

Heather Martell
CHIPPEWA COUNTY HOUSING AUTHORITY, Board of Directors Chair
District 5 Alderman,
Chippewa Falls, Wisc.

April 15, 2025

RE: PROBLEMS WITHIN THE CHIPPEWA COUNTY HOUSING AUTHORITY

To: County Board Supervisors
City Council Members
Chippewa County Housing Authority
Public

I am writing today to provide insight into some concerns that must be addressed with the Chippewa County Housing Authority. Chippewa County Housing Authority is an independent governmental body. The County appoints members of the Housing Authority Board of Directors but beyond that, the county has no authority over it.

In late February of 2025, I received a phone call from the then County Administrator, Randy Scholz, that he had received numerous concerning complaints from a quarter of the Housing Authority staff, with possibly more employees to come forward with complaints. Mr. Scholz explained to me that he did not have any authority over this matter, as the Chippewa County Housing Authority is an independent agency and not governed, nor helped, by the Chippewa County Administrator, Chippewa County Corporation Counsel, or Chippewa County's HR department. We are trapped in a bureaucratic no-man's land.

As such, on March 3, 2025, Mr. Scholz helped arrange meetings between myself, as the Chairman of the Chippewa County Housing Authority Board of Directors, Pam Guthman, as the County representative, and the employees. Mr. Scholz sat in on these meetings.

During the course of these meetings with employees, very serious allegations of misconduct were made against our executive director, including allegations of financial and legal misconduct. In order to be fair to the employees and our executive director, Supervisor Guthman and I attempted to seek help from our respective government bodies and their legal counsel, to no avail. We were told multiple times, by multiple different sources that we were on our own, and had to handle this matter ourselves.

We turned to the by-laws to try to get guidance on how to proceed, how to start an investigation, how to go about hiring an attorney or an outside agency to investigate the alleged misconduct. However, the by-laws are only five pages and do not address the situation. We felt it was important, for the sake of everyone involved, to discuss the allegations in closed session until we could come up with a solution on how to investigate these sensitive matters and to protect both Ms. Mudgett and the Authority. Ms. Mudgett's resignation diminishes some of this concern, but not all of it.

At the March 24, 2025 Chippewa County Housing Authority meeting I made the motion to go into closed session, under §19.85(1)(a), "Deliberating concerning a case which was the subject of any judicial or quasi-judicial trial or hearing before that governmental Board of Directors." to discuss how to handle this situation, as an investigation and a hearing would be required in the future. The motion was voted upon and all present voted aye. No action was taken as a result of this closed session.

Prior to the March 24, 2025 meeting, I had requested that our executive director, Ms. Mudgett place an agenda item on the agenda for the March 24th matter. This item was to discuss and act upon updating the by-laws, in order to create an executive committee within the by-laws, to better address the personnel situation as a subunit of the parenting Board of Directors, thus creating a framework for more stable policy going forward. This was not done, and as a result, we had to go into closed session to discuss the alleged misconduct and how we handle a hearing for this. Again, no action was taken.

§19.84(2), *Wis. Stats.* provides as follows:

(2) Every public notice of a meeting of a governmental Board of Directors shall set forth the time, date, place and subject matter of the meeting, including that **intended** for consideration at any contemplated closed session, in such form as is reasonably likely to apprise members of the public and the news media thereof. The public notice of a meeting of a governmental Board of Directors may provide for a period of public comment, during which the Board of Directors may receive information from members of the public.

Please note the highlighted word, "intended". We did not go into the March 24th meeting intending to go into closed session. However, the *need* arose to do so. So, we did. When it comes the law, words matter, specifically the word "intended" here.

The Housing Authority was informed on March 26, 2025 that we do not have any commissioner insurance, meaning that our board members can be personally sued for their work on the Board of Directors. It is believed that we have, in fact, never had commissioner insurance. This is unnecessary liability exposure for anyone that has served on the Board, or will serve on the Board, as we still do not have commissioner insurance. At our Special Meeting of March 31, 2025, a motion was made, and a vote approved the purchase of such insurance through our current insurance carrier. This has yet to be done, and the Board is

still uninsured. At the April 14, 2025 Board meeting, we were informed by the executive director, Ms. Mudgett, that she was “still getting quotes” for the insurance.

On March 27, 2025, I received a phone call from another board member, letting me know that our executive director, Ms. Mudgett, was attempting to badger board members into disclosing what was discussed at the closed meeting. As the Chair, I was expected to deal with this problem, which I did, in the form of a strongly worded email.

Our executive director, Ms. Mudgett, took it upon herself to add her resignation to the Special Meeting agenda of March 31, 2025. I believe this is the first time our executive director had emailed the notice to the County Board Chairman, although he had previously been cc-ed on the notices.

Due to our executive director taking it upon herself, last minute, to add an item to the agenda, the agenda could not be amended to provide for the intention to go into closed session. In order to discuss the matter the board went into closed session. This was not something that the board had intended to do, it was foisted upon us by Ms. Mudgett. A conversation was held surrounding Ms. Mudgett's employment, with Ms. Mudgett restating to the board her resignation.

County Board Chairman Hull came to the April 14, 2025 Housing Authority Board Meeting in his capacity as chairman of the County Board of Supervisors. During public comments, Chairman Hull, proceeded to interpret Wisconsin Statutes to me. Chairman Hull handed me a document with highlighted portions of Wis. Stats. 19.84 and 19.85, meeting notices and minutes for the March 31, 2025 meeting and March 24, 2025 meeting, and the email that I had sent to Ms. Mudgett regarding her behavior towards board members. During Chairman Hull's diatribe, he informed me that he had looked into having me removed from the board, but could not find a way to do this. Chairman Hull further told me that, although I was nominated by the Chippewa Falls City Council Committee on Committees for appointment to this position, I was not serving in a capacity of an elected official, although I am an elected official. Chairman Hull went on to say that I would not be personally covered through my City insurance. Chairman Hull stated that he had debated with Corporation Counsel Todd Pauls on whether or not I was considered an elected official. Chairman Hull continued to be personally aggressive with me during his time to speak, asking me questions and not allowing me time to respond in some instances. An example of this was when he asked me who our executive director's employer was, told me that I was not her employer, and then asked me who my employer was, all without providing me opportunity to answer.

Chairman Hull was unprofessional in his personal attacks on me in an open meeting. Chairman Hull was unprofessional in coming to the meeting in his role as Chairman of the Board of Supervisors in order to attempt to intimidate me into resigning my position through threats of trying to have me removed. Chairman Hull was unprofessional in his

attack on the agency of the City of Chippewa Falls having an elected representative on the Board. Chairman Hull was out of line coming to the Board Meeting to scold and threaten a member of this independent board.

Even if the board went into closed session, contrary to Wisconsin Statutes, the remedy for that is to void any action that was taken. No action was ever taken while in closed session in either of these instances. That makes Chairman Hull's concerns regarding the issue of the propriety of the closed session meetings essentially moot, and his behavior even more concerning.

I feel that it is an undue burden for the City of Chippewa Falls to continue to have an elected Councilor on the Chippewa County Housing Authority Board of Directors, since according to the County Board of Supervisors Chairman, Chuck Hull, the City's liability insurance will not protect our elected officials, and the County insurance will only cover liability of the County Board Supervisor. The Chairman has overreached his authority in this matter and seems to only be interested in maintaining a status quo, even though the status quo has been built like a house of cards, resulting in attention being paid to this and not the issues that the Housing Authority Board should be investigating. We are now seeing the repercussions of the years of indifference and mismanagement by the Chippewa County Housing Authority and its Board of Directors, which Chairman Hull served on for many years. I will be asking my fellow City Council members to remove ourselves from the nomination and appointment process to prevent the undue burden of liability to the City.

With this, I resign.

Regards,

Heather Martell