

**RESOLUTION NO. 2022-11**

**RESOLUTION REOPENING / RECONSIDERING /AMENDING A LEVIED SPECIAL ASSESSMENTS UNDER SECTION 66.0703 OF THE WISCONSIN STATUTES AGAINST BENEFITING PROPERTY BY THE INSTALLATION OF WATER MAIN, PUBLIC WATER SERVICE LATERALS, CURB GUTTER, CONCRETE OR BITUMINOUS CONCRETE (ASPHALT) ROADWAY PAVEMENT AND PRELIMINARILY PLANNED WATER SYSTEM IMPROVEMENTS INCLUDING SOURCE OF SUPPLY, ELEVATED STORAGE AND BOOSTER PUMP STATION FACILITIES**

WHEREAS, The Village Board of Trustees heretofore determined by Final Resolution No. 2020-11 (“Res. 2020-11”) adopted November 9, 2020, pursuant to Section 66.0703, Wisconsin Statutes and the police powers of the Village of Lannon, Wisconsin to levy and collect special assessments upon properties benefited by the installation of water main, public water service laterals, concrete curb/gutter, concrete or bituminous concrete (asphalt) roadway pavement; and

WHEREAS, the Village Engineer has prepared a Reserve Capacity Assessment Needs Assessment Report (“RCANAR”) which was filed with the Village Clerk on September 21, 2022, to supersede the report for the special assessments that were previously levied by Res. 2020-11; and,

WHEREAS, the Trilogy Consulting, LLC has prepared a Report on Proposed Reserved Capacity Assessments for Water System Improvements (“RPRCAWSI”) which was filed with the Village Clerk on September 21, 2022, to document the history associated with the Impact Fee and Special Assessments that were previously implemented by the Village Board and to inform and guide the establishment and administration of a Reserve Capacity Assessment; and,

WHEREAS, notice of public hearing on the RCANAR and RPRCAWSI (jointly, “Amendment Reports”) was given by the Village Clerk as provided by law, as shown by affidavits of mailing and publication and the records on file herein; and,

WHEREAS, the Village Board of Trustees held a public hearing on Tuesday the 11th day of October, 2022 in the former Village of Lannon fire department garage (20399 W. Main Street, Lannon Wisconsin) that is part of the Village Hall commencing at 6:00 p.m. and all persons desiring to be heard were heard; and,

WHEREAS, the Village Board has considered and accepted the recommendation of the Village Engineer and Trilogy Consulting, LLC as contained in their Amendment Reports and has been fully advised in these matters and is now ready to amend Res. 2020-11 and to make the final levy of special assessments for the benefits conferred as set forth herein and to invoke the authority granted under Wis. Stat. § 66.0715 to provide for the deferral of certain Reserve Capacity Assessments for vacant properties, properties with no internal plumbing or properties located anywhere within the boundaries of the Village of Lannon that do not have access to municipal water on the effective date of this resolution;

**NOW THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Village of Lannon, Waukesha County, Wisconsin, that:

1. All of the above preamble provisions of this resolution are hereby incorporated and made a part of this resolution. The Amendment Reports are attached and made a part of this resolution.
2. After due consideration of the Amendment Reports of the Village Engineer and Trilogy Consulting, LLC the Village Board hereby finds and determines that the properties set forth in

said reports are benefited by the installation of water main, public water service laterals, curb, gutter, concrete or bituminous concrete (asphalt) roadway pavement and will benefit from planned water system improvements, including source of supply, elevated storage, and booster pump facilities and the Village Board upon such consideration determines that the proposed assessments were determined upon a reasonable basis.

3. Upon such findings and determinations the Amendment Reports are hereby approved in conjunction with the prior report associated with Res. 2020-11 and the Village Board directs that the Village Engineer continue to pursue planned work or improvements in accordance with said Amendment Reports and that payment of said Reserve Capacity Assessments be made as hereinafter provided.
4. The proposed assessments set forth in said Amendment Reports are hereby assessed and levied as special assessments against said properties in the form of Reserve Capacity Assessments for the benefits conferred upon them by the installation of water main, public water service laterals curb, gutter, concrete or bituminous concrete (asphalt) roadway pavement and planned water system improvements, including future source of supply, elevated storage and booster pump facilities.

*The owners of said properties, except those eligible for deferrals as described in the preamble and in the Amendment Reports and hereafter, are hereby ordered to pay such Reserve Capacity Assessments in the manner hereinafter provided unless exempted as follows:*

*a. Any existing connection to municipal water for which the appropriate equivalent meter connection or residential equivalent connection impact fee was paid in 2021 or prior is exempt from the reserve capacity assessment unless additional equivalent meter connections are made for the property in the future.*

*b. Any existing connection to municipal water for which the appropriate equivalent meter connection impact fee was already paid in 2022, in the amount of \$7,923 per equivalent meter connection, is exempt from the reserve capacity assessment unless additional equivalent meter connections are made for the property in the future.*

5. The proceeds from such Reserve Capacity Assessments shall be used for paying the costs of the installation of water main, public water service laterals, curb, gutter, concrete or bituminous concrete (asphalt) roadway pavement and planned water system improvements, including additional source of supply, elevated storage, and booster pump facilities.
6. The Reserve Capacity Assessments are made pursuant to the police powers of the Village of Lannon, Wisconsin and Section 66.0703, Wisconsin Statutes.
7. Each Reserve Capacity Assessment levied by this resolution shall be a *lien* on the property against which it is levied on behalf of the Village of Lannon, Wisconsin, in accordance with Wis. Stats. §§ 66.0703(13) and 66.0717.
8. Each property owner, except the owner of a vacant property or a property that has no available municipal water service or is an improved property without any plumbing, has the option to pay his or her assessment in one (1) sum without further interest on or before October 31, 2022 or the entire balance of any amount unpaid as of November 1, 2022 in up to twenty (20) annual installments, or as provided for by Section 66.0715(3) Wisconsin Statutes, with interest computed

against the outstanding balance thereof at an interest rate applicable to the Village's financing of the project at the point in time of the connection, which in 2022 is 2.25% per year, less credit for payments made, if any, since the adoption of Resolution 2020-11 as stated in the Amendment Reports. To the extent that a property owner subject to the special assessment imposed under Resolution 2020-11 has made no payment, a partial payment or an overpayment as required by that resolution, the Reserve Capacity Assessment obligation under this Resolution 2022-11 shall be subject to and administered in the manner contained in the *Strand Reserve Capacity Assessment Needs Assessment Report* (September, 2022) on the basis of equivalent meter connections and as described in section 4.04 of that report as follows.

*Each property that was previously special assessed or connected to the municipal water system without paying an impact fee (due to the Village Board's temporary moratorium on the collection of impact fees) will be assessed a fee of \$7,923.00 per equivalent meter connection in 2022.*

*For properties that elect to pay the \$7,923 RCA fee over a 20-year term at an interest rate of 2.25 percent, the total amount paid will be \$9,926.20 with \$7,923 as principal and \$2003.20 as interest.*

*The schedule for payments over the term will be according to one scenario presented in the following.*

A. *Properties that Previously Paid a \$15,000 Special Assessment in Full*

*Properties that paid the \$15,000 special assessment in full before the assessment being placed on the property taxes will be reimbursed \$7,077 so their RCA status will remain "paid in full" with a balance of \$0 to be assessed.*

B. *Properties that Paid One of 20 Annual Installments of a \$15,000 Assessment*

*Properties that previously paid their first annual installment of \$939.63 of their 20-year term will be credited that amount toward the RCA. The \$939.63 consisted of \$750 of principal and \$189.63 of interest that will be credited to the \$7923 of principal and \$2003.20 of total interest. This results in a total balance of \$8,986.57 of which \$7,173 is principal and \$1,813.57 is interest. This total will be redistributed over the remaining 19-year term in equal amounts. The resulting annual payment is \$472.98 of which \$377.53 is principal and \$95.45 is interest.*

C. *Properties Assessed \$15,000 That Made a Partial Payment in Excess of One Installment*

*Properties that partially prepaid the \$15,000 assessment or made an additional payment beyond one annual installment will be credited in a similar fashion described previously. The Village Clerk will calculate the balance of principal and interest. If the total payments to date exceeded \$7,923, the excess amount will be reimbursed. If the total payments to date are less than \$7,923, the remaining balance will be divided over the remaining 19-year term.*

D. *Properties that Connected to Pre-2021 Water Main but Did Not Yet Pay a Connection Fee*

*Properties that were previously in impact fee zone 2 (Main Street or bid alternate water main areas or other water main that was not part of the 2021 USDA-RD project) that did not pay an impact fee because the Village Board placed a moratorium on the collection of the impact fees will be assessed an RCA. Properties can pay the RCA amount of \$7,923 in full to avoid paying interest.*

*For properties that do not pay in full, they will be assessed an RCA at the rate of \$7,923.00 per EMC over a 20-year term at 2.25 percent interest. The total amount paid will be \$9,926.20 with \$7,923 as principal and \$2003.20 as interest. This will be divided into 20 annual installments so each annual installment will be \$496.31 of which \$396.15 is principal and \$100.16 is interest.*

*E. Vacant Properties or Properties with No Plumbing that Were Assessed \$15,000*

*Properties that were previously assessed a \$15,000 special assessment that either paid in full, or made an annual installment payment, or made a payment of a different amount will be reimbursed in full. The RCA will not be assessed to the property until the property is connected to the municipal water system. The property owner will be assessed an RCA at that time.*

*F. Properties that Prepaid a Zone 2 Impact Fee or Previously Paid a Zone 2 or 3 Impact Fee*

*Properties that previously paid a Zone 2 or 3 impact fee or prepaid an impact fee are not part of this RCA calculation. If paid in full, the remaining impact fee balance is \$0 and an RCA will not be charged.*

All Reserve Capacity Assessments due and payable under this paragraph shall be collected in installments except such assessments which are paid in full to the Village of Lannon on or before October 31, 2022.

All Reserve Capacity Assessments levied shall be treated in all respects as any other special assessment as being a municipal tax, except as otherwise provided in Wis. Stat. § 66.0715(3). Installments shall continue to be entered in a like manner and with like effect in each of the annual tax rolls thereafter until all are levied.

Each property owner who is paying by installments may prepay their entire assessment together with accrued interest on the unpaid balance calculated on a daily basis to the date of actual payment without penalty.

In the event a property owner fails to pay any Reserve Capacity Assessment installment in full at the time it is due, said owner will be deemed delinquent and his or her or its entire unpaid assessment, together with accrued interest through December 31 of the year said delinquency occurs, shall be extended upon the next succeeding tax roll as a delinquent tax against the property and all proceedings in relation to the collection, return and sale of property for delinquent real estate taxes shall apply to such special assessment, except as otherwise provided by statute.

9. A property owner of a vacant property or a property that will be further developed in the future or a property that has no available municipal water service or has an improved property without any plumbing shall not be obligated to pay a Reserve Capacity Assessment until the property is connected to the municipal water system. Such deferred Reserve Capacity Assessments shall be subject to and administered in the manner contained in the *Strand Reserve Capacity Assessment Needs Assessment Report* (September, 2022) on the basis of equivalent meter connections and as described in sections 4.03 and 4.04 of that report, which state the following.

*The RCA amount for each year will be determined by looking up the construction cost index (CCI) as provided by Engineering News Record (ENR) available for each subsequent year. This percent change shall be presented to the Village Board in January of each year as follows:*

- *The base RCA amount for one EMC shall be \$7,923 and shall be associated with the month of January 2022.*
- *The CCI shall be checked from ENR as available as of the date of the first regular meeting of the Village Board each January.*
- *The percent change in the CCI relative to the base month and year (January 2022) shall be applied to the base RCA amount.*
- *Any EMC connection in that calendar year shall be assessed the RCA amount as adopted by the Village Board in January of that same calendar year.*
- *This methodology shall be reevaluated by the Board every year or as determined necessary.*

*Once assessed at the time of property connection, the RCA is expected to be paid in full or payable over a 20-year term by placement on the property tax bill. The interest rate to be applied to the 20 year term will be the prevailing interest rate associated with the water system projects implemented by the Village in that year, plus an allowable amount for Village administrative costs so long as that additional amount is within the limits dictated by Wisconsin State Statutes.*

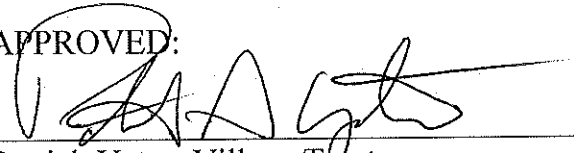
10. All payments hereunder are to be made to the Village of Lannon c/o Village Clerk.
11. The Village Clerk is hereby authorized and directed to publish a copy of this resolution as a Class 1 notice and shall mail a copy of this resolution and a statement of final assessment against his or her property to every interested person whose tax key number appeared on the assessment schedule in conjunction with Res. 2020-11, as updated and whose post office address is known or can, with reasonable diligence, be ascertained.
12. The Village Clerk is hereby authorized and directed to publish the "Installment Assessment Notice" attached hereto and made a part hereof, as a Class 1 notice and mail a copy thereof to every interested person.
13. This resolution shall become Effective upon passage and publication and notice in compliance with Sections 11 and 12 above.
14. Trustee Patrick Yates is hereby authorized to sign this Resolution in the event that the Village President elects to recuse himself from signing it.

15. The "additional policy recommendations" on page 18, Sec. 3 of the RPRCAWSI are hereby specifically adopted for the administration of the Reserve Capacity Assessment.

PASSED AND ADOPTED

by the Board of Trustees of the Village of Lannon on the 17<sup>th</sup> day of October, 2022

APPROVED:

  
Patrick Yates, Village Trustee

ATTEST:

  
Brenda Klemmer, Village Clerk

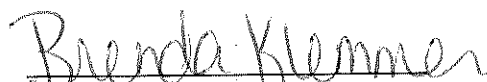
Published: 10/26/2022

**INSTALLMENT ASSESSMENT NOTICE  
VILLAGE OF LANNON, WISCONSIN**

**INSTALLMENT RESERVED CAPACITY ASSESSMENT NOTICE FOR PUBLIC IMPROVEMENTS CONSISTING OF WATER MAIN, PUBLIC WATER SERVICE LATERALS, CONCRETE CURB/GUTTER, CONCRETE OR BITUMINOUS CONCRETE (ASPHALT) ROADWAY PAVEMENT AND PLANNED WATER SYSTEM IMPROVEMENTS INCLUDING SOURCE OF SUPPLY, ELEVATED STORAGE, AND BOOSTER PUMP FACILITIES.**

NOTICE IS HEREBY GIVEN (1) that a contract has been performed which included the installation of public water mains, public water service laterals, concrete curb/gutter, concrete or bituminous concrete (asphalt) roadway pavement; and that there are planned improvements which include source; (2) that an amount of a Reserve Capacity Assessment has been determined as to each parcel of real estate affected thereby; and (3) that a statement of the same is on file with the Village Clerk; (4) that all assessments may be paid in one (1) lump sum installment prior to November 1 of the year assessed, (5) and that any amount unpaid as of November 1 may be payable in up to twenty (20) annual installments as provided for by Section 66.0715(3) and as described in said RESOLUTION RECONSIDERING AND AMENDING THE NOVEMBER 9, 2020 RESOLUTION LEVYING SPECIAL ASSESSMENTS under Wis. Stat. § 66.0703 to which this notice is attached.

Dated at Lannon, Wisconsin this 18<sup>th</sup> day of October, 2022

  
Brenda Klemmer, Village Clerk