

**VILLAGE OF PLEASANT PRAIRIE
PLEASANT PRAIRIE VILLAGE BOARD
PLEASANT PRAIRIE WATER UTILITY
PLEASANT PRAIRIE SEWER UTILITY**

**Village Hall Auditorium
9915 - 39th Avenue
Pleasant Prairie, WI
November 19, 2018
6:00 p.m.**

A regular meeting of the Pleasant Prairie Village Board was held on Monday, November 19, 2018. Meeting called to order at 6:00 p.m. Present were Village Board members John Steinbrink, Kris Keckler, Mike Pollocoff, Dave Klimisch and Mike Serpe. Also present were Nathan Thiel, Village Administrator; Tom Shircel, Assistant Village Administrator; Jean Werbie-Harris, Community Development Director; Kathy Goessl, Finance Director; Dave Smetana, Chief of Police; Craig Roepke, Chief of Fire & Rescue; Rocco Vita, Village Assessor; Matt Fineour, Village Engineer; John Steinbrink Jr., Public Works Director; Dan Honore', IT Director; Craig Anderson, Recreation Director and Jane C. Snell, Village Clerk. One citizen attended the meeting.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**

John Steinbrink:

A request has been made to move Item A under 7 New Business to the top of the agenda here.
Motion to do so?

Mike Pollocoff:

I'll move.

Kris Keckler:

Second.

- 7. NEW BUSINESS**
 - A. Consider approval of an Assignments of the Development Agreement between the Village and Harpe Development, LLC regarding the Vintage Parc Development location at the southeast corner of STH 165 and Old Green Bay Road.**

Jean Werbie-Harris:

Mr. President and members of the Board, this is the request of Dustin Harpe through the Harpe Development, LLC, and this is for an assignment to the development agreement between the Village of Pleasant Prairie and Harpe Development. The current owner as of last Thursday, the

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last owner, was Lakewood Meadows, LLC. And Lakewood has since on Friday sold this project to Dustin Harpe as part of Harpe Development. As with any other project in the Village this is a project that was started and not completed during the recession era of 2008-2009. The slide shows where the project is located south of 165 at approximately 105th Street as well as 65th Avenue, it's east of Old Green Bay Road.

At that time back in 2007-2008 this project was platted as a condominium development. It has since sat for almost ten years. There were some public improvements that were completed to the site including the pavement and the curb and gutter, and then there were some other improvements that were done. The two terminations of cul-de-sacs on the east and the south are actually terminating as temporary cul-de-sacs.

This property was sold last spring from Wisen Developments or Wisen Investments to the Lakewood Meadows Development. And now they are selling it to Dustin Harpe. Again, he closed on the property last Friday. The intent is that Harpe Development, LLC, will take over and execute the development that was entered into between the Village and the original developer. And there are obligations that the new developer will have with respect to complying and completing basically all of the public related improvements for the site. Mr. Harpe will also be required to post a letter of credit with the Village that is equal to a 2018 estimate.

So the staff recommends approval of the assignment of the development agreement for Mr. Harpe. He is working on conceptual plans with the Village. It is my understanding that he intends to bring the project forward as two and three unit condominium development, project units, but he is vetting all that through the stuff. And, if course, the public related improvements he's vetting that out through our Village engineering department. So with that the staff recommends approval of the assignment of the development agreement to Harpe Development, LLC, subject to the comments and conditions as outlined in the assignment one of which is executing this document, and secondly to provide a 2018 estimate for the letter of credit. And, again, as we finalize and vet through the entire project he may need to submit an additional or a supplementary letter of credit. And, again, that will all come back through for the Village Plan Commission and the Village Board's approval.

Michael Serpe:

I'd move approval.

Mike Pollocoff:

Second.

John Steinbrink:

Motion and a second. Any discussion? Those in favor?

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Voices:

Aye.

John Steinbrink:

Opposed? So carries.

Jean Werbie-Harris:

Thank you.

SERPE MOVED TO APPROVE ASSIGNMENTS OF THE DEVELOPMENT AGREEMENT BETWEEN THE VILLAGE AND HARPE DEVELOPMENT, LLC REGARDING THE VINTAGE PARC DEVELOPMENT LOCATION AT THE SOUTHEAST CORNER OF STH 165 AND OLD GREEN BAY ROAD; SECONDED BY POLLOCOFF; MOTION CARRIED 5-0.

4. PUBLIC HEARING

A. Proposed 2019 General Fund Budget

- 1. Citizen Comments.**
- 2. Closing of Budget Hearing.**
- 3. Board of Trustee Comments.**
- 4. Resolution #18-46 relating to the Adoption of the 2019 Budget and property Tax Levy including Capital, Debt Service and other funds of the Village budget.**

Kathy Goessl:

In your packet is the actual detailed budget for general operating capital and debt. And that was also published on the website. And this is our org chart for the Village. Everything in blue will be presented tonight, the general government operating capital and debt service, and then our tax increment districts which now we have more than one, so I'll present all of them, and then our special revenue fund. The ones in green, water, sewer, clean water, solid waste and fleet were presented a couple weeks and approved.

I'll start with operating. This is an overview of our operating budget for general government. It compares 2018 budget to what we're proposing and the changes in dollars and percents. Revenue is up \$595,000 with property tax being down by three percent or \$285,000. And then other revenue being up \$880,000 which is the addition of a personal property tax aid of \$285,205 and an increase in permits and licenses, mainly building permits, of \$367,000.

Expenses are up \$652,000 with decision packets of \$540,000 accounting for the majority of the increase. All the other categories increased except for parks and contingency. We're

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recommending use of \$243,821 reserve for one-time expenses, and using the reserve to transfer \$850,000 to general government capital. Our estimated end of year reserves will still be at 30 percent even with a transfer and the one-time expenses which is over our current reserve policy minimum of 25 percent.

These are our operating revenues in our different categories. It's comparing last year's budget to our proposed and the dollar change. As I mentioned on the previous slide property taxes are down \$285,205 for the operating portion of the general fund budget. That \$285,000 equivilates to the personal property tax aid that we will be receiving that in intergovernmental revenue. Other taxes are mobile home taxes, utility tax from the water utility, also personal property tax penalty and hotel and motel tax. This is up \$132,000, the majority of the increases in utility tax from the utility, water utility up \$127,000.

Intergovernmental is up \$265,000. The majority of this category is shared revenue from the state for having the power plant and power lines for \$1.8 million and [inaudible] shared revenue for \$172,000. This category also includes our new personal property tax aid of \$285,000 which accounts for the increase in this category. Licenses and permits are up \$267,000 mainly due to an increase in commercial building permits up \$305,000. Fines is Municipal Court revenue and our parking ticket revenue, there's a slight increase in Municipal Court revenue of a little over \$6,000. Public charge for services, the large revenue sources in this category is engineering, billing engineering, rescue squad, franchise fees and street light billings. A small increase across the majority of the accounts totaling \$43,000 in this category.

Other revenue sources are up by \$66,000. The majority is due to interest on investments up \$25,000 school officer up \$17,000 and assessing contracts up \$9,000. So overall we have a total revenue increase of a little less than \$600,000. This is the source of the revenue. The two largest revenue sources besides property taxes is intergovernmental at \$2.5 million up \$132,000. And public charges for services \$2.1 million up \$42,000 from last year.

Now I'll switch from revenue to expenses. Our expenses are up \$1.5 million. In the base portion of the operating budget overall personnel costs are up \$280,000 across all the categories. Operating expenses are up \$33,000. We have this operating transfer of \$850,000 toward the bottom of this table, and recurring packages of \$297,000, so a total increase of \$1.5 million in this budget.

Public safety, the top line, is up \$87,000, fire and rescue an increase of \$87,000, police and inspection up slightly offset by a decrease of \$17,000 in public safety communications. Public works is engineering, streets, street lighting up \$37,000, and increase of \$21,000 in engineering, streets up \$31,000 offset by a decrease in street lighting. General government includes our Village Board, Municipal Court, administration, HR, IT, finance, assessing, Village Hall and Roger Prange Building up \$62,000. The majority of increase is in IT up \$46,000. Other departments up some and some are down.

CD up \$18,000, personnel is up \$27,000 offset by a one-time down \$14,000. Parks has a decrease of \$58,000. This is a decrease in the personnel allocation of our public works

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employees down \$53,000. And then we have contingency. In 2018 this contingency was meant for unsettled union contracts. In 2018 the dollar amount is used to balance our budget.

Decision packets, the decision packets were discussed in detail at our October 15th meeting. Recurring decision packets totaled \$296,710, and one-time total \$243,821. The ones over \$30,000, \$30,000 or over are in the recurring, one police officer for a little over \$89,000, part-time landscaping position to full-time for a little over \$51,000, seven part-time dispatchers to full-time for \$68,000, full-time municipal code enforcement officer for \$53,000, and annual park maintenance which includes the emerald ash borer from the parks department \$30,000. Our one-time over \$30,000 or over is our compensation study for \$35,000, storage bay floor epoxy seal for \$40,000, security fence around Prange for \$50,000, fire staffing study for \$30,000, and public safety communications study for \$30,000. So that's our general government operating, revenue and expenses.

Now I'm going to switch to the capital fund. The tax levy increase on our capital fund increases by \$710,000. All the growth was put into the capital fund for the upcoming year. Intergovernmental is an increase in road aids of \$127,000 which is 15 percent, our max increase in that category, plus one additional one-time payment of \$159,000 from ATC. Impact fees collected, estimate of the collection of, currently we're already at \$800,000 for 2018 with some big payments recently received from Aurora and Breeze Terrace. So I'm estimating to collect \$850,000 in 2018. I keep a conservative estimate for 2019 of \$150,000.

Transfer in of \$850,000, that's from our general operating fund. We had a surplus last year of over \$1 million accumulated plus surpluses over the last couple years. So we're transferring that money of \$850,000 to capital to be used for one-time capital expenditures. Land sales, reserves were used in this fund to purchase Abbott property located in Bristol in 2017. Currently we have a purchase and sale agreement pending to sell the land in 2019. The land purchase is currently on the balance sheet as a land for resale so only the profit from the sale will be recognized when sold. And currently I don't have anything in here until we sell it for 2019.

Other, interest income, sales of police vehicles and the use of the fire and rescue capital reserve. And another one is sponsorships or donations, and/or donations, for the command post communication vehicle. The increase of \$175,000 budgeted in 2019 is for the sponsorship [inaudible] donation for the command post communication vehicle offset by a decrease in the use of the fire and rescue capital reserve of \$98,000. That's our total revenue.

Capital outlay totals \$4.3 million for 2019 up from \$3.4 million in 2018. The major projects over \$200,000 that are included in the \$4.3 million are the paving program for \$1.8 million, replacement ambulance for a little over \$309,000. We're using the final balance in the fire and rescue reserves of \$38,000 to help pay for a small portion of that ambulance. And we're carrying over the replacement of the 1990 pumper tanker for \$882,000 which was borrowed in November, just a couple weeks ago, but will be received in 2019. We are recommending no borrowing for 2019. We did have some borrowing in 2018 for the ambulance, the pumper tanker and to finish our fiber ring.

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On to our next category is our debt service. The debt levy was updated based on the sale of our bonds a couple weeks ago so this did change slightly. But interest rates were a little higher than expected increasing the levy and the debt payment by \$13,598. Even with that increase we're looking at a decrease in our tax levy of a little more than \$2,000. Our interest income will be up \$8,000, and we have a small increase in principal and interest payments of \$3,075. We're looking at a balanced budget with no gains or losses in this fund.

This is our general government outstanding debt trend. General government's outstanding debt at the end of 2018 will be \$10,365,000 after paying off \$1.5 million in 2018 and borrowing \$1.4 for the fire truck, ambulance and finish the fiber ring. At the end of 2019 outstanding debt will be \$8.9 million after paying \$1.5 million and not borrowing any in 2019.

This is a summary of all three of our general government funds, our operating, debt and capital. Total property tax levy that's being recommended is \$12,306,203 up because of growth of \$705,081, a debt adjustment of an increase of \$3,075 offset by a personal property tax reduction of \$285,205, overall a net increase of \$423,000. Our fund balance at the bottom is estimated to end the year at \$9.6 million across all three funds with unreserves of \$5.5 million overall or 23 percent of expenditures. Our fund balance policy is written based on our operating being above 25, not all three funds being over 25. So as you can see on the left hand side operating is at a 30 percent fund balance unreserved.

How does this affect the property tax bill? This is a comparison of the 2018 to 2019 recommended mill rate for all taxing bodies. All numbers are final. The total mill rate without school tax credit decreased \$1.91 from \$21.58 to \$19.67 per \$1,000 of assessed value. All taxing districts mill rates decreased in 2019 because equalized value and assessed value increased. The Village accounts for only 22 percent of our total taxes being collected.

This is a median residential home which increased 15.48 percent or \$31,800 from 2018 to 2019. The total property tax bill before tax credits which is a final if our budget is approved tonight is an increase of \$234.39 or 5.29 across all taxing districts including the school, the county, Gateway and our tax levy. Less credits the credits are not finalized. We don't have any credit information yet from the state so this is just an estimate of what we had last year, and then it adjusted slightly because of the increase in assessed value. So a net increase of \$230.16 with probably less because the tax credits will come in for an increase of a little under six percent over and across all taxing bodies.

So now I'm switching gears to our tax incremental districts. Our most active district or has the most activity going on is out TID #2. The property tax increment which is on the top line is determined by the State of Wisconsin formula based on the equalized value without and with TID. This should be the final number being up a little over \$2 million. Sale or property, 2018 was the sale of land to Aurora, that \$14.5 million. And then I'm budgeting in 2019 for the final land purchase payment from Haribo for \$7.5 million.

And then other revenue 2019 budgeted for exempt computer aid for \$337,000, personal property tax aid for \$293,000, and interest income of \$260,000 for an increase over last year's budget of

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\$286,000. The transfer in is CDA land that was transferred into the TID District to be sold to Uline. It's a piece that is mainly stormwater management and was sold to them for around the same price as what we transferred it in for. And it's included in the sale price up above, the \$14.5 million.

Capital improvements we budgeted in 2018 to complete \$16.1 million or work in the Prairie Highlands which got off to a slow start, so only estimating spending a \$7.2 million for 2018. Budgeting to spend \$13.5 million in 2019 for Prairie Highlands leaving about \$4.8 million left to spend out of our TID escrow in 2020. Debt payments show debt payments of \$31 million in 2019 which includes calling some notes and paying off early saving the TID \$421,000 in interest. 2019 budgeted to end at a positive \$13.8 million fund balance across all TID #2 funds. Even with a negative net income here we're looking at ending at \$13.8 million.

This is the TID #2 debt. Our highest debt was in 2017 we borrowed to purchase the Abbott land for \$37.9 million. Put money in escrow by July 19, 2017 to make improvements to Abbott land or Prairie Highlands Corporate Park for \$25.6 million. And refinanced to pay off some original short-term notes. From 2018 until 2022 we are only paying off debt, no new borrowing. We are calling any notes that are callable if we have enough fund balance to make the payments. So currently we had projected the TID to close in 2023, but now we're looking based on what our current projections are 2022.

Our next TID District is TID #4 which is now Ava Manor. TID 4 was a blight elimination for property located at 22nd Avenue and 91st Street. Total project cost was \$715,000 with the developer financed the project. In 2018 the developer started a housing development called Ava Manor. Now that improvements have been made to the property bigger tax increments will be generated. These increments will be used to reimburse the developer for the project costs plus interest. Closing dates of TID #4 is 2034 so the payment of increment minus costs will be paid through 2034. As you can see the increment actually went down this year by a little over \$500. Because of how the state did personal property tax aid \$83 got attributed to TID 4 when they really don't have personal property tax, but an incremental payment the net will be paid out to the developer on this project of a little over \$3,000.

TID #5 is Prairie Highlands. It was created in 2017 and no property tax increment until 2020 so we budgeted zero. We haven't gotten anything this year or next year. 2018 is administrative cost and will be paid back once the increment is generated in 2020. 2019 mainly Prairie Highlands capital cost, also design of the roundabout 350, and Aurora's development grant/grading payment is our capital cost on TID #5. That will be issued to cover these costs in 2019 for a little over \$20 million with issuance cost of \$105,000. And we'll generate a little bit more administrative cost for this TID. And for 2019 we'll be ending with a little bit negative balance until we generate -- we can't use borrowed funds to pay administrative cost. So once the increment comes in in 2020 we'll pay that back.

TID #6 is Main Street Marketplace. It was created in 2018. Property tax increment will start in 2021. We're borrowing GO debt for phase one public improvements. All the rest of the public

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improvements will be developer revenue bond funded. The developer has accrued some expenses to acquire some land right away and some engineering plans for around \$400,000 in 2018. We will reimburse the developer in 2018 ending the year with a negative 406 in this fund. In 2019 when we borrow for TID 5 we will borrow also for this TID, and that will cover the cost that the developer has incurred so far and the remaining amount we are obligating ourself to pay for this TID. Again, we have some administrative costs here that will be reimbursed once we start generating an increment.

And our final TID is TID #7, Stateline 94. This was created in 2018. Property tax increment will start in 2021. All the public improvements will be developer revenue bond funded. Administrative costs will be reimbursed when the increments are generated. So we're ending the year at \$20 million negative which will be reimbursed in the future. So all these small negative amounts we borrowed from our general government operating reserves at the end of the year and be paid back.

Special revenue fund, the federal forfeited special revenue fund has been closed in 2018. So you can see zeroes there, and this is the last you'll see of this fund. The only one left now is police. The revenues are mainly donations, and expenditures are mostly for the care of the police dog. So at the end of the year we'll have a fund balance around \$17,000 based on their projected donations and expenditures with the police dog. So that's my presentation. Any questions or comments?

John Steinbrink:

If there's no questions we will open it up to citizens' comments.

Jane Snell:

Mr. President, there were no signups for the public hearing this evening.

John Steinbrink:

Anyone wishing to speak on the public hearing for the budget this evening? Hearing none I'll close citizens' comments and move on to Item 2 closing of the budget hearing with item 3 being the Board of Trustee comments.

Michael Serpe:

Again, Kathy, I give you credit for putting together a budget that many won't understand, it's complicated. But you do a great job at it. And, believe me, we appreciate it. And I think more than us is the residents of Pleasant Prairie who realize the services we give for what we charge. And I give the department heads and you all the credit. We just put the stamp of approval on it, and that's easy to do when you make a presentation like this.

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Kris Keckler:

And I think it's appropriate to note that it's kind of an early stage culmination of past efforts where sometimes the general population thinks it's inherently bad to borrow money when, in fact, there's a quality examples in here where the Village took its time and understood projects and had opportunities to not only take some additional debt on but then repurpose that and resell some of that land back in the larger projects that we're working on. So I think it's a really good example that you guys manage all around.

Mike Pollocoff:

I just want to say going through the budget staff did a good job of preparing a strategic job document that's going to guide the Village through some what's going to be difficult times in the next few years here where we're dealing with a range of issues between the closure of the power plant, the growth that the Village is undergoing before we receive any money from the TID #2. And I'm not sure to what extent we'll be able to prevail very early on the dark store problem, and we'll be under pressure from that as well.

And I think that along with what Trustee Keckler said I think we've been prudent with the issuance of debt. That debt issuance has been tied to economic development that hasn't been showing up on the general fund taxpayer at all. It's been paid for by the developer or people buying property. And the more we can keep that in balance and pursue as early retirement as possible I think it's going to help us deal with some of the major expenditure issues we have facing us. I think probably the big ones when you look through the budget is going to be public safety for additional personnel in those departments.

And I really believe that taking that strategic plan and coupling up with the staffing studies that we've funded in the budget is really going to give us a way to track through and deal with the impact of the growth that's taking place in the community without having it be a substantial burden on the taxpayers which is also a real challenge.

I'd also like to recommend that we've been able to do a lot with debt in the last few years because the cost of debt has not been bad. But that's changing. I think as the federal deficit increases and you can see that right now it's putting more pressure on the markets to increase the cost of debt. And under the State of Wisconsin's creative effort to limit municipal spending on everything but debt it encourages everybody to do more debt.

And the things that were more kitchen table and made more sense that almost every community used for many years before this problem was to once the debt was paid that debt service money was then put into a capital fund so you didn't have to borrow more money. You could use that capital fund to secure more capital improvements. Now you can't do that. And Lord knows that the bond salesmen need more money. We've got to make sure that their industry is well protected, and every community is facing this. And I think that doesn't serve the taxpayers well. And the only people that are clutching on this is the people who are collecting interest. I think

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that's something that could be done that would -- as I say it's common sense kitchen table mathematics that a lot of people think happens, but it doesn't happen because you really can't save for anything anymore because you have to lower the levy and then go back and issue more debt. And also with cleaning up how the frozen levy process works because in a growing economy it makes no sense. I think not that you want to raise taxes but you want to be smart about how you impact when those taxes are collected for equity for everybody.

John Steinbrink:

I just want to say thank you, Kathy, also and all the department heads, Nathan and Tom and especially the employees because this is what makes the budget work. These folks toe the line, do their job, provide the services. Without their efforts and hard work this would all be meaningless basically. I think the taxpayers are very fortunate to have the quality of the people working for the Village working for them, and that's what makes the Village work great.

Dave Klimisch:

Two of the many things that you went over on a very thorough budget, two of the things that stand out for me are that over half of our general government operating expenses are for public safety. I don't think there's any municipality that provides better service than what we do for public safety. And with all of the market pressures on taxes and regulations you're still able to find a way to call the bonds that are callable, pay the off early and save us you said \$400,000 and some.

Kathy Goessl:

\$400,000, yeah.

Dave Klimisch:

\$401,000 and some in interest payments that we don't have to pay. So thank you for that. That's something everybody in the Village will appreciate.

Nathan Thiel:

The only thing I'll add is that this was a fun opportunity to work with the department heads and work with Kathy. I think she did an excellent job in preparing and assisting the budget moving forward. I'm grateful for all of the comments and the recognition that our Village Board have given tonight and the support that you guys have shown. We look forward to the future especially with TID 2, and looking for ways like you had mentioned, Mike, of how do we address that service. How do we address some of the pressures that are upon our community both from a legislative standpoint but also just for us strategically how do we move forward.

And I think that we did a couple of things this year to really address those things. We tried to make sure that the additional revenues we're receiving, tax levy, that we directed those strategically towards capital improvement projects to kind of buffer the storm that we'll see when

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we see the impact of intergovernmental revenues decrease with We Energies and so forth. So anyways I applaud all of our staff and their efforts. This was a team effort. We didn't get everything we wanted, but everybody got a little bit. So we'll just continue to plug away.

Michael Serpe:

One last comment not necessarily on the budget. This Village was blessed with Mike in charge for 32 years and we excelled. And Mike retired and now we have Nathan. And in the short time Nathan has been here he's hit the ground running. And every impressive, very impressive administrator. So we had Brett Favre and now we've got Aaron Rodgers.

Nathan Thiel:

Thank you. I'll pay you later, Mike.

John Steinbrink:

If there are no further comments or questions, Item 4 Resolution 18-46 is in order.

Kris Keckler:

Move approval of Resolution 18-46.

Dave Klimisch:

Second.

John Steinbrink:

Motion and a second for adoption of Resolution 18-46. Any further discussion? Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? Motion carries.

KECKLER MOVED TO APPROVE RESOLUTION #18-46 RELATING TO THE ADOPTION OF THE 2019 BUDGET AND PROPERTY TAX LEVY INCLUDING CAPITAL, DEBT SERVICE AND OTHER FUNDS OF THE VILLAGE BUDGET; SECONDED BY KLIMISCH; MOTION CARRIED 5-0.

5. CITIZEN COMMENTS

Jane Snell:

Mr. President, we do have one signup this evening, Jim Chapman.

John Steinbrink:

We just ask you give us your name and address for the record.

Jim Chapman:

Good evening, I'm Jim Chapman. I live at 8110 100th Avenue. And recently there's been a lot of bad publicity around the elections that we had in Pleasant Prairie, a lot of misinformation that was out there. And I would like and hopefully like the Village to address that and clarify those things. As part of that I know that St. Anne's which is the polling place in question the Pastor there, Father Bob Weighner, sent a letter to the Village and asked it to be submitted I think into the minutes so that at least that information and both sides of the issues are clear and everybody can see what both sides of the issue are.

John Steinbrink:

Thank you. Anyone else wishing to speak under citizens' comments? Hearing none I'll close citizens' comments.

6. ADMINISTRATOR'S REPORT

Nathan Thiel:

I have nothing this evening.

7. NEW BUSINESS

B. Consider and approve the Professional Service Agreement with RA Smith, Inc. for \$87,000 relating to STH 50 Corridor Utility Relocations and Extensions.

Matt Fineour:

Mr. President and members of the Board, the Wisconsin Department of Transportation is completing their plans for the State Highway 50 reconstruction project. Per standard procedures, entities with utilities in the DOT right of way must review the plans and make utility adjustments to accommodate the roadway project. Work plans for utility adjustments are required to be submitted to the DOT by late January in 2019.

The engineering department has reviewed the plans and identified necessary sanitary sewer and water main adjustments along State Highway 50 roadway construction corridor. We're

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coordinating with RA Smith National who is involved in the State Highway 50 project to prepare detailed plans for the necessary sewer and water work.

The design work that we're looking at will include water main, hydrant, laterals and valve conflicts and necessary adjustments, addressing sanitary sewer conflicts and adjustments, designing water main extensions and relays within the roadway construction limits. Some of the project that we're looking at is water main extension along Highway H north of Highway 50 within the DOT work construction limits, looking at relaying some water main along Highway H across Highway 50 and just a little bit south of Highway 50, providing water main across State Highway 50 by 91st Street to loop the system, and we're also looking at identifying water main volt replacement areas.

Upon design the utility adjustments will be provided to and coordinated with the DOT. It will then be determined what items will be incorporated into the DOT project, what items will be completed by the Village outside the DOT project. The DOT is planning on letting this project right now the plan is in February 2020. The project is divided into two phases. Upon on the map you'll see kind of the corridor limits. The reconstruction project goes close by I-94 by 117th Avenue and extends east all the way to 43rd Avenue in the City.

The red area on the map is kind of phase one, that is being let in February 2020. Phase two is the blue area which we let later that summer in 2020. This design contract with RA Smith is looking at the whole corridor and getting plans in place for any kind of utility adjustments and extensions that we'll need.

Funding for the compensable utilities which is utility adjustments and coordination that is required by the DOT due to their road design will be 100 percent funded by the state. This is due to in exchange for transfer of State Highway 50 from Highway 31 to 32 to be a local road between Kenosha and the Village. The cost for any kind of noncompensable utility work which is water main extensions and so forth like that will be borne by the sewer and water utilities. Staff recommends the Village Board approve the time and material contract with RA Smith in the amount of \$87,500 to complete this work. If you have any questions I'd be happy to answer them.

Michael Serpe:

Matt, I have one. Do we know is there going to be one lane shut down each way as the construction goes or no lanes?

Matt Fineour:

The actual way they're constructing it I don't know if they have a total construction plan that route. They will maintain traffic on those roads. And I know they've had meetings in the past especially with emergency police and fire departments as to how that access is going to occur. I

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don't have that plan in front of me as far as the logistics of the construction. But we can certainly provide you the information if you'd like it.

Mike Pollocoff:

Matt, is the sanitary sewer force main between 118th and 104th going to be abandoned in place, the line that brought sewage from Bristol?

Matt Fineour:

Yes, along Highway 50 on the south side?

Mike Pollocoff:

Yeah.

Matt Fineour:

Yeah, that's going to be abandoned in place.

Dave Klimisch:

Matt, this \$87,000 is reimbursable from the state for work that's along Highway 50?

Matt Fineour:

The construction will be. The design work will be the Village, and then we'll hand it over, and whatever items are compensable, compensable items meaning like if the DOT project has a conflict with our water main and we have to adjust it one way or the other, higher or lower, that kind of stuff will be funded by the state during construction.

Dave Klimisch:

And the new water lines and such along H that will be on our sewer --

Matt Fineour:

Yeah, that will be us because it's not really in conflict with the roadway, but we'll want to get it out of the roadway construction area just so we don't have to rip it up in the future.

Michael Serpe:

I'd move approval of the \$87,000 to RA Smith.

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Dave Klimisch:

Second.

John Steinbrink:

We have a motion and a second. Any further discussion? Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? Motion carries.

SERPE MOVED TO APPROVE THE PROFESSIONAL SERVICE AGREEMENT WITH RA SMITH, INC. FOR \$87,000 RELATING TO STH 50 CORRIDOR UTILITY RELOCATIONS AND EXTENSIONS; SECOND BY KLIMISCH; MOTION CARRIED 5-0.

C. Consider Ordinance #18-45 to Amend Chapter 214 of the Municipal Code relating to Dog Licensing Fee.

Kathy Goessl:

Mr. President and Village Board, as far as the budget process I had a decision packet to increase the dog license fee to bring in an additional \$3,000. Our original revenue in our base budget is around \$7,000. This increase is recommending a \$5 increase for both spaded dogs and non-spaded dogs and neutered dogs. So we're looking at going from \$15 to \$20 per year for not spaded, and then \$10 to \$15 per year for the spaded dogs. So this will bring in an additional \$3,000. And each year the Humane Society increases our fee, and we haven't increased our dog license in a number of years. And also we're charged based on the number of dogs captured by the vendor we use to pick up animals that are found roaming the Village. I'm asking for approval of Ordinance #18-45 to increase our fees by five bucks.

Mike Pollocoff:

So moved.

Kris Keckler:

Second.

John Steinbrink:

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Motion and a second. Any further discussion. Under the penalty if an owner fails to obtain a license \$5? Is that just added to the cost of the license when he has to get it?

Kathy Goessl:

Yeah. So if they don't get it by March 31st then they'll get a \$5 additional fee when they come in. If the dog's like a puppy that's five months or younger.

John Steinbrink:

And if they still refuse to get a license?

Kathy Goessl:

I don't know. I mean if the dog gets picked up they have to get a license and they have to pay the five bucks.

John Steinbrink:

Before the dog is released?

Kathy Goessl:

Yeah.

John Steinbrink:

Further discussion? Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? So carries.

POLLOCOFF MOVED TO ADOPT ORDINANCE #18-45 TO AMEND CHAPTER 214 OF THE MUNICIPAL CODE RELATING TO DOG LICENSING FEE; SECONDED BY KECKLER; MOTION CARRIED 5-0.

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D. Consider Resolution #18-45 authorizing the placing of utilities and special charges on the tax roll.

Kathy Goessl:

Mr. President and Village Board, I'm asking for authorization to stick \$333,500.20 onto the tax roll. This is made up of delinquent invoices of a little over \$11,000, delinquent Pleasant Prairie utilities of \$288,000 and delinquent Kenosha Water Utility bill for Village residents of a little over \$12,000. Then we have special assessments of a little over \$21,000 for a total of \$333,500.20 to be placed on the tax roll.

Dave Klimisch:

Move approval of 18-45.

Michael Serpe:

Second.

John Steinbrink:

Motion and a second. Any further discussion?

Michael Serpe:

Kathy, we collect most of those by the end of the year, right, for the most part? People take those and put them on their -- at tax time they use it as a deduction because it's attached to the special assessment and everything else?

Kathy Goessl:

I believe they do. I mean some people do this year after year after year and they just pay on their tax bill. A number of people pay when we first send the notices out to them telling them that it's going to be on the tax bill because we add a ten percent penalty on to roll it to the tax roll. The majority of these are collected during the tax roll or the tax collection process.

John Steinbrink:

We had a motion and a second. No further discussion? Those in favor?

Voices:

Aye.

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John Steinbrink:

Opposed? So carries.

KLIMISCH MOVED TO APPROVE RESOLUTION #18-45 AUTHORIZING THE PLACING OF UTILITIES AND SPECIAL CHARGES ON THE TAX ROLL; SECONDED BY SERPE; MOTION CARRIED 5-0.

E. Consider and approve the Water Service Agreement between the Village of Pleasant Prairie and Village of Bristol.

Matt Fineour:

Mr. President and members of the Board, what I think I'll do with this topic is I'm going to provide you with a brief overview of the agreement in context with other agreements, give you a couple highlights of the agreement. And in the end we are recommending a conditioned approval of this agreement so we'll talk a little bit about those conditions as well.

This is an agreement between Pleasant Prairie and the Village of Bristol wherein Bristol would purchase and the Village would sell municipal water to accommodate development of approximately 535 acres of land identified as Bristol Utility District #5. And that's kind of shown on the map up above. The 535 acres is just west of call it Prairie Highlands Corporate Park along Highway Q and also Highway U over there. My understanding is Bristol is actually planning on developing the first section which call it the northwest corner of Highway Q and U where they're looking at having their first development.

The agreement is an amendment to the 1997 cooperative agreement between Bristol and Pleasant Prairie which was entered into to settle boundary and annexation litigation at that time. The 1997 cooperative agreement contained potential growth areas for Pleasant Prairie and service areas within Bristol. The 535 acres that was just mentioned is equivalent to the town service area boundary in the 1997 agreement. So this topic was discussed in the 1997 agreement, but it was for sanitary sewer and not water.

Provisions to provide sanitary sewer service by Pleasant Prairie to Bristol within the town service area boundary were addressed in the 1997 cooperative agreement. There was no agreed upon provisions for municipal water to service in the 1997 agreement. However, the agreement allowed for possible provisions for permanent water service by Pleasant Prairie by future amendment.

In 2004 Bristol completed a water system feasibility study to evaluate water service to their Utility District Number 5. The study evaluated water sources from new wells, connection of water purchase from the City of Kenosha and connection and water purchase from Pleasant Prairie. In 2016 Bristol approached Pleasant Prairie regarding the ability and feasibility of Pleasant Prairie servicing Bristol with municipal water. The Village subsequently evaluated our

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water system and incorporated the Bristol service demand in our overall master water planning and determined that Pleasant Prairie can provide Bristol service demand and fire flow demand at the point of delivery.

With the ability to service Bristol an agreement was drafted to provide the terms and conditions of Pleasant Prairie's water service and Bristol's water purchase from Pleasant Prairie. That agreement is before us tonight. Highlights of the agreement, the agreement is for the service area, again, for the 535 acres. Bristol will purchase water exclusively from Pleasant Prairie for this 535 acres and will not use alternate water supply sources.

The agreement determines the point of delivery which is shown on the map if you can see the next slide. The point of delivery is kind of within the middle of the Prairie Highlands Corporate Park just north of call it the waterway that kind of splits the Prairie Highlands Corporate Park in half. And that's where we'll be providing the water to Bristol as well as sanitary sewer service for them. The Village is committing to providing a water supply rate up to 500 gallons per minute with a fire flow demand of 3,500 gallons per minute for three hours at the point of delivery.

Bristol is responsible for the design, permitting and construction and ownership and operation of the water system within their jurisdiction located after the master meter facility. It will have both a water master meter and sanitary sewer master meter at that kind of right before the connection point with Bristol. Pleasant Prairie along with Kenosha Water Utility will perform system level reviews of all proposed water main extensions within Bristol. This agreement provides that the Village can review each and every planned extension that they have, and with our agreement with the City of Kenosha the City gets to review any extensions because ultimately they're providing the water.

Water rates, Bristol will be a wholesale customer of Pleasant Prairie, and customers of Bristol are retail customers of Bristol Water Utility. Water rates will be established by the Public Service Commission. A water rate study is being completed so the Public Service Commission can establish the initial rates. Since that has not been completed at this time, we haven't got rates from the Public Service Commission, until such time that a cost of service basis for water rates are established by the Public Service Commission, the initialed scheduled water rates under this agreement are established at the current rates authorized by the Public Service Commission for sale of wholesale water from the Kenosha Water Utility to Bristol Water Utility. That being said we are expecting to have the rates established by the PSC prior to Bristol actually taking water. So they won't be taking water for I'm guessing a year at least.

Provisions are set forth for potential future requests from Bristol for increase in water supply rates and increased service areas. So those provisions are in the agreement, and they kind outline a series of steps and procedures for such a request. And, finally, the last point we would like to make really deals with the conditions of approval which is with respect to the 68 acre parcel that the Village owns within the Village of Bristol. This parcel was purchased as part of the Abbott land purchase for the Prairie Highlands Corporate Park. The Village is looking at selling this

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parcel. This parcel is within the Bristol's jurisdiction for zoning, water and sewer service and site planning and stormwater management. The water service agreement specifically addresses the 68 acre parcel and provides a condition of approval in with this agreement that this agreement will not become effective unless certain conditions are met.

It is recommended the Village Board approve this agreement with conditions of approval subject to Section 21 of the agreement. And I will kind of go over that section specifically. This is a condition of approval that deals with the 68 acres of land, and I'll just read you this section. Each party is aware that a parcel or parcels of land of approximately 68 acres located in Bristol and more particularly shown on Exhibit D which is above and incorporated herein is presently owned by the Village. Each party is aware that the land is under contract to a prospective purchaser. The parties agree that part of the consideration for this agreement is that water service will be available to the land. Bristol parties agree in covenant that they will provide water and sewer service to the land subject to the usual and customary hookup fees and objective requirements.

All parties agree that this agreement will not become effective and the parties shall have no obligation hereunder until such conditions subsequent have been met. These are the conditions that have to be done. Bristol has first to approve any required change to Bristol's master land use plan to designate the land to allow use as a business park. Number two, approve the rezoning of the land to a business park. And, three, approve of a site plan which includes stormwater plan and landscape plan for the land and other approval to permit the land to be used for warehousing and buildings on the land totaling not less than 1.1 million square feet in area.

The adoption of a resolution by Bristol approving items one, two and three that were just mentioned above shall be deemed to be proof of satisfaction or waiver of this condition subsequent. With that I will answer any questions that you may have. Again, we are recommending that this be approved, but it be approved conditioned on Bristol satisfying these conditions for the 68 acres, parcels that are above.

Michael Serpe:

The 538 acres that's being identified as a service area is that subject to expansion at some point?

Matt Fineour:

It could always be expanded. Right now that is the area that's kind of limited because it's a sewer service area, but those can be amended as time goes by. There are certain things that would have to be met. One is that if they ask for an expansion there are a series of steps whether the Village has capacity to service it. We always have the right to object to it if we can't service additional capacity. Or the way this agreement is made up is if there is a cost to the Village for upgrading our system that either we pay for that cost and put it in the rates, or we say, no, we don't want to borrow for those costs, you'll have to pay for those costs up front to upgrade the system. So there's always the potential for expansion. The sewer agreement from 1997 has established some limitations on sanitary sewer, so between the two, engineering could probably make a lot of stuff work, but they would have to probably do some upgrades on our system to make that work.

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Michael Serpe:

At their expense.

Matt Fineour:

Yes.

Nathan Thiel:

One thing to add to that also that would need to be taken into consideration, and this will be on Bristol, would be to make sure that their water diversion permits, they're able or capable of diverting more water into the basin. The only thing that I would add or note is that the reason for our ability to sell the Bristol 68 at the price tag that we've negotiated was really conditional upon water and sewer being available. And that really did benefit us in making that site more marketable. So one thing that we wanted to do was make sure that we protected that property, that it was capable of being developable. And Bristol has come to the table to satisfy those concerns. And so they're in the process. I believe that they'll be bringing this agreement forward to their Board in the first meeting in December and likewise also be evaluating their land use plan and making those modifications as requested.

Michael Serpe:

I'd move approval of the agreement subject to a successful meeting with Bristol on the rates and everything that's associated with what Matt was saying.

Mike Pollocoff:

I second.

John Steinbrink:

There's a motion and a second. Further discussion?

Nathan Thiel:

And just to clarify that the condition that we're asking specifically the land use and the zoning being addressed.

Mike Pollocoff:

The items under paragraph 21?

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Nathan Thiel:

Twenty one, correct.

John Steinbrink:

No further discussion? Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? Motion carries.

SERPE MOVED TO APPROVE THE WATER SERVICE AGREEMENT BETWEEN THE VILLAGE OF PLEASANT PRAIRIE AND VILLAGE OF BRISTOL; SECONDED BY POLLOCOFF; MOTION CARRIED 5-0.

F. Consider the request of Fountain Ridge LLC to release Draw No. 10 of the Letter of Credit for the Fountain Ridge development.

John Steinbrink, Jr.:

Mr. President and members of the Board, this evening I bring before you the draw request number 10 from the letter of credit for the Fountain Ridge Subdivision generally located in the corner of Bain Station Road and County Trunk Highway H. The public improvements have been in the ground over a year and the warranty period has expired on them. So the net reimbursement of the \$89,240.23 is just that ten percent retainage that we held on those public improvements. The balance of the security we'll be holding on that letter of credit \$32,051.76 just to balance up some minor sidewalk and landscape and concrete approaches that yet has to be done on some of the buildings that are being constructed as we speak. So I do recommend a net reimbursement of the \$89,240.23 to the Fountain Ridge, LLC. I can answer any questions you may have.

Kris Keckler:

Move approval.

Mike Pollocoff:

Second.

John Steinbrink:

Motion and a second. Further discussion? Those in favor?

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Voices:

Aye.

John Steinbrink:

Opposed? Motion carries.

KECKLER MOVED TO APPROVE THE REQUEST OF FOUNTAIN RIDGE LLC TO RELEASE DRAW NO. 10 OF THE LETTER OF CREDIT FOR THE FOUNTAIN RIDGE DEVELOPMENT; SECONDED BY POLLOCOFF; MOTION CARRIED 5-0.

G. Consider a disallowance of claim involving Ms. Frost sustaining bodily injuries and damages as a result of an auto accident on January 29, 2017.

Michael Serpe:

John, after reading the letter from our insurance I move to deny the claim.

Kris Keckler:

Second.

John Steinbrink:

Motion and a second. Any further discussion? Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? So carries.

SERPE MOVED TO APPROVE DISALLOWANCE OF CLAIM INVOLVING MS. FROST SUSTAINING BODILY INJURIES AND DAMAGES AS A RESULT OF AN AUTO ACCIDENT ON JANUARY 29, 2017; SECONDED BY KECKLER; MOTION CARRIED 5-0.

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8. VILLAGE BOARD COMMENTS

Mike Pollocoff:

I just want to say it was nice seeing that we were able to have a representative from our North Carolina branch office here with us tonight. This proves we do things the same way we used to do them.

Michael Serpe:

And we promised Tom Shircel in enough time to go watch the LA Rams.

9. ADJOURNMENT

Michael Serpe:

Move to adjourn.

Dave Klimisch:

Second.

John Steinbrink:

Motion and a second for adjournment. Those in favor?

Voices:

Aye.

John Steinbrink:

Opposed? Motion carries.

SERPE MOVED TO ADJOURN THE MEETING; SECONDED BY KLIMISCH; MOTION CARRIED 5-0 AND MEETING ADJOURNED AT 7:07 P.M.