

1. **CALL TO ORDER.** The special meeting of the Village Board was called to order by Vice President Bollig at 6:00 p.m. on Thursday, August 23, 2007.
2. **VILLAGE BOARD MEMBERS PRESENT:** Phil Harms, Eric Poole, Darlene Groenier, Randy Way, Jerry Bollig and Jon Lourigan. Absent: Village President Steve Staton. Also present: Village Administrator Mike Gracz, Finance Director Renee Hoefl, Village Engineer Joe Eberle, Public Works Director Mark Below, Police Chief Doug Pettit and Clerk Assistant Peggy Haag.
3. **DISCUSSION AND POSSIBLE ACTION RE:**
  - (a) August 18<sup>th</sup> Recent Flooding event and (b) Request from five (5) Florida Avenue residents and One (1) North Burr Oak resident regarding Village Acquisition of their properties.

Bollig stated that these residents requested this meeting and Village Board members were present to gather information from these families. Bollig stated it's the Board's goal to find a more permanent solution for the flooding that occurred. Bollig asked for the resident's input.

Bob and Linda McAllister of 370 Florida Avenue, Fae Enstead of 380 Florida Avenue, Ann Slack and Tom Rice of 360 Florida Avenue, David & Denise Schommer 350 Florida Avenue, Kent & Amy Nimocks of 340 Florida Avenue, and Monte & Lori Johnson of 140 North Burr Oak Avenue were all present to discuss flood related issues. All of these residents are in agreement that they would like the Village of Oregon to purchase their individual properties.

Harms wanted to know if the residents had flood insurance and if anything the Village of Oregon did would affect the pay out on their flood insurance. They are not sure and will look into it. Monte Johnson spoke with a flood insurance person that stated flood insurance is minimal and it will only pay for unfinished dry wall footage, and some appliances, washer, dryer, freezer, furnace, and hot water heater. Bollig mentioned again that it appears everyone is in agreement that they would like to leave their homes. They all agreed. Gracz stated that it took approximately a year for the purchasing process to happen when Mary Gibson's house was purchased. There was a CDBG Grant from the state used in 1999 for \$500,000. The Village is already looking at this as an option but he wanted to be honest in letting them know that it will take some time. The Village is also looking at trying to get a DNR Mitigation Grant. Gracz said this becomes a policy decision for the Village Board as to whether or not they wait and use grant money or use a different funding mechanism, if the Village Board would decide to purchase the homes. Gracz believes before the Village of Oregon would go and replace the 72" pipe that starts at Kwik Trip and goes through the Hitching Park area, the Village would need to determine if a different size pipe could be put in there if those properties were removed. It could have a beneficial impact on the entire storm water system downstream. A resident asked if the Village could get funding elsewhere first and grant money after the fact to speed up the process for the residents. Gracz stated that any grant that is available is not retroactive. FEMA grants will also be looked at but with all of the damage to the west side of the state there is concern that FEMA's priorities may be over there. Gracz asked if Mary's house flooded up to the first floor back in 1999. It was confirmed she did. Gracz feels there is a good chance the Village can get a CDBG grant but there will be a lot of competition for it. It will take more than the CDBG Grant to purchase these properties. This will also take a while because there is a set of applications and processes to go through. Properties have to be appraised and relocation plans would be needed. Lourigan asked Gracz if the Board would consider having the CDA purchase the homes and then have the grant take those homes on. It would depend on how the CDA is set up and if they have the resources to do that. Gracz said the disappointment is that anything the Village of Oregon does is not retroactive and he has never worked with a grant that is. Harms wanted to discuss temporary help for these residents to help them out for a few weeks. Harms stated whatever is done at this meeting will set a precedence because the whole Village at one time or another has been inundated with water. Harms said we have to come up with a solution to help these people tonight as a good faith gesture from the Village Board and work forward from that. Gracz stated when the Village Board spends public

money the Village has to make sure that it is done legally. A public purpose and a public benefit has to be shown if purchasing these properties. Bollig stated the issue with using Village money is that the money does not belong to staff or the Village Board it belongs to everyone in the Village of Oregon. Bollig asked what is acceptable to these residents right now. McAllister said to buy them out. Bollig stated that can't happen overnight. The Village does not have the money. It would have to be borrowed and that is a process. (Gracz and Hoeft left the meeting at 7:04 p.m. to speak to the Village Attorney on the phone). McAllister was concerned with knowing whether or not the Village would purchase the homes because during this clean up process he is adding up bills for clean up. If they know the Village of Oregon would purchase these homes they can eliminate the expense to fix things. Way asked the Village Engineer, in his opinion, if the Village would acquire the houses, would the correct way to fix them be to **raze** (raise changed to raze per 9/17/07 meeting) them? Could the storm water situation be changed in a way that the homes could be resold? Eberle stated since his firm is just starting to look at the current Village of Oregon storm water study they would have to do some analysis of it. It could not be guaranteed until Ruekert Mielke finishes looking at all of the information they have, but it is his opinion right now that the houses would not stay there. Way asked, from an engineering perspective then, the final definitive fix for this is to **raze** these houses? Eberle stated the Village of Oregon would have to do a benefit/cost ratio. For example, if the structures were to stay, what would have to be done to flood proof them to a certain degree? There is a very detailed federal definition of what that is. Every grant process that the Village Engineer has been involved with requires this detailed process to illustrate to the funding agency that the most cost effective thing is being done. Lourigan stated the only thing he would support in regards to these homes is to move them to a different part of the Village or remove them completely. Bollig said the Village Board definitely wants to help these residents, but they are handicapped by the fact the Village Board has to follow due process because they are working with public funds. Bollig stated there are many people in the Village of Oregon that have suffered as well, not to the same degree, but they want to see how the Village Board is going to handle this. Gracz returned at 7:15 p.m. and stated after speaking with the Village Attorney that something could be done tonight because the residents are in a desperate situation. The concern is that the Village Board would be setting a precedent causing others throughout the Village of Oregon to say you have helped these people, why not us? It should also be understood that the Village of Oregon is not excepting any blame. This is a gesture by the Village Board to help these families. The Village Attorney did confirm for the Village of Oregon to purchase the homes with grant money, an appraisal would need to be done on each house. There was concern from residences the appraisals would be looking at the homes values after the flooding occurred. Lourigan was on the Village Board in 1999 and stated the homes were appraised at a fair value. Bollig asked to give the staff a couple days to do problem solving and authorize staff to solicit bids for appraisals. Gracz suggested as part of the process to authorize the Village Attorney to develop a legal opinion showing a public purpose for proceeding with this process if the Board is going ahead with appraisals. There was discussion regarding time frames. Harms would like to help these families out with a dollar amount the Finance Director and the Village Board are comfortable to get them back on their feet. Lourigan agreed. He is concerned if there is another large rain other people may show up and the Village needs to assist these people now. Way wanted to know what criteria would be used to determine a house is unable to be occupied so people who legitimately need money and help get it. Way is concerned people may have wet carpet and come and say they need money from the Village also. Below said that is a question for the Building Inspector but he would guess the criteria for getting an occupancy permit would include electricity, water, hot water, and toilet facilities. Way asked if there was an official emergency declaration with this flood. Gracz said not at this point. They are given 60 days to do that. Way asked if it could be stated the Village of Oregon will help only if an emergency is declared. Harms asked if the Village Board could specify certain properties as an emergency. Gracz stated the Village Attorney said the motion needs to be as detailed as possible. Bollig stated the motion has to include a public purpose, helping people in an emergency situation, determine a time period and a dollar amount. Gracz asked Chief Pettit if he knew what Dane County has done in the past with regard to getting the Department of Health involved. Chief Pettit said Dane County Public Health or the State of Wisconsin Public Health will help with the condition of the house in terms of mold and an inspector would come and assess whether or not the houses are livable. Linda McAllister asked how soon someone could be out since it was already the end of the week. If they waited until Monday it would be another 3 days for mold

to grow. Gracz asked Chief Pettit if people can't go back into their homes if Dane County has an emergency assistance program. Chief Pettit thought the Village may need to go through Kathy Krusiec from Dane County Emergency Management to see if there are other options. Bollig asked if the Village of Oregon has emergency funds to help these families now. Gracz stated there is contingency money. Bob McAllister asked if it would be possible to get hotel rooms or a rental property, for Ann Slack and Fae Enstead and maybe money for a vehicle rental, food and clothes for these two families. Hoeft said it was mentioned to her there are five apartments in Alpine Meadows area that are running \$800.00 - \$900.00 a month for 2-3 bedrooms for an idea of where to start for rental amounts. **Motion by Harms to allocate funds for the Florida Avenue residents and 140 North Burr Oak Avenue, for each family on an as needed basis on the honor system in an amount not to exceed \$10,000 each.** He stated his motion was up for discussion for the Board. **Second by Lourigan**, but he asked that the motion be amended to set a time limit. Harms requested these families turn in receipts for a rental for a unit, a car rental, school supplies, etc. To protect the Village and the Board, Gracz suggested if this motion passes, it would be helpful if something is purchased by these families bring in a receipt or letter of rejection from the insurance company. Chief Pettit also stated he has seen the voucher system used. Hoeft stated per the Village Attorney, this motion is not being worded properly. A Board member needs to specify the amount of money a specific time period. **Harms withdrew his motion and Lourigan withdrew his second.** Hoeft said the Village Attorney stated food, housing and clothing are the three things the Village Board should come up with a monthly amount for. Lourigan asked if this could be resolved in 4-6 months. Gracz stated it all depends on what the Board decides. Going with the grant process may take at least 7 months. Way suggested a short term fix to give the Board some time to do leg work on the long term fix. Groenier agreed with Way that they need to do something short term, tonight to help. Lourigan suggested hotels for short term. Bollig suggested doing something on a month to month basis. Lourigan suggested moving forward with a motion now and if the Village Attorney does not like it reword it as necessary. Harms discussed with the residents fair amounts for an average rent being approximately \$1,000.00 a month, groceries \$400.00 a month, utility bills \$300.00 a month, and clothes. Harms said if a family does not need the money, take what you need and leave the rest for a person that does need it. It was asked by a resident if a month to month lease would be available due to the circumstances. It will be looked into. Bollig said the Village of Oregon can help with this first month and the residents can do some research and look into their expenses and fine tune what needs to be done to help. **Motion by Harms to allocate for this first month \$2000.00 to each family if needed by that family not to exceed \$2000.00 for families that live at 140 North Burr Oak Avenue, 340 Florida Avenue, 350 Florida Avenue, 360 Florida Avenue, 370 Florida Avenue, and 380 Florida Avenue in the Village of Oregon for the first 30 day period to meet the public purpose because of the emergency flood situation. Second by Lourigan.** Way asked about furnishings. Everyone thought they could get by without furnishings. Way also asked if the language in the motion needs to be amended to add the Village assumes no liability for the flood in this motion. Gracz said it's been stated the Village of Oregon is trying to work cooperatively with these residents. Gracz and Bollig both stated everyone is on the honor system. **Motion carried 6-0. Motion by Lourigan to begin the process of obtaining appraisals for the properties located at 140 North Burr Oak Avenue, 340 Florida Avenue, 350 Florida Avenue, 360 Florida Avenue, 370 Florida Avenue, and 380 Florida Avenue. Second by Harms.** Harms wanted to instruct the appraiser to appraise based on values before the flood not for salvage value. Bollig didn't think that was possible because it needs to be impartial. Harms withdrew his request. Hoeft said when Mary Gibson's appraisal was done in 1999 the appraisal was brought down about 5% of the value before the flood because it was in a floodplain. Lourigan wanted to amend the motion to accept Fae Enstead's appraisal as a valid appraisal. Eberle said the appraiser will interview everyone as part of the appraisal process. **Motion carried 6-0.** Gracz said at the same time he would like an opinion written by the Village Attorney so that this is being done legally. Bollig explained this is a legal opinion to protect the Village of Oregon. **(Motion not completed to refer the potential sale of the home on Florida Avenue and 140 North Burr Oak Avenue to the Finance Committee to determine where funds will come from).** Schommer of 350 Florida Avenue wanted to clarify that the Village is considering purchasing these properties, or do everything humanly possible to purchase these properties so the Florida Avenue residents can decide if they are going to put money back into their home or if it's not necessary because the Village of Oregon is going to purchase their home. Bollig stated

this is going to the Finance Committee to figure out how this is going to be paid for. Harms will not give these people false hopes. If the Village of Oregon is going to be look at Dane County, the state, and federal for help, it may not be available because Gays Mills, the State of Ohio, etc. Harms said, Oregon, Wisconsin is at the bottom of the list. If the money does not from an outside source, then the Village of Oregon is going to have to look within. Harms asked the residents to understand the Village's position; the Village of Oregon has to go to outside sources first, if outside sources say no the Village has to look within which could be a timely process. It has been mentioned this could go to a referendum to spend the amount of money needed to purchase these properties which would be a Village-wide decision. The Village doesn't know at this point what kind of grant money is available, or what low income loans are available to assist these residents in the buy out process. Harms asked to please give the Village of Oregon some time and understand what the Village is up against. We are talking \$1.2 - \$1.3 million and the Village of Oregon budget on a yearly basis is a \$5 million budget along with a levy cap. Robert McAllister of 370 Florida Avenue says he understands a little time is needed to get this process moving, but he like Dave Schommer stated they would like to know the Village of Oregon is moving in the direction of purchasing the homes so they can make necessary decisions in the next couple days. They would like to be updated of the progress. Bollig said that is the goal. There has not been a Village tax increase in the past 5 years because the Village is very frugal with their budgets. Gracz said this will be on the Public Works Meeting Monday, August 27<sup>th</sup>, the Village Board Meeting Tuesday, September 4<sup>th</sup>, the Finance Committee Meeting Monday, September 10<sup>th</sup>, and the following Village Board Meeting Monday, September 17<sup>th</sup>. There was discussion about making the August 27<sup>th</sup> Public Works Meeting into a Village Board Meeting. Gracz asked if someone could contact any of the local banks to set up a fund to help with clothing, school supplies etc. *Bollig asked for an agenda item giving an update on this process for the August 27<sup>th</sup> meeting.* Lourigan asked if the residents knew who to contact to receive vouchers for funds. Hoeft stated they would be turned in to her. A resident asked who could be contacted for housing. It was stated a list would be handed out. A Public Health and Human Services person would be contacted and be out in the next couple of days to inspect for mold and if the homes are okay to live in. Bollig asked people to be patient with the Village Board because this is something they've never encountered before and to call the Village Staff as needed. There will be an update at Monday night's meeting at 5:00 p.m.

4. **ADJOURNMENT.** The meeting was adjourned at 8:10 p.m. on motion by Lourigan, second by Poole. Motion carried 6-0.

Submitted by,  
Peggy Haag,  
Clerk Assistant