

COMMITTEE OF THE WHOLE MEETING MINUTES
SEPTEMBER 8, 2020
VILLAGE HALL - 6:30pm

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CALL TO ORDER at 6:30 pm/PLEDGE OF ALLEGIANCE/ROLL CALL: Trustees Barb Andres, Sharon Bower, Kevin Fitzgerald, Aaron Karow, Bill Kaskin, Jeremy Knoll, and President Howard Skinner present. Village Administrator Laura Roesslein, Police Chief Adam Grosz, Clerk Sabrina Waswo, Town & Country Engineer Greg Droessler, Kueny Architect Jon Wallenkamp, and Lake District Steering Committee Member Bill Poetker also present.

PUBLIC COMMENTS AND QUESTIONS: None

PRESIDENT AND TRUSTEE REPORTS

Moved up President Skinner's items on the agenda.

VILLAGE PRESIDENT HOWARD SKINNER

Discussion regarding a Lake Walk in Indian Point addition #1 subdivision.

This was discussed in the 2007 minutes. The Attorney at that time advised not to put the village in a liable situation by improving the stairway down to the lake. President Skinner doesn't see them having any different opinion now. Mary Brennan spoke as she lives near there and supported what President Skinner stated. She voiced her concerns about the dangerous slope and a resident circumventing the ruling by putting up private property signage and rope. If an association took it over, they could deal with it in the manner they decide. Trustee Fitzgerald said they are not talking about people not using it, just about not improving it. By not doing anything we are not incurring any more or less liability. Brennan also pointed out a private resident having a pier on village frontage near Indian Point.

Consideration of Motion to approve Ordinance 2020-9-1 Pertaining to the Ethics Board.

The Cemetery Board is asking the Village to make the appointment for the alternate member versus the Cemetery Board.

Other – None

TRUSTEE SHARON BOWER- ADMINISTRATION, FINANCE, JUDICIARY, LICENSING

Discussion regarding an extension of Premise for Cup O' Joe Coffeehouse.

Cup O' Joe is requesting an extension of their outdoor music for all Saturday's in October. As of November music will be moved inside. There have not been any complaints.

Review of Village Administrator's timeline for preparing the 2021 Budget.

Administrator Roesslein included the timeline for the budget. A draft budget will be provided to the board on October 1 with a first review at the October COW meeting.

Consideration of a motion to approve Resolution R2020-9-1 2020-2021 Election Board Appointments. Two new applicants were added, as well as listing the new Village Clerk as a Registration Deputy.

Consideration of a motion to approve Resolution R2020-9-2 requesting exemption from the County Library Tax.

Kenosha County Library System provided their annual resolution explaining the minimum levy the Village can set for the Library is \$288,322 to exempt all Village properties from the county library tax. Trustee Bower felt this number was high. Fitzgerald will check on it.

Consideration of a motion to approve Resolution R2020-9-3 Declaring Certain Personal Property of the Village as Surplus. This resolution declares the 1999 Ford F550 as surplus.

Other – None

TRUSTEE KEVIN FITZGERALD - STREETS & ROADS, EQUIPMENT, STREET LIGHTS, WEEDS, LAKE PLANNING AND PROTECTION

Other – None

TRUSTEE BILL KASKIN - CEMETERY, SANITATION, RECYCLING, SENIORS

Other – None

TRUSTEE AARON KAROW - BUILDING AND ZONING, PLAN COMMISSION, AND PUBLIC BUILDINGS

Consideration of actions taken at the Plan Commission meeting on August 19, 2020:

1. Recommended motion to approve the sale of parcel #85-4-119-211-3250 to Bob and Corinne Livingston for \$10,000. Parcel is located behind the fire station. Item approved by Plan Commission.

2. Recommended motion to approve a proposed maintenance garage for Allied Plastics at 000 Industrial Dr; Parcel #85-4-119-164-3031 (Adjacent to 148 Industrial Dr.)

Allied Plastics is adding an addition and separate out building on the north side. Similar exterior to the building they have now. Item approved by Plan Commission.

Discussion regarding the new Village Hall project costs and loan options.

Architect Jon Wallenkamp presented the projects costs as a range and provided the low and high numbers based on what they are seeing in the County and industry standards. The building construction could range from 1.9 to 2.2 million. The project will be bid with alternate items, which allows the village to pick items on an a la carte basis. A 5% to 10% contingency is built into this estimate. Focus on Energy audited the entire electrical and mechanical systems and will provide a \$3,000 reimbursement. Project costs for furnishings, permitting fees, and site improvements range from \$400,000 to \$470,000. The village's reserve fund of \$600,000 could be used to cover some of these costs. Further discussion on alternates for the retaining wall, roof material, and the southeast corner of the building. Project will take 7 to 9 months to finish depending upon start date.

Dawn Gunderson and Jonathan Schatz from Ehlers presented 3 different financing options. The numbers are based on the worst case scenario, hoping the project will come in under that amount. State statute will allow financing for up to 10 years without a referendum. Anything longer than 10 years must go to a referendum. They looked at structuring the loans around the current debt to not impact the tax levy. They presented General Obligation bonds through the open market of 2.46 million. They are finding GO bonds are the most economical way to finance projects; however, the fees to finance are much higher, but do get rolled into the loan. Open market allows for more control over the principal repayment. For an additional fee the village could get rated to obtain better interest rate. Even with these fees, the GO bonds are still the most cost effective. The project could be undertaken for 10 years and still keep a similar tax rate. It makes sense to finance it longer than 10 years, but state statute will not let you without a referendum. In Wisconsin, you can only issue GO debt for a period of 20 years. Ehlers questioned what other capital needs the village will have over the next 10 years as it may make more sense to free up the levy for other things. Currently the village is only using 10% of its debt capacity, which is very low. The village is in a good position to finance this project as existing debt will be dropping off in the next couple of years.

The second option is a two-step process with a bond anticipation note and a short term construction loan. This loan would be borrowed for the period of time constructing the project. When the construction is done, we would take out permanent financing. This would allow the village to pay for the project up front and refinance later. Rates could still be lower in the open market, but that's hard to predict. Currently we are at an all-time low in interest rates. The fees would be lower with a refinance in 2022 as GO Refunding bonds. The state statute pertaining to the 10 years doesn't apply to village hall if we do a refunding of the debt. This analysis is taking out debt at another point in time. We know interest rates now, but we are guessing at what they will be in a couple years. Ehlers provided financing on a 15 year note. A 20 year note can be looked at, but the village has the capacity to pay within 15 years and keep the levy fairly similar.

Residents would see about a 3 cent per thousand increase on the tax bill. The bigger constraint is having a fairly constant levy. Any other projects would add to the debt on top of that debt levy. Trustee Karow pointed out the difference in interest between the two options. Over the life of the loan, the 10 year GO bonds would cost \$172,403 in interest; the 15 year GO Refunding Bonds would cost \$641,535 in interest. Dawn stated it's a tradeoff between the tolerance on an annual basis or overall construction loan. There are 3 factors that play into this decision, annual debt payments, total cost of financing, and other capital projects. Ehlers also looked at refinancing the current debt with the 3 State Trust Fund loans and the 2019 Fire truck loan. There could be potential savings if those are added to the GO Refunding bonds.

Trustee Karow felt using the higher numbers is conservative. If we refinance, we can drop our annual payments in those first years, which is where we are tight. He tends to lean towards the 10 year to take advantage of the current low rates. Trustee Fitzgerald agreed; noting the worst case scenario still sounds pretty good. The board will still need to decide on future capital projects to allow for the debt payments in the levy.

Dawn stated once we received bids, they will run the numbers and provide the board a resolution to authorize Ehlers to move forward with the issue, and then they can move forward with financing. President Skinner feels a 10 year loan is smarter to take advantage of the low interest rate.

Other – None

TRUSTEE JEREMY KNOLL - POLICE, FIRE, LAKE CONTROL, PARKS AND BEACHES

Discussion regarding installing new carpet at the Police Department.

Quotes came back at \$5,500 to \$6,000. Police Chief Grosz feels he can find the funds in his budget to replace the carpeting.

Discussion regarding purchasing a new Water Safety Patrol boat for Lake Elizabeth.

The motor is at the end of its life on the Lake Elizabeth boat. Replacing the motor would cost \$10,000. Or, they could look at purchasing a new boat as the DNR will reimburse 75% of the total cost for the next 5 years. The Lake Mary fishing boat does not fit their needs. Trustee Fitzgerald would rather put a new motor on the Lake Elizabeth boat and sell the fishing boat. The Chief noted significant cosmetic issues with the Lake Elizabeth boat such as the rub rail being disconnected and not having much of a bumper.

Lake District Steering Committee Bill Poetker stated the actual recommendation is to replace both boats. He is highly in favor of the reimbursement of 75% by the DNR. They are also going to look at local providers and tie the purchase to an ongoing maintenance agreement. The boats must have priority to get them back on the lake. President Skinner would like to know an exact cost and questioned if this could be a Lake District expense. A basic Yamaha is around \$39,000. The engine is usually the more significant expense. Chief Grosz will research costs.

Other – None

TRUSTEE BARB ANDRES - SEWER, HEALTH AND ENVIRONMENT, YOUTH, LIBRARY

Discussion regarding Task Order 17 From Town and Country related to the WWTP facility upgrade.

Greg Droessler presented the task order for the final design of the treatment plant upgrades. The design, preparation of bidding documents, and bidding is a cost not to exceed \$733,000. They are modifying 5 buildings, 3 tanks, adding 3 new buildings and doing work on each of the lift stations. There are also new driveways and a far amount of site work that needs to be done. The DNR's deadline is September 30 to secure funding of a Clean Water fund loan. Greg is hoping to obtain principal forgiveness, no guarantees but he is optimistic. They initially conducted 10 soil borings, stating the wetlands went out farther than they thought and they had to move a building. They are conducting more borings to minimize that risk.

Other – None

Motion by Skinner, Knoll, carried to adjourn at 8:22 pm.

Sabrina Waswo
Village Clerk