

Village of Fall Creek
Minutes of Special Village Board Meeting
January 31, 2023

1. **Call to Order:** 4:36 p.m., Village Hall Meeting Room, 122 E. Lincoln Ave., Fall Creek
2. **Roll Call:** Members Present: Village President Tim Raap, Trustees Ryan Aylesworth, Karen Herbison, Karen Hurd, Sheena Kaatz. Members Arriving Later: Trustee Matt Mattoon. Members Absent: Trustee Chester Goodman. Staff Present: Village Administrator/Public Works Director Jared McKee, Clerk/Treasurer Renee Roemhild. Also Present: Village Engineer Gareth Shambeau, 2 citizens.
3. **Certify Open Meeting Law Requirements Have Been Met:** A notice of the meeting and the agenda was posted at the three public places and local newspapers were notified.
4. **Adopt Agenda:**
 - MOTION (Kaatz/Hurd) to adopt the agenda as printed. PASSED, without negative vote.
5. **Randall Road Reconstruction & Urbanization:** President Tim Raap opened the discussion asking Administrator Jared McKee to give an overview. McKee stated this project has been talked about at both the Village Board meeting and the Finance Committee meeting. He stated the Finance Committee reviewed the project in detail and moved to recommend the Board approve the project for Randall Road reconstruction and urbanization to include a road grade change, resurfacing, road widening, curb/gutter and sidewalk from State to Wisconsin and a full rebuild, including underground utilities, from Wisconsin to White.

McKee, Raap, and Village Engineer Gareth Shambeau spoke on the key points discussed at the Committee meeting, including:

- The Committee's thorough review of the Asset Management/Capital Plan that prioritizes capital projects.
- Recognition that the majority of the utility failures have been happening in this and the neighboring area, so this area is one of the top priorities. Water breaks are very costly to repair.
- Recognition that cutting into old utility pipes could create even more of an opportunity for failures.
- Recognition that if the project is not done now, the Developer's only choice will be to tie into existing road grades. This will create a problem with storm water in that entire area, as there is not adequate pitch in the existing grade so the Village Engineer predicts it will result in significant water pooling.
- Recognition that doing the project now allows the Village to cost share with the Developer a portion of the Village's project. So rather than the Developer's money being spent to connect to current road and utilities (that would later be dug up in likely only a few short years, as it is projected the reconstruction is needed), his money would be used to benefit the Village's project and would also result in a better grade for his project, which would be to the best advantage for all parties.
- Recognition that delaying the project would not only mean we would lose the cost-share opportunity, but would also miss out on the opportunity to bid at the same time as the Developer bids for his project. A contractor will likely give us better prices if our project can be done at the same time as the Developer's project, that has much higher quantities than the Village's project.

Along with highlighting the main points, McKee gave a detailed cost breakdown to show the costs that would be paid by the Developer and outlined the Village's share by breaking it further down to show the respective funds that are responsible for paying for it. (General Fund is

responsible for the street, curb/gutter, sidewalk, storm portions of the project. Of which some of those portions are paid for through special assessments as outlined in Village code.)

Administrator McKee also reported that he and President Raap have reached out to Eau Claire County asking them to share in the cost of the project, as it is a County road. The initial response was favorable, without giving any promises. They have set a meeting to further discuss the financing request in a couple weeks.

Raap stated that because of the way municipalities are funded, loans are usually taken out for capital projects due to their high cost. That has been the way the Village has handled capital projects in the past and it's very common for municipalities to pay for such large costs over the useful life of the fixed asset. Raap continued that putting off doing capital projects until we have all the money can be detrimental overall to the finances, as the cost of the project will increase or the project may get indefinitely put off which would result in enduring expensive repair costs. Financial management was discussed as part of the Asset Management Plan that the Finance Committee reviewed. Raap continued by saying Jared did a good job of explaining what cash was available so the Board could understand some of the options available, and if a decision is made to proceed with the project, we will look for grants and other funding sources. After we have that data, the funding options will be brought to the Board for a financial decision then. The important decision now is to consider if it makes sense to do Randall Road reconstruction and urbanization at this time.

- MOTION (Kaatz/Mattoon) to accept the Committee's recommendation to do the reconstruction and urbanization of Randall Road.

Hurd stated she wanted to have discussion and that she was going to make a motion that would have to be voted on before voting on the original motion. She said she thought it was a great project and that the Village had money to pay for it out of Village funds and that we could look for grants.

- MOTION (Hurd/Herbison) to amend the original motion to state that we go ahead with the urbanization project as long as we do not go into debt to do it, as long as we use Village funds that are currently on hand and/or grant funds from wherever we can get it, whether that's the County, or LRIP, or PSC. She wasn't willing to approve the project and later on figure out how we were going to fund it because she wasn't willing to do that. We have to be able to say we will fund it out of Village funds only or out of grant funds.

Clerk-Treasurer Renee Roemhild asked for clarification if she was intending to bypass special assessments in this motion because we have special assessed every other capital project and to bypass special assessments would be going against Village Code. Hurd replied yes, because we could always go back and make another motion later if we decide that we want to assess the property owners.

FAILED, roll call vote: Herbison-yes, Hurd-yes, Kaatz-no, Mattoon-no, Raap-no, Aylesworth-yes.

The Board voted on the original motion. FAILED, roll call vote: Hurd-no, Kaatz-yes, Mattoon-yes, Raap-yes, Aylesworth-no, Herbison-no.

McKee stated that for the future, procedurally, when we're in the middle of the vote, you can't buy or sell votes, the time for discussion is before because you don't want the situation where

one person voted and then they heard a bit of information and wanted to change the way they voted. So, once you go to vote, you're not supposed to continue to deliberate. Raap concurred stating that when you go to vote, you're just supposed to vote. There are not supposed to be questions asked or clarifications made after we've gone to roll call.

Hurd said we all know the urbanization is a good project and it should be done, but she is not in favor of going into debt.

- MOTION (Hurd/Herbison) that we approve the urbanization project but that we will do this project without going into debt.

Herbison stated she loved the idea. Raap asked if there was a financial plan that was the basis of this motion? Kaatz asked if there was a big catastrophe and we needed cash for an emergency, what would we do? Mattoon stated he was not interested in strapping the Board down to those parameters. Herbison said she didn't want to raise taxes and that the more debt you have, the more you could raise taxes and she wasn't for that. McKee explained getting debt doesn't necessarily mean taxes will be raised. Raap questioned if there was an understanding of the financial ramifications the Village has been under due to State levy limits that basically restrict levy increases to the level of net new construction, and it doesn't match with inflation. Raap stated our expenses go up just like everyone else's and the Village has done very well to maintain services and handle necessary capital projects, despite the levy limits. Raap questioned if the tool of debt management was removed to pay for larger capital projects, would the strategy be to push needed programs or projects down the road, regardless of whether it's bad for long term planning? Herbison responded yes, she would do that if necessary because she didn't want debt.

Raap stated there was opportunity to talk about all of this in the Finance Committee meeting and yet nothing was brought up - that would have been a better way to handle any concerns anyone was feeling rather than to put a motion forward now that changes the philosophy that we've had in the past, as it's been our practice to have debt for larger road/utility projects. Raap also stated that a motion like this has the potential to stall the project. He asked what if we approve a motion like that, start the project and run out of money; do we have to stop the project? Raap stated he doesn't necessarily have a problem with starting out by not taking on debt for this project because we've looked at the numbers, but it's more that it's a statement about financial management and those kinds of policies should be worked on by the Board together rather than handling it in this way. Mattoon stated he was not fine with hog-tying the process, saying we can only do it this way. He responded that he would not be able to vote in agreement to what the motion was asking for.

Hurd stated she wanted to respond to comments made by Sheena Kaatz and Matt Mattoon about strapping us by using our existing funds. She said that was exactly her argument about not paying off the Raether loan (in March of last year) with our Capital Project funds because we would strap ourselves for just a situation as this. Hurd stated this is the point, that this is so easy, we vote on this and that's the motion, and Jared is absolutely right, in a month we can change our mind and we can take out debt and, to Tim's point if there is something that blows up and we have to have some big amount of money to fix it, we can take out debt to fix that project, that's always an option. We can always take out debt to fix some future project that may come up if that comes up, but right now, as Dane Zook said, we have the money, we can do this project, let's do it with what we've got.

Village Engineer Gareth asked for clarification on how a motion like this would affect special assessments. McKee explained the Village's policy. Mattoon said what he didn't like about this motion is that if there is any expense over the projected amount and we can't get grants, it would stall the project. He was 100% in agreement that he'd like to finance it all in-house if we can, but if we get down to 90% there and can't get the rest of the way, it would stall the project. Herbison stated we wouldn't stall the project. He asked why they had to put those markers on it that way. There was no response and Hurd asked to call the question. There was not a second to her call for the question. Raap stated there were so many mechanics to be considered - the Utility Funds are supposed to stand on their own financially and this does not allow for that. He doesn't want the General Fund to supplement the Sewer Fund anymore. Hurd said to use the ARPA funds for the Sewer portion. McKee stated the ARPA funds are General Fund money. Hurd said the Board can make a motion to move them over to Sewer Fund. Raap said he knew that but that should be something the Board figures out together, to decide together what they want to do with those funds, but that he would second the motion to call the question so we can move on.

He asked for the motion to be read again and directed to call the vote. PASSED, roll call vote: Kaatz-no, Mattoon-no, Raap-yes, Aylesworth-yes, Herbison-yes, Hurd-yes.

6. **Approve Engineering for Randall Road:** McKee reviewed the Supplement Agreement for Engineering Services with Ayres & Associates for the Randall Road street and utility improvements.
 - MOTION (Hurd/Herbison) to approve the contract. PASSED, roll call vote: Mattoon-yes, Raap-yes, Aylesworth-yes, Herbison-yes, Hurd-yes, Kaatz-yes.
7. **Resolution to Close Police Special Revenue Fund as of 12/31/2022:** McKee stated the Police Special Revenue Fund has very little activity and can be added into the General Fund.
 - MOTION (Mattoon/Herbison) to adopt RESOLUTION #2023-0130A to Close the Police Special Revenue Fund as of 12/31/2022. PASSED, roll call vote: Raap-yes, Aylesworth-yes, Herbison-yes, Hurd-yes, Kaatz-yes, Mattoon-yes.
8. **Adjournment:** @ 5:59 p.m.

Renee Roemhild, Clerk/Treasurer