

**MINUTES**  
**CITY OF PORT WASHINGTON**  
**SPECIAL COMMON COUNCIL MEETING**  
**Tuesday, April 11, 2017, 5:30 P.M., City Hall**

1. **ROLL CALL** - Mayor Mlada called the meeting to order at 5:30 p.m. Members present were Aldermen Mike Ehrlich, Paul Neumyer, Bill Driscoll and Dave Larson. Also present by telephone were Aldermen Doug Biggs and Dan Becker. Absent and excused was Alderman Kevin Rudser. City Staff present was City Engineer Rob Vanden Noven, City Planner Randy Tetzlaff, City Attorney Eric Eberhardt, City Administrator Mark Grams and City Clerk Susan Westerbeke.

Mayor Mlada asked the Council to receive Public Comments before agenda items #2 and #5 this evening. No objection was made to this request.

**PUBLIC COMMENTS** - Pat Wilborn, 233 E. Pier Street - Stated that the decision being this evening whether to sell the car/trailer parking lot on E. Washington St. is based upon faulty information in the appraisal report previously prepared by Aussprung Appraisals. Mr. Wilborn has a new appraisal to be reviewed. He asked the Council to defer a decision on the Offer to Purchase until the newly elected aldermen have joined the Council.

John Sigwart, 230 W. Theis Street - Has read the Offer to Purchase the car/trailer lot on E. Washington St., and inquired about what the contractors' costs will be if delayed and if the City has an out? City Engineer Rob Vanden Noven informed Mr. Sigwart that there is language included in the Offer that gives the City options.

2. **CONSIDERATION AND APPROVAL OF COMMERCIAL OFFER TO PURCHASE  
CAR/TRAILER PARKING LOT 300 BLOCK OF E. WASHINGTON ST. FROM PORT  
TOWNHOMES, LLC, BUYER** - The City Administrator reported that the Offer to Purchase

was held while final language was being completed on the last page. The Developer's attorney has reviewed and approved of the final draft. The Developer is anxious to get this project started by summer. The City's appraiser has reviewed Pat Wilborn's appraisal, but confirmed that the City appraiser's opinion of \$140,000 fair market value remains correct. City Attorney Eberhardt noted that the Offer to Purchase is contingent upon the parties entering into a Developer's Agreement. Standard contingencies have been included, including survey, use and development of property, environmental reports and disclosure documents. Within 60 days, i.e., June 12<sup>th</sup>, the Buyer must obtain financing. The Addendum to the Offer requires the City to complete necessary environmental testing and remedial action, if any. Within 45 days after the City Engineer receives notice of the estimated costs of the utility relocation work, if found excessive, the City may give notice to the Buyer that the City will not proceed with the work, and, in that event, Buyer could require the City to repurchase the property for the original sale price. The City Attorney further reported that he received a telephone call from Atty. Skwierawski, stating that he represents Pat Wilborn. Atty. Skwierawski emailed a letter and Mr. Wilborn's new appraisal report to the City Attorney at 7:15 p.m. last night, April 10<sup>th</sup>. The City Attorney gave a copy of the letter and appraisal to the City Clerk this evening, for inclusion in the record.

Alderman Driscoll commented on Mr. Wilborn's request to delay consideration of the Offer. The current Council has been involved in this process from its beginning and has the information and knowledge necessary to take the Offer up for consideration; the incoming aldermen will not be familiar with this project at all. Many factors have gone into making a decision, and the \$140,000

appraised value of the land is only one part of that. MOTION MADE BY ALD. BECKER, SECONDED BY ALD. DRISCOLL, TO APPROVE THE COMMERCIAL OFFER TO PURCHASE FROM PORT TOWNHOMES, LLC FOR THE CAR/TRAILER PARKING LOT IN THE 300 BLOCK OF E. WASHINGTON STREET, AS PRESENTED. Further discussion was held. Alderman Larson commented that the current sitting Council needs to make this decision since it has been involved throughout this entire process. The appraised value of \$140,000 reflects the location of the parking lot, which is near the lake.

Alderman Ehrlich commented that the City's appraiser has worked for the City on a number of projects in the past, and we have no reason not to trust the appraisal given. This project is a catalyst for the future growth of the downtown. It is a good and solid project, which will be great for the community. Alderman Biggs thanked the City staff and City Attorney for the hard work they put into this project. There was little time to review the late arriving appraisal by Mr. Wilborn, however, it was reviewed and a consultation was made on that new appraisal report. Mr. Wilborn lives very near this property. The City Attorney stated that when he received the letter and appraisal report from Wilborn's attorney, he immediately sent it to the Aldermen for their review. Alderman Neumyer commented that it would be improper for the City to stall consideration of this matter; the Developer has done everything the City has asked it to do. Alderman Larson commented that there will be no TIF dollars used when this project is completed, and the completed project will then generate revenue for the City immediately.

Mayor Mlada commented that this project and the redevelopment process in the downtown area have been discussed since 2013. He reviewed the goals to be accomplished by such redevelopment, including increasing residential density, tax base and property tax revenues, promoting year-round activities along the lakefront, and enhancing access to Lake Michigan. He recited other City efforts to redevelop and improve the downtown/marina areas based upon the economic development plan, led by the Economic Development Committee. He noted that selling the parking lot will save the City the cost of maintaining it. This is an important development for the City. He also noted that at the Main Street annual awards program, Gertjan van den Broek received the 2016 Best New Building award. Mayor Mlada restated the MOTION MADE BY ALD. BECKER AND SECONDED BY ALD. DRISCOLL TO APPROVE THE COMMERCIAL OFFER TO PURCHASE FROM PORT TOWNHOMES, LLC FOR THE CAR/TRAILER LOT IN THE 300 BLOCK OF E. WASHINGTON STREET, AS PRESENTED. Motion carried unanimously.

### **3. APPROVE AMENDMENT TO OFFER TO PURCHASE FOR SENIOR CENTER**

**BUILDING** - The City Administrator reported on the Amendment to the Offer to Purchase. Several years ago there was an underground fuel storage tank removed from the former church property now being rented by the City for a Senior Citizen Center. The removal was documented, but there is no record of whether any leaking was observed or any soil removed or fill replaced around the tank site. Soil samples were taken today and at this time there is nothing to indicate that the soil is contaminated. Portions of the abutting sidewalks/concrete need to be repaired. The Schueller's company (KAB Enterprises) has offered to donate \$15,000 from the sale to the City's INFOs system. The City Attorney spoke with Paul Schuller regarding the environmental exploration/soil testing and concrete work at the site, and the parties tentatively agreed that a total

of \$15,000 will be held in escrow for purposes of completing that work. The City will share those costs equally with KAB Enterprises. The latest draft of the Amendment to Offer to Purchase and post-closing Escrow Agreement was distributed to the aldermen for review. MOTION MADE BY ALD. EHRLICH, SECONDED BY ALD. DRISCOLL TO APPROVE THE AMENDMENT TO OFFER TO PURCHASE THE SENIOR CENTER BUILDING AT 403 W. FOSTER STREET AS PRESENTED. Motion carried unanimously.

**4. APPROVE HIRING PERSON FOR PARK MAINTENANCE POSITION** - The City Administrator reported that the Parks & Recreation Board interviewed candidates for this position, and have approved the candidate being considered. The candidate is Benjamin McCutcheon. Although he does not have all of the minimum qualifications needed at this time, he was the best available candidate of the applications received. Alderman Biggs asked if this candidate has the minimum qualifications as listed in the job description. Parks & Recreation Director Charlie Imig was present and responded that he does not have the minimum qualifications at this time, but will be pursuing the necessary qualifications once he is hired. He does not have an Associate's Degree or a degree in Horticulture. Alderman Driscoll asked if we need to fill this position right now or can we wait until we find a more qualified candidate? Charlie Imig responded that the busy season is starting and the City needs someone in the position. Alderman Driscoll inquired if restrictions can be placed on this new hire in the case he is not able to complete the job required? The City Administrator responded that there is a six-month probationary period in place for new hires for this reason. It gives the City the ability to end his employment if necessary.

Further discussion was held by the aldermen and Charlie Imig on his direct supervision of the new hire to ensure that he meets the job requirements. A deadline schedule needs to be set up, so that the candidate meets the necessary education requirements within the six-month probationary period. This should also be discussed by the Personnel Committee to make sure that future candidates meet the minimum requirements of a job description. Alderman Becker reported that the Personnel Committee met, but tabled consideration of this hire pending more information. The City Attorney informed the Council that conditions can be set for what is required within the six-month probationary period. The City Administrator informed the Council that any employee of the City can have duties added or changed to their position at any time. Mayor Mlada asked that conditions be set up and be sent to the Personnel Committee for its approval. MOTION MADE BY ALD. EHRLICH, SECONDED BY ALD. NEUMYER TO HIRE BENJAMIN MCCUTHEON, SUBJECT TO A PLAN OF CONDITIONS AND EXPECTATIONS TO BE ACCOMPLISHED WITHIN THE SIX-MONTH PROBATIONARY PERIOD WITH CITY STAFF, PARKS & RECREATION BOARD AND THE PERSONNEL COMMITTEE. Motion carried unanimously.

**PUBLIC COMMENTS** - Pat Wilborn, 233 E. Pier St. - Shared his opinion that the appraised value of the car/trailer parking lot is higher than the sale price. However, he applauds the fact that pricing it to avoid tax incremental financing is doable. He asked who is responsible for the cost of environmental remedial action? He also stated that the cost of relocating the sewer main may exceed the purchase price of the property, so that the City is giving away the property or paying someone to take it off the City's hands.

**5. ADJOURNMENT** - MOTION MADE BY ALDERMAN DRISCOLL, SECONDED BY ALDERMAN BECKER TO ADJOURN THE MEETING AT 6:51 P.M. Motion carried unanimously.