

COMMON COUNCIL
March 20, 2012

A meeting of the Common Council was called to order at 7:00 p.m. by Mayor Birmingham. The Pledge of Allegiance was recited. Roll call: Ald. Wiegand, Vandertie, Lodi, Abeyta, Stutting, Fett and Schlicht were present.

Schlicht/Fett to adopt agenda moving item 7i from the consent agenda to the regular agenda and removing Item 9 from the agenda. Carried.

Abeyta/Schlicht to approve bills: General Fund – \$288,555.82, Capital Fund - \$355.00, TID #2 - \$437,634.79, and Solid Waste Enterprise - \$10,099.23 for grand total of \$736,644.84. Roll call: All voted aye. Carried.

Abeyta/Fett to approve consent agenda:

- a. Approval of 3/6/12 regular Common Council minutes.
- b. Approval of the following minutes:
 - (1) Industrial Park Development Review Team – 2/16/12
 - (2) Board of Canvassers – 2/27/12
 - (3) Finance/Purchasing & Building Committee – 2/28/12
 - (4) Bicycle and Pedestrian Advisory Board – 3/1/12
 - (5) Community Protection & Services Committee – 3/8/12
 - (6) Loan Review Committee – 3/12/12
- c. Place on the file the following reports:
 - (1) Fire Department Report – February 2012
 - (2) Police Department Report – February 2012
 - (3) Street Department Report – February 2012
- d. Consideration of: Beverage Operator Licenses.
- e. Consideration of: Temporary Class B Beer and Temporary Class B Wine license.
- f. Consideration of: Request from Miller Art Museum to serve wine for special reception when library is not open.
- g. Consideration of: Street Closure application from CJ Promotions LLC – Sidepork Fest.
- h. Finance/Purchasing & Building Committee recommendation re: Amend Section 15.01(5) to establish a two year time frame and a one year extension for building permit duration and to amend the fee schedule to charge a renewal fee equal to the minimum permit fee for the specific type of permit being renewed.
- i. ~~Revolving Loan Fund Committee recommendation re: Approve loan in the amount of \$400,000 for James Olson Automotive Group, LLC to be used to purchase equipment and inventory, subject to conditions. Removed from consent agenda.~~

Carried.

There were no Mayoral appointments.

RECOMMENDATION

We, the Sturgeon Bay Revolving Loan Fund Committee, hereby recommend that a loan of \$400,000 be approved for James Olson Automotive Group, LLC to be used to purchase equipment and inventory, and that the loan be approved subject to the following conditions:

- A. In accordance with Section 4.1 (10) of the Sturgeon Bay RLF Policies and Procedures Manual, the committee is recommending a loan value in excess of the standard maximum loan amount of \$250,000 due to the size and economic impact of this project.
- B. Interest Rate: 2.0%
- C. Term of Loan: 5 Years with a 5 -Year Amortization Period.
- D. Monthly payments of principal and interest will be made to the City of Sturgeon Bay.

- E. The collateral for the loan will be a first lien purchase money security interest in equipment and inventory purchased with loan proceeds.
- F. James Olson Automotive Group, LLC will enter into a General Business Security Agreement, subordinate to BMO Harris Bank.
- G. The loan shall be personally guaranteed by James Olson.
- H. James Olson Automotive Group, LLC shall contribute Owner's Equity as stated in their application in the amount of \$750,000 as well as secure private funding in the amount of \$5 Million from BMO Harris Bank.
- I. James Olson Automotive Group, LLC shall obtain and keep insurance on the equipment to be purchased with the City of Sturgeon Bay listed as loss payee.
- J. James Olson Automotive Group, LLC will create 26 FTE (full-time equivalency) jobs within three years of loan closing.
- K. James Olson Automotive Group, LLC shall provide the City's Loan Administrator with annual business income tax returns and quarterly financial statements.
- L. James Olson Automotive Group, LLC will pay all out-of-pocket loan-processing costs at closing including attorney fees for loan documentation.
- M. James Olson Automotive Group, LLC shall submit a complete application package, to the satisfaction of William Chaudoir, Executive Director, DCEDC.
- N. The loan recipient's business location must remain in the City of Sturgeon Bay or the loan immediately becomes due and payable.
- O. This commitment is valid for a 60-day period at which time the loan shall be closed or this commitment is null and void.

We further recommend that the City Attorney be authorized to prepare the loan agreement, promissory note, security instrument and other necessary legal documents and that the Mayor and City Clerk be authorized to sign the necessary documents to implement this action.

STURGEON BAY REVOLVING LOAN FUND COMMITTEE

By: Mike Gilson, Chr.

Introduced by City Administrator McNeil. Stutting/Schlicht to adopt. Discussion took place regarding the total amount of available funds in the three loan programs, the job creations that come with this recommendation, and the conditions placed on the loan. Carried.

A contract for market feasibility and business model study for the Four Seasons Market was discussed. The Council reviewed the purpose of the study, where the matching money for the grant would come from, and promotion of the City to developers. Stutting/Fett to use \$12,500 of reserves to fund the market feasibility and business model study for Four Seasons Market. Roll call: Wiegand, Vandertie, Abeyta, Stutting, Fett, and Schlicht voted aye. Lodl voted no. Carried.

RECOMMENDATION

We, the Community Protection & Services Committee, hereby recommend to change the Compost Rules to include prohibiting chain saw use except by authorized personnel at the Compost Site.

COMMUNITY PROTECTION & SERVICES COMMITTEE

By: John Lodl, Chr.

Introduced by Lodi. Lodi/Schlicht to adopt. Carried.

RECOMMENDATION

We, the Finance/Purchasing & Building Committee, hereby recommend to accept the bid from RNOW for two 2012 Bridgeport Automated side loader refuse trucks at a total cost not to exceed \$403,544.00.

FINANCE/PURCHASING & BUILDING COMMITTEE

By: James Abeyta, Chr.

Introduced by Abeyta. Abeyta/Schlicht to adopt. Carried.

No one spoke during public comment.

The Mayor made his comments.

Lodi/Schlicht to adjourn. Carried. The meeting adjourned at 7:32 p.m.

Respectfully submitted,

Stephanie L. Reinhardt
City Clerk