

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

**SPECIAL JOINT SESSION of the VILLAGE OF FONTANA
BOARD OF TRUSTEES with the FINANCE COMMITTEE**

Thursday, October 23, 2014

Village President Arvid President called the joint session meeting of the Board of Trustees to order and Finance Committee Chairman Pat Kenny called the Finance Committee to order at 7:12 pm in the Fontana Village Hall, 175 Valley View Drive, Fontana, Wisconsin.

Trustees Present: Roll call vote Rick Pappas, Dave Prudden, George Spadoni, President Petersen, Pat Kenny

Trustees Absent: Bill Gage, Tom McGreevy

Finance Committee Members Present: Chairman Kenny, Rick McCue, Jim Feeney, Tom Freytag, Peg Pollitt, Craig Workman

Finance Committee Member Absent: Karl Floody

Also Present: Library Director Nancy Krei, Clerk Theresa Linneman, Administrator Dennis Martin, Fire Chief Wolfgang Nitsch, Micki O'Connell, Village Attorney Dale Thorpe (arrived at 7:22 pm), Treasurer Scott Vilona

Joint Session General Business

2015 Budget Review – Approval for Publication

Vilona presented the finalized proposed 2015 budget starting with the projected revenues. Specifically addressed was income from Building Inspector/Zoning Administrator Ron Nyman, who is still issuing permits for the Village of Sharon despite the termination of the initial services agreement; the sale of the two Potawatomi Drive lots; and rental income from the new tenant on the cellular tower. A question was raised at the Finance Committee meeting held earlier that evening on whether the funds in the contingency or emergency reserve fund should be a percentage of the total revenue or of the operating expenses. Vilona stated that according to Auditor Pat Romenesko, it is a percentage of the operating fund which Martin thought was also in the adopted resolution regarding the village's desired contingency fund balance. Discussion ensued on whether the village should use borrowed money to keep the recommended 30 percent in the reserve fund, or to borrow all the funds for the purchase of the new fire truck. The Fire department requested a new fire truck for \$700,000, plus new air packs totaling \$100,000. The current ladder truck is costing about \$40,000 a year in repairs and recently blew a gasket which will cost around \$20,000 to fix. The Finance Committee discussed the option of purchasing the new truck chassis in 2015 and the rest of the truck in 2016; however, the annual repair costs are increasing and by splitting the purchase, it could end up costing more. Fire and Rescue Dept. Chief Wolfgang Nitsch stated the Fire Department's current truck could be sold for around \$60,000. There was discussion on how much the Village would need to borrow to complete the replacement project for the South Lakeshore bridge and purchase the new fire truck. The consensus was to borrow as little as possible even if it means less of a balance in the contingency fund. The Village has received preliminary approval for a \$1.5 million loan from the Wisconsin DOT State Infrastructure Bank at 2 percent interest; however the estimated \$450,000 for engineer and attorney expenses and the \$800,000 for the new fire truck and air packs proposal will have to be borrowed from Walworth State Bank, as well as the \$200,000 for the emergency bridge repair project completed in July 2014. Martin stated that the Finance Committee recommended removing the initial library allocation for \$22,000 for new carpeting; however, the allocation was recommended at \$12,000 to cover the cost of the new carpeting, with the installation expenses to be reviewed and approved during the year by reallocating some of the other project expense estimates. Martin stated that \$12,000 was designated for "reserve" street lights; however, the money was reallocated from that fund to be used for purchase of the new carpeting in the library. Following discussion and direction on the total borrowing that will be required and some of the projects that can be reviewed for cost savings, the Finance Committee and Village Board decided to allocate

\$2,000 more for a total of \$14,000 in the library carpeting line item. As proposed to the Finance Committee, Municipal Court Judge David Jensen submitted a request to increase his annual salary by \$2,250, which is about a 30 percent increase. Jensen submitted a survey of surrounding communities' judge's salaries which showed the municipal judge in the Village of Fontana has not had a salary increase in more than 25 years. Petersen asked what the proposed salary increase is for the court clerk and Vilona answered 1.6 percent, the cost of living increase which is being proposed for all other non-union staff. Petersen then recommended the same 1.6 percent increase for the judge. Spadoni stated it is an elected position and if the Village never gives raises, no one will run for the position. Another board member stated that is not an issue as the judge's position has never run unopposed. Kenny suggested giving a 6 percent raise which would equate to a 1.5 percent increase for the past four years, similar to the cost of living increase given to other employees. After discussion, the board agreed on the 6 percent increase and directed Vilona to adjust for the new salary. Following review of the overall budget and the equalized valuation of the village, Martin stated that the Board of Review was held earlier in the day and there were no objections filed or reductions granted. After the property revaluation this year, the Village's value decreased by \$65 million from \$1.196 billion to \$1.121 billion, which is a 5.44 percent decrease from last year. In turn, the mill rate for this year is proposed at \$2.92 compared to \$2.67 last year.

Trustee Spadoni/Trustee Kenny 2nd made a MOTION to approve for publication the preliminary 2015 budget with the changes as recommended, and to schedule the public hearing for Monday, November 24, 2014 beginning at 6:00 pm, and the MOTION carried without negative vote.

Adjournment Finance Committee

Trustee Kenny/Craig Workman 2nd made a MOTION to adjourn the Finance Committee meeting at 7:51 pm, and the MOTION carried without a negative vote.

Village Board General Business

2014 Audit Engagement Letter Approval – Patrick Romenesko, SC

Trustee Spadoni/Trustee Kenny 2nd made a MOTION to approve the 2014 audit engagement letter as submitted by CPA Patrick Romenesko, SC, and the MOTION carried without a negative vote.

Geneva Lake Water Safety Patrol 2015 Contract Approval

Trustee Spadoni/Trustee Prudden 2nd made a MOTION to approve the Geneva Lake Water Safety Patrol lifeguard services contract for the 2015 season, and the MOTION carried without negative vote.

Scherrer Construction Emergency Bridge Repair Project Invoice Approval

Martin stated Roy Forsyth from Collins Engineers reviewed the \$199,923.93 pay request submitted by Scherrer Construction Company, Inc., for the bridge repair project, as did consultant Al Kaminski, and approval is recommended. After the motion passed, Pappas pointed out there were several small invoices and credit card invoices and asked if Collins marked those expenses up 20 percent. Thorpe stated he could not speak to the specific charges that Pappas asked about, but he did contact Collins and asked them to not sign off until they were satisfied with all aspects of the contract and assured the board they hired the "right" engineers. Prudden pointed out Collins was able to get the work done in three to four days in the rain and Petersen stated that there were things that Collins took care of which the village was not charged for.

Trustee Prudden/Trustee Kenny made a MOTION to approve the \$199,923.93 pay request submitted by Scherrer Construction Company, Inc., for the bridge repair project, as recommended, and the MOTION carried without negative vote.

Collins Engineers Bridge Replacement Design Contract Approval

Martin stated that Collins Engineers had submitted a contact for drafting the bridge replacement bidding and construction plans and for providing construction inspection services for an amount not to exceed \$142,641, plus \$1,000 in mileage reimbursable expenses. Thorpe suggested the board approve the contract subject to his review in order to keep the project moving along.

Trustee Prudden/Trustee Kenny 2nd made a MOTION to approve the Bridge Replacement Design contract as submitted by Collins Engineers, subject to Attorney Thrope's review, and the MOTION carried without negative vote.

Closed Session

Trustee Spadoni/Trustee Kenny 2nd made a MOTION at 7:54 pm to adjourn to Closed Session pursuant to Wis. Stats. Chapter 19.85 (1)(e), “deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require,” specifically the rescue services agreement with Paratech, and the Village snow plowing services agreement with property owner associations, and the roll call vote was as follows:

Trustee Prudden – Aye

Trustee Spadoni – Aye

President Petersen – Aye

Trustee Kenny – Aye

Trustee Pappas – No

The MOTION carried on a 4-1 vote.

Trustee Pappas stated he had a question prior to voting. He asked whether it is proper to discuss Partech's proposed 3.8 percent increased contract renewal in closed session because in the past other RFPs and contract renewals have been done in open session and the board either accepts or denies them. He stated unless there is a plan for a counteroffer to be decided in closed session, he does not agree with going into closed session. Thorpe agreed, but stated he is not aware of what the discussion in closed session will be, but if there is no counteroffer then the motion would be an open session item and would be repeated in open session. Pappas stated that regarding the snow plowing issue, the village is not negotiating or bargaining with anyone, instead it is dictating to people what the village is going to do and believes that discussion should be in open session.

Adjourn Closed Session

Trustee Kenny/Trustee Spadoni 2nd made a MOTION at 8:11 pm to adjourn the Closed Session and to reconvene in Open Session and the MOTION carried without a negative vote.

Open Session Business

Trustee Spadoni/Trustee Prudden 2nd made a MOTION to renew the Emergency Services contract with Paratech at a 3.8 percent increase with the 90-day notice for termination, and the MOTION carried without negative vote.

Adjournment

Trustee Spadoni/Trustee Prudden 2nd made a MOTION at 8:14 pm to adjourn the meeting, and the MOTION carried without negative vote.

Minutes prepared by: Theresa Linneman, Village Clerk.

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

APPROVED: 11/3/2014