

**Joint Meeting - Caledonia Village Board and
Caledonia Utility District Commission
December 5, 2011**

President Coutts called the meeting to order at 6:00 p.m., at the East Side Community Center, 6156 Douglas Avenue, Racine, Wisconsin. Present were:

Board Members: Trustee Griswold, Trustee Burton, Trustee Wanggaard, Trustee Weatherston, Trustee Dobbs, Trustee Wishau and President Coutts

Absent: None

Staff/Others: Village Administrator Tom Lebak, Utility Manager Bob Lui, Attorneys John Bjelajac and Joe Muratore, Racine Utility General Manager Keith Haas, Racine Utilities consultant William Mielke, Caledonia Utilities consultant Tom Ludwig and Dave Wagner from Ehlers

Commission Members: Barney Barber, Bill Infusino, Howard Stacey, Dave Ruffalo and Bob Bradley

1. Consideration of entering into a new contract with the City of Racine Water Utility for the provision of Racine water for portions of the Village of Caledonia.

President Coutts called the meeting to order. He then handed it over to Bob Bradley. Bob described how this matter got started and what has transpired to date. Bob then turned the meeting over to John Bjelajac who went over the proposed agreement. In 2006, the agreement with the City of Racine for wholesale water had expired and the City has continued to provide water to the village wholesale, but they have been leery to expand the contractual area unless we went into a retail system much like the Village of Mt. Pleasant and Sturtevant has. For a variety of reason, it is not appropriate for Caledonia given the way we have shared water sources. Since then, the city has decided to negotiate a wholesale water agreement expanding the area further south. Some of the highlights of the document included proposed language that Racine would be the exclusive provider for the southern part of Caledonia up to approximately 5 Mile Road, after that is where the City of Oak Creek takes over. Caledonia would be responsible for paying all infrastructure costs needed to provide water. The timing would be up to the Village Board contingent upon the need and the availability of funding. Unlike the sewer agreement with the Village of Mt. Pleasant, there would be no upfront costs and everything would be provided in the rates. The PSC views the village as one entity and does not recognize where the village gets its water. All rate payers will pay for all infrastructure no matter where it is happening. They discussed the rec fees that are associated with Racine water and the fact that Mt. Pleasant and Sturtevant currently pay them. The problem with

requiring a rec fee in Caledonia is it would only apply to those receiving Racine water and the goal is to have a uniform charge for providing water whether it comes from Oak Creek or the City of Racine. A plan is still being looked at to deal with the rec fee to be fair with Mt. Pleasant and Sturtevant but also fair for the rate payers of Caledonia.

Keith Haas went into some detail on how water would be provided. They discussed special assessments and how they would apply. They also talked about the fact that the village would have to supply a booster station to extend water from Hwy K off of Hwy V to the interstate.

The Board's talked about the timing of main installation and the need to exercise control over the timeline. Griswold thought the board was moving too fast and did not like 5 Mile Road being the boundary.

Trustee Weatherston moved, seconded by Trustee Wanggaard to authorize the Utility District to proceed with negotiations toward a new water agreement. **Motion carried unanimously.**

Trustee Wanggaard, moved, seconded by Trustee Burton to adjourn. **Motion carried unanimously.** Meeting adjourned at 7:05 p.m.

Respectfully submitted,

Karie Torkilsen
Village Clerk