

# TOWN OF LA POINTE

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SPECIAL TOWN BOARD MEETING  
THURSDAY, NOVEMBER 8, 2012  
AT 5:00 PM AT TOWN HALL

Present: Jim Patterson, Ham Ross, Greg Nelson  
Absent: Nick Nelson, Larry Whalen  
Staff Present: Barb Nelson  
Public Present: Dave Thomas, Mike Starck, Burke Henry

- I. Call to Order at 5:00 PM
- II. Greg Nelson began by reviewing the process by which the budget is examined and reviewed. The over-all budget amount is down by 1%; however, revenues are down as well so that the budget is projected to be \$388,000 +/- the allowable levy amount.

## **Nick Nelson arrives at 5:07 PM**

Greg Nelson asked about the amount budgeted for the Griggs Approach project: will there be a rollover of funds. [\$131,800 is budgeted for this project in 2013.]

Pete Clark answers yes.

Jim Patterson pointed out that there is offsetting Coastal Management Grant money in Revenue.

Discussion followed regarding various projects.

Barb Nelson was asked about borrowing [against a loan that has already been arranged]: she replied that borrowing [yet in 2012] depends on Big Bay Town Park expenditures. The end of the year projected expenses on that project are \$96,000.

Barb Nelson stated that the Town had planned to borrow \$250,000 in 2012 and that the 2013 budget shows a transfer of long-term debt of \$250,000. The total expenditures for the Big Bay Town Park project have been \$500,000 in 2012.

Jim Patterson added that \$358,498 is budgeted for 2013.

Greg Nelson asked if there are grants for the Old Fort Rd. storm sewer project.

Answer: no.

Greg Nelson asked if the chip/crack sealing project has already been paid.

Nick Nelson asked if it's possible to tell what part of the Big Bay Town Park expenditures are on what side of the road.

Ham Ross pointed out that the north side of the road is in stasis.

Greg Nelson added that the clearing on the north side of the road has stopped due to the Section 106 invoked by the Department of Natural Resources (DNR) [Clerk's note: Section 106 refers to protection of Native American artifacts.], and without the revenue from RV sites, revenue will drop.

Nick Nelson said that the permits may never be granted or that the Town may decide not to proceed with that part of the project.

Pete Clark pointed out that at least one grant is contingent on building 66 sites; if some of the sites are dropped, the grant can be affected.

Greg Nelson pointed out that the Board has already chosen to proceed with this project, and while there may be a delay now . . . .

Nick Nelson stated that this project has been contentious all along.

Barb Nelson pointed out that the DNR grants (\$171,000 in advance) may need to be renegotiated or returned [if the project is not completed].

Nick Nelson agreed that it is essential to understand the grants.

Barb Nelson suggested talking to Ed Slaminski (Wisconsin DNR.)

Greg Nelson pointed out that the motion [that began the Big Bay Town Park Improvement Plan] was to approve the project per the plan, which included both sides of the road. [If this is not done] the Town will be looking at returning funding.

Jim Patterson added that not proceeding with the whole plan may not be a good idea.

Barb Nelson suggested talking to Town Foreman Keith Sowl. Pete Clark to schedule.

Jim Patterson asked if additional gravel will be needed to complete Phase I of the project.

Greg Nelson said yes, that the pile from the County will be used, and that the County has already agreed to sell it to the Town at its cost back when it was purchased. Additionally, the cost is covered in the grant. He added that he does question the amount of \$10,000 for landscaping at the Park.

In response to a question about borrowing, Barb Nelson stated that the loan that has been negotiated by Treasurer Carol Neubauer is at an interest rate of 2.6% right now.

Nick Nelson asked what the "Industrial Park Lay-out" is in the budget expenditures.

Greg Nelson replied that six of the fourteen available sites have been leased; eight potential sites remain, but they need to be surveyed and laid out as a source of revenue for the Town.

Nick Nelson asked about the item called "Weeds."

Barb Nelson replied that the \$10,000 budgeted for weeds [fighting invasive species] is offset in the revenue column by a \$10,000 donation from the Madeline Island Wilderness Preserve for the purpose of fighting invasives. The amount represents the hiring of one person at \$13 an hour not to exceed 599 hours plus some time to be spent by the road crew.

Greg Nelson asked about Hercules, the company that manages the computer system that makes reservations for Big Bay Town Park.

Barb Nelson reported that the Town has received \$2500 from them, which is July collections.

Pete Clark added that there is still \$18,000 outstanding.

Barb Nelson next discussed the fund balance transfers planned by the department heads:

The Materials Recovery Facility has \$7000 budgeted [2012] for capital improvements that will not be done this year. Ted Pallas, Supervisor, wants this transferred to a designated fund.

Roads has \$3200 budgeted for capital improvements to the ice skating rink.

The Airport has \$6600 that Michael Dalzell, Airport Manager, wants to transfer to a designated fund for future Bureau of Aeronautics projects.

Greg Nelson stated that this money would be available for the general fund [for the purpose of avoiding a loan for the remainder of 2012] but would then need to be budgeted to pay back to the departments.

Greg Nelson asked about a deadline for completion of the budget.

Barb Nelson replied that it must be posted on Friday, November 16, 2012, fifteen days before the Public Hearing on the budget/levy.

Discussion followed regarding the levy, the levy limit and whether or not to make substantial cuts in the budget or borrow what is needed.

Ham Ross stated that he favors borrowing money to complete the Big Bay Town Park Improvement Plan and expecting a return on the investment.

Nick Nelson stated that the Town has a lot of infrastructure already and that more and more money will be needed to maintain any additional infrastructure: more infrastructure means more costs forever.

Greg Nelson turned to the wages included in the budget. He observed that the increase in wages for the Library is huge and that the Town rarely gives that high of a jump in wages. He added that the Town cannot, however, line item [cut] the Library's budget. He also added that last year the Town Board denied the Library's capital outlay request.

Next, Greg Nelson pointed out the 128% increase in the Ambulance Directors' pay. He pointed out that when there was one director the pay was not so high.

Nick Nelson stated that he feels that the previous director was not recording all the hours that she spent and that he [Nick] is not asking for any increase in his pay as Co-Ambulance Director.

Greg Nelson added that the Board has not yet designated an amount for the contingency fund.

Jim Patterson asked to revisit the Library request [for increased wages]: the Library's request for two capital improvement projects [a roof upgrade and central air conditioning] put together equal in cost roughly the amount requested in additional wages. The money for the wages could be found by eliminating the capital improvement projects.

Ham Ross asked for clarification regarding the Ambulance Directors' pay raises. Nick Nelson will ask them to write some explanation/justification.

### **III. Adjourned at 6:45 PM**

**Approved as corrected on November 13, 2012**

**Patty Hobin, Town Clerk**

