

REGULAR CITY COUNCIL MEETING

MONDAY, MARCH 22, 2010 – 7:00 PM

COUNCIL CHAMBERS, CITY HALL

Mayor Chesen calls the meeting to order at 7:05pm.

Pledge of Allegiance was lead by Alderman Krause.

Roll Call: Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar, Clerk Dykstra, Mayor Chesen, Attorney Draper, Administrator Jordan, and DPW Winkler.

Statement of public notice by Mayor Chesen.

Approve Regular City Council Meeting minutes of March 8, 2010 and Special Council meeting of March 12, 2010 as published and distributed. Krause/Marsala motion to approve. Alderman Roehrer asked that in reference to page three she should have let them know she has a buoy and voted in the affirmative. She wanted to make it clear. Unanimously carried.

Comments from the public as allowed by Wis. Stats. §19.84(2), limited to items on this agenda, except for public hearing items. Comments will be limited to 5 minutes.

Terry O'Neill, 954 George Street commented on item 17. He passed out documents referring to minutes where the taxes were increased to spend more money on roads. He showed the Revenue report where State Aid for Highways showing \$680,000 in aid. He is wondering why they raised taxes to get money for roads when they were given money.

Mayor Chesen asked where in the document it showed an increase in the Budget. Mr. O'Neill noted it was discussed in it and they make reference to roads. Mayor Chesen explained it was a document he handed out and wanted to know where it was. Mr. O'Neill noted there is a comment on one page that says they would like to see the Street Department get money on one page. He pointed out fourth line on the bottom where a motion is made to make an additional \$70,000. He noted he emailed Dennis Jordan questioning why on page 1 of the 2010 budget lists the State Highway Aid at \$680,000 and yet didn't answer the question, but did reply. He questions what that amount is used for. O'Neill wrote to Representative Lothian on what the restrictions can be used for. In his reply he noted it could be any transportation project the municipality deems fit. He was concerned about roads and condition of them. He went to the budget for 2007, 2008, and 2009 the expenditures were 0, but in 2010 it was \$16,000. He had requested some information on page four and he plans to compare to other appropriate items.

Tom Bosworth, Main Street Lake Geneva. He is commenting regarding the Kayak Launch site at the west end of Library Park. This area is already congested and used by a great number of people in other activities. In the early mornings it is the exercise club with dogs and the restrooms and congregations. The fishing pier and launch ramp are there also. The access ramp will be more tangled and congested. They feel building another storage rack is not good for the area.

Ellyn Kehoe, 222 Warren Street. She agrees with the Kayak launch area. She noted there was a rack there and they can haul the kayak down to launch right there. She does agree it is congested by the dinghys there at this time. She asked for them to keep it at its original state and adding to the east side.

Andy Kerwin, 1719 Miller Court. He believes the best location for the Kayak rack is the west end. There isn't the congestion that is all discussed. Kayak launching is more during the week rather than the weekend. He applauds the efforts of bringing this sport here.

John Walker, 540 Franklin Street, commented for the Kayak rack he feels west end of Library Park is the best. The parking is available and noted they will pay the same fee. There isn't as much business at that location and is the best location.

Joanne Williams, 307 Water Street, speaking to items #17, 18, and 19. She would like to get a printed copy of what is said about those items. Mayor Chesen explained she could request from Clerk.

Spyro Condos, 1760 Hillcrest Drive, commented on Item #17, 18, 19 noted that during the budget process a garbage truck was in disrepair and was not put into the budget. He noted that they eliminated the Capital Projects, no increase in wages for management or Union Employees, and only half the money for retirement was put away. They have used lakefront money, and TIF money, instead of closing the TIF district. You are hiring an Architect for the Riviera and you are using TIF money instead of Lakefront Funds. Parking fund used to be monitored by Ordinance and using revenues from the City but you are paying the bills from the TIF. He noted the State Highway funds were close to 6 Million and in the last three years there hasn't been a plan to do many roads, and yet TIF money is being used. Where are the State Highway Funds? Those funds have to be separated and have to keep track and must be separate funds.

Sturges Taggart, commented that on Item #10 there was a reconsideration to look at the Hillmoor appraiser for the City to purchase. There is no point in doing this at this time. There is no money. On Item #15 it is the best interest in the City to have running material. The garbage truck needs to be replaced.

Mayor Chesen stepped down from his seat and Council President Marsala took the Chair.

Bill Chesen, 800 Platt Ave., he doesn't know where to start. He will state the City is currently on a pay as you go plan. You are paying for the sins of past Mayors. He commented in 1991-1992 total debt was 4.59 Million originated by Mayor Condos, that debt was restructured by Mayor Brandley in 1994 in the amount of \$3,430,000 with a principal payment of \$1.1 million. In 2000 there was a reissue by Mayor Brandley. In 2000 Mayor Condos restructured the remaining debt and borrowed an additional 1.3 Million with the final payment to be made in 2007. It was interest only until that date. It had a balloon payment that the City got stuck with. Some of the projects the money was used for were Riviera Roof, Vets Park, GIS, Snow Plow, Street Program, Alley Paving, Curb and Gutter, water Repair, Street Chipper, a Tractor, ¾ Ton pick Up truck, Squad Cars. Those are ongoing expenses. Those are operating expenses that we are paying for now. In 1992 Mayor Condos borrowed another \$322,000 from the State Trust Fund loan, in 1993 Mayor Dale tried to pay this off and was able to reduce it to \$103,000. You hear from Mayor Condos all the time that when he left office he left 3.2 Million in the undesignated reserve fund. Of course he borrowed 4.9 Million during that same time period. It is easy to say you left a lot of money behind when you borrowed a lot of money along the way. Traffic Fund he commented he has the manual and it includes things like law enforcement, snow plowing, road striping etc. It is reported every year and that is the reason it is reported. They follow the rules for TIF. If you don't agree with the TIF advisor, then you change the law.

Re-consider business from previous meeting. None.

Acknowledgement of Correspondence.

Mayor Chesen noted there is a notice for the Geneva Lake Manor for a groundbreaking ceremony on April 15, 2010. He also pointed out the City is on the cover of Wisconsin Meetings Magazine for Destinations and the Riviera is featured on the Cover. This is a great publication to be recognized nationally. Discover Wisconsin had a presentation this weekend also and hopes residents are able to get to see this.

Mayor Chesen asked the council to suspend the rules for Mr. Taggart to speak on an item from the Cemetery Board Krause/Marsala motion to suspend the rules. Unanimously carried.

Mr. Taggart noted that a zoning meeting was held last night referencing property adjacent to the west of the Cemetery. There will be a zip ride, fun park proposed. He showed the design of this park and they have asked a surveyor to come out and designate the actual property lines. Having a carnival placed next to the cemetery should not happen. The County did not notify the city. He argued for a 300 foot buffer for their property. He has gone to the County Board and they will bring it up in late April.

Public Hearing on Special Assessments for improvements in the City of Lake Geneva related to the Proposed Shore Acres Sanitary Sewer Project.

Roehrer/Marsala motion to remove from the agenda. Unanimously carried.

Reconsideration of request from Ad Hoc Green Ribbon Committee to authorize an appraisal of Hillmoor not to exceed \$25,000. (Reconsidered 3/8/10)

Alderman Krause noted that he had further information come to him from this and the big picture after speaking with Rob Keefe. One possibility was taking the north part adjoining Hillmoor by using wet land to turn into park land area. The cost of looking at this could be roughly \$3,000 for an appraisal. By doing this they could apply for a grant from the State. They know of three possible grants to apply for. In raw figures they thought that area would be around \$180,000 and if they got matching grants they could look at that as an option. It is time sensitive as May 1, 2010 is a grant deadline.

Alderman Roehrer noted she is in favor of this and felt that there was some confusion the last time this was brought up. In the TIF the physical boundary of the district includes the boundary to complete the extension of the trail to start at the White River across Highway 12. She felt this needed to be looked at.

Alderman Marsala noted he was against this the last time because of the amount of money and the use of the golf course.

Alderman Tolar asked wouldn't you want to find out if you even want this before you spend anything on this? Roehrer/Krause motion to approve.

Roehrer/Krause motion to amend to have the comptroller create a resolution for \$3,000 from Contingency for an appraisal of the current City owned holes to the City owned former WE Energies property.

Alderman Krohn asked what is going to happen to this property.

Alderman Roehrer noted for a trail.

Alderman Krause stated it is to purchase the floodplain area for a public park which could include a trail to Edwards Boulevard. It is to find if they are eligible for a grant first. They aren't sure what the owner will do either.

Mayor Chesen noted that at one point he did discuss with Mr. Bianca at Kennedy funding and they said they would work with the City.

Alderman Mott noted that he wasn't in favor of spending the \$25,000 but feels \$3,000 is more realistic.

On amendment: Motion carried, Alderman Tolar, and Krohn opposed.

On original motion as amended: "Yes" Alderman Krause, Roehrer, Mott, Marsala. "No" Alderman Fesenmaier, Krohn, and Tolar. Motion carried.

Update on TIF Joint Review Board and TIF Amendment #3 to TIF 4 Project Plan. (Administrator Jordan)

Administrator Jordan noted they have met and as soon as the State approves they will start the projects.

Alderman Fesenmaier questioned if they would hear in 30 days. He confirmed.

Review and discussion on Bloomfield Incorporation (Administrator Jordan)

Administrator Jordan stated they have been notified the State is having a hearing tomorrow on the process.

Attorney Draper noted that the Town of Bloomfield and Department of Administration starts its process for becoming a village. The City and Genoa City will make a presentation and make any comments they want. A brief will be submitted by April 2nd following this. Draper encouraged any citizen to go and make comment.

They are looking to incorporate a large area that could be the largest City in the State.

Update on Edwards Boulevard Project. (Administrator Jordan from Special Council meeting 3/12/10)

Administrator Jordan noted they are still negotiating with the Pellers regarding a contract.

We Energies property had the abatement quotes come back and are 40% less than what was approved.

Resolution 10-R10 a Resolution to create a budget in the Impact Fee Fund for \$23,000 to purchase shelving units for media and shelving for the children's picture book room. (Tabled 3/8/10)

Krause/Marsala motion to remove from the table. Unanimously carried.

Krause/Mott motion to approve. Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Resolution 10-R11 a Budget Resolution to transfer \$9,000 from Ambulance Account to Protective Fire Clothing for turnout gear.

Krause/Mott motion to approve.

Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Resolution 10-R12 a Preliminary Resolution declaring intent to exercise special assessment powers under section 66.0703, Wisconsin Statutes, for improvements in the City of Lake Geneva related to the proposed Shore Acres water main and sanitary sewer project.

Krause/Tolar motion to remove from the agenda. Unanimously carried.

First Reading of Ordinance 10-02 An Ordinance amending Chapter 2 Alcohol Beverages of the Lake Geneva Municipal Code to address delinquent tax payments.

First Reading of Ordinance 10-03 An Ordinance amending Chapter 74 Traffic and Vehicles of the Lake Geneva Municipal Code to address U-Turns.

First Reading of Ordinance 10-04 An Ordinance amending Chapter 74 Traffic and Vehicles of the Lake Geneva Municipal Code to add references to Neighborhood Electric Vehicles.

Alderman Roehrer noted at Finance it was recommended to remove Section C.

Krause/Roehrer motion to suspend the rules. Unanimously carried.

Roehrer/Mott motion to remove paragraph C and pass on the second reading tonight. Unanimously carried.

Krause/Mott motion to approve with deleting section C. Unanimously carried.

Street Use Permit application from Geneva Lake Chamber of Commerce for the Children's Christmas Parade on Saturday December 4, 2010 from 4:00pm until 6:30pm.

Krause/Marsala motion to approve. Unanimously carried.

Street Use Permit Application from Geneva Lake Chamber of Commerce for Oktoberfest Celebration on October 9 & 10, 2010.

Krause/Marsala motion to approve. Unanimously carried.

2010 Street Maintenance Program design and bidding and allocating the downtown work to be funded from TIF #4, requesting the City Comptroller to draft a resolution transferring appropriate funds.

Tolar/Marsala motion to approve. Unanimously carried.

Purchase of a 1999 International 25 yard Garbage Truck utilizing proportionate TIF #4 funds in the amount of \$43,400 and the remaining \$3,500 from Street Department 11-32-10-5250, and requesting the City Comptroller to draft a resolution transferring appropriate funds.

Tolar/Mott motion to approve. Unanimously carried.

Renewal of commercial slips and buoys for Marina Bay, Lake Geneva Boat Lines, and Gage Marine at non-resident rate for a three year lease that can be terminated at the end of any year with 60 day notice prior to November 1st.

Marsala/Roehrer motion to approve.

Krohn/Fesenmaier motion to amend to not renew the leases unless they have a business license and remove Marina Bay until they bring back their pier to 100Feet.

Alderman Krohn noted the Clerk mails out the business license invoices and they aren't returned.

Alderman Marsala noted that the Harbormaster would go through the lakefront enterprises and make sure everyone was licensed.

On Amendment: Motion carried. Alderman Krause abstained. There was discussion regarding the understanding of the motion.

Alderman Tolar felt the length of this pier was not part of the discussion at the committee. He felt it shouldn't be brought in at this time.

Roll Call on Amendment: "Yes" Alderman Roehrer, Fesenmaier, Krohn, "No" Alderman Krause, Mott, Marsala, and Tolar. 4-3 Amendment fails.

Original Motion to approve Renewal of commercial slips and buoys for Marina Bay, Lake Geneva Boat Lines, and Gage Marine at non-resident rate for a three year lease that can be terminated at the end of any year with 60 day notice prior to November 1st.

Fesenmaier/Krohn motion to split the question listing Marina Bay separately. Fesenmaier stated that they should be able to discuss since they aren't complying with the ordinances.

Mayor Chesen noted they are in legal issues surrounding this issue at this point.

Attorney Draper stated at this point he isn't taking a stand. They are in litigation. He was asked 5 minutes before the meeting begins if they could do this and needs time to review if they want an opinion.

Alderman Roehrer commented the current leases proper notices were not given to cancel so questioned what is in effect for the new season. She has had people call and ask her questions about this. What is in effect at this time?

Attorney Draper stated that buoys are taking in and put out on a seasonal basis. You are giving them a three year license to use that space. You can't apply normal landlord tenant law. It expired whether you gave notice or not.

Alderman Mott questioned how they can do business with them while they are in a lawsuit. Attorney Draper noted that is a business decision for the Council.

Alderman Marsala noted this is a business decision and the numbers are there. There was a hard time to fill up the buoys we had.

Alderman Krause questioned what the wait list is for buoys.

Alderman Marsala commented the buoy list was almost gone through. The City is securing a certain dollar amount by leasing these buoys out.

Alderman Tolar commented it is the state of the economy for the reason for renewal of the leases.

Attorney Draper noted the Council is being represented and probably should contact those attorneys prior to that.

On amendment to separate Marina Bay from the other applicants: Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Fesenmaier, Krohn. "No" Alderman Marsala and Tolar. Motion carried.

Original Motion to approve Lake Geneva Boat Lines and Gage Marine for a three year lease at non-resident rate that can be terminated at the end of any year with a 60 day written notice prior to November 1st provided they have business licenses:

Roehrer motion to amend to change to "By September 1st" language. Motion fails for lack of second.

Unanimously carried.

Second half of motion for renewal for Marina Bay for a three year lease at non-resident rate that can be terminated at the end of any year with a 60 day written notice prior to November 1st provided they have business licenses and their pier is reduced to 100 feet in length.

Fesenmaier/Mott motion table to the end of April to be apprised by City Attorney the Ramifications. Unanimously carried.

Establishing an official launch site for Kayaks and Canoes to the location where the Rack will be located.

Roehrer/Krause motion to place racks at west end of Library Park and allow Kayak and Canoe to launch from either dingy pad.

Alderman Tolar commented he doesn't feel the Kayaks should be in that area by the beach. It should be on the west end.

Alderman Roehrer commented the storage wouldn't be there, just launch.

Alderman Fesenmaier questioned if once you open an area for launching you open for any craft?

Administrator Jordan commented no and you can't put any cribs in the lake so they wouldn't be able to, and they would be given an annual pass.

Alderman Roehrer read a statute in relation to boat launch fee.

Alderman Marsala asked if they can post Kayak and Canoe only and if they can regulate it. Attorney Draper felt they could, but enforcement would be another question. He would like to review how much they can regulate it.

Alderman Fesenmaier noted she would like to see a review in October regarding this.

Mott/Fesenmaier motion to call the question. Unanimously carried.

On Original: Unanimously carried. Ald Roehrer commented her name is on the list.

Transportation Aids provided to the City. (Mayor Chesen)

Mayor Chesen noted that the General Transportation Aids Manual states that the money comes from the gas tax. It is based on the miles of roadway in your municipality. According to Mr. Condos, none of the money was spent on roads, and he wanted to clarify the eligible expenses include pavement, curb and gutter, snow and ice control, traffic

control, wee control, guard rails, pavement marking, leaf pick up, dust control, bike lanes, paved shoulders, operation and maintenance of machine equipment etc., radio and insurance expenses.

Other included are traffic patrol, police, law enforcement control of 911, interest costs, police insurance, and outlay. Last year, the main street bridge was put in. Each year there is roadwork. He is tired of statements being made that are not true. In 1990 – 1992 they did the same thing with this money. Nothing has changed.

Administrator Jordan added he is on the local road street council and has been for 6 years. The things they come out with goes through that committee. He called the Deputy of the DOT after the last COW meeting. They noted that every city fills out form C and the State audit each year and if you had a problem you would have heard about it.

Clarification on City Borrowing Practices. (Mayor Chesen)

Clarification on Parking and Lakefront Fund balances. (Mayor Chesen)

Mayor Chesen stated that Mr. O'Neill passes out a handout at each year saying 1 million depleted from the City each year for 8 years. Tonight he comments on the transportation aid and not doing the work. Mr. Condos states the City has taken all of the money out of the Lakefront Fund, Parking Fund, and Shaking the bubble gum machine upside down. He questions how do you respond to lies. Mr. Condos was on the budget committee and at those budget hearings. The lakefront fund, there is a committee Piers Harbors and Lakefront standing committee, the fund has \$300,000 in that account. At the end of the audit it will probably have \$375,000, the Parking fund has in excess of \$300,000 in that account. He doesn't know why is it necessary for people to come here and say things that aren't true over and over again. If you want the facts, ask and they will tell you. Some people won't be happy with the truth.

Alderman Roehrer questioned isn't the fact in 2009 and 2010 budget to take all of that money and move to the General Fund. All but \$75,000 to balance the budget, and in 2010 we said we would take all of it.

Alderman Krause stated as Finance Chairman there was a reserve of \$75,000 for each left in 2010. They took everything above that as revenue. You didn't take their fund balance.

Administrator Jordan asked them to look at the situation. The money is used for operations and they are fortunate they have these areas of income. They have been able to take that money and not layoff or cut services. You will have to raise taxes if you want to put more money back in those funds. Every City is laying off, or cutting services. Alderman Roehrer felt the Mayor's statement saying there is \$300,000 is wrong. The \$300,000 is being used to balance the budget.

Administrator Jordan commented there will be \$375,000 in the reserve for the Lakefront and there will be just a bit less in Parking due to the handhelds.

Alderman Marsala commented that the City is fortunate to have these sources of revenue when times are tough and overhead has gone up and being able to apply to the budget to keep it balanced and low taxes.

Alderman Krause as Finance Chairman noted that the City Budget which is 24% of their tax bill only went up 2% which were items that were out of their control. The revenues from the CDARS program went down from \$200,000 to \$20,000 which they had to make up somewhere. They made it clear they didn't want to cut services or give furloughs.

Alderman Fesenmaier commented this shows the need for citizen input on the front end of the budget.

Mayor Chesen stated "in 1991 Mayor Condos borrowed 5.9 million, In 2001 Mayor Condos borrowed another 1.5 Million and on May 16, 1991 the outstanding debt was \$10,915,000.00. When Mayor Shepstone took office there was almost 14 Million in Debt they had to take on. When I leave office the City will only owe \$5,097,000. The City has done no borrowing in 2008 and 2009 and 2010. We pay as we go.

Mayor Chesen stated, Mr. Spellman if you would like to be part of the conversation please get himself elected. I am tired of comments from the audience. The reality is, if you are going to come here and stand at the podium, you better tell the truth. I am sick and tired of it. If you are going to come here and lie if you are going to go door to door and pass out lies expect to be held accountable. I am not running for Mayor. I will be here to hold your feet to the fire. I am not going away.

I am not going to sit in the back of the room and smirk, and whip the finger and mouth vulgarities that have happened at every meeting since I have been on this Council. I am fed up with it, but I am telling you right now, I will be here. I will be respectful and I will hold you all accountable for your actions. If you think you are going to borrow the City back into a hole because we are not going to use TIF. TIF is a perfect example of borrowing. The way a TIF works, and evidently need to go back to TIF 101, is 85% of the money that is paid for by TIF comes from the Citizens of Lake Geneva. All of the people at this bench took an oath to support the Citizens to the best of their ability. If that means finding other ways to fund the work that needs to be done for this community, that is your job. Where do the people in Bloomfield Township shop? Where do they buy their groceries? They drive down our streets, they come

to our businesses. Same thing with Linn, same thing with Geneva. We plow the roads for them, we build the roads for them. We provide those services and when they are here and involved in a motor vehicle accident we send the police, they have a health problem we send the Fire. They use our services. This is one of the ways we tax to get our money back. We then use those taxes to enhance the services we provide to the community. Yet Mr. Condos will tell you that because there is no money left in the lakefront fund this is a quote "We have to use TIF" to rebuild the Riviera. We do not have to use TIF to rebuild the Riviera. You can borrow the money. I prefer to pay as we go. I don't want to borrow the money and borrow it back in 1991 and 1992 and say the people in 1997 can pay for it. I would hope you wouldn't do that to your future constituents. That is the borrowing practice in the City of Lake Geneva atleast right now. We will see what happens in the future."

Water Department Quality Assurance Report and Operation Award. (Mayor Chesen)

Mayor introduced the 2009 Consumer confidence report.

Winkler noted the Wisconsin Rural Water Utility of the Year nomination. That would take place in Green Bay. There are approx. 700 and their rates haven't been raised in 20 years.

Presentation of Accounts

Purchase Orders. None.

Krause/Roehrer motion to approve Prepaid Bills in the amount of \$30,842.90

Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Krause/Marsala motion to approve Regular Bills in the amount of \$186,789.86

Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Appointments to Committees, Commission & Boards by Mayor Chesen. None.

Krause/Roehrer Motion to go into closed session pursuant to Wis. Stats.19.85 (1) (g) to confer with legal counsel who is rendering oral or written advice concerning strategy to be adopted by the body with respect to Peller Investments LLC Property. (Administrator Jordan)

Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Krause/Marsala Motion to return to open session pursuant to Wis. Stats. (2).

Roll Call: "Yes" Alderman Krause, Roehrer, Mott, Marsala, Fesenmaier, Krohn, and Tolar. Unanimously carried.

Discussion and possible action to adopt a Relocation Order for eminent domain proceedings for a portion of the Peller Investments LLC property.

Roehrer/Fesenmaier motion to approve. Unanimously carried.

Ordinance 10-01 a Zoning Map Amendment from Peller Investment Group to rezone a parcel of land located along the west side of Highway 12 north of Highway 50 and south of Sheridan Springs Road more precisely identified as Tax Key ZYUP 00194. (3/12/10)

Roehrer/Krause motion to continue next meeting on April 12th.

Krause/Marsala motion to Adjourn at 9:44pm. Unanimously carried.

/s/ Diana Dykstra, City Clerk

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