



CITY OF BURLINGTON
Official Minutes of the Common Council
Robert Miller, Mayor
Diahnn C. Halbach, City Clerk
Tuesday, July 1, 2014

1. Call To Order – Roll Call

Mayor Robert Miller called the meeting to order at 6:52 p.m. starting with roll call. Aldermen present: Ed Johnson, Peter Hintz, Ruth Dawidziak, Tom Vos, Jon Schultz, Tom Preusker, and Todd Bauman.

Also present: City Attorney John Bjelajac, Police Chief Peter Nimmer, Fire Chief Perry Howard, Public Works Director Craig Workman, Director of Administrative Services Megan Watkins, Treasurer Steve DeQuaker, Library Director Gayle Falk, and Tom Foht of Kapur & Associates.

2. Pledge of Allegiance

3. Citizen Comments

There were no comments.

4. Chamber of Commerce Representative

There were no representatives.

5. Approval of the June 3, 2014 Common Council Minutes

A motion was made by Schultz with a second by Vos to approve the Council Minutes from June 3, 2014. With all in favor, the motion carried.

6. Letters and Communications

There was none.

7. Reports by Aldermanic Representatives and Department Heads

Vos commented on the landscaping being done outside the Police Department on Dodge Street and inquired as to whether or not the retaining wall would continue around to the front of the building on Jefferson Street. Craig Workman responded that the retaining blocks used on the Dodge Street side of the building were taken from last year's fire department reconstruction project and didn't believe there was enough material left to continue the wall to the front of the building. He also stated that the reasoning for the retaining wall was because of the existing slope and didn't believe a wall was feasible in the area in which Vos referred to, but said he would look into it.

Vos also thanked the DPW for the clean-up work done around the entrance sign to the Industrial Park and asked if there would be further improvements to that area. Workman stated that there hasn't been any landscaping projects planned for that area, but welcomed Vos to share his ideas, in which Vos replied that he had a lot of ideas.

Prailes inquired about the old Quick n Save Gas Station located on West State Street across from St. Mary's and wanted to know if there were plans to do something with that building. Mayor responded that a bank currently has a lien on the property, that there is possible contamination on site, and back

taxes are still owed. Mayor further stated that there have been talks with county treasurer and county executive to discuss options and explore what the City can do with that property.

Hintz reported that the front steps of the Library are currently closed off while repairs are being done which will include replacing the existing railings. Hintz further reported that the Historic Planning Commission would need to approve the new railings before any work could be done.

Johnson reported that it was brought to his attention that the retaining wall by the old water tower is buckling and in disrepair. Johnson also inquired as to the condition of the Jefferson Street bridge and wanted to know if any improvements were planned. Workman responded that the DOT just recently downgraded the bridge's condition, so therefore additional improvements beyond sidewalk and railings is being looked into.

Preusker inquired about the O'Reilly status and if they would be breaking ground any time soon. Mayor responded that O'Reilly has submitted new plans and is currently being reviewed by staff.

8. Reports 1-4

A motion was made by Preusker with a second by Johnson to approve Reports 1-4.

With all in favor, the motion carried.

9. Payment of Vouchers

A motion was made by Bauman with a second by Hintz to approve vouchers, pre-pays and reimbursements in the amount of \$544,196.29.

Roll Call Aye: Prailes, Johnson, Hintz, Dawidziak, Vos, Schultz, Preusker and Bauman. Nay: None. Motion carried 8-0.

10. Licenses and Permits

A motion was made by Prailes with a second by Preusker to approve licenses and permits as presented.

With all in favor, the motion carried.

11. Appointments and Nominations: there were none.

12. Public Hearing: there was none.

13. Resolutions

A. Resolution 4677(11) to approve a Tax Re-Investment Program Agreement with Echo Lake Foods Inc.

A request for a second reading and a motion to approve was made by Hintz with a second by Johnson.

Dawidziak asked about the stipulations of the contract as far as wages and what kind of jobs would exist. Attorney Bjelajac and Mayor Miller both responded that the information was in the agreement and that minimum wage would average \$13 per hour. Dawidziak further wanted to know how this agreement would be regulated. Attorney Bjelajac responded that it's stated in the agreement that City Staff would review Echo Lake Foods status and any reductions in employment would result in a reduction of incentives.

Prailes inquired about Echo Lakes rate structure for their water consumption. Workman responded that based on the new operations which no longer involves the egg cracking process, they will be paying the same rate as all other industrial businesses.

Vos asked if the rebate of the taxes would be based on an annual audit of the facility. Attorney Bjelajac confirmed that Echo Lakes would need to be audited every year because if they are unable to fulfill their end of the obligation, they would be subjected to a pro rata reduction of the tax rebate.

Preusker expressed concern over some of the language within the agreement regarding the definition of the "Full-Time Employee" (FTE). Preusker felt that the \$13.00 per hour rate would discourage other non-skilled or inexperienced people from wanting to work anywhere else for less than that amount. Preusker also had concerns about the potential of hiring people illegally which would result in skewing the agreed upon hire count, as well as taking away jobs from those that aren't illegal. In addition, Preusker was also concerned about the 40 hour work week, as he felt it would discourage some from seeking employment who wanted more of a work/life balance. Preusker felt the agreement should require a larger number of employees which would also include part-time employees. Preusker further stated that the City wants to encourage the positive incentives for Echo Lakes which would be for them to be back in business, profitable, have an improved facility, and to create jobs and have people who live around here have a place to work.

Attorney Bjelajac clarified that the agreement before them was drafted by Echo Lake Foods and the numbers included were chosen by Echo Lakes and not the City of Burlington, and that Echo Lakes is comfortable with the numbers indicated.

A discrepancy arose among the Council regarding whether FTE referred to "full-time employee" or "full-time equivalent" positions. Further concern was raised on whether or not insurance would need to be provided if the required number of hires are all full-time positions versus people not getting insurance if they are only part-time hires. Mayor Miller clarified that in the actual agreement drafted by Echo Lake Foods, it was stated that FTE refers to "Full-Time Employee", which then ultimately would require them to provide insurance as well. Attorney Bjelajac concurred with the Mayor as to the correct meaning of FTE and that it did indeed stand for "Full-Time Employee".

Schultz referred to a letter received by City Administrator Kevin Lahner earlier in the month, which indicated Echo Lakes value before and after the fire. Schultz further stated that according to the letter, before the fire, Echo Lakes net worth was \$3 million and paid approximately \$27,000 in taxes to the City and that the new facility proposed a net worth of \$14 million plus an additional \$4 million in personal property taxes with a total tax estimate of \$155,000 of which \$46,000 would go to the City after incentives were paid back to Echo Lakes.

Prailes felt that Echo Lakes was making a great commitment to the City. Preusker disagreed and felt that an average wage of \$13 per hour would be a disincentive for employees due to the fact that \$13 per hour is only an average and could result in less skilled workers being paid less, while more skilled workers would be paid more. Vos argued that the proposed agreement had nothing to do with the details of how or who Echo Lakes chooses to employ and that if Echo Lakes needs to hire additional part-time seasonal workers they have the complete discretion to do so. Vos and Prailes further stated that the agreement deals solely with a tax incentive program that Echo Lakes is proposing to the City by giving 250 individuals full-time employment with insurance; what they choose to do beyond that is completely up to them.

Roll Call Aye: Prailes, Johnson, Hintz, Dawidziak, Vos, Schultz, and Bauman. Nay: Preusker. Motion carried 7-0.

- B. Resolution 4679(13) to approve the purchase of a New Holland L223 skid steer for the Department of Public Works from Milwaukee Tractor & Equipment in the amount of \$42,758.**

A request for a second reading and a motion to approve was made by Vos with a second by Bauman.

Roll Call Aye: Prailes, Johnson, Hintz, Dawidziak, Vos, Schultz, Preusker and Bauman. Nay: None. Motion carried 8-0.

- C. Resolution 4680(14) to approve the purchase of a one-ton truck chassis from Lynch Truck Center for \$24,060.56 and a dump body, hydraulics, lights and hoist for a one-ton truck from Olson Trailer for \$9,982 for the Department of Public Works.

A request for a second reading and a motion to approve was made by Vos with a second by Bauman.

Roll Call Aye: Prailes, Johnson, Hintz, Dawidziak, Vos, Schultz, Preusker and Bauman. Nay: None. Motion carried 8-0.

14. Ordinances

- A. Ordinance 1985(4) to amend the Official Traffic Map of the City of Burlington to create an intersection at Walton Road and Milwaukee Avenue.

A request for a second reading and a motion to approve was made by Bauman with a second by Vos.

Roll Call Aye: Prailes, Johnson, Hintz, Dawidziak, Vos, Schultz, Preusker and Bauman. Nay: None. Motion carried 8-0.

15. Motions

- A. Motion 14-776 to approve a Certificate of Appropriateness Application in the HPC Overlay District for 166 E. Jefferson Street.

A request for a second reading and a motion to approve was made by Prailes with a second by Hintz. With all in favor the motion carried.

16. Adjourn

A motion was made by Johnson with a second by Preusker to adjourn the meeting. With all in favor, the meeting adjourned at 7:29 p.m.

Meeting Minutes Respectfully Submitted by:

Diahnn C. Halbach
City Clerk
City of Burlington
Racine and Walworth Counties