

**CITY OF TWO RIVERS
COUNCIL PROCEEDINGS
Monday, August 15, 2016 - 6:00PM
Council Chambers, City Hall
Regular Meeting**

The meeting was called to order by Council President Patrick Gagnon at 6:00 PM.

President Gagnon led the Council and those present in the Pledge of Allegiance.

Roll Call – Present: Mark Bittner, John Casavant, Patrick Gagnon, Darla LeClair, Kay Koach, Jack Powalisz, Bonnie Shimulunas, Jim Taddy, Brad Yaggie. Absent: None.

Also present were Judy Goodchild, Park & Recreation Director; Jeff Dawson, Library Director; Ross Blaha, Water Utility Director; James McDonald, City Engineer/Department of Public Works; Joe Collins, Police Chief; Ken Kozak, Electric Utility Director; Dave Buss, Finance Director; Jack Bruce, City Attorney and, Greg Buckley, City Manager.

Consideration of any Councilmember request to participate in this meeting from a remote location. None.

The City Clerk reported that notice of the meeting was given to the official newspaper and posted on the bulletin board in City Hall on Thursday, August 11, 2016.

Council Communications. None.

President Gagnon asked the Council if there were any reports from Boards, Commissions or Committees.

Councilmember Shimulunas reported that an audit from Manitowoc Area Visitor's and Convention Bureau showed that MACVB is a healthy organization financially.

City Manager's Status/Update Reports:

Harbor Park Phase 2. Mr. Buckley reported that the flatwork has been poured and that crews are now waiting for colored concrete block to be delivered, a delay that was anticipated on the onset of the

construction project. Mr. Buckley further reported that the Governor's and Lieutenant Governor's offices have been contacted relative to attending a late September or early October 2016 ribbon cutting ceremony celebrating the completion of this project.

Harbor Dredging. Mr. Buckley reported the estimated time of arrival for Roen Salvage to begin this project is Monday, August 22, 2016, which an anticipated two or three weeks of dredging to follow.

Holy Family Memorial Lakefront Campus Project. Mr. Buckley reported that HFM should be submitting site and architectural plans for approval within the next few weeks, for the September Plan Commission meeting.

Legislative Update:

Mr. Buckley noted a handout in the Council packet relative to the US EPA Green Infrastructure Grant awarded to the City of Two Rivers.

Mr. Buckley further reported that the Wisconsin Waterways Commission toured Harbor Park, the fish cleaning station and Vet's Park on Monday, August 15, 2016, and that the commission will be holding their quarterly meeting in Council Chambers on Tuesday, August 16, 2016 from 8:30 AM to Noon.

Mr. Buckley also noted that he recently participated in the Lake Michigan Day at the Wisconsin Maritime Museum.

The following Consent Agenda items were considered: Minutes from the July 25, 2016 special City Council meeting and the August 1, 2016 regular City Council meeting; Application for Operator's Licenses for Baugniet, Cheryl R., 2711 12th St., Two Rivers; Blazer, Elizabeth E., 2615 Lincoln Ave., Two Rivers; Minarik, Tara A., 410 E. Reed Ave., Apt. 7, Manitowoc; Reed, Ariana M., 2931 40th St., Apt. B, Two Rivers; Viste, Davin A., 3022 State Hwy 310, Two Rivers; Wachowski, Michele L., 3737 Dale St., Manitowoc; Minutes of Meetings from Lester

Public Library, Tuesday, July 12, 2016; Joint Review Board Organizational Meeting, Wednesday, August 3, 2016; Plan Commission, Monday, August 8, 2016; Department Reports from Electric, July 2016; Fire, July 2016; Lester Library, July 2016; Inspections, July 2016; Parks & Recreation, June 2016; Parks & Recreation, July 2016 ;Safety, July 2016; Water, July 2016; Financial Reports from June 2016 for General Fund; Debt Service; Lester Public Library; Utilities – Second Quarter Report; and Summary of Verified Bills for the Month of July 2016 in the amount of \$1,461,262.89.

A motion was made by Councilmember Taddy, seconded by Councilmember Koach, to approve the Consent Agenda with the various actions recommended. Upon a voice vote, motion carried.

President Gagnon noted that the June General Fund summary showed the shared revenue component from the State of Wisconsin is still at zero.

Mr. Buckley replied that the City received a small payment in July 2016 but the primary payment, totaling 90% of the shared revenue funds, is made to the City in November of each year.

President Gagnon presented the approval of the project plan and boundaries for TID No. 11, a redevelopment Tax Incremental District proposed to support redevelopment of the former St. Peter the Fisherman School and other properties along the Lincoln Avenue corridor, along with neighborhood infrastructure improvements.

Mr. Buckley stated that there was sufficient slack built into the schedule for adoption of this TID, to allow for Council action on this date, but, to avoid any confusion, he recommended action at the September 6, 2016 Council meeting to stay consistent with the adoption calendar contained within the project plan.

A motion was made by Councilmember Shimulunas, seconded by Councilmember Koach, to refer this matter to the Tuesday, September 6, 2016, regular City Council meeting for action. Upon Voice vote, motion carried.

President Gagnon presented a recommendation from the Plan Commission to set a Public Hearing on a proposed zoning code text amendment to include “Event Facility/Assembly Hall” as a permitted use in the B-1 business district.

Mr. Buckley reported that the new owners of the old St. Luke’s Church on Jefferson Street will be opening a wedding hall and event facility called Sephia Chapel. They desire to accommodate accessory beverage service, either via caterer or as a function of their business plan, and this amendment will allow for that provision.

A motion was made by Councilmember Koach, seconded by Councilmember Yaggie, to set a Public Hearing for Tuesday, September 6, 2016, at 6:00 PM as recommended by the Plan Commission. Upon Voice vote, motion carried.

President Gagnon presented a recommendation from the Plan Commission to set a Public Hearing on a proposed zoning code text amendment to Define “Agriculture” and amend the listing of agriculture uses permitted as a conditional use in the R-1 & R-2 residence districts, and to add the keeping of chickens as a permitted use in those zoning districts.

Mr. Buckley added that the ordinance to be presented for public hearing will specify an effective date later in the year, to allow time for consideration of regulations for the keeping of chickens, prior to that activity becoming a permitted use.

A motion was made by Councilmember Shimulunas, seconded by Councilmember LeClair, to set a Public Hearing for Tuesday, September 6, 2016, at 6:00 PM as recommended by the Plan Commission. Upon Voice vote, motion carried.

President Gagnon presented the City Manager's appointments to Room Tax Commission of Bonnie Shimulunas and Kay Koach as City Council/Citizen Representatives, Jim Anlagen, Jr. as Local Lodging Industry Representative, in addition to Council President and City Manager as specified by Ordinance.

A motion was made by Councilmember LeClair, seconded by Councilmember Taddy, to approve the appointments, to one-year terms expiring May 1, 2017, as recommended by the City Manager. Upon Voice vote, motion carried.

President Gagnon presented a request from the Manitowoc-Two Rivers YMCA to hold their 15th Annual Triathlon on Saturday, August 27, 2016.

A motion was made by Councilmember Yaggie, seconded by Councilmember Taddy, to approve the request as recommended by the City Manager. Upon Voice vote, motion carried.

City Council Unfinished Business.

President Gagnon presented for further consideration the issue of whether to special assess abutting property owners for storm sewer component of proposed special assessments for project on Garfield Street from 29th Street to 34th Street (removed from special assessment resolution approved at August 1 City Council meeting, pending further review and recommendation by the Public Works Committee).

Mr. Buckley stated that there are 5 year budget projections for the use of funds from this recently-established utility, for both operations and capital projects.

Those projections indicate that there is sufficient funding from the utility to fund such storm sewer extensions, without special assessments. He further noted that the Storm Water Fund receives \$660,000 in user fee revenue each year.

The City Manager further stated that it is the recommendation of the Public Works Committee that \$58,469 in proposed special assessments for storm sewer work on this project would not be assessed but, rather, funded from storm water utility. The Public Works Committee further recommends that this be considered a non-precedent setting action, due to the unique circumstances of the Garfield Street project. The Public Works Committee will be reviewing policy for funding such storm sewer work in the future.

Councilmember LeClair distributed copies of an article published in the *Herald Times Reporter* on this issue. She addressed several statements made in the article: 1) Even in the original proposal, not all storm water costs for the project are being paid through special assessments; the \$58,469 in proposed special assessments is only about half of the total cost for storm water work. 2) Surplus funds, cited in the article, are actually being used to create a fund balance, which is needed in order for the utility to issue utility bonds in the future; 3) this is a non-precedent setting activity, all projects are unique, both now and in the future.

President Gagnon replied that the Storm Water Fund currently has a balance of \$458,000 which supports the importance of the Public Works committee's involvement to set guidelines pertaining to the usage of these funds.

Councilmember Shimulunas added that there should be standards established for Storm Water funds usage.

Councilmember Yaggie asked if the EPA grant recently awarded to the City was taken into account in the five-year Storm Water Budget. The City Manager responded that it was not taken into account, and does bring with it the need for \$175,000 in local matching funds; this means the City may need to defer other planned projects or borrow for the matching requirement.

A motion was made by Councilmember Yaggie, seconded by Councilmember Koach, to not special assess properties in the project area for storm sewer and to instead fund all storm sewer costs for this project from the City's Storm Water Utility, as a non-precedent setting action related to the unique circumstances of this project, as recommended by the Public Works Committee; and to request that the Public Works Committee address this issue in the context of the City's special assessment policy and return a policy recommendation to the City Council by November 30, 2016. Upon Roll Call vote; Ayes (9), Jack Powalysz, Bonnie Shimulunas, Jim Taddy, Brad Yaggie, Mark Bittner, John Casavant, Patrick Gagnon, Darla LeClair, Kay Koach; Noes (0), None. Motion carried.

Mr. Buckley stated that property owners will be made aware of the assessment details and that the bid process will begin very soon.

For Information Only: The City Manager addressed the following:

- - Congratulations and Thank You to the United Way of Manitowoc County on its Campaign Kickoff Event and Day of Action, August 6 at Washington Park
- - Ad Hoc City Council Committee on Economic Development met on Monday, August 15 and meets again on Friday, August 26, 2016, 7:30 AM, City Hall Committee Room to review facilitators for an upcoming planning session
- - All City Employee Appreciation Picnic at Neshotah Beach, Thursday, August 18, 2016, 11:30 AM – 1 PM (City Hall will be closed from 11:30 AM – 1 PM to allow all personnel to attend)
- - Personnel & Finance Committee, Thursday, August 18, 2016, 4:30 PM, City Hall Committee Room
- - City Council Work Session, Monday, August 29, 2016, 6:00 PM - - Joint Meeting with Plan Commission on Harbor Area Redevelopment, Public Access and Marina Development Planning

- - Board of Review, Wednesday, August 31, 2016, 4 – 6 PM, City Hall Council Chambers
- - Kites Over Lake Michigan, Saturday & Sunday, September 3 & 4, 2016, Neshotah Beach –
SS Badger Shoreline Cruise, Saturday, 1:30 PM
- - City Council meeting, Tuesday, September 6, 2016, City Hall Council Chambers, 6:00 PM - -
rescheduled due to Labor Day (9/5/16)
- - Joint Review Board – TID No. 11 meeting, Thursday, September 8, 2016, 7:30 PM, City Hall
Committee Room
- - Kurtz’s Octoberfest, Friday & Saturday, September 16 & 17, 2016, Friday 5 – 11:30 PM,
Saturday 11 AM – 11:30 PM
- - Main Street Ethnic Fest, Saturday, September 17, 2016, 9 AM – 5 PM, Central Park

Closed Executive Session. Mr. Buckley stated that there was no need to enter closed session.

At 6:55 PM, a motion was made by Councilmember Yaggie, seconded by Councilmember Casavant, to dispense with the reading of the minutes of the meeting and adjourn. Upon Voice vote, motion carried.

Kim M. Graves
City Clerk