

**VILLAGE OF PLEASANT PRAIRIE
PLEASANT PRAIRIE VILLAGE BOARD
PLEASANT PRAIRIE WATER UTILITY
PLEASANT PRAIRIE SEWER UTILITY
9915 - 39th Avenue
Pleasant Prairie, WI
February 3, 2014
6:00 p.m.**

A regular meeting of the Pleasant Prairie Village Board was held on Monday, February 3, 2014. Meeting called to order at 6:00 p.m. Present were Village Board members Monica Yuhas, Steve Kumorkiewicz and Mike Serpe. John Steinbrink and Clyde Allen were excused. Also present were Michael Pollocoff, Village Administrator; Tom Shircel, Assistant Administrator; Jean Werbie-Harris, Community Development Director; Kathy Goessl, Finance Director; Dave Smetana, Police Chief; Doug McElmury; Fire & Rescue Chief; Mike Spence, Village Engineer; John Steinbrink Jr., Public Works Director; Carol Willke, HR and Recreation Director; Dan Honore', IT Director; Sandro Perez, Inspection Superintendent and Jane M. Romanowski, Village Clerk. Three citizens attended the meeting.

1. CALL TO ORDER

Monica Yuhas:

We do have guests tonight from Troop 525 from Trinity Lutheran. Thomas, Ethan and Mitchell if you'd come up please and lead us in the Pledge of Allegiance.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. CITIZEN COMMENTS

Terrence McMahon:

Good evening. My name is Terrence L. McMahon. I live at 6407 107th Street in Pleasant Prairie. Members of the Board, and I'm requesting or asking of you to possibly make a public notice of some nature in the newsletter in the regards to the activity of snowmobiles and four wheelers. We are getting a larger rash of where I live in [inaudible] and farm fields and going across private property. If there was some way we could get a message out in the newsletter or something informing these people the legalities of what they can and cannot do and the penalties that are enforced with such activity that's being done. Thank you.

Monica Yuhas:

Thank you.

Michael Serpe:

Chris was writing that down as you were speaking, Terry.

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Jane Romanowski:

I'm sorry I can't read the second name. It's Thomas and I can't read the last name. Oh, I'm sorry, you'll just have to say your name.

Thomas:

I'm Thomas. I'm here with some of my friends from Troop 525. And we're here for citizenship and the community merit badge, and it's just kind of an honor to be here.

Monica Yuhas:

Thomas, you picked a good night to come considering there's two budget presentations.

Michael Serpe:

It's really exciting.

Monica Yuhas:

Thank you.

Jane Romanowski:

There are no other signups tonight.

Monica Yuhas:

Anyone else wishing to speak? Anyone else wishing to speak?

Steve Kumorkiewicz:

Yeah, what troop are you -- where are you located at?

Thomas:

We're located at Trinity Lutheran Church [inaudible].

Steve Kumorkiewicz:

Okay, thank you.

5. MINUTES OF MEETINGS - JANUARY 6, 2014

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Michael Serpe:

Move approval.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any additions or corrections?

SERPE MOVED TO APPROVE THE MINUTES OF THE JANUARY 6, 2014 VILLAGE BOARD MEETING AS PRESENTED IN THEIR WRITTEN FORM; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

6. ADMINISTRATOR'S REPORT

Mike Pollocoff:

I'd like to first ask Chief Smetana to come up and visit with us a little about the Special Olympics.

Chief Smetana:

Good evening. For those of you who are unaware, Special Olympics is going to have its annual Freezing for a Reason on Saturday out at the Brat Stop. And I have been nominated with several other members of my department to jump in the water. So if you're not doing anything to the Board and the department heads and anybody from the Village if you're not doing anything the jumping will start right around noon and end around two. So it's a great to support Special Olympics. If you've ever seen any of the Special Olympic athletes they give everything they've got to this activity. And it's important for us to help fund it. It's become kind of an adopted event throughout the police departments, throughout law enforcement throughout the State, throughout the country.

We also participate in the torch run in the Spring. And if some of you saw the fundraiser we had out at the Texas Roadhouse we actually were waiters for a day, and they volunteered all their funds for that to go to Special Olympics. So it's a great event, and I hope to see you out there on Saturday.

Monica Yuhas:

Thank you.

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Mike Pollocoff:

Also, speaking with John Steinbrink, our Director of Public Works about just how bad this winter's been, and I think we can all attest that it's been a bear. And he had worked up some numbers for me. And just in round numbers, John, do you want to talk about if we want to measure the severity of the winter besides frozen fingers and broken car scrapers, given the amount of salt we've used can you give us an indication of where we are compared to some other great years?

John Steinbrink, Jr.:

Sure, Mike. Yeah, on an average year the Village uses about 2,500 tons of salt. It seems like a large quantity but that's our average over the last five years. So far over the past just January and December we've gone through 3,800 tons of salt. So we're like one and a half winters of salt, winters of fuel, expense, labor and everything else like that. In February we average around just over 1,000 or 1,200 tons. So we're probably looking to be just over two times of what we would normally go through in a winter as far as salt goes.

We keep two years of salt storage in the salt shed or real close to it. And then we contract out for one year's worth of salt storage per the State contract. So what that means is that if we go through two and a half years or three years of salt, our barn's empty come November of this year. So one of the things that we may be doing is coming to the Board to ask to do an early purchase through the State contract with Wisconsin to purchase some more salt in this budget year of 2014. And so we'll have those exact numbers once the winter's over and we know where we end up. Probably sometime in mid to late March or even beginning of April we'll kind of know exactly where we're at.

But I've been here 20 years now, and it's been the worst winter that I can remember salt-wise. You guys remember the bad winter of 2007-2008 we went through about 4,200 tons. That was the year that we had about 100 inches of snow going back about seven or eight years now. And we just got our reserves built back up to where we are now. And that was the only time that I can ever remember except when the salt shed was new in 1994 that we were down to like maybe 100 tons of salt in that barn which is pretty scary considering with the 16 trucks that we do have and everyone taking about 15 tons of salt we were down to like one snow event back in that time frame.

And so we've been able to build our supply up over the last seven years, but now we're going to dwindle it back down. And the cost goes towards the labor, the plow blades, the salt, the tires, the breakdowns on the truck, the salt and everything like that. The guys have been doing a really good job I feel out on the roads. They have been really keeping up with it well, pushing it back, stuff like that. But it's definitely something that we'll have to address as the end of the winter progresses.

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Monica Yuhas:

John, are you adding anything to the salt? I know some communities are mixing sand in with the salt for side roads, different things like that.

John Steinbrink, Jr.:

We're not mixing anything yet. We had to do that back in 2007-2008 when we were out and we couldn't get anymore salt. One of the problems with mixing sand in the salt, especially on some of the curb and gutter areas that we have in the subdivisions, is going and picking it all up later. Because eventually if you put down 1,000 tons of sand it's going to end up in the storm sewer, in the catch basin. You have to spend extra money picking all that stuff out of there at the end of the day. So we should have enough salt to do it.

We're not adding any sand to the salt, but we do always add a magnesium chloride mixture which lowers the activation temperature of the salt and actually reduces the amount of salt that we have to put down. And we've been doing that about 12 years now. And so that's why on some of those days when it was 10 below zero the roads could still be bare and wet because adding that deicing material, that magnesium chloride to the salt, actually makes it work better and then we don't have to use as much.

Monica Yuhas:

Thank you.

Steve Kumorkiewicz:

Do we have enough [inaudible] for that in reserve?

John Steinbrink, Jr.:

Do we have enough salt or enough magnesium chloride?

Steve Kumorkiewicz:

Magnesium chloride.

John Steinbrink, Jr.:

Yeah. The magnesium chloride we can store about 6,000 gallons of magnesium chloride. We normally go through about 9,000 gallons a year. And so that's something that isn't as hard to get. We can make a phone call and have it there within a week. And so we're okay with that, and there really hasn't been a shortage that I've heard of of deicing materials, magnesium chloride, deicing, anything like that. So we should be in good shape, but we're definitely going to use up all of our salt reserves. Plus we'll probably be going over budget with overtime and regular time for repairs in the fleet like the tires, the plow blades. We'll probably go over 40 plow blades this

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year which is a lot of iron and iron is very expensive. We'll go through a lot of tires. We'll go through a lot of fuel, breakdowns on trucks, stuff like that. So I think we're going to be okay this year, but we're going to definitely be at a disadvantage going into November of 2014.

Michael Serpe:

John, the highway department has been doing a fantastic job, public works. I mean they're out every day, every other day, and just extend from the Board our appreciation for what they're doing. I'm sure on behalf of the Village residents as well. I have one question. Do you think this would have happened if Gary Sullivan wouldn't have retired?

John Steinbrink, Jr.:

Absolutely not. This is a direct relationship to that.

Mike Pollocoff:

Madam President, that's all I have.

Steve Kumorkiewicz:

Do we have enough salt now to the end of the season?

John Steinbrink, Jr.:

Yes, we should have enough salt now to the end of the season. Assuming that we go through our average in February which is around 1,200 ton, we have probably about 2,000 ton in there. So even if we have the worst February on record we'll still have enough to handle the needs of our Village to support the level of service that the residents are used to.

Steve Kumorkiewicz:

I read we've got salt coming from down south someplace through the Mississippi. And the Mississippi being iced we don't get it around here.

John Steinbrink, Jr.:

Yeah, all the salt we have is through the State contracts, and so we were able to acquire all of our salt that we had on contract is already in the barn. And so we jumped on that right away in January. It's already been delivered, it's in the barn, and we're in good shape. And so by being proactive like that, by having two years of salt in the barn, by bidding with the State contract for a third year and getting it aggressively in January we can assure that we have enough salt to take care of business like we do every day.

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Steve Kumorkiewicz:

Good job, John.

John Steinbrink, Jr.:

Thank you.

7. NEW BUSINESS

- A. Consider Resolution #14-02 in appreciation and recognition to Gary Sullivan for his years of service to the Village.**

Mike Pollocoff:

Madam President, it's not a sad time for us, I mean we've gotten over that, but Gary Sullivan it's a good time for him because he's retired after 20 years of excellent service. And we were preparing the resolution, and I think about Gary, Gary's one of those people where he's touched more things than just public works and streets. Gary and his father if you think back, and you can see this at RecPlex how much input and assistance there was in the development of the Ponderosa Pit that eventually became Lake Andrea. So when you look at things that people contribute in their life and the things they do and where they end up we couldn't have hired a better employee. He's done a lot for Pleasant Prairie even before he collected his first check from the Village.

So we prepared a resolution for our appreciation and recognition of Gary Sullivan for his years of service to the Village of Pleasant Prairie. Whereas, Gary Sullivan, Street Foreman, will retire on February 12, 2014, after twenty years of outstanding service to the Public Works Department in the Village of Pleasant Prairie; and whereas, Gary began his career with the Village of Pleasant Prairie on August 2, 1993 as Truck Driver, and was promoted to Street Foreman on April 30, 2001; and whereas, throughout his many years of service, Gary Sullivan has served the people of this Village with integrity and dedication; and whereas, Gary's expertise and devotion to duty has had a valuable effect on the efficiency and morale in his department and the Village; and whereas, the Village of Pleasant Prairie would like to acknowledge and thank Gary Sullivan for his service to the Village and recognize him for his commitment and dedication to the Village of Pleasant Prairie and the community throughout his employment. Now, therefore be it resolved that the Village of Pleasant Prairie does hereby extend to Gary Sullivan our sincere respect and appreciation for his dedicated service to the Department of Public Works and the Village, our congratulations on his well-earned retirement, and our best wishes to him for continued success, happiness, and good health in the years to come. This resolution is for consideration and adopted as of today.

Michael Serpe:

Mike, before we call Gary up I'd like to adopt Resolution 14-02.

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Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion and a second. Any further discussion?

SERPE MOVED TO ADOPT RESOLUTION #14-02 IN APPRECIATION AND RECOGNITION TO GARY SULLIVAN FOR HIS YEARS OF SERVICE TO THE VILLAGE; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

Michael Serpe:

Gary?

Gary Sullivan:

Thank you. I'd like to just thank everybody. I really appreciate it. It means a lot to me. It's been great working for the Village and all the people that I've worked with over the years, all the Board members, my employees that were working under me. You're great people and I'm going to miss all of you guys. I'm just speechless. I am glad I'm out this winter. But thank you.

Michael Serpe:

Thank you, Gary. We're going to miss you as well, trust me.

Monica Yuhas:

Thank you, Gary.

Mike Pollocoff:

Gary his replacement is Joe Middleton, and we'll wear him down. Gary is a little bit taller and has a lot more darker hair. I think he will do a great job. I'm positive he will. He had a good instructor.

B. Consider the 2014 Sewer Utility Budget and Resolution #14-03 adopting the budget.

Mike Pollocoff:

Kathy, you want to start?

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Kathy Goessl:

Sure. So I'm going to present the 2014 Sewer Utility budget, and then I'll present the Water Utility budget that we're recommending for approval for 2014. The slide that's currently on the overhead shows the budget from this year, the 2013 budget, and that we'll propose for 2014. Detailed line-by-line information is available actually in the submitted budget that you guys have in your packet. Operating revenues are up for 2014 because of an increase in industrial surcharges which are up \$96,000 compared to the 2013 budget. There's more customers and more revenue even with the reduction in sampling fees for industrial surcharge.

Operating expenses are down slightly from 2013 before accounting for the \$21,000 in new program requests. Non-operating expenses which include interest expense on debt netted out against interest income on investments, the majority of the decrease is attributed to interest expense going down, less debt, less interest expense. Our cash balance ended the year in 2013 at a high point because the Village of Bristol paid off an outstanding receivable of \$1.1 million bringing the cash reserves at the end of 2013 up to \$3.8 million. In 2014 we are proposing to use Bristol's pre-payment to repay an outstanding \$1.1 million note saving the Village \$55,000 of interest expense in 2014-15.

This pie chart shows where our revenue for the sewer utility comes from. The majority as you can see comes from residential which account for 56 percent of the revenue or \$2.5 million. The second biggest category is industrial accounting for 25 percent or \$1.2 million. This includes industrial surcharging, industrial customers also as well as commercial. Commercial is our next category at 18 percent or .8 million. And the last category is public authority which includes the Village and other public type authority like the State Tourist Information Center, that kind of stuff and schools.

This is the expenses for the sewer utility summarized in a pie graph also. On the breakdown our biggest expense is treatment which accounts for 40 percent or \$1.8 million. Kenosha Water Utility charges the Village for sewer treatment based on meters along the Village and City borders and for every drop of water that goes through those meters. Depreciation is our second largest expense at \$1.5 million. This recognizes the cost of infrastructure over its useful life. This is a non-cash expense when recognized infrastructure are either donated by the developers or installed and paid by special assessment.

Our next category at 15 percent is personnel which accounts for .7 million or 15 percent. It includes operational labor, our clerical labor and also administration. The other category at 10 percent or \$441,000 includes electric which is budgeted at \$65,000 down \$9,000 from 2013 and contractual services, supplies, phone, those types of expenses. ISF charge is 3 percent or \$138,000. This is for the use of vehicles and equipment operated and maintained by our fleet internal service fund. Here's the new programs which John will go over the first two and I'll explain the last one.

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John Steinbrink, Jr.:

The first new program that the utility is proposing is to undertake doing utilities in house. We used to do all the locates in house for the sewer and water and the storm and electric. And we had thought at one point we could find a company to hand that off to and maybe do it a little bit cheaper. The company that we found has really been struggling over the last couple years to complete the locates I think just because they really just don't have the -- they're not as familiar as what our internal staff is and where the sewer is, the water is, where some of the services are and stuff like that. So we've really been struggling getting a good company to come in and do this.

One of the things that just happened a couple weeks ago is that a line was mismarked and a water line was hit. And then we had to go through and repair it and then charge them off for the damages and that. And that's something that wouldn't have happened if we would have had in house do that. And so it's small cost to have our staff do it, \$910 a year, and that's just a fraction of one mismark what the cost is. And so we feel that we have the qualified staff, and we can pick up the tools to do it. And we used to do it as of about four years ago. And so we can just continue doing that and providing a service and a much better utility for the utility if that's approved.

The second one is an INI video inspection. As Kathy said, 40 percent of our expenses is on treatment to the City of Kenosha through various meters but mainly our 7th Avenue meter. We pay on every drop of water that goes through those meters whether it's sewage or whether it's groundwater. The infiltration problem that we have is the water leaks in through pipes, gets into the sanitary sewer, and then we end up having to pay treating that at \$5.70 per thousand gallons. A one gallon a minute leak, and so picture taking your faucet, turning it on and in one minute it fills up a gallon milk jug. It's really not that fast of a leak. But over the course of an entire year it's over half a million gallons. And so if you add that up to the \$5.70 a thousand it really starts adding up very quickly.

Right now the utility really has no proactive way to -- well, we have a way to do it, we're just not implementing it. We just don't have the personnel to go through and actually do the corrective videoing, going in the areas where we have infiltration, where we have the sewer backups, identifying where they are, correcting the problems. And so then with this program we should have less sewer backups and we should be treating less money at our metering stations. And so that's how this becomes a zero cost to the Village.

We should be able to capture around 14 leaks per year. If we can do that it will pay for the program itself. I think that's a very conservative number. I feel that we're going to find more leaks in a gallon GPM. I feel we're going to find more than the 14 leaks. But I'm just being conservative just for budgeting, and then we'll let you know next year how it went and how successful it is. But I'm very confident that this is going to be either a wash or a revenue maker by not expending as much money at the meter for the City of Kenosha.

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Kathy Goessl:

Okay, the last program that's on here is our fund 100 which is our general government support departments. They allocate expenses out to our enterprise funds. Our support departments are administration, IT, HR, finance and the clerk's department. And during our general government budget process approved in that budget was two new positions for IT, a part-time HR employee, an open town hall forum, backup internet service at the Prange and RecPlex. These are all in the administrative departments which support all of our enterprises and, therefore, are allocated out to each of the funds. Sewer is given 12 percent of the total cost of these programs for \$20,000 being allocated to sewer.

So the next slide includes capital which John will go through the capital requests that he has asked for.

John Steinbrink, Jr.:

Capital is a continuation of our Cooper Road rehab to reduce the INI. It's a relining program. Cooper Road is one of the older sewerage areas in the Village built in the '50s, and it was built out of clay pipe. The clay pipe they don't have the nice tight seals like they have with the newer subdivisions with the PVC and the rubber gaskets. It was just pieces of clay that were put together. Those are really starting to leak. So we've gone through and we've lined a majority, probably about 80 percent of that Cooper Road basin area with a poly lining inside the existing clay which makes it like an impervious surface as a whole. And so this would be the last year that we have to address the mains to make sure that all the mains aren't leaking. After this we're going to start progressing to start sealing the laterals. And then that should eliminate some of the basement backups, some of the flooding that we have during wet weather in that Cooper Road area.

I guess, for example, why is this so important? Back probably 12 or 15 years ago if you take your average flow, how many gallons that you would have during a rain event, you would have about 15 times more flow because you have so much water infiltrating into the sanitary sewer. The utility was successful to take off some of the basement drains and sump pumps and different things like that out of there, and we brought it down to where it's only leaking like maybe ten times as much per se. And so our goal an average we'd like to see that around like a four factor for a peak. Because the sanitary sewer is only designed to handle X amount of sewage from your toilets, your drains in your house. and a small amount of infiltration is just going to happen by attrition. And so by narrowing this down we're going to stop the basement backups, and we're going to save money on treatment costs.

The next one that we have is rebuilding a lift station. We're looking at rebuilding the lift station located on 63rd Street just off of 165. And that station was built in the mid '90s. It has exceeded its useful life. It's an old style lift station. We're looking at putting in new pumps, the generator is going to go there, new control panel, newer technology that's going to assure that we don't have any backups in that area. Cost is \$100,000. We'll be doing the labor in house with our crews because we can do it cheaper, and then it trains these guys exactly to troubleshoot things

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because they spent the time to put it together. We have the equipment and the staff to do it, so we're going to save some money by doing that in house.

The next one that we have is the Heritage Valley lift station abandonment. About three years ago we put an interceptor line in when the Sewer D treatment plant was abandoned. Now by having that interceptor line in we can connect to the main where Heritage Valley lift station is. And so we can actually eliminate a lift station by connection a main to that interceptor line. And so the \$60,000 is doing some of the engineering design, and then the land acquisition through a current farm field. And then we're looking at 2015 actually doing the construction of that pipe and all the work. And we've been working with the engineering department for a design and acquisition for that. So it's kind of a multi-phase project. But this is just the first phase of it. And then we won't have the \$100,000 in a couple years that we would have to rebuild the lift station. We can just abandon it, be done with it and save that money. Put that \$100,000 that we would for replacing everything into abandonment of it, no electricity charges, no maintenance charges down the road which is the goal.

A generator lift station \$30,000 includes the generator itself for 63rd, the transfer switch, the control to make sure that as soon as the power goes out the lift station is powered by generator, the transfer switch hits, estimated at \$30,000. Repaving a sewer site, we try to take one sewer site every year and to repave it, the asphalt, so the guys have access to it in wet weather when it's muddy out. We still have a lot of sites that are still gravel sites. It's very hard to get to when it's muddy, when it's snowy and stuff like that, so we're looking at doing that.

The final part of our finance and payroll HR software, Kathy [inaudible] has been very successful upgrading a new financial package that puts everything on the same page. As a department head that's going to be super to have when this is all done to find all your resources. It's going to be a really nice tool to have for that amount. The Intramap is split with water. That's a management software that interfaces with our City Works software that kind of lets us know how we can predict how much work has to be done throughout the year for scheduling. And so we know we have to clean X amount of feet of main, exercise so many valves, so many hydrants. And that's a tool that we can use to assist us with that.

And then our SCADA upgrade is our computerized software that runs our sewer and our water systems that tells the pumps when to turn on, it tells us when a tower is too high, it sends off an alarm. It does all sorts of good things by itself. And we're currently on the same server, on the same platform that we had when we started that back in the mid '90s, and it's just obsolete. It's reached its useful life. We've been working with our IT department, and we came up with a good solution to update the server and the software for a total cost of \$16,000 split between sewer and water. So the sewer will absorb the \$16,500. And so the total capital just over \$330,000.

Kathy Goessl:

So that's the presentation of our sewer budget. We can talk about or have questions on the sewer, otherwise I can continue with the water presentation, and we can talk about both of them at the same time.

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Monica Yuhas:

Let's continue.

Kathy Goessl:

Okay. I have a similar presentation for the water utility. Here's a summarization of our operating revenues, operating expenses and our non-operating revenues. Operating revenues are projected to be up by a total of \$128,000. Residential is up the most at \$95,000, commercial \$40,000, public fire up \$29,000 offset by a decrease projected in industrial \$54,000. Operating expenses is an increase of \$25,000 mainly due to the new program requests of \$26,855 which we'll discuss shortly. The net non-operating, again, is the interest expense on debt offset by interest income. A slight increase because interest income decreased more than interest expense.

The transfer is an increase of \$46,000 all because of an increase in the amount of taxes that are paid by the Water Utility to the Village of Pleasant Prairie general government. There's a formula set by the Public Service Commission which takes the assets of the utility and takes the rate from the general government tax levy and figures out what this tax should be, and this has increased this year because our assets have increased and also our mill rate has increased. Cash balance is going to be increasing or projected to increase \$325,000 up to \$1.7 million for 2014.

Our operating revenue for the Water Utility our biggest still here is residential at 38 percent, but not as big a percent as it is in the sewer utility. So its \$1.5 million or 28 percent is residential revenue. Industrial is 26 percent or \$1.1 million, their second biggest category. Our top four water users for industrial is Wisconsin Electric Power Plant, the Fair Oaks Farms, Olds Products and Uline which accounts for almost three fourths of the industrial sales of \$1.1 million. Fire protection comes in next at 22 percent. This includes both private and public fire protection at .9 million. Commercial is the fourth at 12 percent or .5 million. The top four users are St. Catherine's Hospital, Hidden Oaks Apartments, Westwood Mobile Home Park and Wisconsin Electric which account for a quarter the revenue in this category. Public authority [inaudible] is the smallest at 2 percent or \$80,000, that's the Village and school districts mainly.

Expenses, again, just like sewer our biggest expense here is our purchased water which we purchase from the City of Kenosha at 43 percent or \$1.5 million expense in this category. The next biggest category, just like in sewer, is depreciation which accounts for 29 percent or \$1 million. This recognizes a cost of the infrastructure, the water mains, the hydrants over their useful life. This is a non-cash expense when we actually recognize it in our budget. Infrastructure is mainly either donated by developers or installed and paid by special assessments.

Personnel comes in third at 15 percent or .5 million. Other is 11 percent or \$385,000. It includes electric that counts for one fourth at \$95,000 plus contractual services, some minor equipment, office supplies and phone. Again, the smallest is the ISF which is a charge for the use of equipment and vehicles owned by the fleet internal service fund that's charged out based on a rate per hour when used by the Water Utility.

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The new programs which John can go over, there's four new programs. One is the utility located in house which John explained earlier, and the Fund 100 support department which I explained earlier in the sewer utility, but we have two new ones at the top of the list.

John Steinbrink, Jr.:

The last two hydrants Kathy spoke of the first one is paint and mark the water hydrants. It's just a standard maintenance on the water hydrants. We want to make sure that they're painted properly with the correct reflective paint so that the fire department can locate them at nighttime. And then we want to have some markers on them especially in some of the key rural areas where drifting is a problem. And it's really more of a problem this year or this winter than I've seen in the past because there's a lot of drifts taller than your average two and a half feet of a hydrant. And so the markers go on one of the top bolts up on the top. It's flexible so if a fireman has to open it up they can just bend it back, spin the hydrant open, but they can still identify where it is during a fire. And also more importantly our snowplow crews aren't plowing into them when they're trying to push the snow back also. We're looking to do about 10 or 15 percent of our hydrants every year. And that's really what we have staff to do on a regular basis. So about every 8 to 10 years we'll have them repainted with the reflective paint that's recommended by the fire department.

And then the last one is to inspect our 93rd Street reservoir booster tank. That's the one that's just off of Green Bay and Dabbs Farm Drive. It's a five million gallon reservoir that was constructed in the '90s, and it's just part of standard maintenance on it. And so we're not going to drain it, but we actually hire a specialized dive team that goes in and does an evaluation of what the tank looks like just to make sure that it's functioning properly, that we can catch any minor maintenance items that we have to do before it becomes a major item. And so it is a large tank, and the \$6,000 is something that I would not want to have to do myself, go in there. So these are the programs that are recommended for the Water Utility.

And then for capital we have -- you'll see a lot of meter replacements in there or new meters. In the past we really had everything just capitalized into one account, and we had a hard time kind of managing where everything was going. And so Kathy recommended breaking them up into separate accounts which makes a lot of sense. And so the price for the new residential meters is just what it says. Anytime that someone comes in, builds a new house, we need to put a meter in, we need to put a horn, we need to put the radio transmitter in their, program it, and so we're estimating just over \$22,000 for that.

The residential meter replacement is a little bit more money because the PSC, the Public Service Commission requires that we change all of our residential meters one inch and smaller every 20 years. And so with just under 4,000 meters we've got to change a couple hundred every year on average. And that's just the price of changing those meters out. We can't recalibrate those meters anymore because the federal EPA just passed a low lead rule nationally. And so it really says that you can't have any brass that has any of the higher levels of lead in there. And it's something that they just do as a protective cause. I mean the amount of lead that's in brass is so minute right now, but they're actually squeezing that down to next to nothing in all of the brass found in a public water utility for human consumption. And so that's just replacing those meters

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with a plastic meter that we have. It's a mag meter, it's a very efficient meter, and we'll probably catch a little bit more flow.

The next one that we have is Traverse City hydrant replacements. That's estimating about three or four hydrants. As they go bad we just replace them. We have three different types of meters in the Village, and the Traverse City are ones that they just don't make parts for anymore. And so as they go bad we just budget to replace them with some of the newer style hydrants. The water meter upgrade is the same thing. We're just taking some of those larger water meters that we use in our industrial and commercial base anywhere from an inch and a half meter all the way up to a six inch meter and just replacing those as they need to be replaced.

Paving sites is actually paving where we painted a tower last year at the 165 water tower around the 5700 block of 165. We got the painting done late in the year. There's a lot of cell carriers on there. And so we had to wait until the carriers are out and then they're building some new huts in there. And so we just didn't have enough time to pave it at the end of the year. So this is actually carryover from last year.

The last one is water meter radio upgrades. There's different ways that you can read water meters. You can go in the house and just physically read the meter. You can go up and you can do what's called like a touch pad. You take a little unit, you walk up to the house and you put a little touch on it. Or you can do it via radio read electronically. We've been working on upgrading all of our water meter technology for the radio read, and we'll have just about 50 percent of our water meters on this radio read after this year. This is doing about 300 or 400 homes, so it's about 10 percent a year that we're doing. It used to take us about two and a half, three weeks to read meters with labor because they would have to walk every house to house and put the touch on it. And now we have it down to about four days of a water meter reading. So we were able to cut that down quite a bit.

And then eventually our goal is to have all of our reading automatically with these radio reads where we won't have to have a guy out and read at all. And it's a much more efficient way to do the reads. And then we can actually tell hourly usage, and we can help property owners determine if they have leaky toilet or stuff like that or if they have a leak somewhere within their system, irrigation per se like that.

Then we have the HR payroll software which we talked about the Intramap which is our tool for predicting how much work we have to do within our utilities, and then also our SCADA upgrade that we're working with our IT department on to upgrade our server for our water and sewer controls. And that's a summary of the capital for the water utility just over \$200,000.

Mike Pollocoff:

One thing with the SCADA upgrade, what SCADA does is John uses it very well and at a high level to manage the Water Utility. What's that mean? He's got the system programmed so that we operate the pump, these pumps are enormous, and there's pumps at the Sheridan Road tank and you have to just visualize those pumps pumping all the way out to the interstate filling the towers, filling the ground storage by WEPCO. And he's got it working, and we're able to do it

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with the SCADA. You don't have some guy sitting there at a control turning he pumps off and on. The City does that. Theirs is all manual. But he's cut our utility expenses for pumping for power by almost \$25,000. That's \$25,000 that didn't get us any more pumping than we did before, but we're able to pump when the prices are less, we're pumping at night. And we've gone through two rate increases and our bills have actually gone down.

So there's one thing that's constant, we're going to always need electricity to operate that utility. But secondly the Wisconsin Energy is always going to raise their prices. So to the extent that this SCADA system and we've got a couple engineers that are managing this thing, we're able to tune that thing down and make it work so that we spent the smallest amount of dollars when we can. So when you look at spending \$16,000 in keeping that technology upgraded it pays back enormously. And also it runs our pumps more efficiently, we don't need to replace those as often, and it stops service interruptions where you actually have a failure in the system because you've over pressurized an area or you flooded a tower or what have you. So when you're thinking about paying that much money for a computer it pays for itself every year. And that will go on into perpetuity as long as we're pumping water.

Michael Serpe:

Can I ask a question, Mike? The City had in the paper the other day that two of their three inlets are frozen, and if the third one ices up it's going to cut off the water supply to the City. If that were to happen, with the amount of storage that Pleasant Prairie has right now how long could we last on normal use?

Mike Pollocoff:

In winter we could do four days. We would hope that they would take steps, that manageable. They need to manage that. I mean it's not a big secret that if you have an inlet in Lake Michigan or Superior or Huron that you've got to be able to melt that ice at those inlets.

Steve Kumorkiewicz:

I've got a question for Mike. We keep the reserves up to full capacity?

Mike Pollocoff:

Well, it manages it, but basically it depends on the time of year. We have enough water, as John said, for four days if we had no water at all. But we have to supply water so people have something to drink, take a bath. We have to provide water so that Fair Oaks farms can clean up when they're making sausage. We have water so that the power plant when they need clean water running at times that they run through the boilers, everything going on in the industrial park. And then we have water that we put in storage that we keep in elevated storage so that we can fight a fire. We've got to be able to fight fires and provide people with water and all that stuff. And that depends what's going on, what time of day it is, what day of the week it is, and that's what the SCADA system manages.

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And by virtue of the fact that we had that, if you think back the Kenosha Water Utility was asking for a 36 percent increase in rates. And John's system and the way we manage it we were able to prove that we don't use as much water from them, and we don't use it at the times that it's expensive. Although I still think it was excessive our rate increase ended up being 10 percent after the Public Service Commission reviewed it because we had the hard data to prove that.

This budget would have been -- if we would have had to sustain a 36 percent increase this budget presentation would have been ugly. The budget we're proposing we're able to not have an additional increase other than what the Kenosha share was because we're able to manage the utility where we're at given a 10 percent increase.

Steve Kumorkiewicz:

My question was more that knowing that we've got a problem with the system going to the lake, okay, the City does, not us, if for any reason a second line gets plugged and they're going to have only one line filling the system from the lake, that's what you're talking about having four days of a supply of water or we can have more supply actually?

Mike Pollocoff:

If we had no water at all coming from the City we'd have four days. They would be out of water. But you've got to remember this is the lowest demand period for water that you'll find. So it's not like the City is under a lot of pressure right now. They can get by with -- they probably normally wouldn't be taking water through all the inlets. So I think they have only one open and that's not that big an issue.

Steve Kumorkiewicz:

Right now.

Mike Pollocoff:

Right now.

John Steinbrink, Jr.:

We have 2.3 million gallons of average use per day in the winter, and we can store about 12 million gallons. And so that's where we get the four days plus you have a little bit left in the tank. So I think four days is accurate. And we are in contact with the City during emergencies when stuff happens. So they make sure to give me a heads up on my cell phone or just to let us know that something's going on. So I was aware of this, and we've been working with them to do whatever we can do to help them out.

Steve Kumorkiewicz:

Okay, thank you.

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Kathy Goessl:

Okay, the last couple slides are just general information on like debt and assets and cash in terms of all our enterprise funds. Our sewer, water, solid waste, clean water and also fleet internal service. Those are our five enterprise funds except for the RecPlex. Our 2014 principal at the end of 2014 you can see the only one really that really will have much debt is the sewer utility which will end the year at a little less than \$4.9 million. Our water utility will end the year at \$188,000 which means that next year, 2015, they will pay that off and they will be debt free. Just like the other three enterprise funds, sanitation, clean water and fleet internal service which are currently going to be debt -- well, sanitary is paying off their debt at the end of this year, and the other two utilities haven't ever borrowed. So we're looking really good with our actual outstanding principal.

Capital assets, these are the assets that are held by the different enterprise funds currently valued altogether at \$117.1 million which is actually down \$5 million from last year because of limited amounts of additions that we've had, and also the 2014 depreciation which totals \$3.8 million across all enterprise funds. And we also wrote off some assets that were under \$5,000 to comply with our current fixed asset capitalization policy. So you can see the sewer utility has the most assets at \$50 million. Water follows in second place at \$41 million. And our clean water utility has almost \$22 million of capital assets. And then our fleet internal service \$3.5 and sanitation less than half a million in capital assets.

Here's our cash summary of the utilities estimated at the end of 2014. We're looking at total cash of \$6.5 million unreserved and \$1.3 million reserved which will be up .3 million from 2013's estimate. The graph, the dark, is the unreserved, and the light pinkish color is the reserved. Sewer utility has a reserve required by the DNR. The water utility has a small reserve for future water tower paintings. On the other utilities we don't have any reserve funds in those.

What's important is what we try to get to for cash is to build cash up so that in the future we can replace our infrastructure. As you can see in the couple slides before sewer had the most in terms of assets. But here they're one of the smallest in terms of the percent of cash to the amount of assets they have. The water is even smaller at 2 percent. Then we have sanitation or our garbage collection at 35 percent and our fleet internal service at 34 percent. Clean water is a little bit better than our sewer and water at 10 percent. So across all enterprise funds in this graph cash of \$7.8 million averages 6.6 percent of our capital assets. With fleet internal service and our garbage collection with the lowest asset value of \$4 million has the largest coverage in compared to cash to their percent of assets.

So we want to grow our sewer and water for future replacements of the infrastructure. Our infrastructure is pretty new right now, but in the future it's going to have to be replaced. And instead of borrowing for that and incurring interest expense and stuff it's better for us to increase our cash reserves for future replacements of assets. We are asking for no increases in rates for either the sewer or water utility. The budget that we've presented are the same rates that we currently have in 2013 for 2014.

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So that's the end of my representation. We have two resolutions that we're asking to be adopted.

Steve Kumorkiewicz:

Make a motion to adopt Resolution 14-03.

Michael Serpe:

Second.

Monica Yuhas:

Motion by Steve, second by Mike. Any further discussion?

KUMORKIEWICZ MOVED TO ADOPT RESOLUTION #14-03 APPROVING THE 2014 SEWER UTILITY BUDGET; SECONDED BY SERPE; MOTION CARRIED 3-0.

Michael Serpe:

Move approval of Resolution 14-04.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO ADOPT RESOLUTION #14-04 APPROVING THE 2014 WATER UTILITY BUDGET; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

- D. Consider a Waiver of Liability and Indemnification Agreement between the Village and the owners of property located at 10536 2nd Avenue to allow for an existing 576 square foot detached garage and driveway to be located within the dedicated public walkway adjacent to their property.**

Jean Werbie-Harris:

Members of the Board, this is a request by Bruce and Charmaine Schafernak. They are the petitioners that are requesting that their detached garage and driveway be allowed to temporarily remain within the Village's own 20 foot wide public walkway which is located immediately south of their property, north of the Chiwaukee Prairie lands. The walkway was dedicated as part of the final plat for the Carol Beach Estates Unit Number 3 Subdivision back in 1948.

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The petitioner requested and received a zoning variance from the Village Zoning Board of Appeals on December 17, 2013 from Sections 420.46 B and 420-86 B (1) (b) [4]. This is to allow a 576 square foot detached garage and a driveway to have a zero foot setback on the south property line. Specifically it is actually in the walkway, and wherein a five foot setback typically would have been required for both the driveway and their detached garage.

According to their variance application the petitioner had purchased the property in September of 2010 from a property owner, Mr. Vandenberg. The petitioner believed that Mrs. Vandenberg purchased the home from her son, Neils Vandenberg, prior to his death. And they had purchased the home from their brother Rolland Vandenberg. So there are a number of different owners that have transpired since 2010.

Upon the petitioners consideration of purchasing the property they indicated to the Village staff that they had some questions about the garage and the driveway location. So they had contacted the owner, and the owner had told them that there was a special agreement that was in place with the Village. Unfortunately there was no special agreement that was in place. And when the Village staff had gone out to do the inspecting with respect to where the garage was located on the property it's believed that the property owner at that time had identified the property corners or the property markers on the property as his own when in fact they weren't. They were the property corners of the walkway.

So each time that the inspectors went out there to do various inspections of the garage, of the driveway and again most recently in the last six months out on the property, each time they were thinking that the property location was Mr. Vandenberg's property which is now Mr. Bruce's property which, in fact, it was really the walkway property. So what happened over the years is that this garage was built, the driveway was placed. The petitioner had made a request to have some replacement work done in his driveway. And after some replacement work was being done, some additional checking was done, aerial photographs were pulled, and everyone realized that the garage and the driveway were actually on the Village's walkway property, not on the referenced property.

So as you can see by looking at the staff notes, the comments and the staff memorandum there was a situation where a plat of survey was done with the original application. And in that original application it said that there would be a setback maintained of five feet to the lot line for the garage and driveway. Unfortunately when it was built it was not to be. They actually had placed it in the walkway. The property owner before he purchased the property came one more time to the Village just to confirm whether or not they were in violation or this property was in violation. And they went back to all the inspection records, and the inspection records all said that everything passed and everything was fine so they went ahead and purchased the property.

So the petitioners now went to our Village Zoning Board of Appeals, and all of this information was explained, all the details, and the facts of finding were introduced into the record. And the Village Board of Appeals made the determination based on all the facts of finding that it warranted the granting of the variance. But there were a number of conditions to the granting of the variance, one of which was the Village Board needed to agree to having this garage and this

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driveway remain on Village property, and that there be an indemnification and waiver of liability executed between the property owner and the Village.

And some of the conditions as set forth in the waiver of liability and indemnification really had to do with some specific things that I think that the Village would like to see happen. Number one, as you can see just south of their driveway there's like a very nicely mowed walkway. The property owner with this variance and approval of the Village Board would agree to continue to mow that walkway as long as he owns this particular property and whoever owns this property, and that would allow for people to walk on that particular area. Because, again, everything south of this is part of the Chiwaukee Prairie, and that's not really maintained or manicured lawn.

The second thing is that if that garage is ever damaged or destroyed by fire that it would not be able to be rebuilt at that current location. It would have to be placed almost behind the house at least five feet further to the north so that it maintains the setback to the south lot line. In addition there would be a restrictive covenant in the 20 foot walkway that prohibits the property owner from using the walkway or that mowed area for any type of storage, any type of mulch piles, fencing, signage, wood, any other equipment. So it would always have to be an uninhibited walkway for the public to be able to access.

With that I think that pretty much covers the particular request. I do have the petitioner and the owner of the property, Bruce is in the audience in the event that there are any specific questions that were not covered by the memorandum or the indemnification.

Michael Serpe:

I certainly understand the problems that they went through with this. But is there going to be a problem if he were to sell this property as is?

Mike Pollocoff:

Not if the indemnification is executed because it will run with the land.

Jean Werbie-Harris:

Correct.

Michael Serpe:

Okay, so legal nonconforming?

Jean Werbie-Harris:

Well, it is legal nonconforming with the granting of the variance. I mean it was an illegal structure and an illegal driveway until that variance was granted.

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Michael Serpe:

I wish every mistake that people made would look this good.

Jean Werbie-Harris:

But the petitioner is here. He didn't sign up under citizen comments, but I didn't know if you had any questions for him.

Monica Yuhas:

Bruce would you like to say anything on your behalf? If you could come up to the podium please and give your name and address for the record.

Bruce Schafernak:

Bruce Schafernak, 10625 3rd Avenue, Pleasant Prairie. I just appreciate the variance, and we don't plan on selling the property. It's being used for my aging family. So we're trying to finish it so we can get them in there. Just appreciate that the Board has done so far and your understanding to my situation. I bought it in good faith and tried to go the extra mile, and we've put a lot of effort into making it a nice home again.

Steve Kumorkiewicz:

Jeanie, do we have any [inaudible] approval from the DNR for that? We talked about in the Board of Appeals over that. The DNR agrees to the situation because they are adjacent to that?

Jean Werbie-Harris:

I did not receive any objections from Marty Johnson who manages the Chiwaukee Prairie or from the Wisconsin DNR with respect to this. And in fact my understanding of this is that Bruce has been working with the DNR in order to actually make sure that there is a mowed or maintained area adjacent to their lands for people to be able to walk on.

Bruce Schafernak:

If I may I can show you. We worked with them. Prior to us moving in this was all filled with garbage basically, a wood pile, railroad ties, and a lot of metal wire. Everything was dumped into this area here. And the DNR -- this was not open until we purchased the home. As soon as we purchased the home we brought in a dumpster and we started tearing everything out of this area. And at that time we were involved with the DNR, and they pretty much told us -- they put this sign in, and there's another one at the other end of the walkway there that they said if we can use this between my wife and the DNR personnel determine that if we maintain that line there that they'd be very happy. I think the DNR property actually is out here. They brought their sign back this far, so it was kind of a compromise between the two parties.

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Michael Serpe:

Monica, I'd move approval of the waiver of liability and indemnification agreement.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO APPROVE A WAIVER OF LIABILITY AND INDEMNIFICATION AGREEMENT BETWEEN THE VILLAGE AND THE OWNERS OF PROPERTY LOCATED AT 10536 2ND AVENUE TO ALLOW FOR AN EXISTING 576 SQUARE FOOT DETACHED GARAGE AND DRIVEWAY TO BE LOCATED WITHIN THE DEDICATED PUBLIC WALKWAY ADJACENT TO THEIR PROPERTY, SUBJECT TO STAFF COMMENTS; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

Monica Yuhas:

Thank you very much for coming tonight.

Bruce Schafernak:

Thank you very much. Appreciate everything.

E. Consider a Partial Termination of the 1998 Development Agreement between the Village of Pleasant Prairie and V.K. Development Corporation related to public improvements installed on Tax Parcel Number 91-4-122-082-0143 owned by Hospice Alliance Foundation, Inc.

Jean Werbie-Harris:

Members of the Village Board, this is a request for a termination of development agreement for Hospice Alliance Foundation. The attorney for Hospice Alliance, Attorney Robert Henzl, agent for Hospice Alliance Foundation, is requesting a partial termination and release from agreements entered into by and between the previous landowner which is V.K. Development Corporation and the Village of Pleasant Prairie. And this was for public related infrastructure improvements in the Prairie Ridge Development that were installed in the land areas located between 88th and 104th Avenues and south of Highway 50 as part of the approved final plat for the Prairie Ridge Subdivision Addition No. 1. The specific property that Attorney Henzl is requesting the partial termination for is identified as Tax parcel Number 91-4-122-082-0143 which is just north of Prairie Ridge Boulevard.

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Over the last 30 or 45 days Hospice Alliance purchased that property located just to the east of their property, just to the west of the hospital's property identified with the start on the overhead. And as part of that purchase they wanted to make sure that the property was free and clear of any liens or encumbrances that may have been placed on the property as a result of the V.K. Development. As you know, we have completed these termination agreements in the past. All of the improvements for Prairie Ridge as part of the Prairie Ridge Addition No. 1 subdivision and the original subdivision have all been completed, inspected and accepted by the Village of Pleasant Prairie.

So as a result they are requesting that specifically on their property that there be a release and that there no longer be any type of lien, encumbrance or restrictive covenant on their property with respect to the agreements that were originally approved. And, again, the termination reflects the original agreement that was entered into on March 2, 1998 between V.K. and the Village and the memorandum of development agreement that was recorded on March 12, 1998. Again, they're asking for release of these previous commitments that had been made by V.K. for the work that's been completed. The staff recommends approval of the partial termination of the 1998 development agreements for the referenced property.

Steve Kumorkiewicz:

So moved.

Michael Serpe:

Second.

Monica Yuhas:

Motion by Steve, second by Mike. Any further discussion?

KUMORKIEWICZ MOVED TO APPROVE A PARTIAL TERMINATION OF THE 1998 DEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF PLEASANT PRAIRIE AND V.K. DEVELOPMENT CORPORATION RELATED TO PUBLIC IMPROVEMENTS INSTALLED ON TAX PARCEL NUMBER 91-4-122-082-0143 OWNED BY HOSPICE ALLIANCE FOUNDATION, INC., SUBJECT TO STAFF COMMENTS; SECONDED BY SERPE; MOTION CARRIED 3-0.

- F. Consider a Set-Off & Release Agreement between the Village and Harpe Development, LLC related to the Whispering Knoll Subdivision and Harpe Development's obligations related to the Lien Release Agreement, and indemnifies the Village against competing claims to Harpe Development's special assessment refunds.**

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Jean Werbie-Harris:

Members of the Board, this is a request and a joint agreement between the Village of Pleasant Prairie and Harpe Development, LLC. Specifically it's identified as a set-off or release agreement to the Village. The Whispering Knoll Subdivision through this agreement contract net outs the Village of Pleasant Prairie and Harpe's development obligations with each other. It wraps up all the previous lien release agreements and indemnifies the Village against competing claims to Harpe's development special assessment funds.

And maybe the Village Engineer wants to go into a little bit of detail, but specifically there were some special assessment refunds that were owing to Mr. Harpe as a result of some overpayments for public improvements that were completed in Whispering Knoll Subdivision, and there were some additional funds that were deposited by Mr. Harpe as a result of the closing and purchasing of 15 lots in that subdivision. And the way an agreement was set up with the Village was that he purchased 15 lots, and for the first 8 lots that he had closed on and sold in that particular subdivision that there would be a partial release to the Village for the special assessment funds for a total of \$35,000 which was, again, spread over the 8 lots.

And so what we were doing is each time he sold a lot we would release the liens from one of those lots. Well, because of the funds that we had left and available we were able to refund some of those funds to Mr. Harpe, and he's decided that he would like to satisfy all the outstanding mortgage liens on all of the remaining lots with the Village. And he's also like to assist the Village with respect to any additional funds that we had left owing for the public improvements. So this agreement accomplishes a great deal for both Mr. Harpe and to the Village. And it satisfies any outstanding special assessments so there's no monies owed by any further residents in the Whispering Knoll development and the subdivision is complete.

Monica Yuhas:

Jean, I have to tell you Mr. Harpe has restored my faith in developers by coming through on this, because it have turned really bad quickly. And it just shows with him being a developer in the Village he did the right thing and came forward, and it's nice to see.

Michael Serpe:

I would move approval of the release and authorize the Village Administrator to sign the agreement.

Steve Kumorkiewicz:

I'm going to second that.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

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Steve Kumorkiewicz:

I think the rest of them are going to be very happy about it.

Monica Yuhas:

I think so to. Okay, we have a motion and a second. Any further discussion?

SERPE MOVED TO APPROVE A SET-OFF & RELEASE AGREEMENT BETWEEN THE VILLAGE AND HARPE DEVELOPMENT, LLC RELATED TO THE WHISPERING KNOLL SUBDIVISION AND HARPE DEVELOPMENT'S OBLIGATIONS RELATED TO THE LIEN RELEASE AGREEMENT, AND INDEMNIFIES THE VILLAGE AGAINST COMPETING CLAIMS TO HARPE DEVELOPMENT'S SPECIAL ASSESSMENT REFUND; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

G. Consider an Agreement and Waiver of Special Assessment Notices and Hearing and Partial Termination of Agreement for SB1 Pleasant Prairie, LLC for STH 50 properties located in the Prairie Ridge Development

Jean Werbie-Harris:

Members of the Board, this is an agreement and waiver of special assessment notices and hearing for a partial termination agreement for SB1 Pleasant Prairie, LLC. This is for properties located in the Prairie Ridge development. The purpose of the staff memo and this request for this agreement this evening is to address that special assessment agreement for five original parcels of real estate located in the Prairie Ridge development. And for our purposes they're identified as parcels 1 through 5. They're all located in the central portion of the Prairie Ridge development south of Highway 50 between 91st and 94th Avenues. So there are parcels that are located in this vicinity here and in this area.

So there are five parcels that were acquired by SB1 when they went up for sale or auction when VK no longer could maintain the properties. And with those parcels there was a prior memorandum of understanding and waiver of special assessment notice and hearing that was entered into between V.K. Development and the Village of Pleasant Prairie that had been recorded on November 9, 2007. This prior agreement that was provided for indicated that among other things that there were improvements that were to be completed to Highway 50. And VK had indicated that there were certain costs to those improvements, and he agreed that these five properties would be liened or there would be basically restrictions on these properties until this money would be repaid to the Village for future improvements to Highway 50 when Highway 50 was improved or when there was enough development to warrant based on the traffic that these improvements be made to Highway 50.

Subsequent to that there was also a memorandum of agreement or understanding with the Wisconsin DOT between the Village and the DOT that specifically addressed the costs involved and what the Village's involvement would be with the DOT. Then following that there was another agreement that was entered into, and that really addressed the Village and the DOT

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agreement that's current today with respect to the major improvements to Highway 50 from basically 43rd Avenue all the way out to the interstate.

So what the staff did was we sat down with the current owner, SB1, as well as the attorneys, and we hammered out an agreement that would help us put together how these special assessments could be paid based on these change of circumstances, the change of conditions, the newer cost estimates that we have for the improvements of Highway 50. So the purpose of this agreement then is to resolve all of that issue by identifying the specific properties and the repayment schedule and to identify when these repayments had to be made back to the Village and we would fix the costs. The original agreement there was more of a floating that when the construction took place then we would take a look at what those costs were, or when a certain period of time occurred then we would take a look at the costs. And what we're trying to do is just fix the costs.

And what we're doing is as each of these parcels are developed, divided or sold that there would be a fixed amount of money that would be repaid to the Village to help defer those costs for the future public improvements to Highway 50. And, again, if there is a land division that occurs amongst any of these five properties there would be a pro rata share or a partial release of this lien for the costs that are paid to the Village of Pleasant Prairie.

So before you have an agreement and waiver of special assessment notices and hearing under Section 66.0703 of the statutes. The staff memo does go into a little bit more detail of what those construction costs as estimated by our Village Engineers have been determined to be, and that is \$1,602,092. And, again, it's being split over the various five properties. But the way it's being set up is that we have it based on a square footage area so that if there's so many square feet of land that is sold, built, conveyed then that is the proportionate share of assessments that has to be paid to the Village of Pleasant Prairie. And we also put a sunset period of ten years from the date of the agreement. So it would be by 2024 or the land develops sold or divided, whatever comes first that that entire amount would be repaid to the Village by the owner, and that those amounts would not be increased.

So the staff recommends approval of the agreement and waiver of special assessment notices and hearing. This agreement, this partial termination agreements, there's a format so that as they go through the process and repay some of these assessments that partial releases will be presented to the Village for release on those portions of lots or all of those lots. There's a representative here for SB1 if you have any questions with respect to the payment arrangements that we have worked out with them.

Michael Serpe:

Have we ever done this before?

Mike Pollocoff:

Yeah. I think to give you a quick synopsis of this, if you think back to the time VK was developing we knew we were going to be getting with some unknown local share for the Highway 50 improvement. And traffic that VK was preparing was indicating how much more

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that was going to be. Time has gone on. The Highway 50 project actually became queued up, started. We entered into an agreement with the City and with the Wisconsin Department of Transportation indicating how much we're going to be paying which is about \$3.2 million for our share. There's part that has been paid for. VK paid for part of it. There's been some other developments along the way where they've had to -- thinking back to Johnson Bank, an issue with Chili's where this had to be paid.

And the issue here is that, as you can see, the parcels up there, and Jean can show them with that pointer, but they're largely undeveloped right now. And part of the issue was to VK's advantage he was developing the shopping center, and he pushed the cost for the improvements off to these parcels that hadn't been developed. As Jean said the process we were going to pay the costs then in effect at the time which is what we typically do on a special assessment and waiver. We might not know what it's going to be, but if the developer or the property owner is willing to pay the assessments, whatever that is in effect at the time, we're all set.

Well, time has gone on. We have a really good idea, I mean it's not a bid number but there's a lot of engineering that's been done so we know what the number is. And I think the real issue was if there's a risk in this the risk is setting the price at the \$1.6 million, and it could come in at more, a greater amount. But what the developer is getting is they have a certain method that they can rely on as they market this property to say it's so much per square foot, and they know that price is going to go up. They don't know how the land is going to be developed so they don't really know what the lots look like here. So this gives them an incremental way to deal with it by putting an end to it. Our exposure is really limited out to ten years. Mike feels that's a good number and we'll deal with it. But we were starting to spin with this thing trying to think how that original agreement could be activated and enforce. And it got to be there were too many variables. This way there's limited variables. We have a set cost per square foot, and we have a set time and we have a set amount.

Now, we deal with this every time we do a special assessment. When you think back when we do a special assessment there's that number, and that's the number that's going to be specially assessed. If we have to change it we have to come back and open up a hearing. In this case we're agreeing up front as part of this special assessment agreement that this is the number. And I think given the level of engineering we have right now I'm not that concerned about it.

Michael Serpe:

The developer is on board with all this?

Mike Pollocoff:

They're on board. I'm not sure they're happy, but this was one way to solve the conundrum. There's all these questions of assessing the benefit of the improvement. But I think everybody's worked through this the best they can.

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Steve Kumorkiewicz:

Mike, the part of the OT 233?

Mike Pollocoff:

[Inaudible] 233?

Steve Kumorkiewicz:

Yeah.

Mike Pollocoff:

That's what drove the original agreement was the Trans 233. That in effect doesn't happen anymore, but that's what drove out original agreement with DOT and VK's original.

Steve Kumorkiewicz:

We had one with [inaudible] I remember that. Okay, thank you.

Monica Yuhas:

The representative from SB1 would you like to come please? And if you could give your name for the record.

David Gallo:

Yes, ma'am. David Gallo with Madison Realty Group on behalf of SB1 Pleasant Prairie, LLC.

Monica Yuhas:

Okay, is there anything you'd like to add?

David Gallo:

Actually I think staff's done a wonderful job explaining it. I think the Village Administrator is correct - we're willing to do this. We're not real happy about it. It's a big number. But I think at the end of the day we had several challenges. One was the old agreement because of the change in circumstances was really hard to implement and for us to try to explain to a potential buyer of one of those lots. And even more important because the number wasn't fixed until the improvements got built somewhere down the road it was really tough to market this property because nobody knew what their exposure was. So I think we've now cooperatively worked with staff and come to a resolution. And it probably is one of those where sometimes the best resolution's when neither party is happy and they're both equally unhappy. I think we're there.

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Monica Yuhas:

Thank you.

Michael Serpe:

Do you have many people looking right now?

David Gallo:

You know it's been very slow. The answer is, yeah, we do have a little interest. Nothing that I can really share with you or hang my hat on at this point. We're working hard. We believe it's a great site. It's just a matter of the development climate has not been good for some time now.

Michael Serpe:

I saw the stock market today, it agrees with you.

Steve Kumorkiewicz:

Very good, thank you.

David Gallo:

Thank you very much.

Monica Yuhas:

Thank you.

Mike Pollocoff:

I'd recommend that the agreement be --

Michael Serpe:

So moved.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

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SERPE MOVED TO APPROVE AN AGREEMENT AND WAIVER OF SPECIAL ASSESSMENT NOTICES AND HEARING AND PARTIAL TERMINATION OF AGREEMENT FOR SB1 PLEASANT PRAIRIE, LLC FOR STH 50 PROPERTIES LOCATED IN THE PRAIRIE RIDGE DEVELOPMENT; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

Monica Yuhas:

Thank you.

H. Consider a one-year Service Agreement with Peak Democracy to utilize online public forum software.

Chris Lopour:

Members of the Village Board, you have before you a service agreement with a one year term and a related exhibit for a public forum software created by a company named Peak Democracy. And the software is called Open Town Hall. Basically what this is is it's software that we can easily attach to our Village website, our existing site, and we can take the information that would be presented to the public on a topic through a Village Board agenda or a Plan Commission agenda, and we can put that out there in as little or as much detail as a resident would like to see. And we can attach exhibits such as maps, or if we had any other type of pdf document or images we can attach that as well and give residents a really big view of a municipal topic and then solicit their feedback.

Through Peak Democracy's product we can solicit many different types of feedback. We can ask for just a comment or an input. Or we can ask for them to prioritize something for us. There are many different ways that people can provide input. The one thing that's unique about this product I guess benefit right off the bat would be that residents can provide feedback on a municipal topic without having to come to a meeting like this and stand here at a microphone when other people behind them might not agree with their opinion. So it makes a very comfortable area for people to share their opinion.

Secondly, and this is I guess to me the best part of their product is they provide monitoring of the product so that when people solicit feedback it's absolutely civil. They can submit one comment per topic after they read through the information. It has to be civil and it has to be on topic. They can't game the system by going through and entering or responding to other peoples' comment or adding a new comment on top of it. They basically get one opportunity to provide feedback, and it has to be on topic. All of the people who can respond to this online have to register their product with an actual physical address and their IP address so their online address as well. And then Peak Democracy goes through and makes sure that those two jive so that you don't have one person with one physical address and several email addresses gaming the system by, say, sending in five different opinions on the same topic.

On the tail end of that once you get feedback back from people Peak Democracy has a lot of tools that are not just available to us as a Village staff or to you as a Village Board, but they're visible

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to the public. Anybody who goes out to the site can see the feedback. But they pull it out in a way that's really easy to process a lot of information really quickly. So it would become an extra tool for us to get feedback that is useful to us and could supplement the decision making process. Not control the decision making process but supplement it. So at that point does anybody have any questions about the product?

Michael Serpe:

Would this have any -- would you have feedback on an agenda item?

Chris Lopour:

We would choose which topics go out there. Each topic would have to have quite a bit of information, and so I use an agenda topic as an example because, say, Jean puts together a Plan Commission agenda. Each item has so much information, we can put that out there in an easy to read format with attachments. And so that's why I say agenda item. But we would pick and choose. We wouldn't put everything out, we would be overloaded and inundated with feedback. But the ones where it really affects the residents or we would really like some public feedback.

Michael Serpe:

I guess what I'm getting at is if you put an item out there that's on the Plan Commission agenda or the Board agenda and somebody makes a statement about that item, are we required to incorporate that as a part of the hearing?

Mike Pollocoff:

No, it doesn't suffice for a public hearing. It's just another vehicle or tool for a governing body or a recommending body to use. An example of an issue that we need to deal with this year is burning, open burning. We're not in a non-attainment area, and the Village allows burning of leaves. Well, we're a really diverse community in the sense of what size lots we have. You have somebody who has 40 acres of trees, and typically they would burn their leaves or they would do something else. So that's probably going to be one of the first things we're going to test is put the question out there, the alternatives, the issues, get that out there and get feedback from people before we really start drafting an ordinance to do it. I think there's a lot of different ways.

Just look at our agenda tonight. I don't know that it would be important to put out the issue of the sidewalk or the walkway. We could get feedback, but people give feedback on that now because that's on the website they could do it, but this is a more structured way. But some of the other issues that are probably more ongoing or more vital or where the Plan Commission or the Board or one of the entities are looking to get as much feedback as they can it enables -- and it's not like you're reading the public comments that you see in some of the newspapers where you have a lot of trolls that are just going on and on and on and on because that doesn't really provide good feedback. That tells you that there's typically ten angry people that have a lot of time to spend on it. This is going to be a more structured method where we can get feedback and know where it's coming from. It will take feedback from people outside the Village but we'll know that when we

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get it. This is really meant to be a tool. It's not to supplant what a Commission is going to do, and it can't by law supplant a public hearing.

Michael Serpe:

Right. I just don't want the people to think that because they can sit there on their keyboard and write a comment that it's going to be made a part of the Board proceedings.

Mike Pollocoff:

It will be part of the Peak Democracy file that will be online.

Chris Lopour:

Peak Democracy kind of formatted their software, actually they did a very good job addressing a lot of these issues when they presented the software and when they put it together. They're very careful not to give the impression that we're taking a vote and that the majority rules on this topic will be a deciding factor. They're really careful not to pose it that way. They're really more about sharing information, getting feedback, and then their tools to see the feedback are really neat.

So they have a map, say you've got a project area and you locate that on a map on the software. And then they have shape files associated with that. You can see the feedback from the people who have registered. You can see their proximity to the project. You can see if they're within our municipality or from without our municipality. You can choose to look at just feedback from our municipality or feedback from anywhere. And then they have things like word clouds. So let's say we put a topic out and it's a hot button topic and we get a lot of feedback. Basically this word cloud will enlarge the words that are used most frequently. And so you can see where peoples' focus really is, and you can address those areas first. So it's not really a way for people to take a vote or say we wanted this and you didn't do it. Peak Democracy was really careful to structure it so that that didn't happen.

Monica Yuhas:

Chris, is there a limit to how many times we can put something out on the website?

Chris Lopour:

The one year service agreement that you have in front of you is for an unlimited number. It's for a one year period, though. So basically we could do as few or as many as we'd like with that amount. As we go through the process that service agreement also includes Peak Democracy's help. Not only do they monitor the forum online for civility and for being on topic, but they also come through and each time we want to post a topic -- they have other communities throughout the country, actually throughout the world who are using their product. And we can go through and do a search for a topic. We can click through and see what these other communities have done on this same topic and decide if we'd like to model it the same way they've done it. And

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then Peak Democracy will come back and help us phrase the wording and how we -- they help us I guess hone in on what question do we really want to ask, what's the most valuable piece of information we can pull from this. And so they give us advice there as well, so it includes the services as well.

Monica Yuhas:

And do you feel that the six hours that are in this contract to develop the software is going to be enough for this service for a year?

Chris Lopour:

Actually I asked about that because I wasn't quite sure what that was for. That six hours is separate from the time it would take for them to customize this on our website. Basically we can call it a different name if we'd like and they'll attach it to our website, and they'll make it match the look and feel of our website so that people know it's coming from us. And then they will go through and monitor. But those hours are separate from the six hours. So the six hours that are shown in the contract are actually for supplemental uses.

So like some communities have gone through and decided that they didn't just want it as part of their website. If they were working on a comprehensive plan they wanted a whole separate site just for that project. So that's where these extra six hours would come in. If we wanted something over and above what was in the service agreement we'd have six hours to make that happen.

Monica Yuhas:

I see, thank you.

Michael Serpe:

Having a presentation like that it would be hard to deny. So move approval.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO APPROVE A ONE-YEAR SERVICE AGREEMENT WITH PEAK DEMOCRACY TO UTILIZE ONLINE PUBLIC FORUM SOFTWARE; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

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Monica Yuhas:

Thank you, Chris.

I. Consider a Memorandum of Agreement with the Wisconsin Department of Transportation regarding the design and construction of the Pleasant Prairie Park and Ride on Terwall Terrace in Prairie Springs Park.

Mike Spence:

Members of the Board, the park and ride project is using a grant from the Department of Transportation. And because of that there's a number of things that the Village needs to agree to in moving forward with this project. In addition, the park and ride project there's an agreement between the DOT and the DNR, it's called a cooperative agreement. And, again, that agreement stipulates certain things that have to be part of the park and ride project.

What you have before you is what's called a memorandum of agreement with the DOT. And basically this memorandum specifies a number of things that the Village has to agree to in completing the park and ride project. Most of these things are really things that we would be doing anyhow, but they require this agreement. Some of the key points is because of that inter cooperative agreement between the DNR and the DOT we have to get DOT and its management consultant involved in environmental decisions. That would be something to do with wetlands and so forth. It also stipulates that we have to design the facility in accordance with the DOT specs in an environmentally sound manner which is what we're doing as well.

The next item key point is that we have to use an approved construction management consulting firm during the construction of the project. We also are required to pay for the DOT's management consultant services during construction. This was part of the budget that we have estimated for the project as well. And the finally we have to keep the management consultant involved during the construction, and we've been doing that regularly during the design as well. So bottom line is this is an agreement that we need to have executed to keep moving with the project. And, as I said, we're doing these items anyhow. So I recommend that the Board approve this agreement.

Steve Kumorkiewicz:

So moved.

Michael Serpe:

Second.

Monica Yuhas:

Motion by Steve, second by Mike. Any further discussion?

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KUMORKIEWICZ MOVED TO APPROVE A MEMORANDUM OF AGREEMENT WITH THE WISCONSIN DEPARTMENT OF TRANSPORTATION REGARDING THE DESIGN AND CONSTRUCTION OF THE PLEASANT PRAIRIE PARK AND RIDE ON TERWALL TERRACE IN PRAIRIE SPRINGS PARK; SECONDED BY SERPE; MOTION CARRIED 3-0.

- J. Consider purchase of wetland mitigation credits from the Wisconsin Department of Natural Resources for the proposed Park and Ride facility on Terwall Terrace in Prairie Springs Park.**

Mike Spence:

Members of the Board, the park and ride project does have some environmental elements. As part of our design process we have recommended to the Department of Natural Resources that in order to mitigate the wetlands that we have to fill in as part of the project that we'd like to buy credits at a wetland bank. This is a process where if you're impacting wetlands you buy credits at an approved bank to basically mitigate what you're filling in.

On the park and ride project the figure before you -- on the park and ride project there's a number of areas where we are impacting wetlands. And this is the areas that we have to buy credits for. These particular areas add to about .37 acres. This area is .23 acres, and then this small area and this area here is .09 acres. So that shows the acreage that we have to fill in as part of the project. We had to go through quite an extensive process to get this approved because basically the DNR and the Corps you have to avoid wetlands pretty much at all costs. And we were able to demonstrate the need and the purpose for removing these.

So the specifics of the mitigation, as I indicated, what they do is they also make you mitigate at a higher ratio than what exists and depending on the type of wetlands that you're impacting. So the .23 acres of what's called fresh wet meadow wetlands has to be mitigated at 1.45 to 1 ration which will increase that to .34 acres. The .46 acres of shrub carr or alder thicket wetlands will need to be mitigated at 1.7 to 1 for a total of .78 acres. The bottom line is there's a total of 1.12 acres of wetlands that we have to buy credits for.

Mike Pollocoff:

I want to forward this to Rocco Vita so that he knows that wetlands should be valued at \$67,000 an acre because that's what we're paying for this. We have a real deal going here what we assess it for and what we pay for.

Mike Spence:

So I've contacted the Starr Wetland Bank, I believe it's in Marathon, north central, northern Wisconsin 1.12 bank credits. These credits need to be purchased by February 28th. And, again, as Mike just indicated the price per acre is established at \$60,000 per acre. So at the 1.12 the total that would need to be paid is \$67,200. I recommend that the Board execute the agreement and

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pay for these credits. This will allow the project to keep moving. I'd be glad to answer any questions.

Michael Serpe:

Can we get a second opinion?

Mike Pollocoff:

Are these weeds or are they really good weeds.

Michael Serpe:

Who helps pay for these?

Mike Pollocoff:

Who helps pay?

Michael Serpe:

Is the County involved?

Mike Pollocoff:

The County is giving us their grant. So fortunately there's a lot of grant money. And the TIF District is paying for the other part.

Michael Serpe:

I'd move approve to go to the bank and buy some wetlands or whatever you've got to do. I'd move approval.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO APPROVE THE PURCHASE OF WETLAND MITIGATION CREDITS FROM THE WISCONSIN DEPARTMENT OF NATURAL RESOURCES FOR THE PROPOSED PARK AND RIDE FACILITY ON TERWALL TERRACE IN PRAIRIE SPRINGS PARK; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

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K. Consider Amendment No. 2 to the Settlement Agreement with VIDHYA Corp. regarding the BP Station located at 10477 120th Avenue.

Mike Spence:

Members of the Board, the Village entered into a settlement agreement with VIDHYA last year back in May. Subsequently there was an amendment number 1 to the settlement agreement that was executed April of last year, and that was subject to the May 28th Village Plan Commission amended conditional use permit. On December 9th of last year VIDHYA submitted a written request to amend the conditional use permit and modify the settlement agreement.

The conditional use permit amendment was conditionally approved on January 13th of this year by the Plan Commission. This amendment would allow BP Amoco to continue to operate the gasoline station and convenience store subject to the Board of Trustees approval and execution of amendment number 2. The changes that were requested and we're recommending approval there's a number of them. The first item is analytic test parameter changes. Previously the testing didn't require lead, and that's being included in the new parameter changes.

The second thing that this amendment addressed was the discharged water standard change. Previously the owner has a discharge permit for the stormwater from the DNR. However, the permit from the DNR did not include lead. It was omitted when the original environmental engineer applied for a discharge permit. Over the past year we determined that lead was an issue that we needed to address. Therefore in talking with the DNR they've agreed to modify the owner's permit to include lead sampling and monitoring. So this item their standard will be 50 micrograms per liter which is a daily maximum or 18.24 micrograms per liter weekly average limit. So those are the limits that the DNR has proposed. And the owner did get the revised permit from the DNR last week.

The other item that they talked about or asked to change is the reporting requirements and the sampling. Basically the frequency has been changed to a monthly. The system has been operating for over a year now, and we're getting good data. So we agreed that in order to keep costs down that monthly monitoring reporting would be acceptable.

The other item that we agreed to, again, regarding lead we've asked the owner as a result of discussions with our environmental consultant that they install an additional treatment downstream of the existing carbon chambers. These are two additional filters. What these will do is they will take out any remaining lead that's in the groundwater.

This is a schematic. This is a room that's outside of BP. It's a treatment room. And these are all the facilities that they've installed. This item here is new. They're basically taking the effluent from the last carbon chamber and running it through two more bag filters to basically polish off the last of the lead that may be in the system. And then the effluent from that system is then discharged into the ditch on 165.

In addition, these were some of the conditions that were proposed by the Plan Commission as well. They're continuation of things that were in the original agreement. They are going to

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provide an investigation work plan that will look at the existing contamination in the ditch on the north side of the property. That's the first thing. And then the second thing is that they will be doing some additional groundwater monitoring on the east side of the station. That's the part that fronts the Culver's property. So they're going to be doing some groundwater monitoring to see the status of the groundwater relative to the property to the east and based on that they'll develop a plan. Once they have all this data they'll develop a plan of what they're going to do to remediate this site. That might be either removing the soil or encapsulating it with clay. That information on what they're going to be doing is going to be submitted to the Village by February 28th. And then we'll be getting the groundwater reports as well. And then based on the results of this investigation we'll know by April 30th, again, what the remediation will be. And then the next item would be to put a plan together, again, on how they're going to get rid of the contamination. And, again, they've agreed to coordinate this with reasonable access and approval of the Culver's property as well.

The substantial completion we've actually got two deadlines in here. The June 1st deadline is basically to have substantial completion of the north ditch area. That's the area that they've done some work previously. And so the intent is by June 1st to have that area remediated and have restoration started on that. The second item has to do with potential any work on the east side of the property toward Culver's. If we approve the plan -- and whatever that plan is from the date that the Village approves it the owner will have two months to do the remediation. And the reason why we made this a little more flexible because until they get the sampling and that we're not sure what they're going to have to do. So that's why we put some flexibility in there.

And then finally we did establish a penalty for the substantial completion at \$200 per day. So that would be in response to the dates that I just referred to. I recommend that this get approved. We worked with our attorney and we've worked with the attorney for the owner. We are all in agreement with this is the best way to proceed. The owner and the owner's legal counsel as well as our legal counsel and our environmental consultant are all here tonight if there's any additional questions.

Michael Serpe:

Mike, since we've been taking the samples is there any noticeable reduction in the contamination of what we're collecting?

Mike Spence:

Yes. Based on where we started the treatment system is working. As I had indicated the biggest issue we had was with lead. So now we have a firm direction on what we're going to do with lead. And as I've indicated before this is the first time now we have the DNR involved so there's a DNR limit as well.

Michael Serpe:

And everybody is on board with this? Okay.

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Steve Kumorkiewicz:

I've got a question. Mike in exhibit number 2, right there, when you've got in the bottom when you got from the carbon chamber [inaudible] filters, and I see bypasses, and the position indicates now all the bypasses are open. That means that the solution from the carbon chamber doesn't go through the filters? Are those operated manually or what?

Mike Spence:

Yes, those valves are manually operated. Just as a point of information I went out there today to check on the system just to confirm. And this is just a schematic, but the bypass valve was closed. We need that valve in case they're doing some maintenance or whatever on these filters they may need to bypass that. But generally that should remain closed.

Steve Kumorkiewicz:

Okay, thank you.

Michael Serpe:

Make a motion to approve amendment number 2.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO APPROVE AMENDMENT NO. 2 TO THE SETTLEMENT AGREEMENT WITH VIDHYA CORP. REGARDING THE BP STATION LOCATED AT 10477 120TH AVENUE; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

L. Consider appointments to the Plan Commission.

Mike Pollocoff:

Madam Chairman, the Village President is recommending that two appointments be made to the Plan Commission. One is for Judy Juliana to fill the remaining term for Larry Zarletti who passed away. That term would end on May 1, 2016. Of course, Judy is an existing alternate position. John is recommending that that position be filled by Bill Stoebig for a term to conclude on May 1, 2015. We had a really good crop of people, and John felt that Bill's experience, he has financial experience, that's what he does for a living. And he's been the leader of the River Oaks Homeowners Association for quite a while. But he'd be a good member of that Commission.

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Michael Serpe:

Move approval.

Steve Kumorkiewicz:

Second.

Monica Yuhas:

Motion by Mike, second by Steve. Any further discussion?

SERPE MOVED TO APPOINT JUDY JULIANA AS A REGULAR MEMBER OF THE PLAN COMMISSION AND APPOINT BILL STOEBIG AS AN ALTERNATE MEMBER OF THE PLAN COMMISSION; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

M. Consider Operator License Applications on file.

Jane Romanowski:

All four applications are recommended to be approved tonight.

Steve Kumorkiewicz:

So moved.

Michael Serpe:

Second.

Monica Yuhas:

Motion by Steve, second by Mike. Any further discussion?

SERPE MOVED TO APPROVE THE OPERATOR LICENSES FOR RICHARD JUDEIKA; LINDSEY MAIER; SHAZIA NAHEED; AND AMANDA TIBERIO; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 3-0.

8. VILLAGE BOARD COMMENTS

Michael Serpe:

I have two. The first one I'd like to give a laurel to the *Kenosha News* who is now going to require people sending Voice of the People their signature. Good move. Did I read that right in the paper?

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Mike Pollocoff:

Yeah.

Michael Serpe:

Okay, that's great. Secondly, I attended the Highway 50 plan at the Journey Church. I just have a pretty good concern over the jug handles that they're proposing, and let me give you my concerns. Right now for eastbound traffic on Highway 50 that wants to turn north on Highway 31 you have two lanes to make that left turn. Now they're going to require the traffic to I believe go around Johnson Bank in a single lane and then come out onto Highway 31. How and when I have no idea. But as many cars out on Highway 50 that are trying to make a left turn normally now all that traffic is going to be backed up and one at a time is going to be allowed to get on Highway 31 to go northbound. I looked at that thing and I said I don't see how this can work. And it's going to be the first one in the State of Wisconsin. I just don't see how this can possibly be an efficient way to move traffic.

Mike Pollocoff:

John and I and Mike Spence met at length with the DOT, the City of Kenosha, Kenosha County, and we gave them our reservations about this. A roundabout are used in areas, they're used in New Jersey quite a bit -- jug handles, I'm sorry. And we had asked that some other alternatives be evaluated. Of course, the State has been looking at all sorts of alternatives. The one that was initially preferred was a bridge, a grade separation having either Green Bay a bridge go over that intersection or else on Highway 50. And that met with uproar by all the businesses.

And where we were at is basically there was a couple other alternatives that involved modified bridges. There was an alternative to making the road wider which led to six lanes on each side pass through, three left turn lanes and two right turn lanes. So that profile, that intersection was just enormous in order to keep it -- and even then I think it was a C level, it was on the verge of failing the day it was opened.

I mean there were some alternatives that involved some extensive capital expenditures. But DOT indicated that this is all they would pay for because they felt it would work. And if the Village and the City wanted anything else that they would have to pay for the extras. I think that cost was upwards of \$30 million. So the Village President sent a letter off to DOT and indicated that since DOT feels this is going to work really well we're going to rely on their engineering expertise, and we're relying on them to make sure that the Village and the City suffer no economic damage because of this thing not being able to produce the results. And we've put them on notice of our concerns. That's where we're at. The Mayor agreed. He co-signed the letter and we sent it off to them.

They were playing some hardball with us on it, and that's all they're willing to pay for. So what we're getting is not the preferred alternative, we're getting the affordable alternative. After this thing gets up and running we'll be back there doing it again or some other alternative because you are going to be moving a lot of traffic through a one lane --

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Steve Kumorkiewicz:

You're going to be moving [inaudible] going to Meijer that's going to be the biggest problem.

Michael Serpe:

They're relying on the education of the drivers to learn this. And that's all well and good and it sounds good. But for somebody who is not native to this area that's going to come into that intersection and want to make a left turn somewhere on Highway 50 and 31 we're going to have a police officer out there like 24 hours a day.

Mike Pollocoff:

Well, they're going to drift to the left lane when they really should be drifting to the right lane.

Michael Serpe:

Yeah. They can do all the signage they want. Listen, I hope it works, but I just don't see how it's going to be more efficient than what's even there right now. I just don't see it happening. Anyway, I'm done.

Steve Kumorkiewicz:

You know when Meijer goes over there that's going to be a lot of traffic right there.

Monica Yuhas:

John, kudos to you on the budget with the sewer and utility. Not many communities can say that they've had a zero percent increase with both budgets. Great job on your managerial skills and doing what you need to do to keep your departments functioning.

John Steinbrink, Jr.:

Thank you very much.

Monica Yuhas:

And, Kathy, excellent presentation. You always do a great job on the budget and make it easy to understand. Appreciate it.

Steve Kumorkiewicz:

We all do, excellent job.

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Monica Yuhas:

Any other comments?

9. ADJOURNMENT

**SERPE MOVED TO ADJOURN THE MEETING; SECONDED BY KUMORKIEWICZ;
MOTION CARRIED 3-0 AND MEETING ADJOURNED AT 8:00 P.M.**