

REGULAR CITY COUNCIL MEETING

MONDAY, AUGUST 8, 2011 – 7:00 PM

COUNCIL CHAMBERS, CITY HALL

Mayor Connors called the meeting to order at 7:15pm.

The Pledge of Allegiance was led by Alderman Mott.

Roll Call. Present: Aldermen Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz. Also present: Administrator Jordan, City Attorney Draper, DPW Winkler, and City Clerk Reale.

Awards, Presentations, and Proclamations

Mr. Joe Murray, Springsted Incorporated, presented a plaque to Mayor Connors in recognition of the upgrade of the City's credit rating from Aa3 to Aa2. He noted that this improved rating was reflective of the City's continuing efforts to restore its fund balance position and keep budgets under control. He further remarked that an Aa2 rating was a very impressive accomplishment for a community of Lake Geneva's size, and commended City officials on their hard work in achieving that status.

Re-consider business from previous meeting. None.

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.

Cass Kordecki, 715 North Street, addressed the Council to speak on Ordinance 11-22, as pertaining to residential rental inspections and the adoption of a building maintenance code for the City. She noted that she had been attending City meetings for the past year to follow these issues, adding that she was pleased with the progress that had been made in addressing problems with rental properties in the City. She commented on some concerns that she had with respect to the definitions of "hotel" and "permanent resident" as contained in the ordinance, pointing to language in State statutes that appeared to conflict with those definitions. She also discussed the potential impact that these definitions could have on future efforts of the City to regulate and possibly tax transient rental properties.

Stan Redmer, 1155 Lake Geneva Boulevard, addressed the Council seeking clarification about the terms of Ordinance 11-22. He relayed the example of an acquaintance who lived in a HUD-approved rental property which was subject to annual inspections, and asked if the property owner would be required to pay for an additional inspection by the City if the ordinance was adopted. Mr. Redmer stated that he was considering the possibility of purchasing residential property for the purpose of renting, and simply wanted to ensure that he understood the provisions of the ordinance so he would be compliant.

David Hill, 2427 South Road, Burlington, addressed the Council as an owner of rental properties in the City of Lake Geneva. He asked if the City had given consideration to the future of the residential rental inspection program, particularly as it appeared that it might eventually create the need for additional personnel, wages and other expenses for the City. He also questioned the purpose of conducting interior inspections of the properties, and suggested that property owners should be given more leverage in dealing with their tenants to help keep these properties in acceptable condition. Mr. Hill also inquired about the handling of blighted properties that are owner-occupied rather than rental units.

Acknowledgement of Correspondence

City Clerk Reale reported that an email had been received from Cass Kordecki delineating her concerns with the language of certain sections of the proposed Ordinance 11-22.

Approval of Minutes

Kupsik/Mott motion to approve Regular City Council Meeting minutes of July 25, 2011, as published and distributed. Unanimously carried.

Finance, License and Regulation Committee Recommendations – Alderman Krause

ORDINANCES

First Reading of Ordinance 11-22, amending Chapter 14, Buildings and Building Regulations, of the Lake Geneva Municipal Code, regarding residential rental inspections and adopting a building maintenance code

City Attorney Draper noted that there were two components of the ordinance. The first part of the ordinance referenced the residential rental certification program that the City already had in place, with some modifications being proposed for the registration and inspection of those properties. He pointed out that nothing in Ordinance 11-22 would have the effect of changing the definitions of “hotel” or “permanent resident” as currently specified in Chapter 14. The other component of the ordinance involved the adoption of a building maintenance code, which would be applicable to all properties in the City. While the building maintenance code would cover owner-occupied housing, there would be no separate enrollment or registration process for those properties and any nuisance or blight issues that might arise with respect to non-rental housing would be addressed through raze and repair orders. City Attorney Draper stated that this ordinance was created to address concerns voiced by citizens in the community regarding the need for rental inspections and an enforceable building maintenance code for the City.

Mayor Connors noted that Alderman O’Neill had expressed a concern during the previous Finance, License, and Regulation Committee meeting that the language of Section 14-122 needed clarification to ensure that it would be understood as applying to all rental properties. City Attorney Draper agreed to add language to specify that the rental registration and inspection program would be applicable to single-family, as well as multi-family, residential rental units. Alderman Kehoe inquired about the possibility of conducting annual inspections of rental properties in the City. City Attorney Draper responded that it would be impossible to complete inspections of all rental properties during a one-year timeframe, given that the program was to be implemented on a citywide basis. As such, the ordinance provided for a five-year cycle of inspections, with provisions for additional inspections of certain properties to be made in the event of complaints. Mayor Connors suggested that the aldermen should address any additional concerns regarding the ordinance to the City Attorney prior to the Second Reading of Ordinance 11-22 at the next regular meeting.

LICENSES & PERMITS

Request for Temporary Extension of Licensed Premises filed by Popeye’s to include the parking lot area between the hours of 12:00pm and 8:00pm on the following dates: July 30 and 31; August 6, 7, 13, 14, 20 and 21; September 4 and 5; and October 8 and 9, 2011 (*applicant requested amendment to dates originally approved 7/11/11*)

Krause/Mott motion to approve. Alderman Krause noted that the new dates specified in the amended request were August 20 and 21, and October 8 and 9. The August dates would replace two previously-approved dates in July for which the applicant was unable to use the outdoor premises because of inclement weather, and the dates added in October would complete the twelve dates allowable under the temporary use permit. Unanimously carried.

Original Operator License applications filed by Menandro Tavera, Michelle Lantis, Brooke Ackerman, Jerry James, Robin Hemmeter, and Kelly Garza

Krause/Marsala motion to approve. Unanimously carried.

Discussion/Action on Community Bank of Delavan CDARS, maturing August 18, 2011

Krause/Marsala motion to approve renewal of CDARS in the amount of \$600,000.00 for a term of twenty-six weeks, with final interest rate to be determined and reported at the next regular meeting.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O’Neill, Krause, and Hartz voted “yes”. Unanimously carried.

Discussion/Action on Community Bank of Delavan CD, maturing August 18, 2011

Krause/Marsala motion to approve renewal of CD in the amount of \$302,249.43 for a term of twenty-six weeks, with final interest rate to be determined and reported at the next regular meeting.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Discussion/Action on Main Street traffic signal improvement proposal from Crispell-Snyder (*forwarded without recommendation from Public Works 7/21/11*)

Krause/Kehoe motion to continue this item to the next regular meeting of August 22, 2011. Unanimously carried.

Discussion/Action on design and construction services proposal from Crispell-Snyder for beach sand dredging (*recommended by Public Works 7/21/11*)

Krause/Mott motion to approve design and construction services proposal for an amount not to exceed \$12,000.00, to be funded from Lakefront. City Attorney Draper recommended making approval subject to the striking of paragraph 9 of the standard terms and conditions section of the contract. This was accepted by Alderman Krause and Mott, as maker and seconder of the motion, respectively.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Discussion/Action on purchase of Roll Call Pro voting system

Alderman Krause reported that the system to be purchased would be the same basic system used by the Council on a trial basis during the month of July. Administrator Jordan had been able to negotiate a lower price of \$6,984.00 and the inclusion of a second year of maintenance at no additional cost to the City. Alderman Mott requested some clarification as to what would be included with the annual maintenance. Administrator Jordan stated that this would include any system repairs, software upgrades, keypad refurbishments, training, and support as needed by the City. He confirmed that there would be an additional maintenance fee after the first two years; however, he was not certain of an exact amount. The vendor had indicated that the second year of maintenance that had been included in the offer carried a \$720.00 value.

Krause/Kehoe motion to approve purchase of Roll Call Pro basic system for an amount not to exceed \$6,984.00, to be funded from Contingency.

Roll Call: Marsala, Kehoe, Kupsik, Krause, and Hartz voted "yes". Mott, Krohn, and O'Neill voted "no". Motion carried by vote of 5 to 3.

Discussion/Action on parking station system proposal

Alderman Krause reported that this item had been forwarded without recommendation to the Council. Administrator Jordan discussed the scope of the proposed project, which would include supplanting the City's 948 existing parking meters with 74 parking stations. The Council and the Parking Commission had both heard presentations from the two parking station vendors which had replied to the RFP, with the Parking Commission ultimately recommending the LUKE system offered by Digital Payment Technologies. The total cost for the system, including 16 solar units, LUKE II upgrade, installation and setup fees, would be \$775,938.00. There would be an additional annual cost of \$31,080.00 for EMS reports, alerts, and processing, and a one-time annual cost of \$35,100.00 for the connectivity plan prepared by Jeff Miskie. Administrator Jordan reported that staff had estimated an additional \$44,000.00 would be required to install the necessary electrical connections for the new parking station equipment, though this cost could be reduced if the Council chose to replace the street lights along upper Broad Street. The final component of the project would involve conversion of the existing meter posts to provide signage with space numbers and other information. The cost of that component would vary depending upon the degree of detail; however, he figured an estimated maximum of \$109,000.00 for the most ornate signage. In total, the cost for the project was figured at \$999,618.00.

Alderman Hartz noted that the 2011 budget included \$744,710.00 in parking revenues, and asked whether the City could anticipate receiving more revenue simply as a result of having the parking stations in place. Mayor Connors responded that the new stations would eliminate lost revenue as a result of "piggybacking" because the time paid for each space would essentially be reset for every vehicle. Alderman Mott questioned whether the City would be expecting a reduction in staff for parking enforcement. Administrator Jordan stated that a reduction in the amount of

staff time spent on collections could increase the amount of time dedicated to enforcement on the street. He added that he had hoped parking enforcement employees could be used as ambassadors to assist motorists in using the parking stations and providing directions to various places of interest in the City. He also stated that the investigation of a new parking system had come about largely because of previous audit reports that had cited a need to better maintain control over the City's collection of parking revenues. Alderman O'Neill commented on the fact that the total project cost was nearing \$1 million, adding that he was concerned that additional costs for maintenance could push the total over the threshold required by ordinance to trigger a referendum. It was clarified that the maintenance costs discussed by Alderman O'Neill were included in the total quoted.

Alderman Krause speculated that parking stations would alleviate some of the issues that the City experiences with respect to violations and fines; however, he wondered whether overall parking revenues might be negatively impacted by a reduction in fines collected. Mayor Connors stated that any reduction in revenue from fines was likely to be offset by gains elsewhere. Administrator Jordan added that the new system could also help with collection of fees for the boat launch and beach, as the equipment could be utilized to make those purchases in addition to the parking charges. He noted that the new system could be functional in time for the 2012 summer season, provided that there was no further delay in approving the project to move forward. There was subsequent discussion about the existing meter posts and whether they should be removed, relocated, or refashioned to provide signage with space numbers. Alderman Hartz suggested that the Council should first work out these details to get a better sense of the associated costs before moving forward with the project.

Krause/Hartz motion to continue this item to the next regular meeting of August 22, 2011. Unanimously carried.

Discussion/Action on award of bid for Fire Station bay door replacement

Alderman Krause reported that \$14,000.00 had been included in the capital budget for this project, which would include the replacement of four bay doors on the south side of the building.

Krause/Mott motion to authorize the award of bid to Halverson Overhead Door Company for an amount not to exceed \$14,000.00, to be funded from Capital Improvement.

Roll Call: Mott, Kehoe, Kupsik, Krause, and Hartz voted "yes". Marsala, Krohn, and O'Neill voted "no". Motion carried by vote of 5 to 3.

Discussion/Action on award of bid for Fire Station floor repairs

Alderman Krause noted that this item had been forwarded with recommendation for denial. The project would involve the repair and coating of 5,200 square feet of surface around the drain area of the bay floor. A total of \$21,000.00 had been earmarked for this project in the capital budget, and the City had received three bids for the work. Alderman Hartz stated that he felt it would be disingenuous to deny the project after the Council had previously approved the financing for the repairs.

Krause/Marsala motion to deny.

Roll Call: Marsala, Krohn, and O'Neill voted "yes". Mott, Kehoe, Kupsik, Krause, and Hartz voted "no". Motion to deny failed by vote of 3 to 5.

Krause/Kupsik motion to authorize the award of bid to Stateline Surface Solutions for an amount not to exceed \$18,180.00, including modifications to the agreement as recommended by the City Attorney. The agreement modifications recommended by City Attorney Draper included the following: striking the second half of paragraph 1.4; striking paragraphs 2.1, 3.1, and 5.1; amending paragraph 7.1 to specify payment within thirty days and striking the last sentence of the paragraph; striking the attorney fee provisions under paragraph 7.2; and modifying the agreement language regarding inspection to state that the City would cooperate with the contractor in performing inspection upon completion of the work. Alderman Kupsik inquired about the temporary storage of the fire truck apparatuses during the project. Administrator Jordan stated that he would discuss the issue with Chief Connelly.

Roll Call: Mott, Kehoe, Kupsik, Krause, and Hartz voted "yes". Marsala, Krohn, and O'Neill voted "no." Motion carried by vote of 5 to 3.

Personnel Committee Recommendations – Alderman Hartz

Discussion/Action on amendment to the City organizational chart (recommended by Personnel 7/26/11)

Hartz/Mott motion to approve the amendment to the City organizational chart, as recommended by the Personnel Committee. Alderman Hartz noted that this amendment would include the addition of all employee positions under the auspices of the Utility Commission and Cemetery Commission, as well as having the effect of making the position of DPW Director a permanent fixture within the organizational hierarchy of the City. He stated that the Personnel Committee was seeking to clarify and clearly delineate the reporting relationships among the various employees within the City and its component units. Unanimously carried.

Discussion/Action on shuttle service for Oktoberfest to be funded from the Parking Fund, as recommended by the Parking Commission (Aldermen Hartz and Marsala)

Alderman Marsala stated that shuttle services had been offered during special events in previous years, which had been quite successful. It had been proposed by the Parking Commission to work with Dousman Transport to offer shuttle services during Oktoberfest on October 8 and 9, with the pickup location designated in the parking lot at the Petco store and downtown drop off area at Mill Creek Hotel. Pickups would be scheduled in approximately twenty-minute intervals. It had been recommended to approve spending up to \$930.00 for the full-size bus and signage with monies allocated from the Parking Fund. Alderman Marsala suggested that this service would provide a convenient means of alternative transportation for visitors during Oktoberfest, and could also alleviate traffic and parking issues in the downtown area. He added that he would contact Mr. Fleming and Mr. Hennerley to see if the Business Improvement District might be willing to share in the costs for the service.

Marsala/Kupsik motion to approve shuttle service from Dousman Transport for an amount not to exceed \$930.00, to be funded from the Parking Fund, subject to contractor providing certificate of insurance to the City.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Presentation of Accounts – Alderman Krause

Krause/Hartz motion to remove continued Purchase Orders in the amount of \$32,180.00 from the agenda. Unanimously carried.

Krause/Marsala motion to approve prepaid bills in the amount of \$865,047.46.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Krause/Marsala motion to approve regular bills in the amount of \$220,945.81.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Krause/Kupsik motion to accept the monthly reports of the City Treasurer for the months of March, April, May, and June 2011. Unanimously carried.

Closed Session

Krause/Marsala motion to go into Closed Session pursuant to Wis. Stat. 19.85 (1)(e) for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to discuss the possible sale of City property (Administrator Jordan); and pursuant to Wis. Stat. 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 litigation which it is or is likely to become involved in re: Geneva Ridge Joint Venture (City Attorney Draper).

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

The Council entered into Closed Session at 8:51pm. Also present: Administrator Jordan, City Attorney Draper, Attorney Joseph Wirth, and City Clerk Reale.

Marsala/Kupsik motion to return to open session pursuant to Wisconsin Statutes 19.85 (2) and take action on any items discussed in Closed Session.

Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried. The Council reconvened in open session at 10:21pm.

Krause/Marsala motion to authorize the City Administrator to extend final offer to the prospective buyer of the City property discussed in Closed Session for the amount of \$300,000.00, including closing costs; specifying that the eastern boundary of the property would commence at the southeastern corner of the easternmost fence and be extended by a line parallel to the fence to Sheridan Springs Road, such boundary being depicted on Exhibit 1 which is attached hereto and incorporated herein by reference; and specifying that such sale shall be subject to the recommendation of the Plan Commission at its next meeting.

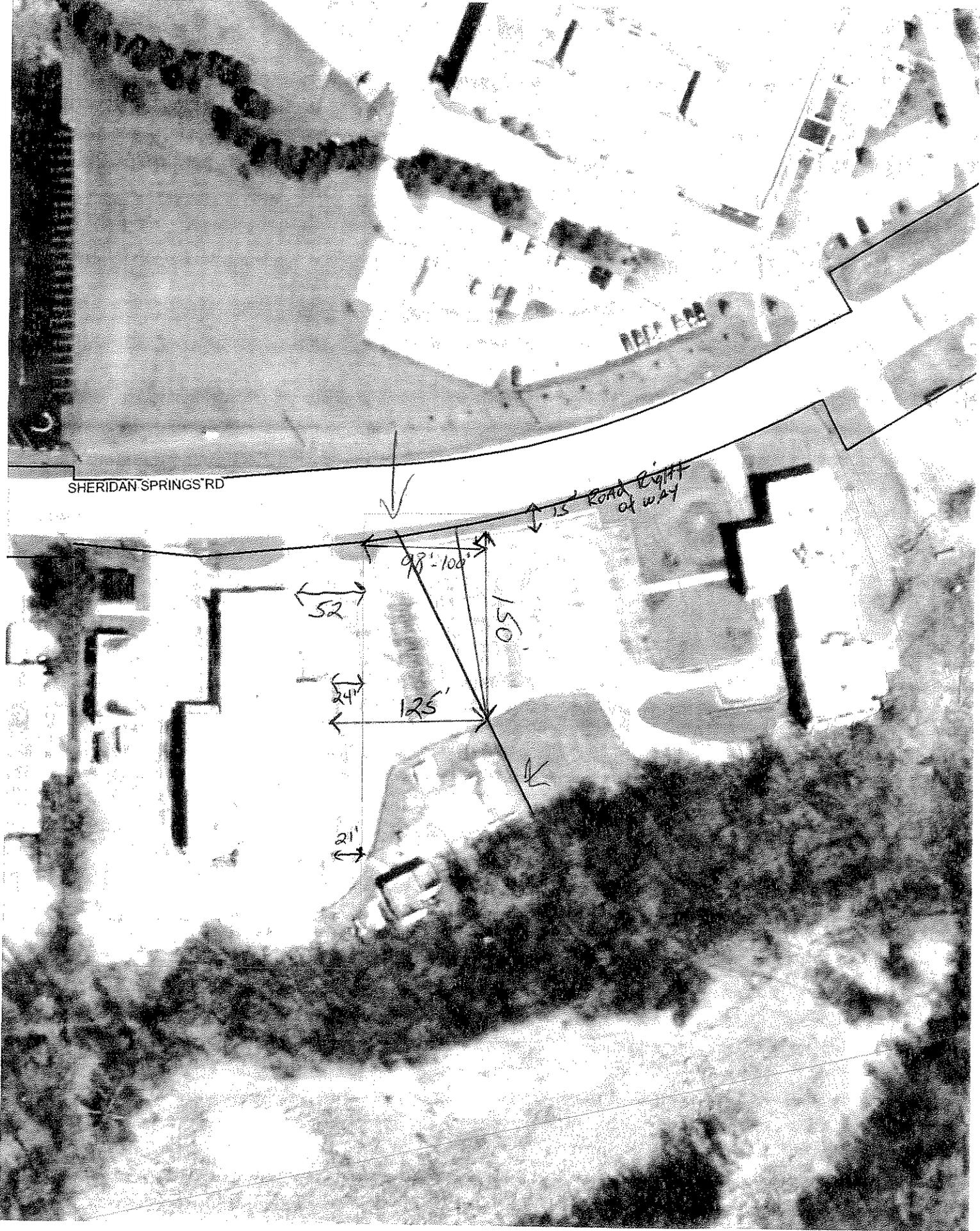
Roll Call: Mott, Marsala, Kehoe, Kupsik, Krohn, O'Neill, Krause, and Hartz voted "yes". Unanimously carried.

Adjournment

Kehoe/Marsala motion to adjourn at 10:24pm. Unanimously carried.

/s/ Jeremy A. Reale, City Clerk

THESE ARE NOT OFFICIAL MINUTES UNTIL APPROVED BY THE COMMON COUNCIL



SHERIDAN SPRINGS RD

Road Right of way

52'

24'

125'

21'

98'-100'

150'

7.5'

EXHIBIT 1