

VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN
(Official Minutes)

MONTHLY MEETING of the CDA BOARD OF DIRECTORS
Wednesday, March 4, 2009

Chairman Turner called the monthly meeting of the CDA to order at 6:01 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

CDA Commissioners present: Turner, Village President Pete Petersen, Gail Hibbard, Jeff Fisk, Cindy Wilson, Bob Chanson

CDA Commissioner absent: Skip Bliss

Also present: Administrator/Treasurer Kelly Hayden-Staggs, Library Director Nancy Krei, Leo Linnemanstons, Lou Loenneke, Jim Mann, Village Clerk Dennis Martin, Joseph McHugh, Trustee Micki O'Connell, Village Engineer Terry Tavera, Director of Public Works Craig Workman

Visitors Heard

None

Announcements

1. Toddler Time at the Fontana Public Library – **Thursday, March 5, 12, 19 and 26, 2009, 10:30 am**
2. Plan Commission Submittal Deadline – **Tuesday, March 10, 2009**
3. Ad Hoc Joint Services Committee Meeting at the Fontana Village Hall – **Thursday, March 19, 2009, 6:00 pm**
4. Protection Committee Meeting – **Monday, March 16, 2009, 5:00 pm**
5. Fontana Public Library St. Patrick's Day Event – **Tuesday, March 17, 2009**
6. Library Board Monthly Meeting – **Wednesday, March 18, 2009, 10:00 am**
7. Park Commission Monthly Meeting – **Wednesday, March 18, 2009, 6:00 pm**
8. Evening Book Club at the Fontana Public Library – **Thursday, March 19, 2009, 5:15 pm**
9. VOF Quarterly Newsletter Article Deadline – **Friday, March 20, 2009**
10. Lakefront and Harbor Committee Meeting – **Wednesday, March 25, 2009, 4:30 pm**
11. Finance Committee Meeting – **Thursday, March 26, 2009, 5:00 pm**
12. Fontana Municipal Court Date – **Thursday, March 26, 2009, 5:00 pm**
13. Public Works Committee Meeting – **Saturday, March 28, 2009, 8:00 am**
14. Plan Commission Monthly Meeting with Joint ETZ Committee – **Monday, March 30, 2009, 5:30 pm**

Approval of Minutes for February 2, 2009 Monthly Meeting

Commissioner Chanson/Commissioner Wilson 2nd made a MOTION to approve the minutes for the February 2, 2009 meeting as submitted, and the MOTION carried without negative vote.

Approval of Current Payables

The payables were reviewed by Hayden-Staggs and Workman.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to approve the payables as submitted, and the MOTION carried without negative vote.

Finance Report – Treasurer Hayden-Staggs

Update/Review – Full Accounting Statement & TIF Revenue Increment Projections

Chairman Turner stated that the accounting statement and increment projection will be discussed during the upcoming presentation by Mann.

Presentations

TID Increment Update – Jim Mann, Ehlers & Associates

Mann stated that the current cash flow of the TID totals \$90 million, which is enough revenue to meet the current debt service created by the TID borrowing without burdening any other revenue sources. Mann stated that there are still some projects the CDA has indicated it desires to undertake, so he projected the increment using 1 and 3 percent inflation escalators. Mann stated in this seventh year of the TID, the district will generate \$1.13 million in increment this year using a 1 percent escalator. Mann stated that 1 percent is a conservative number and it will more likely be closer to 3 percent. Mann stated that if there is no growth in the increment total of the TID from this point on, the district will drop into a negative balance in 2011. Mann stated that if the increment value of the TID remains at its current level throughout the remaining years, the CDA still has \$1.48 million available to spend on other projects. Mann stated that the figure takes into account all the expenses that have been approved but not yet incurred and the outstanding debt service. Hayden-Staggs stated that the preliminary 2009 budget calls for a total of \$3.4 million in borrowing to balance the budget and pay for all the currently approved projects; however, this year's working capital has not been accounted for so that figure will be reduced. Mann also distributed the increment projections using a 1 percent increase and a 3 percent increase in the value of the TID. Turner stated that he thinks the CDA should continue to plan the current projects because the increment projections are very conservative. The Board then discussed the individual projects and the projected budgeted amounts for the projects. Hibbard stated that she thinks the CDA needs to be fiscally conservative and some of the project schedules should be slowed down or postponed. Fisk stated that he would like to see a couple of the projects moved to next year and he asked if Mann could recalculate the TID increment projections using the adjusted budget figures. Petersen stated that he is also concerned about the world economy and the value of the TID increment. Petersen stated that he would suggest postponing the next phase of the Duck Pond Recreation Area development plan and maybe a couple of other projects until next year. Wilson stated that the joint pedestrian path project with the Village of Walworth will add value to the TID, as will the Shabbona Path project. Wilson stated that she agrees with Petersen and the Duck Pond plans should be postponed for one year. Chanson stated that the economic conditions in the country are going to get a lot worse before they improve and the CDA needs to slow down on the project plan. Chanson stated that practically every project on the list for 2009 could be delayed without throwing the whole plan into a tizzy. Chanson stated that the CDA has more time than money and the project plan should be postponed. Wilson stated that she agrees that the lakefront work could be put off. Turner then read through the preliminary budget and presented each line item for consideration. The Board was in consensus that since the Fontana/Walworth Joint Pedestrian Path project is being funded in part with a matching fund grant, it should be left in the budget for 2009. The Board was in consensus that the Shabbona Path project may produce additional expenses related to storm water management; however, \$180,000 should be left in the budget to fund the next step in the planning process, which is contracting for engineered plans that delineate the construction cost options. The Board was in consensus that only \$5,000 should be budgeted this year for the marina building on the lakefront, to fund a structural engineering report on the existing building. The Third Avenue Project costs and utility burial projects are already contracted for 2009, so they were left in the budget. The Board was in consensus that the planned landscaping and street light work on Fontana Boulevard should not be postponed at this time. The Board was in consensus that the next phase of the Duck Pond Recreation Area development plan should be postponed. The Board was in consensus that the budget for the Environmental Master Plan could be reduced to \$10,000. Turner stated that with the reductions agreed on that night, the CDA budget is down to \$1 million over the "absolute sky is falling scenario." Hayden-Staggs stated that the number will be even lower when the CDA's working capital is transferred into the budget. Mann stated that he will recalculate his TID increment projections with the new budget numbers.

TID #1 Infrastructure Projects – Public Works Director Workman
General Construction Updates

Workman stated that not much work is being completed during the winter months with the exception of some work on the street lights; however, activity on the three construction projects will resume in the spring. In response to a question from Turner, Workman stated that the street lights on Kinzie Avenue and Third Avenue are being installed down one side of the street.

TIF Project Maintenance Activity Report

No new items have been added to the maintenance list. Martin will add the two Porter Court projects that will be completed in the spring: Mann Brothers will be replacing the rock faced edge by the fountain, and the Department of Public Works will be installing four benches.

Kinzie Avenue Contract Pay Request No. 5

Turner stated that the Village engineer recommended payment of the \$9,090 pay order submitted by Odling Construction for the Kinzie Avenue Reconstruction contract, and the Village Board approved the pay order contingent upon approval by the CDA.

President Petersen/Commissioner Chanson 2nd made a MOTION to approve the \$9,090 pay order submitted by Odling Construction for the Kinzie Avenue Reconstruction contract, and the MOTION carried without negative vote.

Third Avenue Contract Pay Request No. 6

Turner stated that the Village engineer recommended approval of the \$58,336 pay order submitted by Mann Brothers, Inc. for the Third Avenue Project contract, and the Village Board approved the pay order contingent upon approval by the CDA.

President Petersen/Commissioner Hibbard 2nd made a MOTION to approve the \$58,336 pay order submitted by Mann Brothers, Inc. for the Third Avenue Project, and the MOTION carried without negative vote.

Former Duck Pond Landfill Update and Landfill Capping Discussion

Leo Linnemanstons, senior project scientist-hydrogeologist with AECOM presented the conclusions and recommendations of the groundwater investigation at the former Duck Pond landfill site.

Linnemanstons reported that based on the results of the groundwater investigation, the former landfill does not appear to be impacting groundwater at this time. Therefore, a Direct-Contact Soil Cover is likely to be sufficient, and additional investigation of the landfill may not be necessary.

Linnemanstons stated that the Village just needs to have the area capped with a soil layer cover to prevent direct contact with the waste buried in the former landfill. Linnemanstons stated that the next step the Village should take is to notify the DNR of the results and that there is a plan to prevent direct contact with the waste buried in the former landfill. Linnemanstons stated that a few years ago, the cost for capping the landfill area with a soil layer was about \$400,000. A cap to abide by the terms of the NR500 regulations would have cost about \$1.8 million. To remove the landfill material and transfer it to another site would have cost \$3.4 million. Turner asked if the Village could contact the DNR about the plan to have the area capped with a soil layer cover to prevent direct contact with the waste buried in the former landfill, but wait until next year to complete the project. Linnemanstons stated that as long as there is no immediate danger and the area is considered low risk, the DNR generally is receptive to a delay in the actual implementation of the plan.

Linnemanstons stated that if the DNR is notified of the results of the study and a letter is submitted that outlines the Village's plans to address the situation, there should be no problem with delaying the project until next year. Following discussion on the requirements for a VPLE plan, the Board was in consensus that AECOM should send the report findings and data and a letter explaining the proposed remediation plan to the Wisconsin DNR. The Board also directed Workman to present at next month's meeting the implications of attempting to qualify for a VPLE plan.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to direct AECOM to send the report findings and data and a letter explaining the proposed remediation plan to the Wisconsin DNR, and the MOTION carried without negative vote.

TID #1 Development Projects

Porter Court Plaza Benches Recommendation

The Park Commission recommended the installation of four 8-foot park benches in the same black steel style being installed in the Third Avenue Project, in locations facing the fountain in the Porter Court Plaza. The benches will be installed by the Department of Public Works. Following discussion it was determined that the proposed 2009 budget only called for \$4,500 to be allocated for the park benches, and a total of \$6,000 would be needed to purchase the four benches.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to approve the Park Commission recommendation to install four 8-foot park benches in the same black steel style being installed in the Third Avenue Project, in the locations facing the fountain in the Porter Court Plaza as

recommended, and to amend the proposed 2009 budget to allocate a total of \$6,000 for the purchase of the park benches. The MOTION carried without negative vote.

General Business

2009 Project Plan and Budget

Chairman Turner stated that the CDA has approved the Project Plan for 2009, but the budget has not yet been adopted.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to adopt the 2009 budget as discussed with the following changes from the budget as presented earlier in the meeting: \$180,000 budgeted for the Shabbona Path project to fund the engineering and cost estimate steps of the planning process; \$5,000 budgeted for the marina building on the lakefront, to fund a structural engineering report on the existing building; the line item for the next phases of the Duck Pond Recreation Area and Wild Duck Road redevelopment plans removed; \$10,000 budgeted for the Environmental Master Plan; and \$1,500 added to the Porter Court Plaza budget for four park benches. The MOTION carried without negative vote.

Beach House Showers

Workman stated that the original pull cords that activate the outdoor showers on the beach house have not functioned properly since they were installed on the south side of the new building. Workman stated that staff recommends the removal of the pull cords and the installation of push-button activation controls. Workman stated that he was directed by the Finance Committee to request that the \$3,000 project be paid for with TIF funds. Turner stated that the proposal is for a minimal amount; however, TIF funds are only supposed to be allocated for capital projects, not maintenance items. Trustee O'Connell stated that the outdoor showers have not worked since the new beach house was first constructed, and if a capital building project item does not work, it should be replaced as part of the initial building project. President Petersen stated that in an effort to avoid a lengthy debate, he recommends that half of the cost be paid for from the Village budget and half be paid for from the CDA budget. Hayden-Staggs stated that the Village could also allocate \$1 from of each of the beach admission fees paid this summer to offset the expense of installing the push-button activation controls for the outdoor showers. If the Village makes enough revenue from the admission fee allocation, then there will be no impact on the CDA or Village budgets.

President Petersen/Commissioner Chanson 2nd made a MOTION to approve the allocation of funds in the 2009 budget to pay half of the final cost for the installation of push-button activation controls for the outdoor showers at the beach house, following the allocation of \$1 from of each of the beach admission fees paid this summer to offset the total expense. The MOTION carried without negative vote.

Fontana Boulevard Lighting Project

Turner stated that Fontana Boulevard lighting project is still in the budget, but the engineering has not been planned. Turner stated that the CDA needs to get PDI back in the fray and the initial construction plans should be reviewed. Turner stated that the plans should be discussed at the April 1, 2009 meeting and a decision on the layout of the lights could be approved at the May 6, 2009 meeting. Turner stated that if a decision is made on the final plans, the engineering contract can be approved and bids can be solicited for the construction to commence next fall. Turner stated that the Park Commission recommendation on the street lights should be confirmed, and if necessary, Commissioner Hibbard and Workman should attend the next Park Commission meeting to explain the situation and determine if the Park Commission would be willing to reconsider its initial recommendation to have the new lights installed on 25-foot dual-head poles to be erected in the medians. Hibbard, Workman and Martin will meet before the Park Commission meeting on March 18, 2009 to coordinate the record on the lighting project recommendation.

Shabbona Path Project Update and PDI/Graef Contract

Turner stated that no budget estimates have been presented for the project. Wilson stated that she met with Country Club Estates Association President Fritz Frazier and Ray Fitzgerald, the owner of the property located adjacent to the former path that has been closed for several years. Wilson stated that they discussed two development options for installing stairs that would be made out of gravel, stone and native soil to create a permanent path from the subdivision to the lakefront. Wilson stated

that she will be able to present construction cost estimates at the April 1, 2009 meeting. Workman stated that the next engineering phase of the project will cost \$7,800 to design the path and to estimate construction cost options, which is the next tier on the proposed contract submitted by PDI/Graef. Petersen stated that there are other matters (including storm water management) that the Village has to consider other than just creating a permanent pedestrian path. Petersen stated that completely clearing the former foot path will increase the storm water management problems in the area. Hayden-Staggs stated that the Village also has to consider future maintenance costs if the path is developed. Turner stated that the next step should be to authorize the design development process and get construction estimates, and then construction bids should be solicited. Wilson stated that the storm water management issues have to be addressed either way, since the informal path already is an area that attracts significant storm water runoff. Turner stated that he recommends taking the next step and recommending Village Board approval of the \$7,800 engineering contract with PDI/Graef. Turner asked President Petersen and Trustee O'Connell if they supported having Workman proceed with obtaining cost estimates from PDI/Graef prior to the next Village Board meeting, and the three Village Board members were in consensus that it would be appropriate.

Chairman Turner/Commissioner Hibbard 2nd made a MOTION to recommend Village Board approval of the \$7,800 engineering contract with PDI/Graef to complete the next phase of the planning process, and to request that the Village Board determine if it wishes to proceed any further with the development of a permanent path. The MOTION carried without negative vote.

Newsletter Expense Reimbursement to General Fund

Turner stated that the CDA has always reimbursed the Village General Fund for a portion of the quarterly newsletter expenses, but the fee was not billed last year. Turner stated that the expense will be calculated on a prorated basis from now on, with the CDA funding the percentage for the actual space that is used in each edition.

President Petersen/Commissioner Chanson 2nd made a MOTION to approve the payment of the newsletter expenses for 2008 and to authorize the payment for the percentage of the actual space that is used for the CDA in each edition. The MOTION carried without negative vote.

Administrative Fee

Turner stated that he met with Hayden-Staggs and they negotiated a proposed administrative fee totaling \$30,000 to be paid in to the Village's General Fund to offset the payroll expenses for the services provided to the CDA by Hayden-Staggs, Workman, Martin and Assistant Zoning Administrator Bridget McCarthy. Turner stated that the CDA was reimbursing the Village \$15,000 for services last year, but the duties of former CDA Executive Director Joseph McHugh have been transferred to the four Village employees. Turner stated that he proposes approval of the \$30,000 administrative fee and if it is not prudent following a six-month review, the fee can be amended.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to approve the \$30,000 administrative fee to be paid to the Village of Fontana's General Fund for annual services, and the MOTION carried without negative vote.

Village Board Report – Chairman Turner

Chairman Turner stated that the Village Board appointed Trustee Petersen the interim Village President to complete the term of the late Ronald E. Pollitt, who died February 17, 2009 from a heart attack. Turner stated that the Village Board and Plan Commission also held their first meeting on the Comprehensive Master Plan update process. Turner stated that the CDA members should review the current Master Plan. Turner directed Martin to send the Vision Worksheets distributed at the Master Plan Update Meeting to the CDA commissioners, and he asked the CDA commissioners to fill out the forms. Turner stated that when reviewing the current Master Plan he realized that the Village did not accomplish any of the projects or goals listed in the 1991 Master Plan; however, about 75 percent of the projects and goals delineated in the 2001 Master Plan have been completed.

Lakefront & Harbor Report – Commissioner Chanson

Chanson stated that there is nothing new to report.

Park Commission Report – Commissioner Hibbard

Hibbard will attend the next Park Commission meeting to address the Fontana Boulevard street light

issue.

Blue Ribbon Committee for the Lakefront Building – Commissioners Wilson (Alt: Fisk) RFPs Submitted for Marina Building Structural Engineering Contract

Wilson stated that the Blue Ribbon Committee for the Lakefront Building members are sticking with their initial recommendation to approve the RFP submitted by PDI/Graef. As well as the reasoning she presented at last month's meeting and in an emailed message to the Village Board and CDA members, Wilson stated that PDI/Graef has a certified structural engineer on its staff. President Petersen stated that the Village Board already denied a motion to approve the proposal submitted by PDI/Graef because the \$2,500 bid is two and a half times greater than the three low bids submitted for the project. President Petersen stated that all of the firms that submitted RFPs are qualified to complete the simple project and there is no reason to spend \$1,500 more than necessary. Wilson asked Terry Tavera if Ruckert-Mielke, the Village engineering firm, has a structural engineer on its staff. Tavera responded that there is a professional engineer on the Ruckert-Mielke staff who performs structural engineering reports. Wilson stated that the committee members felt that if the decision is made to raze the current building, the Village would need a qualified report to justify the action. Wilson stated that the lowest bidder is not always the right firm to hire for projects. Turner stated that PDI has worked with the CDA and the firm knows what the Village needs. Turner stated that his first reaction is that PDI would be the firm to come up with the right answers since they have done the CDA planning in the past. President Petersen stated that the structural engineering report is not a matter equivalent to brain surgery and the Village should not be spending \$2,500 to obtain the report when there are bids for \$1,000. Petersen stated that Ruckert-Mielke is the Village's official engineering firm and one of the \$1,000 bids was submitted by Ruckert-Mielke. Fisk stated that the funds being considered are not very substantial and if the difference is only \$1,500, he would favor the recommendation to hire PDI/Graef. Hibbard stated that either PDI/Graef or Ruckert-Mielke would be fine. President Petersen stated that he would vote to approve any of the bids other than the bid submitted by PDI/Graef.

Commissioner Wilson/Commissioner Chanson 2nd made a MOTION to recommend approval of the \$2,500 proposal submitted by PDI/Graef to perform a structural engineering evaluation of the existing lakefront marina building, as recommended by the Blue Ribbon Committee for the Lakefront Building, and a Roll Call vote followed:

Commissioner Wilson – Yes

Commissioner Chanson – Yes

Chairman Turner – Yes

President Petersen – No

Commissioner Hibbard – Yes

Commissioner Fisk – Yes

The MOTION was approved on a 5-1 vote, with Commissioner Bliss absent.

Confirm Quorum for upcoming Meetings

Next Regular Monthly Meeting – April 1, 2009 @ 6:00 pm

Agenda Item Requests

Nothing new requested

Pending/Future Items

1. 286 Valley View Drive – Façade Improvement Discussion (Canopy Renovation)

Adjournment

Commissioner Chanson/Commissioner Wilson 2nd made a MOTION to adjourn the CDA meeting at 7:43 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis L. Martin, village clerk

Note: These minutes are subject to further editing. Once approved by the CDA, the official minutes will be kept on file at the Village Hall.

APPROVED: 5/6/09