

**COMMITTEE OF THE WHOLE
MONDAY, MAY 7, 2012 - 6:30PM
CITY HALL BUILDING, COUNCIL CHAMBERS**

Council President Kupsik called the meeting to order at 6:30pm.

Roll Call. Present: Aldermen Hougen, Wall, Mott, Hill, Kehoe, Kupsik, Krohn and O'Neill. Also present: City Administrator Jordan.

Kehoe/Krohn motion for approval of Minutes from March 5, 2012 Committee of the Whole Meeting as distributed. Unanimously carried.

Comments from the public as allowed by Wis. Stats. §19.84(2), except for public hearing items.

Casey Schiche, 231 Ridge Road, Lake Geneva, spoke as president of Care for Lake Geneva, a registered 501(c)(4) corporation. He said the purpose of the organization is to provide the community with analysis on issues facing the community. He introduced the vice president and treasurer of the group.

Richard Marra, Jr., W2990 S. Lakeshore Drive, Town of Linn, spoke as treasurer of Care for Lake Geneva. He said the organization intends to provide a respectful means for residents of the community to express thoughts about the future to the Mayor, City Council and other leaders in the community. He said they are committed to ensuring that the City grows responsibly. Mr. Mera said Care for Lake Geneva will also hold City leaders accountable for compliance with its smart growth plan.

Grace Hanny, W2865 Swinghurst Lane, Town of Linn, spoke as vice president of Care for Lake Geneva. She announced a public meeting on Tuesday, June 19th from 7-9 p.m. at Dr. Maxwell's 1856 Mansion, located at 421 Baker Street in Lake Geneva, formerly known as the Golden Oaks. She asked that members of the public join their meeting.

Tom Spellman, 270 Country Club Drive, Lake Geneva, said he gave each member of the Council a letter from Midwest Claims Service dated November 9, 2009 that was sent to the City's attorneys. He referenced section five of page five of the letter, stating that it was the duty of the City to inform the City's insurance carrier about a claim. He said it is unclear at this time whether that happened. Mr. Spellman requested that the City pay the four alderpersons for their attorneys fees in the amount of \$12,000.00 each.

Ken Etten, 1109 Wisconsin Street, Lake Geneva, spoke on behalf of the Friends of Geneva Theater, a 501(c)(3) non-profit charitable corporation. He said the purpose of the Friends of the Geneva Theater is to acquire and revive the old Geneva Theater as a cultural and performing arts center for the City of Lake Geneva. He provided some history on the original Geneva Theater. Mr. Etten said they have begun to raise money toward their effort, but would have more opportunities to raise money and apply for grants if they owned the theater. He said the Friends of Geneva Theater are requesting the City give consideration to amending the TIF #4 project plan and consider putting funds toward purchase of the theater. He said if the City purchased the theater that the Friends of Geneva Theater would be responsible for raising funds to renovate it. Mr. Etten discussed theaters in other communities that were successfully renovated. He said they have put together a proposal, identifying the costs involved with getting the theater up and running to code compliant/operable condition. He said they have letters of support from different groups in the community. He said the project should be considered a long-term investment as it would have long-term advantages to the community.

Jim Strauss, Lakeshore Drive, Linn, spoke in support of the Geneva Theater restoration. He said he has received commitments from Hollywood actors to perform in local playwrights. Mr. Strauss said he believed the project is worth committing time, effort and money into.

John Powers, 1003 West Main Street, Lake Geneva, spoke in support of the Geneva Theater restoration project. He said the renovated theater would be the proverbial “crown” to the “princess” that is the City of Lake Geneva. He stated that are many lesser known communities with successful cultural centers.

Dee Bark-Fiske, 324 Sage Street, Lake Geneva, addressed the Committee in support of the Geneva Theater renovation. She said there is currently nothing for families to do in downtown Lake Geneva in the evening. She said the new cultural center would provide plays, classes and orchestra events for families. She mentioned that there was once debate on whether to fund the Riviera fountain and it has since proven to be a wonderful centerpiece to the downtown area. She suggested the theater renovation would similarly pay dividends in the long run. She urged the Council to support funding the purchase of the building.

Russ Hannula, 441 Frost Drive, Williams Bay, spoke in support of the Geneva Theater renovation. He said the project is a once-in-a-lifetime opportunity because it would be much more expensive to complete this type of project at a future time. He said the cultural arts center has the potential for serving a wide range of interests within the community, including students, local artists and the senior community.

David Rasmussen, 204 Bonito Street, Walworth, addressed the Committee to provide background on Item 9 with respect to attorney fees. He said he became involved with the case because he doesn't like the criminalization of political differences and he didn't want to see the issue tear apart the City of Lake Geneva. He explained some background on the events surrounding the four alderpersons' suspensions. Mr. Rasmussen said he represented the four suspended aldermen on the appeal. He said if they continued to pursue the appeal it could have been interesting at the State Supreme Court level. He said the former mayor's reasons for suspending the aldermen were vague and could have made the City susceptible to litigation. Mr. Rasmussen said they were eventually able to agree to have the aldermen reinstated, avoiding a civic problem that the City was going to proceed illegitimately. He asked the Council consider reimbursing legal fees for the four aldermen.

Gary Milliete, 492 Wrigley Drive, Lake Geneva, approached the Committee to talk about tax incremental financing (TIF). He said Lake Geneva property owners contribute approximately two million dollars into a “TIF slush fund.” Mr. Milliete said school administrators told him that if the TIF was closed right now, the TIF portion of your property tax bill would drop 10%. He stated that property taxes in the City of Lake Geneva are high in comparison to surrounding communities. He suggested that the Council close the TIF district and give the money back to the schools and the County.

Pete Peterson, 1601 Evergreen Lane, Lake Geneva, said he believes the City is obligated to refund the four suspended alderpersons for their attorney fees. He also said he agreed with Mr. Milliete about closing the TIF district. Mr. Peterson said he served as alderman when the City approved moving the Geneva Lakes Museum. He said the City has put millions of dollars into the museum. He is opposed to using tax dollars to support the museum and is similarly opposed to using tax dollars to purchase the Geneva Theater.

Janelle Powers, 1003 West Main Street, spoke in support of the Geneva Theater project, stating that many community groups will be coming together to ensure its success. She said Mr. Peterson can't possibly know that the plan for the cultural center will not work.

Discussion on Charter Ordinance to combine the positions of Treasurer and Deputy Clerk

Alderman Kupsik said this was an item brought before the Personnel Committee as the result of an internal controls audit conducted in 2009. He referenced a recommendation from the auditors, stating that having an elected position does not always ensure that the City has a qualified individual to perform the duties of Treasurer. Further, the auditors recommended the City review the position to determine if it would be better suited as an appointed position under the direction of the city controller to better utilize this position in financial reporting processes. Alderman Kupsik also referenced data from the Municipal Treasurers Association of Wisconsin, indicating that only 11% of its 490 communities surveyed have elected treasurers as opposed to appointed treasurers.

Alderman Kehoe suggested City Attorney Draper explain the draft Charter Ordinance to the Council in detail. Alderman Mott said he thought it was a good idea to combine the two positions into one appointed position. He said it would save the City money. Alderman Wall said he favored following the recommendations of the internal control audit. He said the fact that 89% of the State has appointed treasurers indicates that this is the more common practice. Alderman O'Neill said he does not agree with combining the treasurer and deputy clerk positions because the elected treasurer reports directly to the citizens. He disagreed that the move would save the City money because the current elected treasurer does not receive benefits. Alderman Kehoe said there should be a job description for the proposed combined position. Alderman Hougen suggested that changing the treasurer position from elected to appointed could disenfranchise the electorate. Alderman Krohn said she is against removing the right of the public to vote for the treasurer. She suggested that the City wouldn't be saving money because the savings would be spent somewhere else. Alderman Mott said the City would save wages in the long run by eliminating the half-time treasurer position. He also said the Personnel Committee has done a fine job hiring qualified individuals in the recent past and he believes they would hire an individual well fit for a combined deputy clerk/treasurer position. Alderman Hill asked if there is any license or designation required of someone running for the office of City Treasurer. Administrator Jordan said there is not. Ms. Hill said she appreciates the concern that the public would lose control over selecting the treasurer, however she said there is a potential danger in this individual being elected due to their popularity instead of them having the necessary skills to carry out the position.

Alderman Krohn noted the current elected treasurer received training from the prior treasurer prior to taking office. Alderman Kupsik agreed that Treasurer Klein was well-qualified for the position, but there is the possibility that someone who is not qualified gets elected. He said the process of interviewing and appointing an individual that we know is qualified would be advantageous to the City. Alderman O'Neill said there should be a staff member who knows how to complete the treasurer's responsibilities. He said this is important for training a new treasurer or for completing the duties in the absence of the treasurer. Alderman Kupsik said if the treasurer was appointed you wouldn't need to train the new treasurer each time they are elected. He said training requires taking someone away from the day-to-day responsibilities of their position. Alderman Kupsik said the topic will be discussed further at future meetings.

Discussion on either closing TID #4 or keeping it open to complete future projects, such as purchase of the Geneva Theater and constructing a parking structure

Administrator Jordan said the City could keep the TID open for about five more years. He said the last Council gave indication that they wanted to close it by December 31, 2012. He said the Parking Commission is making a recent push to keep the TID open and fund a new parking structure. He noted the Geneva Theater and White River Trail are other projects that the Council may be interested in funding with TIF funds. Administrator Jordan said if the Council wants to close the TID at the end of this year they need to pass a resolution and inform the State by May 15th. He asked that if the Council wish to keep the TID open that they let staff know which projects they wish to complete. Staff will determine the cost of these projects and will calculate how much longer the TID will need to stay open.

Mr. Jordan addressed some points made during the public comment sections about the TIF. He said that many people may have forgotten what the lakefront looked like in the early 1990s before the TID was created. He referenced the beach, Riviera, park facilities and other projects that have significantly improved the downtown and lakefront area due to TIF. He said the TID has also been used to address traffic congestion in the downtown area. He referenced the Highway 120 bypass project and the Edwards Boulevard extension. Mr. Jordan said the other taxing jurisdictions as well as the City will benefit from the increased value of the lakefront once the TID is closed.

Alderman Kehoe commented that the TIF projects in recent years have done wonders for the City. She said she supported keeping the TID open to complete the final projects, including the parking garage. She also expressed support for using TIF funds to purchase the Geneva Theater building. Alderman Hougen agreed

with Ms. Kehoe, stating he supported continuous improvements to the downtown area. He also suggested TIF money be used to help fund start-up businesses that would be unique to the City.

Alderman Wall said he was in support of closing the TIF district. He suggested the skate park project was indication that TIF funds were being spent just for the sake of spending. Alderman Hill asked how the May 15 deadline would affect the 2012 projects that are budgeted. Administrator Jordan said if the Council chooses to close the TIF at the May 14th meeting, staff will notify the Department of Revenue and the TIF will be closed at the end of 2012. The City would be able to complete the projects that were budgeted for 2012. Alderman Hill noted the TIF budget includes projects that have been budgeted since the TID's inception. She said she is in favor of getting these projects completed.

Alderman O'Neill expressed opposition for keeping the TID open. He suggested the TID is funded by regular taxpayers who earn roughly \$40,000.00 income per year. Mr. O'Neill said he believes the TID has some good things for the City but has well out-lived its usefulness. Alderman Kupsik said he believes the City uses the TID wisely for projects to improve infrastructure and upgrade certain things. He suggested the TID stay open for at least another year to see if projects that have stalled in the past can be completed.

Discussion on scheduling a Special Council Meeting for a TIF Workshop

Alderman Kupsik said the Council will be voting on a resolution at the May 14th meeting on whether to close the TID or keep it open. He said a special meeting could be scheduled at a future time if the Council wished to keep the TID open.

Discussion on request to reimburse up to \$12,000 in attorney fees for the four alderpersons: Mary Jo Fessenmaier, Tom Spellman, Arleen Krohn and Penny Roehrer (Aldermen O'Neill and Krohn)

Alderman O'Neill said the City Council was not given access to the settlement between the City's insurance carrier and the four alderpersons. He said he believed the City should reimburse the attorney fees for the alderpersons. Mr. O'Neill asked that the City Attorney look into whether there is a legal way in which the City can still reimburse them.

Alderman O'Neill said the issue is not what the four alderpersons did or did not do – it's what the City did or did not do. He said the City did not contact the insurance company about the alderpersons' attorney fees within the required 60 day window. He asked for a legal opinion from the City Attorney on whether the City's failure to contact its insurance carrier was legal or reasonable. Second, he reiterated the request for a legal opinion on how the City could reasonably reimburse the four alderpersons on their legal fees.

Alderman Hougen said reimbursing the alderpersons seems like the right thing to do. He suggested people won't be interested in running for office if they feel like they're vulnerable to paying attorney fees for conducting their duties in good faith. Alderman Kehoe said she is interested in hearing the legal opinions from the City Attorney. Alderman Wall said he thought this issue was done and over with; he stated he would like it to be resolved. Alderman Kupsik agreed, stating the matter appeared to conclude when a settlement was recently reached between the City's insurance carrier and the four alderpersons.

Mayor Connors stated that the legal opinions will require a bit of time and research from the City Attorney and the opinions would not likely be ready by next week's Council meeting. Alderman Kupsik said the item could be put on the Council agenda once the legal opinions are completed by the City Attorney.

Discussion on waiving the petition requirement portion of the Street Use Permit Application for the Memorial Day Parade, 4th of July Parade, Maxwell Street Days, Homecoming Parade, Oktoberfest and Christmas Parade

Administrator Jordan said the petition requirement was established in reaction to a bicycle race that took place a couple of years ago that had many issues. He said the petition was intended for for-profit events and not annual events like Memorial Day Parade and Homecoming Parade. Mr. Jordan said staff recommends waiving the petition requirement for the list of annual, community-oriented events. Alderman Wall agreed that it is

common sense to waive the petition requirement for these events. Alderman Kupsik said this recommendation will be passed on to City Council.

Discussion on establishing a consent agenda

Alderman Kupsik said the consent agenda would allow the Council to approve a group of routine items in one vote. If an alderman had any questions or issues with a particular item in the consent agenda, they could have the item withdrawn from the consent agenda and considered separately. Administrator Jordan said routine and non-controversial items would be placed on the consent agenda. Any items requiring individual approval, such as a budget resolution, would not be placed on the consent agenda. Alderman Hill asked if something could be pulled from the consent agenda without a vote. Alderman Hougen said the League of Municipalities manual stated that items are removed by the request of a council member and no vote is taken. This item will be considered at a future Council meeting.

Finance, License & Regulation Committee, Alderman Hill

Alderman Hill reported the Finance, License and Regulation Committee last met on April 23rd and regular business was discussed at the meeting. The Committee meets next on May 14th.

Personnel Committee, Alderman Kupsik

No meeting, no report.

Public Works Committee, Alderman Mott

Alderman Mott reported the Public Works Committee developed a final scope for the Library public restrooms remodel. He said the Committee discussed revisions to the downtown traffic signals project in attempt to lower costs when the project is rebid this year. Alderman Mott said the Public Works Committee also discussed free parking signs for the downtown area, pavement striping on Sheridan Springs Road, pavement striping on Highway 50, Veteran's Park soccer field repairs, removal of parking lot island brick in the McCullough's parking lot. Alderman Mott suggested the Public Works Committee address weed control in the City at a future meeting. Alderman Hougen said that as a dog owner he is concerned about the use of weed killer.

Alderman O'Neill said that last July he requested a handicap accessible walkway in front of Vicki's Café. He said he was told it would be done in the Fall and then in the Spring, but it has not been done. He asked Alderman Mott to help ensure that the project would get completed.

Piers, Harbors, & Lakefront Committee, Alderman O'Neill

No meeting, no report.

Historic Preservation Commission, Alderman Kehoe

Alderman Kehoe acknowledged the efforts of the Historic Preservation Commission in their Geneva Theater proposal. She reported the commission will meet next on Thursday, May 10th.

Utility Commission, Aldermen Wall and Hougen

Alderman Hougen reported that he and Alderman Wall were recently given a tour of the Utility Commission. He said he was impressed by the facility and the work that goes on to maintain utility services in the City. Alderman Hougen suggested that the Council continue to monitor the depreciation of the utility facilities.

Tree Board, Alderman Kupsik

No meeting, no report.

Police & Fire Commission, Alderman Hill

Alderman Hill said she has not yet attended a Police & Fire Commission meeting in her role as alderperson. She reported the next meeting is scheduled for May 10th.

Planning Commission, Alderman Hougen

Alderman Hougen said he has not yet attended a Plan Commission in his capacity as alderperson.

Board of Park Commissioners, Alderman Kupsik

Alderman Kupsik said the Board met last Wednesday. Some of the topics that were discussed were Veteran's Park scoreboards, advertising in Molitor field, disposition of old skate park equipment, progress of the new skate park and new park use requests. He reported the next regular meeting will be held on June 6th.

Alderman Kehoe asked if TIF funds would be used for Veteran's Park improvements. Alderman Kupsik said Administrator Jordan is looking into whether park impact fees could be used to fund maintenance in the park. Alderman Krohn said the road behind the old skate park is flooded every time it rains. She asked who is responsible for maintaining that road. Administrator Jordan said staff has made recommendations in the past to improve this road, however the Council has not acted upon it. Mayor Connors said this issue needs to go to the Public Works Committee to be addressed. He said it would have cost around \$7,000-\$10,000 to repair when this was last discussed about two years ago, but it was voted down.

Library Board, Alderman Wall

Alderman Wall said he will be attending his first Library Board meeting in his capacity as alderperson on Thursday. He discussed some of the highlights from the board's meeting last month, including latest library statistics and upcoming library events.

Cemetery Commission, Alderman Krohn

Alderman Krohn reported the last Cemetery Commission meeting was cancelled because Mickey Tolar sustained an injury.

Parking Commission, Alderman Hill

Alderman Hill said she attended the last Parking Commission meeting in April. She said the commission has been very active lately with the implementation of the new parking system. She said the next meeting is scheduled for Wednesday, May 9th.

Communications Committee, Alderman O'Neill

No meeting, no report.

Avian Committee, Alderman Wall

No meeting, no report. Alderman Wall said the committee is currently lacking members. Mayor Connors said there will be an appointment to the Avian Committee at next Council meeting.

Chamber of Commerce, Alderman Hill

Alderman Hill said she will be attending her first meeting on May 10th.

Lake Geneva Museum, Alderman Mott

Alderman Mott suggested that members of the public take the time to visit the museum, as there have been renovations made over the winter. He said there is free admission on the first Monday of every month.

Lake Geneva Economic Development Corporation, Aldermen Hougen & Kupsik

Alderman Hougen said the corporation is making a push to market themselves in the community and raise awareness of their goals and activities.

Geneva Lake Environmental Agency, Alderman O'Neill

Alderman O'Neill said the agency discussed the City's new beach sampling policy. He said they are considering implementing a 24-hour turnaround program for all of Geneva Lakes testing sites, but additional funding would need to be appropriated.

Alderman O'Neill announced his resignation from the City Council, effective May 8, 2012. He said the reasons for the resignation would be outlined in a letter he will give to the City Clerk tomorrow and will be distributed to the Council members.

Hill/Kehoe motion to adjourn at 9:08 pm. Unanimously carried.

/s/ Michael D. Hawes, City Clerk

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