

VILLAGE OF FONTANA ON GENEVA LAKE  
WALWORTH COUNTY, WISCONSIN

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**REGULAR MEETING of the COMMUNITY DEVELOPMENT AUTHORITY**

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**(OFFICIAL MINUTES)**

**Wednesday, October 01, 2008 @ 6:00 PM**

Chairman Turner called the regular monthly meeting of the CDA Board to order at 6:10 pm in the Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

**Commissioners present:** Roll call vote: Chairman Turner (Arrived @ 6:10 pm), Hibbard, Chanson (Arrived @ 6:10 pm), Wilson, & Bliss (Arrived @ 6:10 pm).

**Commissioners absent:** Fisk & Petersen.

**Also present:** Village President Ron Pollitt, Trustee Micki O'Connell, Vice-Chairman of the Blue Ribbon Lakefront Committee Rick Pappas, Treasurer Peg Pollitt, Mr. Terry Tavera (Ruekert Mielke – Village Engineer), Director of Public Works Craig Workman, Mr. Angel Maseda (Century Fence), Library Director Nancy Krei (Arrived @ 6:34 pm) & CDA Executive Director Joseph A. McHugh.

**Visitors Heard**

Chairman Turner asked if there were any visitors who wished to be heard and no response was received. Executive Director McHugh noted that the Vice-Chairman of the Blue Ribbon Lakefront Committee, Mr. Rick Pappas, was in attendance at the meeting. He explained that Commissioner Petersen had requested at the previous CDA meeting that a representative of the group be present at the meeting. Mr. Pappas introduced himself to the group and provided an update on the efforts of the committee to date, noting that the process was currently in the survey stage. He noted that Commissioner Wilson was also on the committee and would be able to provide an update as well. Commissioner Wilson clarified her understanding that she would be required to provide a report on the committee's activities in the future. Chairman Turner thanked Mr. Pappas for his introduction.

**Announcements**

Chairman Turner asked the group to read the announcements listed on the agenda at their leisure: Monday, Oct. 6th @ 6 pm – Village Board Monthly Meeting, Thursday, October 9th @ 5 pm – Blue Ribbon Lakefront Building Committee, Wednesday, October 15th @ 6 pm – Park Commission Monthly Meeting, Thursday, October 23rd @ 5 pm - Blue Ribbon Lakefront Building Committee, Saturday, October 25th @ 8 am – Park Commission's Fall Bulb Planting Event & Monday, October 27th @ 5:30 pm – Plan Commission Monthly Meeting.

**Approve Minutes**

Executive Director McHugh reviewed three typographical errors pointed out by Commissioner Hibbard: Correct "chare" to "share" in the 17<sup>th</sup> line under General Business, remove "Commissioner Bliss sated his opinion that the" from the 5<sup>th</sup> line under Tax Increment District No. 1 – Project Plan Amendment #3, and rewrite the 8<sup>th</sup> line of the 2<sup>nd</sup> paragraph under 2009 CDA Work Plan" & 2009 Budget Discussion as follows: "If the members of the group had ideas for the 2009 Work Plan, Executive Director McHugh asked that that they get him the information over the course of the next month."

Commissioner Hibbard/Commissioner Chanson 2<sup>nd</sup> made a MOTION to approve the minutes for meeting held on September 03, 2008 and the MOTION carried without a negative vote.

**Approval of Current Payables**

Executive Director McHugh presented the “Claims Payable Report”, prepared by Treasurer Pollitt, totaling \$61,235.38. He explained that as a result of the new accounting software recently implemented by the Village, the CDA would no longer be receiving actual invoices from the Village for support services and expenses paid by the Village on behalf of the CDA. He reviewed the new report format and noted that the CDA would now be receiving both a “Claims Payable” report and a “General Journal” report, which would show the charges from the Village. He presented the “General Journal Report”, prepared by Treasurer Pollitt, totaling \$107,703.02. He noted that the sizable total included a payment made by the Village of \$100,500.59 for the street lights to be used on the Kinzie and Third Avenue projects. In addition to the two reports, Executive Director McHugh presented a claim for postage used for the recent Lakefront Survey. He further presented a claim on behalf of the Village for advertising expenses incurred as a result of the recent “Pig in the Park” fundraising event, which included two open houses for both the new Mill House and the Porter Court Plaza. Chairman Turner asked why the CDA should be required to pay the expense. Executive Director McHugh explained that the CDA had been requested to pay the claim by the village because it was maintained that the two open houses were for CDA projects. President Pollitt offered that Chairman Turner had authorized \$300 for the “Pig in the Park” event at a previous Village Board meeting. He further added that the Village floats the interest on all the money used by the CDA. DPW Workman presented a list of invoices from Ruckert Mielke totaling \$10,975.70, which had not been submitted in time to get coded and added to the list of payables, and asked that the CDA include the invoices with the claims under consideration. Executive Director McHugh clarified that the total amount presented for payment, including the invoice for advertising and the invoices from Ruckert Mielke, totaled \$180,631.27.

Commissioner Chanson/Commissioner Wilson 2nd made a MOTION to approve the Claims Payable report of \$61,235.38, the General Journal report of \$107,703.02, the USPS claim of \$663.57, the CSI Invoice of \$53.60, and the list of Ruckert Mielke Invoices, totaling \$10,975.70, for a total amount of \$180,631.27, and the MOTION carried without a negative vote.

**Finance Report – Treasurer Pollitt**

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

Chairman Turner noted that the current “Full Accounting” statement still projected a positive balance for TID No. 1 of \$32,649.

**PRESENTATIONS**

**No Presentations Scheduled for this Meeting.**

Executive Director McHugh announced that there were no formal presentations scheduled for the evening’s meeting.

**TID #1 Infrastructure Projects - Public Works Director Workman**

**Utility Burial Project – Update**

Executive Director McHugh informed the group that the project was moving along steadily, and that there was a Progress Meeting schedule for the following morning. He noted that Verizon was currently behind schedule, but that Odling and Mann Brothers were still both proceeding with their respective projects, Kinzie & Third Avenue.

**Municipal Beach Fence Replacement Project – Update**

**Century Fence Pay Request No. 2 (\$51,718.79) | TABLED: 09.03.2008**

Executive Director McHugh re-introduced Pay Request No. 2, totaling \$51,718.79, from Century Fence for the Beach Fence project. He reminded the group that it had been tabled at the previous meeting. He noted that Mr. Angel Maseda was in attendance at the meeting on behalf of Century Fence. Executive Director McHugh reviewed a copy of a letter in the Commissioner’s packets that was sent to Century Fence by the Village Engineer, Ruckert Mielke, as well as an exhibit with the fence sections under discussion. He added that the Village Board had tabled the item as well,

pending consideration and action by the CDA. In response to a question from Commissioner Chanson, who noted that he had seen contactors doing grading work along the fence line, DPW Workman explained that Century Fence had subcontracted with Prairie Tree Landscape Services to do grading and restoration work. Commissioner Chanson asked if the grading work was intended to be a substitute for correcting the fence itself, and DPW Workman answered that the grading was necessary due to the installation of the fence. Chairman Turner asked Executive Director McHugh for his recommendation and he stated that he was recommending denial of the Pay Request on the grounds that the fence was not installed as per the specifications. He commented that the sections highlighted in orange on the attached exhibit were determined by all parties to be deficient and noted that Century Fence was moving forward with their replacement. He added that Century Fence had stated that they had already contacted Mr. Jim Lemke of JNL fence, as well as other fence contractors, for proposals to complete the corrective work on those sections. With respect to the sections highlighted in purple on the exhibit, which were the sections for which Century Fence was currently requesting payment under Pay Request No. 2, Executive Director McHugh noted that Century Fence did not feel that a credit was due, as was indicated in their response letter dated September 16<sup>th</sup>. Chairman Turner and Commissioner Chanson stated that they were in agreement with Executive Director McHugh's recommendation for denial.

Chairman Turner/Commissioner Chanson 2nd made a MOTION to DENY Pay Request No. 2, totaling \$51,718.79 for the Beach Fence Replacement project's construction contract with Century Fence, and the MOTION carried without a negative vote.

Following the vote, Chairman Turner noted that he had gone and looked at the fence. He stated that if the specifications stated that the Village was to receive a "racked" fence and that the Village had instead received a "stepped" fence that it would not be right to accept and pay for the installation.

#### **Century Fence Settlement Proposal**

*This item discussed and acted upon in conjunction with the previous agenda item.*

#### **Schmitz License Agreement (404 Harvard Avenue) – Update**

*In Administrator Hayden's absence, this item was not discussed.*

#### **Kinzie Avenue Reconstruction Project - Update**

##### **Pay Request No. 1 – Odling Construction (\$38,014.25)**

Chairman Turner introduced Pay Request No. 1 for the construction contact with Odling Construction for the Kinzie Avenue Reconstruction project. In response to a question from Chairman Turner, Executive Director McHugh confirmed that the Pay Request had been approved by the engineers. DPW Workman and Mr. Terry Tavera of Ruckert Mielke were asked if either the Kinzie Avenue project or the Third Avenue project was suffering any issues that would lead to delays and/or cause the projects to exceed their budgets, and both confirmed that the projects were proceeding smoothly.

Commissioner Bliss/Commissioner Hibbard 2nd made a MOTION to approve Pay Request #1, totaling \$38,014.25, for the Kinzie Avenue Reconstruction project's contract with Odling Construction, as prepared by Ruckert Mielke, and the MOTION carried without a negative vote.

##### **Third Avenue Reconstruction Project (Incl. Boat Trailer Parking Lot, High St. & Reid St.)**

##### **Pay Request No. 1 – Mann Brothers, Inc. (\$91,253.20)**

Chairman Turner introduced Pay Request No. 1 for the construction contact with Mann Brothers, Inc. for the Third Avenue Reconstruction project (including the Boat Trailer Parking Lot, High St. & Reid St.).

Chairman Turner/Commissioner Chanson 2nd made a MOTION to approve Pay Request #1, totaling \$91,253.20, for the Third Avenue Reconstruction project (including the Boat Trailer Parking Lot, High St. & Reid St.) contract with Mann Brothers, Inc., as prepared by Ruckert Mielke, and the MOTION carried without a negative vote.

**Suggested 'Project Element' Removal Items – General Discussion**

Executive Director McHugh reviewed a list of project elements in the Third Avenue project that could potentially be removed, if desired to do so by the Village, in order to ensure that the combined cost of the Third Avenue project and the associated utility burial did not exceed the referendum imposed limit. Items such as the fencing, the drinking fountain, or the temporary pavement marking, could be removed and then installed at a later date, once the total cost of the utility burial was submitted by the various utility companies. He reminded the group that the representatives of each of the utility companies involved in the project were scheduled to provide updated costs at the "progress meeting" scheduled for the following morning. He concluded that the item was simply for information at this point, but asked that the group review the list, in the event that the utility companies were subsequently determined to be running over their previously supplied estimates.

**General Construction Updates (Storm Water Management Plan, Duck Pond Ground Water Investigation, Duck Pond Gateway Triangle Landscaping, Porter Court Plaza)**

Executive Director McHugh noted that the creation of the Village-wide Storm Water Management Plan was underway with Ruckert Mielke. He explained that the Village was currently waiting on the second round of lab analysis for the ground water monitoring wells installed on the former Village Garage site. He stated that the Village was working with Terry Guen Design Associates to prepare a Landscape Management Plan for the native prairie restoration project on the Duck Pond Triangle site. In closing, he commented that the Porter Court Plaza project was largely complete, with the landscape consultants monitoring the establishment of the recent plantings.

**TID #1 Development Projects**

**Mill Street Plaza (FairWyn, Ltd.) – Update**

Executive Director McHugh stated that there was no update for the Mill Street Plaza project.

**General Business**

**Abbey Resort & Fontana Spa | Tax Increment Financing Development Agreement Reimbursement Draw # 4 | Project Update**

Executive Director McHugh informed the group that the fourth "draw request" for the Abbey Spa project had been received and subsequently 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 concluded that \$38,856.80 remained in the construction escrow account. In response to a question from Commissioner Wilson, Executive Director McHugh noted that the final work on the exterior entrances was in progress. He noted that he had spoken with Building Inspector Ron Nyman, who had visited the site and confirmed that the final elements of the project were under construction. Executive Director McHugh reminded the group that the project was required to be complete by Dec. 31<sup>st</sup>, per the terms of the TIF Financing Agreement.

**Duck Pond Phase II Improvements – Ruckert Mielke Proposal & Estimates  
(Approved w/ \$10k Limit @ Previous Meeting)**

Executive Director McHugh re-introduced the proposal from Ruckert Mielke for the next phase of design work on the Duck Pond group of projects. He reminded the group that the proposal had been approved with a \$10k limit, at his request, at the previous meeting, so that he and DPW Workman could accurately review it. He noted that both he and DPW Workman had reviewed the details of the proposal since the last meeting and stated that it was now being presented for full and final approval. He added that the total amount of the proposal was a range from \$78k to \$104k, which would be ultimately determined by what program elements were selected for the final design. Executive Director McHugh noted that Ruckert Mielke had proceeded under the \$10k approval and had scheduled a wetland delineation from SEWRPC for the site. With respect to approval, Executive Director McHugh asked that Ruckert Mielke prepare a detailed Design Development & Approval schedule as one of the first steps, to ensure that the project remained on track.

Commissioner Bliss/Commissioner Wilson 2nd made a MOTION to approve the proposal from Ruckert Mielke for the design-development and bidding phases of the Duck Pond Recreation Area – Phase Two Loop Road & Recreation Area Improvements project, subject to preparing a detailed Design Development and Approval Schedule at the outset, for an estimated range of total cost from \$78k to \$104k, and the MOTION carried without a negative vote.

**Kinzie Path (“Path Closed”) – Project Initiation / PDI Assessment Letter**

Executive Director McHugh reviewed for the group that the Village Board had made a commitment to have the path open in time for the Memorial Day Holiday in 2009. The Board had also asked that the CDA be involved in the planning of the project as it related to the TIF District. Executive Director McHugh presented a memorandum from PDI, which outlined the necessary steps to initiate the project. He explained to the group that, assuming no objections, he would move forward with PDI and request proposals to proceed with the next stage. Chairman Turner stressed that cost estimates needed to be developed early in the process. Commissioner Wilson stated that she was very pleased to see the project move forward.

**Walworth-Fontana Pedestrian Path Project – Update**

Executive Director McHugh informed the group that the Village of Walworth had formally approved the funding of the Pedestrian Connection up to a total of \$15k. He explained that per an email from Trustee Rich Simonson, the \$15k was intended to represent a 10% commitment to the project, after the matching DNR award was included. Based on Trustee Simonson’s e-mail, Executive Director McHugh relayed that the Village of Walworth cited several factors that were involved in their determination of the \$15k amount, such as; the overall price tag of the project, the ownership or annexation of the land by Fontana, as well as budgetary demands of other high priority infrastructure projects. Chairman Turner asked if the Village of Walworth Board had considered the option of financing the project over time. Executive Director McHugh explained that the Village of Walworth Board had only discussed the actual amount of the commitment. Executive Director McHugh reviewed revised calculations based on a \$15k contribution from Walworth and noted that he had forwarded a copy of his updated calculations to Walworth as well. Chairman Turner asked why the Village of Fontana should contribute almost \$140k, while the Village of Walworth was contributing \$15k. Executive Director McHugh reviewed the explanation, as relayed to him by Trustee Simonson, including the overall cost, the location of the project, and budget pressure of other high priority projects. In response to a question from Chairman Turner, Executive Director McHugh reviewed that when he first sat down to discuss the project with Trustee Matt Long from Walworth over two years earlier, the land known as Bear Trap Ridge was still located in the township. Commissioner Chanson offered that the path would be utilized by, and beneficial to, both communities, regardless of which village owned the surrounding land. In response to a question from Chairman Turner, Executive Director McHugh confirmed that the Grant Award from the DNR was valid until December 31, 2010. Executive Director McHugh also stated that he had notified the Wisconsin DNR of the fact that the two communities were still in the process of finalizing the financial details. Commissioner Wilson offered that the path may benefit Fontana more than it does Walworth, in that it could bring pedestrian traffic to the businesses located within the TIF District. Commissioner Bliss stated that it could just as easily benefit Walworth businesses as well. Chairman Turner stated that while the communities did not necessarily have to split the project costs perfectly even, a 90/10 allocation seemed very unfair. Executive Director quickly reviewed the history of the negotiation and asked for direction. Commissioner Bliss asked that the Village of Walworth be asked to reconsider the concept of a 50/50 split, with the incentive that the costs could be paid over time.

Chairman Turner/Commissioner Bliss 2nd made a MOTION to reject the proposal from the Village of Walworth to fund up to \$15k towards the completion of a pedestrian connection between the existing trail & path systems of the two villages, and to resubmit the offer of sharing the costs of the project on a 50/50 basis with the incentive that the Village of Fontana would include the total amount of the project in an upcoming bonding and execute an agreement for payment of the contribution over a 20 year timeframe, and the MOTION carried without a negative vote.

Following the vote, Commissioner Wilson asked when the grant would expire. Executive Director McHugh stated that the DNR Agreement called for all funds to be spent before the end of 2010, in order to be eligible for the 50/50 cost share.

**Village Board Report – Chairman Turner**

**2008 GO (General Obligation) Bond Sale - Update**

Chairman Turner informed the group that the bond sale had been completed by Ehlers on September 25<sup>th</sup>. Executive Director McHugh stated that the combined rate for the bond issue was 4.5844% per the Sale Results report.

**Lakefront & Harbor Report – Commissioner Chanson**

Commissioner Chanson noted that he had not been in attendance at the most recent meeting of the Lakefront and Harbor Committee. Trustee O'Connell commented that the Lakefront and Harbor Committee was investigating the potential for permanent bathrooms on the lakefront and was hoping that the CDA would fund the project's cost. Chairman Turner noted that the increment generated by the TIF District was already allocated to the projects on the approved TID No. 1 Project Plan. Chairman Turner asked Trustee O'Connell what the Lakefront and Harbor Committee was doing about the DMA. He commented that several properties along the lakefront appeared to be accommodating more boats than what would be allowed underneath the DMA. The group discussed the requirement for both DNR approval and Village approval before modifying buoy and pier arrangements on the lake. As an example, Chairman Turner asked if Abbey Springs was in conformance with the DMA. Trustee O'Connell stated that she could not confirm positively one way or the other. Commissioner Bliss commented on the buoys located in front of Chuck's and Gordy's and noted that their location makes it difficult to maneuver through the moored boats depending on the direction of the prevailing wind. Lakefront and Harbor Committee member Rick Pappas noted that the Lakefront and Harbor Committee had still not been provided with a copy of the original ordinance and/or a copy of the DMA map. Chairman Turner asked Treasurer Pollitt to get the necessary materials to the committee for their review.

**Park Commission Report – Commissioner Hibbard | Executive Director McHugh**

**Duck Pond Pedestrian Path – Perennial Bed Plantings**

Commissioner Hibbard noted that Park Commission Member Sharon O'Brien and Mr. Roy Diblik of Northwinds Perennial Farm worked together to plant two Perennial Beds along the bike path leading up to the Dade Road pedestrian underpass.

**Park's Annual Fall Volunteer Bulb Planting Event**

Gail Hibbard reminded the group that members of the Park Commission and volunteers would be meeting the morning of Saturday, October 25<sup>th</sup> to plant bulbs in various areas throughout the village.

**Blue Ribbon Committee for the Lakefront Building – Commissioners Wilson (Alt: Fisk)**

**Lakefront Survey - Update**

Chairman Turner noted that the Blue Ribbon Committee was still in the process of conducting a public opinion survey. Executive Director McHugh noted that several hundred responses had already been received.

**Library Director Nancy Krei arrived and entered the meeting @ 6:34 pm.**

**Executive Director Report – CDA Director McHugh**

**Tax Increment District No. 1 – Project Plan Amendment #3 - Update**

Executive Director McHugh stated that Project Plan Amendment #3 to the Village's Tax Increment District No. 1 was approved by the Joint Review Board. He explained that the amendment adjusted the description of the Lakefront Building, as redefined the Kinzie Street Reconstruction project, as an extension of the previously complete STH 67 Improvement project.

**TID No. 1 Maintenance Project – Update**

Executive Director McHugh reviewed concerns relayed to him from various groups and committees in the Village that were leery of moving forward until it was clear that the Village was able to take care of what it had already put in place. He noted that he was working with Terry Guen of TGDA Design Associates to develop a management plan for the newly installed landscaping and native prairie areas on the Duck Pond property. He also presented a punch-list procedure he was developing with the Park Commission to make sure that the Department of Public Works was kept aware of issues as they developed.

**138 Fontana Blvd. - Update**

Executive Director McHugh informed the group that owner of 138 Fontana Boulevard was looking to see if there was still any interest on buying properties on Fontana Boulevard. Executive Director McHugh noted that there had been no former offer made. Following general discussion, the group agreed that the property owner should submit a suggested price in writing to the CDA for consideration. Commissioner Bliss asked if the property at 138 Fontana Boulevard was the location of the new business, Salt H2O Chick. Executive Director McHugh confirmed that he was correct.

**Confirm Quorum for upcoming Meetings**

**Next Regular Monthly Meeting – November 05, 2008 @ 6:00 pm (No Closed Session)**

Chairman Turner informed those present that the next regular meeting of the CDA had been called for November 05, 2008 at 6:00 pm.

**November Agenda Item Requests**

No agenda item requests were made by the commissioners for the November meeting.

**Pending / Future Items**

No Pending/Future items were discussed at this meeting.

- 286 Valley View Drive – Façade Improvement Discussion (Canopy Renovation)  
*(Postponed June 2008 for 6 Months)*
- Comprehensive TID #1 Tree Enhancement Project – Funding Discussion
- Abbey Property - Pedestrian Trails Project & Monument Signage Proposal
- “2009 CDA Work Plan” & 2009 Budget

**Adjournment**

Commissioner Chanson/Commissioner Wilson 2<sup>nd</sup> made a MOTION to adjourn the meeting at 6:38 pm. and the MOTION carried without negative vote.

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

**APPROVED:** 5/6/2009