

**VILLAGE OF PLEASANT PRAIRIE
PLEASANT PRAIRIE VILLAGE BOARD
PLEASANT PRAIRIE WATER UTILITY
LAKE MICHIGAN SEWER UTILITY DISTRICT
SEWER UTILITY DISTRICT "D"
9915 39th Avenue
Pleasant Prairie, WI
November 20, 2006
6:30 p.m.**

A Regular Meeting of the Pleasant Prairie Village Board was held on Monday, November 20, 2006. Meeting called to order at 6:30 p.m. Present were Village Board members John Steinbrink, Alex Tiahnybok, Steve Kumorkiewicz, Jeff Lauer and Mike Serpe. Also present were Mike Pollocoff, Village Administrator; Jean Werbie, Community Development Director, Kathy Goessl, Finance Director and Vesna Savic, Deputy Village Clerk.

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

John Steinbrink:

Before we move into the meeting portion tonight, I'd ask for a moment of silence for Bill Thiele. Bill was a former Board member and represented the Village well. He was a friend to most of us and he had a unique way of being absent during budget time, but it never stopped Bill from doing his job and I think we're all going to miss him. So if we could have a moment of silence. Thank you.

- 4. MINUTES OF MEETING - OCTOBER 16 AND 23, 2006**

TIAHNYBOK MOVED TO APPROVE THE MINUTES OF THE VILLAGE BOARD MEETINGS OF COTOBER 16 AND OCTOBER 23, 2006 AS PRESENTED IN THEIR WRITTEN FORM; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

- 5. CITIZEN COMMENTS**

Larry Matson:

Larry Matson, 8550 122nd Street. Our Village's financial agenda is unclear. Within the last year we were led to believe that our finances were in good order. So good, in fact, that we were talking about spending \$12.5 million for expanding the police facility, \$6.4 million for a pool, \$5.7 million for Phase 1 of the planned park system. Let's not forget about the \$18 million recently discussed for past due road repairs. I did not see this on Mr. Pollocoff's comparative analysis that was done at the last Board meeting.

Regardless of the source of the money for these endeavors, taxes or fees, it was the Board's intention to spend an addition \$42.6 million. We already have a debt in the neighborhood of

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\$100 million, by far the highest per capita in the State. How can we talk about new ways to spend money when we're forced to go to referendum to purchase life saving equipment such as defibrillators and the Jaws of Life? It could not have been a surprise that these items were nearing the end of their serviceable life cycle. Let's get our priorities straight. Stop creating new ways to spend more money. We have more pressing matters.

This Board's failure to plan has created a budget that jeopardizes our employees' safety and diminishes their capacity to serve to the best of their abilities. Our employees are this Village's most valuable asset. Let's protect them. Let's take care of what we have and fix our roads. Every year that we defer road repairs and maintenance the cost of those repairs increase exponentially. The first step in financial recovery is to admit that there is a problem. Start looking at realistic ways to overcome our deficit. Please, let's get to work on retiring our debt. Thank you.

Dick Ginkowski:

Good evening. Dick Ginkowski, 7022 51st Avenue. I'd like to start out just to express this week of Thanksgiving thanks for the service performed by our Village staff and by those including, for example, Bill Thiele, who donated probably more time than it was worth and others like him who serve on our Boards and Commissions. They deserve our thanks and our appreciation.

The voters, indeed, did speak. I thought the ambulance portion of the referendum at least had a chance, but more than two-thirds, more than 70 percent, thought otherwise. That is a stunning message, and the stunning message on that is multi-faceted. It's like one that can be misinterpreted. For example on the national scale there are many Republicans who have difficulty among us Republicans thinking what happened? Well, we lost. It would be foolish for Democrats to think that they won because they basically just didn't have a plan but they weren't Bush.

So you can keep passing the buck and shuffling responsibility, but at some point we do need to accept responsibility and not play politics but to figure out what we are going to do for the best interest of the Village. We need \$450,000. If these pieces of equipment are so necessary then we need to find the money for them.

Here's an idea. In creative budgeting and creating thinking, in creative spending, empowering people to spend the taxpayers' money as if it's their own you look for sales, you flex your budgets. You save here, you save there, you put your thinking caps on. If we can identify let's say \$70,000 that could possibly be through collaborative efforts for the next five years on the part of our department heads save through the budget, and through creative spending and thoughts that shouldn't be hard to do, that's less than 1 percent of the budget, \$70,000 at six percent will buy you a little over \$300,000 in borrowing. The total would be just under \$350,000, \$70,000 a year, five years. Actually it's \$5,800 a month. You look at that figure and that ought to get us an ambulance. It might get us a snowplow with some creative spending. And as far as the safety equipment, many communities engage in community fund drives for this type of activity. We have many service groups and industries in this community and also we might be able to look at some of the fire protection and user fees as possible options to meet those objectives.

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In the meantime, we are not blind to the fact that there is an election coming up, and there are people who have views one way or another. There are factions that have been well identified. But with a 70 percent almost no vote, I think the voters also sent a message in there that, no, it's not the new boy network, it's not the old boy network, but if we don't come together and work on solutions it may be the out on your ear networks, plural, because people have spoken. So let's work together, not posture, work together at coming up with solutions that may solve our problems. And they're going to be long-term and that may empower, for example, a blue ribbon committee to look at Village finances and look at creative options.

Look at legislation. We have a member of the State Legislature fortunate enough to be our Village President. We need to be identifying and not look at Madison and say it's Madison's problem. No, we have people here who are accountable to us, so let's make sure that they hear from us and that they speak for us in Madison. Mr. Steinbrink is not the only Representative from Kenosha County. There is more than one and we need to be in touch with everyone. So together we might be able to solve some problems. Together we're stronger than we are alone, but apart nothing will get done.

The worse thing that can happen would be to suggest reducing services as a result of the referendum vote. Anyone in this area who is old enough remembers a fellow by the name of Michael Blandick in Chicago. I suspect when they talk about snowplowing, did you ever notice in Chicago how well they plow the streets now? There's a reason for that and that was when the voters spoke. Thank you and have a wonderful Thanksgiving with your family and friends.

Mark Molinaro:

Mark Molinaro, 600 52nd Street, Partners in Design Architects on probably a little lighter topic than the first two speakers. You have on your agenda this evening a project, Prairie Ridge Commons, which is a two building development to the east of Famous Dave's. There's a sample board over here. I know you've got some overheads that you'll look at. We are committed to moving the project forward. As soon as we get approval we'll receive bids I believe Wednesday of this week. I have State approval coming this week as well. Our intention is to submit for permits as soon as I get what I need from the State and be under construction immediately. So if you have any questions this evening. I know we came out of the Plan Commission meeting with a unanimous vote and I would hope we get the same here today. Any questions I'd be happy to answer them for you. Thank you.

6. VILLAGE BOARD COMMENTS

Mike Serpe:

The other day I read the paper. I don't like reading in the paper about future court deliberations but that's where I read about returning the impact fee to the property owners for the pool. I have to say that when we discussed that and when we approved it I was wholeheartedly in favor of it for a number of reasons. The therapeutic value for the kids that are handicapped in this area it would be a huge benefit. There is a need because it's a growing population that's going to use

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that facilities but State laws changed. It doesn't allow us to levy that impact fee anymore. Whether you agree with it or not it's the law.

I would be inclined to agree that the fees should go back, but before we get into that and just blanketly say let's return the pool fees, I think we have to make sure we're on good solid ground legally because I don't want to fight a battle in court later that we may have made a mistake. I would recommend that when this does come forward, and I'm sure it will, that before it does that the Administrator, Finance Director, maybe Virchow Krause and maybe the legal counsel sit down and decide how this is going to play out. I think it would be rather difficult to collect the \$6.4 million in the allotted time and State law doesn't allow us to do it even with the developers making us whole with their project.

But I would really prefer that we discuss these things at the Board level and not be surprised by the *Kenosha News* headline that this may be taking place. I was a little taken back by that. But like I said, I'm inclined to agree that maybe these things might have to go back. But before I commit myself to that I would like a pretty good study done before we get to that point.

John Steinbrink:

Other Board comments?

Alex Tiahnybok:

Mike, I'll respond to your comments first. I'm glad to see that you're willing to at least consider the concept. I think anything you'll see coming from me in the future is never going to come with an expectation of a decision on the day. There's no emergency obviously, and when the agenda item comes before the Board to discuss I think at that point we can have an open and frank conversation about it, including legalities. I think that's a step in the right direction, and in a cooperative way we can do the right thing.

Obviously, there were a lot of good comments made by Larry Matson and Dick Ginkowski, but the one common thread that I saw in those comments was taking responsibility, whether it's taking responsibility for mistakes or taking responsibility for making decisions in the past that maybe were missing some elements that should have been considered, however you want to look at it. But taking responsibility as in every remedial program you come across in life, whether it's Alcoholics Anonymous you have to first accept that there's a problem. I think the citizens have told us they think there's a problem.

I hope, and I've done this before and intermittently at least I'll continue try doing it again is creating an environment where we can all talk. The last time I did it, it didn't work out so well because within a meeting or two I was blind sided by some issue about WE Energies. So it's got to be a two-way street, gentlemen. I think some of the comments we heard are very justified but it's got to be a two-way street.

One issue I will continue to bring up over and over again at Village Board comments, and I think this is the perfect meeting, we have a couple of agenda items that I think are going to run long.

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The Clean Water Utility is probably going to be a long conversation. Based on the last Plan Commission meeting, some of the items that were presented at Plan Commission were lengthy. A lot of information there. If we're required by law to cover those items of course I'm not going to interfere with that. But there's easily six agenda items today that were covered in Plan Commission with their full support, and those items are A, B, C, D, E and G which, again, we did it before and I recommend we continue to consider doing it in order to expedite meetings and facilitate us being available to the public when they want us to be. I'd recommend that we move those items to consent agenda. If we're not ready to do it yet I guess we'll listen to the whole works, but I would like us to start thinking in those terms for the future when things aren't legally required.

Mike Serpe:

Again, I just want to be sure which ones you're talking about.

Alex Tiahnybok:

A, B, C, D, E and G.

Mike Serpe:

I'd like to get the opinion of Mike if that's okay. Some of these involve ordinances.

Alex Tiahnybok:

Where it's required obviously--

Mike Pollocoff:

You can't move A, B or C to the consent agenda. Those are zoning text amendments. If you want to move a lot line adjustment that could be moved to a consent agenda. E I think it just runs contrary to the concept of having a public participation plan to not discuss it with the public and throw it to the consent agenda. Again, the whole basis of the Smart Growth initiative is to take the items that are essential components of the plan, and we're going to be doing this for the next two years at least. I know the news indicated, or maybe it didn't say that, but you can read the fact that we're going to get this thing done this spring. This is going to be a long process.

But, again, the intent of this whole process is to vet the essential data and assumptions and desires and goals based on how this plan is going to be developed in public so people have a good idea of what the Village is up to, we're able to take input from the Village residents as to what their goals are. It just isn't a one Commission effort. The statutes provide for the Plan Commission to do their part of it.

Pleasant Prairie is taking not a typical way of solving problems, but a while back the Village Board decided that it would be best to have the public hearing for zoning and those types of items occur at the Plan Commission because some court decisions had shown that when a Board or a

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council was confronted with those decisions they tended to look at them politically rather than taking a planning approach to those issues. And then those decisions by those governing bodies ended up getting tossed because they weren't taking into consideration the essential facts of the matter. They were driven more by the political desires of whoever came to a meeting. And land use law in Wisconsin really doesn't care what motivates a Board member politically. They expect you to follow the planning principles that you've adopted in plans and master plans and things like that. So that's why that's held at the Plan Commission.

But, nonetheless, the Village Board is responsible for that final action to have the zoning take place, enter into development agreements, be the final authority to say what the building is going to look like and accept that. It's cumbersome. It's meant to be cumbersome so that those projects that are most volatile, and you gentleman have seen there's usually nothing to get people fired up like a zoning change or a land use change, but they go through an extensive public comment and input. The decisions that the community makes are out in the open and happen that way.

That's not to say like we did that one night that if we have some light items that aren't controversial and that are more administrative that those can go to consent. It's your call, but the only one I'd recommend go to consent would be Item D unless there's something that's been brought up since last Friday that I don't know about.

Mike Serpe:

I have to agree with Alex to a point. I think if we can find more of these items that we could put into consent in the future I think it would just benefit everybody, the people in the audience as well as us and our staff that has to stay here all night long.

Mike Pollocoff:

Tonight you don't have an item for consent agenda.

Mike Serpe:

Exactly, and that's going to happen. But whenever possible I would consider those items that can go into consent that we do that and we have been doing it but maybe we can get some more in there.

Alex Tiahnybok:

Item D obviously I don't think is going to be a controversial item so it's going to go quickly anyway. I would just like to ask that other Board members in advance of our meetings if Mr. Pollocoff could identify the items that can be moved, and then if we could look at the items and decide in advance if we feel as though they should be moved. If we agree on them, we move them. If we don't, we don't.

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Mike Pollocoff:

Under Robert's Rules we can establish a consent agenda. I can put on there that I know legally could fall in there, and then if the Board has issues with any of those items being on the consent agenda then you can pull it off and have it acted on and considered separately. So we always have the ability to go both ways. If you want to get everything on the consent agenda that could be on the consent agenda we can do that and then you can take off if there's something that you think needs a more thorough discussion.

Alex Tiahnybok:

I think that would be great.

Steve Kumorkiewicz:

But that can only be accomplished when every member on this Board gets together with Mr. Pollocoff and discuss the issues that they believe should go to a consent agenda. Otherwise we're going to come back here and be the same way. Now, three of us we come here and talk to Mike at least twice a week to discuss some of the issues so we don't have to waste time here. You and Mr. Lauer have to learn to come back and see Mr. Pollocoff and discuss the issues. In that we eliminate a lot of talking here and more can be accomplished. I hate to read in the newspaper what's going on.

Mike Pollocoff:

Trustee Kumorkiewicz, that's really who comes and sees me is a Trustee's business. I'm here, my phone is in the phone book. If someone wants to talk to me that's fine. If they don't want to talk to me that's fine, too. You guys are all elected and you're big people. If you want to come, you come and if you don't, you don't. I think if someone wants to pick up the phone because they've got a question on the agenda then I'll answer that. But I surely don't have that requirement and I'm not sure it should be a requirement. It's really each person is going to represent their constituents the way they see fit and that's that. I'm here if anybody needs to visit with me but that's not a requirement. That's a choice by the Trustees.

Alex Tiahnybok:

Steve, you're a big advocate of attending Plan Commission meetings. I honestly truly try to make as many as I can, but I work five days a week and being here on weekdays to hang out is really just not a good option for me. I think the citizens want to make sure that there are people on the Board that do work full time and have jobs and are out there all the time earning money for their families. So you can't compare our capabilities equally.

You continue to suggest that and, again, I don't want to get into an argument about this, but I'm the one asking to streamline this. I'm not asking to make it more difficult. So if you're comfortable with the amount of work you do and I'm comfortable with the feedback that I see from the Plan Commission at their meetings, I'm the one that's asking for this. Why would I

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criticize the process if I'm the one that's a proponent of it? So I don't know what you're talking about. Let's let Mr. Pollocoff put the items on the consent agenda that he feels appropriate and we can go from there.

Steve Kumorkiewicz:

You forgot one thing. I used to work like you did and I'd come and see Mr. Pollocoff.

John Steinbrink:

Steve. Jeff?

Jeff Lauer:

Thank you. Just a couple quick comments. First I'll just restrain myself and not say anything to what just Steve said. I'll trust it to the other topic. Mike, you mentioned about the pool. You don't like to be blind sided. You gentlemen know me. Everybody who knows me knows me. I say it, I'm honest, I'm truthful and I don't beat around the bush and I say it the way it is. Being blind sided I am tired of being blind sided since being elected. I'm not going to be blind sided again. I would do what it takes to get the message out.

We can bring it up for Board discussion and I'll give you a good example. Name of future roads, streets, buildings and everything after a staff or Trustee currently serving. I accepted your 100 percent amendment. I accept Alex. This Board voted unanimously to have it rewritten and bring it back to vote. Guess what happened when that was? Was I blind sided? In my heart I thought you weren't going to vote for it and I was right. So talk about being blind sided. We talk about it and we're going to do it and then all of a sudden there's a flip flop.

The \$6.4 million pool is not a need. There may be people who need therapeutic needs, but you know what, it's not the government's job to provide \$6.4 million for those people. I'm a diabetic, what are we going to do for me? I don't want anything. I will survive on my own. I will take care of myself. I do not need others to take care of me. The \$6.4 million pool was a big issue with me. You gentlemen know it and there are reasons why. We can go back to the minutes. It's not defensible. The State changed its rules now and we can't collect it so we give the money back. Legally it can be done. I've checked it. I'll get the documents. When I get them you guys can have them as well. But since we're not going to use it, we're not going to raise close to \$6.4 million as I've been talked to, I think it would be a good thing.

I don't like to blind side, but you know what, I've learned my lesson. I've given everybody the benefit of the doubt. And I can't come and see other people here to find out what's going on, but you know what, if I don't get the whole truth to me it's a lie. Half a truth is a whole lie, period. I don't want to be told just enough or spoon fed to make me vote one way or the other. I want the whole truth and I haven't gotten that. I know I haven't got it. It's documented. It was in the Board minutes as well. So that's why if you're blind sided by the *Kenosha News* article the people need to find out what's happening. We can discuss it here at the Board meeting, but I

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think it's been proven beyond a shadow of a doubt what happens to Alex and I if you try to make an idea or a suggestion.

So if I have a commitment that that won't happen in the future that's great, that's awesome. Everybody knows me. I will say the truth and say what I feel and you might not agree. My wife don't agree with me all the time, but we don't lie to one another. That's the key thing.

Alex Tiahnybok:

One last quick comment. I'm not going to go into details. I could talk about blind siding, too, but I won't. I won't go down that road. One comment that Jeff made and I think it's worthy of clarification. The whole notion of special services, special needs services, obviously I'm not opposed to the State government doing that. I'm not opposed to the County government doing that. But I think what Jeff was trying to say is that that's really not a purview of municipal government as far as I know of offering therapeutic services. That's usually State or County. And for a municipality to do it on its own wonderful if you have the resources and capabilities of doing it, but in these times considering what we heard during citizens' comments I think we need to be conservative.

John Steinbrink:

I'll let you speak but I'm going to address first and you're probably going to add to it. The statements made about the Village finances, we go through this meeting after meeting, election after election. Unfortunately we hear statements that either show a lack of understanding, knowledge or just misleading comments. But, once again, we'll present our side and I believe our side is defensible by numbers and everything else out there.

The Village's finances are in good shape. Our bond rating is very stellar. Once again I'll point to the award the Village received for the way they conduct their business and what we have to offer. We've seen the lines blurred between pools and past fees, police building, roads, per capita debt. The ambulance, Jaws of Life, heart monitor those are all important things for the Village and not leaving out the snowplow for providing services.

The Village, once again, has the lowest tax rate of anybody of our size or stature in the State. The lowest tax rate. If you were to take the increments needed to provide for those items, add them onto the taxes, you would still be one of the lowest in the State or anywhere around us. I believe it's our job then to show people what they're getting for their dollar and how much their dollar is to the Village, what the cost of services are and what's being provided to them for their dollar. I don't think anybody can disagree with the fact that snowplowing in the Village is exemplary. Fire/ rescue, response times, training unbelievable. Police protection probably the best you're going to see around. Probably one of the safest communities anywhere around. That's why people come here to live.

But there's confusion when the tax bill goes out because the Village sends it out and we collect everybody's portion, the Village, State, County, Gateway, schools. For some reason that seems to get lost in there the explanation of what is the Village portion of your tax bill. I guess I'll

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challenge anybody to take their house and put it in any other community, nearby or far, look at the services you're going to get and look at what you're paying in taxes and look what your taxes would have been with the referendum had it gone through.

There seems to be some misunderstanding about the Village, the Trustees and probably our duty here. Before the State in its infinite wisdom, and this is something I voted against up there because it was wrong, communities used to have the ability to adjust their levy to provide for the items they needed. Well, that no longer is available to us. We have to go to referendum. That's the process we follow whether people like it or not. That's what we follow, what the law proscribes. Taxpayers decided not to go along with it. Maybe we didn't do a good enough job of explaining it, but the bottom line is the finances of the Village are in pretty good shape.

And I think we're not going to let anything suffer here. You're not going to lose protection. You're not going to lose services. We're going to continue to look at the budget to see how we can adjust for those things. It's going to be tough. A lot of people are going to make sacrifices I'm sure but we'll do it again. But to listen to folks come up and say the Village has let us down that's wrong because you need to do some comparison. You need to do some real number crunching and find out what the dollars are, where they're going and what you're getting for it. Mike, maybe you can address the comment about per capita debt. There's a lot of things about finance that people don't understand.

Mike Pollocoff:

The Village does carry at this time a higher debt load than most communities and that's because the Village is doing more than most communities. The amount, and this is posted on the website and it's been a discussion at previous Board meetings, but the amount of debt that the Village carries for general operations of the Village, general government, streets, public works, police, administration, parks accounts for about 13 percent of all of our debt. As a matter of fact, the Village Board has not issued any bonds in that area for the last four years and this will be our fifth year.

We do have significant debt that's applied towards the Tax Increment District. The Tax Increment District is that area in Pleasant Prairie that's been generating jobs. It's been generating tax base. It's that bank of tax savings that the Village has used since its inception. In 1997 the tax rate for everybody in the Village and everybody in Kenosha County went down because that first tax district was completed and we loaded \$450 million onto the tax base that wasn't there before. Everybody shared in that.

In 1996 the Village sent back rebate checks to all the Village residents because we had so much money coming in from the district. The following year the Village mill rate went down. The Kenosha County mill rate went down. The Kenosha school mill rate went down because you cannot overestimate the value of adding a half a billion dollars to the tax base, whether the Unified District or the Village of Pleasant Prairie.

Today, the next tax district that we've been working on has required expenditures for water, sewers, streets, land acquisition. We've eliminated blight along the Interstate. I think that

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anybody that drives along I-94, unless they had some attachment to some of those businesses there it's a cleaner place. It's a place where economic development can happen and it will happen. Nothing would happen in that area without that blight removal taking place. That costs money. But it's already starting to—before we were completed with it, the mere fact that we had established an area that could be developed, provided for economic development, you have an lapse in development. That wouldn't have happened if the Village didn't bring sewer and water to the Interstate or if the Village hadn't acquired the adult bookstores or some of those other uses and moved them out. That took money. That's an investment that the village is making in the future. Has it raised anybody's property tax bill? No, because that's being paid for by the businesses in the Tax Increment District. It's not being paid for by either the older businesses in LakeView Corporate Park or the existing residents in the Village.

So there's debt and there's debt, and I guess it's how you want to parlay that number and throw the numbers out. But the fact of the matter is the Village has done more than most communities to generate economic development for this community that's been good for everybody. It's brought a lot of jobs here. And it's going to bring a lot of good jobs here that we haven't been able to attract until the time we finish this district off.

Other comments that Mr. Matson made is that we're spending \$12.5 million on a police station. You betcha. At some point Pleasant Prairie is going to spend \$12.5 million on a new police station, and we're going to spend that money when we've collected the impact fees that pay for it so that the existing taxpayers are not paying for it. That \$12.5 has been demonized by people at the County or some other people that that's being paid for by the Village taxpayers. Well, if you're a new business or a new resident to this Village, you're going to pay your share of that police station and you should. The existing taxpayers paid for the station that's there now. As our police department grows, we collect the impact fees, that money is going into a segmented fund and it's going to pay for that police station rather than adjusting the mill rate, rather than having a referendum, rather than issuing bonds. That's going to pay for that police station.

Why would we not want to have new development help us pay for that improvement? I don't understand why anybody would say that's a bad idea. That's a good idea. That's money well spent. That's \$12.5 million that we're collecting from the people who are causing the impact. To say that it's throwing \$12.5 into the wind in spending is as far from the truth as possible because it's the exact opposite. We're not spending any of our money. We're spending \$12.5 million of money from new residents.

The same thing for the pool, you don't like it, you like it, whatever. The Village finagled a pool into the RecPlex. That's something of value the existing residents put together. They're behind the resources of it. If we want new residents to help pay for the expansion because there's more swimmers going there we can do that. If the Board decides you're not going to do that, you don't do it. But it doesn't come off the tax roll. Anybody that tells you that \$6.5 million is coming out of your pocket is misleading you. It's no different than the police station. It's coming from new development.

If you want to give development a break, there you go, you say you don't have to do it. The State law says we can't do it now. We've had developers actually volunteer to make that payment

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because they think it adds value to the community. Those facilities are one of the things that make homes in Pleasant Prairie easier to sell. But if you don't want to do it we don't do it.

The \$42 million road program, I don't know, I was at a Board meeting and the Village Board talked about we need to evaluate our roads. We need to come up with a plan on how we can get these things done, one, without going to referendum and, secondly, that's going to be something everybody likes. My recollection was that we decided that we're going to spend this next year doing it for a couple reasons. One, there's some technology we think we can use that's going to make it less expensive and we can do a process where people have a choice in how road improvements are made. Everybody at this dias up here nodded their head yes. And now we have somebody that says we're \$42 million short and it's bad and now they're nodding their head, yeah, that's bad. We just got through working on the budget. I didn't see \$42 million extra in there. I don't think any of us did. But we did agree, I thought, a month or so back that we're going to sit down and work on a plan that's going to get this done coming in the future.

There's some significant financial issues that our Village is facing. Does that mean that we're in significant financial trouble? No. We purely in this last referendum followed what the State law said is that once you reach your cap, if you want to spend more money you go to the voters and ask permission for it. Again, I think that was a five/zero vote, and most of you guys were making suggestions on how we get the word out. That was one way to raise the money above and beyond the cap.

I agree with Mr. Ginkowski, the voters clearly said, no, we don't want to pay for it that way. President Steinbrink asked me to start working on a plan to get those purchases that weren't authorized by referendum, find a way to make that happen and I'm going to be bringing that back when we have our budget hearing. But to me to outline these four issues and then imply that the Village is in deep financial trouble is erroneous.

What the Village has is we're a growing community. We have some big financial questions ahead but a lot of these we've solved. We've solved how we're going to take care of the police station. We've solved how we're going to take care of the public works expansion. We've solved how we're going to take care of the fire station expansion. That was all done by impact fees. Now, I know that not everybody voted in favor of that but that was done. We need to put that behind us and say we decided to take care of those future expenditures by charging new development as they come in. Now, if we don't want to charge new development, then we have to bring that up as an ordinance amendment and say we're going to give new development a pass and we're going to pay for those some other way, whatever way we want to come up with it. But that's a big group of expenditures that is not taxpayer funded. Sure, its people paying taxes once they get here, but had they not come here we wouldn't have needed them.

If this Village doesn't grow one more house we're done, we don't need another police station. We don't need another fire station. But we're not and that's not the case. We're a growing community and those impact fees are taking care of it. The strong financial stance that the Board took, and it wasn't easy, that they were not going to issue any more debt five years ago is going to pay off. So to say that we're awash in debt in the general fund is not the case. And all anybody needs to do is look at a financial statement from the Village. It's on the website. If you don't

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have a computer you can come to the Village Hall and pick one up. You can see this community has not been issuing debt for general purposes. We've avoided that. We've been paying for things as we went. That's all I have, Mr. President.

John Steinbrink:

Thank you, Mike.

7. ADMINISTRATOR REPORT

Mike Pollocoff:

I do want to remind all the Trustees that the Village will be conducting its 2007 fiscal year annual budget hearing and meeting on December 5th. We've posted the notices. That's a Tuesday night. We'll probably be moving some items off, unless you want to have a meeting two nights in a row. I'm not sure yet what kind of Plan Commission docket we'll have. It's your call if you want to combine them all on Tuesday or go Monday and Tuesday. I'm not sure what kind of crowd we'll have for the budget meeting. That will be on the 5th and then, of course, next week is just Plan Commission. That's all I have for my report.

John Steinbrink:

Thank you, Mike.

Jeff Lauer:

Mike for that December 5th budget meeting, is that when we're going to go over the referendum issues or the adjustments? Is that the night?

Mike Pollocoff:

On the 5th, yes.

Jeff Lauer:

Okay. I know there was some talk. I just want to make sure that's the right one. Okay.

8. NEW BUSINESS

- A. Receive Plan Commission Recommendation and Consider a Zoning Map Amendment (Ord. #06-55) for the request of Carlos R. Sierra, owner, to correct the Zoning Map and rezone a field-determined non-wetland area on a vacant property located at the 9900 Block of Lakeshore Drive (west side of Lakeshore Drive) into the R-5, Urban Single-Family Residential District.**

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Jean Werbie:

Mr. President and members of the Board, Ordinance #06-55 is an ordinance to amend the official zoning map for the Village of Pleasant Prairie pursuant to Chapter 420-13. Specifically, the request is for Tax Parcel Number 93-4-123-203-0170. The property is located approximately in the 9900 block of Lakeshore Drive along the west side. It's identified as Lot 15 of Block 34 of the Carol Beach Estates Subdivision Unit No. 4.

The petitioner had originally requested two wetland stakings. There was an original wetland staking on the property back in 1998. Five years had passed and that wetland staking had, in fact, expired. The petitioner wanted to build a single family home on this lot, so he again requested a wetland delineation on the property. SEWRPC had been out to his property to evaluate the property to determine if there were still wetlands, in fact, on the property. At that point SEWRPC had some questions. As I mentioned at one of the past either Plan Commission or Board meetings, there is some question as to the wetlands that are in the inter-dunal swale areas, up/down areas adjacent to Lake Michigan. They're being impacted by the low ground water and low lake levels. So as a result a group from the Army Corps of Engineers, the Wisconsin DNR, SEWRPC and a number of other folks went out to the property to re-evaluate this particular property with respect to the two wetlands on the property.

Again, the property owner, Mr. Sierra, had questioned the viability of both of these wetlands. The 69 square foot inter-dunal wetland swale, which is on the north end, was determined still to be a wetland, but the one in the southeast corner along Lakeshore Drive was determined, after extensive evaluation by the Corps of Engineers, to just apparently be an inter-dunal swale, no longer to be a wetland. So Mr. Sierra has since requested to have the area that's been identified as C-1 in that lower southeast corner to be rezoned into the R-5, Urban Single Family Residential District area.

The Plan Commission held a public hearing and the Plan Commission recommended the rezoning as requested. Again, this is something that he had requested once before, but there was no background information or verification from a qualified or certified biologist. This time we have that information on file from the Corps of Engineers. It's been concurred with by SEWRPC and DNR, so the request this evening, again, is to rezone that 614 square foot area into the R-5, Urban Single Family Residential District. The 69 square foot wetland on the north end of the property will remain, and a LUSA, which is the Limited Urban Service Area Overlay will remain on the entire property. The staff and the Plan Commission recommend approval as presented.

**SERPE MOVED TO CONCUR WITH THE PLAN COMMISSION
RECOMMENDATION AND ADOPT A ZONING MAP AMENDMENT (ORD. #06-55) FOR THE
REQUEST OF CARLOS R. SIERRA, OWNER, TO CORRECT THE ZONING MAP AND
REZONE A FIELD-DETERMINED NON-WETLAND AREA ON A VACANT PROPERTY
LOCATED AT THE 9900 BLOCK OF LAKESHORE DRIVE (WEST SIDE OF LAKESHORE
DRIVE) INTO THE R-5, URBAN SINGLE-FAMILY RESIDENTIAL DISTRICT; SECONDED
BY KUMORKIEWICZ; MOTION CARRIED 5-0.**

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- B. Receive Plan Commission Recommendation and Consider the request of Mark Molinaro Jr., of Partners in Design Architects, agent, for Prairie Ridge Investors, LLC, property owner, for a Certified Survey Map to subdivide Tax Parcel Number 91-4-122-082-0120 into two (2) parcels to accommodate the proposed Prairie Ridge Commons multi-tenant commercial development to be located at the southeast corner of 75th Street and 99th Avenue in the Prairie Ridge Development.**

Jean Werbie:

Mr. President, I would ask that Item C be considered at the same time as I will be making only one presentation on both the certified survey map and the zoning text amendment.

LAUER MOVED TO CONSIDER ITEM B & C AT THE SAME TIME; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

- C. Receive Plan Commission Recommendation and Consider a Zoning Text Amendment (Ord. #06-56) at the request of Mark Molinaro Jr., of Partners in Design Architects, agent, for Prairie Ridge Investors, LLC, property owner, to amend Section 420-137 of the Village Zoning Ordinance to create the specific Ordinance requirements for a Planned Unit Development (PUD) Overlay District for the proposed Prairie Ridge Commons multi-tenant commercial development to be located at the southeast corner of 75th Street and 99th Avenue in the Prairie Ridge Development.**

Jean Werbie:

Mr. President and members of the Board, the Prairie Ridge Commons project is a speculative commercial retail development. It's proposed to be located at the southeast corner of 75th Street and 99th Avenue in the Prairie Ridge Development. It consists of two identical multi-tenant buildings. The total is just under 18,000 square feet for both buildings. The multi-tenant buildings are to be located at a 2.41 acre parcel. It's identified as Lot 1 of the proposed CSM. Lot 2 will be a secondary use.

Tenants to date: that have been identified include a drive through Starbucks, FedEx, Kinkos, Verizon and Cost Cutters as you can see on the slide. There is a future restaurant site that would be located on Lot 2 just to the immediate west on a 1.755 acre parcel. The entire property is zoned B-2 and a PUD which is a Planned Unit Development overlay.

With respect to the certified survey map, again, there will be two lots created. The eastern lot is a through lot and it's proposed to consist of just over 2.4 acres with a little over 346 feet of frontage on 75th Street and 357 feet of frontage on 76th Street. There will be no direct access to 75th Street for this particular property. Lot 1 is proposed to accommodate the Prairie Ridge Commons multi-tenant development.

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Lot 2, which is the western property, is a triple frontage lot. It abuts 75th Street, 99th Avenue and 76th Street, again, with access only from 76th Street for this development. There will be no direct access to 99th Avenue or to 75th Street.

The proposed PUD which you have before you in ordinance form, will address the lot size sufficiency issues and other issues that were detailed at the Plan Commission meeting. The PUD community benefits have been identified on this particular slide. We have addressed some architectural features that they have added to the project. They've addressed some nicer building materials and the quantity, and quality of the materials on the building will be more of an upscale type look for the project. They've agreed to reciprocal cross-access easements in both directions, increased shopping options for area residents, employment opportunities, real estate tax revenues and increased tax revenues for the State and the County.

This is an artist's rendition of the building elevations. As Mr. Molinaro indicated, the color and the material selections are over on the easel. They've been here at the Village hall and they have been looked at by I think most of you. The color selections will compliment the Shoppes at Prairie Ridge Development as well as the Target development which will be to the immediate south.

This is an overall site layout plan. Again, it does show the two multi-tenant buildings that will be on the eastern parcel, and then the future restaurant site on the western parcel. A couple of other slides that I'd just like to show you is the landscaping plan and some of the detail is rather small. We do have large scale versions of that, and they do have an enhanced landscaping plan that will add to the particular site.

Then one of the other elements that we had asked them to add is a pergola between the two buildings kind of to accent some of the elements from the Target project to the south. A portion of it will be fenced in and it might accommodate an outdoor seating area or just an outdoor dining area for some of the tenants. They intend to have plants and vines and things that will make it look real attractive, then they'll have the Prairie Ridge Commons signage across the top of that pergola between the two buildings.

There will be primary and secondary signs. We had worked with them to identify a little bit larger sign for the Prairie Ridge Commons multi-tenant buildings because there are so many tenants in that particular center that they are creating. I believe it's similar in size to the signs that Prairie Ridge has for the Hawthorne Suites and the Newman Homes and the tenants that are in the Prairie Marketplace to the east in the Prairie Ridge Development. The Prairie Ridge secondary sign will be at the entrance off of 76th Street. This just gives you a sample of the fence and the gate for the pergola.

The staff recommends approval of the PUD which is the detailed zoning for the particular property. It identifies where there's going to be some flexibility in the ordinance and the benefits that are going to be given to the Village of Pleasant Prairie. And then the certified survey map, in fact, does subdivide the property. I do have a few other notations and comments that I was not able to get to the architect regarding the certified survey map, but I don't think that there will be any concerns. They're primarily just typos and some additional information that needs to be

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added from the original document. The staff and the Plan Commission recommend approval of both Item B and Item C which is Ordinance #06-56 as presented.

John Steinbrink:

We'll take these items separately. Mike?

Mike Serpe:

Mark had a hand in the design work on the expansion at Prime Outlets, and boy I'll tell you that just turned out to be one beautiful addition. I see the same workings in this, Mark. I'll tell you, I think you're on a role. I wish you were a Packer backer but . . . he jinxed us, I just want you to know that and I won't forget that, Mike. Anyway, I think this is going to be great for Pleasant Prairie, great for Kenosha County as far as the amount of dollars that are going to be spent there with reference to the half percent sales tax that's involved so it's a win/win for everybody.

One of the Plan Commissioners lives in that area in Prairie Ridge and she's extremely excited about it. I think everybody that sees the end result is going to be as equally excited. I'd move approval of Ordinance #06-56.

Steve Kumorkiewicz:

Second.

John Steinbrink:

Motion and a second. Any further discussion?

Mike Serpe:

Hang on a second. I skipped. I need the approval of Item B so that's the certified survey map. That would be first. That would be my motion.

Alex Tiahnybok:

Second.

SERPE MOVED TO CONCUR WITH THE PLAN COMMISSION RECOMMENDATION AND CONSIDER THE REQUEST OF MARK MOLINARO JR., OF PARTNERS IN DESIGN ARCHITECTS, AGENT, FOR PRAIRIE RIDGE INVESTORS, LLC, PROPERTY OWNER, FOR A CERTIFIED SURVEY MAP TO SUBDIVIDE TAX PARCEL NUMBER 91-4-122-082-0120 INTO TWO (2) PARCELS TO ACCOMMODATE THE PROPOSED PRAIRIE RIDGE COMMONS MULTI-TENANT COMMERCIAL DEVELOPMENT TO BE LOCATED AT THE SOUTHEAST CORNER OF 75TH STREET AND 99TH AVENUE IN THE PRAIRIE RIDGE DEVELOPMENT; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

SERPE MOVED TO CONCUR WITH THE PLAN COMMISSION RECOMMENDATION AND CONSIDER A ZONING TEXT AMENDMENT (ORD. #06-56) AT THE REQUEST OF MARK MOLINARO JR., OF PARTNERS IN DESIGN ARCHITECTS, AGENT, FOR PRAIRIE RIDGE INVESTORS, LLC, PROPERTY OWNER, TO AMEND SECTION 420-137 OF THE VILLAGE ZONING ORDINANCE TO CREATE THE SPECIFIC ORDINANCE REQUIREMENTS FOR A PLANNED UNIT DEVELOPMENT (PUD) OVERLAY DISTRICT FOR THE PROPOSED PRAIRIE RIDGE COMMONS MULTI-TENANT COMMERCIAL DEVELOPMENT TO BE LOCATED AT THE SOUTHEAST CORNER OF 75TH STREET AND 99TH AVENUE IN THE PRAIRIE RIDGE DEVELOPMENT; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

- D. Consider the request of Eric Koster for approval of a Lot Line Adjustment between the properties located at 8007 54th Avenue and 5300 81st Street.**

Jean Werbie:

Mr. President and members of the Board, this is the request of Eric Koster for the approval of a lot line adjustment between properties located at 8007 54th Avenue and 5300 81st Street. The proposed lot line adjustment is to adjust a portion of the side lot lines between the two parcels. The end result of the lot line adjustment will be the transfer of approximately 1,040 square feet from 8007 54th Avenue, which is the Crawford property, and combine it to 5300 81st Street which is the Koster property. This is located in the Michelsen's Subdivision.

The properties are both zoned R-4, Urban Single Family Residential District, and both lots will be conforming as a result of this lot line adjustment. The lot line adjustment does conform with the Village's Zoning Ordinance as well as the Land Division and Development Control Ordinance. Both the staff and the Plan Commission recommend approval of the lot line adjustment as presented.

Steve Kumorkiewicz:

We went through this at the Planning Commission meeting. I make a motion to approve.

Jeff Lauer:

Second.

KUMORKIEWICZ MOVED TO CONCUR WITH THE PLAN COMMISSION AND APPROVE THE REQUEST OF ERIC KOSTER FOR APPROVAL OF A LOT LINE ADJUSTMENT BETWEEN THE PROPERTIES LOCATED AT 8007 54TH AVENUE AND 5300 81ST STREET; SECONDED BY LAUER; MOTION CARRIED 5-0.

- E. Consider Resolution #06-53 related to the Public Participation Plan for the Comprehensive Plan update.**

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Jean Werbie:

Mr. President and members of the Board, pursuant to Section 66.1001 of the Wisconsin Statutes, all units of government which engage in zoning, subdivision or official mapping must adopt a Comprehensive Plan by January 1, 2010, which is compliant with the recently adopted Smart Growth law.

The Village of Pleasant Prairie is working cooperatively with Kenosha County and nine other municipalities in Kenosha County under a grant in order to complete a Comprehensive Plan for not only the Village but all of Kenosha County. One of the requirements of the Comprehensive Planning process is to adopt a public participation plan for the preparation of that Comprehensive Plan. Annie Jones from UW Extension has been working with the Comprehensive Planning team and with the Technical Advisory Committee in order to put together that comprehensive participation plan for Kenosha County as for all of our municipalities. And what it involves is a number of activities and open forums and public meetings and workshop sessions, as well as a Word Café and other types of activities in order to get the word out to the Kenosha County residents that are involved in that participation and planning program. It's a requirement that the community adopt this participation plan.

What the Village of Pleasant Prairie is doing in addition to this is adopting a public participation plan I hope for the Village of Pleasant Prairie. So what the Plan Commission and the staff are recommending is that we take it a step further and not only be a part of the County's process for public participation but hold a Pleasant Prairie Café and publicize the information on our website and on our channel 25 and hold our own nominal group process meetings here at the Village Hall or elsewhere within the community and get the word out and try to get public feedback specifically just from our residents as well. I'm not saying our residents won't be able to go to the County Center or any of the other meetings that are being held, but just to give our community another opportunity to understand the process and to be informed and to provide input into that process as we move through it.

The entire process will take about three years. We started things off in August with a kickoff meeting, so we have about three years before 2010 in order to go through the entire Comprehensive Planning process. The staff and the Plan Commission are recommending approval of the public participation plan, both Exhibit A and B. Again, A is as part of the Comprehensive Plan program itself, and B is additional opportunities for public participation. One of the first pieces that had been provided, and unfortunately you didn't get a colored copy of this, but we'll be posting it to the website as well but is the Compass Points Newsletter that's going to be provided on a regular basis to the communities to give to the residents and other interested parties to keep everyone up to speed as to what's going on with respect to our planning efforts.

Mike Serpe:

Jean, I understand we have to do this and I'm in favor of it. My question to you and your staff is it's going to require a whole lot of extra time and effort on your part.

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Jean Werbie:

It will, but it's important.

Mike Serpe:

I totally understand that. I'm just curious as to where you're going to get the hours to do that?

Jean Werbie:

We'll make it work.

Mike Serpe:

It's going to be tough. We only have three planners back there and we have a lot of things going this year. At least it appears we have a lot of things going. Now this on top of all of that. I guess I just appreciate your efforts, Jean. I'm glad you're here. I know you'll be able to handle it, and I don't want to see you get burned out either.

John Steinbrink:

Was that a motion?

Mike Serpe:

I'll make the motion.

Steve Kumorkiewicz:

Second.

John Steinbrink:

Motion and a second. Steve?

Steve Kumorkiewicz:

Yes, for Jean. Jean would you recommend setting up a separate commission or set up in the same way as for Village Green where we have participation of the public, a kind of big round table and everybody

Jean Werbie:

That is what we were thinking about. But I guess I don't know that I was thinking about doing it on a regular basis to review the chapters because that's what the Plan Commission and the Board are going to be doing. But we'll be gathering at certain key points in order to bring the residents

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together to get input with respect to various issues and concerns. I don't know that I need another technical advisory committee of residents to go through the existing land uses or the population and housing characteristics which is what you're going to hear from me tonight and the Board is going to hear from me tonight. But I think there will be some very key points where I'd like to invite groups of residents or different areas of residents in to participate in the process and provide input. We haven't worked through all the details yet.

Steve Kumorkiewicz:

Thank you.

John Steinbrink:

Any other comments or questions?

Jeff Lauer:

Jean, just two quick questions. For that Compass Points is that something that someone at the County will design? And, I guess the follow up is will the Village have our piece in there like what we want, and do you know if it will be like a mailer or just come to the Village and get it?

Jean Werbie:

Two things. It is being put together by Annie Jones from the UW Extension who is on a grant to Kenosha County to do this for them. Like I said, it's like a four page colored document so you didn't get the pretty one. But we hope to use this exact document and put it out on our website and on channel 25. We'll have copies here at the Village Hall, and we may do it as mailers, too, but I don't know that the Village residents necessarily want the entire County. Maybe it will be just a page that's tailored to Pleasant Prairie during certain select key points during our planning process. So that was part of the thought. They certainly can get this initial one. I'd like to get it to as many people as possible just because it provides a broad understanding of why the County and all the municipalities are doing the planning. But I would like to tailor it a little bit to Pleasant Prairie before it goes out.

Jeff Lauer:

Okay, good, thanks.

SERPE MOVED TO ADOPT RESOLUTION #06-53 RELATED TO THE PUBLIC PARTICIPATION PLAN FOR THE COMPREHENSIVE PLAN UPDATE; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

F. Receive Presentation of the 2007 Clean Water Utility Budget and Consider Resolution #06-55 relating to Adoption of the 2007 Clean Water Utility Budget, Fees and Capital Improvement Program.

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Mike Pollocoff:

Mr. President, John Steinbrink, the Street Superintendent, will make the initial presentation on the budget for the Clean Water Fund for 2007.

John Steinbrink, Jr.:

Good evening everyone. My name is John Steinbrink, Jr., Street and Parks Superintendent for the Village of Pleasant Prairie. Tonight I'll be going over the Clean Water Utility Fund for the 2007 budget year.

The way that I would like to go about the presentation this evening, if the Board accepts it, is there is a lot of information that needs to be covered and acted upon this evening. I'd like to break it out into several subcomponents, and I think that might help us stay focused on doing an analysis of where we are, what we need and where we need to go in the future, and then just have a discussion in between each of these action items. That's the way I've gone through and developed the agenda this evening.

So first we'll be talking about the overview of the Clean Water Utility, some of the maintenance aspects that we have to do, how much infrastructure, what the value is, what some of the responsibilities are that we have for it. I'd like to talk about an overview of the NR-217 storm water discharge permit. That's the mandated permit that the Village is under that we have certain requirements that we need to follow. The ultimate goal for that is to discharge clean water into the receiving water sheds. Then after that I'd like to talk about the required operating capital requirements for now and 2007, and then also for 2008 through 2017 into the future. Determine the revenue that's required for the Clean Water Utility, talk about different options we have for achieving those revenues, and then talk about how the two water sheds are very different in the Village and their different revenues and expenses.

We're starting with the system overview. The Village has just over 3,800 storm structures. Those storm structures include inlets that are in the curb and driveways, the manholes; 85 miles of curb and gutter sections that we have to sweep on a regular basis; and 33 miles of storm main. That's the pipe underground that takes all the water from the curb and gutter areas and discharges them into ponds or ditches. Thousands of roadway and driveway culverts, all the roadway ditches and the streams and the rivers that flow through the Village of Pleasant Prairie.

Some of our operational goals and objectives that we have is that we clean the storm inlets on a regular basis. We try to do it on a three year interval, so that takes any of the solids or any of the materials or contaminants in the bottom of those basins and we have a big machine that goes through and sucks them out. So any new water that we have that has contaminants it has a place to settle. We try to sweep the curb and gutter sections four times a year, and roadway culverts as required. Then we also do an inspection of newly constructed storm pipe in the Village.

So it is our goal to clean around 1,100 inlets per year. That's a picture of the truck we have that goes out and does that. It's a two man crew. They'll normally spend a lot of their time in the spring and fall when we're not doing paving or leaf sucking and other crews and they spend a lot

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of time doing that. A lot of times you'll see the street sweeper out on the road. We try to get out four times a year in all the subdivisions. There's many cases that if there's construction or other things that happen where there is a lot of extra material on the road we'll send it out multiple times to make sure that's cleaned. That's a picture of our Grade All. That's a wheeled excavator that we can use to go through and reshape the grades in the roadside ditches. We average around 36 culverts per year going through. We'll spend just over 1,200 hours doing the ditching that's associated with that roadside maintenance.

This is a picture of the inside of our video trucks that we do. Any time that new development comes in, one of the things that the Village requires is that we are getting a stable piece of infrastructure. We want to make that all the pipes are connected together well, that there's no cracks, that there's no leaks, and this is really important so that once a developer leaves that infrastructure becomes the property of the Village and then it's our responsibility to maintain that.

We are looking to do some storm projects. One of the storm projects that we're looking at doing is to complete our behind the curb stump line project that we started probably about five years ago. It's been on hold for the last couple years. We're looking at installing about 1,400 feet of pipe behind the curb in a couple of subdivisions. And the problem that we run into now is that I believe there's one subdivision that's left in the Village where the sump pump line drains right out into the road right behind the curb and gutter area. That's fine for probably eight months out of the year when the water can go along the curb area into the basin and down, but in the three months when it's frozen that water will discharge out at the curb area and then it starts to freeze. And it freezes before it can drain into the catch basin and then it builds up and builds up to a point where it could be very dangerous. So that's one of the projects that we'd like to do.

This is our flow chart of our personnel that we have. This is the same flow chart that you saw with our highway department budget meeting that we had. So we do use the same personnel and it's just a personnel split that we use to allocate the people to work on the Clean Water Utility. The vehicles that we saw is the Vac . . . that you saw for cleaning out the catch basins, the street sweeper which we show and then also the video box truck which is the truck that houses the camera. We have a Grade All excavator. We have a camera that goes for the storm pipes and then we also have a mini camera for doing the laterals, a culvert steamer and a couple of water pumps in case we have to move water during a flood.

So that was kind of just a very quick overview on some of the maintenance responsibilities that the Village has to do on a regular basis. And it's important that we continue to do these maintenance items. I want to take a minute and find out if there's any other items that the Board would want staff to take a look at doing or any other items that you guys feel is not necessary at this time.

John Steinbrink:

Are there any Board comments or questions at this time?

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John Steinbrink, Jr.:

The next thing that I have is an overview of our NR-216 Storm Water Discharge Permit. The storm water permit that we have is broken down into six components that we have to do. Now, this is something that really is not an option for the Village. This is something that all the communities and the State of Wisconsin are required to do. And if you do not do these it does come with a citation.

We have public education and outreach. I'll go through these in detail on the next couple slides. We have public involvement and participation, illicit discharge, pollution prevention, construction site pollution control and then the post construction site storm water management. These are the minimum control measures for compliance. So this is the minimum amount that we have to do to meet the requirements of our permit.

For the public education and outreach, the Village will use its website and local access television channel to educate its residents on storm water management and water quality issues, permit compliance and helpful suggestions to achieve better quality. So somehow we need to get this message out there. So if we use our website and we use our local access TV, if we use some education articles in the *Sun*, but we have to make sure that that message does get out there. We have a couple of topics that we've identified. They're probably not the most exciting things to listen on, but at the end of the day if the public can be educated on how to properly apply pesticides, what to do with yard waste or pet waste. If he sees some oil on the road, what can you do to keep that oil from getting into the storm system. So these are the seven topics that we're going to work on, education with the IT department to develop some website information and then also some video for channel 25.

For the public involvement and participation component of it, we will publish our annual report on line at the Village website to notify the public of our permit compliance activities, and we will also host an open house following the completion of our permit that we have to do at March of every year. And we can invite the citizens, and if anyone has any comments on the process or wants to know how we've been doing that's a good time for the public to be involved and have some input on it.

For the illicit discharge, detection and elimination, the Village has identified 86 discharge points in the Village. So during dry times in the summer we're going to go through and walk to each of these discharge points. If it's a dry condition, there shouldn't be any discharge at all. If there is some discharge, we're going to go through and see if it looks like maybe somebody just washing their car, maybe it's some runoff from the creek or stream or someone was watering their grass or something like that. But then we're also going to go through and identify if there's anything that looks like it's not supposed to be or it's not a clean water discharge. Then if we find something that's not a clean water discharge, we have to go through and identify the source of where it's coming from.

So one of the projects that we've done in the last year is develop a storm water system map. We can take that system map and back track out from the discharge point and hopefully find out

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where the illicit discharge is coming from, identify what the illicit discharge is, and then act accordingly to remove it from the system and make sure that it doesn't happen again.

We have pollution prevention. This is broken up into two components. We have one component of it that is existing practices that the Village staff is doing already. So we already are street sweeping the roads, we're cleaning the catch basins. We are disposing of the street sweepings at the landfill. Road and salt de-icers we're making sure that we only put down a minimum amount of salt based on road conditions and air conditions based off a DOT manual. Then we also do a curbside leaf collection. So these are the things that we're doing right now in the Village to meet the requirements of the pollution prevention.

But there are some new practices that we are going to have to do moving forward. We're going to have to start doing maintenance of our Village owned ponds. We're going to also have to prepare a storm water pollution prevention plan for the Prange and any of the other municipally owned garages and surface storage areas. We have to start testing any of our land surface areas that we apply any pesticides or fertilizers. So everything over by the parks, any of our public green spaces on Highway 31 that we spray for dandelions or do something to fertilize. We have to do a test three times a year to make sure that we're not putting down too much fertilizer so that it would run off. On an annual basis we have to do staff training of at least 20 hours just to make sure that the staff really understands how this whole permit affects them and their daily responsibilities. Then we also have to implement measures to reduce municipal sources of storm water which is our MS 4 which is just the area that we do the collection on.

For construction site pollution control the Village has an ordinance control patterned after the NR-152 model ordinance, so we've been working well with Jean's department to identify a lot of the components that we have to do. Engineering is doing a lot of—I should say they're going through each of the subdivisions and making sure that the subdivisions remove enough of the total suspended solids that have to be taken out to meet the requirements of the permit.

And then for post construction site storm water management the plans are, again reviewed by the engineering department as part of the review process, and then the Village has a storm water management ordinance that requires storm water management facilities to be designed to meet the performance standards under the NR-151 codes.

So we went through and we associated some costs that we have with each of these six sub-components that we have to meet the requirements for our permit. For the public education and outreach I talked with Ruth Otto, our IT Director, and we're looking at to do what we need to do on those seven topics we're looking at about 133 hours of IT and marketing time to develop the information, the web information, the video information for channel 25 at a cost of just over \$3,600 which is going to be a transfer from the IT department.

Our public involvement and participation there's going to be some notices that have to be published. There will have to be some information that will probably be broadcast on channel 25 and on the web identifying the dates and the structure of the meeting. And that's also going to be a transfer of \$714 from the IT department.

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The illicit discharge detection and elimination is going to be about 100 hours of new staff time where that staff is going to go out in the field and into those points to see if there's any discharge water that's coming out of these areas that should be dry at the time, and then if there is water identifying is that water from someone cleaning their car, is it a factory that has an illegal connection draining through there, at a cost of about \$6,000. And so that \$6,000 is a cost for the test kits and then for the labor.

Pollution prevention about 220 hours. That would be the component that we are not already doing, and that component comes up to about \$15,000. The construction site pollution control there's some ordinance work that has to be done for about \$5,000, and then the post construction site storm water management that would be staff time just going out and doing whatever has to be done after a development comes in place to make sure that it's meeting all the requirements of the permit. So we're looking at about 920 new hours of labor and then about \$26,000 of ordinance writing, kits and tests just to make sure that the clean water is being followed the way it's supposed to be as the permit.

That was kind of a lot of information with the new program and the NR-216 storm water discharge permit, so I guess I'd ask if anyone has any questions on any of the six components of the permit or kind of how we came up with any of the numbers.

John Steinbrink:

Comments or questions? Jeff?

Jeff Lauer:

John, I just have a couple. For the maintenance for the ponds, I don't know the numbers in the Village, but if the Village does not own the pond I'm assuming that's the homeowners association and somehow we're going to have to contact them?

John Steinbrink, Jr.:

Right, that is correct. And I guess my answer to your question would be two fold. One is that a part of the education process is going to be identifying to the homeowner associations what their responsibilities are, because I'm sure at this time they're not even aware of what they are. Then secondly the Village is only responsible for Village-owned ponds. I believe there's five or six ponds in the Village that are under our control or under our maintenance. And so the Village would have to do whatever maintenance is required to make sure that we don't have more than a 40 percent TSS removal by the year 2013.

Mike Pollocoff:

That being said, if a private homeowner association won't come into compliance with the State permit, then the Village does have an overlying easement on all the private ponds that we'll go in and do it and then bill the association back for what it takes. But the rules are new for us and

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they're new for the association so everybody is going to have to get a baseline where they're at now and then what it's going to take to get to the next level.

Jeff Lauer:

And the second question was the education as far as I guess let's say the federal government. Is that a 12 month cycle or is it just so often throughout the year that we have to do this?

John Steinbrink, Jr.:

It's going to be an ongoing process that we're going to do. It's not going to be something where we're just going to go out the first year in 2007 and do a little bit of education and then never talk about it again. We just identified seven topics that we thought would be pertinent just to talk about at the kickoff year. So then for 2008 there will be seven new topics and in 2009 there will be more topics. So I feel that it's very important to educate the public on what's going on, why we're doing this, and different things that they can do to help the Village meet the requirements of the permit.

Jeff Lauer:

Okay, good, thanks.

John Steinbrink:

Other comments or questions?

John Steinbrink, Jr.:

Okay, thank you. The next we're going to talk about the new programs that we have identified to meet the NR-216 storm water discharge permit. Right now the Village is at 28.1 percent total suspended solids removal. So what that means is that anything that's not water, any of the dirt, any of the contaminants that you might have, the Village right now at a whole during a rainstorm is pulling about 28.1 percent of all contaminants whether it's in retention ponds and the sumps in the basins, in swales and ditches, that gets cleaned out on a regular basis. One of the requirements of the permit that's long term is that we need to remove 40 percent total suspended solids by 2013. So we need to take it from where we're at right now Village wide, which is at 28.1 percent, and somehow find out what we can do as a community to bring it from the 28.1 percent up to the 40 percent.

We're not sure right now what those projects are or exactly what we have to do with that or what the cost of those projects are going to be. So we're looking to hire a consultant to see what it's going to take to get it up to the 40 percent TSS removal. So we're estimating a cost of around \$20,000 to have a consultant say, alright, we know right now that we're at 28.1 percent TSS removal of taking out everything that's not clean water out of the system and how do we take it up to the 40? Do we have to take some dry ponds and make them wet ponds? Do we have to do something with our catch basins? What has to be done. So it's just identifying what has to be

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done and we have until 2013 to meet that requirement. I talked about the cost side is estimated to be around \$20,000.

The next new program that I'm going to talk about is the need for a Clean Water Utility maintenance worker level 4. So that's basically our entry level position that we have in the Village. And these are some of the hours we had talked about as mandated by the NR-216 storm water permit. We identified 920 hours of new work that has to be done in the future. Then currently the Village has about just under 1,200 hours of time that's spent by highway employees completing the Clean Water Utility activities. So that brings up a total of the 2,080 hours which is the amount of hours for one full-time person. So that other 1,170 hours could be doing the basins, doing the cleaning, doing the street sweeping, any other work that we have to do to meet some of the requirements of it.

So the Clean Water Utility is requesting a new full-time employee to complete the tasks as mandated by our storm water discharge permit. We talked about it is necessary for all the hours that we have to do. And we want to make sure that we're not stealing from the highway department, labor, projects to complete the project that we have to do on the Clean Water Utility. Are there any comments on those two new programs that we've identified or any questions or for the need?

John Steinbrink:

Comments or questions?

John Steinbrink, Jr.:

The next thing I'd like to do is determine the required operating and capital requirements for now which is for budget year 2007, and then into the future through the year 2017. We'd like to break this up into I'm going to talk about the operating expense and what's going to be required for the utility. We're going to talk about the new program costs which we've already identified what those are. We're going to talk about depreciation costs for the utility, and then finally we're going to talk about the capital projects.

This is a breakdown of our 2006 budget that we were approved for where we're projecting that we're going to end the year in 2006 and then what we're proposing for 2007. We did have a lot going on in the Clean Water Utility this year where we had a lot of infrastructure, some old systems that did fail that we need to go in and repair so our numbers are a little bit higher in 2006 than what we had projected at the beginning of the year. But that just kind of goes to show that with the 53 miles of storm water that we have and if you don't maintain it on a regular basis, and then when it does fail it has to be repaired right then and that's what we had happen with a couple of projects this year.

In your Board packet we have the big spread sheets that were 11 by 17's, and one of them was tabbed just for the Lake Michigan tab and that's the one that I'll be making the rest of my presentation based on, so if you want to follow along you can follow along based off of those. I believe in your packets it's identified as the Clean Water Utility under the total Village

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highlighted in the yellow on the top left. I apologize everyone out in the audience doesn't have this but it's such a big document.

We went through for the operating expenses and we calculated what we needed to have for 2007, and then along with our depreciation we have of \$400,000, and then the new programs we had identified of the \$97,318. We took those numbers and then we projected them down through the year 2017 at a 5 percent increase. We used the 5 percent increase because it's going to cost more for fuel. It's going to cost more for labor. It's going to cost more for everything else. So we wanted to be as accurate as we could in those operation costs for that. So we did add a new program of hiring a new person every five years, so we'd be looking to hire a person in 2007, in 2012, and then also again in the year 2017. So as the Village develops, as we bring on more infrastructure and as we have more projects to do we have the labor available to manage those tasks.

For depreciation, the Village has just under \$20 million of valued storm infrastructure. Using a life span of about 40 years that gives us an annual depreciation cost of just under half a million dollars. With a 5 percent increase we carried that number all the way through down through the year 2017. That's money that will be put aside so in case there's any capital projects of existing infrastructure that has failed, because one day we're going to have to put a new storm sewer in Foxmoor. One day we're going to have to put a new one in Whittier Heights. One day in Green Tree. That's going to give us the money to replace that capital.

Then our new program that we have, we covered this a little bit earlier before. The cost of that new program with the six items was \$30,326 to do everything that we had to do minus the labor costs. So the 920 labor hours are not included in that \$30,000. So if you take up for new programs, if you take up the discharge permit of just over \$30,000, if you take the \$20,000 that's required to bring us from the 28.1 percent TSS removal out of the clean water up to the 40 percent in 2013, that project is estimated consulting fees, and then the maintenance worker level 4 which is an entry level position, all of our new program costs come up to the \$97,318 which is identified on your sheet for 2007.

So the operating costs that the Village has identified is \$164,000. The depreciation cost we went with \$400,000 for 2007, \$400,000 in 2008, and then we're going to bump it up to the required half million dollars in 2009 and then all the way down through 2017. And then new programs of \$97,000 gives us a 2007 total operating depreciation and new programs of \$661,000. Does the Board have any comments on any of our operating expenses, how we came up with the depreciation numbers or anything else with our new number costs? I want to make sure we identify what has to be done on a step-by-step basis. Any questions?

Alex Tiahnybok:

I don't recall the conversation, but why don't we have a depreciation number for '06? What is the reason why we didn't include one?

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John Steinbrink, Jr.:

I believe that there was a depreciation number built into '06? Or, there was not. The reason there was not a depreciation number built into '06 was because in last year for budget year it would have been 2006, this year, when the Board adopted the \$1 ERU and that brought in \$240,000, that's the amount of revenue that was brought in by that one ERU. And so by the time you take the operating expense out of there, there wasn't enough money left to do any capital projects, to do any new programs or to put any money aside by depreciation. So if the Board would have adopted a \$2 ERU charge, then we would have had a quarter million dollars that we could have put into either capital items or depreciation but that wasn't the Board's decision at the time.

Mike Pollocoff:

Plus I think at that time we were just going through and doing a final analysis on exactly what capital we had in the field. We had a good estimate, but John has refined that number and we actually booked those assets this year so we have a really clear number of what our existing water assets are and what the value of that is.

Alex Tiahnybok:

The \$19.7 million?

John Steinbrink, Jr.:

That's correct. The value of our infrastructure right now and prorated back over 40 years. So if you had an infrastructure that was worth \$100,000 and then 20 years down the road its estimated value is around \$50,000 using the straight line depreciation.

Alex Tiahnybok:

What would you call the average age of the system currently?

John Steinbrink, Jr.:

The average age of the system we really started constructing our storm sewer at the development of our industrial park back in the late '80s. So it's relatively new. We have some stuff that's probably going on its half life of around 20 years, and then we have some stuff that's ranging forward. We have some stuff that's in the early '80s, then we have some older stuff like in the Beverly Woods area where it might not be up to the RCP standards that we have to date but it's still an older system that's maybe around 30 years old. So we kind of have a broad range of infrastructure based on every year that we have development into the future.

Alex Tiahnybok:

And we haven't put any money aside in any other funds until proposed 2007 for replacement? We haven't?

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John Steinbrink, Jr.:

That is correct.

Mike Pollocoff:

We didn't have a storm water fund.

Alex Tiahnybok:

Yeah, but we still had the infrastructure. If we're going to be looking at depreciation now you should have been looking at it in the past, too, because that was going to eventually need to be replaced. Again, it's just a matter of whether you're looking towards the future or not. If you're doing it now you're doing the right thing and I applaud this.

Mike Pollocoff:

What more can I say. I don't know.

John Steinbrink, Jr.:

The next thing I'm going to talk about is our capital projects. And so I broke down the capital projects in the three categories. We have non assessable projects which is ultimately our equipment and our vehicles. Its things that we're not going to charge out to the public to buy a new video van, a new pickup truck, a new camera. We have our assessable infrastructure projects. That's the 13 projects which we identified last year as some sort of an improvement that's been identified by the Village residents in a certain area as the Carol Beach Unit 2 project was last year that we discussed. And those costs right now, our current Village Board policy is that the Village Board pays 50 percent and then the residents pay the other half of it.

So this clean water utility and the way that it's structured would give the Village the money to pay the Village's half of those improvements and then the other half would be assessed to the residents that are in that water shed area for the infrastructure. Then we also have as identified in a SEWRPC study that was supposed to be from 2007 to 2030 there's about \$1.1 million of Des Plaines Watershed improvements that has to be done as identified by SEWRPC in this study.

So the first thing we're going to talk about is the non assessable projects which is our equipment, our vehicles. We need to purchase a one ton dump truck for the utility. The ones that we're using in highway right now are worn out. We've gone down this road in talking about how our pickup trucks are in bad shape. So the utility does need a one ton dump truck. This will be used for curing manholes and casting and materials to the job sites and as we just operate on a daily basis a cost of just over \$44,000.

We had already identified the behind the curb sump line constructions and what that does and how the water freezes. The public works crews do have to spend a lot of extra time going out

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with the loader, with the grader, with extra salt scraping this ice off these roads to make sure that it's safe after it builds up. The cost of these projects is just over \$52,000.

Then we also need to construct a street sweeping debris collection system. What that is is when the street sweeper goes out and it picks up all the material that's on the road it mixes it with water because it keeps all the dust down. Somehow that street sweeper has to go and dump into a pit and that pit has to be designed so that all the solids are collected at the bottom of the pit so they can be excavated out and hauled to the landfill, and all of the water drains out once all the particles settle. So construction of that is just over \$10,000. It will be some sort of a concrete pit with a settling basin in there and water runoff for the clean water component of it.

Then going forward down the year we're looking at doing a new pickup truck every five years, replacing our street sweeper, and then as we need an additional street sweeper we're estimating around the year 2012, the sump line construction in 2007, replacing our current video van and camera in 2010, reconstruction of Village-owned ponds for around \$165,000, replacing our Vactor in 2011, a hydrojetter that replaces our steam cleaner that we have. We have one road pipe construction under Village easement over by 114th and Sheridan. That has to be completed. And then actually replacing our Grade All in 2009 and then again in 2017. That's around that eight year replacement. We can probably have over 6,000 or 7,000 on that piece of equipment. So there is a lot of equipment and vehicles that we have identified over the next 11 years and kind of prorated out where they have to go into the big scheme of the picture.

The next thing we have for our capital projects is our 50 percent assessable infrastructure projects. I'm not going to go through and list them out, but there were 13 projects that we identified last year in our storm water master plan. They range all the way from projects down on River Road and into the middle of the Village down to Carol Beach. I do believe that a majority of our projects are in the Lake Michigan watershed. That's where we seem to have the most of our storm water problems. That's an estimate of just over \$5.5 million to complete these projects. Any projects that are worth over half a million dollars to kind of ease the burden of everyone we were looking at bonding anything that's over half a million dollars and then paying that off over a set time period.

The Des Plaines watershed improvements, a cost estimate of over \$1.1 million, and that's off the SEWRPC plan and report number 44A, Comprehensive Plan for the Des Plaines River Watershed. That really identified a lot of the improvements that have to be made to that watershed as determined by SEWRPC. So the total project costs that we have are over \$6.6 million. \$2.75 million of those projects are assessable under Village policy currently where the resident will pay half and the Village pays half. And then the other \$3.85 million is non assessable and the responsibility of the Clean Water Utility.

So if you take and add up all of the non assessable projects for 2007 the assessable infrastructure projects which we're really not looking at doing any in 2007, I don't believe we'll really start doing any projects until we can start to build some money up in the utility, and so the first project would be around 2009. And then the Des Plaines watershed improvement just kind of averaging out the \$1.1 million over the next 23 years until it's required completion of 2030 of just over \$48,000 per year to put some money aside for that. That gives us a total of \$152,000 that we

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have to do for capital projects in 2007, and then over the next ten years from fiscal year 2008 through 2017 just over \$6.6 million or projects that the Village has to do. So we're just identifying a need that there is a lot of capital projects that has to be done in the future for the Village.

So if you go through and take the operating expenses that we talked about, which is \$164,000, you take our new program costs that we identified of \$97,000, depreciation of \$400,000 and then the capital project that we just identified that total operating, new programs, depreciation and capital costs for 2007 we're looking at \$816,000. So if you go through into the future from 2008 through 2017, it gives us a total of just over \$13.7 million.

But keep in mind that there's probably going to be some additional new programs and some capital projects that's going to take us from that 28.1 percent TSS removal that's taking all of the dirt and anything that's not clean water out and getting it up to 40 percent. So these are just the projects that we have identified to date. I just want to make it very clear that there are probably going to be some other projects that will be coming up during our 2008 budget meetings as we get the results of what happened out of our study from the consultant. Any comments on the operating, new program, depreciation or capital projects either in '07 or over the next ten years?

Mike Pollocoff:

The thing I'd like to add in that is as John indicated there's going to be some projects that we don't know of us based on what the consultant is going to come up with. There's always a chance of some of the older structures—we have some storm sewers that date back to the '40s that could go south on us. But, again, we're also going to be taking land and putting it in development so you're going to have more customers in the utility which are going to generate revenue, but also your depreciation number will be increasing as your asset base increases, too. So the snapshot is today, and John figured 5 percent growth, but those are the big variables in how the utility grows and how the capital projects develop as well as the expenses that go with it.

Mike Serpe:

I have a question. How does sewage overflow come into play in the Clean Water Act? For example, Milwaukee gets a threat of rain and they'll dump 10 million gallons into the lake.

Mike Pollocoff:

It's under a different DNR rule. We're not permitted to overflow and we don't. The last time we had a bypass was in the 2004 flood. We actually didn't bypass. The river came into our lift station first and that's one reason the sewer utility we will have spent by time it's over \$1.2 million to close down a lift station that was in the flood plain that hadn't been realized before and build a new one and do whatever. But what we do is we don't have a combined storm sewer system where sanitary sewer and storm are combined. We keep the two separated and it's two different rules that govern the activities of each. This one is a brand new rule. Of course, the NR rule on waste water is we can't divert into a stream. We can't divert out of a manhole into a curb.

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Steve Kumorkiewicz:

. . . Cooper Road, because at Cooper Road we have the . . . going right through the City.

Mike Pollocoff:

Our agreement with the City is that they bill us from a sanitary standpoint all the waste water that goes through a meter into the City. We, through our property agreement with the City, we participate with them and we have participated with them on projects where storm water that's coming out of the Village that goes into the City where they need to enlarge it we've done an area wide evaluation of what the drainage basin is and we've paid for the Village's share of storm sewer sizing increases in the City so that storm water could be conveyed. Conversely, if there's an area where the City would be discharging water over and above what our facilities can handle that would take place and the City would pay us for downsizing. Those types of activities will be more likely to take place on the west end of the Village in the Des Plaines basin just by the lay of the land. We haven't had to deal with those yet.

But Cooper Road is one of those areas where we constructed a Village owned basin in the Graystone area to take care of flooding before it got to the City. They, in turn, did some more downstream work for those sanitary and storm beyond the Graystone basin kind of behind Pershing Plaza. They handle that storm water which comes off the Cooper Road area.

Mike Serpe:

I have a question on the same thing, Mike. How many retention basins or detention basins do we share with the City? Just one, 89th and 39th?

Mike Pollocoff:

None.

Mike Serpe:

Nothing from Pleasant Prairie goes into the 89th Street-

Mike Pollocoff:

Oh, yes, a good part of it but it's their basin. We don't share it with them. Our property agreement back that Don Wruck negotiated said that they had to take the water from Pleasant Prairie into that basin. We didn't give them any money but we gave them land to annex.

Mike Serpe:

One other question. Where is the City at with this Clean Water Utility?

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Mike Pollocoff:

I think their rules hit them last year, and then this year they're coming up with their utility plan. We've had some discussions with their engineer as to what they're doing. They're rolling theirs out probably tonight and over the next month. But they've opted to do the same thing we have in as much as setting up the utility rather than basing it on value of property, because value doesn't really related to drainage characteristics. So they're doing it. I haven't seen their work just other than what I read in the paper and just our discussions with Ron Berzack and Mike Lemons. They're doing a lot of the same things we're doing. Somewhat different. They've got a pretty homogenous development pattern in the City. We're got a real diverse and random development pattern so it makes the basis of charges a lot different.

But they have converted to a storm water utility, or as we call it Clean Water Utility. That's what the statutes--when the federal rules came into place, the Wisconsin Legislature at the urging of DNR established the ability for communities to base their storm water charges on a utility basis where it's based on use rather than on value or the ability of the owner to pay or anything. Everything came down to sewer and water. It's whatever you use or discharge that's your rate.

John Steinbrink:

That's why you didn't see a storm water utility before. They didn't exist before. This is all new so we couldn't assess before because there was no structure to do it. I think every other community that's doing this is faced with the same issues we are and they're forming their districts now and assessing.

Mike Pollocoff:

Milwaukee is doing the same thing.

John Steinbrink:

Exactly. Of course, Milwaukee has had an ongoing challenge with storm water for years and failed at it. Milwaukee lives under a different set of rules than the rest of the State unfortunately. Other comments or questions?

Steve Kumorkiewicz:

. . . I was reading a while ago . . . to update the systems to the whole Country because you have the old cities that are over 100 years old . . . storm sewer and sanitary sewer together. That's why we're separate here in the Village because we're a fairly new community. But the older cities like Milwaukee they're going to incur big costs.

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Jeff Lauer:

John, just one comment or question. Regarding the capital projects that's all based on the Clean Water Utility. To your knowledge would we have had to have done any of this without that Clean Water Utility, or those projects do they have to be done at a certain time under the law?

John Steinbrink, Jr.:

Would we have to do any of the capital projects that we've identified in our storm water master plan if we had a Clean Water Utility or not?

Jeff Lauer:

Right.

John Steinbrink, Jr.:

Keep in mind that the projects that we're having aren't really quality based projects a lot of them. A lot of the projects are just extending storm sewer in place of a ditch so it's just an improvement that we're doing based on the residents and that's why we're doing the assessment on that. But we are going to have some new capital projects that are moving forward that are quality based projects where we might have to add a regional retention pond or do something else that's going to get our TSS from the 28.1 percent where we're at today up to the 40 percent. So it's kind of a combination of the two.

Jeff Lauer:

Okay, thanks.

Mike Pollocoff:

The other thing to keep in mind is it's easy to say, well, you would have done this anyway. I don't think some of this stuff would have happened as fast as it's going to happen with this because you've got to remember whatever is going into that storm water, storm sewer or storm water pond, up to this point the degree to which there's any siltation in that water, where there's debris that got into the storm sewer because it was breaking down, and there isn't a utility or a municipality in the country, and there's a lot of them, storm sewers are notorious for leaking like sieves. And when they're doing that they're bringing in all the sediment from the pipe. Most communities don't care. As long as they're conveying the water out that's fine. The end product of what was going into that pipe is now what's different. So would we be working on a 40 year scale or life span, or would we be concerned about the quality of what's getting in that pipe? Probably not.

So what we're charged with now is different than what we were charged with a year ago. The improvements we make to the system are going to do two things. One is they're going to convey water more efficiently and it's going to convey it without erosion. It's going to convey it without

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the opportunity to have access for other contamination to get into the pipe. So now we do care whether or not we're getting soils into the pipe where the pipe is breaking down. Where before that really wasn't a big issue.

Storm sewers in almost any city you fix them when they collapse. If they were moving water and conveying water during most storms they stayed that way. Now, with whatever is going to be generated out of that pipe that's not—we are doing this differently because we're accountable for what's coming out of that pipe. So if we are getting silt because soils are getting into the pipe because they're offset or you've got a lateral that's collapsed in there or whatever is dragging other materials into the storm water, you've got to clean that up. So that's what's different. It's not just your farmer tile to get some water out and now we've got to go fix it. It's a whole different game than what it was before.

Mike Serpe:

How do we handle the rush of water that comes down the ditch line that comes down 165 that ultimately ends up right in the lake?

Mike Pollocoff:

We're working with the State DOT on that. You're talking about those big ditches?

Mike Serpe:

Yes.

Mike Pollocoff:

Yes, there has to be detention. Because right now that big rush is dragging off whatever contaminants come off the road. It's eroding the ditch line. Then once it's at its peak flow it turns flat. The land gets flat, the ditch gets deep and it gets wide. So one of the things we're looking at with DOT between 39th Avenue and Sheridan is really finding some areas where we can between the two of us come up with some detention to settle that water out for clarity and for volume and then move it down the storm sewer until it falls out to Barnes Creek.

John Steinbrink:

Other comments or questions?

John Steinbrink, Jr.:

The next thing I'd like to talk about it just to determine the amount of revenue that the Board wants to identify for the Clean Water Utility. Is there really anything, and I'm going to go back to this slide that I just had previous, is there anything that the Board doesn't want to fund with operating or with new programs or with depreciation or with capital projects? Just to identify a number whether that number is the \$816,000 or it's something else. I think we could identify

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what our revenue number has to be, and then the next step we're going to do after this is identify how we get to this revenue, but is there anything else or is there anything out of these operating, new programs, depreciation or capital projects that the Board feels should be funded or should not be funded? Then we can move from there. I'd like to have that discussion if we could.

Mike Serpe:

I have a comment on that. I think it's too early in the game right here to even consider any. I would say in a year or two if it looks as if maybe we're over funding some things we could take a look at it at the time, but I think we've got to put something in place right now to do what we have to do and make some adjustments as we go on at next budget time or the budget after that. I don't know. I think it would be just throwing darts at a board right now trying to figure out what we can eliminate or what we don't need. Because admittedly there's more projects coming that we don't even know what they are yet.

Mike Pollocoff:

And remember what John is asking you for, he's giving you an outlook so you can see where we're trending so you know what the plan is to fund this thing out. The budget you're being asked to consider tonight is 2007 alone. So you're not setting a rate for each year successive from tonight. But you're making that judgment based on what we're telling you that are the trends of the project we know we have out there, the expenses we feel we're going to be anticipating. Those budget numbers are going to get adjusted each year. And part based on growth and how much we're growing or what projects crop up. The issue tonight is in 2007 and being able to make that decision with looking at what's ahead up through 2017.

Alex Tiahnybok:

To answer your question, John, what do we want, obviously the \$400,000 is a big impact on the revenue needs for the Clean Water Utility so I don't want to see that there, but I think it's the right thing to do because these systems will fail and somebody will have to pay for replacing them. So do I want it there, no, but should it be there, yes.

John Steinbrink:

Other comments or questions?

John Steinbrink, Jr.:

I guess off that brief discussion that we had, the Board is saying that they do agree that the \$816,000 is the revenue that we need give or take a little bit of the depreciation? Do you guys want to have the depreciation funded in there or do you not want to have it funded in the revenue? Because that really makes a big difference on our charge that we'll be talking about next.

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Steve Kumorkiewicz:

It's going to have to be done sooner or later.

John Steinbrink, Jr.:

I guess I'm confused. I'm hearing two different things of staff, that we want it and that we don't want to have it. I'm just trying to identify.

Mike Serpe:

If you're planning for the future, John, I agree with Alex that it's a big number but you have to have it.

Steve Kumorkiewicz:

Yes.

John Steinbrink, Jr.:

Alright, thank you.

Steve Kumorkiewicz:

We've got no choice.

John Steinbrink:

You've got to remember this is new territory. We've never done this before. We couldn't do it before because it wasn't here and it wasn't mandated. So this is a new ball game and we're setting it up and we're preparing it.

Steve Kumorkiewicz:

Next year it can be adjusted.

John Steinbrink, Jr.:

Okay, the next thing I want to talk about is reviewing the options that we have for achieving the revenues. There are three options that the staff has identified and we did an analysis on, and the first one is just a flat rate option where everyone gets charged the same amount. That's been talked about in previous meetings. Then another one that actually came up I believe from Mr. Herbert Driscoll was just doing an impervious surface only option where people are only based off their impervious surface with a set rate. And then a third option is the one that the Village has adopted and that we're implementing right now is the combination of impervious surface and land surface which is a TR-55 methodology.

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We'll start off with the flat rate option. It's probably the easiest one to comprehend and do the math on. The Village has 8,896 parcels of land that qualify for this. And the required revenue that we're looking for is the \$819,000 so that would make a monthly cost per parcel of \$7.67 across the Board. So I guess we'll call that option number one. I will do more comparisons as this presentation moves along. So at the flat rate option if the amount of parcels that we have that we would charge to everyone equal across the board, whether you have a third of an acre, 20 acres or 50 acres, whatever the case might be, the number ends up being \$7.67 per parcel. The graph was easy to make, too, for this one so everyone pays the same whether it's residential, multi family, commercial, industrial or exempt what you don't have in there.

The next one I'm going to talk about is impervious area. The impervious area is something that prevents rainfall from entering into the soil. Examples of this would be a driveway, it would be any of your roof lines, any of your out buildings that have roof lines or sidewalks. They all have impervious areas that pretty much eliminates any water from penetrating through them. So we take our structural impervious area, and when I say structural impervious area from the assessing database, our assessing department has a record of the footprint of every household of every structure or every outbuilding that we have in the Village. So that's one database that we're taking of just impervious only area. That's something that we already have maintained through our assessing department.

We take our non structural impervious area from our GIS database. So when I say non structural impervious areas, I'm saying things like parking lots, like any driveways that you might have in your residential area. We're taking those impervious areas, we're going through and combining them to one common number and coming up with a cost factor to achieve the required revenue.

The Village has, if you combine the assessing database that has our structural information plus all of our parking lots and driveways and our residential areas, there's 49 million square feet of impervious area in Pleasant Prairie. If the required revenue that we're looking to generate again is our \$819,000, the cost per thousand square foot of impervious area per month is \$1.42.

The third option that we're going to talk about is the impervious and land surface area and that's using the methodology of TR-55. Again, the Village has the structural impervious area that we have from our assessing database which is the footprints of the buildings, the out buildings. Then the Village GIS system has 2,005 aeriels on it, and we take the sidewalks, the non structural impervious areas, it has the parcel size information, and it has the land cover for the entire Village. So we can tell and the Village already has broken down what area is woods, what area is brush, what area is metals. So we have that data already identified in our GIS System.

Then our IT department along with Bob Martin have written some programs that merges the two databases together based on the TR-55 methodology which takes the impervious area at about 100 percent and then it factors in all the land factors. So there is going to be some runoff on areas that have woods. There is going to be some runoff on areas that has metals and brush or just grass for example. And it factors all that into account and comes up with our ERU charge at the end of the day and our monthly fee.

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TR-55 is something that's universally adopted in the US and it's by the Department of Agriculture, technical release TR-55 which we've been talking about so, like I said earlier, that uses the impervious areas as a whole and then also a factor of the land surface types.

Here's an example of using the TR-55 methodology which is in place today. The cost per month numbers are numbers that we have in 2006 for the \$1 per ERU charge. So this is not anything above and beyond that. If you take parcel number one up there, that house and the outlot and the driveway has about 2,500 square feet of impervious area. The actual land around there is just over 10,000 square feet of land which is a little bit smaller than your average size lot in the Village. That's charge per month using TR-55 comes out to just about 76 cents a month.

If you look at lot number two, it's got the exact same land area but the impervious area is quite a big smaller. It takes that into account. It doesn't take it as a one-to-one relationship, but it definitely takes into account that the land is the same but the impervious area is much smaller. The cost for that parcel is 58 cents per month.

I'm going to jump down to number five. Number five is about twice the size of lots one and two at just over 20,700 square feet. The impervious is a little bit less than what we had in example number one. It takes the factors of the impervious area and it takes the land area. It kind of factors in what kind of land type that we have there whether it's the grass, the brush and the metals. And so it's really not double of the 76, but by factoring that land it has what we feel is a fair number of \$1.18. That's the charge on that parcel.

If you take parcel number six, and I broke it up into A and B, because B is primarily woods, and the component of A is a manicured lawn. It's something where they go out and cut the grass on a weekly basis and there is a lot of impervious area. You can see the big driveway, the outbuildings, the garage and the back of the house with the attached garage. 34,000 square feet of impervious area which is by far the largest of any of the other ones, and the land is actually equal to the area of parcels one through five as shown on here at just over 62,000 square feet. The charge for that parcel is \$2.99 or just under \$3 per month. So it factors in the impervious area, it factors in the parcel size, it factors in the soil type and it factors in the land cover that generates the runoff and that's what we're trying to collect the pollutants from to bring us from the 28.1 up to the 40 percent. This is an example in a residential area with the TR-55 methodology.

Now I want to take a commercial area that we have here. This is somewhere out in WisPark. I'm not even sure which one it is. We just have it as lot seven for this demonstration. An impervious area of just under 300,000 square feet so it's a very large building. And that also includes the fire lane, the parking lot that we have identified on there. The land itself is about 9.2 acres that we have of the total land and grass space. The cost that we have for this is \$64.51 a month. I guess the reason that I picked this one is that when I went through all of the industrial and manufacturing sites, the average cost that the manufacturing is paying based on our methodology was \$64. So this is very representative of your average parcel in the industrial park or the industrial area. So they're paying about \$64 a month with that.

One that's been under discussion recently are the larger parcels in the Village that are still residential parcels but they're a very large parcel. This one we have is just over 1.2 million

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square feet which is an awfully big number, but that converts down to 27.9 acres. So we're talking a large area. This area is not being farmed. What it does is has components of many land uses. So what we do for this we go through and we break up each of the parcel types that we have on our GIS system we went through. For example, the areas that are highlighted in yellow are identified as brush. That's the type of cover that's on that land right now and that brush cover as a certain amount of runoff. So there's 14.8 acres of brush that we have on there.

We identified these in yellow as metals as having the characteristics of your standard metal. You would have 6.3 acres. We take woods of the 4.6 acres which is identified. Then we take the exempt portions. I believe that there's a pond up in the upper left and there's another pond here which we do not charge for any pond areas. This was identified by SEWRPC as a wetland so these areas are not even considered into the impervious or land use calculations that we do. Then the actual residential area that we have is 1.1 acres of just manicured grass. So this resident must have a really big lawnmower but he has 1.1 acres of grass that he mows on a regular basis.

So if you go through and take the impervious area that he has—now keep in mind this parcel up in the top center is a separate parcel. It's not included in this. We're just looking at the area that's inside the yellow line that we have as a whole. So the main residence for this area is in this area up here. They have an impervious area of the house and the outbuildings and the long driveway of 3,370 square feet which is a pretty big large area. It has a land surface area of 27.9 acres and a cost per month is just over \$30. So I'm going to go through and compare these last three examples that we had and hopefully this becomes a little bit clearer. I'm actually going to come back to these in a second.

So the last example that we had was the 28 acre parcel. If you would take the size of that manufacturing area that we had in here of the 9.2 acres I believe it was, that's how it represents area wise as a whole, and then if you take that original parcels that we had that's how that relates. So I'm going to take this picture, make it a little bit smaller and bump it out to the side on the next slide to keep a representation of the sizes and the building sizes to keep everything consistent.

You can see now at a flat rate parcel number seven which is a big manufacturing, parcel number eight which is the 29 acre parcel that we have, and parcel six and the very small, one, two, three, four and five would all be paying the same amount. They'd all be paying the \$7.67 per month as a flat rate. Everyone is even across the board. If you take the impervious amounts that we have, and something that was kind of interesting when we went through and did this, the impervious amounts in some cases were actually higher than the method that we have now.

Actually most of the cases, and I'm not sure in most of them, but in some of them they were higher. I think the reason for that is that you're only charging parcels that have some sort of a structure on them. Any parcel that is just vacant land gets no charge whatsoever, so they're offsetting the costs. Because at the end of the day you still need the identified \$819,000, and if you do it by impervious area, anyone that has a house that's paying based on their size, but anyone that just has vacant land isn't paying anything whatsoever. I think that's where the inequity comes with that.

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So if you go through the impervious section which is in the middle column, the ranges are relatively close to where you are before except for the residential and commercial area which really spikes up to just over \$400 because it really is a large impervious area, but it's really not a fair way to charge because it doesn't take that land factor runoff into the calculation. I think that's really why you're seeing this inequity here.

If you use the TR-55 methodology which we have adopted now which takes the impervious and the land factor in through there, you see that you have a much more equalized range, but you're taking in the amount of impervious and doing a factor for that, and then you're doing each land type and providing a factor for that which is going to give you a much more accurate representation of the amount of runoff on each of these parcels and how it's affecting the watersheds as a whole. So this shows the three examples that we have what the three different cost revenue methods are going to be for some different parcels.

I'm going to go back to the—I believe one of the Board members asked for a distribution chart based on the recommended revenues that we need to accomplish. We have just over 21,000 ERU's in the Village. If you multiple that times the 12 months and to get to the \$819,000 of revenue that we need, it comes up to \$3 in ERU per month. So no matter how you cut that \$819,000 pie, if you do it with the ERU method it comes to be \$3. So I'm using the \$3 as the basis for these charts or for the next one.

On the left or the Y axis you're going to see how many parcels you have that are identified, and then in the X axis on the bottom you're going to see what the range is. So from zero to 50 cents, from 50 cents to \$1, and of course most of them is around the \$3 to \$5, or just kind of the distribution that shows where everyone is. I'd say most people are under the \$10 range. I'm not sure what the exact numbers are, but it's definitely a majority of the distribution falls in between that bell shaped curve between the \$2 and maybe \$10 range.

If you take the commercial and manufacturing using the TR-55 methodology they are much higher. It looks like the majority falls somewhere between maybe \$5 and \$10 and up to \$200. So the manufacturing is paying more per parcel but then they're generating more runoff and they have more impervious surface. Then if you take the exempt properties, these are properties that you could not collect any money for if this wasn't a utility. If this was just on the tax roll you wouldn't be able to collect any money from these people, the distribution is a little bit flattened out ranging from \$1 up to I believe the highest one would be \$2,500 a month at the Pleasant Prairie Power Plant.

Then I also went through and graphed out if you take the TR-55 distribution graph that we just showed you and work the entire system as the impervious only charge out to show where that would be. If the Board decides they want to switch from using TR-55 just to impervious only method this is how the chart would graph out. It looks like a majority of the residents, because most of the homes in the Village fall somewhere between that \$2,000 and \$3,000 impervious area that we have, the rates are actually higher than where they would be by just using the \$3 ERU. Because everyone that has just the land parcel isn't paying anything, and anyone that has any land associated with their house that's not put into the calculation. So it looks like just over 4,000 people would be paying somewhere between \$3 and \$6 per month.

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The exempt properties, now the first one was just residential and condos. We talked about that with the \$3 to \$5. It was actually remarkable how close it was for the exempt properties. I was actually surprised when I saw this on how close the charges were going to be between the TR-55 and the impervious. But that's probably because a lot of these exempt and commercial areas a higher percentage of the surface types are impervious, so I guess it kind of makes sense when you think about it that if there's a higher percentage impervious once you compare the two they're going to be much more similar.

And then also the same if you take the commercial and manufacturing. The impervious only method was skewed a little bit towards the right but still relatively equal as a whole, and that probably has a lot to do with the amount of high percentage of imperviousness in the commercial, industrial and exempt properties. So I think that's why those two graphs are so close together. And then because of the small percentage of imperviousness in the residential areas are why you really start to see that inequity where everyone starts paying more on the residential once you start going to that impervious only billing strategy.

So the staff is recommending, and we'll talk about the drainage basins at the next sub component, but we're recommending a \$3 ERU per month using the TR-55 methodology which that will give us the \$819,000 required to do what we need to do for the operating, the capital, the new program and the depreciation. So it covers our operating expense. It creates funding for capital expenditures that we have. And it also gives us the resources for future funding of replacement infrastructure as it goes bad or as it needs to be replaced, whichever the case might be. And I guess I'd like to have any discussion from the Board on which methodology or any comments on the methodology options that were presented.

Alex Tiahnybok:

Is the next section, John, the one that splits the Lake Michigan drainage?

John Steinbrink, Jr.:

Yes, it is.

Alex Tiahnybok:

Does that have any impact on anything that—

John Steinbrink, Jr.:

No, it doesn't. Everything else would stay the same regardless of the splits.

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Alex Tiahnybok:

Okay. Can you go back to the slide that has the eight different parcels. The one with the numbers, the one with the chart. Obviously the flat rate one I don't think does anyone any good except the large parcels with a lot of impervious surface.

John Steinbrink, Jr.:

Correct.

Alex Tiahnybok:

First off, I think it's important for everyone to recognize that when they're thinking about 2006 numbers everything that we talk about in 2007 is three times—

John Steinbrink, Jr.:

That would be correct.

Alex Tiahnybok:

—what 2006 was. I think that's important to point out. So anyone with approximately \$1 clean water utility charge today with the administrative fee plus the utility charge itself is looking at about a \$3 if you just compare apples and apples.

John Steinbrink, Jr.:

That is correct.

Alex Tiahnybok:

Assuming we approve the depreciation component and fund future stuff. So anyone that has \$1 now they'd be looking at \$3. The thing that kills me is the fact that somebody living on a large parcel with a modest home, and the example we brought up in the past which this one is very similar to it so there's no point talking about both, but that \$28 clean water utility charge for this year would become \$84 and I think that's atrocious frankly. I really have no issues with the TR-55 method, but taking in this case what would be currently a \$30 a month clean water bill and making it \$90, you're taking from what I can tell from the photo a residential parcel, probably not income producing in any way. I don't know if it's farmland at all. It doesn't sound like it based on the description of the various—

John Steinbrink, Jr.:

There's no farmland. If it was farmland it would be exempt from the total.

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Alex Tiahnybok:

So it's just vacant land basically and not income producing. Frankly, \$90, I don't know about you, but I wouldn't like a new \$90 a month bill. That's crazy. You contrast it, and I guess I'm troubled by the basic notion and I think we talked about this when we originally implemented the Clean Water Utility, and that was do we have to treat commercial and residential property the same way?

Mike Pollocoff:

The basis of the charges has to be the same. The sewer and water is the more you use. Everybody has the same rate. What takes in the variance is the consumption or the discharge.

Alex Tiahnybok:

Because with TR-55 we're taking what today is a roughly \$65 a month bill, right, and we're going to make it \$193. That's the commercial arguably significant income producing parcel. It's a commercial business. I don't know what that site is you mentioned in the photo, but it's obviously a business and it's in the business of making money. If you go only the impervious route, well, that results in a \$424 bill. Frankly, I'd rather see a commercial entity that's income generating property pay \$424 than a private individual. The other case we used is the retired person living on a fixed income. I hear that Social Security checks are around—if you contributed a lot to the system over the years a Social Security check is if you get \$1,500 you're doing really well. This is \$90 out of that and that's huge.

So if I had to choose of those three options, to me right now I would go with the impervious one in a flash. The other issue when you compare the graphs that you showed, the residential condo graphs the vertical range was zero to 2,500 properties, right? And that shows a distribution to be the actual monthly charge over 2,500 properties. Well, 2,500 is the range, but the total properties obviously add up to more than that as you indicated. But we're talking about \$2,000 for the highest category. And then when you use the exempt properties the range is zero to 12.

John Steinbrink, Jr.:

When you say 2,000 where are you coming up with that 2,000 from? I guess I'm missing that.

Alex Tiahnybok:

The residential condo monthly fee chart—

John Steinbrink, Jr.:

The one I have now on the screen?

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Alex Tiahnybok:

No, it was before that, but it probably shows the same thing.

John Steinbrink, Jr.:

Because this is the distribution of parcels.

Alex Tiahnybok:

Yeah, I guess that probably has the same data. Let me look at it. Yeah, it's the same data. But obviously the range on that one is even greater. It goes up to 4,500 parcels. The impervious only would give let's say 4,200 parcels paying between \$3 and \$5 is that correct if I'm reading the chart correctly?

John Steinbrink, Jr.:

Yes, between \$3 and \$6 I believe it is.

Alex Tiahnybok:

And the TR-55 would have that same \$3 to \$5 range paying, about 2,000 properties paying the \$3 to \$5 range. The \$5 to \$10 range would be about the same. With TR-55 the \$10 to \$25 range is obviously much larger with TR-55. So when you take into account the land portion it starts having a bigger impact. Again, if you could go back to the chart showing the comparative numbers. If I have to choose one of those today I would go with impervious any day, because frankly I'm probably a \$1 I'm guessing because my charge right now 76 cents. So I'd much rather pay \$3.55 versus \$2.28 and feel good about somebody else that happens to live on a large parcel that's not producing any income paying \$91 a month. I'd feel much better about that myself.

But I think there's another solution that I sort of brought up before that I think we should consider. I'm not against the TR-55. It's just at the extremes it becomes very unfair. In order to save some people some fractions of a dollar we're crucifying other people and I just think it's wrong. So my counter recommendation, and I don't know what kind of impact it would have on the rest of the TR-55 range, could we just have a cap whether it's \$10 a month or \$15 month or something but something reasonable. Not \$91. That's just plain wrong. And spread the rest over the remaining parcels.

John Steinbrink, Jr.:

If I could make a comment on a couple of things that Alex has said. The whole premise of this permit that we're with today is a quality based water runoff. So you want to make sure that all the water that's running off your property is either clean or somehow is cleaned through retention basins, swales, wetlands, anything it might have. One of the things in this large parcel number eight is that water that's coming off of there in a rainstorm is having this huge amount of

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pollutant loading on the downstream creeks, rivers, watersheds and water bodies. So one of the things we identified in the new programs was there's going to be something that we have to do that takes it from the 28.1 percent up to the 40 percent.

The people that are the most responsible for these high pollutant loadings that's going to bring us from the 28.1 to the 40 are going to be these people that have these large parcels but they don't have any sort of quality control coming off of them. So the people really are the largest contributor to this quality problem that we're having. I guess I'd just like to say that as a comment. So these large parcels, these regional retention basins, we have to do this because of these people that have these large parcels where the water is not being treated.

In a subdivision, for example, it goes through a system of storm pipes with a sump and do a pond that has the retention on it, and that water is already coming out at 80 or 90 percent TSS removed. So they've already put their money into it to do that. It just makes sense just to keep in mind that a lot of the capital and a lot of these new programs we have to do because of these large parcels that do not have any sort of quality control on them right now so they really are a large influence on some of these large regional projects that we have to do in the future. Just as a comment.

Alex Tiahnybok:

What's the definition of a pollutant? To me a 30 acre parcel that's allowed to go to nature and not being treated in any way, there's no pesticides being put down, there's no fertilizers being put down, it's not used for any kind of industrial use, what pollutants are coming off of that property?

John Steinbrink, Jr.:

It's the amount of erosion that's coming off. It's the amount of dirt. There's a long list that I could pull up that I don't have right now of everything that is termed a pollutant by the DNR. But it is a long list and there are a lot of pollutants and there is a lot of—

Alex Tiahnybok:

TSS, total suspended solids, whether it's clay or dirt or whatever.

John Steinbrink, Jr.:

Right, correct.

Mike Pollocoff:

Let me qualify this by saying I think the TR-55 method, one, it's comprehensive and I think it gives everybody when we've now analyzed their parcels their appropriate share of the cost for both the land and the improvements. I understand what Alex is saying. One thing we don't want to do is butt up against the initial where we in essence don't really operate as a utility where we set an ability to pay level of charges and we have another set of charges based on here's what your parcel is.

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I don't know if you have a tabular format for this distribution of charges you have here, John, but how many people would fit into that, and I see it on the graph but I don't know what the number is, the \$50 to \$100 charge? How many parcels would go into that?

John Steinbrink, Jr.:

I believe there are only one or two parcels. I believe that our highest charge right now is \$71, so that person would go to the \$220, then there's only a couple—

Mike Pollocoff:

But right now on the chart that you've given us, at \$3 ERU per month, in that \$50 to \$100 range?

John Steinbrink, Jr.:

I don't have that number exactly in front of me, but going off of memory it was a very small amount.

Mike Pollocoff:

Now, there are a number of things that we can do for the people in those parcels would be to do two things. One would be to minimize their expenses and secondly to minimize our exposure to the runoff problem. That would be either find a way to have part of that parcel convert into ag uses. That's the easiest thing sometimes, or find some way to detain water on the parcel, find some way to credit it so some of that problem is taken care of. When you sit down and look at the number of parcels that we need to address that would fit into the criteria that Alex is talking about where somebody is going to have a \$100 bill every month, I can understand for somebody that's a burden. But on the other hand somebody who has 29 acres or 20 acres they've got more opportunities in the nature of the land they have available to find some other options that could mitigate that were we can say, okay, we can credit. You've got some land to work with and we can find a way to credit that impact so that you don't get spanked so hard.

But I'm not sure upping everybody else's and saying we're basing your charge on your impervious and your land area and then we get some people we want to help on the other side so we're going to throw that on, we kind of get away from where we wanted to be. And I think if somebody wanted to challenge us, we'd have to come right out and say this is a utility until we get to a level of threshold of pain for some people, so then at that point it's not based on use anymore, it's based on ability to pay.

If, in fact, we don't have that many parcels that are falling into that range, let's find a way to mitigate that given the number we have rather than changing the entire billing system which is sound. The only reason somebody has the same bill as someone else is they've got the same amount of land and the same amount of impervious area and all their land has the same characteristics. We have the ability to tell somebody here's specifically what your impact is on storm water and that's why your charge is what it is.

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My recommendation is you don't end a whole system for a number of lots that—maybe they don't want to change what they're doing on their parcel. Those are choices they make. But if I'm living on a one acre parcel, you gentlemen are going to hear people scream about I was paying \$3 and now I'm paying \$9 they don't have that much opportunity to do anything with their land to either convert use or do some things that are going to help with the problem. But if you do have 20 acres of land which is going to drive, or 29 acres in the case of the example, that Alex is talking about, they've at least got some land that there's some options that they could take. We don't know what they all are but we could at least explore with them to mitigate that rather than say change the whole system so that five parcels or ten parcels, whatever the number is when we can get our hands on that, up ends our system. It's not that our system is so sacred, but I think our system is very good at allocating out what someone's exact impact is on the storm water system.

Alex Tiahnybok:

John, can you go back to that 29 acre parcel and show the makeup of the land? I'm willing to listen to anything. If there's some way we can help this person generate income or whatever let's help them. What can we do with that land that would make it—

John Steinbrink, Jr.:

We can retain water in some way that the TSS would settle. They can construct a basin somehow in there and then promote much cleaner water that wouldn't need as much discharge downstream.

John Steinbrink:

Are there programs, Mike, what is that NCRS or whatever it is to do water improvements on properties?

Mike Pollocoff:

Yeah, we've done some of those.

John Steinbrink:

Cost sharing and other ones.

Mike Pollocoff:

I know some residents that have done them on River Road, created ponds, created for lack of a better description big rain gardens. And they've actually gotten some ag money, soil conservation money to be able to do that. There are some programs out there to do that. We can work with people that come up with that. But if somebody says I don't want to do anything, I want to leave my land exactly the way it is it will drain exactly the way it is. Then the other thing

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is agriculture. Now, sometimes if somebody has got stripped out land or the top soil is stripped, whenever that land got stripped out that kind of closed that option off.

Ag land has to do—that's not the complete answer because they're under a separate permit. They have to do their own work, their own stuff to comply with ag for erosion control. But that doesn't answer everything. It just says you're off our books anymore. We're not accountable for anything that's agricultural. You're going to have to deal with soil conservation . . . meet the requirements that they have. But it's an option. At least it gives somebody an out that someone with a small lot doesn't have. Every parcel is different, Alex. Everybody is going to bring something different to the table that they could do or they couldn't do.'

Alex Tiahnybok:

But the only land that's exempt is ag. So if you put a pond on this property, only the pond surface area wouldn't get counted. Everything else would still get counted unless we really modify the program. Are you following what I'm saying?

Mike Pollocoff:

You could still be taking and having some of that land put into pond or it might be wet, the drainage area. It's going to filter the water before it gets into the pond. Again, someone who has a piece of land that they want to keep all upland so that they can sell it at a future date, there's a price or a carrying cost that goes with that. If someone is willing to say I'll put a pond in and have some wetland area, when they do go to develop their land that part's done because we're going to make a developer do that anyway. We're going to make a farmer give us so much land for detention and water quality when they develop their land. So all it really does is it takes a look at what happened with that land as it's developed, once it's developed, and it says, okay, do it now and capitalize on the credits that you could get.

Mike Serpe:

The parcel we're talking about have we heard from this property owner directly about concerns about the ERU?

Mike Pollocoff:

The Board has heard—

Mike Serpe:

I know others have talked on behalf of, but we have not heard from the property owner whoever that is.

Mike Pollocoff:

I don't know who this is to be honest with you, the parcel up there.

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Mike Serpe:

I don't want to open that up. That was just a thought. Secondly, when you're talking about the impervious method, Alex, and you would pay a little bit more to keep everybody else, I think you would get a larger outcry than you think from the residents if that were the case. I really do. I'm like you a little bit. I could probably pay a little bit more to help somebody else out, but I think in the overall scheme I think we would be receiving a whole lot more complaints about the major increase over all the properties than if we stay with the TR-55. Mike, I think you hit it right on the head. There are options here for this person to help themselves out. Building a pond is not going to be free. There's going to be a pretty major expense with the construction of a basin of a pond unless they have their own equipment to do so. They also have an option to maybe split an acre off and sell it for whatever. That would pay their ERU's for a long time.

Alex Tiahnybok:

One of the affected parties is here and I'd like to motion that she be allowed to address the Board.

Mike Serpe:

Just let us talk first. I would be willing to work with this property owner to find other ways to lessen the burden. Does a parcel have to be zoned agricultural to be agricultural? And, is it zoned agricultural now?

Mike Pollocoff:

We do it by the use, not the zoning.

Mike Serpe:

So part of it could be turned into an alfalfa patch or corn or soy beans or whatever. I can't see changing a lot here for such a small—but I agree I wish there was something we could do. A cap sounds good but I don't know if the cap would be defensible.

Alex Tiahnybok:

The magnitude of the impact would be insignificant because you're comparing thousands of parcels versus what did we say, ten? It would be insignificant. It would be pennies, not significant. I'd like to see the calculations of that.

John Steinbrink:

The goal of this whole project is to make clean water, and I think we use Mike's idea where you achieve that in some way then you're doing what your intention is and you're helping the person lower the cost. There are options out there and there are programs, plans and other things out

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there. There are wetland groups offering to do things. There's numerous. Ducks Unlimited comes to mind.

Mike Pollocoff:

The other thing, too, is believe me the industrial park is not happy about paying the fees they do. They're the first ones that are saying I'm bringing jobs to your community, economic development, so I should be capped. They don't even think they should be charged. And if there is a cap to be had they'll be next in line. What's my cap?

Mike Serpe:

One thing I think that you're not going to get an argument out of anybody that going to \$90 is a lot. It is. I don't have a total answer for that. I certainly don't want to go to everybody else and say everybody else pay a little bit more so this one can pay a little bit less. I don't think that's the answer.

Alex Tiahnybok:

Could you generate the income if you put a cap, let's say, of \$10 a month on the TR-55 plan for residential properties? Could you generate? I don't know if you could do that now. Do we have to vote on this tonight?

John Steinbrink, Jr.:

I can do it right now. But what it is going to do is it's going to move it more towards whatever your flat rate is because a moving cap is just making a flat rate where the cap It's going to be a small percentage and I don't know exactly what it is.

Alex Tiahnybok:

It's going to be a very small percentage. You're talking about thousands of parcels. This chart right here shows that the aggregate of the above \$10 amount is really small compared to the total of everything else. So you go back to this charge.

Mike Pollocoff:

If you cap it it's not a utility anymore. You're not basing your charges on impact. You're basing your charges on ability to pay. If we're not going to have a utility, then you have to go back and take out those exempt customers that John talked about. When you go down that path that's what that leads to. We're basing our charges based on what you generate in storm water. Just like in sewer it's based on how much sewage you put into the system or water how much water you buy. That's the only way under the statutes you can justify having a utility because everybody is getting equally whether you're a church, school, house, farm. Even a farm has to get charged for anything that's not in agricultural use.

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So when you go down that path you have to be ready to say, and it's not so much that cost of those three people in there, but you have to be ready to face the issue that you're not running this as a utility. You've identified a group of people and you're basing your charges on their ability to pay and it's no longer a utility. When we send out sewer and water bills we don't figure out whether or not a family can afford to pay it or not. I mean we hope they can, but their charges are based on how much they use. It's no different than gas or electric or telephone. Whatever you use that's a utility.

John Steinbrink:

There would be a mechanism in here then to work with that property owner to try and—

Mike Pollocoff:

If the Board were to do that, if you were to adopt the TR-55 method and the rate and then direct staff to identify for those parcels at ten acres and above or whatever, work with them to find based on their particular parcel because they all bring something different to the table, different ways to mitigate and reduce that fee. It's not going to get it—if you want to compare a 20 acre parcel to a half acre parcel it ain't going to happen. I'm going to tell you they're still going to have a charge. But if you take that spike off, the \$90, you mitigate that as much as you can would be one thing I recommend. Because, as you said, there are a lot of conservation programs if people are willing to undertake those. Or maybe put part of the land into agricultural use or what have you.

Alex Tiahnybok:

In many ways this is very similar to the assessment debate, how do you do it and what's the right way. And in an area where all the properties are essentially the same and if you make one little tweak it's going to affect all those properties essentially the same way, you do it, and Rocco is not here anymore, but I spoke to an assessor in Illinois, but he says in order to make it practical you do these assessments in mass kind of process so that you can actually cover all the parcels that need to be addressed. But I was also told that any time you have outliers you don't use this, well, everything sort of went up this much, X percent, and we're going to adjust it by that amount regardless of whether or not the specific details of that property make sense or not.

I guess I have a question. If the TR-55 method leads us to a \$90.72 charge for that property, is it really justified? The parcel one, two, three, four, five, probably even six, are probably pretty justified because there's probably a lot of parcels like that and they probably have similar contributions in terms of runoff. But parcel eight, where the \$90.72 comes from a composite of all those different land categories, right? How do we know there's not a dip in the middle of that property and all the rainwater goes inwards and doesn't run off? Do we know that? Before you go and say \$91 a month, I would say you've got to be pretty sure that this TSS thing, the runoff winding up in our storm systems actually goes there.

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Mike Pollocoff:

That's one of the things that that parcel by parcel evaluation does. Plus, if somebody has a question we go out and physically inspect the parcel. I can't think of any parcel of land where the water hits and disappears unless it's a whole, it's a quarry. Water lands on property and it runs off to some level. Now, if some of it discharges to a different basin or a different ditch that might be something. But even that parcel eight, I think when John did the evaluation on that parcel, I think there was an acre and a half of impervious land on that to begin with, far more than any other parcel. So right out of the shoot parcel eight had 1.5 or 1.4, I forget what it was John, that under any scenario was impervious. Rural parcels tend to be that way. They've got a lot of outbuildings or bigger outbuildings and driveways to them.

John Steinbrink, Jr.:

That was just the residential component of it of the graphs.

Mike Pollocoff:

How much was impervious?

John Steinbrink, Jr.:

Manicured grass. It was just under 3,400 feet.

Mike Pollocoff:

I guess we're willing—I think there's some creativity that can be put on these parcels if people want to do it. There's probably five different ways to skin the cat.

Alex Tiahnybok:

I'd feel much better if we just crunched the numbers and put a cap, whether it's \$10 or \$15 or \$20, just some cap and crunch the numbers and you'll see it will have very little impact in the TR-55 numbers.

Mike Pollocoff:

I don't doubt that at all. I think you're exactly right. I think it won't have that much change in the numbers but you better be prepared to lose the utility and go back and say this is a flat rate, take the exempts out, don't charge the WE Energies plant which is the biggest impervious area we have in the Village. Take those out of it because you're not basing it on use anymore. You're basing it on setting a flat rate artificial standard. That's the real expense. It's not the money that you're moving from the 20 acre parcel across all the other parcels. The money you're losing is the ability to say we're really treating this as a utility. We're basing the charges based on what you discharge off your land rather than your ability to pay or what's going to be too much for you.

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I think at the end of the day what we're really concerned about, maybe we're not, maybe we're just doing this because we have to, but if we're concerned about clean water we have to find a way for parcel eight to take advantage of the land they have available to make it so they're not impacted that much. If you want to put the cap on, that's your risk. It's not the money that goes over to two, one, three or four. Your risk is you lose the utility, that it really isn't a utility. It's just whatever we think we can get, the most we can get. We'll get the industrial guys for their total mass but the residential will be capped. So it's really not based on use. It's based on what we think they can afford to pay.

Mike Serpe:

We have not shut the door on the big property owners. At least we're offering for the Village to work with them to find a way to reduce their exposure. I don't know what else we can do. Mike, I agree with you. If we're going to put a cap on this thing, then we should raise the rate to \$4 to cover the legal expenses because that's what we're going to need. That would be ridiculous. We've identified what we need in this utility. We agree on it. The only thing we're having a problem with is people with the big parcels and the large amount that they have to pay at the end of the month. I agree it's a lot, but at the same time we're also willing to work with these people to reduce that exposure.

Jeff Lauer:

Just a couple of questions and a comment. If the Board votes for the \$3 ERU, does that mean, John, for example, this person who was paying .76 is that going straight to \$3 then?

John Steinbrink, Jr.:

I guess the easiest way to put it is that if somebody was paying \$1 they would be paying \$3. It would be exactly \$3 more than what they're paying right now.

Alex Tiahnybok:

Three times.

John Steinbrink, Jr.:

Three times more. So if somebody was at 50 cents they'll be at \$1.50. If somebody was at \$10 now they're paying \$30. There's a direct relationship between the ERU and parcel increase.

Jeff Lauer:

I guess the other comment, I know obviously we're all struggling with the bigger lots, because if you take the \$90 and I multiplied it out and it's almost \$1,100. I can almost guess maybe that's not even as high as their Village taxes. It's just an unfortunate thing that I think we can all agree on when you have mandates coming down from on high and they don't provide anything for the

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communities that puts all of us in a bind. If we don't want to do it we're going to be penalized. If we do do it then unfortunately somebody pays for it.

I'm not sure how many parcels are affected by this, but I think whatever happens I think somehow we have to make sure—and I'll go and make the time to go to the resident's place with somebody from the Village to see what can be done with the land. But obviously that's a touchy subject. It's their land. They may not want to disturb it. So kind of caught around this wonderful mandate. Trust me, it's frustrating. I'd just like to say all the communities should just tell the federal government goodbye, but obviously we can't do that.

I guess this is one of these things that something is going to have to be done and hopefully we can help these larger parcels out somehow. I'm open ears for that if we can do something for them. I don't know. A row of corn would that make it farmland? I don't know. But that could be nitpicking, but I hope we can at least reach out our hands to those who have bigger parcels and hopefully be able to do something for them. That is a lot of money. Especially in my household when I'm looking to try to save money I'm calling everybody and I'm telling them what I'm doing. You'd be surprised the companies out there, especially cable, satellite and whatever else is out there how when you tell them you're shopping around they will give you the deal. I think hopefully we can do something here as well because an extra \$1,100 bucks a year is a lot of money.

Mike Pollocoff:

Just a point of order, Jeff, the number up there is the budget number for 2007, the \$90.

John Steinbrink, Jr.:

These are \$3 rectified already.

Jeff Lauer:

Oh, okay.

John Steinbrink, Jr.:

These are using the 2007 revenue is assumed to be the \$3 ERU per person.

Jeff Lauer:

Okay, thanks.

Alex Tiahnybok:

A couple months ago or three months ago when Diane Schoen and Mrs. Chmielecki and Herb Driscoll brought up their concerns about this, in my comments I brought up that last year we were talking about going from \$1 to \$2, and I got some snide remarks regarding we never agreed on

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that, we're not planning on that and what are you talking about? So here we're going from \$1 to \$3, one more dollar than what I suggested I thought we were going to be talking about this year. So this has gotten inflated.

If you take that \$90 and you look at our plan for the ERU calculations for the subsequent years, in 2008, again, this is a plan but we need to consider what this is going to do because the numbers have to balance out and the total ending balance in 2017 grows to \$400,000, so it's not like we're talking about millions of dollars accumulated. If we're going to do all these things these numbers are realistic. In 2008 it's going to go to \$4, the ERU, which is going to mean that bill is going to turn into \$120. In 2011 it's going to go to \$5 which means \$150. In 2014 that's going to go to \$180. And in 2017 it's going to go to \$210. Again, that's 11 years from now and hopefully \$210 will mean more than \$90 today but maybe not. But this thing just grows and grows and grows and grows.

I'm not opposed to the concept of the Clean Water Utility. It's mandated. We've got to do something, but I think there's got to be some kind of hybrid between the TR-55 and the impervious method. We're not required to use TR-55. We could use the flat rate. We could use the impervious rate. So what prevents us from using something that's somewhere in between TR-55 and impervious?

Steve Kumorkiewicz:

What the concern is that we're opening a big can of worms if we lose the utility. There could be legal implications and possibly all kinds of legal challenges. I don't know. We're in a very bad situation We're in a very bad position here.

Mike Pollocoff:

I guess for the Board the policy question is the staff has indicated we believe that there has to be a blend of impervious and land. Both generate runoff. Impervious generates runoff at a faster rate than land does, but land does generate runoff to varying degrees depending on what kind it is. So the policy question is do you want to just use impervious and assume there is no runoff from land? And the people who don't have a lot of land are going to pay somewhere similar to people that are the other direction. The impervious area at least would satisfy the utility requirements, but I do think at some point somebody that is half way smart is going to say, wait a minute, you're basing all our charges based on impervious and there is runoff on land. That's why the Army Corps of Engineers developed TR-55 because there is a runoff from land.

Alex Tiahnybok:

I think some of the other slides sort of suggested this, but there's a lot more weight given to impervious in the TR-55 calculation, a lot more weight given to impervious square footage?

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John Steinbrink, Jr.:

That's correct. All of the land use, whether it's impervious, whether it's woods, meadows, brush, all have a factor associated with it that kind of prorates it. So, for example, impervious if that's around 100 percent everything runs off. And then for brush it could be at 82 percent. Grass could be at another number. So it kind of prorates each of the land factors based on their standardized runoff that they have based off the TR-55 model.

Alex Tiahnybok:

The Army Corps developed TR-55 and they specify those factors?

John Steinbrink, Jr.:

It was a USDA publication that we have. And they have very specific based on soil types and based on cover types which are all included in our model. So anyone that was in a B type soil more so based off the Lake Michigan side, the soil types really play a big part into it. Where some of the C soils are a little bit more, you're not going to have as much water running off. So we took the soil type based off the SEWRPC information that we have available. We took the land cover types based off the 2005 aeriels and went down and checked anyone's that were in confusion. And then the impervious areas and combined it all in the model and came out with a number.

Alex Tiahnybok:

But the factors are set? We didn't set the factors?

John Steinbrink, Jr.:

The factors are set.

Alex Tiahnybok:

I know Mrs. Chmielecki wanted to address the Board and I motion to give her a chance. This impacts here I think dramatically.

Mike Serpe:

I won't disagree with that, but that's the only one we're going to listen to, okay?

Alex Tiahnybok:

Fine.

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John Steinbrink:

And keep it to the topic.

Sherri Chmielecki:

I'm Sherri Chmielecki, 11009 122nd Street. Yeah, I'm the one who is going to be paying almost \$90 a month. And I did have you come out, I had the engineers come out. I have three ponds. My property is like a W. Everything runs. In the back I have a pond that the water comes off of 94 under the weigh station and runs through. They've given me that. My pond is 22 feet deep. There's not much water that actually can go through there if that water wasn't coming down from 94 with all the oil and everything else on it. The other thing is I have three ponds at the beginning of my property. They're deep enough you can go there and see. And I have my neighbor who is a businessman that has a culvert running from his property, I think it's in his barn, into my property. I've talked to him about that and he said he'd stop that. He stopped it a while and now it's running again.

Also, when you guys were out here you told me that I could have sheep or cattle or goats. I'm conservancy. Oaks and wetlands and stuff like that, that's the property we bought 20 years ago that nobody else wanted. So, yeah, I have talked to you guys. I'll dig my ponds deeper. Herb Driscoll lives next door to me. He doesn't have a problem with the little bit of—one of the ponds where it does overflow, which is very seldom, trickles through a little creek thing and onto the other. It's like a park. Anybody that goes by there I say take a walk around. There's trails through there back around. I've got a farm field that runs off into the back pond. I've got the other stuff that runs off.

I'll tell you what, we are west of the river so nobody has said anything about ever coming out there and putting any kind of ditches or anything else in anyway. They've never talked about with this clean water of having the water tested coming off of 94, the diesel, the oil, the transmission fluid. I was married to a trucker so I know what comes off those trucks. They're parked there and they idle and they run. You have the stuff from Renaissance Faire. I asked when are you going to come out and test the water because it goes into the Des Plaines River. There's nobody that's going to put anything out there.

I'm going to be paying \$90 a month for what? Is that my gift? Because when we moved here my husband had his own business in Illinois. He took our garbage. We had the garbage company come out. What were they ten years before we changed? We were here in '87. We paid I don't know what it was, \$8 or \$10 a month. I called and said we don't even have garbage. You've never picked garbage up. They said consider it a gift. So am I going to consider \$90 a gift for clean water and we're not going to have anything happen. I want to get a copy of that whatever it is for the Des Plaines River so I know when my \$90—I'm tired of paying everybody else's fees. My health insurance went up \$100 because I turned another age. I don't mind paying. I don't mind paying my share, but my share for clean water is not \$90 a month and \$120 a month in 2011.

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I love my house. I don't want to move. I don't want to have cattle running around. I don't want to fence the whole thing in. No, I don't. But I've told people I've got picnic tables. If you want to come and have a picnic, you want to throw a fishing line, I've got tons of fish, little bluegills and catfish. Come bring your grandkids and let them do that. I'm doing everything I can because I don't want somebody else coming in there and destroying a piece of heaven. That's what you've done everywhere else. That's why we have clean water stuff because there's nothing to clean up the water. It's go to come down through the trees and drain through the ground to clean it up. What else can I saw?

I want to know when my money is going to start kicking in and when it's going to be tested before it goes to Illinois, because I wouldn't be surprised if Illinois didn't say, hey, you know what, you clean up the Des Plaines River because it's poisoning my land in Illinois and they will eventually if you don't do something here. Thank you very much.

Mike Pollocoff:

Mr. President, before she leaves if I could ask her a question. Sherri, is your parcel 29 acres?

Sherri Chmielecki:

No, it's 19.5.

Mike Pollocoff:

So you wouldn't have the \$90 charge? That was based on-

Sherri Chmielecki:

I pay \$28 and something now, \$28.15 so how much closer to \$90 can I get?

Alex Tiahnybok:

It's going to be \$84.

Sherri Chmielecki:

My Social Security only went up \$30. Now, I'm telling you, what am I going to do?

Mike Pollocoff:

With respect to the clean water charge, we are going to be, at least if this is going to stay a utility, we're able to charge the State for the weight station and we are going to be doing the monitoring on discharges that come off the highway, the tourism center, the weigh station.

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Sherri Chmielecki:

I've never had problems until just lately when they redid the weigh station.

Mike Pollocoff:

We have to do it now. No one has any choice. That has to be done. Then there are going to be improvements that are made, as John indicated in his presentation, under the SEWRPC plan, \$1.1 million of improvements that we have to put into the Des Plaines basin. Those things are going to happen and the monitoring has to happen. We're the agency or the government that's been given the responsibility to monitor the quality of the water. So that hasn't happened to date, but we haven't really had--this last year as we started assembling it, we took our clean water grants, started working on the plan, but it hasn't happened. Our permit is not going to be active until this next year. So that's when all that work will start happening.

Sherri Chmielecki:

But you're already charging me for something that hasn't happened yet. You're telling me that this is going on and that is going on. I don't know where you're coming from either, because I can dig my pond a little deeper and there will be no water coming off of there. It's all primarily self-contained.

Mike Pollocoff:

The pond isn't the only factor. It's the volume of the water.

Sherri Chmielecki:

There's not that much water because I'm very low. Even though I'm a hill I'm very low. I told them I'd put trees in. I've got pine trees coming and they told me no. The engineer says you can't do that either and that's the one that left in August or September, whatever his name is. He told me I can't put trees in.

Mike Pollocoff:

You can put trees in, you just won't get credit for it.

Sherri Chmielecki:

He said I could have it rezoned to put a house on it. I said why would I want somebody controlling my driveway and not knowing who's coming in and out of there. Why would I want to sell off an acre? If I wanted to sell off an acre I'll go live with Steve over in his little place. Why can't I live where we bought 20 years because nobody else wanted it. It was vacant for years.

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Mike Pollocoff:

So there's a citizen saying she likes her parcel the way it is and doesn't want to change.

Sherri Chmielecki:

No, I didn't say that. I'm more than happy to have you come in, but I have the engineers come over there. They said, well, if you want to put goats or sheep or something out here. If I have to pay that much money I'd . . . a little bit of ag. No, I don't want to put animals on there.

Mike Serpe:

Who would she work with, Bob?

Mike Pollocoff:

Bob or John. When we went out we took a look at what she had to make sure our-

Sherri Chmielecki:

I didn't see you out there.

Mike Pollocoff:

Well, I can come out there, but we have-

Sherri Chmielecki:

Nobody ever came up by the house. The only place I've ever seen anybody is down by the driveway.

Mike Serpe:

We'll be there now.

Sherri Chmielecki:

That's fine. Bring your fishing poles.

John Steinbrink:

Just for clarity, when the weigh station was rebuilt they did a large remake of the area and the runoff waters there with their own ponds and things.

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John Steinbrink:

Further discussion?

Alex Tiahnybok:

As I mentioned, the notion of the Clean Water Utility obviously it's something in place already. I support the idea, but I've also been accused lately of being political. If this is political I'm a real dummy, because the numbers don't work. I think it's just patently unfair to hurt certain individuals that I don't think we really—I'm not convinced we made a case for why they should shoulder that kind of burden. Again, rather than pushing this forward today, I would really like to see the impact. If this is going to kill the utility, like I said, I don't understand exactly why it would kill the utility, but I think we've got to do something creative here. It's just wrong. I want to support this but I can't if it means certain individuals, whether it's 50 or, if you look at the chart, everybody above \$10 it's probably around 100 people or so. For them to carry that kind of burden as opposed to the other thousands that don't I don't understand how we can do that.

Steve Kumorkiewicz:

Explain once more, Mike, why we can't lose the utility.

Mike Pollocoff:

The statute authorizing us to create a utility is premised on the fact that we're going to base our charges on the amount of discharge, not on other factors such as ability to pay or political tolerance for whatever a rate should be. It's based on the volume. When you talk about being creative, I don't have nay problem being creative. If you look at the impervious column there you take those middle parcels and you almost doubled them. You've taken the industrial park and you've doubled that. You can come up with a lot of schemes to say let's allocate costs out here and there, but at the end of the day it's got to be based on something. If it's based on the fact that somebody says I have a 20 acre parcel, I like it the way it is, it's my piece of heaven, I don't want to change it, I think there's a certain cost associated with that.

We've been out to evaluate whether or not if a parcel, and we've done this on a number of parcels, if there's something about those parcels that wasn't evident from the aerial photography and made changes. But what I was saying tonight was given the parcels that are out there now is there anything that we could go out there and propose some alternatives to them to diminish their impact on storm water quality and volume. If we want to hold this over, our ordinance has been reviewed by counsel. His statement to us was this is the most thorough and comprehensive ordinance that he's seen, the environmental attorney in Madison. We've actually virtually identified each parcel what their specific impact is on the system. He thinks it's fairly defensible. If somebody wants to go to the PSC and say your charges aren't justified, he thinks we're in good shape. Not that we'd want to live in that world, but that's where we are. I'm giving the Board my recommendation that as soon as you start fooling around with allocating out expenses based on someone's ability to pay then you're really not a utility anymore.

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Mike Serpe:

I don't know that I would ask Mike to look at any other solutions here because I think what he's already done has satisfied the needs. He's made this thing defensible. It's not dishonest. It's not illegal. And if you're objecting to it for the reasons you've stated, if you think you can come up with something as defensible or that will work in favor of what you're suggesting, I'll put this off for two more weeks. If you don't think you can do it, then I think we have to vote in favor of it. So the challenge is there.

Alex Tiahnybok:

My honest answer is I don't know. I'm not full-time on staff. I don't have the resources that you do. All I'm saying is there's got to be a better way. If you're convinced that this is the best that we can do, even if it's damaging to certain individuals, if this is the best we can do then I guess there's no point going on.

John Steinbrink:

A number of other communities have looked at our plan and commented how comprehensive it is. I think they're going to use our plan probably, copy or duplicate it because of the study and the work we've put into it.

Mike Serpe:

Alex, for 18 years I'll tell you this is not the first time we've met with decisions like this that actually hurt people. We don't like doing that. But, you know what, nobody has ever come up with anything better either. It's hard. It's very difficult. It's not easy and I don't like doing it either. I'm putting the additional cost on myself. I feel for her, but we're also willing to work with her as well to lessen the burden. We'll do that with anybody.

Steve Kumorkiewicz:

The PSC actually regulates and has to approve the rates anyway?

Mike Pollocoff:

They don't approve the rates, but that's the Court of Appeal if you're operating as a utility. When the PSC takes a case are your rates fair and equitable? They portion out the impact of the benefits received.

Jeff Lauer:

Just a couple things. Other communities like ours maybe we can copyright it and sell it for a nice premium. That would be nice. I know we have to do something like Mike just alluded to. Unfortunately you hate to see any residents get put in a position like this, especially in my opinion when you don't see nothing what you get for it just like I don't see anything. I think I

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know the answer but I'm just going to ask it anyways. Is it possible, I'm trying to be creative here, to use, for example, impervious, you have to have one of the three, you can't have a combination? Let's say you want impervious for certain lot sizes this big and everybody else gets the other one? Or is it one size fits all because it's a utility?

Mike Pollocoff:

If you're going to charge one group impervious and land and another group just impervious somebody is getting a benefit that the other side doesn't.

Steve Kumorkiewicz:

Discriminate.

Mike Pollocoff:

If you just charge impervious, you're telling Mrs. Chmielecki—we'll just assume, maybe this isn't fair. We're telling parcel eight you're getting charged under impervious \$4.78, and you've got in this case 29 acres of land at your disposal. In the future you may develop it, you can run your horses on it or whatever, and you're going to pay the same amount as that person who has not quite a half acre. There's a lot more people that just have a half acre. No matter which way you cut it, if you want to give the people that have the larger lots a break, and when I say large lots you're talking 39 acres and we'll say we'll just base this on impervious, they would only have a charge of \$4.78, but look at, one, the amount of runoff that's still going to come off their property that we're going to say we're not looking at that and we're only going to look at impervious areas. They don't have that much on that 29 acre parcel. Parcels three and four they have big houses and sheds and we're just going to look at that. They don't have as much land that's generating runoff.

There's inequity that's cutting both ways. The person who has a big parcel and a big bill that jumps out at you. But sooner or later somebody is going to ask you how come you've got a 29 acre parcel and you're only getting in for the same amount I have for my third acre or half acre. How is that fair? I've talked to people that says water doesn't leave my property. It soaks in or it goes back where it came from. I don't know where it goes if it doesn't run off. But land runoff you can't discount it because water runs off land. So that's why doing the impervious it catches a whole bunch of people that don't have as much land and you get them more.

Mike Serpe:

Mr. Chairman, one other comment. Is there any guarantee that we will be increasing these monthly costs? We don't know that for sure until we get there. There may be a possibility where we may not have to do increases in the future. We don't know what even the programs are going to be yet in total. We can assume they're going to be more, but there's a chance that things could work out in our favor and we may not have to do an increase.

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Mike Pollocoff:

The things that are going to increase our rates, we have some labor and equipment, but they weren't the biggest part of the component. If you think about it, depreciation was the biggest. To the extent that we don't grow anymore and that depreciation number stays flatter and it doesn't increase, that holds the rates down. Last year we were directed to come up with \$3 and \$4 scenarios and we did that. And this year we're saying in order to implement the new rule that we didn't know existed, I mean we knew we were getting the rules but we didn't know just what those rules would be, that gets us to \$3 plus depreciation plus the capital you want to do. So we projected going forward that there would be over time and increases topping out at \$7. \$7 in one base and \$6 in the other. You can't act on those budgets tonight. All you can use that for is information. You can only act on the budget before you. But every year whoever is sitting on this Board is going to have to look at 2008 or whatever and make their adjustments based on what they think they can afford.

Mike Serpe:

This is one of the motions that are never easy to make but I would move approval of Resolution 06-55.

Steve Kumorkiewicz:

I'm going to second that because we've got no choice.

John Steinbrink:

Motion and a second. Further discussion?

Alex Tiahnybok:

I just have one more comment. When you compare the approaching \$100 a month Clean Water Utility fee, if you look at the commercial manufacturing sector, you literally have to get to about 130 commercial properties that are income generating hopefully to get to the impact that this one, and I haven't seen your property but I'm imagining you have a home and open land, again, to me it's just absolutely unfair. If you look at the chart and you add up the number of parcels it's 130 roughly commercial properties that generate income, etc., that probably have an awful lot more impervious area that without a doubt contribute more pollution to the environment because of cars, vehicles, trucks, whatever to the environment than Mrs. Chmielecki's property. Again, I just think it's wrong. Maybe there is no solution, but I guess that's the benefit of—

Mike Serpe:

If you ever come up with one we can always change it.

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John Steinbrink:

Those commercial areas some of those have already put in storm water improvements and paid for them as part of their parcel and their cost.

Mike Pollocoff:

I think if you look at the other high side of the curve, look at how many businesses are in the \$100 to \$10,000 a month. There's a significant amount of businesses that are paying a large freight.

John Steinbrink:

We have a motion and a second. Call the question. Those in favor?

SERPE MOVED TO ADOPT RESOLUTION #06-55 RELATING TO ADOPTION OF THE 2007 CLEAN WATER UTILITY BUDGET, FEES AND CAPITAL IMPROVEMENT PROGRAM; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 4-1 WITH TIAHNYBOK DISSENTING.

John Steinbrink:

Motion carries 4-1 with Trustee Tiahnybok in the negative.

John Steinbrink, Jr.:

Mike, do you want to talk about the watershed split at all or is that something that we're not addressing at this time?

Mike Pollocoff:

We got bottled up on the discussion of where we were before, but we did want to point out that we are, not financially effective this year as far as in terms of rates, but just, again, in order to stratify out and be fair, we do have people living on the Lake Michigan side of the basin their water is not going to the Des Plaines and vice versa. So in order to further refine this and make it more specific, staff is recommending we allocate our revenues and expenses by basins between Lake Michigan and Des Plaines. There's a chart that's right there that shows how that lays out. In terms of area you can see that Des Plaines is significantly larger. John, why don't you run through that real quick unless the Board has had more than enough.

John Steinbrink:

The soils are different, too.

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John Steinbrink, Jr.:

It doesn't make a difference on the ERU rate over the utility. Both basins will be the same. But it does make a difference in the accounting process that we use in recording the information while staff is working in one basins versus the other basins and allocating resources towards it. I'm not sure if you want to see the presentation.

John Steinbrink:

If you could give us a quick overview.

Alex Tiahnybok:

I have a quick question. You indicated that they're the same but when you look at the ERU charges versus Lake Michigan basin versus Des Plaines the Lake Michigan basin grows a lot more rapidly?

John Steinbrink, Jr.:

Correct. That's because there's much more assessable projects that are going to happen in Lake Michigan and more of the revenue—let me just run through this real quick. The Village is divided into two watershed drainage basins, Lake Michigan which drains to the east and then Des Plaines that drains off to the west. Here's a graphical representation. Everything that's highlighted in yellow is the Lake Michigan, then you'll see a small component up by Highway 50 and Highway H which is the Pike River which ultimately drains north through the City and into Lake Michigan. Then the balance of it, everything in the pink/red color is the Des Plaines watershed.

Alex, this is kind of the breakdown of the Des Plaines and Lake Michigan, and I think that's the real reason why you're going to see the rates increasing more on the Lake Michigan side is that almost two-thirds of the ERU or equates to revenue is in the Des Plaines watershed where only a third of it is in the Lake Michigan watershed. If you take the industrial park and all the large exempt properties, those all fall into the Des Plaines river shed. And then the smaller charges, ERU's, of the residential component of it is mostly on the Lake Michigan side of it.

So we broke up by the ERU, by the number of parcels. You can see that there's much less parcels on the Des Plaines side which means that there's large parcels obviously. But two-third of the area is in the Des Plaines. 68 percent of the impervious area in the Village is in the Des Plaines which really correlates with the ERU that being the biggest factor. And then the infrastructure we have, the miles of main and a point north so it's split about 50/50.

Here's a graphical representation of that chart that I just had. I shows how there's much more ERU's on the Des Plaines side than the Lake Michigan side, more parcels because they're bigger parcels, and the area represents it also. So if you take these same numbers and you take these percentages and you break up your revenue and your operating and your capital based on your actual operation cost, this is a graph that shows how there's more revenue cost and more operating and more capital than you have in the Lake Michigan. Then in the future it's about the

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same but there are more capital projects that are going to start happening in the Lake Michigan basin probably about east of 47th Avenue, those 13 projects that are assessable projects.

So when you go through and do everything just for Lake Michigan, if you break down that \$819,000 that we need and you break down the revenue of the operating and the capital, based the percentages that we just broke off into the two watersheds, it shows how much that you need to operate, your utility fund, how much capital and how much revenue that you need just for the Lake Michigan basin on this chart and then also for the next ten years. And then in the Des Plaines how much revenue you're bringing in based off the amount of ERU's based off the TR-55 methodology and how much operating capital that we have also needed through there.

If you go through by breaking up these two watersheds, since most of your ERU's are in the Des Plaines River watershed, and there's less ERU's but more projects. That's why the Lake Michigan really rises a lot higher and the Des Plaines caps off much earlier. That's the long and the short of the basin split.

G. Review and consider Chapters 1 and 2 of the Comprehensive Plan related to the Introduction and Background; and Population, Household and Employment Trends.

Jean Werbie:

Mr. President and members of the Board, Chapters 1 and 2 of the Comprehensive Plan, which relate to introduction and background, and Chapter 2 which is population, household and employment trends, were presented in detail to the Village Plan Commission. A couple things I want to just broadly say initially is that both my PowerPoint presentation as well as the full draft chapters are going to be placed out on the Village's website for anybody to be able to review. They're also going to be linked to the County's website as well, but that will be the Comprehensive Plan for Kenosha County. It won't have any of the Village edits in it.

There were a few minor edits for Chapters 1 and 2 that the staff is recommending. Since our committee does meet every fourth Tuesday of the month, I'll be bringing any edits that you have suggested as well as the Plan Commission and the staff to them that fourth Tuesday of the month.

Basically in the first chapter it's the introduction and background to the Smart Growth planning law and the Comprehensive Plan update. It refers to the statutes and the consistency of the requirements of the plan. It identifies that there are nine municipalities plus Kenosha County that are involved in the planning program, along with some other planning partners which include Kenosha County, UW Extension and SEWRPC.

This is a multi-jurisdictional Comprehensive Plan. It provides long-range guide for Kenosha County officials, staff and citizens. And in our case it will say Village of Pleasant Prairie staff, residents and citizens along with our Board and Plan Commission. The Comprehensive Plan is going to push out 25 years so it will go to the year 2035. The Comprehensive Plan will identify nine different elements and each of those elements will be detailed within the comprehensive

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plan. A lot of this you have seen previously when I did announce the grant award to Kenosha County.

There are 14 planning goals that will be specifically outlined and addressed as part of the planning process and the preparation of the chapters. Earlier this evening we talked about the public participation plan and the requirement that each municipality adopt the County's public participation plan. We took it a step further and adopted a public participation plan for Pleasant Prairie.

Again, our partnership was developed through a grant award that we received in March of 2006. Prior to accepting the award we did agree through resolution that we needed to adopt our portion of the plan in order for the final approval process to be completed through the State. If for some reason that the Village does not choose to adopt this plan, any grant funds that were received by Kenosha County would have to be reimbursed. So it's very important that as we go through the planning process that we support what we're trying to do here in Pleasant Prairie and make it part of the bigger picture.

The multi-jurisdictional Comprehensive Plan committee has been formed. The staff member from Pleasant Prairie is myself. We have non voting and voting members from throughout Kenosha County on the Planning Committee. Again, just looking at this map, it shows that quite a bit of Kenosha County is covered. Again, we've got nine jurisdictions plus Kenosha County that are involved in our planning process.

This just outlines the different chapters that are involved with respect to the Comprehensive Plan. There are 16 different chapters. The goal is to bring one to two chapters to the Plan Commission and Board when they are ready for review by the local municipality. It's very important to note that it's not just the Plan Commission that has to adopt these chapters. It's the Village Board which is different from the way the statutes are written right now under 62.23. So it's very important that the local jurisdictional body has to approve this plan if we continue to move forward.

I did an article with John Krerowicz and the *Kenosha News*. It was just in the paper over the weekend, and I highlighted some of the planning benefits for doing a comprehensive plan. They're outlined in that Chapter 1 as well.

Chapter 2 is population, household and employment trends. I'm not going to go through this in detail for you. If there are any questions? I just wanted to point out that there are a number of tables as well as graphs and charts in that particular chapter that represent information not only from the community level but the Kenosha County level and Southeast Wisconsin level. Some of the statistics are quite interesting and amazing as it relates to Pleasant Prairie and how we are growing and changing from even our 2000 demographics and our 1990 demographics.

And some of the information is very significant as we move forward and it will be as we continue to plan. Age distribution information, population, household, housing unit count, educational levels, income levels, average household size levels, annual household income for each of the municipalities in Kenosha County and for other counties in relation to Kenosha County, the

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commuting patterns, employment levels, where are people working, what types of occupations, where are they migrating out to work in different occupations, place of work, how many are working here within the County, how many are migrating out into what direction. And then there's a good summary.

Again, our intention with these chapters is to be a part of the Comprehensive Plan for all of the County, but then the staff in Pleasant Prairie will be working to try to pull out from the larger picture the Village portions of this Comprehensive Plan so we will have a Comprehensive Plan that is just for Pleasant Prairie as well as the county. With that, the staff and the Plan Commission recommend approval of Chapters 1 and 2 of the Comprehensive Plan. It is, again, our intent to continue to go through chapter by chapter for you, and then along with the rest of the community, but then eventually we will be coming back for the whole document.

TIAHNYBOK MOVED TO APPROVE CHAPTERS 1 AND 2 OF THE COMPREHENSIVE PLAN RELATED TO THE INTRODUCTION AND BACKGROUND; AND POPULATION, HOUSEHOLD AND EMPLOYMENT TRENDS; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

H. Consider Ordinance #06-57 – Ordinance to Amend Chapter 242 of the Municipal Code relating to LakeView RecPlex Program Rates.

Kathy Goessl:

As the RecPlex is preparing for their winter Play by Play, they have some fee adjustments they want to make. As they evaluated this coming calendar year, they want to add some additional week sessions. Currently they don't have an 8 week or a 6 week session in some of the programming fees so they want to add that to give us additional revenue potential as we schedule in for next year.

Also, they have a special fitness mix card for the winter break, and this mix gives the participant the chance to go to any class they want. This is just for the winter break around Christmas and New Year's so they have a fee set for that. Also, they're looking at offering additional spa services. Right now we offer massage therapy but we're looking at facials and manicures so they put pricing out for that. Then also they're looking going more into sports and tri training and there's additional pricing added for that also. Then also our dance program has been expanded so there's additional pricing for that added in the ordinance.

The majority of this is adding new program fees. There's a couple new program increases. Our baby sitting class \$10 increase, and then also a couple other categories have \$2 to \$3 increases. Not through and not many pricing increases but it's mainly adding new program categories. That's the changes and we're looking for adoption of the program fees.

Mike Serpe:

I move approval.

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Alex Tiahnybok:

I second.

John Steinbrink:

Motion and a second. Any other discussion?

Jeff Lauer:

Kathy, that added dance is that dance classes?

Kathy Goessl:

Yes, they have different dance classes. They have ballroom dancing, belly dancing, different types of classes.

Alex Tiahnybok:

The \$2 to \$3 typical increase, Kathy, percentage wise is what? I'm just scanning the programs.

Kathy Goessl:

I'm not sure of the percentage but there was only a couple throughout there that changed a little bit. It must have just been they compared pricing and the different levels and it was off a little bit so they put it back into line. There's a couple down here in youth programming that went up \$2 to \$3. There was only two programs down there. It's \$2 up here in aquatics for learn to swim. That's all there is for program increases. Otherwise everything else changes the same.

Alex Tiahnybok:

Because a \$2 to \$3 increase on a \$100 program is nothing, but a \$5 program that's a lot.

Kathy Goessl:

I'm not sure. These are about \$65 programs and \$2 for this one here. It's more to keep things in line than actually increasing pricing.

SERPE MOVED TO ADOPT ORDINANCE #06-57 – ORDINANCE TO AMEND CHAPTER 242 OF THE MUNICIPAL CODE RELATING TO LAKEVIEW RECPLEX PROGRAM RATES; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

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I. Consider Resolution #06-54 – Resolution Authorizing the Placing of Utilities and Special Charges on the Tax Roll.

Kathy Goessl:

Every year around this time as we go into tax season we look at our delinquent utilities mainly and also delinquent invoices and anything that can be associated with a parcel. We look and we send notices out to them letting them know that they're delinquent and then if they don't pay by a certain date, end of October or middle of November, they will be rolled to their tax bill on their parcel. These things the majority of them as you can see in this list is delinquent utility bills for \$214,000. We also have delinquent invoices. There are a handful of those that total a little over \$13,000. Then we have delinquent Kenosha Water Utility bills. There is an area in the Village which has Kenosha Water Utility water, so those people if they haven't paid their portion of the Kenosha water bill we can put those on the tax roll then we pay the Kenosha Water Utility back for those when we collect them. So we have a total of \$236,000 in total charges for delinquencies.

Then this is our special assessments. These are special assessments where people have chosen to be on an installment plan instead of making total full payments. So you can see the breakdown here ranging from paving and road construction. There's some storm sewer, the biggest one being water and there's some sewer special assessments. This month they're actually going down as compared to the past as we get less privates that have been done and special assessed. We're looking at over \$119,000 of these charges being put on the tax roll. I'm looking for authorization to put these onto the tax roll.

Jeff Lauer:

So moved.

Steve Kumorkiewicz:

Second.

John Steinbrink:

Motion and a second. Any other discussion?

Alex Tiahnybok:

Kathy, the special assessment items and also the unpaid utility bills, etc., the actual bill amount gets rolled onto the property tax bill or is there a premium or a surcharge or something?

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Kathy Goessl:

There's a ten percent tax roll interest. They're notified of that up front. Some people just use this and do this automatically. I don't know if they must deduct it or something when it rolls onto the tax bill.

Alex Tiahnybok:

It depends on the tax rate you're in. If you're in a high enough tax rate—

Steve Kumorkiewicz:

But even if it's on your tax bill it's not deductible.

Kathy Goessl:

It's not supposed to be deducted. But we see these people who are normally always every year on there.

Steve Kumorkiewicz:

They get away with it but it's not legal.

Kathy Goessl:

But they get plenty of notice.

John Steinbrink:

On one it says post master. What does that mean?

Kathy Goessl:

I think one was the post office but they just paid right on their deadline like on the 15th.

LAUER MOVED TO ADOPT RESOLUTION #06-54 – RESOLUTION AUTHORIZING THE PLACING OF UTILITIES AND SPECIAL CHARGES ON THE TAX ROLL; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

9. ADJOURNMENT.

SERPE MOVED TO ADJOURN THE MEETING; SECONDED BY LAUER; MOTION CARRIED 5-0 AND MEETING ADJOURNED AT 10:30 P.M.