

FRIENDSHIP LAKE DISTRICT
COMMISSIONERS BOARD MEETING
MARCH 6, 2018
ADAMS COUNTY COMMUNITY CENTER
569 N. Cedar Street
Adams, WI 53910

1. **Call Meeting to Order:** The meeting was called to order by Bob Berry at 5:30pm. In attendance were commissioners Tina Meinen, Karen Pokorny, via Skype, Ron Johnson from the Township of Adams, Lee Parlow from the Village of Friendship, and Steve Van Etten from the Township of Preston. There were approximately 14 district members present. Also present was AF School Administrator Jim Boebel. Debra Parr from Adams County was excused.

2. **Review and Approval of the Minutes from the February 6, 2018 Commissioners Board Meeting:** The Minutes from the meeting of February 6, 2018 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 Meinen reported for the month of February 2018, the Money Market account balance is \$64,973.61. The Now Checking balance is \$558.12, and the Grand Marsh CD is \$16,624.50, for a total balance of \$82,156.23. We received a check from the Village of Friendship for \$9847.09, for 2017 special charges. With the Village's previous paid special charges their balance due is \$1,995.60. We also received a check from the Town of Preston in the amount of \$17,136.90, leaving a balance due for Preston at \$1,539.60. We have not received payment from the Town of Adams. A payment of \$1,407.00 was made to Axley Brynelson for legal fees and that leaves us a balance of \$5,848.00 left in our legal fee budget. There were some miscellaneous office supply expenses paid.

The \$110,000.00 loan repayment to Grand Marsh Bank began in January and is automatically drawn from our Money Market Account on the 5th of every month in the amount of \$811.02. Bob and Karen met with Mike Cummins from Grand Marsh Bank and discussed securing a line of credit with them with a credit limit of \$190,000. That line of credit would be at 3.95% interest rate till the end of the year. In comparison the State of Wisconsin has an interest rate of 4%.

This line of credit will be used towards the Engineer inspection, Dam Failure Analysis, the Emergency Action Plan and any other expenses related to dam repairs. The Friends of Friendship Lake checking account was closed at BMO Harris Bank and reopened at Grand Marsh Bank. This account is titled Friends of Friendship Lake Fundraising Account. This account is now in alignment with our other accounts and our federal TAX ID. Linda Graf continues as the treasurer of this group and is an authorized signer. This account will also require two signatures on checks so Karen Pokorny and myself have been added. This board and all our property owners want to recognize Linda Graf and all volunteers in this district. Friends of Friendship Lake has been a great asset to the District in fundraising, organizing parties like the Spring Fling and the summer picnic, and promoting the issues related to the dam. We want to continue this valuable relationship and look forward to working together in the future. Tina shared that regarding insurance on the dam she has been corresponding with Proctor Insurance and the underwriters have concerns about what was downstream. Once Ayers completes the Dam Failure Analysis Report it will be shared with underwriting. Our insurance agent Carol at G-2 is also working with underwriting. Lee Parlow made a motion to approve the treasurers report and seconded by Ron Johnson. The motion carried unanimously.

BOB BERRY MADE A MOTION TO DEVIATE FROM OUR AGENDA AND MOVE TO #8 NEW BUSINESS, SECONDED BY TINA MEINEN. THE MOTION CARRIED UNANIMOUSLY

8. New Business: Bob Berry introduced Adams Friendship School District Administrator Jim Boebel for a presentation. Mr. Boebel shared that a few weeks ago Karen Pokorny contacted him to let him know that the Friendship Lake District is now the owner of the dam. He shared how excited he was to hear of this acquisition. In the past the school district has utilized this lake and its resources for many educational opportunities and he is looking forward to working with our district in the future. His main purpose was to present information regarding the school referendum that is on the April 3, 2018 ballot. He explained at length the current financial and educational situation of our School District requiring a referendum to the voters. Mr. Boebel had a question and answer discussion with the lake district members present.

BOB BERRY THEN STATED WE RETURN ITEM #4 ON THE AGENDA TINA MADE THE MOTION TO RETURN AND WAS SECONDED BY RON JOHNSON. THE MOTION CARRIED UNANIMOUSLY.

4. **Friendship Lake Dam Update including Financial Advisory Committee Report:** Bob shared that Ayres has completed the Engineering inspection of the dam. Bob said that this information will be placed on the website and an email sent for all district property owners for review.

5. Bob shared the estimated costs to repair the dam are in the \$190,000.00 range. Bob went over a few of the more urgent repair items on the list such as a de-icing unit. Bob stated he is not aware of any other dam's in Adams County that have that equipment. He would like to research that further. Bob said in his opinion most of what is in this report is almost the same from the previous inspection in 2014, such as concrete work above and below the water line. There is a \$500 cost for the staff gage but we have already purchased that and is with Adams County Land and Water waiting for placement. Of note what is new is the recommendation that the Tainter Gate is at the end of its life and will need replacement. Bob explained that the Tainter Gate feeds the turbine and its purpose is to catch debris such as leaves etc. A question was asked if this could just be fixed and Bob answered no it is at the end of its life and will need replacement. Bob stated we need to have safety fencing around the power house and adjacent areas. Bob said that some of the items on the list such as fix broken windows, door replacement, and painting are things that he believes we can repair and fix on our own saving the property owner's money. Questions were asked and answered by Larry Swaziek, Chuck Spargo and Bob Berry. Bob shared that he has been approached by two gentlemen from the Nepco Lake area regarding the power generation operating equipment in our dam. The equipment is old but they are familiar with working with this equipment as they have the same equipment in their dam. Bob is looking forward to their recommendations of our equipment once we get to the point of power generation.

Bob stated that a main concern moving forward was getting the operating permit in place for the dam. Bob shared that at last night's meeting of the Village of Friendship a motion was approved to have the Village Attorney Paul Kent complete the necessary paperwork and transfer the permit to operate Friendship Dam to the Friendship Lake District. That permit is needed to move forward with the agreement with Alliant Energy as well as the DNR and the Adams County Land and Water agreement. Bob is expecting that permit to be in place in about two weeks or around the first of April.

Tina shared that she has completed grant applications to both WE Energies and Alliant Energy. Tina has been working with Pat Kierstyn on getting the power house noted as a historical building as it is over 50 years old. Tina shared that if it is deemed historical there are grants available for restoration of the building. Pat Kierstyn shared some of the history of the Friendship Lake Dam from its creation as a Grist Mill to when power generation was added. Pat is hoping that with this recently detailed written history by Dennis McFarlin we may be able to place this dam on the National Registry of historical buildings. Frank Kierstyn also shared some of the important history of the railroad and the Adams Friendship area. Frank said that this lake was important as the ice from the lake was cut and shipped through the railroad. Tina is researching additional grants to see what would apply to our dam situation. Tina answered questions about additional grant opportunities.

Karen shared that she submitted paperwork to the Adams County Assessor to change the newly acquired dam property and the lot that holds the harvesters to tax exempt. Karen shared that she has been working with our insurance agent Carol at G-2 Insurance with regards to insurance on the dam as well as our annual policy renewal in May of this year. She has also had

conversations with our attorney Mike Hahn and given direction on how we would self-insure if all other insurance options are exhausted. Underwriting is waiting for the Dam Failure Analysis showing the rating of the dam and the numbers for potential loss down-stream. As soon as that report is completed by Ayres that will be shared with underwriting. They also need a copy of the permit to operate and as soon as we have that available will help with getting the dam insured.

6. Friendship Lake Dam Celebration: Tina shared the following points:

- Special event insurance – The insurance company is going to cover the event for us with no additional charge.
- The Knights of Columbus have agreed to partner with us on the food booth. We will split the cost of the food, which will be hotdogs, hamburgers and brats, and possibly corn, also will be selling bottled water and soda, chips and candy bars. I will get everything set up, they will man the booth, do the grilling and we will split the profits.
- Running club – organizing a fun run/walk registration will include a t-shirt, may have a booth
- DNR committed to a booth on boater safety
- Steve's CPR – Steve Van Etten will have a booth and do 10-minute hands only demonstrations/training for donations to dam and will have a sign-up sheet for classes. If anyone signs up during the party, 50% of his profits will be donated to the dam.
- Karen spoke with the School district and they are considering having a booth to promote their scheduling for the following school year.
- Friends of Friendship lake are busy gathering items for raffle baskets. Family Affair restaurant has donated gift certificates, and I have sent letters out to all the local businesses asking for donations of either items or monetary to help fund this.
- Linda Moonan and I will be making follow up phone calls to these businesses, not only for the Dam Party, but also for the Spring Fling. We do need volunteers to man this booth during the party. 2-hour increments.
- Tickets for 50/50 have been ordered and received – need volunteers to sell during the party – Shifts will be an hour long, Nadine Ashworth will be heading this, please email me with your name and the time you want to sell. I will put you on the sign-up sheet. PLEASE, if you commit to sell, let me know if you are not going to be able to do it before the day of the party.
- Tickets for ATV raffle have been ordered and received – please pick up your packet to sell. We are asking everyone to sell at least 10. They are \$20 each or 3 for \$50. If you sell 3 for the \$50, I am asking that you staple the stubs together and put numbers 1,2,3 on the stubs for bookkeeping purposes.
- We will have off-site parking at the Village Hall and at the fairgrounds. The senior and disability transportation at the County is allowing us to borrow their buses. They have two handicap accessible buses that seat 12 to 15 people, we just need our own drivers and we need to return them with a full tank of gas afterwards. So, with that said, I need volunteers to drive the shuttle. We will have 2, with 6 hours, so I need a total of 12 volunteers. Please email me or call me and let me know what hour you would like. No special licenses are needed to drive the buses.

Tina has raffle tickets and flyers available to night to be distributed after the meeting. Bill Graf suggested we have a booth at the County Fair as was done a few years ago to promote our lake and the August 4th Celebration. After confirmation of the County Fair dates it was noted that it is after the August 4th date. Tina did suggest that we really should have a booth at the fair regardless if it is after the dam celebration date. It is good community awareness and communication.

7. **Report from Friends of Friendship Lake:** Linda Graf shared there will be no March meeting as members are out of town. Linda shared that the annual Spring Fling Fundraiser has been scheduled for May 19, 2018. This year will be a new venue, the Cedar Shack, just south of town on Highway 13. We have used Carlson's for many years, however they raised the cost of food and now charge \$100 for use of the room. Linda Moonan is chair of this event so please contact her at 608-339-6502 or mli621@gmail.com if you have any raffle donations and questions. Information will be placed on the website and emailed to members. This is an important fundraiser for our district and a great time to celebrate with our district members the acquisition of the dam. Please mark your Calendar to attend. Linda had save the date flyers for distribution. Bob said please make sure everyone knows that it is a change of venue.

8. **Any Unfinished Business:** A member asked for clarification of obtaining insurance on the dam. Karen shared that underwriting is waiting for the dam failure analysis and proof of the operating permit before they will quote us coverage.

9. **Set the next Meeting Date: April 3, 2018 at the Adams County Community Center 5:30pm**

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

Respectfully Submitted by:

Karen Pokorny

Commissioner Secretary

Friendship Lake District