

**FRIENDSHIP LAKE DISTRICT
COMMISSIONERS BOARD MEETING**

JANUARY 2, 2018

ADAMS COUNTY COMMUNITY CENTER

569 CEDAR STREET

ADAMS, WI 53910

1. **Call Meeting to Order:** The meeting was called to order by Bob Berry at 5:31pm at the Adams County Community Center. In attendance were commissioners Karen Pokorny, Tina Meinen, Ron Johnson from the Town of Adams, and Deborah Parr from Adams County. There were nine district members present.

2. **Review and Approval of the Minutes from the December 11, 2017 Commissioners Board Meeting:** The minutes from the meeting of December 11, 2017 were reviewed. A motion was made by Ron Johnson to approve the minutes and seconded by Tina Meinen. The motion carried unanimously.

3. **Review and Approval of the Treasurer's Report:** Tina began her report by stating that at the end of the 2017 calendar year our Money Market Balance is \$147,488.14. The Award of Damages amount of \$110,000.00 is included in that balance and will be paid to Chuck Pheiffer upon completion of the process. The Now Checking balance is \$843.80, and the Grand Marsh CD balance is \$16,604.75. These accounts report a total balance of \$164,936.39. Tina reported that a \$25 donation to the Historical Society of Adams County and a few office supply expenses were paid out.

Tina reported that she was able to work with Adams County Chamber and created an ad for the 2018 vacation guide. Tina shared a thank you to Mike Cummings who helped with placing this ad past the required deadline.

Tina shared that the district owns two properties in the Town of Preston. We recently received a property tax bill which raised a question by the Financial Advisory Committee after receiving only one property tax bill. Tina reported that she was given the name of Claud Ringlemon, the assessor in the area to help us investigate this and file the required paperwork to obtain the exempt status on the additional property. Tina shared that this will also be needed moving forward with the ownership of the Friendship Dam Property. Tina reported that she will be working with Mr. Ringlemon to complete the necessary paperwork due by March 2018.

Tina stated that she reactivated the district's Withholding Tax account with the Department of Revenue so that we will be ready for payroll once we start the hiring process for the harvester and dam operator positions. Additionally, the federal tax and unemployment forms have all been submitted to the proper sources.

Tina said she and Karen have been working on obtaining insurance coverage for the dam. Tina reached out to Proctor Insurance near her home in the South Milwaukee area. Tina said that between herself and Karen were able to complete the detailed insurance applications to be reviewed by underwriting and are very hopeful that we will be able to report next month that we will have obtained coverage on the dam. Karen Pokorny made a motion of accept the treasurers report and was seconded by Ron Johnson, the motion carried unanimously.

4. **Report from the Financial Advisory Committee:** Tina reported that the Financial Advisory Committee met after our December 11, 2017 board meeting. At that meeting this committee reviewed the district's action plan and began to delegate some of those action items to committee members. The plan is to hire a harvester coordinator / dam operator this spring. This person would act as the coordinator for the harvester and operate the dam. It will be a seasonal position and may or may not be a full-time position, discussions will continue to that point.

Once the deed is in our hands we will need to have an inspection completed, as recommended by our attorneys. Committee member Larry Swaziek agreed to be our point of contact and coordinator regarding the engineering firm selected. He will also work with that firm regarding the dam failure analysis that will need to be performed.

We are investigating security monitoring for the dam. We will most likely go with the same company that set up security for the area parks. Bob Berry has contact information regarding the company located in Wisconsin Rapids and he will coordinate this, again after we have control of the dam. Bob also has had conversations with Alliant Energy and confirmed that we are to contact them when we have the deed so that we can work on an agreement to sell power. Committee member Chuck Spargo volunteered to work on this agreement with Alliant for the district.

Tina reported that she will work on researching grant opportunities. The DNR has grant money and it is available for repairs and upgrades of dams. It is a 50/50 grant up to \$400,000.00 with an April 2018 deadline to apply. Bob Berry will complete the letter of intention that has to be sent initially once we have the deed in hand. Tina reported that she has found other grants available to us through Alliant, WE Energies, and others.

Karen volunteered to work on the emergency action plan document. This document will need to be approved by Adams County Emergency Management and will be shared with the local and county municipalities. Additionally, this document is important to our grant applications and gives us a better chance or more points toward grant monies. Karen did share that she has contacted Jane Gervais from Adams County Emergency and will meet with her in the next few days to begin the process of writing our emergency action plan.

A loan application with the State of Wisconsin will need to be completed to borrow money for this project. Bob has reviewed the on-line application procedure and shared that the State of Wisconsin will borrow to us at around a 4% interest rate. Mike Cummings from Grand Marsh Bank has stated that he would like to compete for that loan, but still advised us to apply with the State. Carol Berry has volunteered to work on these applications.

The property tax bill received for one of the district's properties in the Town of Preston brought up a question regarding payment of property taxes when our district is tax exempt. Tina reported that she contacted Sue Theisen at Adams County tax division and was referred to Ringlemon Appraisers. Tina stated she spoke with them and they shared on line documents that need to be completed by March of this year for this property and going forward with the dam property once the deed is cleared.

Fran Schmidt created and presented her draft financial request letter to be sent to Adams County and the Town of Adams requesting financial support. The committee reviewed the letter and the final draft was approved. Thank you letters have been sent to the Village of Friendship, Township of Preston, and Grant Marsh Bank for their contributions to our district.

Larry Swaziek shared that as of tonight's meeting he just received an email with the engineering proposal from Ayres Engineering firm. Larry summarized that he has spoken with them and that they are the firm the Adams County uses to inspect the other dams within the county. Larry will share the proposal with Bob and the board after tonight's board meeting. Bob would like to review the document as well as the other commissioners and share it with the advisory committee. Bob did state that he thinks that Ayres does not have the hydroelectric power engineering services as part of their company. Larry did confirm that we will need to have an additional inspection by that type of engineering company when we begin producing power. Larry did confirm in his conversations with Ayres that they can recommend an engineering firm familiar with hydroelectric power generation.

5. Friendship Lake Dam Update:

Bob shared that we are still waiting for the title company to complete a thorough title search required by law to proceed with the Award of Damages. Karen did email our attorney again today and as of tonight's meeting still has had no response. Karen did share that she will let everyone know as soon as the Award of Damages has been processed.

Ron Johnson shared that he was recently approached by Chuck Pheiffer demanding his check. Ron shared that Mr. Pheiffer told him that he just wants to be done with this dam, wants his money, and may go to the Adams County Register of Deeds to sign a quit claim deed to take care of this delay. Discussion was given between Bob, Ron, and the members present regarding how the district would handle this situation. Bob recommended that Karen call our attorney Mike Hahn tomorrow and at least inform him of Pheiffer's statements. It was decided by all present that if Pheiffer would sign a quit claim deed that would change the course of our Award of Damages. Karen will contact our attorney with this information. Ron Johnson did ask for advice on how to respond to Chuck Pheiffer if he is approached again. Bob Berry advised Ron Johnson to inform Chuck Pheiffer that he should contact our Attorney Mike Hahn.

Tom Bell raised a question if Chuck Pheiffer does sign a quit claim deed over to Friendship Lake District, wouldn't that change the course of the Award of Damages ending the two-year timeline to challenge the amount of compensation. Karen again stated that she will contact our attorney regarding these questions.

6. **Report from the Friends of Friendship Lake:** Linda Graf reported the Friends monthly meeting is the third Wednesday of the month, January 17, 2018. We will meet at the Café on Highway 21 and 13, at 11:30am. All members, men and women, are invited to attend. Linda shared that we are beginning our strategic fund-raising planning for 2018. We need to make sure we get on the schedule for a Brat Fry at County Market and ask all to help with that fundraiser, and any other ideas are welcomed.

7. **Any Unfinished Business:** Nothing shared

8. **Any New Business:** It was brought to the boards attention that Reesa Evans from Adams County Land and Water Division recently retired. Bob shared that Eric at the Adams County Lake Alliance put a retirement party together. It was decided that the district would send out a retirement congratulations card to Reesa. Bob asked a question of Deb Parr if the County plans on replacing Reesa as part of the Land and Water Division. Deb shared that yes, the job is posted, and the County was able to continue this position with some grant monies.

9. **Set the next meeting date:** March 6, 2018, Adams County Community Center, 5:30pm. The Friendship Lake Board may schedule a meeting in February if necessary. Karen shared that she will be out of town at the time of the March meeting, but will be in attendance through Skype on her district computer.

10. **Adjournment:** Ron Johnson made a motion to adjourn and seconded by Tina Meinen, the motion passed unanimously.

Respectfully Submitted

Karen Pokorny

Commissioner, Secretary

January 10, 2018