

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

SPECIAL JOINT 2007 BUDGET WORKSHOP MEETING of the VILLAGE OF FONTANA
BOARD OF TRUSTEES with the FINANCE COMMITTEE

Thursday, October 26, 2006

President Whowell called the special joint session meeting of the Village Board and Finance Committee to order at 5:03 pm in the Fontana Safety Building, 185 Douglas Street, Fontana, Wisconsin.

Trustees present: Roll call vote: Turner, Bromfield, President Whowell, Bidwill, Pollitt

Trustees late: Petersen (arrived at 5:04 pm), O'Connell (arrived at 5:23 pm)

Finance Committee members present: Roll call vote: Trustee Pollitt, Rick McCue, Jim Feeny, Arlene Patek, Drew Gilchrist

Finance Committee member absent: Lou Loenneke

Also present: Bob Carlson, Village Administrator Kelly Hayden-Staggs, Fire Chief Jon Kemmett, Library Director Nancy Krei, Village Clerk Dennis Martin, CDA Executive Director Joseph McHugh, Police Chief Steve Olson, Village Treasurer Peg Pollitt, Don Roberts, Public Works Director Craig Workman

General Business

Lighting on Highway 67

Workman stated that it became apparent earlier in the week that the wiring for the new light poles along Highway 67 was not properly planned to include an independent 4-gauge wire to power the 120-volt receptacles on the top of the poles. The receptacles are needed to plug in the Christmas decorations. The receptacles are included on the poles; however, the extra wire was not included in the plans. Workman stated that there is room in the wiring conduit for the extra wire; however, all the wiring has to be pulled through the conduit at the same time. Workman stated that the contractor hired to install the wiring noticed the error on Monday and the Village needs to purchase 18,000 feet of independent 4-gauge wire to be run to the 56 light poles. Workman stated that the initial contract price of 94 cents per foot for the cost of obtaining the wiring and installing it has increased since the contract was executed. Workman stated that the contractor gave him an estimate of \$1.90 per foot earlier in the week, or about \$20,000; however, Workman explored other options and located a source for the wire for 70 cents per foot. Workman stated that he had not yet obtained a quote for installing the wire. President Whowell stated that the administration and some officials have discussed the situation since the error was discovered earlier in the week, and the consensus was that the most cost efficient method possible should be determined to have the wiring installed for the 120-volt receptacles. President Whowell stated that it would be very difficult to determine what poles not to wire for the 120-volt receptacles, and it would make the wiring job much more arduous, so all of the new poles should be wired as initially planned. Workman stated that the project engineers, Crispell-Snyder, indicated that it was a subcontractor's error that caused the current situation. Workman stated that the subcontractor has since gone out of business. Following discussion on the cost, Turner stated that the CDA can take a look at the situation and determine if TIF funds can be used to pay for the additional work. McHugh stated that the \$6 million project currently is under budget and the wiring for the 120-volt receptacles always was in the plan for the Highway 67 project.

Turner stated that since the project is under budget, he does not anticipate a problem allocating funds for the additional wiring and associated installation work, and he will present the information to the CDA Board. Workman stated that he will continue to solicit quotes for the additional wire in order to secure the best price possible. Following discussion, the Village Board was in consensus that additional approval was not required for the wiring for the 120-volt receptacles since the item has been included in the plans and the 120-volt receptacles already are included on the poles. The Board directed Workman to acquire the wiring and contract for the additional installation work at a total price not to exceed \$20,000.

Final 2007 Budget Review

Trustee Pollitt stated that the budget was preliminary set at the last workshop meeting, but Hayden-Staggs and Treasurer Peg Pollitt completed a little tweaking to the proposed expenditures. Hayden-Staggs stated that the proposed budget calls for a 3 percent increase in total expenditures for salaries and fringe benefits. Other changes include the addition of \$1,800 to clean the ducts in the Safety Building, and \$6,000 to purchase a new voice mail system for the Police Department. A proposal to remove the unused telephone line from the Park House will save about \$400 to \$500 a year. Hayden-Staggs stated that the proposed budget calls for a 8.7 percent increase for total general government, however, it is mainly due to the capital outlay of \$34,500 for new accounting and permit software. Total operating expenses are proposed at the same level as in 2006. There are funds in the proposed budget for the potential hiring of one more full-time police officer, at the union contract level of a first-year officer with a bachelor's degree. Hayden-Staggs stated that the Fire Department budget was adjusted to account for some of the dues money to be directed to the purchase of the new fire truck. The fire truck purchase will be offset by borrowing for the funds. Fire Chief Jon Kemmett stated that the department does not object to the minor adjustments made to the preliminary budget. Hayden-Staggs stated that the Village could adopt a budget that calls for the same tax level as last year even with the addition of more funds for road construction projects than the initially proposed \$185,000. President Whowell asked Workman to put together the mileages of all the Village streets and roads located within the TIF district and the rest of the Village, and to look into the history of road reconstruction projects in the Village. Petersen stated that the Village should be reconstructing at least one mile of roadway each year. O'Connell stated that the Village Board also has to keep in mind the cost of the associated utility work when planning for reconstructing the surface of the roads. Turner stated that he cannot understand why the public voted against the referendum to approve the reconstruction of Third Avenue since the street is falling apart. Turner stated that the Village has to do a better job explaining why Third Avenue needs to be reconstructed and get the project approved next year. Petersen stated that Shabbona Drive also is in terrible shape and should be reconstructed. Hayden-Staggs stated that the Village Board should consider allocating more money for road reconstruction this year, and at least meet the state grant level of funding. In response to a question from Turner about the Park Commission budget, Hayden-Staggs stated that the capital outlay budget calls for allocating the \$10,000 for the trout stream restoration project to fund the purchase of new Christmas decorations and repair the old decorations. The total proposed levy of \$2,492,825 is \$113,000 less than the state imposed levy limit. The proposed mill rate of \$2.747 is the same as last year. Turner stated that the proposed budget shows that the Village of Fontana government is being responsible. Turner stated that although the Village has proposed a budget that calls for no increase in the total tax rate, residents still will be receiving more expensive total tax bills than last year because of a 26 percent increase in the equalized valuation of the municipality and an increase in the Walworth County, state and technical school levies. Turner stated that Fontana residents will be paying for greater portions of those tax levies because the rest of the municipalities in Walworth County only had a 14 percent increase in total equalized valuation. Turner stated that even though the officials in Fontana did a good job in drafting a budget that calls for no increase in the tax rate, the other budgets that comprise the total tax bill will cause an increase in total taxes for Fontana residents. Turner stated that one of the good aspects of tax incremental financing districts is that the Village of Fontana will not have to add the additional \$50 million generated in the Village

TIF District to its total equalized value until the TIF District is retired. After Turner made a motion to approve the budget as presented for publication, and it was seconded by Petersen, Hayden-Staggs asked if the Village Board wanted to add additional funds to the street reconstruction budget. Following discussion, the Board directed Hayden-Staggs to increase the borrowing for the purchase of the new fire truck to allow for the street reconstruction budget to be increased to \$252,000, or the same level as the amount of state aid received for the Village roads, and to keep the tax rate at \$2.747. Skip Bliss asked the Finance Committee to compare the budget with the Williams Bay budget and stated that he has done research on budgets. Bliss stated that he could provide copies of the Wisconsin Taxpayers Alliance to interested officials. Turner stated that they will look at the date and that the administration and Finance Committee will again look into the concerns stated by Bliss. Hayden-Staggs responded that the Finance Committee puts many long hours into the entire budgeting process from beginning to the completion of the preliminary budget, and she has had many conversations going over budget line items with Williams Bay Village Administrator Bob Carlson.

Turner/Petersen 2nd made a MOTION to approve the preliminary budget for publication as presented, with the condition that the total borrowing amount for the purchase of the new fire truck be increased to allow for the street reconstruction budget to be increased to \$252,000, and to keep the proposed tax rate at \$2.747, and the MOTION carried without negative vote.

Abbey Bridge

Workman stated that planning and construction proposals with regard to the bridge on South Lakeshore Drive at the Abbey Harbor have been discussed for the past three years. Workman stated that the current proposal to repair the 50-year-old bridge is to inject grout or concrete to solidify and fill the backfill soil under the bridge supports. Workman stated that by having the soil compacted and the surface layer blacktopped, the bridge will last another 10 to 15 years. Workman stated that since there are ongoing municipal projects and construction equipment in the Village at this time, the project will only cost \$10,000 to \$15,000 to complete this year. Workman stated that the bridge will not have to be closed during construction and at least one lane will be open at all times.

Turner/Petersen 2nd made a MOTION to approve the proposal to solidify and fill the back area of the Abbey Harbor Bridge at a cost of \$10,000 to \$15,000, and to complete the project this year, and the MOTION carried without negative vote.

Police Department 2007 Squad Car Purchase & Sale of 2003 Squad Car

Chief Olson stated that the Protection Committee considered three bids received for the purchase of a 2007 Ford Crown Victoria squad car. The Protection Committee recommended approving the \$20,577 bid submitted by Kunes, Delavan, with an associated three-year service contract and conversion work totaling \$1,500. The 2003 squad car will be sold on the Internet on E-Bay. The purchase will be funded with surplus funds in the 2006 budget. The Finance Committee recommended purchasing the new car instead of leasing. Bromfield stated that bids for a 2006 squad car were more expensive than the bids received for the 2007 squad.

Bromfield/Bidwill 2nd made a MOTION to approve the purchase of the 2007 squad car and sale of the 2003 squad car as recommended, and the MOTION carried without negative vote.

Street Sweeper Arrangement with Village of Walworth

President Howell stated that Trustee Bromfield and Sharon Village President Bob Carlson worked together on a proposal for the two municipalities to split the cost on the purchase of a street sweeper. After initial discussions at the League of Wisconsin Municipalities annual conference, Bromfield and Carlson contacted a provider and solicited a price quote. Hayden-Staggs stated that after learning of Bromfield's proposal, the Village of Walworth was contacted and the public works director, Bruce Nelson, offered the Village of Fontana an equipment/service exchange. Hayden-Staggs stated that the Village of Walworth offered to sweep the Village of Fontana streets when needed using the Village of Walworth's street sweeper at no cost. Hayden-Staggs stated that the

Village of Fontana would reciprocate by allowing the Village of Walworth to use the Village of Fontana wood chipper or sewer equipment when needed. In response to questions about how often the Village of Fontana would use a street sweeper, Workman stated about one time per month. Following discussion, the Board was in consensus that the equipment sharing proposal with the Village of Walworth is a great opportunity for the Village of Fontana and the Village of Fontana is not going to pursue a joint purchase with the Village of Sharon.

Adjournment

Bromfield/Petersen 2nd made a MOTION to adjourn the meeting at 6:22 pm, and the MOTION carried without negative vote.

Minutes prepared by: Dennis L. Martin, Village Clerk

Note: These minutes are subject to further editing. Once approved by the Village Board and Finance Committee, the official minutes will be on file at the Village Hall.

APPROVED: 11/06/06