

Meeting Minutes
Village of Holmen Finance and Personnel Committee
January 7, 2020

The meeting of the Holmen Finance and Personnel Committee was held Tuesday, January 7, 2020, in the Village Board Room.

Committee Chairman Doug Jorstad called the meeting to order at 5:00 pm.

Present at the meeting: Committee members Doug Jorstad, Rich Anderson and Dawn Kulcinski. Also in attendance were Engineer Dahl, Attorney Weber, President Barlow, Patrick McHugh, Administrator Heinig and Clerk/Treasurer Hornberg.

Approval of Minutes Dawn Kulcinski/Rich Anderson motioned to approve the minutes of the December 10, 2019 meeting. The motion carried unanimously.

Public Comment Patrick McHugh spoke on behalf of King's Bluff Estates, a project which began two years ago. He stated that at the time the project plans began, they had the impression that there would not be a lift station required for the development. McHugh said that later it was discovered that there would indeed be a need for a lift station to service the areas which the Village of Holmen agreed to pay for. He feels that there are additional costs related to the lift station that were not detailed in the developer's agreement. McHugh states that there is over an additional \$117,000 worth of costs he feels are related to the lift station installation with the need for additional and higher quality infrastructure; he feels these costs should be borne by the Village of Holmen as well. He remarked that he is in attendance this evening to come to a compromise to bear the cost of these unanticipated expenses.

Attorney Weber confirmed with Patrick McHugh if he was aware of the need for the lift station at the time of signing the developer's agreement in 2018. McHugh affirmed that he was aware.

Administrator Heinig spoke in response to Mr. McHugh's statements. Planning for the project, known as King's Bluff Estates began about three years ago, shortly after the Village of Holmen installed sewer and water utilities in the Schaller Boulevard ROW, up to and through McHugh's property. It was made clear to McHugh that the Village never subsidizes residential development in anyway and that all costs for his residential subdivision would be borne by him, the private developer. The Village did agree, however, to pay for a lift station (that would serve a regional need), to pay for the East stub road that would proceed into eastern property (which is likely to be commercial) and to pay for 50% of Schaller Boulevard through the residential area (as that was also a larger than typical street section). All other costs were clearly the full responsibility of McHugh for his subdivision, and McHugh fully understood this as we mutually constructed the developer agreement, which he then signed. Mr. McHugh is here tonight to ask for reimbursement of over \$117,000, essentially asking the Village to pay for all of the 8" sewer main he installed in the subdivision, all 24 manholes he installed in the subdivision and sections of 83 sewer laterals to each lot. McHugh had referenced that due to the need for a lift station, he believed that he was unfairly paying for "deeper than normal sewer depths," and thus that should all be reimbursed by the Village. Heinig made it clear that NONE of these expenses are the Village's responsibility whatsoever, and that there was no such thing as "normal sewer depths," as every development and every property is different.

Village Attorney Brian Weber spoke on behalf of the developer's agreement and the Village's responsibilities. He confirmed with certainty, that Mr. McHugh was fully obligated and responsible to pay for all sewer aspects of his project, and that his request tonight was NOT in any way the responsibility of the Village. He reiterated what Heinig had already said, that the Village agreed to pay for a lift station, 50% of Schaller Boulevard and the East stub road. Weber asked McHugh if he knew that a lift station was necessary when he signed this agreement. McHugh said, "Yes." Thus, McHugh knowingly entered into a contract that required him to pay for all sewer related expenses, including connection to the lift station, as required by the

developer agreement. McHugh was also responsible to pay for and build the lift station, and the Village would only thereafter reimburse McHugh for the lift station once all aspects of the development were complete. To date, Schaller Boulevard still has not been completed, and is clearly part of the developer agreement, thus no reimbursements should be granted at this time. Weber made it clear that while the Board has the right to modify this agreement and give special consideration to McHugh, doing so would set an ugly precedent and we would have no way to defend against future requests from other developers. Essentially, if the Board chose to disregard the parameters of our contracts, then we may as well as not even have them, as the contract is there to protect the Village and outline overall responsibilities. He strongly recommended we uphold the agreement as it was written and remain consistent with its implementation. Weber then mentioned that all aspects of the development MUST be complete by August 22, 2020; thus Schaller Boulevard and the other minor aspects yet to be completed, must be finished by that date per the agreement. He also commented that the same timeline applies to McHugh's King's Bluff Business Park, wherein "Rotterdam Avenue" is still not finished—that too must be completed by August 22, 2020.

Village Engineer Chris Dahl spoke on behalf of the King's Bluff Estates sewer design. He was clear that the developer's engineer was fully responsible for the design that was used for the construction of the new infrastructure. Dahl also made it clear that state requirements for sewer pitch were utilized appropriately in the design of the sewer system, providing for 5' of fall for every 1000' of main, which is exactly what the King's Bluff Estates sewer system employs. Dahl pointed out potential efficiencies that could have been developed into the design, but that overall, the design of the sewer system is predicated against the length of the "run (main)," and McHugh's subdivision has a very long "run," which demands a deeper depth. He too clarified that there is no such thing as a "normal sewer depth," and stated that there is no question that all of these sewer expenses and costs are the full responsibility of McHugh, the developer.

Consideration of JMQ Property Request for Contract Review/Amendment Rich Anderson/Dawn Kulcinski motioned to deny amendment of Development Agreement for King's Bluff Estates. The motion carried unanimously.

Clerk/Treasurer Report Hornberg reported tax collections were proceeding well; the January settlement payments will be included in the January claims for payment Thursday night. Hornberg commented that candidates on the Spring 2020 Ballot for the three available Trustee seats are Incumbents Wyss, Cain and Stanek. There will be a Spring Primary Election in 2020. She stated that preliminary audit work in December went well and they will return in March to complete the 2019 audit.

Review Claims and Financial Statements The Committee reviewed all claims for payment.

Consideration of Licenses Dawn Kulcinski/Rich Anderson motioned to recommend approval of Operator's License for Colleen J. Cudo – HD Tavern; Anna M. Stenberg and Kaylyn A. Woodward – Holmen American Legion and Jennifer S. Olds – Festival Foods. The motion carried unanimously.

Administrator's Report Heinig stated that the Law Committee meeting was beginning soon and asked if there were any questions on his monthly report.

Approval of MOU Rich Anderson/Dawn Kulcinski motioned to recommend approval of the Memorandum of Understanding between the Village of Holmen and Elmwood Partners. Administrator Heinig commented that this agreement needs to be in place prior to recording the previously approved CSM for Hale Drive and Bridge ROW. The motion carried unanimously.

Adjourn Dawn Kulcinski/Rich Anderson motioned to adjourn. The motion carried unanimously. The meeting adjourned at 6:01 pm.

Minutes by Angela Hornberg, Village Clerk/Treasurer