

VILLAGE OF FONTANA ON GENEVA LAKE
WALWORTH COUNTY, WISCONSIN

REGULAR MEETING of the COMMUNITY DEVELOPMENT AUTHORITY

(OFFICIAL MINUTES)

Wednesday, July 09, 2008 @ 6:00 PM

Executive Director McHugh called the regular monthly meeting of the CDA Board to order at 6:00 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Commissioners present: Roll call vote: Commissioners Fisk, Hibbard, Petersen, Chanson, Wilson, & Bliss.

Commissioners absent: Chairman Turner.

Also present: Mr. David Lindelow (General Manager - Abbey Resort & Spa), Ms. Lynn Fitzgerald (Arrived @ 6:10 pm), Mr. Ray Fitzgerald (Arrived @ 6:10 pm), Mr. F. J. Frazier (Country Club Estates Board President: Arrived @ 6:10 pm), Mr. Terry Tavera (Ruekert Mielke: Arrived @ 6:10 pm), Village President Ron Pollitt, Library Director Nancy Krei, Village Treasurer Peg Pollitt (Arrived @ 6:10 pm), Director of Public Works Craig Workman & CDA Executive Director Joseph A. McHugh.

PRO-TEM ELECTION:

Elect Chairman Pro-Tem

Commissioner Hibbard/Commissioner Petersen 2nd made a MOTION to elect Commissioner Bliss to the position of Chairman Pro-Tem in Chairman Turner's absence, and the MOTION carried without negative vote.

Visitors Heard

No visitors requested to be heard.

Announcements

Chairman Pro-Tem Bliss asked those present to read the announcements listed on the agenda at their leisure: Thursday, July 10th @ 2 pm – Tour Duck Pond with Terry Guen, Monday, July 14th @ 5 to 7 pm – Public Open House for the Third Avenue, Kinzie Avenue, Utility Burial, Indian Hills, Timber Trail and Harvard Avenue Construction Projects, Saturday, July 19th @ 9 am - Parks/Trout Unlimited - Van Slyke Creek Work Day, Thursday, July 24th @ 6 to 8 pm – Abbey Resort's Open House for the New Avani Spa, Saturday, July 26th @ Noon - Big Foot Lions Club Lobster Boil/Steak Fry, Saturday, July 26th @ 8 am to 1 pm – Fontana Community Church Fair & Monday, July 28th @ 5:30 pm – Regular Monthly Plan Commission Meeting.

Approve Minutes

Executive Director McHugh presented the final minutes from the June 4th and May 7th CDA Meetings. He noted that the minutes from the special joint meeting with the Village Board and the Plan Commission, held the previous Monday, were not being presented for consideration. Commissioner Chanson/Commissioner Petersen 2nd made a MOTION to approve the minutes, as presented, for the regular monthly meetings of the Community Development Authority held on June 04, 2008 and May 07, 2008, and the MOTION carried without negative vote.

Approval of Current Payables

Executive Director McHugh presented the "Claims Payable Report", prepared by Treasurer Pollitt, totaling \$142,415.24. He noted that all project expenses had been reviewed and approved by himself, Village Treasurer Peg Pollitt, DPW Workman, and Ruckert Mielke, where applicable. He further noted that the final invoice, presented by Ruckert Mielke, for the Fontana Boulevard Water Main Relay project, totaling \$78.00, was in excess of the original estimate, but was being recommended for payment.

Commissioner Chanson/Commissioner Petersen 2nd made a MOTION to approve the Claims Payable report, of \$142,415.24, and the MOTION carried without a negative vote.

Finance Report – Treasurer Pollitt

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

Executive Director McHugh presented the full accounting statement. He confirmed with Village Treasurer Peg Pollitt that the expenses to date incorporated in the statement had been updated through the end of May 2008. With respect to the tax increment projections, Executive Director McHugh noted that no changes had been made. Chairman Pro-Tem Bliss noted, and Executive Director McHugh confirmed, that the current full accounting statement projected a \$315k deficit, assuming all projects were executed.

Commissioner Petersen/Commissioner Fisk 2nd made a MOTION to accept the Full Accounting Statement, prepared by Village Treasurer Peg Pollitt, as presented, and the MOTION carried without a negative vote.

PRESENTATIONS

No Presentations Scheduled for this Meeting.

Chairman Pre-Tem Bliss announced that there were no formal presentations scheduled for the evening's meeting.

TID #1 Infrastructure Projects - Public Works Director Workman

Wild Duck Road & Pedestrian Path Project – Update

DPW Workman noted that the Wild Duck Road & Pedestrian Path project was 99.99% complete. He explained that the surface asphalt had been installed approximately 1 month earlier. He explained that there still remained several punch-list items, such as final restoration.

Mann Brothers Pay Request No. 7 (\$48,320.84)

DPW Workman presented Pay Request # 7, prepared by Ruckert Mielke and totaling \$48,320.84, for the Wild Duck Road & Pedestrian Path project. He recommended that the pay request be approved. Executive Director McHugh presented a Contract Status Report, which he was requiring from Ruckert Mielke to become a standard report on all TID #1 projects, for the Wild Duck Road project. He explained that the purpose of the report was to provide the CDA with a clear understanding of the various field conditions and directives that impacted overall project costs. He reviewed for the group that the contract for the Wild Duck Road & Pedestrian Path project was a unit-price contract, as was standard of all Village infrastructure projects, and that the final price was based on the actual work completed in the field by the contractor, as confirmed and approved by the engineer. Based on the calculations prepared by Mr. Terry Tavera, the project is expected to close at approximately \$990k. Executive Director McHugh noted that the project was roughly 6% over the originally projected cost of \$933k. DPW Workman reviewed the change-orders and field change directives that had been executed throughout the life of the project, and explained their impact on the cost of the project.

Commissioner Petersen/Commissioner Chanson 2nd made a MOTION to approve Pay Request #7, totaling \$48,320.84, for the Wild Duck Road & Pedestrian Path project's construction contract with Mann Bros, Inc., as prepared by Ruckert Mielke, and the MOTION carried without a negative vote.

Porter Court Plaza Project – Update

DPW Workman informed the group that the Porter Court Plaza project was now 99% complete. He explained that all of the pedestrian paths had been completed and that all the landscaping had been installed. He further noted that the fountain had been installed and was now operational. Certain elements, such as the railing, the step lights, and the granite weir for the fountain, still needed to be installed.

Mann Brothers Pay Request No. 4 (\$71,678.98)

DPW Workman presented Pay Request # 4, prepared by Ruckert Mielke and totaling \$71,678.98, for the Porter Court Plaza project. He recommended that the pay request be approved.

Commissioner Chanson/Commissioner Hibbard 2nd made a MOTION to approve Pay Request #4, totaling \$71,678.98, for the Porter Court Plaza project's construction contract with Mann Bros, Inc., as prepared by Ruckert Mielke, and the MOTION carried without a negative vote.

Following the vote, Chairman Pro-Tem Bliss asked if there were any plans to install benches in the plaza. DPW Workman explained that benches had been discussed during the design phase of the project, but that they had been struck from the contract. He noted that there were still some planters, which had not yet been installed, that would be located on the raised terrace area. Trash receptacles were also still planned to be installed as part of the contract. Chairman Pro-Tem Bliss offered that the plaza was such a nice area, and that benches should be considered for installation at some point. DPW Workman noted that there would be plenty of space for the benches should they be purchased at a later date.

Duck Pond Phase 1 Landscaping (Gateway Triangle) – Update

DPW Workman noted that the project was substantially complete. He commented that the staff had done a walk-through of the project about two weeks earlier, and noted that all of the trees, shrubs and planting beds had been installed. He commented that there had been a large amount of prairie grass sewn in as part of the project and that it would take quite some time for it to fully mature.

Mr. Terry Tavera, Mr. Ray & Ms. Lynn Fitzgerald, Mr. F.J. Frazier, and Village Treasurer Peg Pollitt arrived and entered the meeting @ 6:10 pm.

P.T.S. Landscaping Inc. Pay Request No. 1 (\$52,769.53)

DPW Workman presented Pay Request # 1, prepared by Ruckert Mielke and totaling \$52,769.53, for the Gateway Triangle Landscaping project (Duck Pond Phase 1 Landscaping). He recommended that the pay request be approved.

Commissioner Chanson/Commissioner Petersen 2nd made a MOTION to approve Pay Request #1, totaling \$52,769.53, for the Gateway Triangle Landscaping project's (Duck Pond Phase 1 Landscaping) construction contract with P.T.S. Landscaping Inc. (Prairie Tree Landscaping), as prepared by Ruckert Mielke, and the MOTION carried without a negative vote.

Beach Fence Replacement Project

Century Fence Performance – Failure to Comply w/ Project Specifications

DPW Workman explained that the Beach Fence had been installed by the contractor on the project, Century Fence out of Waukesha, Wisconsin. He stated that while it looked nice, there were unfortunately some fairly drastic differences between the fencing as it was currently installed and how it was originally specified. He explained that the staff was diligently working to reconcile the differences with the contractor. By far the most obvious difference, as explained by DPW Workman, was that the fence had been installed using identical eight-foot panels, which had been “stepped” up and down the grade along the fence line. The project specifications stated that the fence was to be “racked” in order to follow the grade. To date, he noted that Century Fence had presented several options to the Village, but that none of them had been acceptable. In his opinion, the fence would need to be replaced. In response to a question from Commission Chanson, DPW

Workman confirmed that the Village had yet to pay Century Fence for the work. Executive Director McHugh commented that one of the driving forces behind the selection of a custom-made fence product, was to ensure that the fence followed the elevation of the land and that it not be a “stepped” fence. To pay the increased costs inherent in a custom-made product, Executive Director McHugh explained that the Village expected to receive the fence as specified. He recommended that the CDA, and the Village, not accept a deduction on the cost of the fence, but that Century Fence be required to install the fence specified in the contract. Commissioner Petersen offered that the Village should not make a final decision until seeing what options were presented by the contractor. Commissioner Fisk commented that he had received several positive comments on the new fence. He further commented that several people had asked why more stone pillars had not been included. Commissioner Wilson stated that two pillars on either side of the main entrance off of Fontana Boulevard may still warrant consideration. In response to a question by Commissioner Petersen, Executive Director McHugh offered that each individual pillar cost approximately \$5k. Commissioner Wilson confirmed that the fence would look far better if it followed the grade. Chairman Pro-Tem Bliss asked if “liquidated damages” were being considered under the contract, considering that the fence project was technically still incomplete, and Executive Director McHugh confirmed that damages would certainly be a component in the final resolution with Century Fence. Chairman Pro-Tem Bliss emphasized that the project had not been completed in a timely fashion, and that the failure to install the fence on time should not be forgotten during negotiations. DPW Workman confirmed that Century Fence had been sent formal notice by the project engineer, Ruekert Mielke, which stated that the project was currently unacceptable and incomplete and that liquidated damages were continuing to accrue under the contract.

Schmitz Fence & Gate Access Easement – Update

Executive Director McHugh informed the group that Village Administrator Hayden was continuing to work with Village Attorney Thorpe to negotiate the license agreement with Mr. and Ms. Schmitz, the owners of 404 Harvard Avenue. He added that Attorney Anthony Coletti was representing Mr. and Ms. Schmitz.

Walworth-Fontana Pedestrian Path – Review Alternatives Analysis

Executive Director McHugh presented the “draft” report prepared by Foth Infrastructure and Environment, Inc. for the Walworth-Fontana Pedestrian Path project. The next step, he explained, was for the Village of Fontana to work with the Village of Walworth to determine the final allocation of costs. He reminded the group that for the first phase of the engineering, which was now complete, the Village of Walworth had agreed to fund 25% of the engineering costs, while the Village of Fontana agreed to fund the remaining 75%. To date, Foth had completed the detailed site surveying and the production of the “alternatives analysis” report. The report presented five options for the construction of the path, along with comments, analysis and cost estimates. He noted that Foth had not made any summary recommendations at this point, and was requesting direction from both villages as to how to proceed. They were specifically looking for a response to the proposed options and the range of associated costs. In response to a question from Chairman Pro-Tem Bliss, Executive Director McHugh confirmed that neither village had made any representations that the 75/25 split of the engineering costs would be indicative of future commitments to the project. Executive Director McHugh reviewed for the group that both villages were currently in discussions regarding joint services, such as Fire, Police and Municipal Court operations, and President Pollitt offered that he would be willing to continue discussions with representatives of the Village of Walworth regarding cost sharing for the path project.

Duck Pond Ground Water Study – Drilling & Analysis Status

DPW Workman explained that the monitoring wells for the analysis and investigation of the former landfill were installed over the course of the previous week and a half. He expected that the first round of sampling from those wells would be complete in the next week or so, and that the results should be available in time for the August meeting.

General Construction Updates

DPW Workman confirmed that he had covered all pertinent updates on current construction projects under the previous agenda items.

TID #1 Development Projects

Mill Street Plaza (FairWyn, Ltd.) – Update

PIP Amendment for Signage – FYI Only

Executive Director McHugh reviewed for the group that the PIP Amendment, regarding signage for the Retail Building in the Mill Street Plaza project, had been approved. He explained that there was no action required by the CDA, since it fell below the \$10k limit on exterior improvements in the district.

Work Change Directive No. 1 (Concrete Stoop Installation) - Update

Executive Director McHugh noted that they had obtained agreement from Brian Pollard to move forward with the additional concrete stoop. The agreement was based on Mr. Pollard's understanding that he would be sharing the approximately \$4k to \$5k estimated cost. DPW Workman explained that the final cost of the additional stoop, including railing, was now going to be closer to \$6k. While Mr. Pollard felt that the installation of the new stoop was necessary for his newest tenant, Georgie B's Restaurant, he had requested that the CDA reconsider the allocation of the costs. Executive Director McHugh explained that the issue of Liquidated Damages was still under consideration on the project, as it had not been completed by the date set in the contract for final completion. DPW Workman noted that there had also been a cost savings realized due to changes in the irrigation system for the plaza.

General Business

CDA Meeting Schedule – Discuss Changing Standard Meeting Date

Executive Director McHugh explained that the request had originated at the Village Board level, and reminded the group that the issue had been discussed briefly at the previous meeting. The problem with the current meeting schedule, from the Village Board's perspective, was that a significant number of items required review and consideration by both the Village Board and the CDA. Due to the placement of the CDA's regular monthly meeting after the regular monthly meeting of the Village Board, items were continually being approved at the Village Board level, contingent on a subsequent approval by the CDA. Executive Director McHugh presented a calendar illustrating the potential arrangement of meetings, if the CDA was to approve moving its meeting to the last Wednesday of the month. Chairman Pro-Tem Bliss offered that he would miss at least four meetings a year, if the last Wednesday of the month was chosen as the regular monthly meeting date. In response to a question from Commission Wilson, Executive Director McHugh explained that the current placement of the CDA meeting on the first Wednesday of the month resulted in the Village Board meeting before the CDA for 10 of the 12 months in the year. President Pollitt expressed his frustration with the Village Board having to make a substantial number of motions contingent on subsequent CDA approval. He added that every other committee in the Village makes its recommendations prior to the Village Board meeting. Commissioner Hibbard suggested that the CDA and the Village Board simply switch meeting dates. President Pollitt offered that the date of the Village Board meeting was set by ordinance and may be difficult to change. Commissioner Chanson suggested that the CDA could also meet on the first Monday of the month immediately prior to the Village Board meeting. Executive Director McHugh noted his issue with the current schedule was that the completion of the CDA's agenda was usually delayed until the finalization of the Village Board agenda by the Village Clerk, to ensure that items requiring approvals by both groups were not overlooked. He offered that the delay issues, as well as the out-of-order approvals issue, could both be addressed by insisting that items simply not be placed on the Village Board agenda until they had been reviewed and approved by the CDA. Chairman Pro-Tem Bliss suggested that the Village Administrator be asked to develop some suggested options for meeting dates, and that those dates be distributed to the CDA Commissioners for reaction and comments.

Path Closed - Clearing Estimate (Commissioner Wilson)

Commissioner Wilson presented several exhibits related to the proposal to clear the former path, located in Country Club Estates, and generally known as "Path Closed". She began by noting that the trail was a component in the Village of Fontana's Park & Open Space Plan. She offered that the path was a critical element of the pedestrian path system and could lead to increased pedestrian traffic from the Country Club Estates subdivision down to the lakefront, the public beach, and the businesses located in TID #1. In addition to excerpts from the Parks & Open Space Plan, and aerial photographs of the subject area, Commission Wilson presented several ground-level photos of the former path. At this point, she introduced property owners, Mr. and Ms. Fitzgerald, who live adjacent to "Path Closed". Mr. Ray Fitzgerald introduced himself and noted that he and his wife had been residents for 31 years. He informed the group that when they first moved to the area, the path was in excellent condition. The path used to be about eight (8) feet wide with steps cut into the hill; it was even a lighted path. Over time the path had deteriorated, and with the current rains, the condition had been made much worse. He offered that while the path may be technically closed, it is still used quite regularly, although it is now re-routed through his yard. Mr. Fitzgerald noted that 31 years ago the path was maintained by the son of a former president of the Country Club Estates subdivision, and was in excellent shape. He further explained that a little over 20 years ago, due to the deterioration of the path, his daughter had collected signatures on a petition. The petition was addressed to Country Club Estate and requested that the path's deteriorated state be addressed. Per his recollection, the subdivision subsequently researched the project and finally dismissed the concept of a renovation due to excessive cost. To alleviate liability concerns, the "Path Closed" sign was then installed. Mr. F. J. Frazier commented that the land on which the path was located was not owned by the subdivision. DPW Workman confirmed that the path was located on a platted, and village-owned right-of-way. Mr. Fitzgerald relayed information he obtained from Ms. Jensen, wife of the subdivision's developer, that the land was specifically platted and designed to be a pedestrian path. Commissioner Chanson asked that if the path was village-owned land, why the village wasn't maintaining it. He offered that the issue should be discussed by the Village Board first. Commissioner Petersen reviewed his recollection that the path had simply been closed because it was too expensive to renovate. Commissioner Wilson explained that the path had been the subject of repeated discussions within the Country Club Estates subdivision and that it continued to get tossed back and forth between the Village and the subdivision with no results. She offered that it was a CDA issue because it would be a helpful to the CDA's goal of creating a comprehensive path system both into and through TID #1. Executive Director McHugh explained that the concept of clearing the path was being presented to the CDA at the request of Commissioner Wilson in an effort to jump-start a village project that would augment the CDA's plan to construct a path through the Abbey Ridge property. He relayed information from DPW Workman that the Village's landscaping services vendor, Blackstone, would be able to clear the path for approximately \$1k. The concept was to simply clear the path so that it was again usable. Also, it would provide the required impetus for the improvement and renovation of the former path as a village project. Commissioner Chanson stated his opinion that nothing should happen without village approval. If the Village was to approve the project, then it should come back to the CDA to consider funding. Commissioner Wilson informed the group that she had discussed the project with Village President Pollitt and that the issue was going to be discussed at the Village's August meeting. She asked that the CDA consider a funding commitment, so that the project would not need to return to the CDA following potential approval by the Village Board. Chairman Pro-Tem Bliss suggested that the ownership of the path be confirmed before moving forward.

Commissioner Wilson/Commissioner Petersen 2nd made a MOTION to recommend to the Village Board approval of the proposed clearing of the former "Path Closed", with a funding commitment from the CDA not to exceed \$1k, and contingent on Village Board approval of the project, and the MOTION carried without a negative vote.

Following the vote, Commissioner Petersen stated that he would be happy to present the request to the Village Board at the August meeting.

Mr. F. J. Frazier, Mr. Ray Fitzgerald and Ms. Lynn Fitzgerald left the meeting room @ 6:33 pm.

Abbey Resort & Fontana Spa | Tax Increment Financing Development Agreement Revised Exterior Entrance Plans

Executive Director McHugh introduced General Manager David Lindelow who was in attendance on behalf of the Abbey Resort. He proceeded to explain that the Abbey had submitted revised exterior elevation plans for the TID assisted Spa Renovation project, and that they were requesting that they be included as revised exhibits in the Tax Increment Financing Agreement with the CDA for the project. The first revision to the exterior elevation was a reduction in the length of the roof over the primary entrance from 30 feet down to 15 feet. Executive Director McHugh relayed an explanation from Mr. Cary Kerger that when the new entrance had been staked out, the originally proposed 30 feet was perceived as being too imposing. The second revision to the exterior elevation was a removal of the roof over the patio, which was to be located off of the new VIP suite. That revision, as explained by Mr. Kerger, was to accommodate the planned use of the patio area for sunbathing. Commissioner Chanson asked Mr. Lindelow if the change would reduce the cost of the project. Mr. Lindelow explained that while the length of the roof would be shorter, they were taking on other issues, such as relocating the power generator, which would be an additional expense. The relocation of the power generator was going to make the entrance much more impressive from the street, stated Mr. Lindelow. In response to a question from Commissioner Chanson, Mr. Lindelow confirmed that the changes were not being made in an effort to cut costs on the project. Executive Director McHugh explained that while the changes were minimal, the revisions needed formal approval by the group in order to be included in the TIF Financing Development agreement as modified exhibits.

Commissioner Chanson/Commissioner Petersen 2nd made a MOTION to approve the revised exterior elevation exhibits for the Abbey Spa renovation project, dated May 01, 2008 and received by the Village of Fontana Clerk on June 20, 2008, and approved inclusion of the revised plans as “modified exhibits” in the Tax Increment Financing Development Agreement for the Abbey Spa project, and the MOTION carried without a negative vote.

Reimbursement Draw # 2 | Project Update

Executive Director McHugh informed the group that the second “draw request” for the Abbey Spa project had been received and paid by the Village. He presented a copy of his letter authorizing the transfer of the funds and reminded the group that the funds were being disbursed by Chicago Title per the terms of the agreement. He also distributed a copy of a report documenting the disbursements made from the account to date. Per the report, the total projected cost of the project is over \$1.2 million, of which the CDA is contributing \$500k.

Cost Recovery Review – Legal Expenses

Executive Director McHugh presented a request by Mr. Cary Kerger, as regards the cost recovery of legal expenses for the Abbey Spa project. He recommended that no action be taken and that the item be tabled until a formal analysis of the cost recovery expenses could be completed. He further stated that he wished to wait until the final accounting had been completed for the project. He added that he had spoken with CDA Chairman Turner and Mr. Cary Kerger and both were in agreement that the item should be tabled at the current time.

Commissioner Petersen/Commissioner Wilson 2nd made a MOTION to TABLE the item “Cost Recovery Review – Legal Expenses”, pending further analysis, and Chairman Pro-Tem opened the item for discussion...

Commissioner Chanson asked what further information could be obtained that would affect the decision of the group. Executive Director McHugh explained that he preferred to have the final accounting and costs for the project prior to considering the issue. Commissioner Chanson suggested that the final amount was not necessary to consider the general policy of reducing cost recovery. Commissioner Wilson noted that she was in favor of tabling the issue. Chairman Pro-Tem

Bliss stated that the CDA had already made a sizeable contribution to the project. Executive Director McHugh explained that Mr. Kerger had stated that he considered the legal expenses to be greater than what had been anticipated. He had further stated his opinion that the work performed by the law firm of Foley & Lardner would be used on subsequent TIF Assisted projects, if any, in the future. Commissioner Petersen asked if the entirety of the legal expenses incurred on the project had been charged to the Abbey, and Executive Director McHugh noted that the work involved in generating the original template for the agreement, as well as the preliminary research was paid directly by the CDA. Commissioner Wilson suggested that the Abbey could present the itemized bills and note specifically which charges they disputed.

Commissioner Wilson withdrew her 2nd to the MOTION on the floor.

Commissioner Hibbard 2nd the MOTION to TABLE the item “Cost Recovery Review – Legal Expenses”, pending further analysis, and the MOTION failed on a 3 to 3 vote (Chairman Pro-Tem Bliss confirmed the vote with a show of hands).

Commissioner Chanson stated his opinion that the CDA should deny the request to review the cost-recovery expenses, with the understanding that the applicant would not be barred from resubmitting the request at a later date with the necessary supporting records. Commissioner Fisk stated his concern that there was not enough information on which to base a decision. Executive Director McHugh agreed that there was not sufficient information to make an informed decision and recommended that the item be tabled.

Commissioner Chanson/Commissioner Fisk 2nd made a MOTION to deny the request to review the cost recovery of legal expenses on the Abbey Spa Renovation project, and the MOTION carried without a negative vote.

Utility Burial Project (East of STH 67, Bayview & Kinzie) – Cost Review & Initiation

Executive Director McHugh provided a quick review of the Utility Burial project to date. He explained that in order for the utility companies to move forward with the overhead to underground conversation, a formal request and authorization was necessary from the Village. He reviewed the current estimate pulled together by Ruckert Mielke, based on estimates provided by each of the affected utility companies and the recently received bid prices on the village road projects. He informed the group that the Village Board had authorized the utility burial project, including the portion of the underground conversation on Bayview, at their meeting the previous Monday evening. He explained that the CDA had budgeted funds based on the combined referendum limit for the projects of \$2.5 million. Based on the current projections, including contingencies, the project could exceed the referendum limit by \$86,825. Executive Director McHugh explained that the principal reason the Village Board decided to include the Bayview portion of the project was to take advantage of a credit offered by the Utility Companies. He noted that the engineers would need to remain conscious of the costs throughout the project, because the CDA would be prohibited from contributing more than the \$2.5 million authorized by referendum. Commissioner Petersen offered that Bayview should be considered a separate project and not subject to the referendum. Executive Director McHugh submitted that the village could move forward on the project separately, but it then would not be TIF eligible. In response to a question from Chairman Pro-Tem Bliss, Executive Director McHugh confirmed that portions of the overhead system along Bayview needed to be upgraded as result of the burial of the primary lines within TID #1. Because the upgrade to the overhead system is an expense the utility companies are required to bear, they offer the village the estimated cost of the upgrades as a credit for underground conversion. Chairman Pro-Tem Bliss asked if the estimates from the utility companies included contingency amounts, and DPW Workman confirmed that they did. With respect to the Alliant Estimate of \$580k, DPW Workman estimated that 20% of that total was a contingency amount. He explained that the costs of the utility burial would be known prior to the initiation of the Mann Brother’s contract for the village’s Third Avenue project, so it would be possible, if necessary, to address cost overruns on the utility burial phase during the subsequent road construction phase. To ensure that the entire project remained underneath the \$2.5 million limit, certain elements could be removed from Mann Brother’s contract, such as the fence around the boat trailer parking lot. Executive Director McHugh reviewed that the

Village Board had authorized the utility burial project, including the Bayview conversion, and the CDA had already approved and budgeted \$2.5 million for the entire project. He restated that the CDA was prohibited from exceeding the \$2.5 million due to the referendum, regardless of which elements were included and/or removed from the project. Commissioner Petersen stated that it was not a discussion for the CDA, and stated that Bayview was going to get completed regardless of whether or not it was financed with CDA funds. Chairman Pro-Tem Bliss clarified that the CDA was authorizing \$2.5 million in CDA funds, and that additional costs, if any, would have to come from some other source. With respect to the Kinzie project, Executive Director McHugh informed the group that the Village Board approved the burial of utilities along that street. He reminded the group that a total of \$438k had been budgeted for the Kinzie project, including utility burial, and reviewed that the estimate pulled together by Ruekert Mielke ranged from \$436k to \$446k.

Abbey Property's Driveway Entrance onto STH 67 – Update

Executive Director McHugh reminded the group that it had decided not to pursue the issue of the Abbey's driveway entrance off of STH 67 earlier in the year. He explained that he had relayed the group's decision and had continued the dialog with Mr. Al Davis, the new president of the Abbey Ridge Homeowners Association. He reviewed that he and Mr. Davis had met on the site back in June and reviewed the perspective of the association's residents that they are not responsible for what they see as a serious alignment flaw in the driveway entrance to the property off of STH 67. Executive Director McHugh explained that he made it clear that the final design of the intersection had been dictated and approved by the Wisconsin Department of Transportation, not the Village of Fontana. He further explained to the group that he had also asked Mr. Davis to survey his association in order to determine what money, if any, they would be willing to contribute to investigating and rectifying the situation. DPW Workman informed the group that he had met with Mr. Davis the day before the meeting. He explained that Mr. Davis had presented him an option that involved lowering the bricks on the corner of the intersection to the same level as the roadway. By lowering the bricks, vehicles leaving the property would be able to make a right-hand turn without crossing the center line. DPW Workman stated his problem with the proposed solution was that the bricks were the endpoint of the crosswalk and provided pedestrians a safe refuge on a curbed area. By lowering the bricks, you would basically have a cross-walk ending in the middle of a driveway. In summary DPW Workman claimed that the option proposed might work, but that he didn't think it would be safe. He also noted that none of the Village's engineering professionals had reviewed the plan. Commissioner Wilson noted that she had taken her car down to the intersection earlier to examine the issue, and she stated her opinion that a right-turn lane would be the ideal solution. DPW Workman reminded the group that Crispell Snyder had previously presented an option that included the construction of a dedicated right-hand turn lane. He explained that he had reviewed the Crispell Snyder plan with the DOT and it had been rejected. Commissioner Chanson asked why the Abbey Ridge homeowners association was approaching the CDA with the issue. DPW Workman responded that the issue was associated with the CDA funded STH 67 project. Commissioner Chanson suggested that the Village should be investigating the issue; not the CDA. Commissioner Petersen reminded the group that the driveway was created for temporary construction access and was never intended to be permanent. With respect to the difficulty inherent in making a right-hand turn, Commissioner Petersen stated his opinion that it was the DOT's responsibility. Commissioner Chanson stated that the item should not be considered by the CDA until the solution had been developed and approved by the Village Board and the Abbey Ridge Homeowner's Association. At that time, it would be appropriate to approach the CDA for funding. Chairman Pro-Tem Bliss asked that the Village continue to work with the association and the DOT to develop a solution, and confirmed that the CDA should then be re-approached once a solution had been developed.

Comprehensive TID #1 Tree Enhancement Project – Funding Discussion

Executive Director McHugh reminded the group that he had been directed at the previous meeting to add the concept of a Tree Enhancement project as a discussion item on the July agenda. As requested, he stated that he had reviewed the budget to determine what funds, if any, would be available. Based on his review, he stated that he would prefer to hold off on the creation of any new

budgeted projects, until after Ehlers had revised the CDA's tax increment projections and the cost of borrowing projections. He noted that updated information was necessary to proceed with the 2008 General Obligation Bonds, planned for issuance by the Village in September. With respect to the updated projections, he noted that the current real estate slump, as well as the increased cost to borrow money, would both have an impact on the CDA's finances.

Village Board Report – Chairman Turner
Lakefront Building Committee & RFQ Initiation

Executive Director McHugh distributed the list of members for the newly created Lakefront Building Committee and commented that the Village Board had approved the membership on the committee at their previous meeting. He stated that the next step would be to schedule the initial meeting of the group.

Storm Water Management Study Proposal (Ruekert Mielke) - Update

Executive Director McHugh informed the group that the Village Board had approved the creation of a storm water management plan by Ruekert Mielke. He reminded the group that the CDA had approved funding 50% of the study, up to \$40k. He further reminded the group that the creation of the plan was the first step in the group's goal of cleaning up Pottawatomie Creek, which is a project that both the Big Foot Country Club and the Abbey Resort were very anxious to see accomplished.

Storm Water Utility District Establishment (Ruekert Mielke) - Update

Executive Director McHugh informed the group that the Village Board had approved the preparation of a feasibility study by Ruekert Mielke, for the purpose of determining the viability of establishing a storm water utility district in the Village of Fontana.

Proposed Agreement w/ Foley & Lardner for Bond Counsel Services

Executive Director McHugh noted that the Village Board had approved the use of Foley & Lardner for the provision of Bond Counsel on the upcoming 2008 General Obligation Bonding.

Lakefront & Harbor Report – Commissioner Chanson

Commissioner Chanson stated that there was no report.

Park Commission Report – Commissioner Hibbard | Executive Director McHugh

Little Foot Playground – Equipment Replacement Project

Commissioner Hibbard stated that the group was still working on the project. DPW Workman noted that they were planning to schedule a meeting immediately before the upcoming Park Commission meeting. He noted that he basically needed answers from the sub-committee to three questions, after which he could proceed with ordering the equipment.

Executive Director Report – CDA Director McHugh

Executive Director McHugh stated that he had covered all pertinent items during the course of the meeting.

Confirm Quorum for upcoming Meetings

Next Regular Monthly Meeting (*Pending Results of Schedule Discussion*)

Chairman Pro-Tem Bliss stated that the next regular meeting of the group would be August 06, 2008 @ 6 pm.

August Agenda Item Requests

No agenda item requests.

Pending / Future Items

No Pending/Future items were discussed at this meeting.

Abbey Property - Pedestrian Trails Project – Review Scope & Consultant Selection
Abbey Resort Monument Signage Proposal – Façade Improvement Application
DNR Recreational Trails Program – Grant Disbursement Agreement
Environmental Master Plan – East of 67 (Storm Water Management Plan & Trails)
Mann Brothers/Prairie Tree Landscaping – Erosion Control Bill
(Tabled by VB @ February 4th & March 3rd Meeting)
Fontana FEN – Property Line Delineation
Crispell Snyder Reimbursement Request: STH 67 Crosswalk Repair Costs
Program Plan: Industrialization of VOF Compost Operations (DPW Proposal)

Adjournment

Commissioner Petersen/Commissioner Chanson 2nd made a MOTION to adjourn the meeting at 7:04 pm, and the MOTION carried without negative vote.

Minutes prepared by: Joseph A. McHugh, CDA Executive Director

Note: These minutes are subject to further editing. Once they are approved by the Community Development Authority, the official minutes will be on file at the Village Hall.
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APPROVED: PENDING...