

November 14, 2016

CITY OF WASHBURN COMMON COUNCIL MEETING

5:30PM Washburn City Hall

Present: City Council Members:

Mary McGrath, Kristy M. Jensch, Jennifer Maziasz, Jeremy Oswald, Linda S. Barnes, Mary Nowakowski, Robert Arquette

Municipal Personnel:

Mayor Scott A. Griffiths, City Administrator Scott J. Kluver, City Attorney Siegler, Assistant City Administrator Dan Stoltman

Excused Absence:

None

**Call to Order** - Meeting called to order at 5:30PM by Mayor Griffiths. Roll call attendance depicted seven (7) of seven (7) members of the Common Council in attendance. Quorum of the Council recognized.

**Approval of Minutes – City Council Meeting October 10, 2016** – Mayor Griffiths pointed out a correction needed to be made in the spelling of the name Chad Able to Chad Abel. A motion was made by Jensch to approve the October 10 minutes with the name correction, second by Maziasz. Motion carried unanimously.

**Approval of Expenditures-** A motion to approve the monthly expenditure vouchers made by Nowakowski, second by Maziasz. Motion carried unanimously on roll call vote of all seven (7) councilors in attendance.

**Public Comment** – No public comment.

**Mayoral Announcements, Proclamations, Appointments** – BART Board opening, Plan Commission opening, and Library Board openings where announced. The City Facebook page was announced.

**Public Hearing, Discussion & Action on Changes to Property “For Sale” List** – A motion was made by Jensch to open the public hearing on changes to the property for sale list, second by Nowakowski. Motion carried unanimously. A discussion took place on parcel 27. It was stated that the Harbor Commission had recommended not including parcel 27 on the for sale list. Nowakowski stated that the Harbor Commission wanted it left off due to an individual looking to build a boat storage building on that parcel, but has since withdrew that request. A motion was made by McGrath to close the public hearing on the property for sale list, second by Jensch. Motion carried unanimously. A motion was made by McGrath to approve the changes to the property for sale list by adding inventory #s 23, 27, 30, 43-48, and 50, second by Jensch. Motion carried unanimously.

**Discussion and Action on Lease of Parcels 27 and 50 to Provide Parking to Washburn Development Property LLC near the Steak Pit/Washburn Inn** – Mayor Griffiths gave an overview of the issue. It was stated that Washburn Development LLC wants some assurance that they will have adequate parking once they purchase the Steak Pit restaurant. It was stated that the lease of those two parcels provides Washburn Development LLC, with that assurance. Changes were made to the lease agreement: “For the sum of \$10,000 for the first thirty-six (36) months, the City of Washburn hereby leases to Washburn Development Property, LLC, for a term of twenty-five 25 years the property described in Exhibit A. If by the end of the initial 36 month period and each successive 36 month period, the City has not sold the property to Washburn Development Property, LLC, the parties shall negotiate a rental rate for the duration of the term or an agreed upon part thereof. If the parties cannot agree on a rental rate, the rental rate shall be \$10,000 for the next 36 months”. A representative of Washburn Development LLC gave an overview of why they need the additional parking lot. Oswald asked if this agreement meant that the city couldn’t sell the property to someone else. Siegler stated that unless the lease would be renegotiated, the city would not be able to sell the property to another party. A motion was made by Arquette to approve the Lease of Parcels 27 and 50 to Provide Parking to

Washburn Development Property LLC near the Steak Pit/Washburn Inn, with the changes stated by Siegler, second by Jensch. Motion carried unanimously.

**Discussion and Action on Business Revolving Loan Application for Washburn Table – Kevin Stifter, Petitioner** – Oswald asked about Northern State Bank no longer financing with Mr. Stifter and what impact that has. Kluver stated that this loan would be contingent on Mr. Stifter finding another bank to finance his business. Arquette expressed concerns that the endeavor is a restaurant which have historic failure rates, as well as Mr. Stifter not having much restaurant experience. Siegler stated that the city offers these loans because of situations where an individual can't get a conventional loan, and should expect them to be risky. McGrath stated that she would like to have had Mr. Stifter in attendance so he could answer questions she had, and would like to table the item until Mr. Stifter can be present. Nowakowski stated that she doesn't want to hinder the process of Mr. Stifter starting his business, but would also like Mr. Stifter in attendance to answer questions. A motion was made by Oswald to table the Business Revolving Loan Application for Washburn Table – Kevin Stifter, Petitioner until the December 2016 Council meeting, second by McGrath. Motion carried unanimously.

**Discussion and Action on Placement of New Playground Equipment on Jackie's Field and Fundraising for Said Project** – Mayor Griffiths gave the backstory of how this project came about. He stated that a group of Washburn mothers had asked if the city had any plans on replacing the playground equipment at Jackie's Field. Because the city had no plans to do so, the group asked if they found funding, could they take on the project. A discussion took place on the city being the fiscal agent of grant money acquired by the group. A motion was made by Oswald to approve the placement of playground equipment as presented and have the city act as the fiscal agent, second by Maziasz. Motion carried unanimously.

**Public Hearing, Discussion & Action – 2016 (payable 2017) Municipal Tax Levy** – A motion was made by McGrath to open the public hearing on the tax levy, second by Jensch. Motion carried unanimously. **Bruce Lambert** spoke. Mr. Lambert stated that if the school levy is going to drop, why not just let the people have their money back instead of the city raise their levy. A motion made by McGrath to close the public hearing on the tax levy, second by Jensch. Motion carried unanimously. **Action on Resolution #16-011 - Adopting the 2016 Tax Levy** - Mayor Griffiths stated that the city's revenue has been flat for almost a decade, but that hasn't precluded city expenses from increasing. A discussion took place on the proposed capital projects that would benefit from the increased levy. Barnes stated the proposed capital projects, such as improving the downtown sidewalks, are things residents have been asking the city to take care of. It was stated that the levy increase is on a year to year basis based on city debt. The levy goes down as the debt goes down. A discussion took place on the needs of the Fire Department, and that even with the proposed levy increase, it will only be enough for a used fire tanker and fixing a leak in the other tanker. A motion was made by Oswald to approve the revised resolution No. 16-011 adopting the 2016 municipal tax levy of \$1,016,317, second by McGrath. A discussion took place on the total capacity the city could raise the tax levy beyond what is proposed. Mayor Griffiths stated that the Finance committee discussed how much the city should raise the levy and settled on the recommended amount as a good compromise between taking the total allowable amount. Fire Chief Pederson spoke on the downfalls of buying a used fire tanker. Bruce Lambert stated that if the city is already going to increase the levy, why not just increase it more to cover the cost of a fire tanker. A motion was made by Oswald to amend the original motion by approving resolution No. 16-011 adopting a 2017 municipal tax levy of \$1,046,317, second by McGrath. Motion carried unanimously. **Action on Resolution #16-010 - County Library Levy Exemption** – No discussion took place. A motion was made by McGrath to approve Resolution #16-010 - County Library Levy Exemption, second by Barnes. Motion carried unanimously.

**Discussion and Action on 2017 Water and Sewer Utility Budgets** – No discussion took place. A motion was made by Nowakowski to approve 2017 Water and Sewer Utility Budgets, second by Barnes. Motion carried unanimously. **Action on Sewer Rates** – No discussion was had. A motion was made by McGrath to approve a 5% increase on all fixed sewer rates, second by Arquette. Motion carried unanimously.

**Discussion and Action on Special Event Request for Book Across the Bay, February 18, 2017, Thompsons**

**West End Park** – No discussion took place. A motion was made by McGrath to approve Special Event Request for Book Across the Bay with the provisions outlined in the memo, February 18, 2017, Thompsons West End Park, second by Barnes. Motion carried unanimously.

**Discussion and Action on Recommendation from Historic Preservation Commission on Way-Finding Sign Designs** - It was stated that current designs had incorporated all the changes discussed at the previous meeting. A motion was made by Jensch to approve the Recommendation from Historic Preservation Commission on Way-Finding Sign Designs, second by Barnes. Oswald discussed the use of “historic” on the sign when pertaining to the lake shore. Oswald stated he would like “historic” removed and have it say “Lake Superior” instead. It was stated that instead of “walking trail” it would say “historic walking trail”. A motion was made by Oswald to amend the original motion and make the new motion to remove “historic lakeshore” and replace it with “Lake Superior”, and add “historic” to the “walking trail”, second by Maziasz. Motion carried unanimously.

**Discussion and Action on Resolution #16-012, 2016 General Fund/Capital Budget Amendment #1 for Public Works Equipment** – A motion was made by Nowakowski to approve Resolution #16-012, 2016 General Fund/Capital Budget Amendment #1 for Public Works Equipment, second by McGrath. Motion carried unanimously.

**Discussion and Action on Ordinance #16-014 Allowing for Case-by-Case Basis to Allocate Special Assessment Costs for Sidewalk Placement and Replacement** – A motion was made by Barnes to approve Ordinance #16-014 Allowing for Case-by-Case Basis to Allocate Special Assessment Costs for Sidewalk Placement and Replacement, second by Maziasz. Motion carried 6-1 with Nowakowski no.

**Alcohol Licensing Matters - Bartender License Applications – #55 through 58 – 18** – A motion was made by McGrath to approve Bartender License Applications – #55 through 58 – 18, second by Barnes. Motion carried unanimously.

**Closed Session Items - Deliberating and Negotiation of Counter-Offer ORIG TOWNSITE OF WASHBURN LOTS 8-10 & 2' ON SW SIDE OF LOT 11 BLOCK 45 IN V.1138 P.618 534, Tax ID 33221, Old Brokedown Palace LLC** – A motion was made by Barnes to go into closed session for Deliberating and Negotiation of Counter-Offer ORIG TOWNSITE OF WASHBURN LOTS 8-10 & 2' ON SW SIDE OF LOT 11 BLOCK 45 IN V.1138 P.618 534, Tax ID 33221, Old Brokedown Palace LLC pursuant to Wisconsin State Statute §19.85(1) (e) deliberating or negotiating the purchasing of public property and for competitive reasons; following which the Council may reconvene in open session to take any action that may be necessary on the closed session items, second by Oswald. Motion carried unanimously via roll call vote.

**Adjourn** – A motion was made by Maziasz to adjourn at 8:04pm, second by McGrath. Motion carried unanimously.

Dan Stoltman  
Assistant City Administrator

#### **FINANCE COMMITTEE MEETING 4:30PM**

Committee Members Mary McGrath, Mary Nowakowski and Jennifer Maziasz reviewed monthly expenditure vouchers.