VILLAGE BOARD OF TRUSTEES MEETING MINUTES

Tuesday, July 15, 2025
(Approved)

1. Call to Order

The meeting of the Sister Bay Village Board of Trustees was called to order by President Nate Bell at 6:00 P.M.

2. Roll Call

Present: President Bell and trustees Denise Bhirdo, Louise Howson, Chad Kodanko, Brigid White, Kurt Harff and Patrice Champeau.

Staff: Village Administrator Julie Schmelzer, Utilities Director Megan Barnes, Parks & Streets Director Erik Linczmaier, Marina Manager Dave Lienau, Administrative Assistant Sarah Bertges and Village Clerk Susan Clarke.

Others: Laurie Harff, John Blossom, Brian Peters, Allen and Alana Gokey, Julie Gilbert, Juliana Behme, Jerry Phelps, Ken Pabich, Jason Rouer, Ashley DeGrave, Karl Fauerbach, Bill Woodward, Jeannie Hoffman, Richard Hoffman, Jeb Saelens, Skip Heidler, Dick Burress, Rick Dahlstrom, Jill Gohdes Wiebe, Ellie Soderberg-Guger, Erin Peddle, James Bertram, Sarah Lawrenz, Vivian Nienow, John Lijewski, Laurie Zelnio.

3. Approve Agenda

Bell requested to amend the agenda to alter the order of items discussed in executive session. He also requested to remove agenda item 8e regarding the Operational Agreement and Lease with the Historical Society for the Marina Boathouse.

Motion by Howson, seconded by Harff, to approve the agenda as amended. Motion carried – all ayes.

4. Approve Meeting Minutes: June 17, 2025

Bhirdo noted several corrections to the minutes:

- On page 2, line 28, she did not believe she voted yes for that item
- On page 4, line 30, regarding the concession stand bids, she suggested it should be called "bathrooms" instead of "concession stand"
- On page 4, line 43, she noted the wording was strange regarding Susan Clarke being hired
- On page 7, line 26, "McAvoy's" was spelled incorrectly and should include an "e"
- She questioned whether the liquor license approvals included correcting all the errors on the applications she had identified

Nesbitt noted on page 4, line 8, there appeared to be a text amendment issue.

Motion by Bell, seconded by Kodanko, to approve the minutes as amended. Motion carried – all ayes.

5. Comments, Correspondence and Concerns from the Public

Champeau read a letter addressed to the board regarding Bell excluding her from the previous month's executive session because she was attending via Zoom due to a severe eye infection. She stated that according to Wisconsin State Statutes 19.89, a village president is not allowed to exclude any board member from a meeting, whether in person or via electronic Zoom, in open or executive session. She expressed concern that the action made her appear untrustworthy and silenced her voice as a board member.

Laurel Harff spoke regarding Vivian Nienow's letter about garbage cans and her attached Short-Term Rental (STR). She requested the village make an exception to the STR garbage pickup requirements for the Nienows as they are the only couple in Sister Bay that live in the same home year-round with an STR attached. She noted they pay for garbage pickup through their property taxes, and charging them an additional monthly fee year-round to pick up the same carts seems unfair.

Schmelzer reported several letters were received:

- A letter from the library
- A letter from the Beyers that would be discussed later on the agenda
- Vivian Nienow's letter that Laurel Harff referenced
- Correspondence regarding the Gokey property
- Late correspondence regarding the Hoffman property, including photos from Mr. Hoffman

6. Presentations

a. Tourism Update; Julie Gilbert, DDC & Juliana Behme, DCTZC

Juliana Behme presented data regarding Sister Bay's lodging units compared to the rest of Door County. She noted Sister Bay has seen the most growth percentagewise in the condo category compared to other municipalities, with a 32% increase in the cottages, cabins, and homes category over the past six years. She reported that Sister Bay has not lost as many resort units as other municipalities and maintains a high ratio of traditional lodging compared to the rest of the county.

Ms. Behme also shared data about property ownership, noting that approximately 24% of STR permit holders in Sister Bay have their primary mailing address in Door County, which is lower than the county average of 33%. However, 78% of all permit holders have their primary address in Wisconsin, followed by 11.5% in Illinois and 3% in Minnesota.

Regarding occupancy and revenue, Ms. Behme reported that Sister Bay is down by about 5.4% in revenues so far this year, with a decrease in occupancy over the past couple of years, partly due to additional units coming on the market and a decrease in rented unit nights.

Julie Gilbert then distributed information to the Board and presented about the tourism impact in Door County, reporting that the visitor economy generated a record $651.2 million in total economic impact, with direct visitor spending totaling $523.2 million, supporting more than 3,500 local jobs and contributing $53.3 million in state and local taxes.

Ms. Gilbert highlighted several projects funded through the Community Investment Fund, including:

- $90,000 awarded to Sister Bay for a multi-jurisdictional trail
- $48,489 for the purchase of a shuttle bus
- $75,000 to build an ADA accessible restroom at Sister Bay Beach

She also discussed sustainability initiatives, including efforts to reduce single-use plastics, expand composting and recycling, and offer free hydration at community events. Ms. Gilbert mentioned the Heritage Trail Pass that features 28 cultural and historic sites across the county, which already has over 600 users since its launch in early June.

Howson inquired about current retail sales data, and Ms. Gilbert indicated they receive VisaView data quarterly, but that talking to businesses suggests some retail struggles, though the patterns are inconsistent across different regions.

b. County Update; Ken Pabich, County Administrator

County Administrator Ken Pabich introduced Jeb Saelens, Director of Emergency Management for Door County, who shared a pamphlet and discussed the county's new emergency alerting system called "Door County Ready," which replaced the previous Code Red system. Mr. Saelens requested that the village update its website to reference the new system instead of Code Red.

Mr. Saelens also mentioned the county's hazard mitigation plan update, which is currently on hold due to federal funding issues. He encouraged the village to develop emergency operation plans for major events and to designate a local emergency manager who could be contacted during emergencies.

Ashley DeGrave, Technology Services Project Manager, provided an update on the county's communications project upgrade. She explained that the county is moving from a VHF system to a P25 APCO 7/800 megahertz system, which provides dedicated frequencies for public safety and reduces interference.

Ms. DeGrave shared a map and presented the system design, which would use existing infrastructure and add eight additional sites. She reported that the county judiciary public safety, finance, and admin committee recommended that the county fund the purchase of subscriber radios, with municipalities only responsible for preventative maintenance costs of $32.50 per device per year.

Bell expressed concerns about potential interference issues with commercial tower sites. Jason Rouer explained that the new 800 MHz frequency band would be less susceptible to interference than the current VHF system, and that public safety operations take priority when sharing towers.

c. Ad Hoc Village Administration Building Review Task Force; Final Report; Dick Burress, Task Force Chair

Dick Burress presented the final report from the Ad Hoc Village Administration Building Review Task Force. He noted that the committee was not unanimous in its final determination and that their job was not to determine the size of the building or whether it would fit on a specific property, but to identify the best site for the building.

Mr. Burress reported that the committee identified 23 points of consideration and ranked their top five as follows:

- Is the property currently served by sewer and water? (25 points)
- Is the property owned by the village? (20 points)
- Overall cost of the project (20 points)
- Does the property exhibit good ingress and egress? (7 points)
- Would the parking lot be multi-use? (9 points)

Bhirdo clarified that the chambers in the proposed plan are the same size as the current meeting room at the fire station, designed for 75 people, not 150 as previously mentioned. She also explained that the proposed 8,000 square foot building was not actually 8000 square feet in that it included the dimensions of the front porch, and added the building was sized for current and future office space needs, a meeting room, an executive session room, and a small kitchen for staff. She also reminded the board that the former Logerquist site was one of the top two sites recommended by the task force, so it should not be excluded from considerations.

The board discussed the old parks maintenance building property and the benefit of building on the site, but also discussed the challenges and negative aspects.

Kodanko expressed concerns about spending $4 million on the new parks building and an additional $3 million on the proposed administration building. Bhirdo noted that she had previously presented financial information showing how the projects could be funded without raising taxes. Kodanko requested Bhirdo present her information again at the next meeting. By consensus the board agreed to schedule a presentation by Bhirdo at next month's meeting to explain the village’s debt and financial plan for the administration building.

Motion by Howson, seconded by Kodanko, to accept the report from the Ad Hoc Village Administration Building Review Task Force. Motion carried – all ayes.

7. Resolutions

a. Res. 2025-020; Creating a Technology and Telecommunications Committee

Bell explained that he proposed creating this committee after examining some technological issues at the village that didn't make sense to him. He noted that the proper way to set direction would be through a committee making recommendations to staff and the board.

He provided an example of finding two different Wi-Fi systems at the Marina, one of which had been unplugged and replaced entirely rather than being augmented. He also noted concerns about the village's dependence on Charter for connectivity and the fiber outages that have occurred.

Discussion focused on whether trustees should serve on the committee, with Bell noting his draft indicated no requirement but agreeing that trustee representation would be important for communication. Kodanko supported having people with technical expertise on the committee to help with direction and decision-making.

Schmelzer clarified that the committee would develop a strategic plan for technology, create recommendations for vendors, and address cybersecurity concerns, which the village currently lacks.

Motion by Howson, seconded by Kodanko, to create a Technology and Telecommunications Committee with one board member and two stakeholders. Motion carried – all ayes.

b. Res. 2025-021; Amending Bylaws to Create a Technology and Telecommunications Committee

This resolution was presented to amend the village bylaws to include the newly created Technology and Telecommunications Committee.

Motion by Howson, seconded by White, to amend the bylaws for the Technology Committee as amended to include one board member. Motion carried – all ayes.

8. Discussion/Action Items

a. Conditional Use Permit; Nonconforming Structure Addition; Karl Fauerbach; 10885 N Bay Shore Dr.

Schmelzer presented a conditional use permit application that had been recommended for approval by the Plan Commission with one condition regarding a shed on the property. She noted that Mr. Fauerbach was present to answer any questions.

Motion by Howson, seconded by Champeau, to approve the conditional use permit for Karl Fauerbach at 10885 N Bay Shore Dr. Motion carried – all ayes.

b. Development Agreement; 11 Unit Hotel with Manager's Unit; Hoffman Family's Investment Properties, LLC (Richard & Jeannie Hoffman); Chalet Lane

Schmelzer explained that this project was previously approved, but the development agreement had expired before a permit could be issued and construction begin. The applicant had returned with the same plans, with the only change being that one of the hotel units would now be a manager's quarters. The Plan Commission had recommended approval to the board.

A concern was raised about the height of the building exceeding the 35-foot limit, measuring approximately 43.3 feet at its tallest point. Skip Heiler, a Plan Commission member, had submitted a letter expressing concerns about the height and was present to offer comments on his concerns.

Attorney Woodward, representing the Hoffmans, argued that they were vested in the original approval and that the height had been approved in the original process. Village Attorney Nesbitt advised that since the Plan Commission had already approved the project, attempting to backtrack could create legal liability for the village.

Several trustees expressed concerns about the building height but acknowledged that the previous approval created a challenging situation. It was noted that delays in the project were partly due to road width requirements that later changed, which had prevented the Hoffmans from proceeding immediately.

Motion by White, seconded by Kodanko, to approve the development agreement. Motion carried by roll call vote: Bell-Aye, Champeau-Aye, Harff- Aye, Kodanko- Aye, White- Aye, Howson- Aye, Bhirdo-Abstain.

c. Development Agreement Amendment; Completion Deadline Extension; Luna View, c/o Al Gokey; 2399 Maple Dr.

Schmelzer explained that Mr. Gokey's development agreement had expired, and he was seeking an extension. The Plan Commission had referred the matter back to the board and requested input from neighbors.

Letters were received from nearby property owners, including Sister Bluff Estates and the Yacht Club, expressing concerns about noise, construction activities, and runoff control. The Yacht Club requested specific timelines for completion of various aspects of the project and limitations on construction hours.

Kodanko expressed frustration with ongoing issues at the site, including illegal parking of construction vehicles and early morning construction noise. Mr. Gokey apologized for the disruptions and explained the challenges of coordinating deliveries and construction activities.

Motion by White, seconded by Bhirdo, to amend the development agreement to allow outdoor work to resume after Fall Fest following the normal guidelines in the development agreement, with the entire project to be completed by the end of 2025. Motion carried – all ayes.

d. Crop Agreement; Jim Seaquist; Former Wiltse Property

Schmelzer presented a crop agreement allowing Jim Seaquist to maintain cherry trees on village property. Bell raised concerns about arsenic contamination in the soil from a former mixing station and questioned whether harvesting fruit from contaminated soil created liability issues for the village.

Schmelzer confirmed that the majority of the cherry trees were not in the contaminated area but agreed that Seaquist should be informed about the contamination. Board members discussed the need to amend the contract to explicitly acknowledge the arsenic issue.

Motion by Kodanko, seconded by Bhirdo, to approve the crop agreement and to ensure Seaquist is made aware of the arsenic contamination. Motion carried – 6-1, with Bell opposed.

e. Operational Agreement and Lease; Historical Society; Marina Boathouse at 10697 N Bay Shore Dr.

[This item was removed from the agenda earlier in the meeting.]

f. Appraisal Request; Post Office Property

Schmelzer explained that the village needs to renew its lease with the post office. The Parks Committee recommended getting an appraisal of the property's rent value, as they believe it may be worth more than the leasing agent is suggesting. Currently, the post office pays approximately $17,713.75 per month (about 80 cents per square foot) in rent.

Trustees discussed the potential cost of an appraisal, noting that a previous appraisal for a different property cost about $1,000. They agreed that having an accurate appraisal would be valuable for lease negotiations and potential future discussions about the property.

Motion by Bhirdo, seconded by Kodanko, to approve an appraisal of the post office property with a cap of $2,500. Motion carried – all ayes.

g. Plan Commission Fees

The board briefly discussed Plan Commission fees, particularly the $500 courtesy review fee that was raised as a concern regarding Happy Coffee's signage issue. Schmelzer noted that the Plan Commission would be reviewing all fees at their next meeting before presenting recommendations to the board.

h. May-June Enforcement Actions

The board discussed enforcement actions taken by the village's Code Compliance Officer, focusing on two specific cases:

- Happy Coffee: Howson questioned why the owner was not properly informed about signage violations and did not receive responses to her questions. Bhirdo explained that as Plan Commission chair, she had seen the signage and inquired whether a permit had been issued. Schmelzer explained the technical differences between the old and new sandwich board signs, noting that the new sign did not comply with material requirements and did not have changeable text. She also shared a detailed timeline of events explaining the efforts staff took to obtain compliance.
- Beyer Property: Discussion centered on a $767.50 citation issued to property owners for parking on their own grass. Kodanko strongly objected to the high fine amount compared to the $55 fine for regular parking citations. Schmelzer explained that the citation was mistakenly issued under the Short-Term Rental code rather than regular zoning code, and that the Code Compliance Officer had first provided a warning before issuing the citation when the violation continued, adding a zoning citation was still several hundred dollars.

Schmelzer reminded the board that staff was directed to issue citations to short-term rental owners for their violations, and now requesting them not to enforce the code, was sending conflicting messages to staff. The board agreed to add a future agenda item to discuss enforcement processes and fee structures to provide clearer direction to staff.

i. Monthly Financial Report and Appropriations

The board reviewed the monthly financial report.

Motion by Bell, seconded by Kodanko, to pay bills in the amount of $174,627.10. Motion carried – all ayes.

9. Staff Reports

Schmelzer reported on several items:

- The vandalism of stop signs over the weekend
- The Dorr Hotel's decision not to proceed with the previously approved sprinkler contract
- Zaza's Pizzeria decision to comply with the tree planting requirements as originally approved by the board

10. Committee Reports

The board reviewed committee reports and discussed several items:

- Marina Committee: Kodanko was not listed as absent or excused in the minutes but clarified he missed the meeting due to not checking his village email in time
- Parks, Properties, and Streets Committee: Howson provided information about the historical sign planned for the marina area
- Fire Board: Bhirdo questioned the motion to sell unused equipment and pay the individual completing the process 10% of the proceeds
- Library Board: Bell asked about a potential conflict of interest with the chair’s husband being hired

Motion by Howson, seconded by Harff, to accept the committee reports. Motion carried – all ayes.

11. Matters to be Placed on a Future Agenda or Referred to a Committee, Official or Employee

Items to be placed on future agendas included:

- A review of the enforcement processes and associated citation schedule
- Update on the administration building funding, including Bhirdo's debt presentation
- The Board agreed to refer the administration building location to the Parks Committee for further consideration along with the Knowles Nelson Stewardship grant issue discussed at previous meetings

12. Executive Session

a. Adjourn to Closed Session

Motion by Bell, second by Howson, to go into closed session pursuant to Wisconsin statute 19.85(1)(g) to confer with legal counsel for the governmental body who is rendering oral or legal advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, specifically, cases regarding the Town of Liberty Grove; Hunter and Jessica Clinton, et al; Adam and Brigid White, Bertram Communications, and Preserving Foundations/Paula Anschutz. Roll call vote: Bell-Aye, Bhirdo – Aye, Champeau-Aye, Harff- Aye, Kodanko- Aye, White-Aye, Howson- Aye.

b. Reconvene into Open Session

Motion by Bell to exit closed session; second by Kodanko. Roll Call Vote: Bell – Yes, Bhirdo – Yes, Howson – Yes, Harff – Yes, White – Yes, Kodanko – Yes, Champeau – Absent. Noted: Champeau had to leave early.

c. Motion or Action, as Appropriate

1. In regard to the Clinton and White case, motion by Howson to advise legal counsel to take actions consistent with discussion in closed session; second by Kodanko. Motion carried – all ayes.
2. Motion by Kodanko to request Bertram revise their schedule and bring the agenda item next month; second by Howson. Motion carried; 5-0 aye, with Bell abstaining.

In that the Board was not able to get through all items in closed session, they determined an additional meeting would be needed to discuss the Preserving Foundations matter. A meeting was scheduled for July 21, 2025, between 1:00 and 3:00, the meeting time pending confirmation from Bhirdo that she would be available. Motion carried – all ayes.

13. Adjourn

Motion to adjourn by White, second by Kodanko. Motion carried – all ayes. The meeting adjourned at 10:25 p.m.

Respectfully submitted by Sarah Bertges, Administrative Assistant