

**VILLAGE OF GRAFTON**  
**VILLAGE BOARD MEETING MINUTES**

**AUGUST 17, 2009**

President Jim Brunnuquell called the Village Board meeting to order at 6:00 p.m. The Pledge of Allegiance followed.

Village Board members present: Jim Grant, Richard Rieck, Ron LaPean, Jim Brunnuquell, Sue Meinecke, and David Liss.

Members absent: Scott Volkert.

Staff / Officials present: Village Administrator Darrell Hofland, Finance Director Paul Styduhar, Utility Director Tom Krueger, Director of Public Works / Village Engineer Dave Murphy, Police Chief Charles Wenten, Village Attorney Mike Herbrand, and Administrative Assistant Melissa Depies.

**MINUTES**

Motion by Trustee Grant, seconded by Trustee LaPean, to approve of the 8-3-2009 Village Board meeting minutes and File the 7-28-2009 Plan Commission, 8-3-2009 Finance Committee, 8-5-2009 Community Development Authority, and 8-10-2009 Board of Public Works meeting minutes, as presented. Approved unanimously.

**PERSONS REQUESTING TO BE HEARD**

None.

**BUSINESS PRESENTED BY THE PRESIDENT**

President Brunnuquell reviewed the materials distributed for Village Board member review.

**RESOLUTIONS/ORDINANCES/ACTION ITEMS**

Resolution No. 038, Series 2009 awarding the sale of \$8,085,000 General Obligation Corporate Purpose Bonds, Series 2009A, was offered by Trustee LaPean.

Motion by Trustee Grant, seconded by Trustee Meinecke, to adopt Resolution No. 038, Series 2009, as presented.

Phillip Cosson, Ehlers & Associates, Inc., highlighted the sale report for the Village. He explained that the Village has a healthy financial status and has retained an A1 rating pursuant to the Moody's Investor Service Inc. rating criteria.

Mr. Cosson explained that four bids were received. The lowest bid for the tax exempt general obligation corporate bonds was received by Piper Jaffrey & Co., with a 20 year financing at 4.0284 percent.

Mr. Cosson stated that the amount of this bond issue has been reduced from \$8,085,000 to \$8,010,000.

Five bids were received for the taxable general obligation refunding bonds. Morgan Keegan & Co. won the bid with a 5.5235 percent issue.

Mr. Cosson highlighted the purpose behind each bond issue. Included were the Municipal Services Facility, land purchase for a new aquatic center, and public parking.

Mr. Cosson explained that firms bid on a rate and discount for the bond. The amount provided as a discount was higher than anticipated; therefore, the amount of the bond can be reduced from \$8,085,000 to \$8,010,000.

The motion to adopt Resolution No. 038, Series 2009, awarding the sale of \$8,085,000 General Obligation Corporate Purpose Bonds, Series 2009A was amended to \$8,010,000 by a consensus of the members.

Motion to adopt Resolution No. 038, Series 2009, awarding the sale of \$8,010,000 General Obligation Corporate Purpose Bonds, Series 2009A, was approved unanimously by roll call vote.

Resolution No. 039, Series 2009 awarding the sale of \$2,625,000 Taxable General Obligation Refunding Bonds, Series 2009B, was offered by Trustee Liss.

Motion by Trustee Meinecke, seconded by Trustee LaPean, to adopt Resolution No. 039, Series 2009, as presented. Approved unanimously by roll call vote.

Authorize Village Staff to submit application for WDNR permit to allow for removal of Lime Kiln Park dam

Director of Public Works/Village Engineer Murphy explained that Ozaukee County has been awarded a grant for the removal of the Lime Kiln Dam. If this dam is not removed it will need to be inspected every 3 years at a cost of approximately \$8,000 and any maintenance issues will need to be funded by the Village.

Motion by Trustee LaPean, seconded by Trustee Meinecke to authorize Village Staff to submit application for a WDNR permit to allow for removal of the Lime Kiln Park Dam, as presented.

Sargeant Joys, 1999 Cedar Drive, questioned who owns the property once it becomes a mud muck after the dam is removed. He also questioned who is responsible for clean up if the area contains pollutants. Mr. Murphy explained that the abutting property owners will ultimately own the land that is exposed by the dam removal. Mr. Joys questioned if there is a DNR representative they could contact with questions regarding the dam removal.

Village Administrator Hofland commented that there is a 30 day comment period for any resident that is affected by the dam removal. The DNR will host a public hearing at the request of any affected property owner.

Mr. Murphy stated that there will be a public informational meeting prior to the project for review and comment on the design and work that is projected to be done.

Warner Schafer, 1913 Cedar Drive, stated that he lives on the shallow end of the river where there is little water flow; however, there is a lot of wildlife. He questioned what the Village is going to do for him if he has to walk through a lot of mud and weeds the added land does him no good. Mr. Murphy responded that the river will not go away. Mr. Murphy encouraged attendance at the design meeting as this will provide answers on how the dam removal will affect the adjacent properties.

Mr. Murphy explained that the water level will drop six feet at the dam location and will lessen the further away from the dam location you get. The same amount of water will continue to flow as the dam does not hold back water it maintains water depth at that location.

President Brunnuell stated that he had the same concerns when the Falls Road Dam was removed several years ago. The project worked out very well, the DNR did work with the property owners, and it looks very nice now.

Terry Kranz, 1967 Cedar Drive, indicated that he is very unhappy that the dam is possibly going to be removed. He stated that residents along the river have spent a lot of time and effort landscaping their properties and now that is all going to change. He also stated that there could potentially be a lot of trash in the bottom of the river including dead trees, etc. He questioned who will be responsible for that clean up.

President Brunnuell reiterated that the process for the Falls Road dam removal was very well done. They cleaned up the properties and did a good job of working with property owners.

Mr. Murphy stated that this impoundment is relatively small. Properties will be cleaned up as part of the project.

Kathleen McGlone, 1947 Cedar Drive questioned if some native plants could be planted there so that the Buckthorn and other invasive weeds do not invade and take over the properties.

Mr. Murphy stated that the dam is scheduled to be removed this winter with restoration work to be done in spring 2010.

Trustee Grant stated that he is not in favor of removing the Bridge Street Dam; however, he thinks the Lime Kiln Dam can be removed and the areas restored to a very natural looking landscape, if done properly. He stated the NOAA funds are stimulus funds and he views stimulus funds as artificial money and is against using them.

Motion to authorize Village Staff to submit application for WDNR permit to allow for removal of Lime Kiln Park Dam was approved 5–1 (J. Grant-nay).

Amend ordinance Chapter 2.22/Failure to return library materials

Motion by Trustee Grant, seconded by Trustee LaPean, to approve Ordinance No. 019, Series 2009, amending Chapter 2.22 relating to returning library materials and fines as presented. Approved unanimously.

Ordinance repealing and recreating section 1.12.030 of the code relating to bond amounts for citations

Motion by Trustee Meinecke, seconded by Trustee LaPean, to approve Ordinance No. 017, Series 2009, repealing and recreating section 1.12.030 of the code of ordinances relating to bond amounts for citations.

Chief of Police Charles Wenten stated that this ordinance adopts all state statutes that are not currently specifically spelled out in the municipal code.

Administrator Hofland stated that in sub section (b) failure to return library materials was inadvertently missed and needed to be added to the ordinance.

The motion to approve Ordinance No. 017, Series 2009, as amended, repealing and recreating section 1.12.030 of the code of ordinances relating to bond amounts for citations was approved unanimously.

Items 2 thru 4 of the Report of the Finance Committee

Motion by Trustee LaPean, seconded by Trustee Grant, to approve items 2 thru 4 of the Finance Committee as follows: 2. Authorize payment to Country Estates totaling \$194,875.62 per the Developers Agreement dated July 1996; 3. Authorize Village Staff to create a 2010 Community Survey using a combination of internet-based and paper survey; 4. Approve the changes to the Personnel Policy as identified. Approved unanimously.

Item 1 of the Report of the Finance Committee

Motion by Trustee Grant, seconded by Trustee Meinecke, to consider the Economic Development Revolving Loan Program loans to Cedarburg Pharmaceuticals, 870 Badger Circle, in default.

Finance Director Paul Styduhar stated that the Village Board has approved a payment plan for Cedarburg Pharmaceuticals and they are behind in making those payments. The loan is currently \$85,000 in arrears. The loan was issued in 2001 and was to be paid in full by July 31, 2009.

Bob Holzrichter, Controller for Cedarburg Pharmaceuticals, requested that this matter be discussed in closed session because he has confidential financial information he would like to discuss with the Village Board. He stated sales are down and

approximately one tenth of the staff has been laid-off. In addition, the remaining staff is only working four days per week.

Mr. Holzrichter requested that negotiations of the loan begin with staff and then brought to the Board level. Administrator Hofland does not believe that they can provide any additional information that would change his recommendation to have the balance of this loan paid immediately in accordance with the previously negotiated terms.

Motion to consider the Economic Development Revolving Loan Program loans to Cedarburg Pharmaceuticals, 870 Badger Circle, in default was approved unanimously.

#### Items 3 thru 7 of the Report of the Board of Public Works

Motion by Trustee Rieck, seconded by Trustee Liss, to approve items 3 thru 7 of the Board of Public Works as follows: 3. Accept the report by Donohue & Associates entitled "Wastewater Treatment Plant Heating Evaluation" dated August 2009; 4. Approve change order #6 which provides a total contract credit of \$40,000 as originally allowed for cover and tank structural defects; 5. Approve a contract with S-O-S Electronics Corporation, Glendale, WI for installation of the security system at the Municipal Services Facility and the residential yard waste drop off site for \$59,631, 6. Approve a contract with Carpenter Technology, Butler, WI for installation of the two-way radio/paging equipment for \$8,094.95; 7. Approve the purchase of refurbished office furniture from Office Furniture Resources, Milwaukee, WI for an amount not to exceed \$22, 901.57. Approved unanimously

#### Item 1 of the Report of the Board of Public Works

Motion by Trustee Meinecke seconded by Trustee Liss to authorize the submittal of an application to increase water rates, per the results of the August, 2009 Water Rate Study, to the Public Service Commission.

Utility Director Krueger stated he is looking for approval to submit an application to the PSC to increase the water rates. He explained that water usage has decreased by 6.1 percent which has decreased sale revenues. Unfortunately, operating costs continue to rise. He explained that the rates are set at a level which is sufficient to handle all typical capital projects in an effort to eliminate the need to take on additional debt.

Mr. Krueger explained that the recommended water/sewer rate increases are 16.4 percent and 19.2 percent respectively, resulting in a 15.1 percent overall increase. The typical residential bill will increase approximately \$20 per quarter.

Mr. Krueger stated that with this increase, Grafton remains in the lower quartile for water/sewer rates for a community the size of Grafton.

Trustee Grant questioned if combining Water and Waste Water and Public Works had been considered as a way to save on operating costs. Administrator Hofland responded that combining these departments cannot occur due to the creation of separate unions for the Water and Wastewater Utility/Department of Public Works.

Administrator Hofland stated that the water rates will need to come back before the Board after the PSC has set the rates, however this action will approve the new rates for the sewer portion of the Utility bill.

The motion to authorize the submittal of an application to increase water rates, per the results of the August, 2009 Water Rate Study, to the Public Service Commission was approved unanimously.

Item 2 of the Report of the Board of Public Works

Motion by Trustee Liss, seconded by Trustee Meinecke, to accept the results of the August 2009 Sewer Rate Study, with rate increases to be implemented with the effective date of the proposed water rate increase. Approved unanimously.

Item 1 of the Report of the Community Development Authority

Administrator Hofland explained that this ordinance will restrict parking for the six spaces on the east side of 12th Avenue, south of the Paramount Plaza, to the Beech Street intersection to two hour parking.

Administrator Hofland stated that Village staff has received a call from Steve Castner requesting a three hour restriction. Staff supports the two hour restriction; however, does not support the three hour request as there are no other areas in the downtown that have restricted parking for more than two hours.

Motion by Trustee Grant, seconded by Trustee Meinecke, to approve Ordinance No. 018, Series 2009, amending Section 10.36.060(m) to limit parking to 2 hour parking between 8:00 a.m. and 5:00 p.m. Monday through Friday for all spaces on the east side of 12th Avenue south of Paramount Plaza to the Beech Street intersection except handicap accessible parking spaces. Approved unanimously.

Item 1 of the Report of the Finance Committee (8/17/09)

Motion by Trustee Meinecke, seconded by Trustee LaPean, to approve a contract with S-O-S Electronics Corporation, Glendale, WI, for installation of a security system at the new Village Hall, in the amount of \$31,600.

Administrator Hofland stated that the proposal is for video cameras located in the lobby area, entrance corridors and the Village Board room. The Police Station, as well as the squads, would be able to monitor activities taking place in these locations at all times. The system will also provide access cards and/or a key fob system for 11 of the 37

doors that will either be locked at all times or are exterior doors. Funding for the security system will come from contingency.

Motion to approve a contract with S-O-S Electronics Corporation, Glendale, WI, for installation of security system at the new Village Hall, in the amount of \$31,600 was approved unanimously.

## **LICENSES**

Motion by Trustee LaPean, seconded by Trustee Liss, to approve the issuance of Operator's License request to Merry Christine Mieloch – Bridge Inn and Danielle L. Lester – Scooter's Place. Approved unanimously.

## **DEPARTMENT AND OFFICERS REPORTS**

Appeal status of DNR's determination that Bridge Street dam is a Significant Hazard  
Administrator Hofland stated that the Village has received official notice from the DNR that the Bridge Street dam is a significant hazard and cannot handle a 500 year flood. The time to appeal the DNR decision is open for one more week.

Administrator Hofland indicated that the Village is not planning to appeal the findings of the DNR; therefore, the determination that the dam is a significant hazard will stand in effect.

President Brunnuell stated that he received a letter from the Ozaukee County Environment and Land Use Committee stating that their position is to remove the dam. They stated that removing the dam will have the optimal impact on the overall quality of the Milwaukee River Watershed and best meet the objectives of the NOAA grant.

Public Works Director/Village Engineer Murphy explained that Public Works crewmen have begun placing yellow ribbons on all Village owned Ash trees. This is to provide a visual for residents on what an Ash tree is and what trees could be effected by the Emerald Ash Borer. Once a tree is adopted the yellow ribbon will be changed to green to provide a visual as to how the Adopt-an-Ash tree program is working.

Administrator Hofland informed the members that Trick or Treat will be held on Saturday, October 31, from 4:00 p.m. to 7:00 p.m. It was noted that the City of Cedarburg will be hold Trick or Treat at the same time.

Administrator Hofland reminded the Board that the next Village Board meeting will be Tuesday, September 8, 2009, due to the Labor Day holiday.

Public Works Director/Village Engineer Murphy updated the Board on the First Avenue project. He stated that the milling will begin on Tuesday, August 18. The millings will be used to build the road at the residential drop site, as well as the pedestrian walk way on STH 60.

## **REPORT OF BILLS**

Motion by Trustee Meinecke, seconded by Trustee Rieck, to approve the payment of Village expenditures in the amount of \$857,369.49, as presented. Approved unanimously.

## **OLD BUSINESS**

None

## **NEW BUSINESS**

None

## **CONVENE TO CLOSED SESSION**

Motion by Trustee Rieck, seconded by Trustee LaPean, to Convene to Closed Session, at 7:04 p.m., pursuant to WI Statutes 19.85(1)(e) for Real Estate and Competitive Bargaining Matters (lease for property located on 887 North Green Bay Road, lease with North Shore Academy of the Arts, and intergovernmental services agreement with the Town of Cedarburg) and 19.85(1)(c) for Personnel Matters (non-represented employee compensation). Approved unanimously by a roll call vote.

A closed session of approximately 30 minutes was held where the Village Board discussed Real Estate and Competitive Bargaining Matters (lease for Lauer property, lease with North Shore Academy of the Arts, intergovernmental services agreement with the Town of Cedarburg, employee compensation for non-represented employee, and purchase of downtown property for redevelopment purposes).

## **RE-CONVENE TO OPEN SESSION AND THE REGULAR ORDER OF BUSINESS**

Motion by Trustee LaPean, seconded by Trustee Grant to adjourn the closed session and reconvene into the Regular Order of Business, at p.m. Approved unanimously by roll call vote.

## **APPROVAL OF A LEASE AGREEMENT FOR PROPERTY LOCATED AT 887 NORTH GREEN BAY ROAD**

Motion by Trustee Liss, seconded by Trustee LaPean to approve the residential lease with Scott and Jennifer Zimmerman for the property located at 887 North Green Bay Road at a monthly rent of \$850. Approved unanimously.

## **APPROVAL OF A 15 YEAR LEASE AGREEMENT WITH NSAA FOR THE TIMOTHY WOODEN BUILDING**

### Item 1 of the Report of the Board of Public Works (7/13/09)

Motion by Trustee Rieck, seconded by Trustee Meinecke to award heating and ventilation contract for Timothy Wooden Building to J&H Heating, Port Washington, WI for \$48,950. Approved unanimously.

### Item 4 of the Report of the Finance Committee

Motion by Trustee Grant, seconded by Trustee LaPean to amend the Personnel Policy - Section 20 (Pension) that the Village shall pay up to 6.2 percent of the Employee Required portion (including any benefit adjustment) instead of 6.5 percent. Approved unanimously.

**ADJOURN**

Motion by Trustee Rieck, seconded by Trustee Meinecke to adjourn at 7:41p.m. Approved unanimously.