

Buffalo Lake Protection & Rehabilitation District Regular Meeting Minutes

September 8, 2018

Not Approved by Board as 10/01/2018

Board Members Present: Tom Ogden (Chairman), Ro Klecz (Treasurer), Roger Naniot (Secretary), Chuck Koepsell, Vikki Trimble, John Sheller (County)

Judy Nigbor (Town), Absent

Meeting called to order by Tom Ogden at 9:05 am followed by Pledge of Allegiance

Agenda

1. Minutes from the May meeting

- a. Minutes from May meeting read by Roger
 - i. Corrections noted by board members and minutes corrected (resubmitted by Roger)
 - ii. Under site maintenance, Vicki noted she had never received a bill for the repair of the fork lift. Ro to follow-up with vendor. Roger stated let's not slip into 2019. Scott has 3 times asked for the revised bill.
 - iii. Vicki made a motion to accept the minutes with corrections, seconded by Ro. Motion Carried.

2. Treasurers Report

- a. Checking account balance as of August 31, 2018 is \$22,158.71. Operating fund balance as 8/31/2018 is \$62,973.86 and equipment fund balance as of 8/31/2018 of \$116,024.64 with a total of \$201,157.21
- b. Question from a district member as to where copies of the reports and agenda could be obtained. Tom stated that the agenda copies were on the table but were all distributed.
 - i. Roger responded that this is a board meeting and not the annual meeting.
- c. Roger questioned Vicki on the payroll – how many weeks is the expenditures? Payroll is for May – August. What Roger was getting at is that a normal payroll per week runs at between \$2,200-2,500. He wanted to compare this amount per week to the 2019 budget as to the number of weeks that would be available for cutting.
- d. Roger asked Vicki who is D&D Products in terms of the check in the amount of \$2,101.34. Vicki stated it was Aquarius.
- e. Tom had a question on the lake plan management study. Stated we had the comprehensive plan done for the annual meeting. At the annual meeting, Onterra (Mr. Brenton Butterfield, Aquatic Specialist at Onterra) discussed their recommendations in the Annual Comprehensive Plan. One of the recommendations was a partial drawdown every few years and we are going to take a look the composition of the weeds as of 2019.
 - i. They (Onterra) were looking at not a full blown management plan but an abbreviated study to see if the evasive species have come back more than we expected. Tom stated we never got a quote or dollar figure thrown out for this study, but if we are going to consider this study, should we not have some

money in the budget (\$3,000) for the study? Tom noted that the management plan never stated we had to do the study to do a drawdown but that we would look at it.

- ii. Bill Lewis, a district member, stated that the plan does say that and it is the only option. Tom said yes it is the only option but doesn't state we have to it. The plan states we have to review it on a modified or reduced drawdown. Bill again stated the only option was a partial drawdown. Tom agreed with that statement. Unclear from the district member as to who it was, but a 30% drawdown is not the only option.
 - 1. Bill again stated that the drawdown is the only option we have in the plan.
 - 2. Roger responded to a district member to clarify what a drawdown was. Tom also clarified what a drawdown does in terms of reduction of the weeds.
- iii. The whole point of the discussion was do we need funds in the 2019 budget for the weed study? This was tabled until the board got to the budget.
- f. Scott asked a question during the last drawdown could the district spray the lake bottom. Vicki responded no and in fact the DNR would not allow you even to go on the lake. Carol Deer, a district member, said that there is permit process for spraying for weeds.
- g. Roger called for a point of order. Ro made a motion to approve the treasures report. Roger seconded. Motion carried

3. Budget for 2019

- a. Ro presented the 2019 budget. Operating fund – Not all the 2018 assessment payments from the county are in, so we need to increase assessments revenue line item from \$118,000 to \$124,000. Roger calculated how the original amount was determined and now the new amount should be \$124,000. Vicki agreed.
- b. Vicki stated the insurance is going to have another \$6,000 payment. It goes back to the workers compensation. Vicki stated that the insurance budget line should go to \$16,000.
- c. Tom asked why the insurance balance in 2017 was so high. Vicki stated she put unemployment expenses in a new line from the insurance line where it was recorded in 2017. Tom stated OK, Vicki, next year the district will apply to be a seasonal employer. So in 2020 there will no longer be unemployment paid by the district but by the state. The district will pay the 3% of payroll to the state and then the state will pay unemployment.
- d. Darrell questioned what the rate was. Vicki responded she did not know and will ask the insurance agent what the rate is and whether the employees are classified correctly.
 - i. Roger asked if the district is working with the correct broker.
- e. Vicki is thinking the payroll line item of \$55,000 is light. Roger did a quick calculation based on approximately \$2,500 per week.
 - i. Roger stated we need to add some additional money to the payroll line. He recommended budgeting \$57,000. After a quick calculation Roger and Vicki determined that no additional money was needed for taxes.
- f. Bill Lewis asked Roger what the line item restoration fund was for.
 - i. Roger stated that this is not only a protection district but also a restoration district. The funds are for new ideas on restoration.

1. Rich Brefeld also stated that one of the other reasons was that the DNR budget is later in the process in terms of grants and if the district does not have a budget line it cannot take advantage of these grants in terms matching funds. Rich continued to point out that the original line items of \$3,000 a couple of years ago was supposed to be \$4,000.
2. Roger stated that in the finance committee, they raised the pre-budget amount to \$5,000. Bill Lewis questioned it, stating to Roger that it was his understanding that he told Rich he could spend the money without any board approval. Rich said that was not true and Roger echoed the same. Rich said there is an over-sight and any expenditures were to be approved by a board member on the committee. So there is an over-sight. Bill asked Roger if that was her understanding. Bill continued that it now appears that expenditures can be approved by a committee member and not the board. That is not the case. Rich continued to respond that expenditures were to be approved by the committee but he took a step further in that they needed to be approved by a board member similar to the harvesting committee. Roger is on the ecology committee.
3. A district member asked Tom what was the top mission of the board. Tom stated the harvesting operation is a big chunk of it but everything is important. The same member asked if the increase in assessment was across the board. Yes, increase was 25%. Continuing, the question was whether was the board was trying to keep a certain amount in reserve.
 - a. Roger pointed out these are not taxes, but assessments.
 - b. Tom noted we had some reserve when the dam was reconstructed and the District still charged an assessment. Over the years the District has been eating away some of the reserve. The intent is to keep it as long as we can. Tom stated our district's assessments are quite low compared to other districts.
 - c. Roger stated that the prior years carried forward balance was \$64,101.27. Roger said from a budget standpoint the district is overspending by \$48,648 prior to adjustments just made. As a finance guy, Roger was very happy about that as he would like a larger carry-over for unforeseen expenses. Bill Lewis again had a question on a balanced budget. He stated if the increase was approved, the district would shoot for a balanced budget. Roger tried to explain the definition of a balanced budget which by definition does include a carry-over if properly identified. Vicki noted we are still working on the operational expenditures.
 - d. Roger and Vicki pointed out the removal of the \$20,000 transfer to the equipment fund and the chemical treatment of \$20,000 were to be removed from the proposed because the district cannot afford them. Bill once again stated are we looking at balanced budget. Roger tried to explain what a balanced budget is, but Bill continued. Roger stated what he doesn't like to do is build a reserve just to have a reserve as the district members have approved the prior budgets which brought on

this reserve. It is fiscally sound to do this. You are basically holding on to district member's money that are available to provide services they have approved previously.

- e. Tom stated another line item to question is the maintenance and repairs at \$19,000. Roger pointed out how old the equipment is and is wearing out. Mr. Lewis pointed out that in terms of the operating budget and Roger agreed, the \$19,000 is offset by the amount transferred to the equipment fund. Tom is just saying that the repairs are expensive and we had to deal with a number of these repairs and expenditures this year.
 - f. Roger said to take our the \$20,000 transfer and \$20,000 chemical treatment, but if someone wants to bring up the treatment as an alternative to harvesting, he would support it,
 - g. Budget discussions continued between Bill, Roger and Vicki.
 - h. A person in attendance stated she offered to setup the email system and she stated that the district purchased a third party vendor service. Tom said it was not purchased. It was a free service. Based on the number of members it is free up to 1,000. There are 160 signed up. If over 1,000 it is \$12.00 per month. The expense is under the website line item.
4. Vicki said to change the fuel from \$12,000 to \$9,000. Change miscellaneous from \$2,000 to \$1,000. Bill stated that there is very little over-sight and accountability. Bill wanted to pull \$6,000 out of labor. Roger responded that the budgeted payroll was originally set that way because that allows 22 weeks of basically cutting. Bill continued – it is over-sight Roger. Discussion continued. Roger stated if we added another individual because we now will have two transporters we will get to a new budget amount. Talked about if we can repair the old harvesters and run 4 cutters on the east side, then we will need another person. Again Bill it's the over-sight. We never ran that many cutters in the past. Roger stated the lake has changed, and you know that. Again Bill stated it's the over-sight. Bill has a problem of throwing money at an issue and adding personnel.
5. Discussion turned to the proposed transporter. Jim Burton and Scott pointed out the advantages of two transporters and reduction in wait time by the cutters.
6. A member asked if there were more restoration would there be a decrease in equipment? Roger noted there could be more restoration done, but it is very difficult to get the 700 plus members to approve the restoration when they want cutting so they can navigate the lake. He stated that you heard the discussion today on the \$5,000. At one time it was \$0.00. Bill Lewis stated maybe it should go back to \$0.00 next year. Shoreline restoration came up. Lotus beds. Education. The ecology committee is always looking at programs. Jim pointed out the nutrients' entering the lake. Bill Lewis stated again that there needs to be more over-sight to increase efficiency. He said a lot of people are unhappy with the condition of the lake.

7. Vicki said we are not going to spend all of the 2018 budget which should give us more of a cushion going into 2019, so she was comfortable with going ahead with the adjustments and approval of the 2019 operating budget.
8. Roger called for the question. A district member asked if anyone has taken a survey to have their assessments increased to do more for the lake. Board pointed out that a survey was done. It is in the lake management plan. A member pointed out at one meeting when an increase was proposed, there was almost of riot and the board was going to be lynched. She continued, the people in this room care about the lake while others shoot down everything the board has proposed. Another member said that the district member are seniors and don't mind paying for the service, but when the dues go up, the service goes down. Scott pointed out the new weed cutter never left the west side of the lake.
9. A member stated perhaps it would be better to have small increases rather than pushing a big one thru – 5% per year. Roger stated the west side of the lake is silting in and becoming shallower. He also stated that DNR does not allow the cutters to churn up the bottom of the lake. Roger wanted to do chemical treatment and a draw done on that part of the lake, but \$20,000 was just taken away. Can we do a partial drawdown on that side of the lake – Roger did not know. Per Scott, the floating weeds are coming from the paddle wheels. The side cutters are causing a lot of the floaters. The duck weed is our biggest problem. Scott said it takes a 1.5 weeks to do full shoreline cut.
10. Roger made a motion to accept the operating budget with the changes and approximately \$7,000 into the carryover for calendar year 2019. Seconded by Vicki. Motion carried.
11. Moving onto the equipment budget. Roger noted the harvesting committee voted on a different transporter at their meeting, but based on new information a different transporter is being proposed saving approximately \$20,000 from the original one proposed.
12. Jim Barton described the new functions of the Inland transporter.
 - a. Carry more weeds
 - b. Two props
 - c. Hydraulics better
 - d. Simplicity of operations resulting in less things that can go down
 - e. Goes 8.1 miles per hour
 - f. Comes with a trailer and can be made DOT ready
 - g. Comes delivered on a low boy which means we don't have to hire a crane
 - h. Other improvements including checking references which were positive.
 - i. Other technical information available from Jim.
13. Roger stated that if our current transporter goes down, it will be difficult to continue the harvesting operations.
 - a. Plan is to have; if possible, given the age of the old one plus reparability of the unit, two transporters in the water

- b. The cost is \$192,400 including delivery.
 - c. A state grant will only cover at the maximum 35% if we get the grant. Roger recommended changing the State grant on the budget to \$65,450 and the new proposed transporter to \$192,400. Roger also recommend that the harvesting committee come up with a prioritized plan as to their needs.
 - d. Roger noted that this piece of equipment has to be approved at the annual meeting. Scott stated the Inland unit does not have interchangeable motors so it could be more costly.
 - e. At this time Jim was uncertain what the warranties are. Tom told Jim to find out about the warranties and the replacement parts outside of the warranty
14. Roger made the motion to approve the 2019 budget equipment fund including the carry-over for the purchase of the Inland transporter in the dollar amount of \$192,400, the state potential portion of \$65,450, and the elimination of the \$20,000 transfer from the operating fund Vicki seconded. Motion carried.
- a. Has to be a resolution on the newsletter going out.

4. Committee Reports

a. Dues and Finance

- i. Nothing to report

b. Site

- i. Looking at a new building to store the tools and storing buoys. Lost six of the channel buoys.
- ii. Question on the lotus buoys at approximately \$1,400

c. Lake Management Plan

- i. Question by Bill Lewis on approval of the management plan. Bill stated it was not approved while some board members said it was. Confusion here. Bill stated a drawdown would have to be approved by the members. Tom stated that we approve the plan and implementation of future, periodic seasonal water level management including water level reduction.
- ii. Vicki stated the a water level reduction had to be approved by the membership at the annual meeting

d. Harvesting

- i. Beginning of the year started out great per Chuck, until the water dropped and then the crew could not keep up cutting weeds.
- ii. Lots of machinery break-downs and one cutter down for six weeks
- iii. Transporter down for number of weeks. Thus relying on the cutters to off load at the shoreline which reduces the cutting time.
- iv. Problems on the west end due to the water level. Could not get into some of the places on the west end. Cutter was bottoming out and per DNR permit we cannot touch the bottom. If we do that we will get fined and shut down on weed cutting. Call of the wild area is too shallow. DNR cautioned us on cutting.
- v. A district member questioned Scott on the water level and ability to perform cutting.
- vi. Roger informed the board that Scott was able to sell one of the older trucks for \$2,500 in cash. Vicki put the money in the equipment fund

- vii. Roger informed the board that at the Harvesting Committee we are looking at approximately \$4,000 which will not be in this budget for a storage container. Want to store the tools in a better situation than where they currently are stored.
- viii. Roger noted that the cutting operation stopped due to high water level and the equipment was in the process of being pulled and winter maintenance done. Scott will try to wrap the units in plastic. Vicki stated that there is no payroll after September 30th.

e. Technology/Newsletter/Communication/Website

- i. Question by one of the members as to the goals in the lake management plan and where we are in meeting those goals.
 - 1. Roger noted that a lot of the goals were not achieved. The member continued that a lot of people would be willing to volunteer, but saying that doesn't mean they will.
- ii. Newsletter to go out asap to all the members plus the Marquette Tribune
 - 1. Vicki said some people state they are not getting the notice but we get the names from the tax roll.
 - 2. Carol put information on Face Book and was recognized for this contribution.

f. Personnel Committee

- i. Roger and Darrell meet with Scott on personnel issues and some of issues regarding harvesting crew operations with will remain private. Chuck was also there.

g. Ecology

- i. Rich wanted to add to the newsletter. Wanted to put something in the newsletter on shoreline restoration. It was determined that due to timing it was too late and too large of an insert.
 - 1. Something can go on website and/or something could be sent to all the people that have signed up for email notifications. Rich will put something together. Rich is to come up with costs for a separate mailing on shoreline restoration so the board knows the cost.
 - a. Bill Lewis wanted a notice that he is running for the board and wants this in newsletter. People can indicate at the meeting that they want to run for this position.
 - b. Chuck seat is up and Roger notified everyone again that he has resigned. Roger's seat is an appointed one.
 - 2. Lotus are expanding which was one of the goals.
 - 3. One of the members had a speaker at her home to talk about the weeds in the lake especially on weeds dying and floating.

h. People on the Lake

- i. Tom stated that was an old item on the agenda.
- ii. May be a new version out

5. Daniels Construction/site/dam site

- a. Ro mentioned that there is a dam that flows into the channel area of the lake. The dam that was built by Daniels construction failed. DNR is going to make Daniels and/or owner rebuild the dam and cleanup the silt that was washed into Buffalo Lake. It was due to the rain.

- b. Runoff also per Scott into Chapman creek. DNR to look at the issue there with the runoff of toxins.

6. Town/County

- a. John Sheller noted that the county is not buying the island. He doesn't think the county will sponsor work on the island, but perhaps the District wants to take Rich's project on. Should not add to the District's insurance. This is good project for kids and the community.
- b. Lotus bed is beautiful per John. Talked about the farms draining phosphates into the water shed.
- c. Per Vicki, Judy Nigbor appointed to the board from Packwaukee town board. Unable to attend today due to prior commitment.
- d. John wanted to know if culverts that were plugged up with weeds were taken care of. Scott responded yes for the most part. County came in and most were unplugged. Question raised by Scott as to the height of the culverts is much lower than before.
- e. Discussion on the water damage in the area and where to place emergency service building.

7. Old business/New Business

- a. Agenda for the annual meeting will be posted on the website within one week from today.

8. Next meeting

- a. Feb 9, 2019 at 9:00 AM at Packwaukee Town Hall

- 9. Ro motioned to adjourn the meeting. Seconded by Roger. Adjourned at 11:25am.