VILLAGE BOARD OF TRUSTEES MEETING MINUTES
Tuesday, February 18, 2025
(Approved Version)

Agenda Item No. 1. The February 18, 2025 meeting of the Sister Bay Village Board of Trustees was called to order by President Nate Bell at 6:00 P.M.

Agenda Item No. 2. Roll Call
Present: President Bell and trustees Denise Bhirdo, Louise Howson, Kurt Harff, Alison Werner, Patrice Champeau, and Lilly Orozco

Staff: Village Administrator Julie Schmelzer, Finance Director/Treasurer Vlad Gannik, Utilities Director Megan Barnes, Marina Manager Dave Lienau, Parks & Streets Director Erik Linczmaier, Administrative Assistant, Janal Suppanz and Clerk Heidi Teich

Others: Laurel Harff, Allen Duford, Jill Hanley, Kevin Jones, Richard Burress, "J", Rodney & Sharri Hedeen, Deb Fitzgerald, Ron Kane, Mickie Mostardi, Sally Pfeifer, Jill Wiebe, Ellen Roberts, Jon Miller, Mike Laszkiewicz, "Skip", Karen Behrendt, Brigid White, Chad Olsen, Ellie Soderberg-Guger, "iPhone (X)R", JBWirkus, "Sam", "Tom", "13125930842", Paula Anschutz, John McMurray, Terry Wolf, "-"

Agenda Item No. 3. Approval of the Agenda
A motion was made by Howson, seconded by Orozco that the Agenda for the February 18, 2025 meeting of the Village Board of Trustees be approved as amended to move Item No. 7g – reconsideration of a contract for construction drawings for an administration building - ahead of Item No. 6. Motion carried – All ayes.

Agenda Item No. 4. Approval of Minutes
A motion was made by Orozco, seconded by Howson that the minutes of the January 21, 2025 meeting of the Village Board of Trustees be approved as amended to correct the spelling of Werner's name in one instance and specify the members referred to in Item No. 6a be noted as Finance Committee members. Motion carried – All ayes.

Agenda Item No. 5. Comments, correspondence, and concerns from the public
Multiple items of correspondence were received for this meeting, including:
- The January 2025 Door County Transportation Department Newsletter
- Emails from Diane Barounis, Keith Wiebe and Rodney Hedeen praising those board members who voted against continuing discussions on a new administration building in Sister Bay. Wiebe also suggested that the former Logerquist property be used instead for the construction of a new fire station.
- A letter from the Sister Bay Historical Society thanking the Village Board for their financial support in the amount of $15,000.
- The 3rd quarter Door County Sheriff's Office Incident Report for Sister Bay

President Bell asked if anyone wished to offer any additional comments not related to Agenda Item No. 7g. Ellen Roberts, St. Petersburg, FL, offered comments on the upcoming Zoning Board of Appeals Hearing she will be participating in concerning her property at 10631 Little Sister Road.

Agenda Item No. 7. Discussion/Action Items

g) Reconsider Contract; Administration Building; Construction Drawings; McMahon

Bell explained that because this item, which was addressed and defeated at the prior board meeting, was requested by two trustees for discussion, it was put on the agenda for this meeting. Bhirdo presented the following additional information for consideration by the board:

- the impact of potential tariffs
- the Federal Reserve rate cuts, which may not occur until the end of the year
- the inflation rate, which reached a seven-month high as of January, 2025
- core inflation has hit a 10-month high by increasing one-half point
- if construction costs on a $3 million project increase by 3%, the additional cost to the village will be $90,000; a 4% increase will cost $120,000; a 5% increase will cost $150,000 and a 6% increase will cost $180,000
- this is the time of year in which contractors are bidding on projects and filling their schedules, the longer the village delays, the harder it will be to get on a schedule or receive competing bids for the project
- postponing the project will cause the village to pay additional fees for winter condition contingencies or change orders

Bhirdo then shared a spreadsheet outlining the projected debt of the village, as seen below:

Based on 2026 / 2027 payments

	Interest Rate	Annual Payment	Allocated Funds
Loan #58 Waterfront Sports Complex	2.5 % until 4/1/27	$1,147,000.00	624,000.00 General Fund 54%
Johnson waterfront property	3 % after 4/1/27		182,000.00 Marina Fund 16%
			341,000.00 TID #1 30%
Loan # 65 Broadband	4.10%	$260,000.00	
Loan # 67 Parks Maintenance Building	5%	$295,000.00	
Loan #69 Administration Building	anticipating 5 %	$600,000.00	
$215,000.00 in 2017 and beyond			
Loan #70 Mill Road Triangle	anticipating 5%	$200,000.00	PRAT funds
2 million dollar loan first payment 2027			
	Total Debt	$2,502,000.00	

Subtractions		-182,000.00	Marina Fund payments will continue until paid off in 2031
		-341,000.00	TID # 1 payments will continue until paid off in 2031
Moodys upgrade in October of 2023 from A1 to Aa3		-500,000.00	Room Tax
Moodys upgrade in September 2024 from Aa3 to Aa2		-410,000.00	TID # 1 payments will continue until 2031 when Loan # 58 is paid off
			then those dollars can be used for payments
Because of our excellent credit rating the loans taken out in November of 2024 verses what was presented to the board in August of 2024 saved us $750,000 in interest		-335,000.00	PRAT funds will continue for the life of the loan
	Debt Levy	**$734,000.00**	**Actual debt levy in 2025 is $850,000.00**

Bhirdo explained the numbers reflected above are rounded for ease in calculating, but the actual debt levy for payment in 2026/2027 is $734,000, less than the $850,000 levied in 2024/2025. She feels that the board has not been fiscally irresponsible in their planning to address needed facilities due to their purchase of the waterfront properties, as has been the argument presented by the public. Moving forward with both the Mill Road Triangle and Administration Building projects now will not affect the debt levy.

Bell noted that he spoke with Fire Chief Hecht and learned that there has been no formal conversation with the fire department about what they might need at the former Logerquist property, knowing that there is the potential to put a station there at some point. He does not believe it is the right time to build an administration building, and feels the issue is more about gaining public trust than talking costs and interest rates. He is of the opinion that they should plan for what they really need at the former Logerquist property and sell the remaining property.

Bell then opened the meeting to public input and comments were shared by the following:

Richard Burress – 2340 Maple Dr - began by stating that he believes the village needs an administration building, but not on the former Logerquist property. He agreed with Bell that there is an air of suspicion in the village, but not necessarily regarding taxes. Burress noted that there are 14 different sites in the village to consider for the location of the administration building and suggested that a committee be formed to make a recommendation to the board with a proposed location. He believes the former Logerquist property should be sold.

Paula Anschutz – 1453 Appleport Rd - spoke in agreement with Burress. She felt that without an overall plan for the former Logerquist property, it is not the right place for an administration building.

Mike Laszkiewicz – 10873 N Bay Shore Dr – also spoke in agreement with Burress and stated the need to be more creative in finding efficient ways to create admin space. Laszkiewicz noted that there have been two substantial increases in property taxes recently and operating expenses are up, particularly at the wastewater treatment facility. While the wastewater plant is not funded by tax payments, it is the same group of taxpayers facing those costs. He believes it was smart of the board to pull back on this project until they weigh the impacts of the 2025 taxes.

Janal Suppanz – Village Administrative Assistant - read a prepared statement echoing her comments from a prior board meeting in which she outlined the numerous deficiencies of the existing administration building and expressed her disappointment that the building is again being delayed, as has been the case time and time again during her employment in Sister Bay.

Rodney Hedeen – Tavernier, FL – shared that he understands the need for a new building, but the reality is that there is a lot of debt. The expenses in Sister Bay are way beyond those of other villages and the Town of Liberty Grove, adding that Sister Bay is now 299% of the mill rate of Liberty Grove.

Mickie Mostardi – 10867 N Bay Shore Dr – also agreed that a new administration building is needed. However, the past purchase of the waterfront properties over their real value has created this large debt today. In addition, the purchase of the former Logerquist property came out of nowhere and the public was not informed. She recalled a conversation with Fire Chief Hecht in which he spoke of the need for a new fire department, but not in the immediate future. She went on to state that she witnessed several instances in which plans had been created and money spent on village projects that never were realized. She voiced the need for the village to plan and prioritize the use of the existing facilities that won't incur extraordinarily high debt.

Heidi Teich – Village Clerk – concurred with Suppanz's statement and noted that it appears there is no one here tonight to convince that a building is needed. However, she was disappointed that after over a year of planning, the project stops here. This is more disheartening given the fact that little to no maintenance has been done on the existing building in anticipation of a new facility being built.

Brigid White – 10774 N Bay Shore Dr – agreed with the suggestion by other village residents that time be taken to form a committee and explore other options for the location of an administrations building. If, after a few months, the committee finds no viable option then they could vote to move forward with the Stantec plan.

Trustee Bhirdo voiced her continuing support of the village's past purchase of the waterfront property to benefit the public with the full knowledge that they would suffer the financial consequences of that action. Baird was hired in 2017 to develop a long-term financial plan for the village, and over the past eight years they have worked diligently to pay down their debt to increase their borrowing capacity from $5 million at the time of the waterfront purchase, to $30 million today. The village is in a position where it can borrow for both the Mill Road Triangle project and the administration building, and Bhirdo is disheartened that there are many who feel the village debt is too high to accomplish these long-planned for projects.

Trustee Howson feels that one of the reasons they are debating this issue is that there are differing opinions on how much debt the village should carry. She agrees with White that they fast-track a study on existing facilities for the administration building.

Trustee Werner concurred with the idea of taking more time to consider the location of the administration building as she believed that was the original intent of the use of the former Wiltse property. She also asked the board to consider the expense of a new fire truck and emergency services radios at the County level if grant funding falls through.

Trustee Champeau stated that she asked for this reconsideration tonight because it will cost the village more money to delay the project, and the taxpayers will be further burdened in the future.

Trustee Orozco shared that she has been on the Parks, Property & Streets Committee that has been working on the administration building for the past couple of years, and that it is okay to stop and rethink their priorities.

Trustee Harff stated the administration building should be a priority, and it does not benefit them to reconstruct other spaces which could incur greater costs. It would serve staff best to have one space that allows them to work efficiently in one location, such as with elections administration.

Bell called for a motion to reconsider, and hearing none, closed the conversation on the administration building.

Agenda Item No. 6. Ordinances & Resolutions

a) Ord. 2025-001; Ch. 58; Parking Amendments

A recommendation was forwarded by the Parks, Property & Streets Committee, with input from the Marina Committee, to eliminate the long-term boat trailer storage area off Autumn Court and redesignate all marina parking to the lots along Scandia Road. Other miscellaneous amendments were made to Chapter 58 of the Municipal Code, as noted in the draft presented in the meeting packet.

A motion was made by Orozco, seconded by Howson to approve Ordinance 2025-001 which amends Sections 58.0601 and 58.0603 of the Village of Sister Bay Municipal Code as presented. Motion carried – all ayes.

b) Introduce Ord. 2025-002; Ch. 50; Health and Sanitation; Garbage Amendments

Schmelzer explained that there have been questions on the village's short-term rental (STR) ordinance pertaining to the requirement for door-to-door garbage removal. STR owners who only rent seasonally have asked to only pay seasonally for garbage service. This would require the contractor to continually update their service logs and scheduled routes when activating and deactivating various STR properties throughout the year. This would also leave the village unable to verify that the garbage service was active during the time any property rentals occur. Schmelzer has consulted with representatives of Going Garbage, and they would favor an annual contract to ease the burden on their drivers.

Werner spoke in favor of allowing seasonal service for STR owners, as she is able to do in the Village of Ephraim. She also felt the language of the proposed ordinance is unclear in that the service is a year-round requirement.

Bhirdo clarified that the village is still paying the cost of the garbage service for all residents, whether they utilize it weekly or not. Schmelzer added that the STR owners pay an additional fee of approximately $35/month to have the contractor walk up to the residence and collect the trash from the dwelling rather than the curb. This also eliminates the concern of cans being brought to the curb and left for days beyond the scheduled pick-up day, which results in many complaints calls to the village office.

Howson asked if this concern was only for the single-family homes in the village being operated as short-term rentals. Schmelzer replied affirmatively and added that she is still working with the contractor to ensure that those in multi-family dwellings have no issues.

A motion was made by Bhirdo, seconded by Harff to advance Ordinance 2025-002 to next month's board meeting for adoption. Motion carried 4-2, with Howson and Werner opposed. Champeau momentarily lost connection and was not present for the vote.

c) Introduce Ord. 2025-005; Ch. 62; Utility Code; Misc. Amendments

A recommendation was forwarded from the Sewer and Water Utility Committee to update several sections throughout Chapter 62 of the municipal code as presented in the draft provided. Barnes noted that the definitions have been updated, references to water meters have been added, as well as language pertaining to enforcement of hauler procedures.

A motion was made by Bell, seconded by Orozco to advance Ordinance 2025-005 to next month's agenda for adoption. Motion carried – all ayes.

Agenda Item No. 7. Discussion/Action Items

a) Development Agreement Amendment; Eagle Mechanical; State Highway 57

The village board previously approved a development agreement with Eagle Mechanical for a contractor and sales facility on State Highway 57. After the agreement was executed, additional changes were proposed to the siding and trim of the building, requiring an amendment to the original development agreement. A proposed amendment was included in the meeting packet.

A motion was made by Bhirdo, seconded by Howson to approve an amendment to the Development Agreement between the Village of Sister Bay and Eagle Mechanical for the contractor and sales facility to be constructed on Sister Bay Parcel 181-00-08312831H as presented. Motion carried – all ayes.

b) Intergovernmental Agreement; Membership; Fire Board

The Sister Bay Liberty Grove Fire Board has recommended a change in the membership of the commission to allow for the appointment of citizen members rather than village trustees. Bell noted that he would not personally recommend appointing a non-trustee, but the option would be available should the board choose to utilize it in the future. If the agreement included in the packet is approved, the board will need to adopt a related change to Chapter 23 of the municipal code which addresses the Fire Department and Fire Board. The Town of Liberty Grove has already approved this request of the Fire Board.

A motion was made by Howson, seconded by Werner to approve the intergovernmental agreement between the Village of Sister Bay and Town of Liberty Grove to allow the appointment of non-trustees to the Sister Bay Liberty Grove Fire Board as requested by the Fire Board as presented. A subsequent ordinance to update Chapter 23 of the Sister Bay Municipal Code reflecting this change will be presented at next month's meeting for adoption. Motion carried – all ayes.

c) Contract; Concession Stand Addition Design Services; McMahon

Schmelzer shared that there was an old agreement with the Sister Bay Bays baseball team that should water and sewer ever be available near the ball fields, an addition to the concession stand to add restrooms would be discussed. A sewer and water project is now planned through the sports complex. A grant was applied for, and awarded, in the amount of $75,000 to help offset costs associated with the construction of restrooms at the ball field.

A motion was made by Werner, seconded by Harff to approve a contract with McMahon Associates, Inc. for various design services for the construction of a restroom addition to the baseball field concession stand at the Sports Complex as presented. Motion carried – all ayes.

d) Contract; WWTP Facilities Study; McMahon

The Utility Committee received multiple responses to a Request for Proposals for facility operations and enhancements at the wastewater treatment plant. Of the responses received, the committee has recommended a contract with McMahon Associates, Inc. to provide the services described in the staff report included in the meeting packet.

Howson asked Barnes about the possibility of a shared facility with neighboring municipalities, particularly for sludge processing. Barnes responded that she has already met with Fish Creek, Egg Harbor and Ephraim on that issue and has plans to meet next with the City of Sturgeon Bay.

Bell asked if the footprint of the current plant would change as a result of this study. Barnes explained that the study requested 3 options for a sludge processing plant, and the committee will carefully review the options proposed to find what works best here.

Howson inquired on the source of population data when pursuing these kinds of project and Chad Olsen from McMahon responded that they do utilize data from the Department of Administration when doing population projections.

A motion was made by Bhirdo, seconded by Champeau to approve a contract with McMahon Associates, Inc. to complete a facilities study of the existing wastewater treatment plant and develop a capital improvement plan as presented. Motion carried – all ayes.

e) TID Information Requested by Board

Information on the Tax Incremental District #1 was included in the meeting packet, specifically the deadlines for possible extension of the TID timeline and sample resolution. Schmelzer explained that should the board wish to pursue an extension, a meeting of the TID Joint Review Board would need to be held. If an extension is approved, it would be for 3 years with a new termination date of 8/21/2031.

Howson shared that she looked for TID maps on the village's website and was unable to locate them. Schmelzer described the boundaries of TID #1 and provided some pros and cons of having these districts, such as the ability of the village to capture the tax increment of that district to help fund infrastructure. Currently, the village does not offer TID incentives to developers as other municipalities might. Bhirdo also noted that when the TID does close, the village will no longer have that worksheet (which delineates the money collected, and for use, in the TID) available for budgeting.

A brief discussion took place on when to consider an extension if the village wished to do so. The final 2024 audit will be completed by June 2025, and the recommendation by Baird was to request an extension in late 2025 or early 2026. Bhirdo suggested the request come in 2025 if possible.

f) Monthly Financial Report and Appropriations

The monthly financial statements were prepared and included in the meeting packet for the members to review. No questions were asked.

A motion was made by Bell, seconded by Orozco to pay the monthly bills in the amount of $2,739,992.18 as presented. Motion carried – all ayes.

h) Draft Letter; 2024 Tax Bills

Trustee Howson prepared a draft letter regarding the 2024 tax bills for review at the Finance Committee. President Bell requested the letter be discussed at the board level, and it was therefore included in the meeting packet. Howson explained that the Finance Committee received a draft press release from Schmelzer to comment on, and she felt that a letter would reach the public better than a press release in the paper.

After discussing the best way to disseminate this information to the public. It was ultimately decided that the letter be added to the village website and placed in the Peninsula Pulse as an advertisement. Werner requested that her contact information not appear in the ad as she is leaving office in April, and it was decided that all contacts should be made to the administration office.

It was the consensus of the board that the wording of the letter in paragraph five be clarified to read "We are committed to improving *communication* and will continue to keep you updated on how these funds are being utilized to benefit the community."

Howson indicated that she would revise the draft and see it gets forwarded to the Finance Committee members for a final review.

Agenda Item No. 8. Staff Reports

Staff Reports from the Public Works Department and Sewer and Water Utility were included in the meeting packet. No comments were shared.

Agenda Item No. 9. Committee Reports

Finance Committee: The Finance Committee has not met. Bhirdo asked if the committee would be available to meet in March and a date will be determined soon.

Fire Board: The Fire Board will next meet on February 27, 2025.

Ad Hoc Green Tier Legacy Community Committee: The Green Tier Legacy Community Committee has a meeting scheduled for February 19, 2025.

Historical Society: Minutes were not provided. Champeau reported that a $5000 donation came in for the Shadow, Henry Isaksen has been hired to draw plans for the boathouse museum, and they are looking to hire an administrator for the museum.

Housing Committee: Minutes of the January 7, 2025 Housing Committee and notes from the December 3, 2024 meeting were included in the packet.

Library Commission: Minutes of the January 13, 2025 meeting of the Library Commission were submitted. No additional comments were shared.

Marina Committee: The Marina Committee met on January 8, 2025, and minutes of that meeting were included in the packet. Werner stated that another meeting will take place on February 19, 2025.

Parking Committee: The Parking Committee has not yet met.

Parks, Property & Streets Committee: Minutes of the February 3, 2025 meeting of the Parks, Property & Streets Committee were included in the meeting packet. Bhirdo asked if the committee discussed the request from the Public Works Department to hold off on any hiring right now and what might happen if another full-time employee left. This has yet to be discussed.

Personnel Committee: Minutes from the February 5, 2025 meeting of the Personnel Committee were provided in the packet. Minutes of the February 12, 2025 Special Meeting were not available. Howson reported that they continue to work on committee bylaws and the Personnel Handbook.

Plan Commission: Minutes of the January 28, 2025 meeting of the Plan Commission were included in the meeting packet. No comments were shared.

SBAA: No minutes were provided. Orozco reported that the board has two new members, the budget for 2025 was approved, and she provided an update on the 2025 brochure.

Tourism Zone Commission: No minutes were provided. Howson reported that the next meeting is February 20, 2025.

Sewer and Water Utility Committee: Minutes of the February 11, 2025 meeting of the Sewer and Water Utility were included in the meeting packet. No additional comments were shared.

Village Hall Planning Task Force: The Village Hall Planning Task Force has not met recently.

A motion was made by Champeau, seconded by Orozco to approve the various committee reports as presented. Motion carried – all ayes.

Agenda Item No. 10. Matters to be placed on a future agenda or referred to a committee, official or employee

Bell asked anyone interested in joining a committee to explore a location for an administration building to send him an email, and the following people indicated interest this evening: Dick Burress, Jill Wiebe, Mike Laszkiewicz, and Lilly Orozco.

It was the consensus of the committee that the following items be included on the board meeting agenda for March:

- Creation of a committee to explore locations for an administration building
- Passage of an Ordinance amending Chapter 50; Health and Sanitation
- Passage of an Ordinance amending Chapter 62; Utility Code
- Passage of an Ordinance amending Chapter 23; Fire Department and Fire Board

The next meeting of the Village Board of Trustees will take place on Tuesday, March 25, 2025 at 6:00 P.M. The Plan Commission meeting regularly scheduled for that night will now take place on March 18, 2025 at 5:30 P.M. Champeau noted that she will not be available to attend the rescheduled Plan Commission meeting, and Werner noted she is not available for the board meeting. Bell thanked Werner for her service on the board, as this was then her last board meeting.

Agenda Item No. 11. Executive Session

a) Consider a motion to convene into Closed Session pursuant to Wis. Stats., §19.85(1)(b) to consider dismissal, demotion, licensing or discipline of any public employee or the investigation of charges against such person, and the taking of formal action on any such matter; provided that the public employee or person licensed is given actual notice of any evidentiary hearing which may be held prior to the final action being taken and of any meeting at which final action may be taken. Affected employee: Village Administrator.

At 8:15 P.M., a motion was made by Bell seconded by Champeau to convene into Closed Session pursuant to Wis. Stats., §19.85(1)(b) to consider dismissal, demotion, licensing or discipline of any public employee or the investigation of charges against such person, and the taking of formal action on any such matter; provided that the public employee or person licensed is given actual notice of any evidentiary hearing which may be held prior to the final action being taken and of any meeting at which final action may be taken. Affected employee: Village Administrator.

A roll call vote was taken on the motion, and the members voted in the following fashion:

Bhirdo – aye; Champeau – aye; Harff – aye; Howson – aye; Orozco – aye; Werner – aye; Bell – aye

Motion carried.

b) Motion to reconvene into Open Session

At 10:54 P.M. a motion was made Bell, Orozco to reconvene into open session. Again, a roll call vote was taken and the members voted in the following fashion:

Bhirdo – aye; Harff – aye; Howson – aye; Orozco – aye; Werner – aye; Bell – aye

Motion carried.

c) Motion for Action, if Appropriate

No motion was made as a result of the closed session.

Agenda Item No. 12 Adjourn

At 10:55 P.M. a motion was made by Orozco, seconded by Werner to adjourn the February 18, 2025 meeting of the Village Board of Trustees. Motion carried – all ayes.

Respectfully submitted,

Heidi Teich

Heidi Teich,
Village Clerk