

Minutes of the 2023 Special Meeting of the Potter Lake Protection and Rehabilitation District held August 11th, 2023, at Town Hall, East Troy, Wisconsin.

Present: Commissioners Christine Celley, Bill Roeber, Bob Rice, Liz Sanders, MaryJo Jones, and 2 constituents from the district were in attendance.

Chairman Christine Celley called the meeting to order at 3:04 pm

The commissioners met to go over the bids that were received from the rebidding process. Bob handed out a spreadsheet that contained the bids that were received. CW Purpero was the low bid. Bob contacted Todd from Purpero and asked if he had any questions or concerns. Todd asked if the soil had been tested for contamination. Bob then reached out to Adam with Ayres to check. The soil has not been tested nor did the DNR require it or have concerns. Todd said if the soil had contaminants there would be an extra charge for dumping. Estimated charge would be \$600 per truck load with an estimate of 4 truckloads. It was not Bob's recommendation to test the soil. Even though they are the lowest bid by quite a bit when you compare line items there are other bids that are priced similar. Mobilization was low but that may be due to them being a local contractor. Purpero does not have a time frame planned for the work and would schedule it in once they have the materials. It will take some time for the grate and gate to be made as well as the precast concrete. Christine commented on the range of bids we received as they ranged from \$170,850-\$327,500. Liz asked if any contingencies were included in the bids. Bill clarified that Ayres will be over seeing this project. Christine said that she talked to Ayres and Adam told her that they would probably make two site visits and their engineers would work directly with the contractor to make sure that they have all the specs needed before anything is ordered. Purpero is a local company out of Oak Creek and have very good online reviews and are members of the trade associations and have been mentioned in trade publications.

Bob is under the impression that we are required to take the lowest qualified bid. He commented that even with the low bid there are other companies that support their line-item cost. Mobilization was the lowest, but it could be due to them being local. Liz questioned why we were required to take the lowest bid. Christine commented that we are not required to take the lowest bid as the lowest bid may not be the best bid. Liz said she questioned this because if a company is too low are they going to build it in at a later time when extra work may be required. Christine commented that if the water levels remain low, we may not have to have flow diversion. If that's the case would the other company's remove that line item? This would bring some of the other bids down quite a bit. Christine suggested that we reach back out to the companies with a list of questions and get an idea of what other work they have done as well as references. Bob stated that he felt comfortable with all who have quoted as we have been talking with them over the last two months and they were referred to us by people in the business that do this kind of work day in and day out. MaryJo read that our bylaws state that we are required to take the lowest bid and if we accept another bid that is more warranted and over 20% of the lowest bid we need written justification as to why we chose the other bid. Christine suggested that we reach back out to the 3 lowest bidders with a list of questions as well as talk to someone who they have done work for and report back. Bill asked what the engineering firm thought of

the companies that bid because they are the ones overseeing the job and working with them. Bob stated that whatever company received the contract would be required to build the items to specs set by Ayres who is overseeing the job. They are also required to carry a performance bond. Bob also suggested that when we set the annual budget for 2024 that we budget a higher amount so in the event something happened we would have an approved amount for the middle ground bidders. Liz and Christine said that the budgeted amount needs to go hand in hand with the contract we sign. MaryJo asked what the current budgeted number was for the dam. The 2023 budget allowed for \$200,000. Christine figured the rough numbers would be about \$500 per homeowner for assessment. Bob commented that he was not comfortable spending all the CD money for the dam and wanted to hold some back for operating expense and not have to take a penalty on the LPL CD to do so. Bob said that he would like to keep \$30,000 out for operating expenses for next year in the event of a treatment. MaryJo suggested \$10,000 to \$20,000. Christine commented that we don't need a new 5-year plan and there is no indication that we will need a large treatment next year and if we do our harvesting expense will be less. Liz suggested that we use the \$130,000 in the CD's and not hold any of it back and assess for the \$70,000 to balance the budget. There was discussion on how the 2024 budget should be presented for the annual meeting. It was decided that the budget should stay at \$200,000 for the dam project. Liz made a motion to move forward with the bid from CW Purpero in the amount of \$188,000 which includes a contingency of 10%. MaryJo seconded the motion. Motion passed.

Christine wanted to know what the plan is from Purpero for billing and when they expect to start. This would help the district with how long to keep money in CD's in order to get higher returns. They will have until Feb 1, 2025 to complete the project but money will be due at different points of completion per the bid packet.

Bill was for putting the CD money towards the dam without holding any of it back. We currently have over \$20,000 in our checking account and could take money from the LPL account. Penalties would only be assessed on the amount taken out. Bob Rice made a motion to use \$100,000 from the CD's and special assess the remaining amount (this would leave \$30,000 for operating expenses for next year and help to avoid potential early withdrawal penalties from LPL Financial). There was no second on this motion. There was discussion about the cost of weed treatments and our expenses over the last 10 years. Christine commented that there are no big expenses coming up besides the dam and there is no reason not to use all the money in the CD's for the dam. If needed, we could take the penalty and use some of the LPL funds. Bill estimates that there will be about \$15,000 left over in the checking account at the end of this year. Liz commented that people are being hit this year with the school referendum as well as the Shorewood Dr Road project and we have enough in the LPL if we run short next year. MaryJo made a motion for a special assessment of \$70,000 for the construction of the dam. Motion was seconded by Bob Rice and motion passed.

Christine asked if there were any contingencies in Purpero's bid. Bob said that the only thing they were concerned about was the possibility of the extra dumping expense if the soil was contaminated and could run an extra \$2500. Liz said that the 10% contingency was budgeted in our numbers and should not be included in Purpero's bid. Bob clarified that the questions for Purpero were: If they have any contingencies built into their quote? What other dam projects have they done? When is the first payment due? When is the anticipated start date? Christine

wanted to know this so that we could plan when to take money from the CD's to have money on hand when the bills come due.

The constituents will be given three options to vote on at the annual meeting. One being a loan for the \$70,000. The second option was to split the \$70,000 equally amongst the lakefront tax parcels for a onetime assessment. The third option was a onetime assessment based on the taxed assessed value of your property. Christine had talked with Kim at the town about these options and Kim said that there would be additional fees if she had to figure it out based on the tax assessed value. The board members thought that based on feed back that people are favoring the onetime assessment option.

The board discussed the proposed land use agreement with the DNR for parking our conveyer at the launch. Christine talked to Lance at the DNR and asked if we chose not to enter into the agreement and let them continue to maintain the launch if we would be able to come back if we changed our mind in a year or so. Lance said the person who handles the reality part of things is going to be retiring and there is a chance that this offer would no longer be on the table. Christine asked the person who is currently mowing for the district what the charge would be for him to include the launch. The reason for the draft of the land use agreement stems from someone who has been questioning the harvesting operations with the County and the DNR. MaryJo suggested that we have an attorney look over the proposed agreement. There were several items of concern included in the contract. The board agreed to email MaryJo their questions and concerns so that she could put together an email to the DNR to get answers.

Bob commented that the garbage at the boat launch was going to be removed due to people dumping carp in it each week.

MaryJo made a motion to adjourn and was seconded by Bill. Meeting was adjourned at 7:35pm

Respectfully submitted,

Robert C Rice
Secretary