

**Village of Egg Harbor
Village Board Meeting Minutes
January 23, 2017 at 9:00 a.m.
Paul J. Bertschinger Community Center
7860 STH 42, Egg Harbor, Wisconsin**

1. Call to Order and Roll Call

Smith called the meeting to order at 9:00 a.m. Those in attendance were Joe Smith, Bob Dickson, Paula Cashin, John Heller, Lisa Van Laanen, Ryan Heise, Lynn Ohnesorge, and Megan Vandermause. Also in attendance in the audience were Frank & Claire Murphy, Kathy Navis, Erin Bosman, Stefanie Burke, Emily Pitchford, and Jim Lundstrum.

A. Notice of Meeting

B. Pledge of Allegiance

C. Approval of Agenda

Cashin moved to approve the agenda, second by Van Laanen, motion carried.

D. Approval of January 9, 2017 Village Board Meeting Minutes

Dickson moved to approve the January 9, 2017 Village Board meeting minutes, second by Van Laanen, motion carried.

2. Open Session (10 Minutes)

- Bosman stated that she is here today because she knows that a decision may be made to open bids back up to move the Lighthouse and she wanted the Village Board to know that she is an interested party.
- Bosman stated that she knows that time is of the essence for the library project and she has a prepared proposal.
- Cashin stated that she would like to compliment Bob Dickson for his letter to editor in the Pulse regarding why he voted yes to the library community center and suggested that he also send it to the Advocate.
- Cashin stated that she has spoken with Tom Young who runs a bridge tournament about twice a year, and he has about 165 players that are interested in playing in a tournament so he is very anxious for the library to be completed.
- Barb Piester, who runs the Door County Bridge Club twice a week during the season, would like to put together tournaments in the community center. Cashin suggested they contact Heise.

3. Debt Structure Discussion

- Heise stated that this item was put on the agenda because during the last meeting there were some questions and concerns brought up by Heller.
- However, since the last meeting Heller has had conversations with the Village's financial advisor.

- Heise stated that Ehlers is willing to jump on the phone if any specific concerns are brought up.
- Heise stated that Heller's concern is regarding the \$14,000 of interest due to the delay in principal.
- Heise stated that the way that the debt is structured the principal is delayed two years to balance out the other existing debt.
- Heise said that the decision is either to immediately implement the principal that would add about \$13 per \$100,000 home or delay the principal and balance out the debt.
- Smith, Van Laanen, and Cashin stated that they are comfortable sticking with the advice from the financial advisor.
- Heller pointed out that more taxes will be paid in the long run.
- Dickson stated that the debt is leveled out right now so there is less of an impact on the tax payers.

4. Lighthouse Inn Structure

A. Kathy Navis Revised Proposal

- Smith asked Navis to summarize her revised proposal.
- Navis stated that since her bid was accepted by the Village Board she had made a new offer on the Wildflower property and prior to the signing the owner of the Wildflower decided not to sell her property to Navis.
- Navis said that she has now purchased a property on Church St. directly behind the Lull a Bi that is a half-acre.
- Navis said that she has a signed offer for this property.
- Navis stated that she is no longer asking the Village to contribute to the moving cost of the building.
- Heller asked if the trees that need to be removed are on the library property, and Navis confirmed that this is correct and stated that the trees would need to come down for the library anyway.
- Cashin asked if Navis will need to receive a loan to purchase the property, and Navis stated that she has a signed accepted offer for the property and has an agreement with her banker that she will be able to receive a loan.
- Navis said that a survey will need to be done on the property before the closing. The survey will be done this week, and the closing will take place on February 1st, 2017.
- Cashin confirmed that the contribution from the Village toward the moving cost is totally off the table, and Heise confirmed this.
- Heise stated that the Village Board only has one proposer who submitted a proposal so the Village Board needs to decide if they are going to accept revised proposal or reject the revised proposal and open bids back up.
- Navis pointed out that she has already spent thousands of dollars on the project and weeks of labor on the building to prepare the building for move.

- Heller confirmed that there will be no financial obligation for the Village and asked if there is any money being paid to the Village for the building.
- Heise said that Navis would be purchasing the building for one dollar.
- Smith stated that he is at a crossroads because the initial RFP went out and the only person to reply in the specified amount of time was Kathy Navis.
- Smith pointed out that based on the information Navis had she did spend a considerable amount of time and money preparing the site.
- Smith stated that despite Navis' setbacks she rebounded quickly and the Village is in a better spot than her previous proposal.
- Smith said that the thought of the building having at least some element of employee or affordable housing is appealing to him and he would feel comfortable approving the sale of the building for a dollar if there was a requirement for Navis to create a minimum of one affordable housing unit.
- Smith stated that through his conversations with Heise there are other interested parties that are willing to pay a larger amount for the building.
- Heise stated that the information received from Bosman on Sunday is correspondence.
- Heise stated that if the project is opened back up for bid Ms. Bosman's proposal is likely not to be the only proposal as staff knows of another interested party.
- Heise said that the Village Board can decide to reject Ms. Navis' revised proposal and then open the project back up for bid.
- Cashin stated that this is a tough call because she knows that Navis has put a lot of time and work into the project, but the Village Board needs to represent the tax payers.
- Navis stated that her bid was the only bid that came in within the time frame and Bosman's bid is three months late. Navis said that \$2,000 in the scope of the library project is not very significant.
- Navis said that Bosman's bid is likely not to be the only bid that is received if the project is put back out for bid.
- Bosman stated that she didn't mean to cause waves, but she heard on the radio that the bid was rejected because the contingences were not met so she assumed that the project would be back open for bid.
- Heise said that he does not believe it was ever stated that the proposal was rejected.
- Bosman stated that she wanted to submit a bid in November, but October is not a good time of year for her. Bosman stated that she just wanted the Village Board to know that there were other interested parties.
- Heller asked if Bosman would use the building for rental property and Bosman confirmed that she would.
- Dickson stated that this is a tough decision, and Dickson pointed out that if the project was opened back up for bid then Navis could submit another proposal.
- Navis stated that it will take a lot of work to move the building and that she has all of her contractors on call to start work this afternoon.
- Dickson confirmed that Navis is shovel ready.

- Navis stated her intention was to create at least three apartments and keep two rooms for transient rentals.
- Navis stated that since her original plan she has learned that the new property is in the REC district and the apartments would need to be 750 sq. ft.
- Navis said that the building does not separate equally into 750 sq. ft.
- Dickson asked if Navis does not make the building into apartments what the use will be and Navis stated that it would be used as transient rentals.
- Navis stated that she was hoping to do three 500 sq. ft. apartments.
- Navis stated that her intention is still to create affordable housing.
- Cashin asked if the building is moved to 7667 STH 42 if all of the zoning requirements would be met and Heise stated that this would need to be looked at, but generally the multi-use district is less restrictive.
- Van Laanen asked if this lot would have a basement, and Navis said that she would have a basement.
- Heise said that if the Trustees decide to open the project back up for bid the deadline for submittals would be February 1st.
- Navis asked if the Village Board has an issue with her proposal because of the \$2,000.
- Cashin stated that this is part of it, but it is also the responsibility to the Village.
- Navis stated that if the issue is \$2,000, she would revise her bid to pay the Village \$2,000.

Smith moved to approve the bid for the sale of the Village owned building to Kathy Navis with the terms presented, second by Dickson, the Trustees discussed:

- Smith stated that the Village Board has been dealing with this project for long enough and worst case scenario the building will have to be torn down. He would like to give Kathy Navis credit for being the only party to submit a bid on time.
- Smith said that based on Navis' statements today he believes that she can succeed at moving the building in the timeframe.
- Dickson stated that he is a little concerned with the fact that Navis does not know exactly how the building is going to be used. Dickson stated that he is unsure if he is in favor of a variance. Dickson said that he agrees with all the things that Smith said.
- Navis stated that she is fine with using the building for transient rentals because she would make a lot more money.
- Dickson stated that he is looking for a solid plan that would ensure that the building would be successful.
- Navis stated that she has done a lot of building projects, and she currently has Air Bnb units in her building.
- Dickson asked if her Air Bnb units are licensed and pay room tax, and Navis confirmed that this is correct.
- Navis stated that she has no problem creating Air Bnb units, but she does not feel that this is what the Village needs.

- Van Laanen stated that if the concern was the \$2,000, Navis offered \$2,000.
- Heller stated that the concern is following proper protocol.
- Heise read the email from Attorney Vande Castle, “The Board is under no obligation to accept any revisions proposed by the Buyer. The Board can hold to its original terms; or, if it chooses, consider new or alternative options. If the original terms are unacceptable or unattainable by the Buyer, the parties can part ways and move on. In that case it would be advisable to put in writing that the Buyer is withdrawing her original offer and that the parties are unable to reach an understanding on the Buyers proposed revised offer. The Village would then be clear to move in a different direction.”
- Heise stated that as far as process goes the Village Board is following the process by reviewing the revised offer and making a decision on it.
- Van Laanen asked if the zoning is different, and Heise confirmed that the zoning for Navis’ new property is REC.
- Smith asked if the property has the Special Development Overlay and asked if this would offer any relief.
- Vandermause stated that she had spoken with Navis about the property having the special develop district overlay, however there was not enough time prior to the meeting to determine the relief that could be received.
- Smith stated that the special develop district overlay allows for greater leeway in regards to things such as square footage, impermeable surface area, setbacks, and lot size.
- Special develop relief appears before the Plan Commission and not the Zoning Board of Appeals so in regards to Dickson’s concern Navis may not need a variance.
- Cashin stated that because everything fell through from the original proposal the bid should be opened back up.
- Dickson stated that this was his inclination as well, but from what the attorney said he is comfortable with the renegotiation of Ms. Navis’ proposal.
- Heise stated that the Village Board could review Ms. Navis’ revised proposal and if they did not accept the revision then it would need to be put in writing that Ms. Navis withdrew her proposal and Ms. Navis and the Village Board could not come to an agreement.

The Trustees voted, motion carried. Cashin voted nay.

5. Resolution 2017-02

A. Resolution 2017-02

- Heller asked if there is any type of agreement that has been signed with the Kress family, and Heise stated that he will send this agreement out to the Trustees.
- Heller asked if there is another agreement for the interest, and Heise stated that there is no agreement for the interest.
- Dickson pointed out that the interest will be taken out of the library budget.

Smith moved to approve Resolution 2017-02 as presented, second by Dickson, motion carried.

6. Permission to approach Town to request that the Town participate on capital and ongoing operation and maintenance costs for library

A. Discussion of Library Community Center with Town of Egg Harbor

- Heise stated that he does not know the history of the discussions that the Village has had with the Town.
- Heise is requesting to appear in front of the Town Board to request that the Town start thinking about participating in both the capital and the ongoing operational and maintenance costs of the new library.
- Heise stated that having an understanding of how much the Town is willing to participate will help the Trustees when it comes to thinking about the different fees that will be charged for renting spaces in the library.
- Dickson stated that as he recalls the Town gives a nominal amount towards the library each year.
- Smith stated that through conversations with Chairman Peterson he was informed that the Town gives \$1,000 per year towards the library.
- Dickson stated that Heise should go in to the meeting with the Library use statistics, and he thinks that it is at least 60/40 between the Town and the Village.
- Dickson stated that even if the Town only makes a contribution towards the ongoing operation of the library it would show good faith.
- Dickson also stated that he feels residents of the Town should also speak to the Town Board about their support for the library.
- Van Laanen asked if it would help if members of the Village Board went with Heise.
- Dickson stated that there needs to be a grass roots effort at the annual joint meeting in spring.
- The Trustees supported Heise appearing on the Town of Egg Harbor's agenda.

7. Declare 1996 Half Ton Chevrolet Pick Up Truck as surplus

A. 1996 Half Ton Chevrolet Pick Up Truck

- Van Laanen asked if the money received from the sale of the truck can go towards anything other than the utility fund, and Ohnesorge confirmed that it cannot.

Smith moved to declare the 1996 Chevrolet 1500 pickup truck as surplus equipment and to allow staff to sell the truck for the fair market value price of \$3,085.00 or if a buyer is not found post the truck on a public bid website, second by Dickson, motion carried.

8. Appoint Bird City Ad-Hoc Committee Members

A. Appointees

Smith moved to approve John Heller as the Committee Chair and Jerry Seroka, Pam Wegner, Kenton Onsrud, and Clarence Scherer as committee members, second by Cashin, motion carried.

9. Open Session

- Claire Murphy stated that she appreciates the Village Board approving the proposal submitted by Kathy Navis.
- Van Laanen stated that this was a very tough vote for the Village Board, and she likes the fact that the building is going to extend the business district and she knows that Bosman will still be able to do something with her property.
- Navis stated that she would like to thank the Village Board for approving her proposal and she will get started this afternoon.
- Navis stated that she would like to commend the Village Board for approving the contract for the new library.
- Cashin wished Navis good luck on her project.

10. Adjourn

Cashin moved to adjourn, second by Van Laanen, motion carried.