

**VILLAGE OF PLEASANT PRAIRIE
PLEASANT PRAIRIE VILLAGE BOARD
PLEASANT PRAIRIE WATER UTILITY
LAKE MICHIGAN SEWER UTILITY DISTRICT
SEWER UTILITY DISTRICT "D"
9915 39th Avenue
Pleasant Prairie, WI
May 16, 2005
7:30 p.m.**

A Regular Meeting of the Pleasant Prairie Village Board was held on Monday, May 16, 2005. Meeting called to order at 7:30 p.m. Present were Village Board members John Steinbrink, Alex Tiahnybok, Steve Kumorkiewicz, Jeff Lauer and Mike Serpe. Also present were Mike Pollocoff, Village Administrator; Jean Werbie, Community Development Director; Kathy Goessl, Finance Director/Treasurer and Jane Romanowski, Village Clerk.

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. MINUTES OF MEETING - MAY 2, 2005**

SERPE MOVED TO APPROVE THE MINUTES OF THE MAY 2, 2005 VILLAGE BOARD MEETING AS PRESENTED IN THEIR WRITTEN FORM; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

5. PUBLIC HEARING

A. Consider Renewal of Liquor and Cabaret Licenses.

Jane Romanowski:

Mr. President, I will just read through the trade name and the property addresses and their designation for their liquor licenses. These are renewals for the 2005-2006 calendar year starting as of July 1st. The first one is our Class A fermented malt beverage licenses. These licenses allow for the sale of beer and fermented malt wine coolers in original packages for off premise consumption only. Those are Pantry 41 Citgo, which is at 7511 118th Avenue; PDQ Store, 8800 75th Street; Stateline Citgo, 12720 Sheridan Road; Truesdell Mini-mart, 8531 75th Street; and the U.S. Kenosha Truck Stop at 9017 120th Avenue. Just a side note two of the Class A's are not on the agenda tonight, Shawn's over on 75th Street and BP Amoco. They were late with their applications and they will be on the June 6th meeting. There aren't any problems with those applications - they just didn't make the deadline as they were supposed to. And also just a note on Truesdell. Steve Schuler has applied as the agent instead of Ron, his dad. So it's just basically turning it over to another family member.

The second class of licenses we have tonight are the Class B fermented malt beverage. We only have one of those and that's for the Big Oaks Golf Club at 6117 123rd Place, and that's just to sell beer to consumers for on premise or off premise consumption. And a note on that one is Pizza

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Hut no longer has a Class B. They've been out of business for a couple months so they are not renewing their license obviously.

Then we go to our Class B fermented malt beverage and our Class B intoxicating liquor. These sell beer and fermented malt wine coolers for on premise or off premise consumption, in addition to selling intoxicating liquor to consumers by the glass or on premise consumption. These are basically our taverns. We have the Chancery Pub & Restaurant, 11900 108th Street; Chili's Bar & Grill at 6903 75th Street; 94/Texas Jay's at 9001 120th Avenue; Earl's Club at 7529 88th Avenue; Frosty's Tobin Creek at 10936 Sheridan Road; Gordy's at 3812 Springbrook Road; Halter Wildlife at 9626 113th Street; Hawthorn Suites at 7887 94th Avenue; Ray Radigan's at 11712 Sheridan Road; Ruffolo Special Pizza III at 11820 Sheridan Road; Starlite Club at 8936 24th Avenue; The Village Supper Club at 10909 Sheridan Road; and the Wooden Nickel at 11606 Sheridan Road. Also a note on those the Wooden Nickel has always been held in Evelyn Nickel's name and now it's going to Joseph Nickel her son.

All the building, fire and zoning inspections have been completed. There are no outstanding violations as of this date. And also Chief Wagner has reviewed the applications and the publication requirements have been satisfied. There aren't any problems with the licenses that are before us tonight and I would recommend approval of them.

I'll also do the cabaret at the same time because the motion can be for both of them. We just have three cabaret licenses, and these are subject, obviously, to the approval of the Class B combination liquor licenses. These are renewals for 94/Texas Jays, Frosty's Tobin Creek and the Starlite Club. Those approvals have to be subject. They have to have a liquor license first before those would be approval and I would recommend approval of those as well. This is a public hearing and we didn't have any sign ups tonight.

John Steinbrink:

This being a public hearing I will open it up to public comment or question. If you wish to comment on the liquor licenses or the applications or the cabaret, we ask that you use the microphone and give us your name and address for the record. Anybody wishing to speak? Anybody wishing to speak? Anybody wishing to speak? Hearing none, I will close the public hearing and open it up to Board comment or question.

Mike Serpe:

Jane, in the event these are all granted, would the outstanding delinquent sewer charges and/or delinquent utilities have to be satisfied before the license is issued?

Jane Romanowski:

Yes. I didn't mention that, but all payments need to be current in addition to the payment of their publication fees and license fees, and they will not get a license until everything is current with the finance department.

Mike Serpe:

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Thank you.

Jane Romanowski:

One side note. Honada was issued a license three or four months ago, and their license is through next June so they aren't on for renewal at this time.

John Steinbrink:

Any other Board comment or questions?

SERPE MOVED TO APPROVE THE LIQUOR AND CABARET LICENSES AS PRESENTED AND SUBJECT TO THE CONDITIONS AS OUTLINED IN THE STAFF MEMORANDUM; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

Mike Serpe:

Mr. Chairman, before we go into citizen comments, I'd like to suggest that we move Item 9A before citizen comments. We have some special people in the audience, and I think we'd like to take care of them first before we take care of anything else we have to do.

SERPE MOVED TO CONSIDER NEW BUSINESS ITEM 9A AT THIS TIME; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

9. NEW BUSINESS

A. Receive Recreation Commission Recommendation and Consider Authorizing 501C3 Non-Profit Status for the Therapeutic Recreation Program.

Erin Winch:

Good evening. My name is Erin Winch. I'm the Director of the Therapeutic Recreation Department for the LakeView RecPlex under the Village of Pleasant Prairie. Myself along with some of my program participants and parents are here this evening to approach you about pursuance of obtaining 501C3 nonprofit status for our TR programs and services.

The mission of our department is to provide all individuals, especially those with special needs, with a safe, affordable option for healthy living and lifestyle ultimately enhancing their quality of life. Our programs help provide that. They provide positive impact on the lives that we interact with on a daily basis, and we are assisting these individuals in their small steps to independence.

Our department came into existence April of 2003 with one full-time CTRS, myself, and there were no specialized programs in the area for individuals with disabilities. At this time there's still one CTRS, but we have seven part-time employees some of which are here this evening. One certified personal trainer who works specifically with individuals with disabilities. We have one

program instructor who runs our programs for individuals with special needs, two specialized swim instructors and a variety of programs and services.

So what does the TR department offer? We offer before and after school care, summer day care with a new adult program for this summer, private swim lessons, personal training, specialized program, which includes social skills, life skills and respite. This is a great service to both the parents and the individuals we serve. These programs are currently offered at the same cost as those for typically developing children and adults, but the cost to run these programs is not the same. The staff and their expertise is not the same. The equipment needed to run our programs and services the cost is much higher and there's a greater variety of the equipment that we need. We also need specialized transportation. We spent roughly \$1,400 just in transportation alone last summer because we need a bus that has a lift. We also need well trained and experienced staff who are devoted to the program and to the constituents we serve.

Currently the program is now funded with money received from cell tower leases, donations and revenues from the Pleasant Prairie Triathlon, our program fees and fundraising. Fundraising has been something that the staff in my department has taken on themselves. They've had several events that they've run. The most we've taken in at an even is \$500 which is a small drop in the bucket for what we really need.

The number of cell towers that we can contract is limited. The amount of money that they can bring in is limited, and who knows for how long cell towers are going to be in existence so that type of funding can come through. As much as we want to believe the Pleasant Prairie Triathlon is going to grow, grow and grow, eventually that will also be a limited source of income. And then if we raise our program fees obviously we're defeating the purpose of offering programs because no one will be able to afford to go to them or use them or use our services.

So what are the benefits of obtaining 501C3 status? Looking at our department as not a governmental entity, our programs and services, but in terms of their necessity to the people we serve, it gives us access to grant funding for providing transportation, program assistance to the people that we serve, access to specialized equipment such as a multi sensory room, access to donations. It provides incentive to community members to help support our programs and services. It gives us a greater ability to serve the community.

Are there disadvantages? It's going to depend on how you look at it. Funding would need to come from a variety of donors, agencies, etc., community members. We're not able to just go and solicit one large donation. It's not looked favorably upon by the tax rules. And then obviously our services would need to have tax counsel.

How would the department change? Really it would still report to the Village. It's still under the Village's umbrella in terms of liability insurance, malpractice insurance, health insurance, etc. It enables the programs and services to be governed by a Board that would make policy and funding decisions for the TR department. Just to give you an idea of what we've missed out on,

in the two years that we've operated we've been unable to secure any grant funding requiring nonprofit status. We've been unable to obtain some opportunities to add a multi sensory room, to

offer scholarships for our constituents.

So basically what are we asking for? We're asking for you to weight the pros and the cons of obtaining 501C3 nonprofit status for the TR department. We hope that you realize--that you're willing to be involved with the TR program and services, and that you're going to make a commitment to the children and adults we serve every day. To understand the magnitude of your decision and the number of people that it affects, both parents, students, older adults, many of whom are here today to share with you the impact of our programs and services. So I don't want you to just take my word for it. I would like to have some of them come up and share with you the impact that our programs and services have had on their lives.

Dondineita Simmons:

Good evening. I'm Dondineita Simmons and I'm the parent of an 11 year old autistic boy who participates in therapeutic rec at RecPlex. And one of the things that we appreciate the most about RecPlex is that it's not just someplace where he can go and receive therapeutic recreation services which is huge, because there's no place else anywhere nearby that offers those kinds of opportunities for kids that have the kinds of special needs . . .

(Tape stopped recording)

Karen Weber, Anny Hamby, Abby Jamsion and Juanita Stolfo also spoke about the Therapeutic Recreation program.

TIAHNYBOK MOVED TO AUTHORIZE 501C3 NON-PROFIT STATUS FOR THE THERAPEUTIC RECREATION PROGRAM; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

6. Citizen Comments

Randy Robarge, 8800 3rd Avenue; Rick Frederick, 8808 3rd Avenue and Jerry Thomey, 8784 3rd Avenue, voiced their concerns about the condition of 3rd Avenue and dumping of garbage at the Towne Club.

Gus Hauser, 143 113th Street, spoke about road conditions in Carol Beach.

Mike McTernnan, 6633 Green Bay Road and Kurt Meeske, 11211 120th Avenue, representing Prime Outlets, indicated they were available for any questions with respect to New Business Item F for the street vacation of a portion of 110th Street West of 116th Avenue in conjunction with the expansion of Prime Outlets.

7. Village Board Comments.

8. Correspondence

A. Receive Petition for Paving 43rd Avenue between approximately 107th and 108th Streets.

SERPE MOVED TO RECEIVE AND FILE THE PETITION FOR PAVING 43RD AVENUE BETWEEN 107TH AND 108TH STREETS AND SET THE MATTER FOR PUBLIC HEARING; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

9. New Business

B. Consider Resolution #05-28 – Resolution in Appreciation of Robert Brehm.

SERPE MOVED TO ADOPT RESOLUTION #05-28 IN APPRECIATION OF ROBERT BREHM; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

John Steinbrink presented Robert Brehm a Resolution is appreciation of his 24 years of service to the Fire and Rescue Department.

C. Consider Ordinance No. 05-16 – Ordinance to Amend Chapter 285 Relating to Sewer Use and Sewer Charges.

(Tape Recording Resumed during presentation)

Kathy Goessl:

Here's our impact on our large customers. In the beginning of the presentation we showed you some of our large customers. I picked a couple of them out and said what's the impact on these large customers. Westwood Mobile Home Park we're looking for an increase for them of about \$1,300 a month increased for them. Fair Oaks Farm \$1,400, Lauder a little less than \$1,000. Their monthly . . . their present rates and also their proposed rates.

How do we compare to other communities similar to us and also nearby us? These are rates I found from a study that was done just last year, 2004. These are monthly as well as annual rates. The rates are based on almost 6,000 gallons a month, a little bit less than what we have as our average. We're falling on the bottom end of what other communities similar or close to us have. You see Kenosha is at the lower end of our scale. Bristol is at the high end of what we had. We picked out similar communities that we believed were similar to us.

This is our monthly residential sewer rates since 1992. As I mentioned before our last rate increase was in 1999, and previous to that our last increase was in 1992. So we've been pretty level in terms of what our sewer rates have been over the last 10 or 13 or 14 years. Ron is going to talk a little bit about suspended solids and our industrial surcharging. These rates are also in our study and being proposed to change.

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Ron Kammerzelt:

BOD suspended solids of phosphoreus are surcharged to industrial users that go above the average which is based on an average residential home's use. So anything above 100 milligrams per liter of BOD, suspended solids 200 milligrams per liter and phosphoreus 600 milligrams per liter. All of those that go above are listed in what we call sewer use category B. Those sanitary sewer users who discharge waste water with BOD concentration in excess of, again, 100 milligrams per liter BOD, 200 milligrams per liter suspended solids, and 100 milligrams per liter of oil and grease. Users whose waste water exceeds the concentrations . . . category . . . BOD is biochemical oxygen demand. It's the quality of oxygen utilized in the biochemical oxidation of organic matter in five days at 20 degrees Celsius expressed in milligrams per liter. Quantitative determination of BOD shall be made in accordance with procedures set forth in standards methods.

Oil, fat or grease in a physical state such that it will separate by gravity from waste water by treatment, in approved treatment facility waste water shall be considered free of floatable oil. If it's properly pretreated and the waste water does not interfere with the collection system. And suspended solids total suspended matter that either floats on the surface or is in suspension of water, waste water or other liquids that is removable by laboratory filtering as prescribed in standard methods. And the standard methods is examination of analytical procedures set forth in most recent addition of standard methods for the examination of water and waste water published jointly by American Public Health Association, American Water Works Association and Water Pollution Control Federation which is what we go by and the State of Wisconsin Department of Natural Resources goes by.

What we are proposing is present rates for BOD \$53 per pound and we're proposing it to go to \$59; suspended solids from \$39 to \$42; and phosphorus actually would go down from \$9.41 to \$6.92. As our waste stream grows in volume we're able to reduce some of these rates in order to compensate for the increased flow.

This is a picture of our lab at Sewer Station D. This is part of the process that is measuring for the standards methods used to measure the BOD suspended solids and phosphorus.

Mike Pollocoff:

In the coming 2006 budget which we'll be starting here in a few months, I'm recommending that we re-evaluate the rates on an annual basis. We've been doing this freeze on rates for a few years now, and as we indicated before we've run our cash reserves down to nothing to the point where our options are to bond for operations or really hope that there is some turnaround in connection fees which are going to provide additional revenue sources for us. But our expenses have been growing, and there's no discount in any utility. The City isn't any different than anybody else. The more sewage we give them doesn't mean we get a break on how much they charge us for. We pay gallon for gallon.

So what we've focused on and a lot of things we talked about, whether it be the construction crew or televising sewer lines or working on that stuff, our major efforts as a utility because we don't treat the waste is to find places where we're getting infiltration into our system to limit that.

That's one reason we've been able to really kind of maintain our rates at a lower rate because we've been able to stay fairly much a step ahead of that. But I think we're at the point where we've really solved a lot of those problems. We need to keep after them because INI doesn't disappear. You take care of it but sewage is a caustic environment. They fail, they break, the ground shifts, it goes on forever and ever.

As that chart indicates our debt is returning to historical levels as we address some of these system problems we have especially in the River Oaks and River Woods area and the improvements we need to make on Highway 31. Connection fees it's our hope that as building picks up we'll get more connection fees. Contrary to some of the common discussion that the Village is growing too fast, if you look at the chart on connection fees the Village wasn't growing. Our growth as really slowed down in the last couple years and that's reflected in connection fees. Connection fees we relied on as we issued debt initially as the Village was expanding its systems. As people came onto the system they would pay those connection fees and that would help pay that debt in future debt for the oversizing of the utility. When construction slows down as it did in the last couple years that shows up in lost connection fees. We're subject to the economic cycle whether or not that's going to be a significant player on our fees or not.

And the treatment expense, as I said, that's something we're going to continue to work on, but I think we need to look at this more on an ongoing basis. The \$90,000 that we're talking about as far as cash for utility, just as an example when we had the floods at River Oaks and the basements were backing up in there we burned through \$60,000 in a weekend. And you have to do it. You can't tell people, well I guess you can, but I wouldn't recommend that they deal with the sewage in their basement. You've got to go in there and take care of the problem. And the only other option if you're not going to have some cash on hand, and I think \$90,000 is pretty meager, you've got to be willing to go to the bank every time you have a problem and borrow funds to take care of it. So \$90,000 for a utility our size isn't a lot, but in order to keep the rates at a reasonable level that's where we're at.

The rates for the utility in 1985 our rates on the west end of the utility were \$30 a month, and here we are at 2005 and we're proposing \$33 a month. The rates in the City areas were \$20 a month, at that time the City was billing us on a flat basis rather than whatever volume goes through. So those people have seen a 30 percent increase in what they've had for rates over time. So that's where we are and that's where we need to be.

Resolution 05-16 reflects the rates that we're proposing based on the Virchow Krause study and our analysis of our capital program and the things we need to accomplish in the coming year. So if there are any questions I'd be glad to answer them. Vicky Hallenbrand, our consultant from Virchow Krause is also here. Her shop did the study.

Mike Serpe:

Mike, if were not to pass this resolution tonight and allowed the debt to continue, how would that debt and how would that utility be funded if we were not to pass this resolution tonight?

Mike Pollocoff:

I think at that point you'd be looking to move the sewer fund over to general and have it go on the tax roll, because the utility is funded by connection fees or charges. If the charges and the connection fees aren't sufficient, then you need to find another source and that would be for us the property tax as the next thing. You could do interfund borrowing. You wouldn't be able to justify a rate increase from the Public Service Commission from water to pay sewer. The Public Service Commission is going to say save your sewer rate rather than your water rate. So our source of where we go for funds is somewhat limited.

The other thing that you can do is if we're not able to cut our treatment expenses, the wages if you cut employees those are the people that are keeping the stations and the lines clean and doing that work. Utilities we know, and anybody who gets a utility bill from Wisconsin Electric knows that those aren't going down. Those are going up significantly and we use a lot of electricity. So those are our expenses as we laid it out. So if we don't want to do it, it does two things. One, as we delay looking at it our expenses keep growing, and if we don't want to raise sewer rates then we have to go back to our one which would be the general fund.

Mike Serpe:

I have a question for Kathy. Kathy, since 1999 to present, I could have figured this out but you're better at math than I am. What would be the average for the five or six years per year from 1999 until now?

Kathy Goessl:

In terms of the rate increase about three percent.

Mike Serpe:

Three percent per year?

Kathy Goessl:

Yes.

Steve Kumorkiewicz:

Mike, you mentioned the general fund and the tax roll. I don't think I like that because there's a lot of people in the Village that are on a septic system and they are not on the sewer network. Besides that, putting it in the tax roll we've got a \$1.1 billion tax exempt in the Village. They're not going to be paying the portion they should pay.

Mike Pollocoff:

That's correct.

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Steve Kumorkiewicz:

So as much as I don't like it I'm more for we have to support the rate increase to the users. That's my opinion.

Jeff Lauer:

I don't know who this question is for. I've got a couple questions, maybe Kathy or Mike. But for your chart you have in here when you're paying the principal and the interest, is this sewer utility the one who pays the interest and then the principal is paid for by someone else?

Mike Pollocoff:

The utility pays principal and interest.

Jeff Lauer:

It does. Okay. I was just wondering because I read this book here and you brought it up and I was hoping you could define it for me, the interloan fund, what that is, because I read in here that the principal is paid for by other Village funds at least in here.

Kathy Goessl:

We have general obligation notes out, but the sewer utility pays its full principal and interest. At the end of 2004 we were short cash a little over a million two. We had . . .

Jeff Lauer:

I read through this, and I know my concern when I read this was the debt issue. I see the possible installation down here is quite a concern obviously for me. So I was hoping to see what other alternative there is, and I don't think putting it on the tax . . .

Mike Pollocoff:

The general obligation bonds, we don't issue revenue bonds for sewer utility because the general obligation bonds carry a far smaller rate of interest. But the Village is putting full faith and credit of the Village behind those bonds, and we do that on almost all of our debt that we issue. But I think that as far as increasing debt that's coming on the sewer utility, we are going to have some other issues that are coming up. If you look at the Village our biggest debt is really behind us. If you look at that one chart that Kathy has it shows principal payments that have been going down. We're relatively outside of the Sewer D area a new utility. The life span of sewer lines is 100 years, and we've put in over \$30 million worth of sewer over the last ten or so years because we're a growing utility. It's been expensive because you don't want to put in a 15 inch main when you know you're going to need a 30 inch main 15 or 20 years from now because you're never going to make your money back.

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But the Village utility has really extended a lot of capital. A lot of our debt in any utility is front loaded. And utilities are capital intensive whether it's sewer or water. When you look at the numbers what you're putting in in capital as far as getting it built is so much more expensive than maintaining it and operating it. That's where the big cost is.

John Steinbrink:

Other questions? I think the one chart that's really helpful is when you do the comparison to other communities and you see where we stack up with the other communities in the area. That shows that we haven't been out of line and actually we're below the other communities there.

Mike Pollocoff:

We put Kenosha in there. With all due respect to some of the papers we constantly get compared to Kenosha, but we can't compare a utility that's 15 or 20 years old with one that's been established for 70 or 80 years. We have 5,000 customers and they have over 20,000 customers. They're able to spread the cost of their services over a broader base and we're not. Kenosha doesn't provide any services to us other than take us at the metering point and it goes to the treatment plant. They don't do one thing inside the Village other than come in and sample our waste to see how strong it is. Unlike the water utility, water utility rates are really high. But the sewer utility has been fairly competitive and hopefully over time as we retire more debt it will be better.

This is one of the reasons when the Ruekert-Mielke study was done which is a sewer and water master plan, it identified one of the things that should--there are big buzz words about consolidation. That was one of the things that should be consolidated. That plan in essence shows a consolidated utility, but Kenosha won't participate in that part of it. So we've built a consolidated utility but it doesn't exist financially and on paper.

Mike Serpe:

Nobody likes to pay more in fees or taxes or anything else and I'm no different. But if paying \$4 a month more as a residential customer to flush my toilet and make sure it don't come back, I would have to be in favor of this.

SERPE MOVED TO ADOPT ORDINANCE #05-16 – ORDINANCE TO AMEND CHAPTER 285 RELATING TO SEWER USE AND SEWER CHARGES; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

D. Presentation from Virchow Krause concerning the proposed establishment of Impact Fees on new development in the Village and Consider scheduling a Public Hearing.

Vicky Hallenbrand:

Hi, I'm Vicky Hallenbrand from Virchow Krause and Company. I'm a partner with the firm. We were engaged to look at impact fees for the Village to bring to you tonight for your consideration. Impact fees at the Village could charge new development in order to help keep taxes lower and help fund additional costs that are required to maintain your current standards as your community grows. I'm going to fly through this, so if you have questions we'll kind of handle those at the end.

Impact fees have been around since 1995, and it was an enabling statute that was actually pushed by developers quite some time ago to make sure that there were some boundaries around development costs that were charged to developers. Impact fees since 1995 have been growing in popularity. In this region of the area they're quite popular, and they're becoming increasingly used in communities to help fund the development that's happening.

I'll go into a little bit more detail about what impact fees can be used for, but they're kind of used in tandem with 236 exceptions which are fees and funds and actually capital assets that you can get through your development approval process. That's where you typically get our onsite improvements, your roads and storm sewers that actually go into a development. Impact fees supplement in the fact that they're most commonly used for offsite facilities. Examples of this would be as a development moves in and perhaps they have a 200 home development, they typically never pay any fees to the community to help upgrade the fire and EMS and police facilities. As new people move in you need to increase the number of police persons, fire persons, and equipment that you have on hand in order to serve that new development. That requires new space and new equipment, and the impact fee is really designed to basically allow the Village to maintain your current standards, that is your current level of service standards, as new people move in. So you can maintain the type of service you enjoy now as new people move in, but the cost of maintaining that standard is paid for by the people who come in rather than having that burden paid for by your existing taxpayers.

I'm not going to read the Statute, but it basically says that you can enact an ordinance that imposes impact fees on developers to pay for the capital costs that are necessary to accommodate land development. It's important to note this is only for new homes, new dwellings, new commercial units that come in, and it is not a fee that is paid for by existing taxpayers. Sometimes the public is a little bit concerned about what an impact fee, that, oh, I pay my taxes and now in addition to pay this. That's untrue. This is a fee that would be paid typically at building permit time, and so it's only on new dwellings and new nonresidential growth.

Why communities like impact fees or why they're actually driven to investigate them as the Village is, is it provides a funding source to keep up with development, as I said to maintain your current standards without shelling that burden on existing taxpayers. Sometimes, and I believe Mike even said it earlier tonight, existing residents feel that the Village is growing at a pace that

they're uneasy with and there would be several reasons for that. One is to just try to commit themselves to a smaller community, but the other side of it might be the impact on their taxes, and that is building a new police station or satellite fire station becomes the burden of the people who are here today to help finance that over time as the new people move in. As you know, you need to build it first and then the people will come and use those facilities.

Impact fees shift the cost of development that causes the need for the improvement back to the people who are causing the need for it, so therefore it helps ease the budget burden and decreases taxes to that extent. There's a community that just implemented impact fees that was able to reduce their tax levy budget by three percent because they had this additional revenue source coming in to help offset the debt service. So that's the reason why people look into this.

Because of the impact fee Statute and the tightness of it and the strictness of it, the fees that you collect have to be spent on what you say you're going to spend it on, so that's also a benefit. It's a dedicated source of funding for public safety or parks. There are lots of facilities that qualify based on the Statute, transportation, roads, signals, public works, storm water, water and sewer, solid waste. The items in bold are the ones that we actually investigated for you. We kind of looked into all of them and talked with management about maybe the most appropriate fees for you to consider as a Village Board. We've included fire protection facilities which would be the equipment that's used as well as fire station space, law enforcement facilities which is related mainly to the space, emergency medical the same as fire. Libraries are eligible, however we didn't investigate those for you. Parks and playgrounds and other recreational facilities.

The costs that you can recover are basically just capital costs and it's bricks and mortar or facilities and equipment. It isn't administrative costs and it isn't the cost of those additional police officers. It's not the ongoing expenditures that you have, but rather it's the capital costs that you would actually borrow for in most cases to pay for a new facility. It includes the cost of land and some overhead fees, but they need to be directly related to the project. Non eligible costs or non capital related expenditures, and I talked about that, would be the additional personnel that you would need, administrative costs on the Village's side to administer the program, legal and accounting costs associated with the development of the fee, and cost of increasing the service standards. For example, if you have a standard of ten acres of active park or improved parkland per thousand population, you can't charge an impact fee to increase that standard to 15 acres per thousand population for the entire Village and shift that whole burden over to development. It needs to be shared equally among all the parties. School district facilities are not allowable in Wisconsin for impact fees. However, they are allowable in Illinois.

As I discussed, the Statute for impact fee development was really pushed by developers, so there's a lot of protection in this statute for developers. There's a lot of strict relationships that need to be met. Our report handles all of these issues and developed fees that we felt were reasonable within these impact fee standards. Basically we need to have a rational relationship between the fees and the cost and the need for the new facility, and it needs to be proportionate. This means that we can't charge, like I said, development to increase the level of standard that you have in your community now. If you have a deficiency in your fire department, for example, the new development can't be charged 100 percent to cure that deficiency. It also needs to be reduced for other revenues that you receive that are directly related to the impact fee that you're charging. So if you charge a developer through a developer agreement for a satellite fire station,

then the people that move into that area should be exempt from the fire impact fee portion of the impact fee. It also needs to be reduced for grants and other outside funding. So basically no double dipping as far as trying to get revenue.

The procedure for developing impact fees is two fold, needs assessment and impact fee calculations which is a draft report that we prepare, and basically we're presenting some of the findings to you tonight. The next step, if you choose to go ahead, is to develop a draft ordinance and have a public hearing. So there's no decision to be made tonight other than to decide whether or not you want to proceed down the path of having a public hearing.

Here are some of the draft proposed fees, and these are subject to change, but I do believe that they are in the realm of reasonableness of what you can expect the final report to say. We wanted to give you an idea of kind of where things were landing. If you choose to move ahead with impact fees, you can always charge a fee lower than what was calculated, but we can't recommend a fee higher than what's calculated here unless we add new facilities and new equipment into the mix.

For fire and EMS it's based on the current standards using a cost per square foot of a proposed station. The fees can be used for a portion of the current debt or for a new facility, and it includes additional equipment like fire trucks and ambulances. The proposed draft fees for residential would be \$450 per residential home or dwelling, and non residential would also pay at a rate of \$1.88 per thousand valuation. The impact fees remember I mentioned that they need to be proportionate. That means that they need to be spread along your development based on a very equal basis. So you can't just choose to charge residential this fee and choose to waive it for churches and schools and commercial development. It needs to be spread over the base equally based on actually the demand of the system.

The proposed police fee would be based on a proposed new facility based on some analysis that was done and provided to us by management. The facility would be designed to serve a population to 40,000 so the fee would be spread over that base of growth, both residential and non residential. The proposed fee is \$575 per single family home and \$1.14 per thousand valuation for non residential.

Public works is based on the current facility and includes a combination of space to store equipment as well as equipment needed to serve the additional lane miles that go into your community as you grow. The proposed fee for residential is \$280 per single family home, non residential is 15 cents per thousand valuation.

Parks and recreation we have a proposed fee here of \$1,075. This is to maintain your current level of improved acres per thousand population that you have. You can see here that we do not have a fee for non residential. Most parks and recreation fees within the State of Wisconsin are only charged to residential. That's where we get the most rational nexus between people moving in and use of the park. You do have some dynamics in this community that would allow you to kind of research looking into charging non residential because of the dynamics of your industrial park here and the type of population that you have daytime versus nighttime, but this is something that we would recommend typically you'd look at just residential. This includes a component for not only improving the parks, and that would be putting in ball diamonds and

swing sets and those types of things. In addition, there's a component in here for swimming pool expansion.

Here's a summary of all the fees that we have included in our draft report. So you can see the residential per dwelling unit comes up to a total of \$2,380 which would be typically paid at building permit time. And non residential per thousand valuation of \$3.18. You can look at these impact fees and you can choose to implement all types of fees meaning you go from fire all the way to parks and rec. You can charge them at this level. You could decrease all of them if you chose to phase in an impact fee and maybe have it increase over time. Or, you could pick and choose types of fees. If you felt that the new potential police facility was one that you would really like to get from funding you could have the police impact fee but choose to hold off on public works. It really depends on what the Village Board is looking at doing and what your concerns are as far as revenue going forward.

Just briefly the pros and cons to impact fees. The pros obviously are the impact on the existing taxpayers when you are able to decrease your levy by three percent because you're funding for growth. The facilities needed for growth in this manner, obviously your existing taxpayers especially those who are on fixed incomes are greatly benefited by this. In addition, it allows the community to make sure that you're maintaining your current standards as people move in. Sometimes fast growing communities, or even communities that are growing moderately but are trying to keep their taxes low, will sometimes hold off on projects and then, therefore, start having declining standards of living in their communities. This is one way to make sure you stay on pace. You have a dedicated funding source for these types of facilities which is often important, again, to maintain the standard.

Some of the cons during the public hearing phase we typically hear from developers who are very concerned that this will stop development or the Village will stop growing or that will negatively impact development. There's been no studies that either prove or disprove that point, but most communities that have had impact fees and have had them for quite some time haven't seen a dramatic halt to the development. Most of the fees, especially the fees that we're proposing here, are well within the market range. For the fees that I prepare all of them are well within the range of averages that I see other communities landing in. So I don't think that you would be kind of really sticking your neck out or being someone who is the frontrunner of these fees. Some of the fees in the area, like the Lake Geneva area and such, are over \$5,000 to \$7,000 per home. So these are fairly reasonable when you're looking at some of the communities. And, like I said, there's lots of interest in this especially with the proposal of TABOR whether or not it passes, but shared revenue decreases, and just basically the concern that I'm sure you all have in trying to keep your taxes as low as possible.

I tried to rush through that so we didn't go the full two hours. But the next steps quickly it's up to the Village Board to make a decision whether or not you want to pursue the drafting of the draft ordinance and go on to public hearing. The public hearing needs to occur at least 20 days after the draft report goes on file, and that's so people in the community can come and get the report and have some time to look it over before the public hearing. You can modify some of the proposed fees if desired, if you'd like to look at implementing certain fees and maybe holding off on others or maybe implementing fees or maybe a phase in approach. And then we hold the public hearing. And at that time after the public hearing is when you actually go through your

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deliberation and determine whether or not you want to approve the ordinance.

Mike Pollocoff:

I have one thing to add. Vicky had a slide up there that showed the ones that she prepared. Two of the other major ones, storm water and transportation, those are big ticket items. We're in the midst of getting a storm water master plan. We had a grant from the State to prepare that and Bonestroo is working on that now, and then we also have a transportation plan that SRF was doing for us and we want to get that one completed so we can really be able to tie up that nexus between what do we need for ourselves and what's needed for development and being able to justify those numbers. So if you decide to proceed on any of them, those would be two additional ones we'd bring back before you once those studies are completed and we have that needs assessment done. But given the fact that these were pretty close to being ready, rather than sitting and hanging onto the whole bunch we're bringing in what we have now.

Mike Serpe:

I think the bringing this forward to a public hearing would be an interesting public hearing to say the least. I guess what disturbs me tonight, Vicky, more than anything is to know that Illinois has impact fees for schools and Wisconsin doesn't, and that's the biggest impact on any taxpayer in the State of Wisconsin is schools. I don't know of too many taxpayers right now that would be opposed to what we're proposing to do in the future here, but I certainly hope that the--it seems to me that the biggest impact on any municipality is Madison and their failure to recognize the need to help schools and then, in turn, that would help the taxpayers. I agree with you, Vicky, I don't see a downturn by this fee if it were to be adopted to deter any development, but I do see it as a help to keep our tax base where it's at and to still provide the services that are needed.

Alex Tiahnybok:

Any time you ask citizens to pay more money I look at it as a tax. But there are fair taxes and there are unfair taxes. And from my perspective, as was indicated, there are a lot of especially elderly people that are having a more and more difficult time dealing with the increased burdens of development. As a result, although I'm philosophically opposed to asking people to pay more money, if there's no better solution than raising assessments then I think this needs to be looked at.

Steve Kumorkiewicz:

I wish we had this type of system five years ago we wouldn't be where we are today. I think it's a good project for the Village.

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Mike Serpe:

Mike, obviously you've gone over with Vicky and Virchow Krause on these fees that we've established. Are you satisfied with what they're proposing here?

Mike Pollocoff:

Yes. I think Vicky has got the numbers up where they need to be. As she indicated we could reduce them down. I think that given the kind of games that we're going to be playing with budgets, depending on whatever budget ends up happening or TABOR or whatever, if we're not going to ask--I mean we'll just take the easy example here as public works. A new subdivision is going to come in and they're going to put in six miles worth of roads. Right now we're faced with the taxpayers buying a snowplow to plow those roads. We don't have an extra snowplow. We don't have extra capacity. So we're down--the Board has held the levies and the budgets down pretty tight over the last four years. There isn't any surplus. So we're at the point where we either say we're not going to have anymore development because there's no way we can pay for it, which starts a whole other problem like the connection fees for sewer. You're in this conundrum where you can't see your way out, or you start charging what that incremental increase is for impact fees.

I personally, given the real estate market that we've been seeing recently, I'd be surprised that anybody really gets that excited about it. They are going to be excited because nobody likes to pay anything for anything if they can get away with not doing it, but this is where we're at. \$2,300 when the Legislature jettisoned impact fees the last time around that's where we were at was \$2,300. We've made some significant storm water improvements. We were able to provide a lot of money to Kenosha Unified. We acquired the Pleasant Prairie Elementary site at no cost to the taxpayers. There were a lot of things we were able to do under that old impact fee law. To me it makes sense to come back and pick it up again. If we don't pick it up here then you guys are going to be looking at taxpayers in November saying here's your new levy with money for these growth items.

Mike Serpe:

When would this come forward if we were to discuss this at a public hearing?

Mike Pollocoff:

Vicky, how long do you think it would take to finalize the report?

Vicky Hallenbrand:

It's ready tomorrow.

Mike Pollocoff:

It's ready. So we may be looking at Attorney Kent in Madison work on this and prepare the ordinance. He's worked with these guys before and he does other work for us, so I think we can probably have that ready within a month.

Mike Serpe:

Would you consider or do you think it would be necessary to have a special public hearing by itself? Do you think it would garner that much attention?

Mike Pollocoff:

It could. I'm sure a lot of developers would be interested or people that are looking to build homes. One of the things we need to make sure in the media is that it's portrayed as an impact fee on new development and not a tax on existing development. It's one of those things where people look at any expenditure as a tax. Well, it's really getting everybody to understand how you want that to land and where it's going to land. I don't think so. We sure can. If the Board wants the staff to set up a special hearing we can do that.

John Steinbrink:

I think Vicky explained it quite well. Under current law it allows municipalities and counties to impose impact fees for special capital costs required to accommodate new development. And school districts are not included in the list of political subdivisions that can impose impact fees right now. School facilities are also not included in the list of public facilities impact fees can be charged to pay for. In fact, the Statute specifically excludes facilities owned by school districts. Now, a budget amendment in a 2002 budget repair bill would have allowed school districts to impose impact fees and also would have increased the list of facilities impact fees can be used to fund, and that's to include fire equipment, for example. That amendment was taken out by the conference committee.

My office has submitted a preliminary drafting instructions based on the 2002 amendment, has been in contact with the Wisconsin Association of School Boards, League of Municipalities about the issue and we want to get their input on what changes need to be made to allow for putting schools back in as an impact fee. There's other things we have to look at. We've been going over a list of things, how it would affect the community's school aids. We don't know for sure, if there's an impact with that by a community having monies to put into buildings and that. Right now the State pays two-thirds of funding for schools and new construction and other things.

The State has always been arrears for as long as I can remember on this. As a lot of communities pass referendums for schools it puts an even bigger burden on them. So if we can get more input from the communities it lessens that burden and it helps the community out. So hopefully we're going to have a bill to put forward that goes back to the 2002 budget repair bill, and that was done by Governor McCallum to include schools, because schools are the biggest drain on a community, and it affects senior citizens and everyone else equally there. It's a cost. And as new

families move in, of course, that burden increases. But we're going to try and reason with Madison and we're going to try and work out something that will benefit everybody and find a way that we can use some sort of an impact fee to help fund schools. But that doesn't affect us now, and we're dealing with what we have here.

You've done a wonderful job on this explaining it, because it becomes confusing and you've simplified it out quite well. As Mike said, we have to make sure that people understand it is on new development and not a tax on existing development. What it does is levels the playing field for the existing residents a little bit.

SERPE MOVED TO AUTHORIZE A PUBLIC HEARING FOR CONSIDERATION OF IMPLEMENTING IMPACT FEES IN THE VILLAGE; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

- E. Consider Resolution #05-26 to initiate a change of two property addresses in the vicinity of 10619 and 10639 Old Green Bay Road.**

Jean Werbie:

Mr. President and Trustees, before you is Resolution #05-26 to initiate the change in two properties located in the Village of Pleasant Prairie. In March the Village of Pleasant Prairie Police Department and Fire and Rescue Department had a very difficult time trying to locate one of our residence or properties in Pleasant Prairie. It was located at 10639 Old Green Bay Road. The situation is that particular property as you can see on the slide is located on 107th Street, and the adjacent property next to it is also located on 107th Street, but they're both addressed off of Old Green Bay Road.

The purpose of the resolution you have before you, based on the review by the Inspection Department, is to recommend that both of those addresses be changed so that their addresses are, in fact, off of 107th Street instead of Old Green Bay Road. The purpose of this Resolution is to initiate that process and to set the public hearing on June 20, 2005 for the Village Board, after Plan Commission recommendation, to consider the change in those two addresses to officially change them from Green Bay Road to 107th Street.

With this Resolution before you the Village Board is not acting on this Resolution to make the change this evening, but it's just initiating the process to hold the public hearing to make these changes. The affected property owners will be notified at the appropriate time if this Resolution is approved. The staff recommends approval as presented.

LAUER MOVED TO ADOPT RESOLUTION #05-26 – RESOLUTION TO INITIATE A CHANGE OF TWO PROPERTY ADDRESSES IN THE VICINITY OF 10619 AND 10639 OLD GREEN BAY ROAD; SECONDED BY SERPE; MOTION CARRIED UNANIMOUSLY.

F. Consider Resolution #05-27 to initiate a Street Vacation of a portion of 110th Street west of 116th Avenue.

Jean Werbie:

The purpose of this request is to initiate the vacation of a portion of 110th Street west of 116th Avenue. Again, the purpose of this Resolution is to initiate that process. The Village of Pleasant Prairie, pursuant to Section 66.1003 of the Statutes may initiate the discontinuance in whole or part of any road, street, lane; alley or slip by the introduction of a resolution declaring that public interest requires it.

On April 26, 2005 the Village of Pleasant Prairie received a request to initiate a discontinuance of a portion of 110th Street. It's west of 116th Avenue which was designated as a public right of way. This is a request that has come to us this evening by Prime Outlets, the regional retail shopping center that is located in that vicinity of 110th and 116th.

Specifically, they are going to be moving forward with a phase 5 of their development to develop a regional center, and they are going to be making some presentations before the Plan Commission and the Board over the next month or month and a half. As part of their request, they are looking to vacate a portion of 110th Street that is no longer needed as a public road right of way. There will be easements that will be given to the Village as well as to the utility substation that is located just to the west of 110th for access. And then the vacated land would go to the lands on either side which are Prime Outlets' and would be incorporated into the development.

If the Resolution is approved this evening, on July 11, 2005 the Plan Commission will be reviewing the street vacation and will forward a recommendation to the Village Board. And on July 18, 2005 the Village Board will hold a public hearing in which to consider this matter. The staff recommends approval of the Resolution to initiate the street vacation.

KUMORKIEWICZ OVED TO ADOPT RESOLUTION #05-27 TO INITIATE A STREET VACATION OF A PORTION OF 110TH STREET WEST OF 116TH AVENUE; SECONDED BY LAUER; MOTION CARRIED 5-0.

G. Consider Construction Related Engineering Services Agreement for Creekside Crossing Phase I.

Mike Pollocoff:

This Agreement is for services of an engineer for the private development of Creekside Crossing. The developer is responsible for paying the bills for this engineering service. The services to be performed are construction related services during the course of construction, site visits, review the contractor's application for payment and submit to the owner with recommendations for reductions in letter of credit to the Village, services of a construction inspector periodically during the course of construction, and staking for preliminary grading. The compensation that's proposed by Crispell is an estimated fee of \$12,500 for construction staking services. On an hour

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basis in accordance with charge out rates in effect at the time at an estimated fee of \$19,000. The engineer shall bill the owner monthly and the owner shall pay the engineer within 30 days of the billing date. I recommend that the Village enter into an agreement with Crispell-Snyder to provide these services.

Mike Serpe:

Mike, just a quick question in reference to the engineering. There was a little problem on 93rd Street on some existing homes with some drainage in the back. Have the neighbors been in contact with Mastercraft or Crispell-Snyder in getting that taken care of? Do you know if that's taken place yet?

Mike Pollocoff:

Well, they haven't been in touch with Crispell because Crispell hasn't started on the project yet. But we are looking at I think they have been in touch with I believe the engineer, Bob Martin, and he can kind of describe to you where they're at. But that's one of the things that the design of that subdivision as we looked at has to take into account. They can't push water off onto that area and store it there. It's got to be able to handle its own storm water. Bob, if you want to talk about your discussions on those?

Bob Martin:

Bob Martin, Village Engineer, 8600 Green Bay Road. The developer is working with the property owners. There are two that are involved with that. They have looked at a couple different ways of solving the problem and one is a swale. So they're working. We're making sure that's going to happen so I think it's all going to work out.

John Steinbrink:

Thank you, Bob.

SERPE MOVED TO APPROVE THE CONSTRUCTION RELATED ENGINEERING SERVICES AGREEMENT FOR CREEKSIDE CROSSING PHASE I AS PRESENTED; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

H. Receive Park Commission Recommendation and Consider Award of Contract for Master Park Plan.

Mike Pollocoff:

Mr. President, the Park Commission reviewed and interviewed respondents to our RFP for an update to our Master Park Plan. The two respondents were Bonestroo and Crispell-Snyder who is subbing Vandewalle & Associates, and Vandewalle is really doing the lion's share of the work. Both consultants submitted proposals at a price of \$25,000.

The Park Commission had a really good interview session with both the firms. The Commission

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felt that Vandewalle & Associates prepared a better response. One of the things they were able to do in their proposal is we identified that we have three parks that we wanted to be able to come up with a full design, set and ready to go so we can do something with it. And in that proposal they came up they would do those three plus two more that we identified that were a need. So the ones that we identified in the RFP was Pleasant Prairie Park, which is on 104th Avenue by Bain Station, Carol Beach Unit W Park which was discussed earlier tonight on the end of 5th Avenue north of 90th, Momper's Woods Nature Center which is right next to Nitto America off of Highway 31.

The two other parks which we felt we needed some additional design on and input would be the Village Green Heights Park which is part of the Village Green Development, Village Green Heights which is underway right now, and then the Foxmoor South Park that was purchased by the School District and identified for a park site. It's right now in the Foxmoor/Mission Hills area. Right around there we have no parks in that area as well. They're going to go through this plan and identify all our park sites. But with these being able to come up with five sets of detailed plans for what comes up to \$5,000 a park is a steal. We felt that was a good deal.

So I'd recommend that the Village Board accept the recommendation from the Park Commission and award a contract to Crispell-Snyder and Vandewalle & Associates for preparation of the park plan. I've submitted in your packet the winning proposal, at least in our recommendation. I can get you a copy of the Bonestroo one if you'd like to look at that as well.

John Steinbrink:

This was gone over at the Park Commission and evaluated.

Mike Pollocoff:

The staff and John Steinbrink, Jr., came up with some good criteria to evaluate and for the Commission to ask some questions, plus they came up with a significant amount of questions on their own. We didn't make a recommendation. We felt they were fairly close and we wanted to see what they were proposing and how the Commission responded to it so that's how we came up with the Crispell-Snyder request. Crispell-Snyder on this project is really going to be providing some of the civils on drainage. The bulk of the work happens with the landscape architect with Vandewalle.

John Steinbrink:

From what we heard the Commission did a good job and really asked some pointed questions.

Mike Pollocoff:

It was really good. It was probably one of the best Park Commission meetings yet.

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John Steinbrink:

To make the difference here between these two groups.

Alex Tiahnybok:

I think it's a steal, like you said, for that amount of money for five parks.

Mike Pollocoff:

That's exactly what we budgeted, too.

John Steinbrink:

Comments, questions, motion?

KUMORKIEWICZ MOVED TO CONCUR WITH THE RECOMMENDATION OF THE PARK COMMISSION AND AWARD A CONTRACT IN THE AMOUNT OF \$25,000 TO CRISPELL-SNYDER AND VANDEWALLE & ASSOCIATES TO PREPARE A MASTER PARK PLAN FOR THE VILLAGE; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

I. Consider Award of Contract for Beverage Services at LakeView RecPlex and Pleasant Prairie IcePlex.

Mike Pollocoff:

Mr. President, Cathi Klaver, the Director of Recreation, and myself and Lynn Boehm, the Assistant Director at RecPlex, have been working for six months on getting a beverage agreement concluded to really take account of IcePlex coming on as well as the addition. We entered into an agreement with Coca Cola Bottlers in June 2003 and really had kind of a shorthand agreement before that that gave Coke exclusive advertising and pouring rights as well as the rights to the vending services at RecPlex.

The contract didn't contain provisions that would include an expansion of the facilities such as we did, let alone the addition of the Pleasant Prairie IcePlex and anything else in the Prairie Springs Park menu. You have to remember that Prairie Springs Park is from H to the Interstate, from 165 up to roughly Jerome Creek. It's a big park and we do have significant land that's in that area. Cathi, why you describe what you did with IEG as far as getting this thing evaluated by a consultant.

Cathi Klaver:

Cathi Klaver, Village of Pleasant Prairie, Director of Recreation, 9900 Terwall Terrace. Mike is referencing a report that we asked for from IEG, which is a leading provider of sponsorship analysis across the country. We felt that as the facility was growing our beverage contract as it relates to other like venues of its size with similar consumer reach, as the RecPlex continued to grow and grow, might be a little more valuable than what Coke was currently paying. So we

retained IEG to do valuation services on the RecPlex with its current consumer at about 11,500 members at the time, knowing that we would eventually grow to well over 12,000 if not more as our programs grow, our user base grows. And so our market reach would continue to become more valuable to our official beverage contractor.

IEG used I believe three main criteria in their evaluations. One were tangible benefits. They analyzed the tangible benefits of the venue. They look at intangible benefits. They look at market reach, and they use sort of an industry standard on cost benefit ratio. It's a fairly sophisticated analysis. But they looked at our current contract which was a cash value of about \$5,500 annually. When we got the report back they believed that our official beverage contract value at that time the market value was approximately \$13,700 annually. And that is compared to other like venues across the country. They analyzed probably 500 different contracts across the country for recreation facilities like ours, whether it be municipally owned or public. So they were really comparing us to similar venues across the country. That's kind of the crux of that report.

Mike Pollocoff:

So we determined that we would solicit bids and there's really two. It's Coke or Pepsi since we're not doing Miller Lite. So we did that. It's a little tough to read, but it's a five year agreement from either vendor. Coke the annual value is \$257,500. Pepsi is \$296,500. Some of that stuff we see in cash sponsorships that could be \$100,000 from either. The IcePlex scoreboards \$2,000 more from Pepsi than from Coke. Premiums and incentives would be \$7,500 and donated product for our events is a big different, \$15,000 to \$39,000.

I guess there are a couple nuts and bolts of things that Lynn Boehm, our Assistant Director, deals with on an ongoing basis. People when they go there with the kids you can either get a 20 ounce jug of pop or you can get your kid a small soda if your pour it. With Coke we're not able to do that. You buy one size that fits all. There are a lot of people that maybe they don't want a big one, but we're not able to do the fountain with Coke whereas with Pepsi we are.

The other thing that was limiting us on Coke we rent the venue. Prairie Springs Park and RecPlex is a beautiful venue and there are a lot of people that want to be able to use it. Danskin is an example. Their sponsor is Pepsi. We had Coke and it was a constant back and forth and back and forth. They pay us tens of thousands of dollars to be able to use that venue and they're relying on their sponsors to help them fund this thing and our sponsor is nagging about having a Pepsi thing there when they're not paying anything at that time. What we want to be able to do is have the opportunity to rent the venue out the way we want to for the best deals for the Village and not have our vendor interfering with that or limiting our ability to do that. The Pepsi agreement allows for non hosted special promotional events from outside organizations regardless of who their beverage sponsor is which really gives us a lot of flexibility. The Coke agreement includes restrictive language on selling and advertising a competitor's products and facilities within Prairie Springs Park and even buildings operated by third parties. We have that one facility we rent out to someone else they have to use Coke and we don't want to do that.

As we look at that park developing we have a lot of sites that we could develop as third sites at Prairie Springs Park and we don't want to get ourselves saddled with something we can't live

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with. The Pepsi agreement doesn't include any of that language. So our recommendation based on the financial comparison Pepsi is clearly financially the best. The restrictive language within Coke's agreement is a concern for us as I said. Coke's agreement doesn't allow us to continue serving fountain beverages through out two concessionaires at RecPlex and IcePlex. We recommend we be authorized to enter an agreement with Pepsi and terminate our agreement with Coca Cola Bottling Company. We're not complete with our agreement with Coca Cola. On the other hand, it doesn't make sense to have part of RecPlex with the agreement with Coke and then part of RecPlex that's Pepsi and then IcePlex would be Pepsi. So we'd ask them to submit a new agreement which they agreed to do and propose against Pepsi. So if they come back five years from now and have a better deal then we've got a better deal.

Jeff Lauer:

Just one quick question. If we terminate with Coke, do we owe anything or is their contract done anyways?

Mike Pollocoff:

We wouldn't take any money for this year's donations which they'd be making, but we would take it from Pepsi so we come out okay. That would be pretty dirty to take the money and nick them this year so we're not taking the money, but we are taking Pepsi's money this year.

Steve Kumorkiewicz:

The thing I like about this is Pepsi is located in the corporate park .

Mike Pollocoff:

That's the other thing. Pepsi is in our backyard. They're building a facility in the Corporate Park. We ran out of soda at Prairie Family Days and me and one of our parks workers we were driving around at two o'clock in the morning trying to round up enough soda to buy because you can't get Coke down here from Chicago after hours. And Pepsi is right off of H inside the Corporate Park. So it's keeping some business local. So I'd recommend that I be authorized to enter into an agreement with Pepsi Americas to provide service at the RecPlex and IcePlex.

KUMORKIEWICZ MOVED TO AWARD A CONTRACT TO PEPSI AMERICAS TO PROVIDE BEVERAGE SERVICES AT THE LAKEVIEW RECPLEX AND PLEASANT PRAIRIE ICEPLEX; SECONDED BY SERPE; MOTION CARRIED 5-0.

J. Consider Ordinance No. 05-17 – Ordinance to Amend Chapter 348 of the Municipal Code Relating to Traffic Signs at Cooper Road and 93rd Street.

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Mike Pollocoff:

Mr. President, this is an ordinance to place a stop sign at Cooper Road and 93rd Street. This is somewhat similar to an item we talked about earlier in the agenda in Carol Beach. The Police Department has been trying every way they can to skin the cat in dealing with speeders on 93rd Street in the vicinity of Cooper Road. As the map shows there, once you get past Cooper Road and you start heading towards the S curves that we installed on the interconnect people just take off and I'm one of them. We know that Cooper Road is going to go through within the next couple years as development proposals come to the Village. At that point we're going to want to look at doing a four-way stop at that point. The Chief is recommending that we put a three-way there now and use that to see if we can slow down the traffic. Brian, is there anything you want to add?

Chief Wagner:

Chief Brian Wagner, 8600 Green Bay Road. I don't have a whole lot to add other than just to point out that this is another one of these areas where we have had an ongoing problem with speed in the area. We are in the area and we are doing enforcement, but through the course of that process we've also observed that, in fact, there is this speed problem and that it does exist. In fact, a couple of weeks ago we got a guy at 90 plus miles an hour through there one evening. So a lot of people live on Cooper Road, and I think that we have to do whatever we can to try to slow traffic down there. It seems to me that this is a very long stretch of road between 39th Avenue and Old Green Bay Road where there really is no stop. There's no reason to slow down

In view of the fact that we're going to be extending Cooper Road eventually south anyway, and at that point you almost have to have a four way stop there, I think it might not be a bad idea to go ahead and do that now and see if that doesn't help us with the speed problem.

Mike Serpe:

I don't disagree with what you're doing Brian. I would suggest a couple things in that intersection. Number one, as you're heading to 93rd on Cooper and the vision to the east there because of the bushes and the Wellman property, I know Dale and I had talked about that in the past. I don't know if he's creating a hazard.

Mike Pollocoff:

He's just about right on the right of way. Some of it's on his property and some is on the right of way.

Mike Serpe:

I think at the same time we put these stop signs in, if it passes, I think that has to be cleaned up as best as possible. Secondly, the County I think it was put a stop sign on H and C with the solar power. I'm sure they're kind of expensive. I like that because it's an attention getter. This guy you guys had at 90 miles an hour he wouldn't have stopped at that sign or the next stop sign either I don't think. But I don't know what the cost of those stop signs are but I think they're

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beneficial.

Chief Wagner:

John Steinbrink, Jr., might be able to comment on that better than I.

John Steinbrink:

WisPark is looking at those at 165 and H, right?

Mike Serpe:

I know we'll have a sign that says stop ahead and that's fine, but the solar thing there's no monthly fee, just let the sun take care of it and it's very much worth it.

Steve Kumorkiewicz:

I think a bunch of residents in the area did that.

Mike Serpe:

On C and H that's the County.

Steve Kumorkiewicz:

I know this is a County road, but the stop sign . . .

Mike Serpe:

I don't know who did it but I like the idea.

John Steinbrink:

No, it's the County. And they have to put anti-theft bolts on it because right away it becomes an attractive thing.

Mike Serpe:

You have kind of high speed traffic coming from the west to the east, and anything that could help to keep that safe. You know what's going to happen, people getting onto 93rd are going to think these people are going to stop and it may not happen.

SERPE MOVED TO ADOPT ORDINANCE NO. 05-17 – ORDINANCE TO AMEND CHAPTER 348 OF THE MUNICIPAL CODE RELATING TO TRAFFIC SIGNS AT COOPER ROAD AND 93RD STREET; SECONDED BY TIAHNYBOK; MOTION CARRIED 5-0.

K. Consider Ordinance No. 05-18 – Ordinance to Repeal and Recreate Chapter 155 of

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the Municipal Code Relating to Curfew Regulations. (First Reading)

Mike Pollocoff:

Brian, if you could describe this ordinance and what brings it about?

Chief Wagner:

Sure. In 2004 a Court of Appeals decision out of Indiana rendered our existing curfew ordinance unenforceable. In view of that, we had a new ordinance drafted, one that is going to meet the test found in the Indiana case, and it appears at this point anyway it would withstand any sort of constitutional challenge.

The ordinance you have before you tonight is the ordinance that has been redrafted and it is the one we would request that you would approve.

John Steinbrink:

This is the first reading. Any questions for Brian on the ordinance? This will come back before us when?

Mike Pollocoff:

Our next meeting.

John Steinbrink:

Thank you, Chief.

L. Consider Appointments to School and Plan Commissions.

Mike Pollocoff:

John had asked me to contact Eric Olson who, of course, is the President on the School Board if he would ever be interested in retaining his position as an alternate and he said he would. Then, Steve, you contacted the School Commission, and Patricia Molette, Monica Yuhas and Debbie Koessler are all interested in reappointment.

John Steinbrink:

Comments, question, motion?

TIAHNYBOK MOVED TO APPROVE THE APPOINTMENTS OF ERIC OLSON AS AN ALTERNATE TO THE PLAN COMMISSION AND PATRICIA MOLETTE, MONICA YUHAS AND DEBBIE KOESSL TO THE SCHOOL COMMISSION; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

M. Consider Appointments to Village Green Technical Advisory Committee.

Mike Pollocoff:

Mr. President, before you are the names of the people being considered for appointment to the Village Green Technical Advisory Committee – Michael Bain; Michael Baltes; James Ballard; Nicole Beddigs; Laura Bush; Glen Christiansen; Susanna Fry; Thomas O’Connell; Mark Riley; Lena Schlater; Gayle Schmidt; Michael Serpe; Gary Sipsma; Thomas Terwall and William Whyte. Some of them are new to be on the Village Green Technical Advisory Committee. This is a specialized committee that is doing extra work for the Village in evaluating the Village Green plan. It’s been sitting dormant for a while. Jean has been meeting with the developer that owns that property. The Village Green, of course, is loosely referred to as our downtown plan. And these are individuals that live in the neighborhood, are reasonably close. There are some people that are on the Plan Commission, the Park Commission and a couple of other commissions, the Board of Review, and just people that live in the area. We tried to get an architect in there and he doesn’t live in the Village, but he’s basically offered to be on the Commission and give us some free work. But it’s a citizens’ group to take a look at the proposals from the consultants, get some more input, some public meetings and run that through before it goes to the Plan Commission so it’s really a more specialized group. Jean, do you want to add something?

Jean Werbie:

I guess the only thing I wanted to add, as Mike has indicated, is that the plan as set dormant for about ten years. We reconvened our committee in ‘91, or a group together in ‘91, and we got the group together in ‘95. We had started to put together a number of plans which we had presented to the community but they weren’t quite right in helping to create our identity for Pleasant Prairie that Village Green Center that we wanted to create. Land use planning from 1967 and again in 1996 and going into the future has always envisioned a retail commercial center and Village community center across from the Village Hall.

And the developer is now at a position where he feels between the density and the advancement of the community and the cooperation of all parties that he thinks he would really like to advance. He’s hired some excellent planners and architects out of Madison who have good experience at developing downtowns for communities in Wisconsin. He’s very excited to move forward with the process as are we. This is something that we’ve been looking forward for a number of years, and we do have some basis and foundation of what we’ve been thinking about over the years. But as we move forward we were looking for greater community input and support for our long-range community planning for creation of a Village Green Center.

Mike Pollocoff:

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With that, I'd recommend that the Village Board consider appointing the Village Green Technical Advisory Committee.

John Steinbrink:

We have a diverse group of people there. Even the County is represented I see.

KUMORKIEWICZ MOVED TO APPROVE THE APPOINTMENTS TO THE VILLAGE GREEN TECHNICAL ADVISORY COMMITTEE AS PRESENTED; SECONDED BY SERPE; MOTION CARRIED 5-0.

N. Consent Agenda

- 1) Approve Bartender License on File.**
- 2) Approve Letter of Credit Reduction for Arbor Ridge.**

SERPE MOVED TO APPROVE CONSENT AGENDA ITEMS 1 AND 2 AS PRESENTED; SECONDED BY KUMORKIEWICZ; MOTION CARRIED 5-0.

10. CONSIDER ENTERING INTO EXECUTIVE SESSION SUBJECT TO SECTION 19.85 WIS. STATS. RE: LAND ACQUISITION.

John Steinbrink:

This requires a roll call vote.

SERPE MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS LAND ACQUISITION; SECONDED BY KUMORKIEWICZ; ROLL CALL VOTE – STEINBRINK – YES; TIAHNYBOK – YES; KUMORKIEWICZ – YES; LAUER – NO; SERPE – YES; MOTION CARRIED 4-1 WITH LAUER DISSENTING.

John Steinbrink:

The Board will return to open session for the purpose of adjournment only. No other business will be conducted.

11. RETURN TO OPEN SESSION

After discussions were held, **SERPE MOVED TO RETURN TO OPEN SESSION; SECONDED BY LAUER; ROLL CALL VOTE – STEINBRINK – YES; TIAHNYBOK – YES; KUMORKIEWICZ – YES; LAUER – YES; SERPE – YES; MOTION CARRIED 5-0.**

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12. ADJOURNMENT

**SERPE MOVED TO ADJOURN THE MEETING; SECONDED BY KUMORKIEWICZ;
MOTION CARRIED 5-0.**