In attendance: Mayor S. Klein, Aldermen S. Bierce, C. Brown, J. Kara, D. Noll, J. Wamser and B. Bergman. Also present were Clerk/Treasurer K. Tarczewski, City Administrator T. LaBorde, DPW Director J. Weigel, Parks, Recreation & Community Services Director K. Woldanski, Fire Chief K. Bierce, HR Director L. Bergersen and Attorney S. Riffle. City Planner H. Clinkenbeard arrived at 6:38 p.m.

1.0 Call to Order and Pledge of Allegiance - Mayor Klein called the meeting to order at 6:02 p.m.

2.0 Public Comment - None.

3.0 Consent Agenda

3.1 Approval of Common Council Meeting Minutes
3.1.1 Meeting Minutes dated October 5, 2015
3.1.2 Meeting Minutes dated October 19, 2015
3.1.3 Special Meeting Minutes dated October 26, 2015
3.2 Accounts Payable Summaries
3.3 Bartender Licenses
3.4 Concur with the Plan Commission to Approve ***Ordinance #15-13*** to Rezone the property owned by Yench Properties LLC located in the SW Quadrant of the Intersection of Yench Road and Lynndale Road from RS-2 Single-Family Residential to A-2 Agricultural (PWC 0885-996) ***(Second Reading)***
3.5 Concur with the Plan Commission to **Approve** Certified Survey Map PC#151015-1 to Divide the Yench LLC Property on Yench Road into no more than four parcels (PWC 0885-996)
3.6 Concur with the Plan Commission to **Approve** Certified Survey Map PC#151015-2 to Combine Two Lots owned by Thomas Hamm located at W277 N2864 Chicago Avenue (PWC 0934091)

Mayor Klein removed Items 3.4 & 3.5 for discussion.

A motion was made and seconded, (S. Bierce, J. Wamser) to approve the remaining items on the consent agenda. Motion Passed: 6-For, 0-Against. Mr. Noll noted he was abstaining from items 3.1.2 & 3.1.3 since he did not attend those meetings.

3.4 Concur with the Plan Commission to Approve Ordinance #15-13 to Rezone the Property owned by Yench Properties LLC located in the SW Quadrant of Intersection of Yench Road and Lynndale Road from RS-2 Single-Family Residential to A-2 Agricultural(PWC 0885-996)

3.5 Concur with the Plan Commission to Approve Certified Survey Map PC#151015-1 to Divide the Yench LLC Property on Yench Road into no more than four parcels (PWC 0885-996)

Mr. Weigel stated the Yench CSM is different from the normal CSMs that come before the Common Council. It will be creating (4) parcels; (2) 10-acre parcels, (1) 28-acre parcel and (1) 2 acre parcel. According to the City's land development code the City should treat this as a minor CSM land division. The creation of these (4) would require the property owner to follow storm water management regulations. Under agricultural the land can change drastically and there are too many variables. Recommendation, pre-CSM subdivision recording which is similar to a preliminary plat approval; which would say, ‘yes we are in agreement with the Plan Commission but we have to work out some details before it can come back for final approval’.

Mr. Weigel stated the Engineering Department recommended to the Plan Commission that they follow the procedure outlined in Section 18.0600 of the City Municipal Code – Minor Land Division (CSM) Platting Procedure.

A motion was made and seconded, (S. Bierce, D. Noll) to preliminarily approve the zoning and certified survey map subdividing the property contingent upon it coming back to the Council for final approval once the City Engineer’s concerns have been satisfied. Motion Passed: 6-For, 0-Against.

4.0 Public Hearing Regarding the 2016 Proposed Budget

Ms. LaBorde reviewed the changes that were made to the original budget submitted. She reported these changes would produce a $3.03 tax rate; resulting in a $6.97 reduction of taxes on a home assessed at $250,000. She urged the Council to consider taking less of the surplus funds from the unassigned account to supplement the budget because it would bring our reserve down to 16% and she feared the tax levy restrictions will eventually catch up to City.

Mayor Klein opened the Public Hearing. Keith Kramar (1861 River Lakes Road South-Oconomowoc) General Manager from the Marriott Hotel and Chairman of Pewaukee Tourism Committee spoke of the importance to use tourism funds in the proper manner and that was to promote tourism and hotel stays. He questioned the funds that have been used to fund the Sports Complex. Mayor Klein stated we hope that it would be used for tournaments. Mr. Kramar voiced his concerns about potentially increasing the hotel tax. He said the lower tax rate generates more stays and allows Pewaukee to be more competitive with other communities who are higher.

There was further discussion regarding the control of the tourism funds. Previously the City decided how the 70% of tourism funds were distributed based on the criteria that promoted tourism and development. Now the money should be spent on tourism and tourism development. Attorney Riffle stated effective 1/1/2017 the City will have to relinquish Common Council’s determination on how the money will be spent and create a commission that will need to contract for secretarial services. He added there will be no changes for 2016; the City of Pewaukee will still be in control of the funds.

Mr. Kramar asked how the City would spend the extra 2% for the increased hotel tax. Mayor Klein stated he wasn’t certain. Ms. LaBorde added that previous request for funds required the City to spend funds over what was anticipated to be received.

Mayor Klein closed the public hearing at 6:44 p.m. when no one else expressed an interest in speaking.

Ms. LaBorde reviewed what was spent out of the contingency account in 2015 and the proposed balance of the unassigned fund in 2016. She reminded them that it is ideal to retain 20 – 25% in our undesignated funds per our finance policy. Ms. LaBorde also repeated the recommendation of Ehlers to increase our levy based on what is allowed per our growth.

The hotel tax issue was revisited. Mayor surveyed the alderman; 4 were against raising the rate (C. Brown, D. Noll, J. Wamser and B. Bergman) and 2 were interested in increasing the rate to 8% (S. Bierce and J. Kara).

Based on this discussion, Ms. LaBorde revised her calculations pertaining to the reduction of hotel tax revenue as it pertains to the 2016 budget, making the levy request $8,294,351.

5.0 Discussion and Possible Action Regarding the 2016 Proposed Budget and Tax Levy

A motion was made and seconded, (C. Brown, J. Wamser) to approve the budget and set the levy at $8,294,351.00 for 2016. Motion Passed: 4-For, 2-Against (S. Bierce, J. Kara)

6.0 Discussion and Possible Action on ***Ordinance 15-12*** to Repeal and Recreate §2.13(2) Regarding Collecting Taxing on Overnight Lodging ***(First Reading)***

This was discussed as part of the budget and it was decided to leave the tax at 6% for the time being. No action was taken.

7.0 Discussion and Possible Action to Relocate Parks Maintenance Department to Fire Station No. 3 and Costs Associated with the Relocation

Chief Bierce notified the Council that he is currently verifying what our ISO rating would be if we removed the engine from that facility. He added it may need to be permanently stored there if it would affect our rating.

A motion was made and seconded, (B. Bergman, D. Noll) to approve the relocation of the Parks Maintenance Department to Fire Station No. 3 and update the facility as recommended up to $30,461 with the funds coming from the contingency account. Motion Passed: 4-For, 2-Against (S. Bierce, J. Kara)

8.0 Discussion and Possible Action Regarding Lake Patrol Agreement

A motion was made and seconded, (D. Noll, B. Bergman) to approve the Lake Patrol Agreement. Motion Passed: 5-For, 1-Against (S. Bierce)

9.0 Discussion and Possible Action on the Prairie Grass Apartment Development Agreement and Letter of Credit

A motion was made and seconded, (B. Bergman, D. Noll) to approve the Prairie Grass Apartment development agreement and the letter of credit in the amount of $457,000. Motion Passed: 6-For, 0-Against.

10.0 Discussion and Possible Action Regarding Property Insurance Selection

A motion was made and seconded, (J. Wamser, C. Brown) to approve the enrollment into the Municipal Property Insurance Company (MPIC). Motion Passed: 6-For, 0-Against.

11.0 Discussion and Possible Action Regarding Withdrawal from the Local Government Property Insurance Fund

A motion was made and seconded, (D. Noll, C. Brown) to authorize the City Clerk to send notification to the LGPIF that the City will be withdrawing from their plan. Passed: 6-For, 0-Against.

12.0 Discussion and Possible Action to Authorize the 2016-2017 MSIP LRIP street paving grant

<u>A motion was made and seconded, (B. Bergman, J. Wamser) to authorize the 2016-2017 MSIP LRIP street paving grant</u>. Motion Passed: 6-For, 0-Against.

13.0 Remove From Table - **Approve *Ordinance #15-10*** to Repeal and Recreate Section 5.04(3)(b) of the City of Pewaukee Municipal Code Regarding Special No Parking on Apple Tree and Pear Tree Lanes ***(Second Reading)***

<u>A motion was made and seconded, (B. Bergman, J. Wamser) to remove this item from formerly being tabled to allow for discussion.</u> Motion Passed: 5-For, 1-Against (S. Bierce).

Mr. Weigel reported there was no change in the responses from the residents. Out of the 44 surveys that were sent to the property owners in the area; (4) postcards were returned, (2) were in favor and (2) were against. Given the underwhelming response, no action was taken on this item.

14.0 Discussion and Possible Action Regarding Appointments to Various Boards, Commissions and Committees

Mayor Klein stated he was approached by Jim Treadwell who expressed interest to serve on the Zoning Board of Appeals, but he was waiting on receiving his resume. No action was taken at this time.

15.0 Public Comment

Mr. Bergman stated he has been contacted by residents who are interested in knowing what the proposed design of the new water tower will be. Attorney Riffle suggested he request this item be placed on a future agenda to allow for discussion.

Chief Bierce asked the Council to consider raising the salaries of the Alderman and Mayor to entice more people to run for office in the future.

16.0 Adjourn Into Closed Session – You are hereby notified that the Common Council of the City of Pewaukee will convene into closed session after all regular scheduled business has been concluded and upon motion duly made and seconded and acted upon by roll-call vote as required under §19.85(1)(a), Stats. Common Council members and staff will attend the closed session. The purpose of the closed session is for the following:

- 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 as authorized under §19.85(1)(e), Stats., specifically with regard to potential sale of City-owned property located at Springdale Road and Gumina Road, City of Pewaukee.

- 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 as authorized under §19.85(1)(e), Stats., specifically regarding collective bargaining agreement with Firefighters Association.

- 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 as authorized under §19.85(1)(e), Stats., specifically regarding benefit recommendations for 2016.

You are further notified that at the conclusion of the Closed Session, the Common Council may convene into open session pursuant to §19.85(2), Stats., for possible additional discussion and action concerning any matters discussed in closed session.

A motion was made and seconded, (C. Brown, B. Bergman) to go into closed session at 8:14 p.m. Motion Passed: 6-For, 0-Against via roll call vote.

A motion was made and seconded, (D. Noll, B. Bergman) to go back into open session at 8:46 p.m. Motion Passed: 6-For, 0-Against via roll call vote.

A motion was made and seconded, (S. Bierce, J. Wamser) to approve the collective bargaining agreement with the Firefighters Association. Motion Passed: 6-For, 0-Against.

17.0 Adjournment

A motion was made and seconded, (D. Noll, C. Brown) to adjourn the meeting at 8:50 p.m. Motion Passed: 6-For, 0-Against.

Respectfully Submitted,

Kelly Tarczewski
Clerk/Treasurer