

**REGULAR CITY COUNCIL MEETING
MONDAY, NOVEMBER 14, 2016 – 7:00 PM
COUNCIL CHAMBERS, CITY HALL**

Mayor Kupsik called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was led by Alderman Horne

Roll Call. Present: Mayor Kupsik, Aldermen Chappell, Skates, Kordus, Flower, Gelting, Horne, Hedlund, Howell.
Also Present: City Attorney Draper, City Administrator Oborn, Director of Public Works Earle, Comptroller Pollitt and City Clerk Waswo.

Awards, Presentations, and Proclamations.

City Clerk Waswo announced that free parking starts Nov. 15 and goes until Feb. 28, 2017. There is still no overnight parking. Leaf and brush pickup will be ending on Nov. 28, 2016. All items must be out by the curb by 6:30am on the 28th to be picked up. There is a Special Joint Workshop of the City Council & Utility Commission on Nov. 17, 2016 at 5:30pm to be held in the Council Chambers.

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 to be limited to 5 minutes.

Darien Schaeffer, VISIT Lake Geneva, 527 Center St., spoke regarding the 22nd Winterfest event. This is a free event and a partnership with the Chamber and City of Lake Geneva. It brings positive public relations and spending within the community. Last year they recognized the City of Lake Geneva as a presenting sponsor and will continue to do so this year. They are requesting the support of the City of Lake Geneva in keeping the fees the same as last year.

Pete Peterson, 1601 Evergreen Lane, spoke regarding the requested changes to the Theater agreement. He asked the council not to change the agreement as it was a bad agreement in the first place. The collateral is useless and the City is already in the second position behind the bank. There is no proof that real estate value will be increased due to this remodel. He questioned how many jobs this will create and estimated it would only be one, the manager. He hopes they stick with the agreement as they made it, but don't change it.

Bill Huntress, spoke regarding the Theater. There is always a risk in buying buildings. He feels this was a bad idea from the beginning and there isn't anything in it for the city. This will cost a lot more than they initially said to fix the building. He doesn't feel this is the right thing to do as it will be putting the city at further risk.

Acknowledgement of Correspondence. None.

Approval of Minutes. Horne/Kordus motion to approve the Regular City Council Meeting minutes of October 24, 2016, as prepared and distributed. Unanimously carried.

Consent Agenda

Park Reservation Permit application filed by VISIT Lake Geneva to use Flat Iron Park for Winterfest event including a 10x20 warming tent and allowing sales of food from food trucks beginning January 30, 2017 through February 12, 2017 with a \$25 application fee, \$105 reservation fee and \$45.00 fee for rental of barricades (recommended Nov. 2, 2016 by Board of Park Commissioners)

Beach Reservation Permit application filed by VISIT Lake Geneva utilizing the Riviera Beach for helicopter rides Saturday, February 4, 2017 through Sunday, February 5, 2017 with a \$25 application fee and \$105 reservation fee

Street Closure Permit application by VISIT Lake Geneva for road closure of Wrigley Drive from Wrigley Drive and Broad Street to Wrigley Drive and Center Street on Wednesday, February 1, 2017 through Sunday, February 5, 2017 with a \$25 application fee and \$40.00 street use fee

Riviera Ballroom application filed by VISIT Lake Geneva utilizing the ballroom and the downstairs of the Riviera for storage including snow sculptures displayed on the Driehaus Plaza Monday, January 30, 2017 through Sunday, February 5, 2017 with all fees waived

Original Massage Establishment applications filed by Creative Xpressions Salon and Spa and Center for Peace, Love and Light

Renewal 2016-2017 Operator's (Bartender) License application filed by Jeff Robbins

Original 2016-2017 Operator's (Bartender) License application filed by James Bingham, Jennifer Glauser, Amanda Luerssen

Kordus/Skates motion to approve.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting "yes." Unanimously carried.

Items removed from the Consent Agenda. None.

Finance, License and Regulation Committee Recommendations – Alderman Kordus

Discussion/Action on purchase of two (2) Leaf-Vac Machines from R.N.O.W., Inc. for total of \$111,124.00 from the Equipment Replacement Fund (*recommended by Public Works Committee on Nov. 10, 2016*)

Kordus/Horne motion to approve and dispose of the 2 existing machines. This was discussed earlier in the year and approved. They received bids. These will replace the 2 existing machines.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting "yes." Unanimously carried.

Discussion/Action on purchase of used one ton bucket truck from Terex for \$43,375.00 or purchase from different vendor not to exceed \$50,000.00 from the Equipment Replacement Fund (*recommended by Public Works Committee on Nov. 10, 2016*). Kordus/Horne motion to approve and to auction the existing truck. If they are unable to purchase the Terex truck, they would like to purchase from a different vendor.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting "yes." Unanimously carried.

First Reading of Ordinance 16-17, an ordinance amending Section 98-206, Detailed Land Use Descriptions and Regulations; Subsection (4) Commercial Land Uses to include tattoo services above the clavicle

First Reading of Ordinance 16-18, an ordinance amending Chapter 62, Streets, Sidewalks, and Other Public Places, Article III, Obstructions and Encroachments, Section 62-67, adding an exception for certain creameries

Discussion/Action of Dan Larson Landscape TIF4 Escrow Draw Request No 4 for \$24,845.00

Kordus/Horne motion to approve. This is the final payment for 3 projects.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting "yes." Unanimously carried.

Discussion/Action on Kapur & Associates TIF4 Escrow Draw Request No 4 for \$2,975.00

Kordus/Horne motion to approve. Mr. Oborn noted there is still an outstanding amount based upon the Main Street Widening Project, which will be finished in the spring. The delay was due to AT&T not moving their wiring in time before the winter season. DPW Earle recommended they hold over the project to the spring.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting "yes." Unanimously carried.

Discussion/Action on Shad Branen - WIN Properties, LLC TIF4 Escrow Draw Request No 3 for \$341,768.42

Kordus/Gelting motion to approve with the amount changed to \$346,418.04. This came to council without recommendation as there was a mathematical error. Ald. Kordus verified with the Attorney that he could change the amount as it was noticed incorrectly on the agenda.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Discussion/Action on Payne and Dolan payment request No 5 for the 2016 Street and Utility Improvement Project for \$21,875.95. Kordus/Horne motion to approve. This was already approved as part of the capital budget expenditure.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Discussion/Action on Amendment to the Compensation Policy and Revised Employee Performance Evaluation Form (*recommended by Personnel Committee on Oct. 27, 2016*)

Kordus/Horne motion to approve. Ald. Hedlund stated the evaluation was rather strict. A numbers based average provides supervisors more flexibility. Ald. Kordus feels they are making a step in the right direction and they should maintain strict guidelines in the first year.

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Discussion/Action on Theater Redevelopment Grant Project and amendment to Development Agreement with Shad Branen - WIN Properties, LLC (*continued from last Council meeting*)

Mr. Oborn said Mr. Branen addressed the concerns regarding increasing the amount. They requested some of the other language changes and leaving the extensive of the date from Dec. 31, 2016 to Feb. 28, 2017.

Kordus/Howell motion to approve. Ald. Chappell was such a big support of having a cultural arts center in Lake Geneva and is now disappointed as this turned out to be a theater. In the end there was nothing that allowed our citizens the use of the building with the amount of money the city is putting into it. She said they told us they were going to open before summer and that has come and gone. As a group she asked what if they say no to their request. Last time she asked this they stated it would make it more difficult for Mr. Branen to get a different loan. She feels they have done a lot to make that blighted area something. There needs to be responsibility taken on Mr. Branen’s part.

Mr. Oborn replied Ms. Chappell brings good points. It’s a policy decision. The city advertised this grant was available and Mr. Branen was the first person to take advantage of it. He felt they addressed the concerns that were brought last time. He views these as changes that accommodate the SBA loan. They are on target to open sooner, but there is always the possibility they might not make that. Ald. Kordus said we are moving to a 3rd position, but the dollar amount in front of us is not changing. While we are taking the 3rd position we are still in the same financial position. The bank is splitting their position and moving them in 2nd place.

Ms. Chappell asked again what if they don’t approve it. Mayor Kupsik replied they are already in waist deep at this point. Nothing changes other than a position and added amendments to the original contract. Mr. Kordus noted by denying this, you force the SBA loan to be cancelled or have to look at Fox River Bank to take the 3rd position. They won’t do that as they had the first position all along.

Ald. Howell said if we had to buy this out, it doesn’t matter if we are in 2nd, 3rd, or 5th position, it’s still the same \$731,000 that we have to buy out. Ald. Gelting felt these are really clerical items. The intent was to allow flexibility in the structure of the financing of the grant. The only one that isn’t clerical is moving the completion date. Movement of two months is not material. Mayor Kupsik added their additional concern was the extra \$200,000 the applicant was asking for. The applicant was able to get an SBA loan to cover that which took the city out of the equation for that money.

Roll Call: Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Motion carried 7 to 1 with Ald. Chappell voting “no.”

Presentation of Accounts – Alderman Kordus

Purchase Orders. None.

Kordus/Horne motion to approve Prepaid Bills in the amount of \$8,340.45

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Kordus/Gelting motion to approve Regular Bills in the amount of \$196,855.66

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Kordus/Gelting motion to approve Treasurer’s Report for May 2016

Roll Call: Chappell, Kordus, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Mayoral Appointments. None.

Closed Session

- a. Motion to go into Closed Session pursuant to Wis. Stat. 19.85(1)(e) for purposes of conducting other specified public business, whenever competitive bargaining reasons require a closed session:
 - 1. Police Officer’s Union Negotiations
 - 2. Purchase of property on Conant Street

- b. Motion to go into Closed Session pursuant to Wis. Stat. 19.85(1)(c) considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility:
 - 1. Police Chief Annual Performance Evaluation
 - 2. Fire Chief Annual Performance Evaluation
 - 3. City Administrator Annual Performance Evaluation

Kordus/Hedlund motion to go into closed session to include the City Attorney and City Administrator.

Roll Call: Chappell, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Council entered into closed session at 7:55pm

Kordus/Hedlund 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: Chappell, Skates, Flower, Gelting, Horne, Hedlund, Howell voting “yes.” Unanimously carried.

Council returned to open session at 9:41pm.

Item a.1. Kordus/Hedlund motion to negotiate as discussed in closed session. Unanimously carried.

Item a.2. Kordus/Hedlund motion to instruct City Administrator to negotiate on the property on Conant Street as discussed in closed session. Unanimously carried.

Item b.1. Kordus/Chappell motion to take no action without recommendation from the Police and Fire Commission. Unanimously carried.

Item b.2. Kordus/Chappell motion to take no action without recommendation from the Police and Fire Commission. Unanimously carried.

Item b.3. No action taken.

Adjournment. Kordus/Gelting motion to adjourn at 9:43pm. Unanimously carried.

/s/ Sabrina Waswo, City Clerk

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