

MINUTES OF SPECIAL VILLAGE OF BELLEVILLE BOARD MEETING
HELD WEDNESDAY, **SEPTEMBER 28, 2011** AT
5:30 P.M. VILLAGE HALL - 24 WEST MAIN STREET

1. Call to order - The meeting was called to order by Village President Howard Ward at 5:30 PM.
2. Roll call by Clerk – Trustees present were: Tyler Kattre [arrived 5:45 PM], Ben O'Brien, Howard Ward, Jim Schmitz, Gary Ziegler, and Deb Kazmar. Bonnie Wilcox – absent.

Also present: Village Financial Advisor Greg Johnson of Ehlers and Village Attorney Matt Dregne

3. The Clerk stated that the meeting has been noticed as required by law.
4. Visitors Who Would Like to Speak Now – None.
5. Visitors Who Would Like to Speak On an Agenda Item – None.
6. **Unfinished Business:**
 - a. **Proposed Budget 2012 Introduction** – Little gave an overview of the current budget situation. State aids are expected to decline about 10-12%. Required debt payments are increasing 12 percent. Combined, this creates pressure to cut expenditures.

7. **New Business:**
 - a. **Resolution 2011-09-07 Authorizing The Borrowing Of Not To Exceed \$650,000; And Providing For The Issuance And Sale Of Special Assessment B Bonds Therefor (Refinancing of Bond Anticipation Notes for Baker's Woods Non-TID Area)** – Greg Johnson from Ehlers explained the borrowing process. The plan was to refinance the 2009 Bond Anticipation Note (BAN) for non-TID improvements to the Far West Side Development. Bell West issued B-Bonds in 2010 because it finished its plat; however, Baker's Woods did not complete its final plat. Two choices are available as the 2010 Baker's Woods BAN matures November 1. It was hoped that their plats would be finalized but they are not. The options are to issue B-Bonds now for the area as it stands or to extend the BAN one more year and convert it to a B-Bond later. Ehlers sees no advantage to extending the BAN.

What happens if the plat later is configured differently after approval? B-Bonds can be restructured according to new plat lines later. These costs are passed on to special assessments later. The bond shifts Baker's Woods to permanent financing now. One parcel/lot exists now for this non-TIF area. The developer has the opportunity to pre-pay the debt if the land is sold. The TIF area is also not platted, but the financing works differently.

If the developer does not pay the special assessments, it shows up as a delinquent special assessment on which Dane County must collect. This mechanism is more secure for the Village than extending the BAN. Special assessments will cover costs

dating back to 2009 including financing issuance. The money must be in hand for the 2010 BAN payoff this November. Discussion of platting costs for the project. Including these in the borrowing increases the costs for the assessments. There is still risk. However, doing this levies a special assessment lien. First payment for this financing comes due in 2013. If not paid, the Village files a special assessment charge to the tax bill. Interest for 2012 is capitalized. Actual first payment is 2013, which is the same as Bell West's bond schedule.

Trustee Ziegler made a motion to adopt Resolution 2011-09-07 Authorizing the Borrowing of Not to Exceed \$650,000; And Providing For the Issuance and Sale of Special Assessment Bonds Therefor; seconded by Trustee O'Brien. Motion carried.

- b. **Proposed Resolution 2011-09-06: Preliminary Resolution Declaring Intent to Exercise Special Assessment Powers** – Matt Dregne: we are looking to make adjustments based on actual expenditures for Far West Side Development projects in the TIF and non-TIF areas. An updated special assessment report with new amounts and payment schedules are coming. This resolution is the first step in the legal process for full October 17 Village Board consideration. We also need the developers to agree to certain changes in the TIF agreements. Johnson: non-TIF sewer project actual costs were under borrowing. Therefore, Bell West will have a share set aside for future payments; Cosgrove paid in cash so will get a refund check; for Baker's Woods it reduces the borrowing amount required.

Each developer is responsible for a proportionate share of debt service costs. This is a reconciliation from where we started. TIF costs however, came in over budget. The TIF areas would be specially assessed for original debt and for cost overrun, to be levied later. Proposed TIF agreement amendments would allow construction of Baker's Woods intersection improvements in future TIF borrowing applying TIF increment. The TIF project plan provides for these improvements but agreement language did not specify these costs. Some required highway improvements were expedited and spending was done to meet IRS bond requirements. *Trustee Ziegler made a motion to adopt Resolution 2011-09-06; seconded by Trustee O'Brien. Motion carried.*

- c. **Approval of Assignment of Verizon Wireless Land Lease Agreement** – Changes requested by the Village's attorney were made by Verizon, and she is recommending approval. CST Central States Tower II, LLC is a national tower owner and management company that collaborates with Verizon for site development. Tower construction should then begin shortly. *Trustee Kattre made a motion to approve consent of the Verizon land lease agreement to CST; seconded by Trustee Ziegler. Motion carried.*
8. **ADJOURN TO CLOSED SESSION for Discussion with Village attorney of options for working with the Baker's Woods developers to address unpaid fees and possible development assistance per 19.85(1)(g) and 19.85(1)(e)** – *Trustee Kattre made a motion to adjourn to closed session; seconded by Trustee Kazmar. Motion passed unanimously on a roll call vote. Closed session 6:45 PM*

Trustee Schmitz made a motion to go into open session; seconded by Trustee O'Brien. Motion carried. Open session 7:40 PM.

9. **RECONVENE TO OPEN SESSION for possible action on items discussed in closed session** – *President Ward made a motion to accept stipulation a forbearance agreement with Baker’s Woods development with changes to allow 4 percent annual interest, use money on deposit as an offset to charges due, to use their residential property at N9697 HWY CC as collateral, and allow them to make payments of half now and half paid in June 2012, and the Village will pay associated expenses; seconded by Trustee Kattre. It was clarified that the interest accrued from date. Motion carried.*
10. **Adjournment** – *Trustee Kazmar made a motion to adjourn; seconded by Trustee Kattre. Motion passed unanimously. The meeting was adjourned by President Ward at 7:43 PM.*

By April Little, Administrator/Clerk/Treasurer

These minutes were approved by the Belleville Board of Trustees on October 17, 2011.