

**VILLAGE OF LANNON**  
**MINUTES OF THE VILLAGE BOARD MEETING FROM 10/11/21**

1. Call to order by presiding officer. President Sommers called the meeting to order at 7:00 p.m.
2. Pledge of Allegiance was recited.
3. Roll Call: Village Board: Jensen, Martin, Nellis, Reek, Sommers, and Yates. Barbieri absent.
4. Statement of Public Notice was confirmed.
5. Discussion and possible action on the reading, correction, and approval of the minutes from the Village Board meeting from 9/13/21. Reek/Nellis motioned to approve the meeting minutes from 9/13/21. Motion carried unanimously.
6. Committee Reports:
  - a. Finance/Personnel- item 21 later on to pay the bills. Budget workshop last week, making progress. Another meeting this Wednesday at 6:00 p.m. Postcards for ARPA going out soon.
  - b. Legislative- none
  - c. Parks and Recreation/Beautification- none
  - d. Public Safety- none
  - e. Public Works/Recycling/Sewer-Custer Lane lift station, pre-con meeting. 7:00 a.m. to 6 p.m. to work on 6 days a week. Starting in October, finish in March.
  - f. Quarry-none
7. Department Reports:
  - a. Clerk's Office – Utility bills will go out tomorrow. There is a budget workshop on Wednesday at 6:00 to finalize the proposed budget for next months public hearing. We are working on redistricting, election training and tax bill preparation.
  - b. Police Department – report was submitted in the packets and online.
8. Citizens Comments:

(This is meant for Public Comments on any subject, without any discussion by Board of Trustee members or action, except for possible referral to a governmental body or Village agent). (Except as otherwise allowed by motion of the Board, citizen comments will be limited to 3 minutes per person although written comments of any length may be submitted prior to the meeting to the Village Clerk.)

Chris Barber – Main St. \$9,000 to spend an impact fee to call it a reserve capacity. Defer hookup until litigation is complete.
9. Discussion and authorization to borrow funds for TID 1 from the Board of Commissioners of Public Lands, State Trust Fund Loan Program. Phil Cossen was present from Ehlers to summarize the TID 1 obligations with Sawall. He has been working with staff as well. There are development agreements with each development. They call for things from both sides. MRO reimbursements to developers. Discussion about occupancy of the apartments. For each building that gets occupancy they get funds reimbursed. The Village needs to borrow funds for those purposes and he recommends the State Trust Fund loan because it is run by state for this type of project, done on a draw basis and only pay interest on what you draw. Like a line of credit available to you. Custer Lane road project, funds available to draw on that. Reimbursement of the Village expenses for professional services. Tax Exempt for public purpose. Borrow money at a lower rate. Not all tax exempt because it is for a developer. Finance it in one way and use it for all projects. No prepayment penalty. We have the ability to request a payoff at any time with no penalty. Most flexible approach for the Village. TIF needs to stand on it's own. This is a way to do that. How many are partially assessed. A lot of development has occurred in 2021 and the district is running ahead of schedule according to the contact with the Assessor. 112 million total and we should be 1/3 of the way there by the end of the year. Generates revenue in TID value. That revenue is used to make these payments and for each incentive. How much is available at the end of project life for other projects. Everything seems to be on track, development is ahead of schedule but they continue to monitor it and this is the next step to move forward and meet obligations. Application submitted, application in form of resolution to the Village Board then approved on the states end with a line available to pay obligation. Attorney de la Mora questioned the interest rate? Phil stated it is 3.5% if it is longer than 3 years, drops under if it is less than 5 years. Propose a 10 year loan, it can always be prepaid. No payment in 2022 because it is the end of the year of 2021. Interest has been factored into the model handed out by Phil Cossen. What is the crossover point to be able to pay off within 10 years. How development progresses, for sure in 10 years the way development is going. 2028 there will be enough revenue to pay off that issue. Full principal and interest will be paid out of TID. No impact on levy or taxpayers. 1,215,000.00 borrowing originally. Economic slowdown, projections not met, what will happen with the borrowing? Can it be extended. Reek/Yates motioned to approve the borrowing through the State Fund program not to exceed \$1,215,000.00. Motion carried unanimously.
10. Discussion and possible action on approval of Operator's license for Rebecca Carlow. Nellis/Martin motioned to approve operator's licenses. Motion carried unanimously.
11. Discussion and possible action on application for payment by Vinton Construction Company for Contract 1-2021 Water Main System Extension. 344,000.00 + Emily recommends it for payment. Still needs to be approved by USDA. Yates/Nellis motioned to approve pay application 344,442.80. 5% retainage to hold contractor accountable. Progress 1.6 million has been requested. They are about at 25%. They are up to 3 crews currently and will bring on more crews to have the project done by December 31<sup>st</sup>. Pay applications will increase accordingly. Motion carried unanimously.
12. Discussion and possible action to award Contract 1-2020 Lannon Estates Well Facility Improvements to Mid City Corporation in the amount of \$465,435.00 that is inclusive of the base bid amount and bid alternative no. 1. Engineer Ben Wood stated they opened bids for the Well improvements at Lannon Estates well house. The contract is set to proceed. Three bids were received. 423,000.00, bid alternative 1 is \$42,000.00 they own a parcel around the building that needs to be maintained. New roof, gutters and siding repairs to make sure the building is protected. A letter of concurrence is already approved by USDA. Scope of work is

- part of the Strand Amendment because water main came in lower than expected. Add fire pump at Whispering Ridge, controls for well houses to work well together, fill valves, etc. Well rehab at Whispering Ridge facility as well. Every 7 to 10 years a rehab is done, 2007 when well was put in. 600000 was estimate for this project. Timeline for the project? Ben does not have them but believes it is April or May of 2022. Mid City will be in the Village doing the private property installation plus some work contracted by Lannon Estates for Main work in the park. Yates/Reek motioned to award the contract to Mid City for Lannon Estates and bid alternate 1. Motion carried unanimously.
13. Discussion only regarding recent updates to the [www.villageoflannon.com/water](http://www.villageoflannon.com/water) webpage. Engineer Ben Wood showed the Lannon Website updates. There has been a new layout and gave a tour of the webpage. What's new section and posting construction updates weekly. Policy updates. Reserve Capacity assessment, slower collection time for the Village. Short time frame per USDA. Each property owner is scheduled to receive the installation of private lateral, approximately 6300.00 and general administration work and inside work, etc for approximately 3300 per property. Quarry fund covers all of the non owner occupied expenses. Extension for those who don't have it done until the end of the year. County and Village agreement, if we need date extended we have to go back to CBDG. Property owners don't have agreement with county to set date, that is with the Village. Formal request for extension. Intent aligns with the current project completion date with Vinton and Mid City. Amend completion dates with Mid City before amending the date with the county. Don't operate on the assumption that there will be an extension. That is \$11,000 that could be lost. Main installation is on track for December 31<sup>st</sup>.
  14. Discussion and possible action regarding drainage issues on Diamond Drive. Engineer Ben Wood summarized a meeting that was held with Johnson and Son's Paving, Lannon Estates and Strand with Hector as well. Jahnke and Janke forwarded files to Strand for Review. Road reconstruction plan that was submitted by Lannon Estates in 1991 and approved by engineer at that time. That design included curb and gutter and was never completed. Storm Sewer was a 3 foot cut in the road and water would have flowed to pond where it was suppose to. Provided information to Asset Development and Johnson & Son's. The road reconstruction was a lawsuit from the 1990's. Road was never paved until the 90's, the plan was never built. They were sued and the resolution was asphaltting the road without improvements. Local grounds manager. It was agreed with the sentiment that the problem needed to be fixed. Asset development and Johnson & Sons will hire an engineer and get a quote from Vinton so they could research and analyze that for approval before going forward. The cost would be their responsibility. Private property issue. Lannon Estates feels we should pay for it and bill Lannon Estates. They won't look at it until spring. We could take a hands on approach and fix it and back bill it, this is a private property issue, do we have any authority or just let them deal with it and have Asset Development be held accountable. Reek feels that is a lot of money on private property to take on. Asset Development should be held accountable. Near unit 112, that is where the water is gonna want to go. Can put storm water there but how many 100 year storms have we had. Still has potential to go over back of curb and cause same problem at those units. Reek/Martin motioned to table and not take any action. Hector stated that this did not occur during his tenure. He does not know the issues at that point but knew the Village had no jurisdiction. Beyond the Village authority to invest village dollars on private property. They have recourse against their landlord to sue for damages, etc. Village would open up a liability because it is outside its scope of a public project. Establish a precedent for business owners unwilling to be responsible for the matter. Motion carried unanimously.
  15. Discussion and possible action regarding the dedication of public water and sewer infrastructure in Whispering Ridge Estates North Phase 2. Engineer Ben Wood stated that WREN is ready to dedicate the public infrastructure to the Village after it's installation. Warranty is good for 12 months and this starts the clock ticking on the warranty period. Condition not met is that they have not provided as-builts of utilities within the week. Contingent upon drawings being provided. Nellis/Yates motion to approve dedication upon Village Engineer getting final drawings. Motion carried unanimously.
  16. Discussion only regarding status of Lannon's policy decisions and their effect on the total equalized assessed value and water utility viability. Engineer Ben Wood stated that he was at a conference and gave a presentation regarding the water project and what it has done with the tax base and viability. Common issues faced by small communities and how their decisions have affected them. Thanked Ben for his presentation.
  17. Discussion and possible action on change order no. 1 for the Custer Lane Lift Station contract. Engineer Ben Wood stated that there was no change order specifically but they did have a preconstruction meeting with PTS. Ben summarized the project that will come back for approval. Estimate is about \$80,000.00 and it would have to be blasted. After pre-construction meeting they will revise numbers and come back with numbers for approval. May need a special meeting, not enough information now. Nellis/Yates motioned to table for more information. Motion carried unanimously.
  18. Discussion and possible action on the approval of the redistricting resolution for the Village of Lannon ward map. Reek/Nellis motioned to approve the redistricting map and resolution. Motion carried unanimously. Hector explained that this is required by statute.
  19. Discussion and possible action to schedule a Recall Election. Nellis/Reek motioned to table for more information. Motion carried majority. Martin abstained.
  20. Discussion and possible action to direct further steps with respect to a report, if ready, by Trilogly Consulting LLC about the option of implementing a Reserve Capacity Ordinance with a schedule; and observations about the Special Assessment Resolution adopted November 5<sup>th</sup>, 2021, by the Village Board. Christy De Master with Trilogly provided a report for the board regarding Reserve Capacity study. Highlighted the executive summary of the report. Offer opinion on impact fees on all properties to water main with regards to existing structures and future structures. She has worked with Attorney, Engineer and Auditor in regards to the fees thus far of the water utility. 3.2 million of infrastructure to be recovered by impact fees. 1.2 existing and 1.5 of future main and looping to provide pressure to the village. It is a reasonable approach, many communities do it that way. Change in use, etc that requires more water. New connections increase demand on the system. This practice has not been examined, there may be a reason to adopt a new cost recovery method. Options are water rate to recover costs, not common, impose reserve capacity assessments for water and sewer and the feasibility. Contributed to the utility, not included in water rates. Once they put an impact fee on the books, that can not be recovered by water rates, you cant come back and put on the rates. Tax Levy may be feasible, not a fair option for those

who already have water or wont be able to connect to water system. Reserve Capacity done under special assessment. Flexibility to collect those monies. Existing structures benefit from public utility. Used by other municipalities and tested in court. Village of Germantown in the 90's. You have flexibility on collection. They can be deferred in annual installments. Dual system going forward. RCA for existing structures and allow property owners time to pay. They would not go onto the bills until next years tax bill. Five to ten years would be recommended. Collect impact fees on new structures. Special assessment reports and impact fee report. Intended to cover both types of costs. Recommend using the equivalent meter approach, it is commonly used for this type of infrastructure. Attorney de la Mora questioned if they looked at the special assessment process that was followed by the village so far. She will prepare a written formal report on that subject. I believe that is appropriate and the method chosen for that. Wide range of how you do assessments by state statute. Estimate it would be 5 to 10 annual installments. The \$15,000 is extended over 20 years. The 7500 would be five to ten years on the tax bill. Draft an ordinance to accommodate that situation. Surprised that what Lannon has done is not unique to Waukesha Ccounty. A lot of communities relied on the fact that there is a cost that needs to be recovered and those who benefit from it should pay. Meet technical objection and it will benefit the property owners and open up a window of time in order to pay that fee. Beneficial investment to explore an alternative. Recommend motion to trilogy to proceed with the costs associated with Reserve Capacity. Reek/Yates motioned to have trilogy proceed with the costs associated with the study and to draft the ordinance for approval of both options as residential or all existing properties. There is still money to play with in the previous approval. Quarry committee didn't want to cover anything beyond the original scope of the project and initial report. Discussion regarding residential vs commercial, industrial, etc. Motion carried unanimously.

- 21. Discussion and possible action on payment of the bills. Yates/Reek motioned to pay the bills. Motion carried unanimously.
- 22. Engineer's Report. None.
- 23. Attorney's Report. None.
- 24. President's Report. We have had residents who have stepped up and helped residents out. Help out your neighbors if you can. Get a little more friendly and work together.
- 25. Adjournment. Nellis/Yates motioned to adjourn at 9:53 p.m. Motion carried unanimously.

<p>October 11, 2021          Respectfully submitted,          Brenda Klemmer          Village of Lannon Clerk/Treasurer</p>	<p>*Notice is hereby given that the Municipal Building is accessible to elderly and disabled persons.**Notice is also hereby given that members of other governmental bodies from the Village of Lannon may be present at this meeting to gather information about a subject on which they may have decision making responsibility and may constitute a quorum of that governmental body. No action by any of those governmental bodies, except the Village Board of Lannon, will be taken at this meeting.</p>
---	---