



# CITY COUNCIL MEETING

Monday, March 17, 2025 at 6:00 PM

Lester Public Library, Community Room,  
1001 Adams Street, Two Rivers, WI 54241

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## MINUTES

### 1. CALL TO ORDER

Council President Stechmesser called the meeting to order at 6:05 PM.

### 2. PLEDGE OF ALLEGIANCE

### 3. ROLL CALL BY CITY CLERK

Councilmembers: Mark Bittner, Doug Brandt, Shannon Derby, Tim Petri, Bonnie Shimulunas, Scott Stechmesser

**Absent:** Bill LeClair, Darla LeClair, Adam Wachowski (arrived at 7:26 PM)

**ALSO PRESENT:** Kassie Paider, Finance Director; Andrew Sukowaty, Water Utility Director; Joe Metzen, Tourism Director; Ben Meinnert, Police Chief; Brian Dellemann, Electric Utility Director; Matt Heckenlaible, Public Works Director; Jeff Dawson, Library Director; Bill Manis, Part-Time Fire Department Support; Mike Mathis, Parks and Recreation Director (via phone); Andrew Adams, City Attorney (via phone); and Greg Buckley

### 4. CONSIDERATION OF ANY COUNCIL MEMBER REQUESTS TO PARTICIPATE IN THIS MEETING FROM A REMOTE LOCATION

None.

### 5. PUBLIC HEARING

None.

### 6. INPUT FROM THE PUBLIC

None.

### 7. COUNCIL COMMUNICATIONS

Letters and other communications from citizens

Councilmember Bitter reported a citizen emailed the entire council regarding concerns about construction equipment parking near their home.

Councilmember Derby reported that she received an email regarding a citizen's concerns about the need for improved code enforcement and follow-through on nuisance properties, garbage collection, and building permit enforcement. Another citizen raised concerns about improper yard sign placement on the terrace. Additionally, a question was posed about why the city does not participate in Progress Lakeshore. The City Manager clarified during the meeting that the City Council decided approximately four years ago that the benefits did not outweigh the costs of membership in Progress Lakeshore. Councilmember Derby also expressed appreciation for Officer Jackson and the TRFD paramedics for their excellent response to a recent 911 call.

Councilmember Shimulunas stated that she received an email from a citizen expressing concerns about allowing tents to be set up overnight at Neshotah Beach for the event.

## **8. COUNCIL REPORTS FROM BOARDS/COMMISSIONS/COMMITTEES**

Councilmember Bittner provided a report highlighting the Parks and Recreation Department, specifically the Senior Center. Notable statistics included Trust Cars providing 3,900 rides to the community and volunteers contributing 13,600 hours across various duties. Councilmember Bittner also complimented Heather Ihlenfeldt, Senior Center Supervisor, on her impact on the community.

Councilmember Shimulunas noted that Mr. Buckley would provide further details on the Personnel and Finance Committee's actions. It was mentioned that Baird initially quoted loan rates at over 4% for the 2025 capital projects borrowing, but the final rate came back at 3.67%, resulting in significant savings.

Councilmember Derby reported on the Library Board, noting that Terry Ehle received an award and that the board reviewed the Library Director position.

Council President Stechmesser reported on Public Works Committee, noting that the committee met twice—once at the DPW shop and again for a regular meeting. Discussion included sidewalk cleanup, with a reminder that state statute requires all snow to be removed. Further discussion on this topic is scheduled for the next meeting in early April.

## **9. CITY MANAGER'S REPORT**

### **A. Invited Guests**

### **B. Status Update/Reports**

#### **1. Staffing Updates**

##### **a. New Water Department Operator Gabe Butler has started work**

Mr. Buckley reported Gabe worked for the City of Manitowoc in the Department of Public Works for the last 3 years. He is originally from the Mishicot area. He and his family live in the Town of Two Rivers.

##### **b. Parks and Recreation Lead Worker for Facilities and Playgrounds**

Mr. Buckley reported an offer was extended to the top candidate.

##### **c. Community Development Director Recruitment**

Mr. Buckley reported the City is accepting applications for this position.

##### **d. City Manager Recruitment**

Mr. Buckley reported the Committee is meeting on Thursday, March 20, at 8:00 AM with the consultant.

##### **e. Recruitment for Seasonal Positions**

Mr. Buckley reported the City is now hiring for many Parks and Recreation seasonal positions

##### **f. Other**

Mr. Buckley reported there are many other summer seasonal openings.

#### **2. Employment of High School Youth Apprentices in City Departments**

a. Water Department Karson Kowalski is a junior at Mishicot High School. He started as a youth apprentice at the water department last June and assists the operators in the lab, maintenance, and in distribution. Karson does a great job helping out.

##### **b. Clerk's Office**

Kiana Luebke is a Senior at Two Rivers High School. She started as a youth apprentice last May and assists the City Clerk / HR Director in many tasks including elections, licensing, and employee support. Kiana does an excellent job!

##### **c. Fire Department**

The Fire Department (TRFD) is excited to begin involvement with the Youth Apprentice Program, a collaborative initiative in partnership with Two Rivers High School and the Cooperative Educational Service Agency (CESA). A selection process for this position is underway.

d. Parks and Recreation

Logan Hansen and Jayden Wanek are Juniors at Two Rivers High School. They began their apprenticeships at the start of the 2024-2025 school year in September but previously worked for Parks & Rec as Building Attendants at the Community House. Their mentor is Jared Rohrer, Parks Maintenance Supervisor. As part of the Parks Maintenance team, the apprentices are learning general building maintenance, seasonal start-up and shut-down procedures for parks, beach, and restrooms, tree maintenance, and special event support. They are valuable members of the team and always willing to assist. The Forestry Youth Apprenticeship hasn't started yet, but interviews for this position have been completed.

e. Other

3. Financing for 2025 Capital Projects

Mr. Buckley reported 10-year notes for financing of the City's 2025 capital projects (\$2,535,000) and refinancing of (\$786,476) for interest savings were sold on March 5. Overall interest rate for the issue, set to close on April 7, is 3.67% – well below the 4.25% rate used in the financing pro-forma that was presented by R.W. Baird in February, and well below the maximum rate of 4.75% included in the Parameters Resolution adopted by City Council for this borrowing. By comparison, the rate for last year's 10-year note sale was 3.59%.

4. City Hall Elevator Upgrade Project

Mr. Buckley provided an update on the elevator project at City Hall. The Schindler elevator team has finished their work. The City is waiting for Vorpahl Fire and Safety to connect the elevator to the fire monitoring system. Once that is complete, the State Elevator Inspector will conduct a final inspection.

5. Election Updates: Spring Election, April 1, 2025

Mr. Buckley reported the first day of in-person absentee voting at City Hall is March 18, 2025. The last day of in-person absentee voting at City Hall is March 28, 2025. Voters may request an absentee ballot be mailed to them. Polls will be open on April 1 from 7 AM – 8 PM.

6. Winter Parking Ban Ended March 15

Mr. Buckley reported the winter parking ban is over. Enforcement has been suspended for a while, but the parking ban period set by City Ordinance ends March 15.

7. Two Rivers Utilities' Scholarship Program is accepting applications

Mr. Buckley reported TRU's Scholarship Program is now accepting applications. Each year, TRU awards two \$500 scholarships to area graduating high school seniors. Visit the TR Utilities website for more information and to access the applications. Deadline for all applications is April 4, 2025. Note: to be eligible, the student, their parent, or their legal guardian must be a customer of Two Rivers Utilities.

8. Community and Economic Development Update

Mr. Buckley reported Sauve's Auto Service project is nearing completion downtown, \$1 million project, assisted with \$200,000 pay-as-you-go TID Grant. Rush Logistics new facility, plans approved by Plan Commission on March 10; to be reviewed by BIDC and CDA on March 25. New building by Growth Garage at Lincoln Ave and 33<sup>rd</sup> will receive further review at a Plan Commission special meeting on March 19.

9. Upcoming Events

- a. Two Rivers Business Association, City Council Candidates Forum, Tuesday, March 18, 2025, 6:30PM - 8:00PM, at the Community House, Behringer Room
- b. Lakeshore Wedding Expo, Sunday, March 23, 2025, 11:00AM-2:00PM, at Sepia Chapel
- c. Two Rivers Business Association, Manitowoc County Business Expo, Wednesday, March 26, 2025, 4:00PM - 7:00PM at Sepia Chapel

- d. Coffee with a Cop
  - 1. McDonalds, March 20, 2025, 9:00AM-10:00AM
  - 2. Starbucks, April 16, 2025, 9:00AM-10:00AM
  - 3. Senior Center, April 30, 2025, 10:00AM-11:00AM
- e. Two Rivers Kids' Run, Saturday, March 29, 2025, 3:30PM-6:00PM, at Two Rivers High School
- f. Two Rivers 10 Mile Run, Sunday, March 30, 2025, 8:00AM, at Two Rivers High School
- g. Two Rivers Senior Center, "Cork and Canvas," Friday, April 4, 2025, 6:00PM, at the Community House, Behringer Room
- h. Two Rivers Rotary Club 23rd Annual Dinner & Auction, Saturday, April 5, 2025, 5:00PM, at Sepia Chapel
- i. Two Rivers Optimist Club, "In Remembrance Night," Luminaries placed in Two Rivers Cemeteries, April 12, 2025
- 10. Other

C. Legislative/Intergovernmental Update

- 1. Notification from WI Department of Administration Regarding Decision by the State to Close Out Locally-Administered CDBG Housing Loan Funds, With Funds to Be Re-Deployed by the State for a New Affordable Housing Initiative
- 2. Status of Safe Drinking Water Fund and Clean Water Fund Financing for 2025 Water and Sewer Infrastructure Work
- 3. Status of Federal Funding for Sustainable Shoreline Planning Project
- 4. Concerns Regarding the Status of Tax-Exempt Financing for Local Infrastructure Projects
- 5. Proposed "Right of First Refusal" Legislation to Allow Existing Owners of Electrical Transmission Facilities in Wisconsin First Rights to Build and Operate New Transmission Facilities Serving the Regional Power Grid--Legislation Supported by WPPI Energy

Legislative/Intergovernmental Update

- 1. Notification from WI Department of Administration Regarding Decision by the State to Close Out Locally-Administered CDBG Housing Loan Funds, With Funds to Be Re-Deployed by the State for a New Affordable Housing Initiative

Mr. Buckley reported The Wisconsin Department of Administration has announced plans to discontinue local Housing Revolving Loan Funds funded through the Small Cities CDBG program, reclaiming the funds for a statewide housing initiative focused on converting vacant buildings into housing. Two Rivers has managed a \$2 million loan fund, providing zero-interest, deferred loans that are repaid when a property is sold or transferred. The state cited concerns about idle funds, noting that \$22 million is currently held across programs. City staff and regional partners, including MSA Professional Services and neighboring communities, were surprised by the decision and are seeking more details through upcoming meetings. Since 2015, small cities like Two Rivers have been ineligible for new CDBG housing grants, relying instead on regional funds. While these have helped residents when local funds were unavailable, concerns remain about whether they will have sufficient resources if local programs are eliminated. A similar situation previously arose when the state sought to reclaim economic development loan funds, but certain funds were ultimately retained. It is unclear if a similar option exists for housing funds. The City will continue monitoring developments and may engage legislators if necessary.

- 2. Status of Safe Drinking Water Fund and Clean Water Fund Financing for 2025 Water and Sewer Infrastructure Work

Mr. Buckley provided an update on the City's Safe Drinking Water Fund and Clean Water Fund financing for 2025 projects, which benefit from federal Bipartisan Infrastructure Law funding to secure low-interest rates and principal forgiveness. Two major projects will utilize Wisconsin DNR funding: the Harbor Street, Emmet Street, and 16th Street road reconstruction project, along with the East Side Lead Service Line (LSL) replacement project. While the WDNR confirmed the City's eligibility for both Safe Drinking Water and Clean Water funds, the

final eligibility list for scattered LSL replacements is still pending. However, the City was assured that funding for the LSL program is secure, covering 100% of private-side costs with principal forgiveness. As a result, the City will proceed with bidding the scattered site LSL replacement project, expecting to support approximately 150 households while maintaining the \$2,500 per household assistance program. Additionally, the City qualified for 20% principal forgiveness on water main projects. Mr. Buckley also noted ongoing challenges related to the federal lead and copper mandate, which faces legal challenges due to concerns about financial burdens on older communities. Despite these broader issues, the City will move forward with planned projects while awaiting further state and federal guidance.

### 3. Status of Federal Funding for Sustainable Shoreline Planning Project

Mr. Buckley provided an update on the Sustainable Shoreline Project, noting that while \$60,000 in funding has been secured from the Fund for Lake Michigan, additional federal funding remains on hold. Specifically, \$130,000 from the Great Lakes and St. Lawrence Seaway Cities Initiative is delayed due to federal funding uncertainties. The City is also awaiting clarification on the funding source for the largest portion of the project, which is expected to come from the National Fish and Wildlife Foundation. While the Council previously authorized signing the consulting services contract in January, the City has held off pending confirmation of available funds. This project aims to conduct a comprehensive shoreline assessment from the southern edge of the harbor to the city limits, including modeling potential solutions to reduce sedimentation at the harbor entrance. Despite significant planning efforts, progress is currently stalled due to funding uncertainties.

### 4. Concerns Regarding the Status of Tax-Exempt Financing for Local Infrastructure Projects

Mr. Buckley reported concerns regarding the potential impact of federal tax policy changes on tax-exempt financing for local infrastructure projects. He emphasized the critical role tax-exempt financing plays in securing lower interest rates—typically 2% lower than taxable rates—for municipalities to invest in infrastructure. He noted that discussions at the federal level indicate tax-exempt financing could be at risk as lawmakers explore ways to offset expiring tax cuts. While no immediate action has been taken, he advised vigilance on the issue. If further developments arise, the City Council may be asked to adopt a resolution in opposition. Mr. Buckley also referenced past federal actions that negatively impacted municipal financing, such as the removal of the tax exemption for advanced refunding bonds. This change limited municipalities' ability to refinance debt at lower rates ahead of call dates, a strategy the City had successfully used in the past. Given the uncertainty, he urged close monitoring of any proposed changes that could increase borrowing costs for local governments.

### 5. Proposed "Right of First Refusal" Legislation to Allow Existing Owners of Electrical Transmission Facilities in Wisconsin First Rights to Build and Operate New Transmission Facilities Serving the Regional Power Grid--Legislation Supported by WPPI Energy

Mr. Buckley provided an update on proposed "Right of First Refusal" legislation in Wisconsin, which would grant existing electrical transmission facility operators, such as American Transmission Company (ATC), the first opportunity to build and operate new transmission infrastructure serving the regional power grid. This legislation, which previously stalled in the last legislative session, is being reconsidered and has gained support from both public power entities and investor-owned utilities, including WPPI Energy. While some critics argue that it is anti-competitive and could drive up costs, supporters believe it will ensure reliable investment in Wisconsin's transmission infrastructure. Mr. Buckley noted that both of the City's state legislators, Senator LeMahieu and Representative Tittl, are in favor of the bill. While there appears to be enough support for passage in the State Senate, the Assembly remains uncertain. The issue has drawn attention from national organizations such as Americans for

Prosperity, highlighting broader industry and financial interests at play. The City will continue to monitor developments as they unfold.

## **10. CONSENT AGENDA**

### **A. 25-043 Presentation of Minutes**

1. City Council Listening Session, February 19, 2025

#### Recommended Action:

Motion to waive reading and adopt the minutes

### **B. 25-044 Minutes of Meetings**

1. Committee on Aging, February 4 and March 3, 2025
2. Library Board, February 11, 2025
3. Environmental Advisory Board, February 18, 2025
4. Public Utilities Committee, March 3, 2025
5. Public Works Committee Special Meeting, March 5, 2025
6. Public Works Committee, March 5, 2025

#### Recommended Action:

Motion to receive and file

### **C. 25-045 Department Reports, Month Year**

1. City Clerk
2. Electric
3. Inspections
4. Library
5. Parks & Recreation (Annual Report)
6. Public Works
7. Water

#### Recommended Action:

Motion to receive and file

### **D. 25-046 Applications and Petitions**

1. Application for Temporary Class "B" Beer and "Class B" Wine License for Heart-A-Rama, May 1, 2, 3, and May 8, 9, 10, 2025, 6:00PM - 11:00 PM, 1710 W. Park Street

#### Recommended Action:

Motion to approve the applications and authorize issuance of the licenses

### **E. 25-047 Summary of Verified Bills for the Month February 2025 for \$5,255,688.51**

#### Recommended Action:

Motion to receive and file

### **RECOMMENDED ACTION FOR CONSENT AGENDA**

**Motion to approve the Consent Agenda with the various actions recommended**

## **11. CITY COUNCIL - FORMAL ITEMS**

### **D. 25-051 Authorization for Overnight Camping at Neshotah Beach for a New, Parks and Recreation**

Department- Organized Event, "Great Neshotah Beach Campout" for One Night, August 30-31, 2025

Recommended Action:

Motion to waive normal park closing hours for participants in this special event, per Section 7-1-6 of City Ordinances

Mike Mathis, Parks and Recreation Director, introduced "The Great Neshotah Beach Campout," a new Parks and Recreation Department event scheduled for August 30-31, 2025, allowing families to camp overnight on the beach. The event will include designated campsites, registration requirements, and collaboration with local organizations such as the Boy Scouts, Optimist Club, and Washington House to assist with cleanup, meals, and activities. Concerns about setting a precedent for overnight beach camping were discussed, but the event was recognized as a well-organized, family-oriented initiative aimed at filling the void left by the discontinuation of Kites Over Lake Michigan. City Council expressed support, highlighting Parks and Recreation's strong track record in managing community events and ensuring proper cleanup. Councilmember Shimulunas expressed concern about this new activity possibly setting a

Motion carried with a roll call vote.

Motion made by Bittner, seconded by Derby.

Voting Yea: Bittner, Brandt, Derby, Petri, Stechmesser

Voting Nay: Shimulunas

**E. 25-052** Ordinance Amending Section 6-4-9 of City Ordinance, Entitled "Vendors from Special Vehicles"

Recommended Action:

Motion to waive reading and adopt the ordinance

Mike Mathis, Parks and Recreation Director, discussed updates to the ordinance regulating food trucks, aiming to balance accessibility for vendors while maintaining order at Neshotah Beach. The proposed changes include a \$250 annual fee for seasonal permits (Memorial Day through the week after Labor Day), designated parking spaces at Lot 1 on a first-come, first-served basis, and a requirement for vendors to display permits. The Parks and Recreation Director may limit the number of permits as needed. Spaces will be marked for vendors, and those with trailers must manage parking efficiently. Council members reviewed minor wording adjustments and expressed general support for the revisions.

Motion carried with a roll call vote.

Motion made by Petri, seconded by Bittner.

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser

**A. 25-048** Resolution to Adopt Manitowoc County Hazard Mitigation Plan 2025-2030

Recommended Action:

Motion to waive reading and adopt the County Hazard Mitigation Plan 2025-2030

Motion carried with a roll call vote.

Motion made by Derby, seconded by Bittner.

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser

**B. 25-049** Ordinance to Amend Section 5-6-24 of Municipal Code, Regulating Commercial Refuse/Recycling Haulers

Mr. Heckenlaible noted that this amendment primarily addressed measures required to help assure visibility of commercial dumpsters placed on City streets.

Recommended Action:

Motion to waive reading and adopt the ordinance, as recommended by the Public Works Committee

Motion carried with a roll call vote.

Motion made by Petri, seconded by Shimulunas.

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser

**C. 25-050 Ordinance to Amend Section 4-1-4 of the Municipal Code, Regulating Construction and Repair of Sidewalks within the City**

Recommended Action:

Motion to waive reading and adopt the ordinance, as recommended by the Public Works Committee

The Council discussed amendments to the municipal code regulating sidewalk construction and repair. The primary updates address vegetation overgrowth, sidewalk clearance requirements, and sidewalk damage caused by city-owned trees. The revised ordinance aligns with federal standards, reducing the threshold for necessary repairs from  $\frac{3}{4}$  inch to  $\frac{1}{4}$  inch, while allowing cost-effective solutions like grinding or mud jacking. Additionally, the city will cover repair costs for sidewalk damage caused by street terrace trees. A user guide has been created to clarify regulations and responsibilities for residents. Council members expressed support for the revisions and the effort to make regulations more accessible.

Motion carried with a roll call vote.

Motion made by Derby, seconded by Petri.

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser

Abstain: Wachowski

*\*\* Clerk Note: Councilmember Wachowski arrived at 7:26 PM and abstained from the vote, as he was not present for the majority of the council's discussion. \*\**

**F. 25-053 Appointment of Jack Powalisz to a three year term on the Lester Library Board, expiring May 1, 2028 (replacing retiring Board Member, David Pennefeather)**

Recommended Action:

Motion to approve the appointment as recommended by the City Manager

Motion carried with a voice vote.

Motion made by Wachowski, seconded by Shimulunas

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser, Wachowski

**G. 25-054 Consider Appeal for a Variance from the City Residency Restrictions Applicable to Sex Offenders, Per Chapter 9-9 of City Ordinances**

Recommended Action:

Motion to deny the appeal, consistent with the recommendation of the Chief of Police

Motion made Bittner, seconded by Shimulunas



A discussion followed regarding whether the applicant had received proper notice of the meeting. Some council members expressed concern that without confirmation of receipt, denying the request outright could potentially be challenged, and suggested tabling the matter to allow the applicant an opportunity to appear. Others pointed out that the city had consistently denied similar requests in the past and emphasized following the recommendation of the Police Chief. It was further noted that the applicant had no prior ties to the city, such as previous residency or family connections, which factored into the decision-making process.

Councilmember Bittner amended his motion to deny the appeal and if the applicant wishes to speak in the future the Council will allow him to speak, Councilmember Shimulunas agreed with the amendment.

The City Attorney clarified that if the Council denied the request, the applicant would still have the right to appeal or request reconsideration at a later date. Ultimately, a motion to deny the variance was made and seconded. The motion passed, with one council member voting against denial, citing concerns about due process and ensuring the applicant had a fair opportunity to present their case.

Councilmember Bittner withdrew his amendment to the motion, Councilmember Shimulunas agreed with going back to the original motion to deny the appeal, consistent with the recommendation of the Chief of Police.

Voting Yea: Bittner, Brandt, Derby, Shimulunas, Stechmesser  
Voting Nay: Petri, Wachowski

#### **H. 25-055 2024 Annual WDNR MS4 Stormwater Report**

##### **Recommended Action:**

Review and authorize Public Works Director to sign and submit to WDNR

Motion carried with a voice vote.

Motion made by Brandt, seconded by Derby.

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser, Wachowski

#### **12. FOR INFORMATION ONLY**

1. City Council Work Session Meeting, Monday, March 31, 2025, 6:00PM
2. City Council Regular Meeting, Monday, April 7, 2025, 6:00PM
3. Annual City Council Reorganizational Meeting, Tuesday, April 15, 2025, 6:00PM

#### **13. ADJOURNMENT**

Motion to dispense with the reading of the minutes of this meeting and adjourn this meeting at 7:49 PM

Motion carried with a voice vote.

Motion made by Petri, seconded by Derby

Voting Yea: Bittner, Brandt, Derby, Petri, Shimulunas, Stechmesser, Wachowski

Respectfully submitted,

Amanda Baryenbruch  
City Clerk