

VILLAGE OF BONDUEL
VILLAGE BOARD MEETING
FEBRUARY 10, 2016

Following the Pledge of Allegiance and moment of silence, Clerk Willa Rusch, in the absence of President Sharon Wussow, called the meeting to order at 7:00 p.m.

Present were Shawn Thorne, Robert Luepke, Robert Thayer, Dick Sibert and Luka Zischka.

Absent: Sharon Wussow and Joan Kamps, both excused.

Rusch called for nominations from the Board for an individual to chair the meeting. Motion by Zischka, second by Sibert, to appoint Shawn Thorne to chair the meeting. Motion carried.

Thorne read a statement regarding the posting of the meeting.

AGENDA: Motion by Zischka, second by Luepke, to approve the agenda and deviate as necessary. Motion carried.

MINUTES: Motion by Sibert, second by Thayer, to approve the minutes of the January 13, 2016 meeting. Motion carried.

ACKNOWLEDGEMENT OF CITIZENS: Director of Municipal Operations Steve Berndt, Fire Chief Robbie Woldt, Police Chief Todd Chaney, Clerk-Treasurer Willa Rusch, Ryan Amtmann of Ruekert-Mielke and James Mann of Ehlers Associations.

REPORTS:

Public Safety Committee: No meeting.

Police report on file. Zischka thanked Chief Chaney for checking on elderly before the snowstorm.

Fire Chief's report on file. Very good turnout for bowling tournament. Event brought in \$6,030, all due to sponsors. This is the eleventh year for the tournament. The main prize that brought in attendance was an Ariens snow blower that only cost the department \$300; the balance was a donation from Caroline Implement. \$800 in tickets was collected from that bucket alone.

EMS report on file.

Administrative Committee met February 3, 2016. Discussed 20-year Capital Improvement Plan and IT service provider.

Municipal Operations Committee met February 8, 2016. Sewer cleaning and televising is on tonight's agenda, and the meeting minutes are on file. Director's report on file.

Centennial Ad Hoc Committee will meet Saturday, February 13, 2016.

Zoning Board of Appeals: No meeting.

Library Board: Head Librarian's report on file.

Plan Commission: No meeting.

Fire Commission will meet February 25, 2016 at 6:30 p.m.

NEW BUSINESS:

K1: Operator's License Application. Applicant Kayla Arndt has been approved by Chief Chaney. Motion by Zischka, second by Sibert, to approve the operator's license for Kayla Arndt. Motion carried.

K2: Final Assessment Resolution for 2016 Street Project. Based upon public hearing, resolution can be adopted. Motion by Zischka to introduce Resolution 2016-02, Final Assessment Resolution in accordance with Section 66.0703, Wisconsin Statutes, authorizing the reconstruction of East Park Street from North Adams Street to North Madison Street, South Second Street from West Mill Street to West Green Bay Street and West Mill Street from Shioc Street to South Second Street, including installation of curb and gutter, roadway widening, sidewalk, storm sewer, water main, restoration and related improvements, and levy special assessments upon certain property in the Village of Bonduel benefited by the improvements. Second by Sibert. Roll call vote was taken. Motion carried unanimously.

K3: Resolution to Award Bid for 2016 Street Project. Peters Concrete, a local business, was the low bidder. Zischka asked if we have a second local business that could do this project, i.e., Grunewald. Berndt replied they did not bid. Thorne asked if either Amtmann or Berndt had worked with Peters Concrete before. Both responded they had not. Motion by Zischka to introduce Resolution 2016-03, to award the bid to Peters Concrete Co. for reconstruction of East Park Street from North Adams Street to North Madison Street, South Second Street from West Mill Street to West Green Bay Street and West Mill Street from Shioc Street to South Second Street. Second by Sibert. Thayer asked what Alternates A and B were. Berndt stated Alternate A is Shioc Street and Alternate B is Depot Street. These parts of the project were bid as alternates so that, if bids were high, one or both alternates could be dropped to reduce costs.

Motion was tabled until later in the meeting in order to discuss financial options for the project.

Financial Advisor James Mann took the floor and explained the two options discussed at previous Board meetings. Option 1 resulted in borrowing on a General Obligation a total of \$1,850,000 and another \$315,000 for the water utility, which would be done on a Bond Anticipation Note that hopefully at some point in the future would be taken out as a Revenue Bond. Option 2 was to reduce the General Obligation borrowing to \$1,500,000, which involves cutting about \$350,000 out of the borrowing by reducing the scope of the project.

Option 1a would finance the project over a 20-year period, in which case the maximum tax increase would be about \$1.36. Option 1b would reduce the finance period to fifteen years, and the maximum tax increase drops to \$1.25. If stretched out over a 20-year period, about \$180,000 more is paid in interest payments.

The second option was to reduce the project size and borrow only about \$1,500,000. Going with a 15-year plan for this option rather than the 20-year plan reduces costs about \$175,000. It also reduces the overall impact on taxes to a little over a \$1.00 versus \$1.10 on the 20-year option. The difficulty is that there are projects that are not getting done and will need to get done at some point in the future.

Borrowing the full amount to do all the projects would take the village up to just shy of 90% of its overall debt capacity, which is very high. It is rebuilt when we drop down to below 75% of the capacity in about three years. There is going to be an initial point when we are basically capped out on borrowing for the first couple years.

Delaying the two alternate projects would typically cost more. Also borrowing rates right now are remarkably low, and there has been a significant "flight to quality" where investors are putting their money into municipal bonds because they know they are going to get paid back.

Zischka asked Berndt what upcoming projects we may have to borrow for. Basically it is streets that will need to be redone in the near future. Thorne asked about the upcoming restroom construction. Mann stated that it was included in the current borrowing. Zischka asked if another issue came up unexpectedly, as the ball park restroom did, how would it affect our borrowing capacity. Mann explained the chart he had provided in his booklet which detailed exactly what the debt capacity will be each year, based on borrowing the full \$1,850,000. At the end of 2018, it would be back below the 75% threshold. Thorne asked what the likelihood of doing other borrowing would be when we're currently at 90% of our borrowing capacity. Mann stated it would be very limited; basically we would be relegated to either a state trust fund loan or a local bank. If we should need to borrow for an emergency project, it would be best to borrow short-term in October then levy the full amount and pay it off right away. Thorne commented that it is fortunate the village has a good reserve balance of about \$400,000. Berndt added that we also have a capital equipment fund in which funds are already set aside for purchases.

Mann stated it comes down to the question of "Is it important to do these projects now, and is a \$1.25 hit on the tax rate acceptable?" If that tax burden is too great, then we need to look at scaling back. Mann added that the decisions the Board needs to make are: 1) How many of the projects do you want to do? and 2) How long do we want to finance it?

Thorne commented that the 15-year financing plan seems to make more sense. Mann agreed that it made more sense based upon the debt profile of the village right now. Thayer stated that we have committed to the project this far, so we should carry the full project through.

Mann explained that the resolution sets forth that we are going to borrow money. Under Wisconsin bonding statutes we must adopt a resolution for each intended purpose. In this case we have streets, parks, storm sewer and sidewalk improvements. We are adopting a resolution for each one of those and then there is a corporate purpose resolution that allows us to combine these into one bond issue. That is the first step in the process to actually sell the debt, which would occur approximately one month from now. The dollar amounts included on agenda are maximums. If we choose option 2 and want to spend only \$1.5 million, we can still adopt resolutions as written, but documents would be drafted at only the \$1.5 million.

Thorne stated it's been made clear that 15-year financing would clearly be best. Zischka agreed. Thayer said we should stay committed to complete project. Zischka agreed. Thorne stated we should adopt the borrowing resolutions and then when we award the contract, we can finalize which projects would be completed.

K10: Initial resolution authorizing General Obligation Bonds in an amount not to exceed \$1,335,000 for street improvement projects. Motion by Zischka, second by Sibert, to introduce Resolution 2016-04 as named. Roll call vote was taken. Motion carried unanimously.

K11: Initial resolution authorizing General Obligation Bonds in an amount not to exceed \$285,000 for parks and public grounds projects. Motion by Thorne, second by Luepke, to introduce Resolution 2016-05 as named. Roll call vote was taken. Motion carried unanimously.

K12: Initial resolution authorizing General Obligation Bonds in an amount not to exceed \$230,000 for storm sewer projects. Motion by Zischka, second by Sibert, to introduce Resolution 2016-06 as named. Roll call vote was taken. Motion carried unanimously.

K13: Resolution providing for the sale of \$1,850,000 General Obligation Corporate Purpose Bonds. Motion by Zischka, second by Sibert, to introduce Resolution 2016-07 as named. Roll call vote was taken. Motion carried unanimously.

K14: Resolution providing for the sale of \$315,000 Water System Revenue Bond Anticipation Notes. Motion by Thorne, second by Zischka, to introduce Resolution 2016-08 as named. Roll call vote was taken. Motion carried unanimously.

K3: Resolution to award contract for reconstruction of East Park Street from North Adams Street to North Madison Street, South Second Street from West Mill Street to West Green Bay Street and West Mill Street from Shioc Street to South Second Street. Zischka amended the earlier motion to amend the final paragraph of Resolution 2016-03 to read: "Be it further resolved that the contract contained mandatory alternative bids and the Village Board of the Village of Bonduel has determined that it will award both of the mandatory alternative bids." Second by Thayer.

Thorne confirmed Alternate A is Shioc Street and Alternate B is Depot Street. He asked how long Shioc and Depot Streets can last if not repaired now. Berndt stated Shioc would last longer; even though Depot doesn't have as much traffic, it is in worse shape. Amtmann added that if the streets are not repaired now, they would continue to deteriorate and would have to be completely redone within five years.

Berndt stated it's unfortunate we have to do so much costly work now as a result of everything having been built years ago in a somewhat rural standard. Now we are converting streets to more of an urban standard, widening streets and putting in curb and gutter. Thorne added that this will affect the budget for next six years, not just for next year.

Luepke asked how this borrowing will affect our borrowing capability for new projects. This will put it at 90% borrowing capacity but according to Mann in three years we would be back to 75% of capacity. Thorne asked at what point we would be financially able to do another street project. Mann recommend waiting till 2021 before taking on another significant amount of debt; however, we will still be able to do smaller projects. When we get to 2020-2021, we are below 50% of borrowing margin and it's pretty easy to begin another project. Also, in 2022 we will close the TID and in 2023 it comes back on the tax roll. Ideally if we can, we should wait till that time.

Zischka asked about water tower project. Berndt said the water tower project cost is included in the borrowing plan. Mann added that the cash flow of the water utility is set up so that in 2018 when the water tower needs to be painted and rehabbed, it would be paid with cash. In 2020-2021 when the TID is no longer repaying the advance owed to the water utility, we will have to restructure debt at that time.

Thorne called for a vote on the motion. Roll call vote was taken. Motion carried unanimously.

K4: Tracks for Fire Department's UTV. Chief Woldt explained that last year the UTV got stuck on a few calls. He feels that tracks would provide more surface area. They did not receive DNR grant, so they are requesting the \$3,600 that would be spent toward DNR grant purchase be used to purchase UTV tracks, with the Fire Department membership paying about \$2,400 for the shortfall. That would pay the balance for the tracks and also for putting power steering on it, which is recommended with the tracks. Motion by Zischka, second by Luepke, to allow the Fire Department to utilize the \$3,600 DNR grant funds to purchase tracks for the UTV. Motion carried. Thorne asked how long it would take. Woldt stated it would take about a week; tracks would be installed right in Shawano, and training will be done in house.

K5: lamResponding Subscription Agreement. Woldt explained the new lamResponding paging system that has replaced Safe Alert. Messages and pages are sent directly to cell phones and responses appear on a monitor at the station as well as on Woldt's cell phone. Steve is working with Jeremy Des Jarlais to set up a GPS map of all hydrants so if other departments are called in they will know exactly where to go. Cost is \$700 for first year (includes \$50 setup fee). Succeeding years \$650. Woldt read the availability of area responders from the information on his cell phone that is provided through the lamResponding service. Motion by Zischka, second by Thayer, to approve the lamResponding Subscription Agreement. Thorne asked if Woldt was looking at a five-year purchase agreement. Robbie stated he was. Woldt responded it was included in the Fire Prevention budget. No further discussion. Vote was taken. Motion carried.

K7: Bids for sewer cleaning and televising. Berndt stated this is an annual project. Every year we clean the sanitary main in locations where we have problems with roots just to keep the mains clean and open. Also every year we televise 5% of the sanitary sewer system as a means of keeping up with the overall condition of the system and finding any potential problems, thereby giving us a chance to make any needed repairs. This year, we will also televise the laterals on Second Street prior to the street project. We know this is a problem area, primarily because of the street project back in 1999. We want to televise the mains to take care of any potential problems prior to putting in the street. This is over and above what we typically do every year. Green Bay Pipe and TV had the lowest bid of \$6,318. Thorne commented that the bid from Green Bay Pipe and TV was recommended by the Municipal Operations Committee. Berndt has worked with all three bidders before and doesn't have any issues with any of them, so the Committee went with the lowest bid. Motion by Thayer, second by Zischka, to approve the bid of \$6,318 from Green Bay Pipe and TV, LLC for the sewer cleaning and televising project. Motion carried.

K8: Recycle site hours. Thorne reported that a survey was placed on the village Facebook page and in The Communicator to get feedback from residents. Being open Saturdays year round and on Wednesdays from 1:00 – 3:00 p.m. or 1:00 – 5:00 p.m. were tied. The Committee recommended keeping Saturday as is (9:00 a.m. – 3:00 p.m. year round) and Wednesday from 2:00 p.m. – 5:00 p.m. from April 1 through November 30 and closed on Wednesday from December 1 through March 31. Motion by Thorne, second by Zischka, to set the recycle site hours to 9:00 a.m. – 3:00 p.m. on Saturdays year round and Wednesdays from April 1 through November 30 from 2:00 – 5:00 p.m. and closed on Wednesdays from December 1 through March 31. Motion carried.

K9: Cedar Park restroom building. Thorne stated financing has already been approved through earlier resolutions. Berndt displayed architect's drawings. Restroom and concession area with two storage rooms, an open pavilion and men's and women's restrooms. Block building, metal roof, footings that will hopefully prevent damage from Mother Nature. Possibly another addition, a closed pavilion, could be added in the future to create a year-round facility. Restroom area is being insulated and constructed so that it could be heated. Plan A2 is a possible closed, heated pavilion for year-round use. One of the storage rooms is gone in this plan and it becomes an open area that flows through from the kitchen into the new heated area, and there is a small serving counter there. That central area can be used from both directions. Initially what we're looking at right now is the building on the first page, Plan A1, the restroom, concession and open pavilion area.

Berndt has contacted the Sikora Fund and KI for the possibility of their donating funds for the heated area. There is no obligation on the village's part; Berndt made it clear to them that this was something he was asking of them just to see if it was a possibility so he could bring it back to the Board. At this point, the Sikora Fund is interested and wants the village to submit an application to them. Thayer asked what the costs would be. Berndt responded for the initial structure we're using \$200,000 in the

financing; the original architect's estimate was \$175,000; the addition would be \$125,000. Contact person at KI has submitted the project to their corporate office, and Berndt has not heard from them yet. The Board would decide whether or not to pursue the donations.

Estimated time frame for completion: Proposal is for the Board to approve plans tonight, grant approval at March meeting to advertise for bids, and in April award bids to the contractor. The contractor would start construction as soon as possible after that, possibly as early as Monday, April 18, and it could take three months.

Thorne stated that the building can accommodate forty people, so each bathroom would have four stalls. If the addition is built it creates a capacity of 320. Zischka asked if the building would be located where the old one was. Berndt stated it must because there is a pit into which the waste from restroom facilities drains, and there is a pump in it that pumps the waste away; we have to use that same pit. One change that can be made is the orientation can be turned. The Committee discussed running the building in an east-west orientation with the open pavilion faced to the west, towards the woods and the ball field.

Motion by Zischka, second by Thorne, to approve proposed Cedar Park pavilion Plan A1. Thorne's concern was that by using 12" insulated block, which is an additional cost of \$5,000-8,000 for materials and labor, if the year-round addition doesn't happen these are additional costs we are putting into this building. Berndt stated that we are making this building in such a way that we can plan for a year-round addition in the future. General consensus was this was a good plan. Discussion having ended, vote was taken. Motion carried. [Zischka left at 8:23 p.m.] Berndt added that if we receive funding for the addition now, we could add it to the current project and possibly reduce cost.

APPROVAL OF PAYMENTS: Rusch noted additions of payroll taxes, petty cash replenishment and one invoice from Staples for office supplies. [Zischka returned at 8:25 p.m.] Motion by Luepke, second by Thayer, to approve vouchers for payment. Motion carried.

TREASURER'S REPORT: Motion by Sibert, second by Zischka, to approve Treasurer's Report. Motion carried.

L1: Building At 101 E. Green Bay Street. Chaney reported that the raze order has been prepared. President Wussow wanted the Board to authorize her to sign it. Motion by Thorne, second by Zischka, to approve raze order for President Wussow's signature. Motion carried.

ANNOUNCEMENTS:

Centennial Ad Hoc Committee	Saturday, February 13	Time TBD	
Fire Commission	Thursday, February 25	6:30 p.m.	Fire Station
Village Board	Wednesday, March 9	7:00 p.m.	Village Hall

Berndt announced he will be out for a few weeks for medical reasons.

K6: Closed Session. Motion by Sibert, second by Luepke, to move to closed session for approximately five minutes to discuss potential purchase of records management system. [Pursuant to Wis. State Statutes, Chapter 19 - General Duties of Public Officials, subchapter V - Open Meetings of Governmental Bodies, 19.85 - Exemptions (1)(e): Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.] Roll call vote was taken. Motion carried unanimously.

Board went into closed session at 8:34 p.m. Chief Chaney and Clerk Rusch were invited to attend the closed session.

Motion by Thorne, second by Zischka, to return to open session. Roll call vote was taken. Motion carried unanimously. Board returned to open session at 8:46 p.m.

Motion by Thorne, second by Sibert, to adjourn. Motion carried. Meeting adjourned at 8:47 p.m.

Respectfully submitted,

Willa Rusch, Clerk