

FRIENDSHIP LAKE DISTRICT COMMISSIONER'S MEETING
Meeting Summary
Friendship Wisconsin
August 1, 2017

1. Call meeting to order: The meeting was called to order by Bob Berry at 5:34 pm at the Adams County Community Center. In attendance were commissioners Linda Moonan, Karen Pokorny, Deborah Parr, Adams County Representative, Lee Parlow, Village of Friendship Representative, Ron Johnson, Town of Adams Representative, and Steve Van Etten Town of Preston Representative. Attorney Michael Hahn from the law firm of Axley Brynson was also present. 25 District members were in attendance.

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

3. Review and Approval of Treasurer's Report: Linda Moonan reported that as of August 1, 2017, combined assets total \$77,694.41. This includes Money Market funds of \$60,754.62 and a Now Checking balance of \$383.68.

Linda stated that during the past month we have paid \$521.38 to Axley Brynson for legal services, and \$75.00 to the Chamber of Commerce for an affiliation fee.

Linda said she prepared the annual audit. The audit will be distributed to three independent property owners for review. The draft of the proposed budget has been completed and given to each board member for review. In the proposed 2018 budget Linda stated she gave estimates but notes that items can be changed prior to the audit review.

Linda noted that for fiscal year 2017 - 2018 the Lake District was \$21,671.41 over our total revenue received of \$31,166.00. This is noted in the audit along with the justification for using Money Market reserve funds to meet our expenses. It should also be noted that during the previous fiscal year we had a Net Revenue income of \$21,546.00 after expenses, so this fiscal season we spent all of that excess, plus a few thousand extra to meet expenses.

One area that has not been updated on the proposed budget is the question of increases in the Mill Rate and Special Charges. This is something that was taken into consideration when the figures were presented to our property owners and voted upon when authorization Condemnation.

Linda stated she has spoken with Sue Theisen at the Adams County Tax Department and she will need any figures by early October if it is to be included in the 2018 property tax notice. That is not included in the proposed budget. If one is to go into effect for the coming tax year that information is needed for mailing that will go out to all property owners by newsletter in August.

Linda also stated that she has written letters to the Village of Friendship and the Township of Preston concerning their previous commitment of an amount no greater than \$3000.00 to assist us in our effort to preserve Friendship Lake for the communities and surrounding area. No request letters were mailed to the Town of Adams or Adams County, as they had stated previously they could not commit. There was a possibility that the County was going to discuss this during one of their board meetings, but at this time unsure if that ever took place. Ron Johnson made a motion to approve the Treasurer's report and seconded by Karen Pokorny, the motion carried unanimously.

4. Citizen Input: No information shared.

5. Friendship Lake Dam Update:

60-Day Condemnation Order of Friendship Lake Dam End Date is today 8/1/2017:

Our attorney Mike Hahn was present and began discussion with a review of the timeline since the Special District Meeting held on May 27,2017 thru today.

In summary, the membership voted to move forward with Condemnation of the Friendship Lake Dam and a Relocation Order was served to Mr. Pheiffer on June 1, 2017. At that time Mr. Pheiffer was served a copy of the Relocation Order, a copy of the completed certified narrative appraisal, and various pamphlets required under state statutes. With that order a 60-day time-line began for Mr. Pheiffer to secure a second appraisal payable by the Lake District. As of midnight July 31, 2017, the last day of the 60-day timeline, both Mr. Hahn and the Lake District Board have not received any correspondence from Mr. Pheiffer or his legal representative with a copy of a second appraisal. Mr. Hahn stated that Mr. Pheiffer could still obtain a second appraisal of the dam at his own expense. He could present that to us for consideration in terms of our next step or the negotiations for an agreed upon price.

Mr. Hahn stated that he would send a certified letter to Mr. Pheiffer within the next few days with the appraised value of \$110,000.00. It is the next step in the Condemnation process, and most importantly our statutory obligation to try in good faith to negotiate an agreed upon price for the dam. Mr. Hahn said that in his letter Mr. Pheiffer would have a limited time to respond. It is the goal over the next few weeks to work with Mr. Pheiffer to negotiate an agreed upon reasonable price for payment of the dam.

Reasonable does mean what the district property owners are comfortable and what the board is willing to present to the membership hopefully by the annual meeting scheduled in early September.

Mr. Hahn explained that there is no set amount of time in the statutes for the negotiation process. We have to show in good faith that we have attempted to negotiate and come to an agreed upon price. If we cannot reach an agreed upon price, and Mr. Pheiffer is not willing to negotiate, then the next step is for the Lake District to issue the Jurisdictional Offer to Mr. Pheiffer. After he is served he has 20 days to accept that offer. If Mr. Pheiffer does not accept that offer, at the end of the 20 days the Lake District next issues an Award of Damages, most likely in this case the appraised value of \$110,000.00. The Award is then recorded with the Register of Deeds of Adams County. After that has been completed the Lake District would take possession of the Friendship Lake Dam.

Mr. Hahn then opened the floor for a question and answer period. Many of the property owners in attendance engaged in questions and statements with Mr. Hahn over the next 30 minutes. Mr. Hahn, as well as the board members answered questions to the best of their knowledge of events to date. Mr. Hahn will be in attendance at the annual meeting scheduled for September 2, 2017. Mr. Hahn did recommend that the Lake District attempt to obtain a base line engineering inspection of the dam prior to ownership. At this point, however, everyone doubts Mr. Pheiffer would comply with that request. Mr. Hahn stated he has a few names of engineering firms and will share that with the board in the next week or so.

Discussion on strategic plan of action to be implemented upon transfer of ownership of the Friendship Lake Dam:

Bob Berry reported that he and Karen created a draft Strategic Plan of Action, as well as a draft Inspection, Operation, and Maintenance (I.O.M.) plans towards the process of acquisition of the dam. Copies of the drafts were handed out to the members present for review.

Karen stated that additionally we need a Financial Advisory Committee to advise and help implement the financial elements of the strategic plan, for example special charges, loan application, grant application, etc.

Bob stated that he is on the agenda for the next Adams County Land and Water meeting. The purpose of this action is to discuss with the county the possibility of working with them to help in the operation of the dam. Bob will report back at the next board meeting the results of this meeting.

Linda also brought up the fact that she has been in contact with our insurance carrier with regards to coverage once we have ownership of the dam. The insurance company is working with underwriters to determine coverage once we own the dam.

Linda stated that the insurance carrier has not only requested the strategic plan, but also wanted information about how the county would assist us in the operations. Linda stated that our carrier is having difficulty finding an insurance to cover us without county involvement in the operations. One of the concerns from our insurance carrier is the fact that this dam is declared a high hazard dam.

Bob stated that eventually both of these plans would become part of our lake management plan. Bob has had contact with Reesa Evans at the County and discussed once ownership of the dam has been resolved, lake levels established and restored, a harvesting plan back in place, and we would then update the entire lake management plan.

Linda also stated that she would like to continue on the Lake Advisory Committee that has been on hiatus the past few years due to the situation of our lake levels. The harvesting plan and the lake management plan are tied very closely so Linda knows that it will need to be updated.

Mr. Hahn interjected that he has had conversations with the DNR, specifically, Mr. Sturtevant, who has told him that they are willing to help the district with management in the future. Mr. Hahn said that in his conversations with the DNR they have been very optimistic about the prospects of the district taking ownership. Mr. Hahn states that he believes the DNR is ready to have a responsible dam owner in place. He has been told that the DNR wants to work with the district, as the owner, to make sure all of the benchmarks are in place and that all of the safety measures are met.

6. Report on Lake Alliance Meeting: Bob reported that the next meeting is scheduled for Saturday August 12, 2017, with a lengthy agenda. One of the important items on the agenda is to implement a fee for every district. The proposed amount is \$200 a year to help with operating costs of this alliance. Bob stated that our lake district would need a representative. Bob currently serves on the board so a separate representative from each district is needed. If anyone is interested please contact Bob with any questions. The alliance meets every other month on a Saturday from 9:00 – 11:00am at the Adams County Community Center.

7. Reports from Property Owner Committees: No information shared

8. Reports from Friends of Friendship Lake: Linda Graf shared that the Annual Friendship Lake Picnic is scheduled for Saturday August 26, 2017. It will be at the Friendship Park and will run from noon to about 3:00pm. Chicken will be provided anyone attending should bring a dish to share. Bingo, 50/50 raffle, and raffle items will be available. Please R.V.S.P. to Linda Graf by August 20, 2017. Additionally, Linda noted that coffee and donuts would be provided at the annual meeting.

Pat Kierstyn shared an idea for a fundraiser in the future. The historical society held a fundraiser in the past that used small little rafts with numbers. Basically for an entrance fee you choose a numbered raft and it is placed into the lake. The raft travels through the dam and down into the park where it is retrieved for a cash prize. She has all of the rafts and would be a fun event in the future as a raffle. Bob shared some fundraiser ideas, as well as a raffle using yellow Rubber Ducky's in a similar situation.

9. Any Unfinished Business: Bob Berry revisited the postponed ramp project. Bob recently checked with planning and zoning and the permit that was issued in 2014 expired last year, 2016. Bob will file a new application to obtain a new work permit. Bob has the application form and will get that submitted to planning and zoning, as well as the DNR, and the Town of Preston within the next week.

10. Any New Business: Bob shared that the board and district need to create Financial Advisory Committee. This committee would review the special charges and the mill rate for all lake property owners to cover the projected costs with acquisition of the dam. There will also be the loan application process, as well as reviewing and obtaining bids for repairs and equipment of the Friendship Lake Dam. Grant applications will also need to be completed by this advisory group to offset the costs of repairs to the dam. A few district members have been contacted but as of today no one has volunteered. Bob asked if anyone is interested to please contact one of the board members as soon as possible. This group needs to convene within the next week or so to begin this process.

Bob recommended obtaining three new laptop computers to be used by each board member. Currently the district owns one very old laptop that our treasurer uses for the accounting. Bob stated that he and Karen are using their home computers to perform all lake district business and correspondence. Bob is recommending that the Lake District look into purchasing three new computers. Bob shared that it is so important that districts follow all of the open records requirements and it really is necessary that we move forward with regard to purchasing the computers. Bob is going to stop in at AFPC to see what they would recommend for our business purposes. Bob said that AFPC provides computers and support to the local municipalities and he has worked with Josh in the past.

Linda Graf stated that the Friends of Friendship would be able to help donate towards these purchases, not the entire amount but would like to help offset the costs.

A motion was made by Frank Kierstyn authorizing the board to purchase three laptop computers to be used by the board members for Lake District business. The motion was seconded by Larry Swaziek and carried unanimously by the district members present. Bob Berry will investigate and report at the next board meeting his recommendations.

11. Set the next meeting board date: (November 7, 2017) At the Adams County Community Center at 5:30pm. It was noted by the board that normally during the winter months, the Friendship Lake Board meets every other month. The board can call a meeting if needed during the months that they are not scheduled to meet.

Members were reminded that the Annual Friendship Lake District Meeting is scheduled for (Saturday September 2, 2017) at the Adams County Community Center at 9:00am. A reminder notice will be included in the newsletter, website, and via email

12. Adjournment: Linda Moonan made a motioned to adjourn and seconded by Ron Johnson

Respectfully Submitted By,
Commissioner Karen Pokorny, Secretary
August 27, 2017