

EXCLUSIVE: West Bend Mayor's Construction Company Hired To Do Major Development Project On Land Sold By City For \$1
By Mark Belling, WISN-AM

The West Bend Plan Commission this week approved plans for an office and hotel complex on the site of the old Gehl factory by a company controlled by local developer Paul Stangel. The developer is hiring a construction company owned by West Bend's mayor to design and build the project. The mayor denies this is a sweetheart deal that he is personally profiting from.

Mayor Kraig Sadonikow is adamant that he has done nothing wrong and denies there is a conflict of interest. But the mayor acknowledges to me that he personally recruited the developer to look at West Bend and he, the mayor, even asked the city attorney if he could personally buy the property from the city himself.

The property is considered a "brownfield" site which requires environmental cleanup to develop. For that reason, West Bend has been offering to sell it for only \$1. Two previous companies had the project under contract but did not proceed. Mayor Sadonikow acknowledges to me he approached one of those former would-be developers about hiring his firm to do the construction. Sadonikow says this is not a conflict of interest and that the residents of West Bend know he owns a construction company and potentially could build projects connected to city government.

Sadonikow is the principal of a pair of construction firms including American Construction Services, often known as ACS, Inc.

The Gehl site is being acquired by developer Stangel and a hotel management company. The mayor says he knows of no plans to flip the property after it is completed and he has no intention of investing in it now that he has been told by the City Attorney that would be a conflict. Sadonikow says he does not consider it a conflict to be the designer and builder of projects being built on land sold by the city. He says he recused himself from discussions about the project once Stangel's firm moved forward to buy it.

West Bend City Manager Jay Shambeau, who reports to the mayor and city council, adamantly states the city did not obstruct either of the other would-be developers who had the property under contract but did not proceed. Shambeau acknowledges advising one of those firms to meet with the mayor but denies that he pressed the firm to hire the mayor's construction firm.

Sadonikow has won praise from many for conservative management of West Bend's finances and for aggressive economic development. He has been praised on my program for the outstanding job he has done in West Bend. He raised those points in his comments to me about the hiring of his firm to do work on a project built on land currently owned by the city. I responded that regardless of whether he is a great mayor or not, conflicts of interest are bad government and can raise suspicions of preferential treatment and sweetheart deals.

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October 3

