site plan for a deck for 820 W. Pine Street in the City's C-2 General Retail Sales & Service Zoning District. Motion carried.

Discussion and Action on Ordinance 14-010 Authorizing Criminal History Background Searches – Motion by Avol, seconded by Jensch, to approve Ordinance 14-010. Motion carried.

Discussion and Referral of Ordinance 14-011 Complying with State Law Related to Security to be Provided by Subdividers – Avol motioned, McGrath seconded, to approve Ordinance 14-011 and refer the Ordinance change to the Plan Commission. Motion carried.

Discussion & Action on Allowing a Goose Control Hunt at West End Park / Treatment Plant Area – Motion by McGrath, seconded by Nowakowski, to authorize the annual Goose Control Hunt in Thompson's West End Park and on the City-owned property around the WWTP. Motion did not pass with Oswald dissenting.

Discussion & Action on Revised Mechanic/Equipment Operator Job Description and Authorization to Hire for Said Position - Motion by Avol, seconded by Jensch to approve the hiring of a Mechanic/Equipment Operator and the proposed job description changes. Motion carried.

Alcohol Licensing Matters

Discussion and Approval of Bartender License Applications – 46-16 – Avol motioned, Oswald seconded, to approve Bartender License Applications 46-16. Motion carried.

Adjourn –The meeting was adjourned at 9:15PM on a motion by Avol, seconded by Oswald. Motion unanimously carried.

Kenneth J. Cammilleri
Assistant City Administrator

FINANCE COMMITTEE MEETING 4:30PM

Committee Members Richard Avol and Mary Nowakowski reviewed monthly expenditure vouchers.