

President Mark Breckheimer called the regular meeting of the village board to order at 7 p.m. on Tuesday, February 9, 2016.

Roll Call – all members reported present. Others present were Tom Baer, Mike Loose, Tony Sweere, Phil Cossen from Ehlers, Charlie Fochs, Ed Byrne from the Brillion News and Missy Kieso.

Pledge of Allegiance – The pledge of allegiance was recited by everyone present.

Citizen Questions and Concerns to be acted on at the next board meeting – none.

Announcements – Spring Primary is February 16th. Spring Election is April 5th. The next Civic Association meeting is scheduled for February 25th at Schmitz Brothers II. Village of Potter is the hosting community.

Minutes – Action – to approve the board meeting minutes as presented – motion: Koffarnus; second: Boesch; carried. The fire department minutes was presented to the board. Action – to accept the fire department minutes and place them on file – motion: Koffarnus; second: Starfeld; carried. The first responder minutes were presented to the board. Action – to accept the first responder minutes and place them on file – motion: Starfeld; second: Boesch; carried.

Treasurer's Report for the Village of Hilbert - balances – \$455,258.05 General fund; \$385,079.08 Sewer fund; \$75,698.57 Water fund; \$3.00 Clean Water fund; (\$53,325.30) TID #1 fund; \$721,545.28 T-Plus fund; \$17,640.29 First Responder fund; (\$422,932.01) TID #2, \$137.03 CDA; \$241,547.87 Capital Improvements Fund. Action – to approve the treasurer's report as presented – motion: Koffarnus; second: Roehrig; carried. The fire department treasurer's report was presented to the board. Action – to approve the treasurer's report of the fire department as presented – motion: Koffarnus; second: Boesch; carried. The first responder treasurer's report was presented to the board. Action – to approve the first responder treasurer's report as presented – motion: Koffarnus; second: Roehrig; carried.

Claims - examined and discussed. Action – to pay all claims – motion: Starfeld; second: Keuler; carried.

Correspondence – The MEG newsletter was presented to the board for their information. There were no letters from Time Warner Cable. There were no Focus newsletters received. The Boardman & Clark newsletter was presented to the board for their information.

Reports - The report of labor hours was presented to the board for their information. There was no monthly report on building permits to present because no permits were issued in the last month. The summary of 2015 payroll was presented to the board for their information. DuPrey stated that there was no report on the February tax settlement because it was not completed yet.

Unfinished Business:

2016 Projects – Nothing new.

Recycling/Rubbish – The monthly report was presented to the board for their information. There was some question on some of the tenants putting recycling out on the curb. DuPrey stated that he would talk with the landlord on it.

Police Protection for the village – There was no monthly report received.

Fire Department – Chief Mike Loose reported that there were 2 fire calls the last month. He also presented the board with a drawing of what the new equipment truck will look. A change order on the new fire truck was presented to the board. There were several changes but it results in a reduction of \$726 of the total cost. The details of the change order were reviewed with the board. Action – to approve the change order for the fire department equipment truck as presented – motion; Boesch; second: Starfeld; carried. A letter from ISO regarding our new Public Protection Classification Number was presented to the board for their information.

TID District #1 – Nothing new.

TID District #2 – Nothing new.

Street Committee – The final report and recommendations from the Upper Manitowoc River Watershed Task Force that was completed in response to recent flooding issues of the area communities was presented to the board for their information. Boesch stated that he doesn't know where it will go from here. We will have to wait and see. There was nothing new to report regarding the request to lower the speed limit on the north side of the village.

"Looks of Hilbert" (Aesthetics) – Starfeld reported that the signs are at the painter.

Wastewater Treatment Plant – Interceptor Sewer Main Replacement Project – Charlie Fochs reported that the contractor is in finishing up on grouting and sealing the manholes. WWTP Upgrades – Charlie Fochs reported that everything is going well. The DAF unit is in. He stated that tomorrow they were going to pour the pads and put the piping in. He stated that some of the insurance work has already been completed. He stated that hopefully Altronex would be coming in to get the programming completed. There was a change order presented. Most of the items were for either missed things or for changes made to the original plans. Starfeld questioned if the engineers should be catching this. He stated that he felt that it was a lot of little and that it seems high at \$8,000. Action – to approve Change Order #6 to Oudenhoven Construction for additional costs totaling \$8,349 – motion: Boesch; second: Piepenburg; carried. The payment request for billings was then presented for the clean water fund draw. Action – to approve the billings for payments as outlined for the clean water fund draw – motion: Boesch; second: Starfeld; carried. A letter from Oudenhoven Construction regarding the warranty of the work for the building settling was presented to the board. They are willing to give us a one year warranty. Charlie stated that this is what he expected because that is what we get on a normal project. He stated that he doesn't really see it as a concern. Keuler questioned what our options were? Starfeld asked what is the

normal warranty on a building? DuPrey stated that it is one year. Piepenburg questioned when this happened. It was right in the beginning of the project which was about 4 months ago. Piepenburg stated that there has been no further damage done since that time and he doesn't think that they will grant us more time. There was some question on having the inspector watch all of the work being completed. Keuler questioned why we would not want the inspector there the whole time on this. Mike Loose commented that if the inspection is due to the repair work, it should be part of the claim and not the village's responsibility to pay. Charlie Fochs stated that the biggest issue is with the wall. Most of the other work is cosmetic. Keuler commented that they are going to do the work as fast as possible because everything is about the money and he is concerned that we will have a poor product in the end. Keuler questioned that if we do accept this work with the 1 year warranty and in a year and a half or two years and there are issues, is our insurance company going to cover it or are we out on our own? Boesch commented that we are looking at a crystal ball here and "what ifs". Keuler asked is we should contact our insurance company about this? DuPrey stated that if a project is past the warranty and an issue arises, we are on the hook for it. Charlie stated there were 3 structural guys look at it and they all came up with the same recommendations. Boesch stated that we need to accept it and move on. Action – to approve the proposal by Oudenhoven that they will complete the work and the warranty would be effective when we accept the repairs completed – motion: Piepenburg; second: Roehrig; carried. A letter was presented to the board regarding previous change orders and they are all now approved for funding except \$4,387.66 from the interceptor. DuPrey stated that he was pleased with this to get it all covered except this amount and he felt it didn't warrant any more discussion on it to try to get it approved. Hilbert Acres Mobile Home Park – There was nothing new. The report on engineering bills was presented to the board for their information.

New Business:

Application for operator licenses – There were none received.

Classes/Seminars/Schooling for employees – nothing new.

Joint Water & Sewer/Employee Committee – There were minutes from January 14th and January 27th.

Action – to accept the committee meeting minutes from both meetings and place them on file – motion: Boesch; second: Keuler; carried. The first recommendation was to approve sending firemen to the firemen's convention with one night hotel stay with double occupancy. Action – to approve this recommendation – motion: Boesch; second: Keuler; carried. There was no further action needed on the firemen's convention. The second recommendation was to leave the weekend hours as they are right not with 5 hours on Saturday and 1 hour on Sunday. Action – to approve this recommendation – motion: Starfeld; second: Koffarnus; carried by majority vote. There was no further action needed on the weekend hours. The third recommendation was to hire a part-time wastewater treatment plant employee to be the lab technician for up to 16 hours per week. Action – to approve this recommendation – motion: Roehrig; second: Starfeld; carried. There was no further action needed on the hiring of a part-time employee for the wastewater treatment plant. The next item discussed was to grant the Employee Review/Grievance Committee the authority to review applications and interview candidates to make a recommendation to the village board on who to hire. This would help save some costs on meeting pay. Action – to grant the committee authority to review applications and interview candidates for the lab technician position – motion: Boesch; second: Roehrig; carried. The fourth recommendation from the committee was to approve sending the three fire chiefs to the fire chief's convention with 2 rooms for 3 nights each. Action – to approve this recommendation – motion: Boesch; second: Keuler; carried. There was no further action regarding the fire chief's convention.

Request to Install Sign – School District of Hilbert – Tony Sweere appeared representing the School District of Hilbert and presented plans for a new display sign for the entrance to the new school campus at the corner of 11th St. and Milwaukee St. The board stated that the proposed plans look fine and it was noted that property owners in the area did not express opposition to the changes in the ordinance or the design of the sign. Action – to grant approval to the School District of Hilbert to install a new display sign as presented – motion: Boesch; second: Starfeld; carried.

Request to change March Board Meeting Date – M. Breckheimer – Breckheimer requested that the board meeting be changed for March because he has a conflict that night. Action – to approve changing the date of the March board meeting to 3/9/16 with the 7 p.m. start time – motion: Boesch; second: Roehrig; carried. It was noted that in the future the board packets would not be ready until the Monday before the meetings. DuPrey stated that it is very difficult to get them ready by the Friday before especially if the meeting date falls on an earlier date in the month. This would also help alleviate the amount of paperwork that is on the board member's desks the day of the meeting.

Presentation from Tom Baer regarding plans for the elementary school property and building – Tom Baer appeared before the board to get some feedback on having the property rezoned. He stated that for the building, he would like to rezone it for light commercial to be used for retail space and office and to rezone the remainder of the property to the south as R-2 to sell it off to someone for apartment buildings. He stated that he would try to rent the building for a year and if that did not work, then he would raze the building and switch it to all R-2. He stated that he would like to have some feedback as to whether or not they would approve a rezoning. DuPrey explained the rezoning process and that it has to go through the plan commission and that it would be difficult for the board to say yes when there is this process. Tom Baer stated someone would have some opinions now. DuPrey stated that they can offer up opinions if

they choose but nothing could be etched in stone. Tom Baer questioned the light commercial zoning and if that included retail offices. DuPrey stated that it did. He stated that the classrooms could be rented out as office and that the gym could be used for something else such as a taxidermy shop, upholstery shop, etc. Boesch stated that he would be in favor of the R-2 zoning because he felt that this community is lacking on multi-family housing especially with the Sargento expansion. Tom Baer stated that he didn't know if he wanted to do apartment buildings himself and would look for a developer to do it. Starfeld stated that if we are going to do that, then the village should be the one to actually own it and that this could be used as a "carrot" for a developer to build it here. Starfeld questioned that the land is being given to him and now he wants to sell it, what is that "carrot" that would be given to the developer to bring them here to build it. Starfeld stated that we are buying land on the west side and giving it to businesses there to build and he feels that we should be doing the same thing here. Tom Baer stated that this is fine but he doesn't have an offer on the table. Tom Baer stated that he would sell it to Starfeld. Starfeld stated that the school district can do whatever they want with the property and don't have to stick to the people that they do have. Tom Baer stated that they do not but as he talked with Tony Sweere previously and they will not be offering it to a third otherwise his lawyer will be involved. Starfeld stated that this is just his opinion. Tom Baer stated that the village should have put in an offer earlier. Starfeld stated that this was brought up before by him. Breckheimer stated that they will talk about that later. Keuler asked if he would consider keeping any of it R-1. Tom Baer stated that he would not. Tom Baer stated that Charlie has a subdivision and he is not going to make that R-1. He questioned who would want to build a house right there. There were no other thoughts or questions. Breckheimer thanked Tom Baer for stopping in.

CDA Refinance – Phil Cossen appeared before the board to explain where we were at on the bonds. He stated that the original bonds for the Sargento expansion was issued as a taxable lease revenue bond. These bonds would be converted over to a taxable GO bond issue. This means that these bonds would now count towards our overall GO Debt limitation. Bids were received at 10 a.m. today and he reviewed the results. He stated that there 5 bids received which was quite good. The lowest bidder was BOSC Inc at a true interest rate of 2.72%. They would be an advance refund which means that they are done before the call date of the old bonds and the funds are placed in escrow and when they can be called, they are paid off from these escrow funds. Total interest savings over the life of these bonds would be \$586,292. It would use up a good portion of our debt capacity but it would improve each year and also with growth and other loans being paid off. Resolution 2016-01 was presented to the board. This was the final resolution that incorporates the sale of the bonds earlier today. The resolution reads "Resolution 2016-01: Resolution Authorizing the Borrowing of \$1,920,000; Awarding the Sale of Taxable General Obligation Refunding Bonds Series 2016A Therefore; Providing the Form of the Bonds; Providing the Form of an Escrow Agreement, and Levying a Tax in Connection Therewith". Action – to approve Resolution 2016-01 as presented – motion: Boesch; second: Starfeld; Roll Call Vote – yes: Piepenburg, Koffarnus, Roehrig, Boesch, Keuler, Starfeld, Breckheimer; carried.

Request to update GIS Mapping – Charlie brought this up to the board. He stated that there are updates that need to be made to the GIS mapping. He explained the process that he reviewed what they had and have made several corrections to the records and added missing information. He presented a proposal from Robert E Lee to do this updating. It would cost \$1,608. DuPrey commented that this item is not budgeted. Starfeld stated that he felt that it should wait and be budgeted for 2017. The board felt that this should be the case also. There was no action taken on the request.

Discussion and possible action regarding possible pursuit of the old elementary school building and property – Breckheimer stated that he asked that this be put back on the agenda and discussed again. He stated that when this was last discussed, there have been things that have happened that caused him to ask that this be addressed again. He stated that we didn't have the news of the Sargento Foods expansion and the need to hire 140 more employees at that time and he feels that with this going on now, he would like to see this looked at again. This was discussed by the board. Starfeld that he felt that we missed the boat on this and should have been in the mix of this. Koffarnus stated that we discussed this once before and didn't have any money for it. Starfeld questioned why do we need money for it? Boesch stated that we need to remember that there are times that we have to look forward and go forward and there have been times that we have had to come to the plate and spend monies that were not budgeted like with Sargento's initial expansion we had to purchase a house, give land for a storage shed and buy a sliver of land for which we paid over \$30,000 for. He stated that sometimes you are damned if you do and damned if you don't. He stated that truthfully, the village should have gone after that property. Starfeld stated that he doesn't have a problem with him owning it or developing it but it will be much harder to sell it because it would look better for the village if we say we will give you that property if you come into our town. Starfeld stated that we bought land out on the west side for \$32,000 an acre and no one batted an eye. Keuler stated to Starfeld that he says it is going to be \$100 but he stated it will cost much more than that because we have to do something to that building. Keuler stated that there will be upkeep costs. He stated that if you have someone sitting over there (referring to Tom Baer) that wants to invest and take it upon himself why not back him. He questioned why we want jump in head first and take this on. We already have a guy sitting there pretty close to attaining the property and doing something with it and increasing the value to help the village. Keuler stated that he doesn't agree pursuing this. Starfeld stated that he has stated that if it doesn't work then he is going to tear it

down and sell it. He stated that there is zero commitment. He stated he is getting the property for nothing. Keuler stated that it is not going to be for nothing. Don't kid yourself. Keuler stated that he is paying a \$100 for it but there is going to have to be money stuck into it to make it rentable. Starfeld stated that he could do nothing and sell it. Keuler stated to Starfeld that we had a hard time making budget last time. He questioned where we going to get this extra money? Boesch stated that he doesn't know where this is all going to go but he feels that the village is land locked. He stated that we all know who owns the properties around us. He stated that there are agreements with the Campbell's. DuPrey stated that there is an agreement that we cannot use eminent domain in the future. Boesch commented that we know who owns the land on this corner and that corner, etc. Tony Sweere asked DuPrey if he could explain the eminent domain. DuPrey stated that when we purchased the sliver of property from the Campbell's, we had to sign an agreement that we would not use eminent domain to take more property in the future. It doesn't prevent purchasing the property. We just can't take it. Boesch stated was it right to sign off on eminent domain, probably not but we had to do it or we would have held up the Sargento project. Boesch stated that he hopes it goes forward for multi-family residential because we lack housing. He is hoping that a developer would come in and develop it. Starfeld stated that if he was given the land, he could afford it. He stated that if he has to pay for the land, it is never going to happen. He stated that he will not make it fly in Hilbert. Boesch stated that he felt we could get well over a \$1,000,000 in development for this property. Starfeld stated that it would be a nice offer here is the land, build the building. Starfeld stated that we bought 5 acres of land for \$32,000 an acre and we got a parking lot for it. He stated that he promised to put up a nice big building. We got a parking lot. Boesch stated that we paid over \$600,000 for a house and land to relocate a shed for the Sargento project. Piepenburg stated that we could have another parking lot here. There is no guarantee. DuPrey stated that we can go back to the west side of the village and we can talk about what is being built and what is not being built. He stated that the math worked and we paid the money. DuPrey stated did we overpay for the Hernke house? Absolutely, but what the hell would we have if we didn't? We don't have the expansions that were completed to date; we don't have the \$8,000,000 expansion that is happening now. He stated that this is the cost of doing business in this community. He stated that they need to realize this. He stated that we have to invest money in this community and sometimes we may pay more than what we want to and may pay a premium price but without it, we would not have had that development out there. He stated that the development is pushing \$1,000,000 out there. You have to remember that. He stated that if the math works on these TID Districts, let the math work. He stated that without the incentives we don't get anybody in here. DuPrey stated that that building he constructed out there is larger than he originally planned and he is talking about putting an addition on that building right now. He stated that before we keep putting these businesses down. Starfeld stated that he is not putting the business down. DuPrey stated that Starfeld's comments are just like he is putting them down because he didn't do what he was supposed to do. Boesch stated don't misconstrue my statements in the paper or whatever. He stated that we were not afraid in the past to spend money. DuPrey stated that Starfeld stated that we have a parking lot out there. Boesch stated okay. DuPrey stated come on here. Starfeld stated that what is wrong if we have a parking lot here for 3 years if the village would own it. DuPrey stated that he is not talking about that. He stated that we have to be careful with the businesses that we do have and he has stuck a lot of money into the community and just remember that. Boesch stated that he feels that he has been progressive in supporting to go forward with things in this community and it was not an easy pill to swallow. He stated that if we invest \$100,000 to \$150,000 to raise a building and we get \$1,200,000 to \$1,500,000 in development, is that not a positive thing for the village? DuPrey stated that it would be a positive venture. Starfeld questioned Tony Sweere if we are out of the picture? Tony Sweere stated that the board has to consider the two and our board would need to decide if we are interested. Tony Sweere that there are hurdles to clear and they have to do a title search to see if anything comes up with it. Piepenburg stated that if Tom Baer is the successful person to get the property, he is going to remodel it for offices and does not want to be in the real estate business and would be willing to get rid of the land. Starfeld commented that it would look better if the village was giving the land for the development. Piepenburg stated that we could still do that. Starfeld stated not if we don't own the land. Piepenburg stated that we could buy it from Tom Baer. Starfeld questioned how much you think he is going to sell that land to the village to give that land to a developer. Keuler stated that we should check to see if it is a moot point. Breckheimer stated that we are stuck between the chicken and the egg. Breckheimer stated that we need to make a decision if we are interested in it or not because Tony Sweere isn't going to check into if they reject the bids if we are not interested in it. Boesch stated that they all know where he stands. He is in favor of the housing. Roehrig questioned if we already had a vote on it. Breckheimer stated that we did in October. DuPrey stated that in conversations that he had with Breckheimer was that we would be borrowing the money to do this if we do go forward with it. He stated that when we did the budget we cut \$98,000 from the budget so there wouldn't be any money taken from fund balance. The only way to avoid it would be to borrow the funds which are not subject to the levy limit. Breckheimer stated that he is fine with Tom Baer's proposal and feels that he will take good care of it but in hindsight, he feels it would have been better to be in the village's hands. Charlie Fochs stated that the board should sit down with Tom Baer and try to work with him on this. He stated work with the man with the whole concept. Work together on it. DuPrey stated that the TID's give the village the statutory right to make investments into businesses

for development. Starfeld questioned that we can't invest in businesses without a TID? Breckheimer stated that we could but that then we are using direct tax dollars. DuPrey stated that what will happen if we do this, then we will have someone come to the village and say I am building a \$200,000 home why can't I have \$20,000 for this development and so on. Charlie Fochs stated that we are talking about that building but we should also talk about the Bel Brands building on the highway. It stands empty. Starfeld stated that it wasn't for sale. It was commented that everything is for sale for a price. Boesch stated that we are facing litigation if we proceed further. He stated that he doesn't blame him for this. Koffarnus stated that we should work with Tom Baer on this. He is a business man. He has the storage sheds in town. Starfeld stated that it all goes back to the article that Ed Byrne wrote that said the village should not miss out on this opportunity. Guess what, we missed it. Roehrig questioned did we not vote on it? Starfeld stated that we did but the only one that voted that we should do something was him. Roehrig stated that we can't keep bringing up old business that we already voted on. Starfeld stated that we missed the boat. Boesch stated yes and no. Boesch stated that there is limits on what you can do with tax dollars. There was no action taken by the village board.

Village Board Informational Report – none.

Village Employee Informational Report – none.

President's Report – none.

It is noted that the announced notice to go into closed session under S.19.85(e) of the Wisconsin Statutes was not needed so the board did not go into closed session.

Adjournment – Action – to adjourn – motion: Boesch; second: Starfeld; carried. The meeting was adjourned at 8:23 p.m.

Dennis DuPrey

Dennis DuPrey, Clerk