

CITY OF EDGERTON  
REGULAR COMMON COUNCIL MEETING  
EDGERTON CITY HALL, COUNCIL CHAMBERS  
12 ALBION STREET

Monday, May 20, 2019 at 7:00 p.m.

1. Call to order; Roll call
2. Pledge of Allegiance.
3. Confirmation of appropriate meeting notice posted on Friday, May 17, 2019.
4. Council acceptance of agenda.
5. Personal appearances for non-agenda items limited to 3 minutes.
  - A. The public will be allowed to speak on agenda items during the meeting.
6. Minutes:
  - A. Consider approval of minutes from May 6, 2019 Council meeting.
  - B. Consider approval of minutes from May 13, 2019 Jt. Council and RDA meeting.
7. Committee Reports:
  - A. Finance Committee:
    1. Consider approval of bills and payroll vouchers.
    2. Consider approval of licenses.
      - a. Consider Operator's Licenses for Megan Luchsinger and Katie Crisp.
      - b. Consider new Cigarette and Tobacco Retail License for K and B LLC dba Hotspot Liquor & Smokes, 611 N Main St.
    3. Consider approval of Tax Collection Agreement with Rock County.
    4. Consider awarding bid for Sweeney Rd project.
    5. Consider addendum to Cedar Corporation's agreement for the Racetrack Park ball diamond layout.
    6. Consider addendum to Cedar Corporation's agreement for the design reconstruction of S. Main St, WDOT Project.
  - B. Utility Commission:
    1. Report on discussion and action taken at previous meeting, future agenda items and upcoming scheduled meetings.
8. Consider amending purchase agreement for 407 N. Main St.
9. Discuss and consider creation of a tourism zone.
10. Mayor, alderperson and staff reports.
11. Adjourn.

Notice: If a person with a disability requires that the meeting be accessible or that materials at the meeting be in an accessible format, call the City Administrator's office at least 6 hours prior to the meeting to request adequate accommodations. Telephone: (608) 884-3341.

**May 6, 2019 COMMON COUNCIL MEETING MINUTES  
CITY OF EDGERTON**

Mayor Christopher Lund called the meeting to order at 7:00 p.m.

Present: Sarah Braun, David Esau, Candy Davis, Debbie Olson, Anne Radtke and Jim Burdick

Others Present: City Administrator Ramona Flanigan, Public Works Director Tom Hartzell, City Clerk-Treasurer Cindy Hegglund, Utility Director Randy Oren, City Attorney Bill Morgan, Police Chief Bob Kowalski, Library Director Kirsten Almo, Fire Chief Randy Pickering, Basant Kumar from Hot Spot Liquors & Smokes, The Edgerton reporter and a few citizens.

Hegglund confirmed the meeting agendas were properly posted on Friday, May 3, 2019 at the Post Office, Edgerton Library and City Hall.

**ACCEPT THE AGENDA:** A Candy Davis/Debbie Olson motion to accept the agenda as presented passed, all voted in favor.

**PUBLIC HEARING:** The Council held a public hearing to hear comments regarding the 2019 Sidewalk Replacement Project which includes the replacing non-compliant sidewalks in the area east of Highway 51.

Hearing no comments, the Mayor closed the public hearing.

**RESOLUTION 14-19:** A Candy Davis/Sarah Braun motion to set the interest rate for the 2019 Sidewalk Replacement Project at 3.75%.

A Debbie Olson/Candy Davis motion to set a five-year term for special assessments for the sidewalk project with a \$200 minimum passed on a 6/0 roll call vote.

A Candy Davis/Sarah Braun motion to adopt City of Edgerton Resolution 14-19: Preliminary resolution declaring the City Council's intentions for the 2019 Sidewalk Replacement Project to exercise special assessment police powers under Sec 66.0703 Wis. Stats. passed on a 6/0 roll call vote.

**MINUTES:** A Candy Davis/Sarah Braun motion to approve the minutes from the April 15, 2019 Common Council meeting passed, all voted in favor.

A Candy Davis/Anne Radtke motion to approve the minutes from the April 16, 2019 Re-organizational Council meeting passed, all voted in favor.

A Candy Davis/Sarah Braun motion to approve the minutes from the April 22, 2019 Special Council meeting passed, all voted in favor.

**COMMITTEE REPORTS:**

**Finance Committee:** A Candy Davis/David Esau motion to approve the bills and payroll list in the amount of \$153,942.65 passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to approve an Operator's License for Connor Foley provided he pays the \$374 owed to the City passed on a 6/0 roll call vote.

The Council discuss the application for a new "Class A" combination liquor license at 611 N Main St. Olson inquired on what kind of store the owner would be running. She felt she was led to believe the store would be a convenience store not a liquor store. She does not want another liquor and/or tobacco shop on the Hwy 51 corridor.

Randip Pal Singh, owner of Game Day liquor, stated he does not feel the City need another liquor store in this size community. He does not want the competition for his store. He is against issuing this license.

Barb Gausman, 311 Randolph St, stated she is representing the Healthy Edgerton Coalition. Their mission is to create a community environment that reduces the use of alcohol and other tobacco products. They are concerned about the products that will be sold such as tobacco products and vape pens. The group would like to see this license denied.

Mrs. Kumar, owner of Hotspot Liquor & Smokes, said she understands the health risks but feels people are going to buy these products no matter how many stores are available. She understands that it would be competition for Game Day Liquor and feels it is her right to run a business if there is a license available. She reported the tobacco she will sell in her establishment will be legal and there will be no illegal drugs for sale in her store.

Mahesh Sukheja, member of K and B LLC, stated he also ran a store in Mukwonago and was never sited for selling to anyone underage. He and his family are moving to Edgerton and he has teenage children. He takes underage drinking very seriously.

David Esau stated he feels adding another liquor store will not make liquor more available to underage kids. He says it is not available to kids because it is regulated. He commended the Healthy Edgerton group in making the community and its children aware of the issues of underage drinking and smoking tobacco, but he does not feel that opening another establishment will make the problem worse.

Barb Gausman asked if there would be any products sold that would entice underage kids to the store such as snacks and soda. Mrs. Kumar stated that only liquor and tobacco will be sold at this time.

A Candy Davis/David Esau motion to approve a "Class A" Combination Liquor License for K and B LLC dba Hotspot Liquor & Smokes at 611 N Main St, Basant Kumar agent passed on a 4/2 roll call vote. Debbie Olson and Ann Radtke voted against the motion.

A Candy Davis/David Esau motion to approve an events packet and waive the fees for the Edgerton Kids Fishing Derby passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to approve an events packet and waive the fees for the Edgerton Clay Day Pottery Festival and Art Fair passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to award the bid for S. Main St paving to Payne and Dolan in the amount of \$38,700 passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to pay the shortfall for the S. Main St paving project by taking ½ of the amount from the DPW Street Maintenance fund and ½ from the General Fund surplus passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to declare the old speed trailer as surplus passed on a 6/0 roll call vote.

A Candy Davis/Anne Radtke motion to approve the purchase of a speed collection device from Stalker Radar in the amount of \$3,106.98 passed on a 6/0 roll call vote.

A Candy Davis/Sarah Braun motion to approve the write-off of unpaid 2006 taxes in the amount of \$14.63 passed on a 6/0 roll call vote.

A Candy Davis/Debbie Olson motion to adopt City of Edgerton Resolution 13-19: Updating Wisconsin Public Employer's Group Health Insurance Program passed on a 6/0 roll call vote.

A Candy Davis/Sarah Braun motion to adopt the City of Edgerton Financial Policy passed on a 6/0 roll call vote.

**Plan Commission:** An Anne Radtke/Candy Davis motion to approve an extraterritorial land division for Fox LLC, N. Goede Rd, Section 1, Town of Fulton (2019 016) passed, all voted in favor.

**COMMUNITY DEVELOPMENT BLOCK GRANT REQUIREMENTS:** A Candy Davis/Debbie Olson motion to approve the second reading and adopt City of Edgerton Ordinance 19-05: Amending Section 21.13 "Fair and Open Housing" passed on a 6/0 roll call vote.

A Debbie Olson/Sarah Braun motion to adopt City of Edgerton Resolution 12-19: Resolution to Adopt a Fair Housing Ordinance passed on a 6/0 roll call vote.

An Anne Radtke/Debbie Olson motion to adopt City of Edgerton Resolution 09-19: Authorizing Resolution to Commit Matching Funds passed on a 6/0 roll call vote.

A Candy Davis/David Esau motion to adopt City of Edgerton Resolution 10-19: Authorizing Resolution for the Submission of a Community Development Block Grant Application passed on a 6/0 roll call vote.

**COMMITTEE APPOINTMENTS:** A Sarah Braun/David Esau motion to approve the Mayor's recommendation to appoint Casey Langan to the Historic Preservation Commission passed, all voted in favor.

**POLICE WEEK DECLARATION:** A Jim Burdick/Anne Radtke motion to declare the week of May 12-18 as Police Week passed on a 6/0 roll call vote.

Being no other business before the Council, a Candy Davis/David Esau motion to adjourn passed, all voted in favor.

Cindy Hegglund/wl  
City Clerk-Treasurer

Adopted May 20, 2019

**MAY 13, 2019 JOINT COMMON COUNCIL  
AND RDA MEETING MINUTES  
CITY OF EDGERTON**

Mayor Christopher Lund called the Council to order at 6:00 p.m.

Present: David Esau, Candy Davis, Debbie Olson, and Ann Radtke.

Excused: Sarah Braun and Jim Burdick.

Chair Jim Kapellen called the RDA to order at 6:00 p.m.

Present: Chris Lund, Candy Davis, Jim Kapellen, Ron Webb, and Kevin Slagg.

Excused: Jason Price. Absent: Terry Dickinson and Jim Schultz.

Others Present: City Administrator Ramona Flanigan, Public Works Director Tom Hartzell, and Utility Director Randy Oren.

Flanigan confirmed the meeting agendas were properly posted on Friday, May 10th at the Post Office, Edgerton Library and City Hall.

**CLOSED SESSION:** Candy Davis/David Esau moved for the Council and Chris Lund/Ron Webb moved for the RDA to go into closed session pursuant to Wis. Stat. 19.85(1)(e) "Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session." Discuss and consider property acquisition.

The motion passed Council on a 4/0 roll call vote.

The motion passed RDA on a 5/0 roll call vote.

Being no other business before the Council, a Candy Davis/Debbie Olson motion to adjourn passed, all voted in favor.

Being no other business before the RDA, a Kevin Slagg/Ron Webb motion to adjourn passed, all voted in favor.

Cindy Heggland  
City Clerk-Treasurer

Adopted by RDA

Adopted by Council on May 20, 2019

# Memo

**To:** Common Council  
**From:** Staff  
**Date:** 5/17/2019  
**Re:** May 20, 2019 Meeting

---

**Purchase Agreement for 407 N Main Street:** Attached is an amended purchase agreement for 407 N Main Street. The amendment permits the City to remediate all hazards inside the building and to raze the structure with the assistance of a grant from the WEDC.

**Cedar Contract for S Main Street design:** Attached is a contract with Cedar Corp for the design of the street portion of the S Main Street project. Staff submitted the contract to the DOT staff in an effort to ensure the contract covers all the requirements of a DOT project (which are more than a city funded street project) and to verify the costs are in line with projects of this type. The DOT indicated that the costs are lower than they typically see. This may be due to the fact that the City has already paid for the survey work and some of the storm sewer design work as part of the utility work the city will undertake in 2021. The contract does not include the costs associated with the acquisition of the all easements.

**Tourism:** A group of volunteers has been working on the creation of a Tourism Zone that would include the City of Edgerton and the Towns of Fulton and Albion. A Tourism Zone is a geographic area in which a room tax is collected on overnight lodging. The tax revenue is used to support tourism marketing to benefit the Zone. The Towns of Albion and Fulton have heard the presentation of the proposed Tourism Zone and have recommended the group promoting the creation of the Zone begin the formal adoption process. The City Council will hear about the proposal at Monday's meeting (See attached background information.)

## **Tourism Zone**

### **What is it?**

"Zone" means an area made up of 2 or more municipalities that, those municipalities agree, is a single destination as perceived by the traveling public.

### **How is it Created?**

A "Tourism Zone" is created by an ordinance adopted by all the municipalities in the zone.

### **How is it governed?**

A "Tourism Commission" is created by the municipalities, with one member from each municipality in which annual room tax collections are \$300,000 or less. Two additional members, who represent the Wisconsin hotel and motel industry, are appointed to the commission by the chairperson of the commission for a one-year term and may be reappointed.

### **How does the "Tourism Commission" work?**

Required Actions:

1. The municipalities enter into a contract to create a commission.
2. The Commission meets regularly, and from among its members, elects a chairperson, vice chairperson, and secretary.
3. Each municipality in the zone has to levy the same percentage of tax. If the municipalities are unable to agree on the percentage of tax for the zone, the commission shall set the percentage. The percentage of the tax can be up to 8%.
4. The Commission must contract with one tourism entity from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.
5. If no tourism entity exists in any of the municipalities in the zone the commission must contract with another organization in the zone to perform the functions of the tourism entity.
6. The Commission must use the room tax revenue that it receives for tourism promotion and tourism development (as defined in the statute) in the zone.
7. The Commission must report annually to each municipality from which it receives room tax revenue the purposes for which the revenues were spent.
8. The Commission must not use any of the room tax revenue to construct or develop a lodging facility.
9. The Commission must monitor the collection of room taxes from each municipality in the zone that has a room tax.
10. The Commission must report any delinquencies or inaccurate reporting to the municipality that is due the tax.

### **What is the "Tourism Entity"?**

An existing entity that fits the definition of “Tourism Entity” must have achieved all of the following:

- Official classification by the IRS as a non-profit organization by January 1, 2015 (Note: governmental agencies have a different classification)
- Spends a minimum of 51% of the entity’s revenue on tourism promotion and tourism development (as per the statutory definition)
- Provides destination marketing staff and services for the tourism industry in a municipality. (Note: with this definition, a Tourism Entity may service more than one municipality, and does not need to be located in each municipality it services).

### **How would this work?**

After passing the ordinance to impose the “Room Tax” and create a “Tourism Commission”. each Town Board Chair and City Mayor would appoint a Representative to the “Tourism Commission”. The respective boards and council would have to confirm these appointments.

The three “Tourism Commission” members would meet and elect a Chair, Vice-Chair, and a Secretary. The Chair would then appoint two representatives from the hotel and Motel industry to the “Tourism Commission” .

The “Tourism Commission” would then contract with one “Tourism Entity” from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.

The \_\_\_\_% “Room Tax” would be collected by the Lodging Operators and paid quarterly to the Town Clerk/Treasurer and the City Clerk/Treasurer. The Clerk/Treasurer would then send \_\_\_\_% of the total collected to the “Tourism Entity”. The Clerk/Treasurer would return \_\_\_\_% of the total collected to each Lodging Operator(s) to cover processing fees. Up to 30% of the total tax collected could be retained by each municipality for general purpose use.

### **What Actions are Required:**

Decision to enact an ordinance creating a “Tourism Zone” and enacting a “Room Tax”.

Decision on the percentage of the “Room Tax”. (Maximum 8%, 5% recommended)

Decision on coverage of the “Room Tax”. (Does it apply to Vacation Rental Houses etc.)

Decision on what percentage of the tax proceeds collected from the Lodging Operators will be returned to the Lodging Operators to cover processing costs. (2% recommended)

Decision on what percentage of the tax proceeds collected from the Lodging Operators the municipality keeps. (Maximum 30%) Each municipality can set its own percentage. Municipal revenue is a general purpose revenue that does not have to be spent on tourism.

Decision on the “Tourism Entity” (Edgerton Area Chamber of Commerce recommended)

### **Estimated Annual Revenue based on 5% tax:**



Table 1

Tourism District	Name	Owner	Ave fee/night	# of Rooms	days open/ Occupncy Rate	Total
608-884-8484	Coachman's	Mark & Theresa Johnson	\$101.00	61	214/60%	\$791,072.00
262-664-9533	Quality Inn	Sagar Patel	\$78.00	50	365/60%	\$750,000.00
608-449-9108	Towne Edge	Gurdial Dhillon	\$63.00	16	365/60%	\$220,752.00
		5%		2%	68%	30%
<b>Room Tax 5%</b>	Coachman's	\$39,550.00		\$791.00	\$26,984.00	\$11,865.00
	Quality Inn	\$37,500.00		\$750.00	\$22,500.00	\$11,250.00
	Towne Edge	\$11,000.00		\$220.00	\$7,480.00	\$3,300.00
<b>Totals</b>		<b>\$88,050.00</b>		<b>\$1,761.00</b>	<b>\$56,964.00</b>	<b>\$26415.00</b>