

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

**SPECIAL MEETING of the VILLAGE OF FONTANA
BOARD OF TRUSTEES and the
2011 MUNICIPAL BUDGET PUBLIC HEARING
Monday, November 15, 2010**

Village President Arvid Petersen called the meeting of the Village of Fontana Board of Trustees to order at 630 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Village Board members present: Roll call: Tom McGreevy, Peg Pollitt, Cindy Wilson, Micki O'Connell, George Spadoni, President Petersen

Village Board member absent: Pat Kenny

Also present: Andrea Budde, Jim and Megan Feeney, Administrator/Treasurer Kelly Hayden, Rob Ireland, Library Director Nancy Krei, Jim Mann, Village Clerk Dennis Martin, Assistant Zoning Administrator Bridget McCarthy, Joseph McHugh, Building Inspector Ron Nyman, Sharon O'Brien, David Rasmussen, Margaret Reuland, Mike Sheyker, Jill Wegner, Director of Public Works Craig Workman, Robert Youngquist

General Business

Public Hearing – 2011 Village of Fontana Municipal Budget

President Petersen opened the public hearing at 6:30 pm. Hayden presented a comparison of the 2010 budgeted and 2011 proposed revenue, expenses, and levies with the TID included and with the TID excluded. Hayden stated that there have been no changes made since the budget was approved for publication. The proposed 2011 property tax levy for the Village budget is \$2,772,459, which is the same as last year. Total non-levy revenues for the General Fund are proposed to decrease by 26.24 percent from last year, and total expenditures for the General Fund are proposed to decrease by 12.25 percent in 2011. Hayden stated that because of the elimination of road construction projects in 2011, there is no borrowing planned in the budget, with capital expenses being reduced to \$121,217 in 2011 compared to \$1,132,164 in 2010. Sharon O'Brien, 465-I N. Lakeshore Drive, stated that she wanted to present a petition containing 111 signatures of Village of Fontana residents and property owners that states: "We the undersigned residents of the Village of Fontana on Geneva Lake hereby request that the Village Board immediately authorize the comprehensive redrafting of Chapters 17 and 18 as necessary to comply with the Village's 2010 Comprehensive Plan. (Spend the money to do it correctly once and for all.)" O'Brien stated that it has been stated by the Village Board members that they are in favor of a complete rewriting of Chapters 17 and 18 of the Municipal Code and that she may be "speaking to the choir," however, she wanted to urge the Village Board to make a definite commitment in the budget to complete the rewriting project in 2011. O'Brien stated that she and the other residents who signed the petition would like assurance that the rewriting project will be carried out, and that the funds are not allocated for other purposes. O'Brien stated that Chapters 17 and 18 should be rewritten with as much citizen participation as necessary and the rewritten chapters should be brought into complete compliance with the Comprehensive Plan. O'Brien stated that a moratorium on development applications should be put in place and the rewriting project should commence immediately. O'Brien stated that she would like the Village Board to make a pledge that night that the necessary funds for the rewriting project will be included in the budget. Hayden stated that the published budget includes a total of \$40,000 allocated for the rewriting project and there is \$75,000 in a newly created contingency account that can be allocated for the project. Hayden stated that the quotes the Village received earlier this year for the rewriting proposal were about \$50,000 from Village Planner Mike Slavney, \$20,000 from Village Attorney Dale Thorpe, and \$15,000 from Village Engineer Joe Eberle. Hayden stated that the

estimates were rounded up and with contingencies added, the \$100,000 cost estimate has been cited at previous meetings. Hayden stated that the 2011 budget currently has \$15,000 allocated for legal expenses, \$15,000 for planning services, and \$10,000 for engineering services related to the rewriting project. President Petersen stated that the funds are in the budget and the Village Board has committed to the project. Petersen stated that approval of the contracts for the rewriting project can be taken up at the next monthly meeting of the Village Board. Wilson asked if the budget could be amended that night to indicate the total amount that will be allocated for the rewriting project. Wilson stated that in reviewing the quotes submitted by Slavney, Thorpe and Eberle, the low end estimate for the project is \$63,000 to \$83,000. Wilson stated that she would like to allocate at the meeting enough funding from the contingency account to completely cover the cost of the rewriting project. Following discussion, Hayden stated that the Village Board could consider making line item modifications to the published budget if desired. Hayden stated that approval of the actual contacts for the rewriting project could not be approved that night, but could be added to the agenda of the Village Board monthly meeting on Monday, December 6, 2010. Spadoni stated that he and the Plan Commission members have stated that they support the rewriting of Chapters 17 and 18, and the approval of the contacts at the December 6, 2010 meeting will commence the rewriting process. Robert Youngquist, 585 N. Lakeshore Drive, stated that he supports the statements made by Sharon O'Brien, and that the comments made by Wilson are also important. Youngquist stated that the Village Board should make sure that the budget contains enough funds to cover the cost of completing the project properly. Youngquist stated that he also encourages the Village Board to adopt a development moratorium once the rewriting project has commenced. Geneva Lake Conservancy Executive Director Joseph McHugh stated that he also supports the statements made by O'Brien. McHugh stated that he would like the Village Board to make certain that the funds are clearly allocated in the 2011 budget for Chapters 17 and 18 to be completely rewritten in the most proper fashion possible, once and for all. Petersen stated that the Village Board is committed to spend the money on the rewriting project. Spadoni stated that he as the chairman of the Plan Commission and the members are in full support of the rewriting project. Spadoni stated that on a different note, he thinks it is a mistake for the Village not to allocate at least \$1 million for road reconstruction projects in the 2011 budget. Spadoni stated that a former village president initiated a plan about 10 years ago to complete at least one mile of road reconstruction each year, and the Village should stick with that plan. Spadoni stated that with construction costs and interest rates at record low levels, it is a mistake for the Village not to borrow funds and complete some of the reconstruction projects on its priority list in 2011. McGreevy stated that he agrees with O'Brien and the funds should be allocated for the rewriting project to be completed by the Village's contracted planner, attorney and engineer. President Petersen closed the public hearing at 6:47 pm. Spadoni stated that he wanted to make a motion to allocate the \$75,000 in the contingency account for a new line item created for the Chapters 17 and 18 rewriting project. Following discussion, it was determined that \$60,000 should be transferred from the contingency account, and with the other \$40,000 already allocated in the other three line items, it would bring the total to the \$100,000 level for the Chapters 17 and 18 rewriting project. Wilson stated that if approved, it will leave a total of \$15,000 in the contingency account. O'Connell stated that she thinks the entire \$75,000 should be kept in the contingency account and the village should still allocate the funds for the rewriting project. Pollitt stated that the Village Board should do nothing with the budget and contingency account that night and wait until the contracts for the rewriting project are approved prior to allocating the funds.

Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to transfer \$60,000 from the contingency account in the 2011 budget to the Plan Commission professional services expense line item for the rewriting of Chapters 17 and 18 of the Village of Fontana Municipal Code. The MOTION carried on a 4-2 vote, with Trustees O'Connell and Pollitt opposed and Trustee Kenny absent.

Resolution No. 11-15-10-01 Adopting the Tax Rate for 2010 and Collected in 2011

The 2011 budget will require a tax rate of \$2.160422699 per \$1,000 of assessed valuation.

Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to approve Resolution 111510-01, adopting the tax rate for 2010 and collected in 2011, as presented, and the MOTION carried without negative vote.

Resolution No. 11-15-10-02 Recognizing the 2010 Tax Levies

Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to approve Resolution 111510-02, recognizing the 2010 tax levies for collection in 2011 as presented, and the MOTION carried without negative vote.

Ordinance No. 11-15-10-01, An Ordinance to Adopt the 2010 Village of Fontana Municipal Budget and Tax Levy, and to Appropriate the Necessary Funds for the Governmental and Administrative Operations of the Village of Fontana on Geneva Lake for the 2011 Fiscal Year
Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to approve Ordinance 111510-01, adopting the 2010 Village of Fontana municipal budget and tax levy and appropriating the necessary funds for the governmental and administrative operations of the Village of Fontana for the 2011 fiscal year, as presented, and the MOTION carried without negative vote.

Resolution No. 11-15-10-03 Authorizing and Providing for the Sale and Issuance of \$7,215,000 General Obligation Corporate Purpose Bonds, Series 2010B, and All Related Details

Jim Mann, of Ehlers and Associates, stated that the bond sale was held earlier in the day and because of the bids received in a package bid submitted by Robert W. Baird, the total bond issue was downsized by \$75,000 from the initial \$7,215,000 to \$7,140,000. Mann stated that the interest rates on the low bid submitted by Baird range from 2 percent to 4.5 percent throughout the bonding period, with the average interest rate of 4.2229 percent. Mann stated that all things considered, the Village did well on the bonding, which will address the negative cash balance situation with the TID. The situation was created this past year by the Wisconsin DOR when it changed its valuation method and decreased the certified value of the Fontana TID by \$26.8 million, from \$92.7 million in 2009 down to \$65.9 million in 2010.

Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to approve Resolution 111510-03, authorizing and providing for the sale and issuance of \$7,140,000 General Obligation Corporate Purpose Bonds, Series 2010B, and all related details, and the Roll Call vote followed:

Trustee Pollitt – Aye

Trustee Wilson – Aye

Trustee O’Connell – Aye

Trustee Spadoni – Aye

President Petersen – Aye

Trustee McGreevy – Aye

The MOTION carried on a 6-0 vote, with Trustee Kenny absent.

Closed Session

Trustee Spadoni/Trustee McGreevy 2nd made a MOTION to go into closed session at 6:59 pm to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, specifically the raze order issued for the Harris property at 245 Third Avenue, Tax Key No. SOP 00039, and the Roll Call vote followed:

Trustee Wilson – Aye

Trustee O’Connell – Aye

Trustee Spadoni – Aye

President Petersen – Aye

Trustee McGreevy – Aye

Trustee Pollitt - Aye

The MOTION carried on a 6-0 vote, with Trustee Kenny absent.

Trustee Spadoni/Trustee O'Connell 2nd made a MOTION at 7:08 pm to adjourn the closed session and to reconvene in open session, and the MOTION carried without negative vote.

Adjournment

Trustee Spadoni/Trustee Pollitt made a MOTION to adjourn the Village Board meeting at 7:08 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, the official minutes will be on file at the Village Hall.

APPROVED: 12/6/10