



**TWO
RIVERS**
WISCONSIN

CITY COUNCIL MEETING

Tuesday, January 03, 2023 at 6:00 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. CALL TO ORDER

The meeting was called to order by Council President Wachowski at 6:00 PM.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL BY CITY CLERK

Councilmembers: Jeff Dahlke, Bill LeClair, Darla LeClair, Tracey Koach, Tim Petri, Jason Ring, Bonnie Shimulunas (arrived at 6:02 PM), Scott Stechmesser, Adam Wachowski

ALSO PRESENT: Jeff Dawson, Library Director; Brian Dellemann, Electric Utility Director; Matt Heckenlaible, Public Works Director; Megan Marsh, Recreation Clerk; Mike Mathis, Parks & Recreation Director; Ben Meinnert, Police Chief; Dave Murack, Interim Fire Chief; Rick Powell, IT Supervisor; Elizabeth Runge, Community Development Director/City Planner; Andrew Sukowaty, Water Utility Director; Adam Taylor, Zoning Administrator; John Tuesburg, Cemetery Maintenance Worker; Jack Bruce, City Attorney; and Greg Buckley, City Manager

4. CONSIDERATION OF ANY COUNCIL MEMBER REQUESTS TO PARTICIPATE IN THIS MEETING FROM A REMOTE LOCATION

None.

5. PUBLIC HEARING

A. Ordinance to Amend Chapter 10-2 of the Municipal Code Related to Floodplain Zoning

Recommended Action:

Motion to waive reading and adopt the ordinance

Community Development Director Elizabeth Runge presented the proposed updated flood plain ordinance. The update is necessary for Two Rivers residents to be able to participate in the National Flood Insurance Program (NFIP).

The City of Two Rivers, like all communities, is required to adopt a floodplain ordinance within one year after hydraulic and engineering data is collected and formulated. The ordinance is based on a template provided by the Wisconsin DNR. The DNR reviewed the draft ordinance prior to the Plan Commission's approval at its November 14 meeting. Following adoption by the Council, the floodplain ordinance is to be approved by FEMA no later than February 23, 2023.

Council President Wachowski opened the public hearing and made three calls for public input. There was no one present and wishing to comment during the public hearing. The public hearing was closed.

Motion carried with a roll call vote.

Motion made by Koach, Seconded by Stechmesser.

Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

6. INPUT FROM THE PUBLIC

None.

7. COUNCIL COMMUNICATIONS

Letters and other communications from citizens

Councilmember Shimulunas reported that she received a complaint from a resident regarding the snow plows piling snow up around cleaned out fire hydrants and snow being pushed on cleared sidewalks.

Councilmember Dahlke reported that he received the following questions and comments from residents:

- A resident told him that there are goats at a residence in the area of 18th and Columbus Streets and questioned whether that was allowed. Mr. Buckley indicated that he did not know off hand and that the Zoning Administrator and Community Development Director could look into it.
- He was questioned why almost 5% of room tax revenues (approximately \$12,000) are being provided to Two Rivers Main Street. Mr. Buckley reported that the Room Tax Commission decided to make that allocation for 2023, to allow for a contract with Main Street to provide visitor information services at the downtown Main Street office. This is to assist with tourism marketing efforts while the City creates its own tourism department.
- He was questioned why there are only 6 businesses from Two Rivers, but 52 businesses from Manitowoc in the 2023 joint Manitowoc-Two Rivers Visitor Guide? Community Development Director Elizabeth Runge responded that of the businesses contacted, only six opted for an advertisement in the Visitor Guide in 2023. She indicated that she hopes there will be more Two Rivers businesses that participate in future years.
- He read an email he received regarding the writer's displeasure in the quality of the snowplowing done by the City.
- He received a call from Dorothy Tinkham Delo regarding the event held on New Year's Eve at the Community House serving alcohol. He also reported that he attended the event, and it was very well run and very well attended.

Councilmember Stechmesser reported that he received comments about memories people have of the toboggan run at Walsh Field. He also questioned if the City was able to determine what the colored substance was that was seen on the ice in the East Twin River? Mr. Buckley indicated that the Public Works Department looked into it and determined that it was overflow of the chemical treatment that is added to the stormwater retention pond at the Washington Highlands condos. This overflow is permitted and the chemicals used for treating stormwater ponds are not hazardous.

8. COUNCIL REPORTS FROM BOARDS/COMMISSIONS/COMMITTEES

None.

9. CITY MANAGER'S REPORT

A. Invited Guests – New Employees

1. Adam Taylor, Zoning Administrator

Community Development Director Elizabeth Runge introduced Adam Taylor, the City's new Zoning Administrator and Inspections Assistant. Adam started in November 2022, following the retirement of Vicky Berg. Adam is a graduate of UW-

Oshkosh with an emphasis on geography and has experience working with GIS systems. His prior work experience was at a geospatial private sector company.

2. Megan Marsh, Recreation Clerk

Parks & Recreation Director Mike Mathis introduced Megan Marsh, the new Recreation Clerk at the Community House. Megan started in November 2022 and will be responsible for marketing, program registration, and customer service. She comes to the City with several years of customer service experience in banking.

3. John Tuesburg, Cemetery Maintenance Worker

Parks & Recreation Director Mike Mathis introduced John Tuesburg, the new Cemetery Maintenance Worker. John started in November 2022 and is a resident of Two Rivers with years of experience in landscaping, cemetery maintenance, and heavy equipment operation.

B. 2022 State of the City Report

Mr. Buckley presented the 2022 Year in Review: State of the City Report. Progress on the following goals was reported:

Focus relentlessly on new fiscal revenue streams and operational sustainability:

- Two Rivers' total increase in equalized valuation was 18%, comparable to the City of Manitowoc at 19% and Manitowoc County at 17%. This is compared with a 14.9% increase in home values statewide, with state total valuation up 13.8%.
- There were five lot sales at the City's Sandy Bay Highlands conservation subdivision in 2022. Two new homes started in 2021 were completed in 2022, and construction was begun on six additional homes in 2022 with four still under construction at year-end. Four homes are currently in design for 2023 construction. With only six available lots remaining in Phase 2, the City needs to pursue further expansion of the subdivision in 2023.
- Six new condo units were completed at Washington Highlands/TID 8 Development in 2022.
- Plans are moving forward for 55 new units of market rate apartment housing on the former Eggers Downtown Plant site on the East Twin River, a city-owned priority redevelopment site. The developer, The Confluence, LLC, is planning a \$13 million project to be assisted by grants from TID 16.
- The City continues to encourage redevelopment at 3000 Forest Avenue where 45 new apartments were proposed in 2022. Redevelopment is currently on hold pending issues outside of the City's control.
- The West River Lofts, a 54-unit affordable family housing development proposed for vacant land near the former Eggers West Plant on the West Twin River is an \$11 million project being assisted with various State and Federal tax credits and grants. City TID 15 was created in 2022 to further address project funding needs with a \$500,000 pay-as-you-go grant.
- Sleger Holdings, LLC completed construction of a new, 12,000 square foot plant to house All Energy Management, a local company founded by Ian Sleger that serves clients with wind and solar power technology. The \$1.3 million project was assisted with a \$250,000 pay-as-you-go grant from TID 14 and a \$175,000 loan from the City's Revolving Loan Fund. AEM just recently erected the first of two wind turbines that will help power the facility.
- Downtown revitalization is consistently underway with facade projects, assisted by the City and Two Rivers Main Street funding. Two Rivers Main Street, and businesses in support of Two Rivers Main Street, deployed hanging planters along Washington Street and hosted the second annual Bryan Lee Memorial Blues Festival.

- Wine Not, LLC completed a \$2 million+ project at the former Wells Fargo Bank on West Park Street, where Cool City Brewing Company opened its doors in December. The City secured a \$250,000 Community Development Incentive (CDI) grant from the Wisconsin Economic Development Corporation to assist the project.
- The former Rudy's Lanes has been purchased and re-opened as The Hook Lanes and Games. Ongoing renovations are being assisted with a \$100,000 loan from the City's Revolving Loan Fund and a \$10,000 facade grant, jointly funded with Two Rivers Main Street.
- Wine Not, LLC purchased 2023 Washington Street from the City to transform it from a long-vacant eyesore to two new downtown businesses. Completion is expected by Summer 2023.
- Central Park West, already the epicenter of outdoor special events in Two Rivers, will get a major makeover in 2023, with improvements to build on what is already there and to make the park a true year-round venue for activities in the heart of downtown. The \$1.65 million project, funded two-thirds by grants and donations, includes a new stage at the north end of the park, an outdoor skating loop with synthetic ice, a summer water feature, a park pavilion with restrooms and a multi-use space, and all new park furnishings and landscaping.
- Other new small businesses opened their doors in 2022, or have plans to open in 2023. These businesses include Craft Pizza Kitchen, Lakeshore Rock and Gem, US Cellular, The High Lift, Fast Taco, and Sweet Fire Tobacco, to name a few.

Tourism:

- When measuring tourism in terms of the City's room tax receipts, local tourism is growing at a rapid pace. 2022 room tax revenues preliminarily total \$291,714, up 21% over 2021 and 104% over 2020. This rapid growth in recent years can be attributed both to an increase in hotel/motel rooms with the opening of the new Cobblestone Hotel in mid-2020 and a growth in vacation rentals, which now exceeds 60.
- Two Rivers embarked on a new chapter in tourism promotion and development in 2022 with the end of a 15-year affiliation with the Manitowoc Area Visitor and Convention Bureau. The City expects to continue building on the solid growth of the local tourism economy in recent years and the Room Tax Commission budget includes provision for hiring staff and gearing up a Two Rivers tourism office while the City cooperates with the City of Manitowoc on joint tourism efforts.
- Vacation rentals accounted for about 28% of room tax revenues in 2021 with more than 60 individual vacation rentals licensed by Manitowoc County. Still Bend, the Frank Lloyd Wright designed home on the East Twin River, was featured in the Season 2 premiere of "The World's Most Amazing Vacation Rentals" on Netflix and continues to be the City's most famous vacation rental property. An ordinance enacted by Council in 2022 requires local licensing of vacation rentals to better regulate these properties, increase communication with owners, and help promote this growing sector of the local tourism economy.

City Finances:

- The City's General Fund balance at the end of 2021 was \$2,530,073, an improvement of \$249,502 over 2020 year-end. This followed an increase of \$192,570 as a result of 2020 operations. The General Fund's unrestricted fund balance, negative in recent years due to deficit balances in other funds impacting the General Fund's liquidity, improved from -\$185,844 at the end of 2020 to \$306,244 at the end of 2021. Financial health of the utilities continues to improve, notably in the Water Utility, where a longstanding deficit balance improved by \$476,000 as a result of 2021 operations, after improving by \$450,000 the prior year.

Investing in Infrastructure:

- The City continued investing in street and utility infrastructure in 2022, with a local street project on 17th Street and continued replacement of lead water service laterals. Total cost for these projects was \$2.62 million, with funding of nearly \$1 million by State and Federal grant monies. 2023 projects will include complete reconstruction of Lincoln Street from 17th Street to 22nd Street at a cost of \$2.6 million and resurfacing of Zlatnik Drive from 17th Street to Pierce Street, at a cost of \$188,000.

Hiring and Retaining Talented Employees:

- As a small, full-service City, the City relies on a workforce of skilled employees to deliver vital public services. There have been many new faces joining the City workforce over the course of 2022, with more changes to come in 2023. 24 full-time position recruitments took place in 2022 involving several members of the Two Rivers management team.

Investing in Community Quality of Life:

- In addition to the Central Park West 365 Project, the City made commitments to quality of life projects that will become reality in 2023. These improvements include reconstruction of the Washington Park tennis courts as six pickleball courts and one tennis court (\$150,000 investment), a major new play area at Neshotah Park (\$400,000 investment), and storybook trails at Lester Library and Zander Park.
- The City stepped up its tree planting activity in 2022, with the planting of more than 60 new trees along City streets. In 2023, the City will commit more funds to tree management and tree planting, aided by a Wisconsin DNR Urban Forestry Grant secured by the Parks and Recreation Department for a tree inventory, staff training, and tree planting. The City continues to cooperate with the Van der Brohe Arboretum as it develops and expands its impact in the community.

The full State of the City Report can be viewed on the City's website at www.two-rivers.org.

C. Status Update/Reports

1. Staffing Updates

Mr. Buckley reported that the City is continuing recruitment for the Public Works Superintendent position. The Public Works Administrative Assistant recruitment generated more than 15 applications and application review and interviews are underway. Recruitment materials for the Fire Chief recruitment are being finalized and ads will be placed soon.

2. April 2023 Council Election Candidates

Mr. Buckley reported that six candidates filed timely to be on the Spring Election Ballot for a City Councilmember seat. Incumbents Darla LeClair, Bonnie Shimulunas, and Adam Wachowski will face newcomers Ron Abney, Shannon Derby, and Dean LaRose for the three available seats. The election date is April 4, 2023.

3. Absentee Ballot Requests for 2023 Calendar Year Now Accept in Clerk's Office or Online at www.myvote.wi.gov

Mr. Buckley reported that individual election and calendar year requests for 2023 are now being accepted online at www.myvote.wi.gov or in the Clerk's office.

4. Reminder of Ordinance Provisions on Clearing Snow and Ice from Sidewalk; Not Depositing Snow in the Streets

Mr. Buckley reminded property owners of ordinance provisions that require snow and ice to be cleared from sidewalks within 24 hours following a snow or ice event. Additionally, snow is not to be deposited in the street.

5. Reminder: Christmas Tree Pickup Will Be January 9-13

Mr. Buckley reported that Christmas trees can be placed at the curb for collection the week of January 9-13. Trees will be picked up the same day as garbage and recycling collection. Alternatively, trees may be dropped off at the Public Works garage at 1415 Lake Street between 7:00 AM and 3:00 PM those same days.

6. Environmental Advisory Board Continues Development for Proposal of Front Yard Vegetable Garden Pilot Program

Mr. Buckley reported that the Environmental Advisory Board continues to work on the development of a proposal for a front yard vegetable garden pilot program. The proposal would require approval by the Plan Commission and City Council.

7. Environmental Advisory Board Presents: "Green Infrastructure" with Guest Speaker Julia Noordyk, Water Quality and Coastal Communities Specialist, Wisconsin Sea Grant Program, Thursday, January 12 at 6:00 PM, Lester Public Library

Mr. Buckley reported that the 2nd program of the Environmental Advisory Board's winter educational series will take place on Thursday, January 12 at the Lester Public Library.

8. Reminder that January 16 Council Agenda Will Include Discussion and Direction on Possible Changes to City Ordinance on Golf Cart Operation on City Streets

Mr. Buckley reported that the January 16 Council agenda will include discussion and direction on possible changes to the City ordinance relating to golf cart operation on City streets. Possible changes to be discussed may include prohibiting golf carts on certain high-traffic streets with speed limits of 35 MPH or less such as Forest Avenue and Lincoln Avenue, restrictions on unsecured rear-facing passengers, restriction on operating hours being during daylight only, and increases to the annual registration fee.

9. Central Park West 365 Project

Mr. Buckley reported that fundraising for the Central Park West 365 Project exceeds \$775,000, 97% of the initial fundraising goal. The City is striving to extend fundraising to \$850,000, taking into account a slight increase in the total estimated project cost. 172 pavers of various sizes have been sold, raising a total of \$76,000. City crews recently cleared the site for the stage and poured footings.

10. Upcoming Events:

Mr. Buckley reported on the following upcoming event:

- i. Family Snowshoe Hike, Woodland Dunes Nature Center & Preserve, Saturday, January 14, 9:00-10:30 AM

11. Other

Mr. Buckley reported that enforcement of the winter parking ban is currently suspended, but that could change depending on the weather forecast. Changes to enforcement of the winter parking ban will be communicated on the City's website and the Two Rivers Police Department and Two Rivers City Hall Facebook pages.

D. Legislative/Intergovernmental Update

None.

10. CONSENT AGENDA

A. Presentation of Minutes

1. City Council, December 19, 2022

Recommended Action:

Motion to waive reading and adopt the minutes

B. Minutes of Meetings

1. Room Tax Commission, December 8, 2022
2. Police and Fire Commission, December 15, 2022

Recommended Action:

Motion to receive and file

C. Applications and Petitions

1. Application for New Combination Class "B" Beer/"Class B" Liquor License
Application for the period of January 3, 2023 to June 30, 2023 for Crossroads Spirits
Inc, 1204 18th Street - Jason Neels, Agent (dba Twin Rivers Lounge)

Recommended Action:

Motion to approve the application and authorize issuance of the license

RECOMMENDED ACTION FOR CONSENT AGENDA

Motion to approve the Consent Agenda with the various actions recommended

Motion carried with a voice vote.

Motion made by Koach, Seconded by Shimulunas.

Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

11. CITY COUNCIL - FORMAL ITEMS

- A. Resolution Upon Retirement for Police Chief Brian Kohlmeier, Completing a 33 Year Career with the Two Rivers Police Department

Recommended Action:

Motion to read and adopt the resolution

The resolution was read by Chief Meinnert.

Motion carried with a roll call vote.

Motion made by Stechmesser, Seconded by Ring.

Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

- B. Consideration of Amendment to Tax Incremental Financing Property Sale, Cash Grant and Developer's Performance Agreement with The Confluence, LLC (Approved by City Council November 7, 2022), to Modify Several Deadline Dates Contained in That Agreement

Recommended Action:

Motion to authorize the City Manager and City Clerk to execute the amendment on behalf of the City

Motion carried with a roll call vote.

Motion made by B. LeClair, Seconded by Petri.

Voting Yea: B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser,

Wachowski
Voting Nay: Dahlke

- C. Resolution Authorizing the Borrowing of \$900,000 from the Wisconsin State Trust Fund Loan Program for Purposes of Funding a Developer Grant from Tax Incremental District No. 16 to The Confluence, LLC; Such Loan to Constitute General Obligation Borrowing, for a Term of 20 Years at an Interest Rate of 5.75 Percent

Recommended Action:

Motion to waive reading and approve the resolution

Motion carried with a roll call vote.

Motion made by D. LeClair, Seconded by B. LeClair.

Voting Yea: B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Voting Nay: Dahlke

- D. Resolution Authorizing Application to the Wisconsin Economic Development Corporation's Vibrant Spaces Grant Program, for Funding to Assist the Central Park West 365 Project

Recommended Action:

Motion to waive reading and approve the resolution

Motion carried with a roll call vote.

Motion made by Stechmesser, Seconded by Koach.

Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

12. FOR INFORMATION ONLY

- A. City Council Regular Meeting, Monday, January 16, 2023
B. City Manager Requesting Two January Work Sessions:
 a. Monday, January 23 to meet with School District Representatives Regarding Conveyance of City Property Adjacent to L.B. Clarke Middle School
 b. Monday, January 30 to Review and Revise City Council Goals for 2023

Council briefly discussed the need for two City Council Work Sessions in January and was amenable to the request.

13. ADJOURNMENT

Motion to dispense with the reading of the minutes of this meeting and adjourn the meeting at 7:32 PM.

Motion carried with a voice vote.

Motion made by Dahlke, Seconded by Petri.

Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Respectfully submitted,

Jamie Jackson
City Clerk