

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 1 of 6**

Call Meeting to Order; Pledge of Allegiance

Administrator Suhm verified the meeting was posted according to law.

Roll Call:

President Timms called the meeting to order at 6:30 p.m.

Present: President Timms, Trustees Fred Douglass, Linda Kaplan, Forty Renucci, Scott Seager, Dusty Stanford and Ann Zess

Excused:

Others: Chief Boyes, DPW Miller, Administrator Suhm, Attorney Gray

Citizen Participation

Mary Nicoson, First Citizens State Bank, stated after reviewing the agenda she noticed there are decisions with accountability to the taxpayers. She expressed concern there are not more citizens in the audience to ask questions. She also spoke about volunteerism in the community and a campaign, Holiday Help, in which over 83 families were served with holiday assistance. She stated this is a reminder there are people in the community struggling and the Village needs to be aware of that when making decisions. Ms. Nicoson also spoke of great businesses in East Troy listing several, recent business expansions in the Village of East Troy, concerns related to comments that economic development does not exist, civic organizations and Dave Strand's, President and CEO of Thermal Processing Solutions (Wisconsin Oven), book titled *Building a Championship Culture*. She urged the Board to recognize the things she discussed as they make decisions.

Consent Agenda

(One motion and second will approve all of the following items. Any item may be pulled from the list and voted on separately.)

- 1. Approval Minutes – 12/21/2015**
- 2. Consider Approval of Operator License: Tracey L. Dzioba**
- 3. Reappointment of Tim Jaeck as Zoning Board of Appeals alternate for a three-year term expiring 12/1/2018.**
- 4. Consider Granting:**
 - a. Special Event Permit to East Troy Chamber of Commerce East Troy Cycling Classic on the Village Square on Friday, June 17, 2016**
 - b. Permit for Bike Race on surrounding streets Friday, June 17, 2016, (route to be the same as 2015), Vanessa Lenz, Event Chairperson.**
 - c. Temporary Class "B" Beer License for Friday, June 17, 2016**
- 5. Consider Granting Special Event Permit to East Troy Area Chamber of Commerce for the East Troy Farmers Market on Village Square Fridays, May 20 to October 7 from 2-7 pm, with set up beginning at 12 pm:**
 - a. Contingent upon receiving Certificate of Liability Insurance**
 - b. With the understanding that other organizations may also be allowed to use the Square for events as applied for during these months and that no special accommodations will be made for vendors due to the East Troy Cycling Classic Bike Race road closures on June 17.**

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 2 of 6**

Trustee Renucci requested removing items 1 and 5 from the consent agenda.

Trustee Stanford requested removing item 4 from the consent agenda.

Motion by Trustee Renucci, second by Trustee Stanford to approve remainder of the consent agenda. Motion carried.

Trustee Renucci stated he reread the mission statement from the prior meeting and wanted to change the mission statement wording, changing the word "and" to "with".

Motion by Trustee Renucci, second by Trustee Stanford to change the word "and" after management to the word "with". Motion carried.

Motion by Trustee Stanford, second by Trustee Douglass to approve the minutes dated 12/21/2015. Motion carried.

Trustee Stanford stated he is a supporter of East Troy Cycling Classic, but expressed the concern that he felt the local attendance had decreased. He also stated he was aware not all businesses on the Square supported the event and asked the Board for their thoughts. Trustee Kaplan stated she chairs the event and did not feel the attendance had decreased.

Motion by Trustee Zess, Second by Trustee Stanford to allow Vanessa Lenz, Executive Director of the Chamber of Commerce, to speak. Motion carried.

Ms. Lenz stated Trustee Stanford may have seen the final events in the past which tends to draw more people. Since that time they have added attractions throughout the event which will draw people at other times and stretch the attendance out, such as the Brewer's racing sausages and a kid's race. Trustee Zess discussed the economic and marketing benefits to local businesses.

President Timms commented he thought there had been talk in the past about modifying the route so it was not always the same people and businesses affected. There was discussion it would be difficult to change in such a way not to include the Square.

Motion by Trustee Zess, second by Trustee Kaplan to approve item 4 from the consent agenda. Motion carried 6-1 with Trustee Stanford voting no.

Vanessa Lenz confirmed the certificate of insurance had been submitted to the Village after the agenda was posted for the Farmer's Market event.

Motion by Trustee Stanford, second by Trustee Renucci to approve item 5 from the consent agenda. Motion carried.

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 3 of 6**

Miscellaneous Business

1. Consideration of Engineering service proposal for remodeling of lobby from Excel Engineering, amount \$18,800

Trustee Seager explained the proposal is for the engineers to draw plans, put together blue prints and put the project(s) out for bids. Discussion occurred regarding the sketch included with the proposal and plans to deal with the three main entrances. Board members raised concerns the cost of the project will exceed what was originally anticipated. President Timms questioned if Board members were comfortable with why the walls in the rec area needed to be extended to the ceiling and what needs to be addressed at the three entrances. He suggested it would be better to discuss the plans at a Committee of the Whole meeting.

Motion by Trustee Stanford, second by Trustee Kaplan to table until the next Committee of the Whole meeting. Motion carried.

Trustee Renucci suggested for the future discussion blowing up the sketch into sections so it was easier to read.

2. Consideration of Contracting with Lynch & Associates for one year trial period for Village engineering services

DPW Miller explained to the Board the GAI office in Lake Geneva, the Village's prior engineering firm, is experiencing staff turnover and reductions in staff. He recommended moving services to Lynch & Associates. Tim Lynch, owner of Lynch & Associates, stated in 2010 they bought RSV engineering assets (a Mukwonago-based engineering firm). He stated they have brought on a lot of staff from GAI, including Tim Hastings, the prior Village Engineer. DPW Miller explained the Village has retained the majority of the digital records, which is the last 10 years of data. Mr. Lynch stated they are a full-service firm with 19 employees.

Trustee Renucci asked if the Village would receive records from his firm that would be in a readable format. Mr. Lynch offered a solution of a directory in the cloud where the Village can access their records.

Motion by President Timms, second by Trustee Stanford to approve an agreement for engineering services with Lynch and Associates for the balance of 2016 with the understanding that we will construct an RFP and go out for bids prior to 2017. Motion carried.

Motion by Trustee Stanford, second Trustee Renucci to amend the motion to include that all information is uploaded to the cloud so the Village has the ability to gather and look at information as needed. Motion carried.

Vote on the original motion carried.

Item 5 was taken out of order by President Timms.

5. Consideration of accepting proposal from the PSC for a two-year temporary water rate increase

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 4 of 6**

Jon Cameron, a municipal advisor with Ehlers, was present to discuss the proposal from the PSC. He stated he has been assisting with water impact fee questions as well as the ongoing water rate case. He began by explaining water rates are regulated by the PSC so in order to increase rates the Village needs to go through the application process. The first step of that process is to set revenue requirements, which is the amount of money to be recovered through user rates. He also clarified the Village has three water rates which include the fixed charge, volume charge and public fire protection charge.

Once the Village's application was filed, one of the items the PSC questioned pertained to assets that were constructed and paid for through impact fees. Mr. Cameron explained the Village recovers depreciation on assets funded through the utility but does not on contributed assets. Assets funded by impact fees or paid for by a developer are considered contributed assets. When an asset is put into place it has to be one way or the other. The Village has not been collecting adequate impact fees to pay for the assets put in place in the 2007-2008 time period. He explained other municipalities are experiencing the same struggles due to decreased building. One option he offered was potentially not charging impact fees and recovering costs through user rates. The proposal by the PSC is to allow the Village to exceed the benchmark rate of return for two years so there is adequate cash flow to operate for a two-year period. At the end of this time the Village will be required to file another rate case and have a plan in terms of how to resolve the impact fee issue and items constructed that were associated with the Honey Creek Development.

Mr. Cameron recommended going with the PSC proposal in the short term. He stated some longer term options would be to wait and see if impact fees increase to generate adequate revenue for debt service payments, doing away with impact fees or updating the impact fee study. If the third option were chosen it would likely mean significantly raising the impact fee in order to generate adequate revenue for debt payments. The fourth option he offered was to lobby the PSC to permanently raise the benchmark.

The Board also discussed a loan from the general fund.

Going forward, if the Village accepts the PSC recommendation during the next two years decisions will need to be made on how to proceed. The PSC will put together a rate schedule and the 13 % increase will be a combination between the volume and fixed charges. After that a public hearing will take place.

The Board had general discussion related to a potential loan from the general fund, concerns regarding an over-engineered system for an underpopulated area and the cost of repainting the water tower.

Motion by Trustee Stanford, second by President Timms to accept PSC proposal of 13% increase for a two-year period. Motion carried 5-2 with Trustee Seager and Douglass voting no.

3. Consideration of financing options for dump truck purchase

DPW Miller explained the Board had approved purchasing the truck but financing was to be discussed at a later date. He suggested option 1 from his memo, which would be a down payment of \$31,000 (which was in the budget) and financing over a period of four years. President Timms questioned this approach since records indicate there is \$42,000 in the fund balance. DPW Miller

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 5 of 6**

and Administrator Suhm stated with this method the fund balance could remain for emergency purposes such as an issue with another truck or in the event the Village cannot accommodate one of the payments in the budget for that year.

Motion by Trustee Stanford, second by Trustee Renucci to approve option 1, a down payment of \$31,000 and financing over a period of four years. Motion carried.

4. Consideration of Cross Connection Violation action

The Board discussed DPW Miller's memo regarding cross connection violations and noncompliance. They were not in favor of providing notification via the newspaper. DPW Miller discussed that violators have been notified twice already. The board discussed certified mail as the best way to notify. Attorney Gray advised they usually send it both certified and regular mail in case they do not pick up the certified item. There are 100-120 violations remaining.

Motion by President Timms, second by Trustee Stanford to send letter stating service will be terminated. Motion carried.

6. Consideration of modification to ordinance related to wine and beer walks

Administrator Suhm explained the recent change in legislation that would allow for wine and beer walks. She stated staff was seeking direction from the board regarding whether or not they wanted to provide an exception to the prohibition on open intoxicants for these events. Chief Boyes explained he would prefer that the geographical area be defined in the ordinance. Trustee Renucci inquired whether the legislation and changes had been discussed with the bars.

Motion by President Timms, second by Trustee Stanford to direct the Administrator and Chief of Police to draft ordinance to provide an exception and return to the Board. Motion carried.

7. Consideration of request to allow police department to use \$707.32 from seized vehicle account towards the purchase of portable radios (remainder paid through traffic grant)

Chief Boyes explained the radios being replaced were purchased used from Walworth County in 2008. The old radios are stored in case there is an event where they are needed.

Motion by Trustee Stanford, second by Trustee Douglass to approve purchasing the radios utilizing seized vehicle funds. Motion carried.

8. Consideration of insurance renewal for general liability insurance (does not include health)

Administrator Suhm reviewed a memo she distributed at the meeting. She explained a significant part of the 5.1% increase was attributed to the workman's compensation insurance. There was some savings if the Board approved changing from Darwin to EMC for public official's coverage and additional coverage with this policy change provided by the umbrella as well.

Motion by President Timms, second by Trustee Douglass to approve the proposed policy renewals and moving the public official's insurance to EMC from Darwin. Motion carried.

Reports

- 1. EMS Minutes – 11 17 15**

**EAST TROY
VILLAGE BOARD MINUTES
January 18, 2016
Page 6 of 6**

2. **Village President's Report – November 2015, December 2015** – President Timms addressed questions related to streetscapes stating it will be on the February Committee of the Whole agenda, he clarified the developer's agreement for Teronomy was an amendment the Board had discussed previously and relieved the Village and Teronomy from some obligations. The relieved obligations would have cost the Village approximately \$500,000.
3. **Clerk-Treasurer's Report – October through December 2015** – President Timms extended congratulations to Lorri Alexander on her Wisconsin Municipal Clerk certification and Employee of the Year recognition.
4. **Library Board – 12 8 15 Minutes**
5. **Police Monthly Report – 12 2015** – Statistics in the report were discussed. Chief Boyes stated 1,550 traffic citations were issued in 2015.
6. **DRAFT Plan Commission Minutes – 01 11 16**
7. **Village Board Pending Issues** – President Timms updated the Board on emergency government stating he will be meeting in February with the Chief of Police, Fire Chiefs and EMS. The library building project is waiting on school board decisions related to the Chester Byrnes and Doubek buildings. Discussed having department heads submit goals to the Board for 2016. Trustee Kaplan will be returning to the Board with information regarding the holiday street decorations.
8. **DPW Director's 2015 Annual Report** – In response to a question DPW Miller explained hydrants are painted different colors to represent water main sizes and flows.

The Park and Recreation department will be introducing new ideas for that department and Trustee Stanford stated he will know about it tomorrow night and update the Board.

Information for the airport brochure is being gathered by the airport advisory committee for the ETCTDA (East Troy Community Development Alliance).

Adjourn

Motion by Trustee Renucci, second by Trustee Stanford to adjourn at 8:21 p.m. Motion carried.

Respectfully Submitted,

Eileen Suhm
Administrator