

**FRIENDSHIP LAKE DISTRICT
COMMISSIONERS BOARD MEETING**

TUESDAY MARCH 3, 2020

5:30PM

ADAMS COUNTY COMMUNITY CENTER

530 N. CEDAR STREET, ADAMS, WI 53910

AGENDA IS AS FOLLOWS:

- 1. Call Meeting to Order:** Chairman Bob Berry called the meeting to order at approximately 5:35pm. Present were Commissioners Karen Pokorny and Tina Meinen. Also present were Lee Parlow from the Village of Friendship, Rick Pease from Adams County, and Jim Bayes (Ron Johnson out of town) representing the Town of Adams. Scott Parr from the Town of Preston was not available. There were approximately 10 lake district members present.
- 2. Review and Approval of the Minutes from the January 7, 2020, Commissioners Board Meeting:** The minutes from the January 7, 2020 Commissioners Board Meeting were reviewed. Tina Meinen made a motion to approve the January 7, 2020 minutes and it was seconded by Rick Pease. The motion carried unanimously.
- 3. Review and Approval of the Treasurer's Report:** Tina reported that the Now checking account balance is \$1,042.18; Money Market account balance is \$40,326.71; Fundraising Account balance is \$4,334.57 which \$1301.34 is the Friends of Friendship and the general fundraising \$3,033.23. This gives a total of \$45,703.46 in all accounts. The current balance for the dam mortgage is \$97,847.24. The line of credit account balance is \$207,178.85. Tina shared that since January 1, 2020, we have received \$35,692.01 in special charges from the local municipalities which includes some delinquent charges. The lake district received the final grant payment from the State of Wisconsin DNR for the 2019 dam repair project in the amount of \$79,580.50 which was posted directly to the balance on the line of credit.

\$5000.00 from the 2019 golf outing was paid towards the line of credit. Our total income since January 1, 2020 is \$120,278.27. Tina reported expenses of \$153.50, IT services and maintenance; utilities \$166.16; Mortgage \$811.02; office supplies including postage and printing for special newsletters \$569.35; interest on the line of credit \$1281.35; fire sign for dam powerhouse property \$35.00; renewal of our raffle license \$25.50; and legal fees (costs for appeal process started) for \$1896.00. Tina summarized the financials Scott Parr requested. Since 2017 the district has paid a total of \$536,203.54 towards the acquisition of the Friendship Dam. We have received \$194,594.62 in grants, donations, and fundraising. We borrowed \$110,000.00 for the appraised value paid \$12,152.76 to date and have a current mortgage balance of \$97,847.24. Since 2016, the district has paid \$73,858.55 in legal fees towards the acquisition of the Friendship Dam. The district has a line of credit in place at Adams Community Bank in the amount of \$400,000.00 with a balance of \$207,178.85. Karen Pokorny made a motion to approve the treasurers report and it was seconded by Rick Pease. The motion carried unanimously.

- 4. Chuck Pheiffer Appeal of Compensation:** Bob shared that on January 25, 2020 the district received legal notice that Chuck Pheiffer is appealing the value of compensation he received for the dam or the \$110,000.00. Bob turned over the floor to Karen Pokorny to report as she is handling the appeal with our attorney Don Murn. Karen shared that Mr. Pheiffer had till January 31, 2020 or two years to appeal the value per State of Wisconsin statutes for condemnation. Karen, Tina, and Bob have conferenced with our Attorney Don Murn from Axley Brynelson to discuss the course of action regarding this appeal. It is recommended that we call a special meeting of the Friendship Lake District property owners and that has been scheduled for Saturday April 18, 2020, 10:00am, at the Adams Community Center. Our attorney Don Murn will attend and present the appeal process and will answer questions for the property owners. A formal letter with notice of this meeting as well as an agenda will be mailed out shortly to all owners. Karen said it is important to remember that this appeal is for the value of the dam on the date we took control, or January 31, 2018.

The members present had questions about the appeal. They wondered if we could counter sue for our legal fees, when and where this will be held, how much do we think this will cost the district etc. Karen did share that this will be presented and answered at the special meeting. At this point our attorney is in the discovery phase for the appeal. Bob said that this will not be held in Adams County and has been moved to Juneau County and will be held in Mauston. Our attorney has a phone conference scheduled on March 20th with Juneau County Judge Curran, and Chuck Pheiffer's attorney. This conference is to set the schedule for trial. Karen did state that Mr. Pheiffer has requested a jury trial. Karen shared that our attorney has all the district documentation and correspondence since we began this acquisition.

- 5. Financial Advisory & Dam Operations Committee Report:** Fran Schmidt reported that on January 26, 2020 a joint committee meeting was held with the Financial Advisory and Dam Operations members. This meeting was attended by Bob Berry, Karen Pokorny, Tina Meinen, Chuck Spargo, Carol Berry, Greg Weiss, Steve Pokorny, and Fran Schmidt. The purpose of this meeting was for strategic planning for 2020. During the meeting this group reviewed the recent legal notice from Chuck Pheiffer. They reviewed the 2019/2020 approved budget noting that \$14,000.00 was budgeted for harvesting payroll this year. It was interesting that our last full payroll was in 2014/2015 fiscal year and \$11,800.00 was budgeted but actual payroll for that season was \$15,500.00 The committee members were able to reallocate current budgeted items and increase payroll for this year to \$20,000.00 if needed. Bob Berry stated he is not interested in a paid position as dam and harvester coordinator. He prefers to continue serving as Chairman of the Friendship Lake District. No money was budgeted this year for a dam operations manager as a paid position. The dam advisory committee, chaired by Bob Berry, and includes Chuck Spargo, Greg Weiss, and Steve Pokorny will continue to oversee the daily operations of the dam at no additional cost to the district. It was also recommended that we should not combine the position of dam operations coordinator with harvester coordinator. These should be considered as two totally separate divisions of operations of this district.

The dam advisory committee updated the I.O.M. (Inspections, Operations, and Maintenance) plan for 2020, as well as completed the EAP (Emergency Action Plan). These plans have been shared and approved by the DNR, Adams County Emergency Management, and shared with our insurance carrier. The job descriptions and manual were reviewed for our harvesting program and updates needed were discussed. It was decided that the district will hire two positions, creating a harvester coordinator/operator and harvester operator/tractor operator job description. These positions are considered seasonal part-time with a max of 30 hours per week. The harvesting season runs from mid-May (weather permitting) till the end of September. This committee agreed to pay \$12.00 per hour for the harvester coordinator and \$11.00 per hour to the harvester and tractor operator. Adam Resch and Bill Graf have been integral to this program for many years. A harvester committee was formed today with Chuck Spargo, Greg Weiss, and Bob Berry who will work with them to create an I.O.M. for the harvesters this year. We will continue to pay Adam Resch and Bill Graf as paid consultants. Chuck Spargo shared that the dam advisory committee met with power generating contractors to discuss the future of power generation of the dam. It was projected that it will cost between \$10,000.00 and \$20,000.00 to get the equipment operational, and much more if it needs to be replaced. Chuck also researched alarm systems for the powerhouse sharing installation costs around \$4000.00 with a monthly monitoring between \$30 and \$50. Chuck will be gone till end of March and will revisit and report on these projects upon his return.

6. **Resolution #332020 introduce 2020 Emergency Action Plan (EAP) into Lake District Records:** Bob Berry presented Resolution #332020 which stated to approve and enter the February 2020 updated Emergency Action Plan (EAP) for the Friendship Dam into Friendship Lake District documents. A motion was made by Rick Pease and seconded by Jim Bayes. The motion carried unanimously.
7. **Report from the Friends of Friendship Lake:** Linda Graf shared that the Spring Fling is scheduled for Saturday May 16, 2020, at the newly remodeled Family Affair Restaurant on Friendship Lake. This cost will be \$20 for buffet dinner.

We are having a Brat Fry and Flea Market sale at the Adams Flea Market on Saturday May 23, 2020(Memorial Day Weekend) from 8:00 am to 4:00pm. Linda is looking for volunteers, grillers, servers, sellers etc. We are asking for donations of gently used household items (no clothing) to be marked and shared for that day. The golf outing is scheduled for Saturday August 1, 2020, at Moundview Golf Course. Karen Pokorny is chairing this event and our committee met today to begin preparation. The big raffle is a 2020 Bass Tracker Classic boat package along with second place \$1000, and 3rd – 10th place \$50 each. We are asking every member to sell at least 6 tickets. Tickets are available tonight to sign out to sell. The March meeting of the friends is scheduled for Wednesday March 25th and will meet at the Family Affair Restaurant to discuss the menu and spring fling details.

8. **Any Unfinished Business:** Bob Berry did say thank you to Rick Pease for his recommendation contacting Enbridge for the grant opportunity. Rick did say that we need to make sure and apply in 2021 as they will grant monies every other year. Karen said that she has been working with Steve LaValle who is researching additional grants for our district looking for help with upgrading the equipment for future power generation. Tina said that as a reminder she will no long be able to continue in her commissioner role as treasurer with the annual meeting in September of this year.
9. **Any New Business:** Karen said that Nadine Ashworth reached out to her and Bob letting us know that there will NOT be fireworks on the 4th of July. Her grandson is getting married out of state and their entire family will be attending. She did say that if the lake district would like to partner with her on a different day she would be open to that possibility. Discussion was held regarding the annual cost to her and her family to host the fireworks. Bob thought it costs them around \$6000 with, the \$1000 annual donation from us, \$500 from the Friends of Friendship, and community support from Ace Hardware. Carol Berry said that this needs to be reported in the newspaper so that the community is aware that this will not occur this year.

Questions were asked of the entire board as to why our local municipalities do not financially contribute to this annual event. No one really had an answer other than very tight budgets. It was suggested that Karen let the Chamber know as well as the newspaper that this event will not happen this year. Karen stated that the annual DNR Lakes Convention is scheduled for early April in Stevens Point. Karen made a motion that Bob Berry and our new lake advisory chairman, Greg Weiss attend. The motion was seconded by Tina Meinen and approved unanimously. Bob said that he and Greg would carpool daily to keep costs down to the district. Larry Swaziek said that he has test kits for Greg Weiss to use this year. Karen also shared that Greg is working on a required Friendship Lake users survey. Larry said that Greg could reach out to him if he has any questions. It may be necessary to postpone that survey until this fall or early next year as it has a lot to do with recreational use of the lake. Lee Parlow said that the updated signs requested by the DNR are complete and will be posted at the beach in the next month or so. These signs direct use of the lake, including updated no wake regulations. He said that the Village of Friendship has been informed that the Wisconsin DOT is planning on repaving State HWY 13, through the Village of Friendship, including the bridge adjacent to the dam, between 2024 and 2026. Rick Pease reported Adams County Land and Water will grant money for fish restocking this year to Easton Lake and Fawn Lake. Easton had another complete drawdown this winter due to the severe invasion of carp. Fawn Lake earthen dam has a structural problem and is currently being re-evaluated by an outside engineering consultant.

10. Set Next Meeting Date: Tuesday April 7, 2020, 5:30pm, Adams Community Center

11. Special Meeting Date: Saturday April 18, 2020 10:00am Adams Community Center

12. Adjournment: Jim Bayes made a motion to adjourn the meeting and was seconded by Rick Pease. The motion carried unanimously.

Respectfully,

Karen Pokorny

Commissioner Secretary

January 23, 2020