

VILLAGE OF BONDUEL  
VILLAGE BOARD MEETING  
MARCH 9, 2016

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

Wussow read a statement regarding the posting of the meeting.

Present: Sharon Wussow, Shawn Thorne, Robert Luepke, Joan Kamps, Dick Sibert and Luka Zischka.

Absent: Robert Thayer (excused).

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

MINUTES: Motion by Sibert, second by Zischka, to approve the minutes of the February 10, 2016, Public Hearing and Village Board meeting. Motion carried. Wussow and Kamps abstained.

ACKNOWLEDGEMENT OF CITIZENS: Steve Berndt, Director of Municipal Operations; Police Chief Todd Chaney and Willa Rusch, Clerk-Treasurer.

COMMUNICATIONS: None.

REPORTS:

Public Safety Committee: No meeting. Police Chief's report is on file. Incident report on a dog bite was noted. Chief Chaney reported the health department was alerted and the dog was quarantined for ten days. Shots are up to date. The dog was under control, and it was not what would be described as a vicious act. Also noted were increased incidents at the Jefferson Apartments. Chaney explained there is deterioration in the apartments because they changed from leases to month-to-month rentals, so there is a lot of transition. Kwik Trip and the school always have a high number of calls.

Fire Department report is on file. In Chief Woldt's absence, Wussow read highlights of the report.

EMS report is on file.

Administrative Committee met to discuss IT service provider. Will meet again to discuss further. Clerk's report is on file. Rusch explained the work that had been done on due diligence in preparation for the bond sale. Quarles & Brady, our bond and disclosure counsel, did find one reportable incident: The resolution approving the 2011 Water Revenue Bond states that whenever net water revenues over expenditures are less than 1.25 % of the bond premium, it is considered a reportable incident. Quarles & Brady has now reported this incident, so the village is now in full compliance with reporting requirements.

Municipal Operations Committee: Thorne reported the biggest thing is the new contract with Advanced Disposal. Jim will probably be taking a look at the leaf-blower machine. Guys are working on the Village Park bathroom. Sewer lines are being televised. Zischka asked how softball field is draining. Sibert stated both fields are looking good. Zischka asked who will prep the fields. It was stated that since the club took it over, it has been taken care of by the school. Zischka felt they should be doing it properly – dragging etc. If the Bat & Ball Club is going to be taking care of the diamond, the village may need to oversee it. Sibert stated the Municipal Operations Department only did field prep in case of emergency.

Centennial Ad Hoc Committee did not meet. Kamps stated the Committee will meet March 19, 2016. Several things they are checking on, including whether to have the Centennial Celebration July 3<sup>rd</sup> and 4<sup>th</sup> or just the 3<sup>rd</sup>. They are contacting different people to be narrating in the pavilion to residents at the photo displays. Kathy Lashua from the Bonduel Archives has joined the Committee. Zischka stated they

didn't think they could realistically hold an event on their own, so the big push was to piggyback with the 4<sup>th</sup> of July weekend.

Zoning Board of Appeals: No meeting.

Library Board: No meeting.

Village Plan Commission: No meeting.

Fire Commission: Minutes on file. UTV tracks were purchased.

#### NEW BUSINESS:

K1: Resolution Awarding the Sale of \$1,850,000 General Obligation Corporate Purpose Bonds, Series 2016A. A conference call was held with James Mann of Ehlers Associates. Mann reported they received four bids this morning and Bankers Bank, working through Bonduel State Bank, was the low bidder. They provided a true interest cost (TIC) of 2.43%. The actual interest rate they showed ranged from 1% in 2017 up to 3% in 2031. When combined together it calculates to a 2.43% TIC. They did a premium, which means they gave us more money up front than we asked for, and that allows us to: 1) pay for some of the issuance expenses 2) pay some of the first year's interest payments and 3) have excess proceeds available to allow for contingency. The net result of the sale is that there is about \$16,000 less in costs than what we had estimated, and also there is approximately \$23,000 of contingency available for the village to use in any of the stated projects, either currently or in the future. The tax impact of the borrowing - in 2017 before this new bond issue, the outstanding debt was \$290,740; by adding the new debt issue, the debt payment becomes \$402,591; then there is \$34,976 premium offset which creates a total cost to the taxpayers of \$201,549. The original estimate was \$243,000. That's where the premium comes in and reduces that levy, so we are able to levy less dollars in 2017 than we had originally anticipated. The levy would go up the following year, but we would be about \$16,000 less in total costs on the issue than what we had anticipated throughout the life of the issue. Mann spoke with Sam Devine at Bankers' Bank yesterday and wanted to ensure they would be participating and that they are comfortable with the fact that the village is using most of its borrowing capacity. He walked him through this set of projects and explained how it is setting the village up for the next several years so that we wouldn't have any additional borrowing on the docket until possibly 2020 or 2021. Consequently, they were comfortable with the borrowing and put together a very aggressive bid. He stated the only thing remaining was to adopt the Resolution to award the \$1,850,000 bond sale.

Motion by Thorne, second by Zischka, to introduce Resolution 2016-08 Awarding the Sale of \$1,850,000 General Obligation Corporate Purpose Bonds, Series 2016A. Roll call vote was taken. Motion carried and Resolution adopted unanimously.

K2: Resolution Authorizing the Issuance and Sale of \$315,000 Water System Revenue Bond Anticipation Notes, Series 2016B. Conference call with Jim Mann resumed. Mann stated we received three bids and again Bankers' Bank, working through the local bank, was the lowest bidder. Their interest rate was 1.5%, and the True Interest Cost worked out to \$1.5955%. We had originally shown an interest rate of 2.5%, so this came in at about 12% less than that. If you take the entire bond anticipation note out to term, which is five years from now, the total costs would be about \$16,000 less to the utility than what we had originally estimated. When we get out to 2019, we will need to look at rate case work or restructuring the debt, because the TIF payments to the water utility will drop off; once that occurs the cash flow of the utility as it is currently structured will not be sufficient to make the payments. Wussow asked about the inclusion of the water tower work which is a future project. Mann stated the water tower project was set for 2018, and with the cash that is being generated from the TIF repayments, they anticipated the village would be able to pay cash when it comes time to paint the water tower. Berndt stated that primarily this borrowing is going to pay for the water main work being done this year as part of the street project.

Motion by Thorne, second by Zischka to introduce Resolution 2016-09 Authorizing the Issuance and Sale of \$315,000 Water System Revenue Bond Anticipation Notes, Series 2016B. Roll call vote was taken. Motion carried and Resolution passed unanimously.

Mann stated he appreciated working with the village again and stated we would have some things to talk about in the next couple years as we get closer to the water issue coming up as the TIF pays the advance off. Wussow thanked Mann for his help and the conference call ended.

K3: Purchase of a commercial lawn mower. Thorne stated the Municipal Operations Committee recommends the purchase of a new lawn mower and selected the John Deere. It was \$250 more than the Ferris model but because of familiarity with John Deere and local supplier, they decided to go with that bid. Berndt mentioned that Ferris is a brand they are unfamiliar with and the dealer didn't have any units or parts in stock. He mentioned our history with the John Deere product, the local dealer and availability of parts and service and felt the John Deere was the better choice. Zischka asked how many lawn mowers this would put us at. Berndt said this is replacing an existing mower that is in poor condition; that unit would be advertised for sale. Motion by Zischka to purchase the John Deere model Z920M from Caroline Implement for \$8,392. Second by Kamps. Thorne asked if bag option was needed. Berndt stated it was not necessary. The one we are replacing does not have a bagger so mower equipment remains status quo. Motion carried. Thorne commented that in the Capital Outlay Plan, we have \$15,000 budgeted for that mower so this will help that budget by a little over \$6,000. Luepke asked the horsepower. Thorne stated it was 23.5 hp. Zischka asked approximate acreage we have to mow in a week. Berndt stated it includes both parks, the area along Cedar Street, the Business Park and around all the municipal buildings.

K4: Advanced Disposal contract. Thorne stated that in the previous contract if gas prices drop below \$3.00 for a full year, we can renegotiate the contract, which we did. Currently we pay \$8.95 per unit. If we approve this tonight, the cost should drop down to \$8.65 in 2016 based on current diesel prices. Figures are also presented for 2017, 2018 and 2019. In the former contract, unit price of gas went up 25 cents per year. They proposed it would go up 30 cents a unit each year. We countered at 20 cents and they accepted it. As an example, the \$8.65 price per unit in 2016 would be \$8.85 in 2017, an increase of 20 cents, which would be carried out to 2018 and 2019. Zischka asked what the perceived savings would be from renegotiation. Thorne said at this rate if we are charged \$2.20 per gallon year round, the unit price would be \$8.55 versus \$8.95, a 40-cents per unit reduction. If you multiply that 40 cents by the 485 residential customers it is about \$194 per month, multiplied by twelve is roughly \$2,300 per year savings. Figures in the proposal indicate the ceiling and the bottom, so the rate for 2016 won't be less than \$8.55 but it won't be more than \$9.35, and so forth as it goes with each year. Zischka asked the length of the contract. Thorne stated 2016 finishes the third year of the existing contract and this would be like renewing it for another three-year contract. This is consistent with previous contracts. Everyone is satisfied with service, more than with past providers. Advanced Disposal has been good to the village, donating dumpsters for the Fourth of July and Founders Day. Zischka commended Thorne for looking into the contract options and pursuing the renegotiation. Thorne stated he was concerned with the prices Advanced Disposal is charging because we are already borderline at having enough revenue to cover expenses. As we go forward we have to continue to look at it because we don't want to increase the \$15 charge to the residents. Berndt added Advanced Disposal provides very good service and their pricing is extremely competitive. Price increases over the last few years have been quite minimal. By bidding it out, a new provider would offer only a minimal cost difference; this way we are staying with a contractor who we know and who has been providing very good service. Motion by Zischka, second by Luepke, to accept the revised and extended contract with Advanced Disposal. Thorne added that the 2016 rate portion is retroactive to the beginning of the year. Thorne added a comment that he emailed Advanced Disposal Monday night with a counter proposal, and they responded in a very timely manner so we could have it by tonight. Motion carried.

Kamps asked about status of leaf-cleaning equipment. Thorne responded we are at the stage where any time we want to take a look at the machines, we can.

K6: Bodily injury claim. Rusch updated the Board regarding a claim filed against the village by a woman who tripped on a section of raised sidewalk near Amicos. A claim form was submitted to our liability carrier, League of Wisconsin Municipalities Mutual Insurance (LWMMI). In a phone conversation with the claimant's husband, he stated they were only asking for reimbursement of their medical costs. Statewide Services, Inc., LWMMI's claim adjusting service, sent letters to both the claimant and the village stating that the village has no Medical Payments coverage and that the village is neither negligent nor liable in this incident. In absence of negligence they are recommending that the Village disallow the claim, and they provided a Notice of Disallowance of Claims Form. In earlier correspondence, Statewide instructed the claimant to provide an itemization of the medical expenses, which she did; however, no medical bills were provided to support the costs that were listed. Total cost was just under \$3,000. The Board has the option to either disallow the claim or pay it outright as an uninsured expense, in which case we would ask the claimant for actual medical bills to support the costs she provided. The consensus during discussion was that the claim should be denied. Thorne stated he looked at the sidewalk in question, he has not seen a bill, there are no witnesses, he feels the village is not at fault and the insurance company backs that up. Motion by Thorne, second by Kamps, to deny the claim and send Notice of Disallowance of Claims Against the Municipality to the claimant with copy to insurance company. Zischka expressed concern that the Statewide Services letter states "the municipality has no liability unless it knew or should have known of the condition." Does that mean we need to do something about it? Chaney stated we need to mitigate the risk. Thorne stated he believes the sidewalk crack was painted. Zischka wanted to ensure the village would have no future liability. Chief Chaney will check the sidewalk. Discussion having ended, vote was taken. Motion carried.

UNFINISHED BUSINESS:

L1: Building at 101 E. Green Bay Street. Order to Repair or Raze was signed and will be going out tomorrow. No action.

L2: Cedar Park restroom. Thorne stated that at next month's meeting, we should have the bids back, and we will be voting to award the bids. Updated diagrams are on display. It is projected that construction will take about three months. Financing is built into the street project borrowing. No action.

APPROVAL OF PAYMENTS: Rusch explained additions of payroll tax payments and one library invoice that came in late. Motion by Thorne, second by Sibert, to approve vouchers for payment, with changes mentioned by Rusch. Motion carried.

TREASURER'S REPORT: Motion by Kamps, second by Thorne, to approve the report as presented. Motion carried.

ANNOUNCEMENTS: Village Board April 13, 2016 7:00 p.m.

Motion by Sibert, second by Thorne, to adjourn. Motion carried.

Meeting adjourned at 8:14 P.M.

Respectfully submitted,

Willa Rusch, Clerk