

Board Present: Trustee Wanggaard, Trustee Wishau, and Trustee Weatherston, Trustee Stillman, Trustee Martin, and Trustee McManus.

Absent President Dobbs was excused.

Staff/Others: Village Administrator Tom Christensen, Finance Director Kathy Kasper, and Utility Director Anthony Bunkelman. Attorney John Bjelajac was also present.

1. Call the meeting to order

Trustee Wishau called the meeting to order at 4:30 p.m., at the Caledonia Village Hall and on ZOOM.

2. Resolution 2021-65 – Resolution Appointing Village Finance Director Bane Thomey

The Personnel Committee, several Board members and Staff held interviews the week prior and identified a qualified candidate in Bane Thomey. After negotiation there has been accepted offer and the Village would formally like to appoint her to this role.

Motion by Trustee Stillman to approve Resolution 2021-65. Seconded by Trustee Martin. Motion carried unanimously.

3. Discussion regarding the proposed Special Assessments for the sanitary sewer and watermain improvements in the 4 Mile Road Project. No Action will be taken, though, for the levying of the Special Assessments. This will be a concept discussion only.

This is a concept discussion only. Bunkelman presented and explained a brief history on this Special Assessment. After the April 27th Public Hearing options were presented and this topic was tabled for further discussion. Staff assembled options to consider and explained the different options for the Board to consider.

Option 1 - is the same proposal from the April 27th public hearing. Single family residence would be paying approximately \$31,625.18. This would require mandatory connection to sanitary sewer within 6 months per the Village ordinance. Sewer would have a 20-year repayment plan that would start in December 2021. All Sewer assessments would start in December 2021 unless it is a vacant parcel. Water would be a Voluntary connection. This would also have a 20-year repayment plan available until June 30, 2040. The interest on this would be 3.5% and would not start occurring until a connection is made.

Option 2 - 0% reduction on water, 10% reduction on sewer. Reduction to the sewer assessments by \$1,860 for each single-family residence. The typical total assessment would be around \$29,766.15. This would add \$74,325.51 to the TID.

Option 3 - 0% on water, 20 % sewer. It is very similar to option 1. This doubles the amount to \$3,718.06. A typical single-family assessment would be around \$27,907.12. This would still have same repayment options.

Option 4 - 0% water 30% sewer. A reduction of about \$5,577.09 The typical assessment for a single-family residence would be around \$26,048.09. The effect on the TID would be \$222,976.54.

Option 5 – 10% water 10% sewer. The reduction would be around \$1303.49 for water and \$1,859.03 for sewer. The typical assessment for a single-family residence would be around \$28,462.66. The effect to the TID would be \$110,808.73.

Option 6 – 10% water 20% sewer. The typical assessment would be around \$26,603.63. The effect to the TID would be \$185,134.25. This would also have the same repayment options as before.

Option 7 – 10% water 30% sewer. The typical assessment would be around \$24,744.60. The effect to the TID would be \$259,459.76.

Option 8 – No mandatory connection whatsoever. This would require an ordinance change. Discussion to have assessment due in full upon a trigger event. There is no way to tell how much is to be covered by the TID because of the fluctuation of it. The uncertainty of when money will be coming in as revenue to the TID was brought up.

Option 9 – 0% water and \$10,000 principal forgiveness on sewer. Properties would get a \$10,000 reduction on their sewer assessment which would bring it to about \$21,625.18. The effect on the TID would be about \$170,000. Sewer is mandatory and the option of a 20-year repayment plan which would start December of 2022. This would give property owners an extra year to catch up as the first year a connection to system is required. Water is the same as prior. It is a voluntary connection with 3.5% interest. There is also a 20-year repayment plan.

Option 10 – 0% water and 24.38% sewer. The percentage was done on a prior project in 2013. 24.38% brought the average single family residence assessment to about \$27,092.86. The effect on the TID would be about \$181,205.60.

Option 11 – Trustee McManus send out a letter to the Board about this option. This option was to take the 2020 assessment values and the average assessments of existing homes on properties. The average assessment was \$207,264.29. Making the base of the assessment 8% of that assessed value would be about \$16,581.14. This would keep the acreage assessments active. The typical assessment would be about \$16,581.22 for a single-family residence. The effect on the TID would be about \$279,814.93.

There will need to be a consensus of the Board to move forward. There was discussion about making a one-time exception for the assessment, or if this will be a change in policy? There was a proposal for policy change the limits the amount we can charge on sewer and water regarding special assessments. Attorney Bjelajac warned to be cautious because this will be a precedence for future projects and will be referred to on any assessments moving forward. Some trustees thought there would be a value increase to the properties and suggested that these could be paid by a trigger event. The Board and staff discussed past special assessments and options offered to those past assessed properties. There has also been financial hardship that has increased due to the pandemic. The key question is whether the Village would require mandatory hook-ups. If nothing is triggered, then there is no payment. This is an exceptional project if not for another TID. Attorney Bjelajac suggested that the Board work on an assessment to be implemented for 4 mile and defer to future policy because that will require more and future board meetings on how to handle these future assessments. The Board further discussed options that they favored, such as option 8 and how this would affect the residents.

Bunkelman and Attorney Bjelajac will work further on the 8th option. They proposed a sliding scale with increments and variations of the dollar amount to be put back on the TID. For the record, the purpose is to provide sewer and water along this route.

4. Adjournment.

Motion by Trustee Wanggaard to adjourn. Seconded by Trustee McManus. Motion carried unanimously. Adjourned at 5:59 p.m.

Respectfully submitted,

Joslyn Hoeffert, Village Clerk