

MINUTES OF THE COMMITTEE OF THE WHOLE MEETING

Wednesday, May 3, 2023

Time: **5:30 pm**

Place: **Mukwonago Municipal Building/Board Room, 440 River Crest Court**

Call to Order

President Winchowky called the meeting to order at 5:30pm.

Roll Call

Board Members Present

Eric Brill
James Decker
Darlene Johnson
Ken Johnson
Scott Reeves
Fred Winchowky

Also Present

Fred Schnook, Village Administrator
Diana Dykstra, Village Clerk-Treasurer
Dan Streit, Police Chief
Mike Michalski, Village Engineer
Nathan Bayer, Village Attorney
Wayne Castle, Utilities Director
Tim Rutenbeck, Building Inspection Supervisor
Jeff Stien, Fire Chief

Absent

John Meiners

Comments from the Public

Colleen Farmer, 1445 Applewood Cir, thanked everyone for their service. She was requesting to move up item #11 on the agenda. She wanted to discuss the tax impacts and appreciates the board members reading the emails sent from her this week. She is not opposed to growth or TIDs but feels the Walworth County side cannot handle it. This TID has driven up the equalized values. She recommends everyone review this information and the memo from the Wisconsin Legislative Council which is a non-partisan group. There was an expansion of TID 5 and at that time the officials were worried about the 12% cap. When you expand into the East Troy School District on the Walworth Side other jurisdictions come into play. The apportionment of all the taxing jurisdictions have tripled in this district. They need residential development. She feels there will be a tax impact on them, in 2022 there was a \$26,000 shortfall in the collection of the tax increment and asks staff to work with the DOR and find out how this happened. She believes this can be figured out but there are many moving parts. She noted they may need assistance in legislative changes as well.

Nicholas Schrieber, 1427 Orchard View Lane, he and his wife Wendy are not in support of this item and feel it is undue tax burden on their homes.

David Amyx, 1410 Applewood, commented since he moved here their taxes raised this last year at 19%. He isn't the only one experiencing this. He is not clear on this situation and his

experience has been to finish a project before the next project. He has concerns for the cash flow of the project and security.

Approval of Minutes

Approve Committee of the Whole Minutes of April 5, 2023

K Johnson/D Johnson motion to approve. Unanimously carried.

D Johnson/Reeves motion to bring forward item #11. Unanimously carried.

Village Administrator

Update and possible recommendation on Schultz Farm and discussion regarding the creation of a Tax Increment Finance District.

Administrator Schnook commented in March of 2022 the Board engineered to lay out the Schultz farm. This was unique because 20 acres are wet and wanted to get maximum capacity. Several developers came forward and they started working out the financials. He has brought Joe Jursenas from Briohn Builders and Justin Fischer with Baird to discuss details.

Joe Jursenas noted that he is proposing Phase 2 which is 125 acres, just west of the current industrial park. About 4 years ago he started his partnership with the Village. It was 100 acres development to start, had it built in short period of time with great anchors like Banker Wire, Touchpad, Zero Zone, and Super Products, supplying hundreds of jobs. It was a great development which created tax increment. He is working closely with the Village and put together a great phase 2 plan. Road and site locations maximize the tax increment and it is to be phased development. They are not asking for funds right away just need to plan. Nothing will go in until a viable project is presented. They have planned future extension of Hill Court extending west, connecting to Dewey Court to the north. All of this is a profitable venture. He noted in Phase 1 the Village of Mukwonago went out and did the roads etc. In Phase 2 the Developer is going out and purchasing land and putting in the roads, this TIF is not the village buying land and giving away. This area is already set up for the master planning and zoned industrial. If the TID isn't established, they can't pitch the sites to the actual cost and the potential cost. He noted they have a track record of working with Mukwonago and delivers everything they have promised.

Justin Fischer with Baird, presented potential scenarios. He noted this does cash flow. He reviewed 4 scenarios between 2% and 5% growth factors. He noted this also allows for a developer agreement to protect the Village. He addressed the question regarding the 12% cap. When they look at this look at base value and the village is above 11%. Adam Ruechel from Baird noted that the Depart of Revenue comes out on August 15th with a TIF valuation report and that goes from the equalized value. Mukwonago as of 2022 has TID 3, TID 4, and TID 5, limit is at 11.16%, you have TID#6 with additional value and in 2023 if you create before August 15th. If you wait you might be above the 12%, all projects will then be 100% on the village to fund that infrastructure.

Trustee Darlene Johnson asked all of these numbers are presented, can you tell us how will this affect the Walworth County side, majority is Waukesha but this is Walworth.

Justin Fischer noted he is not able to directly say what impact is and shouldn't impact at all, but they haven't done the calculations. It shouldn't impact them. Because their homes are not in the TID district. All of the taxes paid in that district stay into that pot of money, and projects are funded out that money.

Administrator Schnook noted he is going to ask Baird to run numbers to get to this issue. Diana Dykstra and Diana Doherty are working hard to get the answers in this question.

Its complicated. The village levy charged in Walworth county and Waukesha county is 1 penny different. He noted he isn't sure what it is and we know their taxes were increased due to referendum, School District, and East Troy Referendum, and he remembers there was another issue with Walworth County. He noted is Adam has the capacity in the next two weeks, we can get an answer. He noted this is the best looking industrial parks around. Briohn will continue to make sure it is. Village is substantially reducing its risk by not owning the land, we are not recommending we buy land. Briohn has an option on this land, and Briohn is the developer. The Village is providing infrastructure and financing reducing their risk.

President Winchowky noted this will be brought up at the May 17th Village Board meeting with more information.

Finance Committee, Trustee Darlene Johnson
Monthly Treasury Report and Revenue/Expenditure Guideline Report For March
(For information purposes only, no action required)

Motion to recommend to the Village Board to approve Vouchers in the amount of \$724,345.83.

D Johnson/Reeves motion to recommend approval of Vouchers in the amount of \$724,345.83. Unanimously carried.

Discussion and possible recommendation on Resolution 2023-19 a Resolution designating public depositories and authorizing withdrawal of Village of Mukwonago funds.

D Johnson/K Johnson Motion to recommend approval of Resolution 2023-19 a Resolution designating public depositories and authorizing withdrawal of Village of Mukwonago funds. Unanimously carried.

Review of Annual Room Tax Report filed with the State of Wisconsin from the Clerk-Treasurer's Office. *(For Information Only, No Action Required)*

Health and Recreation Committee, Trustee John Meiners

Discussion and possible recommendation for a Special Event and Park Permit for Mukwonago Area Soccer Club end of the year picnic, with over 150 attendees and beer sales (Amorphic Beer) on Sunday, June 11, 2023 from 3 pm to 7 pm at Miniwaukan Park fields 1 & 2.

D Johnson/Reeves motion to recommend approval. Unanimously carried.

Discussion and possible recommendation on a Special Event Permit for St James Festival, on August 25, 26, 27, 2023 including music and beer sales.

K Johnson/Porter Motion to recommend approval. Unanimously carried.

Announcement regarding a park permit application for Badger Boat Races will be held at Phantom Glen Park on May 20, 21, 2023 (The Town of Mukwonago has approved this event).
(No action required, this does not meet the specifications of a special event application)

Discussion and possible recommendation on a Resolution 2023-17 A Resolution to amend the Comprehensive Outdoor Recreation Plan (CORP) to include some additional park lands. *(amended on page 18,47, and 60)*

K Johnson/Brill Motion to recommend approval. Unanimously carried.

Judicial Committee, Trustee Dale Porter

Notice of Withdrawn application for Original Class B Combination Fermented Malt Beverage and Intoxicating Liquor license for Four Two LLC d/b/a The Four Two Event Venue, at 560 Bay View Rd., Jennette Stengel Agent conditioned upon license transfer agreement with the Town of Mukwonago. (No Action Required.)

Discussion and possible recommendation on an Original Class A Combination Intoxicating Liquor and Fermented Malt Beverage License application from The Elegant Farmer Inc, d/b/a The Elegant Cork, 1541 Main Street, Keith Schmidt Agent.
Winchowky/Reeves motion to recommend approval. Unanimously carried.

Discussion and possible recommendation to approve an Original Combination Class B Fermented Malt Beverage and Class C Wine License application for Besa Islami d/b/a Babe's located at 225 Bay View Rd, Unit 500, Besa Islami Agent.
D Johnson/K Johnson motion to recommend approval. Unanimously carried.

Discussion and possible recommendation to approve a Temporary Class "B"/ "Class B" Retailer's License Application for St. James Catholic Church for the St. James Parish Festival on August 25-27, 2023.
K Johnson/Winchowky motion to recommend approval. Unanimously carried.

Discussion and possible recommendation to approve Resolution 2023 -18 a Resolution to support the City of Burlington's effort to amend Wisconsin State Statute 125.51 (4) (e) to allow the transfer of a "Class B" liquor license throughout the entire County.
Porter/Reeves motion to recommend approval.
Trustee D Johnson noted she likes the border idea and doesn't feel that is right.
Trustee Porter commented if you are looking at developing the downtown this could assist the effort.
Trustee Brill commented we are lucky the town has one available, but the next time we might not be able to assist if they didn't have it and this opens up opportunity to help support local business.
Roll Call: "Yes" Trustee Brill, Porter, Reeves, Winchowky. "No" Trustee D Johnson, and K. Johnson. Motion carried 4-2.

Discussion and possible recommendation on Resolution 2023-20 a Resolution designating the official posting, publication, and posting in lieu of publication directives for the Village of Mukwonago.
D Johnson/Reeves motion to recommend approval. Unanimously carried.

Library Board of Trustees, Trustee Eric Brill
Library Director Report for the month of April
(For Information Only)

Public Works Committee, Trustee Eric Brill
Status review of Fiber Infrastructure project between all village facilities, and scheduled presentation for June 7, 2023 Committee meeting.
Admin Schnook reviewed the update from the IT provider.
Trustee D Johnson, asked about ARPA funds and if we can reassign them to this project.
Administrator Schnook noted that they can be but there is a process to reallocate those funds.
She asked the Administrator to look at this and see how those funds can be used.
Trustee Brill noted he has the same thought and would like to know if they can.

Announcement of Recycling Event May 20, 2023 8:00AM to 12Noon, at the Public Works Garage.

This is a household hazardous waste event sponsored by Waukesha County. Residents can call Village Hall with any questions.

Discussion and possible recommendation on Phase I Wayfinding Signs per recommendations from the April 19, 2023 Village Board meeting.

Brill/Reeves motion to recommend approval.

There was an issue with the hair on the bear. One contractor did not rebid. Michaels will make the changes and not change their cost. They will go move forward with the recommendation for Michaels Signs. Unanimously carried.

Protective Services, Trustee Scott Reeves

Discussion and possible recommendation to approve Resolution 2023-16 A resolution adopting the Walworth County Hazard Mitigation Plan Update.

Reeves/Brill motion to recommend approval.

Trustee D Johnson asked if all the different scenarios are present in the plan. Chief Stien noted that some of those are not always in there because they are location based.

Unanimously carried.

Presentation on Fentanyl Community Health Crisis Response from Administrator Schnook and Police Chief Streit.

Police Chief Streit noted Waukesha County Collaboration Council presented a program in Waukesha County for use of opioid prevention funds. They will have a kit for NARCAN and prevention information inside a box. They are free. The Village is looking to secure three; one at the high school, library and park. Locations not set in stone, but they wanted to bring it to the board for discussion. Officers already carry NARCAN in their squads. It is a nasal spray.

Reeves questioned the training requirement. Chief Stien noted it is a nasal spray so it will not hurt someone. Reeves/Brill motion to support. Unanimously carried.

Closed Session

D Johnson/Reeves motion to go into Closed session pursuant to **Wis. Stats § 19.85 (1) (g)** (Conferring with legal counsel who either orally or in writing will advise governmental body on strategy to be adopted with respect to current or likely litigation) concerning possible strategies to manage and address active litigation with GFLP; and pursuant to **Wis. Stats. § 19.85(1)(e)** (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) for negotiation with the Gearbox Development Agreement at 7:14pm. Roll Call: "Yes" Trustee Brill, D Johnson, K Johnson, Porter, Reeves, Winchowky.

Unanimously carried.

Reconvene into Open Session

Reeves/D Johnson motion to reconvene into open session pursuant to Wis. Stats. §19.85(2) 7:30pm. Roll Call: "Yes" Trustee Brill, D Johnson, K Johnson, Porter, Reeves, Winchowky. Unanimously carried.

Adjournment

Meeting adjourned at 7:30pm

Respectfully Submitted

Diana Dykstra, MMC
Village Clerk-Treasurer