

VILLAGE OF GRAFTON

VILLAGE BOARD MEETING MINUTES

JULY 20, 2009

President Jim Brunnquell called the Village Board meeting to order at 6:00 p.m. The Pledge of Allegiance followed.

Village Board members present: Jim Grant, Ron LaPean, Richard Rieck, Sue Meinecke, David Liss, Scott Volkert, Jim Brunnquell

Staff / Officials present: Village Administrator Darrell Hofland, Finance Director Paul Styduhar, Utility Director Tom Krueger, Director of Public Works / Village Engineer Dave Murphy, and Deputy Clerk Lisa Bohn

COMMENCE PUBLIC HEARING

Statement of Public Notice

Deputy Clerk, Lisa Bohn stated the purpose of this public hearing is for public review and comment on Resolution No. 019, Series 2009, declaring the Village of Grafton's intent to special assess the following project: Construction of STH 60 Pedestrian Path.

Director of Public Works/Village Engineer Dave Murphy stated the 2009 budget includes funds for a STH 60 sidewalk connecting the Lone Oak subdivision to First Avenue. The Village has entered into an agreement with the Ozaukee County Highway Department for the construction of the path. Aurora Advanced Healthcare will be special assessed for a portion of the project.

President Brunnquell questioned if Aurora Advanced Healthcare is willing to accept the special assessment costs for the project. Mr. Murphy stated Aurora Advanced Healthcare is willing to pay the associated costs.

There being no further discussion on this issue, the public hearing was closed.

COMMENCE PUBLIC HEARING

Statement of Public Notice

Deputy Clerk, Lisa Bohn stated the purpose of this public hearing is for public review and comment on Resolution No. 026, Series 2009 declaring the Village of Grafton's intent to special assess the following project: Installation of water main in Grafton Avenue/CTH V.

Utility Director Krueger stated the water main is a 2009 budgeted project. The purpose is to create a closed loop which will provide water service north of STH 60 to Cheyenne Avenue. This would allow additional service to the Industrial Park if the current water main were to incur a problem. There will be several properties that will benefit closing the water main loop. A table of the breakdown of special assessment costs was mailed

out to the Village and Town Residents identifying possible fees. However, the assessed dollar amounts have lowered due to the bid amount coming in lower. The project is still in a preliminary stage.

Mr. Krueger distributed the preliminary assessment table and went over the revised dollar amounts.

Troy Hartjes, Engineer with Crispell-Snyder, stated he is the engineer overseeing the water main project. There were twelve bids received, ranging from \$110,000 to \$170,000. Vinton Construction, located in Manitowoc, was the lowest bidder at \$110,263.70. Vinton Construction has done previous work for the Village and has done a superb job.

President Brunnquell stated that the Town of Grafton residents would not need to pay the special assessed amount unless they would chose to be annexed into the Village.

Bill Duwe, 1507 Jo-Dee Lane, questioned if the Village can annex a Town property without the owner's consent. President Brunnquell responded the Village legally could; however, the Village has not annexed a property within the past fifteen years that the owners did not consent.

Administrator Hofland stated Wisconsin state law requires 51 percent of an annexation petition to be in favor of the annexation prior to Village Board consideration of the annexation.. The law also requires a 2/3 vote from the Village Board members.

President Brunnquell commented the Village does not like to annex properties into the Village that does not wish to be.

Mr. Duwe questioned where the pipe line will be run through. Mr. Krueger stated the southeast side of Grafton Avenue, which is the wooded area of the road.

Spokesperson for Sally Riebe, 1375 Hwy V, questioned the completion of the water main loop is to better residents on Cheyenne and industrial park properties. Mr. Krueger commented the primary reason of closing the loop is to provide better service to those currently using the service and to provide service to the unknown in the future.

Spokesperson for Sally Riebe questioned only if Mrs. Riebe wants to be annexed into the Village then she would need to pay the special assessment charges. Trustee LaPean stated the only way Mrs. Riebe would have to pay the special assessment charges if she would want to be annexed into the Village.

President Brunnquell stated if the Town residents wells were to become contaminated, then it would be necessary for those properties to be annexed into the Village.

Administrator Hofland commented there have been wells in the past that have become contaminated and the Federal Government had asked that they be annexed into the Village.

Spokesperson for Sally Riebe, questioned why some were being charged for water service and some were not. Mr. Krueger responded the purpose for the two properties having the water service charge is they may have a strong interest in being annexed into the Village sooner than later. The Village and Water Utility Department would be interested in seeing the two properties annexed into the Village someday. Having the assessed water charges now rather than later would help keep the costs down for the property owners.

President Brunnquell commented this is something for the property owners to think about and possibly consider.

Administrator Hofland stated the water service charge has been added into the two properties due to costs. The costs are lower now due to the economy and most likely will not ever see them this low again.

Mr. Duwe questioned if the new road that was just replaced was going to be trenched. Mr. Krueger stated the contractor that was awarded the bid, had bid to boar it.

Mr. Hartjes commented the contractors would create a tunnel area.

Anne Hollrith, 1511 Jo-Dee Lane, questioned if one of the Town Resident would chose to sell their property in the future, would the special assessment charge be passed on to the new owner. Administrator Hofland stated yes.

Helmut Thiele, owner of property on Grafton Avenue, stated there are currently no homes in the area of where the water main loop will be closed. Also, there are no plans in the near future to develop or sell the land. Mr. Thiele questioned why he should have to pay such a large special assessment for a pipe that is just going to be on his property and may never be used. He also questioned how this is going to affect his tax bill in the future.

Administrator Hofland stated the new water main will not affect the assessment of Mr. Thiele's land. The land is currently being assessed as agricultural. The assessors assess on what the land is currently being used for, not what's on the property not being used.

Mr. Thiele questioned if there has been problems for the current users of the water main that they need more water service. Mr. Krueger commented as of today there has not been any interruption in the water service. The current water main is ten to twelve years old. A problem could occur at anytime. There is a lot of development being constructed in that area that if a problem were to occur, a lot of residents and businesses would be without service.

George Hollrith questioned where the water main loop is connecting to. Mr. Krueger stated from Cheyenne Avenue to the Beech Nut Woods Condominiums.

President Brunnquell commented the connection of the water main loop is not only for a matter of interruption in service; however, it is the Village's policy to loop water mains if possible.

Trustee Volkert questioned if there would be a fire hydrant in the Grafton Avenue stretch. Mr. Krueger stated there will be three hydrants.

There being no further discussion on this issue, the public hearing was closed.

MINUTES

Motion by Trustee Grant, seconded by Trustee LaPean, to approve the 7-6-2009 Village Board meeting minutes and File the 7-1-2009 Community Development Authority; 7-13-2009 Board of Public Works; 7-13-2009 Joint Library Board; 7-14-2009 Architectural Review Board; and the 7-14-2009 Public Safety Committee meeting minutes, as presented. Approved unanimously.

PERSONS REQUESTING TO BE HEARD

None.

BUSINESS PRESENTED BY THE PRESIDENT

President Brunnquell reviewed the materials distributed for Village Board member review.

RESOLUTIONS/ORDINANCES/ACTION ITEMS

Resolution No. 028, Series 2009, declaring intent to reimburse expenditures from proceeds of borrowing – Storm Water Pond Project was offered by Trustee Grant.

Finance Director Styduhar stated Todd Taves, from Ehlers & Associates, Inc is present to present the planned borrowing.

Todd Taves with Ehlers & Associates, Inc, briefly presented the bonds and what projects they will be used for. The Village is also refunding Bond Anticipation Notes due in 2010. The reason for the early refunding is to take advantage of current rates, saving the Village interest cost. Also, important dates regarding the bonds are: August 3 – authorization of sale, August 17 – acceptance of the sale, and end of August / beginning of September closing of the sale. Mr. Taves discussed the option of utilizing Build America Bonds (BAB's). BAB's is a program developed by the Federal Government as part of the stimulus package. If BAB's are utilized 35 percent of the interest payment each year is paid by the Federal Government. Another aspect of BAB's is that all borrowing is considered taxable for bond holders. Even though taxable rates are higher than tax exempt rates the 35 percent payment by the Federal Government generally

offsets borrowing at a higher interest rate. An aspect of BAB's is that the potential exists for the Federal Government to request additional information from the Village regarding arbitrage. Preliminary analysis shows \$418,387 in savings if BAB's are utilized. Mr. Taves stated that rates would be analyzed and any potential savings will be identified at the August 3 Board meeting.

Administrator Hofland stated he is recommending to proceed with the bonds.

Trustee LaPean expressed his concern with the bonds and the Federal Government being involved.

Trustee Grant questioned if any local municipalities have utilized BAB's. Administrator Hofland stated the City of Mequon recently utilized BAB's for their 2009 borrowing.

Administrator Hofland stated that the savings utilizing BAB's would be roughly 2 cents per 1,000 of assessed value or approximately \$40 in property tax savings to property owners.

Mr. Taves stated the worst case scenario is the potential for additional compliance in arbitrage earnings by the Federal Government.

Trustee Grant expressed concern over additional Federal Government involvement and a loss of local control.

Mr. Taves stated the additional potential oversight exists in the initial three year period of receiving borrowed funds and spend down requirements.

President Brunnquell stated at this point no decision has to be made if the Village would be utilizing BAB's. The action tonight is to proceed with borrowing for the projects and refunding.

Motion by Trustee Meinecke, seconded by Trustee Rieck to adopt Resolution No. 028, Series 2009, as presented. Approved unanimously.

Initial Resolution No. 029, Series 2009 authorizing \$3,415,000 General Obligation Bonds for a Municipal Services Facility was offered by Trustee LaPean.

Motion by Trustee Rieck, seconded by Trustee Liss, to adopt Initial Resolution No. 029, Series 2009, as presented. Approved 5-2 (S.Volkert & J.Grant – nay.)

Initial Resolution No. 030, Series 2009, authorizing \$335,000 General Obligation Bonds for a Family Aquatic Center Project was offered by Trustee Meinecke.

Motion by Trustee Volkert, seconded by Trustee Liss to adopt Resolution No. 030, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Initial Resolution No. 031, Series 2009, authorizing \$345,000 General Obligation Bonds for Parking Facilities was offered by Trustee Rieck.

Motion by Trustee Liss, seconded by Trustee Meinecke, to adopt Resolution No. 031, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Initial Resolution No. 032, Series 2009, authorizing \$3,690,000 General Obligation Bonds for Refunding Purposes was offered by Trustee Liss.

Motion by Trustee Meinecke, seconded by Trustee Rieck to adopt Resolution No. 032, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Initial Resolution No. 033, Series 2009, authorizing \$320,000 General Obligation Bonds for Storm Water Management Purposes was offered by Trustee Meinecke.

Motion by Trustee Liss, seconded by Trustee Volkert, to adopt Resolution No. 033, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Initial Resolution No. 034, Series 2009, authorizing \$2,625,000 Taxable General Obligation Bonds for Refunding Purposes was offered by Trustee Rieck.

Motion by Trustee Meinecke, seconded by President Brunquell, to adopt Resolution No. 034, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Resolution No. 035, Series 2009, providing for the Sale of General Obligation Bonds was offered by Trustee Liss.

Motion by Trustee Meinecke, seconded by Trustee Rieck, to adopt Resolution No. 035, Series 2009, as presented. Approved 6-1 (J.Grant – nay.)

Award contract – Grafton Avenue water main project

Motion by Trustee Liss, seconded by Trustee Meinecke, to award the contract for the Grafton Avenue water main project to Vinton Construction, Manitowoc, WI for \$110,263.10.

President Brunquell stated the bids for the Grafton Avenue water main project were reviewed in the Special Board of Public Works meeting held before the Village Board meeting.

Mr. Krueger made a recommendation to the Village Board to award Vinton Construction the project. Vinton Construction came in with the lowest bid at \$110,263.10.

Trustee Grant questioned if Vinton Construction was the contractor that had previously filed a lawsuit against the Village. Mr. Krueger responded no they have not.

The motion to award the contract to Vinton Construction for the Grafton Avenue water main project was approved unanimously.

Economic Development Revolving Loan Program loan request - WIGBY, LLC in the amount of \$100,000

Motion by Trustee Volkert, seconded by Trustee Grant, to approve an Economic Development Revolving Loan for WIGBY, LLC in the amount of \$100,000, as presented.

Don Colber, Owner of WIGBY, LLC, gave a brief overview of the company's operation and products they create and sell.

Finance Director Styduhar stated WIGBY, LLC has requested an Economic Development Revolving Loan in the amount of \$100,000. For every \$20,000 borrowed, one full time position must be created.

President Brunnquell questioned Mr. Colber if he is currently operating out of his house and questioned if he is planning on moving to a new location. Mr. Colber stated he is currently operating out of his home and is looking at a section of the LEESON building for office and production space.

President Brunnquell questioned the amount of employees Mr. Colber will have working for the business. Mr. Colber responded the company is looking to have ten positions; marketing, production, and shipping, are a few of the departments the company will be creating.

Trustee Grant questioned if the loan being given to Mr. Colber will have any ties to the Village's budget. Administrator Hofland stated the money for the Economic Development Revolving Loan Program is state funded.

President Brunnquell questioned Mr. Styduhar if he felt comfortable with the collateral for the loan being issued. Mr. Styduhar stated Mr. Colber currently has no mortgage on his home and a title search will be completed before the loan is finalized.

Village Attorney Herbrand stated the finalization of the loan should be contingent upon the title search.

The motion to approve the Economic Development Revolving Loan to WIGBY, LLC, contingent upon the title search was approved unanimously.

Item 1 / Report of the Board of Public Works

Motion by Trustee Grant, seconded by Trustee Meinecke, to table the removal of the Bridge Street dam as part of the NOAA grant funding, as presented. Approved unanimously.

Administrator Hofland stated he would like a notice to go out to Village and Town residents regarding the informational meeting on August 3.

Trustee Grant questioned if a DNR representative will be present at the August 3 meeting. Mr. Murphy stated yes.

Trustee Grant questioned why the dam removal wasn't brought up in 2007. Mr. Murphy stated it was a DNR error and other communities were missed at well.

Trustee Rieck questioned if there will be maps of the river provided and how it may affect homes along the river at the August 3 meeting. Mr. Murphy commented Building Inspector Tom Johnson could provide flood plain maps.

Items 2, 3, 4, 6, 7, 8 / Report of the Board of Public Works

Motion by Trustee Rieck, seconded by Trustee LaPean, to approve Items 2, 3, 4, 6, 7, & 8 of the Report of Public Works as follows: 2. Approve change order #5, to August Winter & Sons, Inc., for painting of guide boxes in digester tank #1, at a cost not to exceed \$2,731.00; 3. Establish a surcharge of \$20 on requests for time-of-sale inspections that allow less than 48 hours notification prior to time of closing. Said notification to be during and applicable to regular business hours (Monday-Friday); 4. Ordinance amending Chapter 12.12 of the Village Code to provide more detail regarding inspection requirements for cross connection and backflow prevention; 6. Approve the implementation of a rain barrel program for Village of Grafton residents and establish a sale price of \$45 per barrel if delivered to the property and \$40 per barrel if picked up by the homeowner; 7. Approve Change Order 1 / Project 09-05 – Parking Lot Construction at 1231 13th Avenue to Poblocki Paving Corp., Wauwatosa, WI, in the amount of \$3,727.26; 8. Approve Change Order No. 2 for the Falls Road Detention Pond / Project 09-02 to C.W. Purpero, Inc. in the amount of \$45,333.00, as presented. Approved unanimously.

Item 5 / Report of the Board of Public Works

Motion by Trustee Grant, seconded by Trustee Meinecke, to deny the request, by Silverthorn Construction Co., Inc., Grafton, WI, for an additional \$1,400, to provide replacement windows with white finish as specified in the contract documents, as presented.

Trustee Rieck stated he met with Addy Silverthorn from Silverthorn Construction to look at the white cross framing of the windows. He feels the windows look great and doesn't understand why staff is not willing to reimburse the contractor. The Village completes a

lot change orders for other projects and would like to see one done for Mr. Silverthorn's construction.

Addy Silverthorn with Silverthorn Construction indicated that the windows are not standard commercial grade windows. The reason for the extra costs is to provide the one piece solid frame windows in the white color to match the existing trim and soffit color. Due to the windows not coming in a variety of colors they will have to be powder coated white.

Mr. Krueger stated the project specification identifies that the contractor shall provide 3 heavy-duty, commercial grade sash only windows with tempered safety glass for dual insulated glass. Windows should be Low E argon filled and include internal grids (colonial or border style) with white finish. The contractor signed the contract and his bid was based upon the specifications provided by the Village.

President Brunnuell stated he would be willing to split the \$1,400 difference between the Village and Silverthorn Construction.

After a brief discussion it was the Boards consensus to split the additional \$1,400 between the Village and Silverthorn construction.

Trustee Grant and Trustee Meinecke withdrew their motions.

Motion by Trustee Grant, seconded by Trustee Meinecke to approve to split the \$1,400 cost with Silverthorn Construction Co., Inc; Village will pay \$700 and Silverthorn Construction will pay \$700, as presented. Approved 5-2 (R.Rieck, S.Volkert – nay.)

Item 9 / Report of the Board of Public Works

Motion by Trustee LaPean, seconded by Trustee Meinecke, to table the approval of a contract with J & H Heating, Port Washington, WI, for a forced air heating system in the Timothy Wooden building in the amount of \$48,950.00, plus electrical costs in an amount not to exceed \$5,000.00, as presented. Approved unanimously.

Item 10 / Report of the Board of Public Works

Motion by Trustee Volkert, seconded by Trustee Meinecke, to implement a policy for the residential drop site that requires residents to obtain an access card for an annual cost of \$20. Cards will be programmed to allow yard access April 1 through November 30 on a two times per week basis. Hours of operation will be adjusted according to sunrise and sunset of daylight savings time, as presented.

Trustee Grant questioned if this is a new service fee. Mr. Murphy stated yes.

Nancy Knetter, 610 North Street, commented she feels the new system being implemented is wrong. Currently residents can go to the brush drop off site for free and

when the site is relocated to Lakefield Road residents will have to pay a fee to use the site.

Mr. Murphy explained at the new drop off site on Lakefield Road there will not be any employees on site. Currently the Village is averaging \$5,000 in overtime costs to have employees at the current drop off site.

Trustee Meinecke commented she feels the new location on Lakefield Road will be beneficial for working families, seeing they will be able to use the drop off site at any hours.

Motion to approve Item 10 of the Report of the Board of Public Works was approved 6-1 (J.Grant – nay.)

Item 1 / Report of the Public Safety Committee

Motion by Trustee Liss, seconded by Trustee Meinecke, to approve the request to hold the Lakefront Marathon run on Sunday, October 4, 2009, beginning at 8:00 a.m. at the Grafton High School, as presented.
Approved unanimously.

Ordinance amending Section 2.54.020 – Polling location

Motion by Trustee Meinecke, seconded by Trustee LaPean to approve an ordinance amending Section 2.54.020 – Polling Location, as presented.

Trustee Liss questioned if there will be problems with sporting events being held in the gym on Election Day. Administrator Hofland stated staff has met with school officials and they have informed Village staff no activities will be held in the gymnasium on Election Day.

Trustee Grant commented the handicapped parking is going to be a lot more convenient at John Long Middle School.

Ordinance amending Section 2.54.020 – Polling location was approved unanimously.

Designation of Jim Brunnuell as representative to Joint Review Board

Motion by Trustee Grant, seconded by Trustee Meinecke to designate Jim Brunnuell as representative to the Joint Review Board, as presented.
Approved unanimously.

LICENSES

Motion by Trustee LaPean, seconded by Trustee Meinecke, to approve the issuance of a Special Class “B” Picnic License to the Grafton Blues Association / Paramount Blues Festival - August 21-22, 2009 / Lime Kiln Park 2020 S. Green Bay Road, as presented. Approved unanimously.

Motion by Trustee Liss, seconded by Trustee Rieck, to approve the issuance of Operators licenses, as presented. Approved unanimously.

DEPARTMENT AND OFFICERS REPORTS

Mr. Murphy briefly informed the Board on project updates. The Department of Public Works has stripped the topsoil at the Lakefield Road site and a small building is currently being built. The First Avenue project is going smooth. Aurora Advanced Healthcare was able to save some money on the path project by using gravel to fill the ditch by the pond. The new Village hall continues to move forward, currently footings are being poured and carpenters are putting up the internal walls.

Mr. Murphy questioned why Item 9 of the Report of the Board of Public Works is being tabled. President Brunquell responded it is going to be further discussed in closed session.

Trustee LaPean questioned if anything can be done with all the geese that are in the retention pond located by Lime Kiln Park. Mr. Murphy commented as the new grass grows there will be no intention to cut the grass. Due to the grass being tall predators like to be in that area and that should help with keeping the geese away. However, there is no for sure guarantee that the geese will stay away.

REPORT OF BILLS

Motion by Trustee LaPean, seconded by Trustee Meinecke, to approve the payment of Village expenditures in the amount of \$340,411.36, as presented. Approved unanimously.

OLD BUSINESS

None

NEW BUSINESS

Trustee Volkert questioned if the Grafton Little League has accrued any charges from the Village for work being done.

President Brunquell stated the Little League has accrued some charges. However, Mr. Brunquell has asked Mr. Hofland to be lenient with some of the charges. The Grafton Little League is currently trying to raise two million dollars for the project.

Mr. Hofland stated he will keep the Village Board informed on charges accrued by the Grafton Little League.

Mr. Murphy commented the Grafton Little League will not be breaking ground this year. They hope to break ground in spring of 2010.

CONVENE TO CLOSED SESSION

Motion by Trustee Grant, seconded by Trustee LaPean, to Convene to Closed Session at 7:30 p.m., pursuant to WI Statutes 19.85(1)(e) for Real

Estate and Competitive Bargaining Matters (negotiations – North Shore Academy of the Arts Lease Agreement and intergovernmental services agreement with the Town of Cedarburg.) Approved unanimously.

The Village Board discussed negotiation strategies regarding the lease agreement for North Shore Academy of the Arts and intergovernmental services with the Town of Cedarburg.

RE-CONVENE TO OPEN SESSION AND THE REGULAR ORDER OF BUSINESS

Motion by Trustee Liss, seconded by Trustee Volkert, to adjourn the closed session and reconvene into the Regular Order of Business, at 7:54 p.m. Approved unanimously by roll call vote.

ADJOURN

Motion by Trustee Volkert, seconded by Trustee LaPean, to adjourn at 7:54 p.m. Approved unanimously.