

Town of Trenton

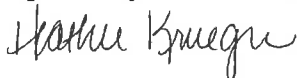
Draft of Unofficial Minutes from the Town Board Meeting
Town of Trenton Town Hall, 1017 Highway 33 East, West Bend, WI 53095
May 16, 2023, 7:30 PM

Present: Chairman Mike Lipscomb, Supervisor Barb Davies, Supervisor Ed Doerr, Clerk Heather Krueger, Treasurer Nicole Cozzuli-Meer, Director of Public Works Charles Schmidt. Excused: Administrator/Deputy Clerk Cindy Komro Members of the public: 14

1. Chairman Lipscomb called the Meeting to order at 7:30 p.m.
2. Lipscomb asked those in attendance to stand and recite the Pledge of Allegiance.
3. Approve Minutes of Town Board Meeting of May 1, 2023, and May 2, 2023:
Doerr moved to approve the minutes of the Town Board meeting of May 2, 2023, Davies seconded. Motion carried 3-0.
4. Affidavit of Posting:
Lipscomb read the affidavit of posting that notice that the May 16, 2023 Town Board meeting was properly posted prior to the meeting on the Town Bulletin Board and the Town official website and was also sent to the Washington County Daily News and WIBD Radio.
5. Comments from the Audience: Several residents complained about the property at 1722 Valley Rd. There are multiple junk vehicles in the yard, the dog runs at large and enters neighbors' yards and garages. The junk vehicles are parked over a shared well, Doerr suggested they have the well tested. Per Lipscomb, he will follow up with the WA. CO. Sheriff, the Trenton police, and the town attorney. Lipscomb advises the residents to continue to call the Sheriff, especially if they don't feel safe or are threatened. Documentation of instances is also suggested.
6. Review and Accept Agenda: **Davies moved to approve the agenda as presented, Doerr seconded. Motion carried 3-0.**
7. April Bank Statement Reconciliations: **Davies moved to approve the April Bank Statement, Doerr seconded. Motion carried 3-0.**
8. Review 2023 Budget v Actual Report: **Doerr moved to accept the Budget v Actual report, seconded by Davies. Motion carried 3-0**
9. Purchase of John Deere Boom Mower: Davies submitted a detailed report she created comparing purchasing the mower v leasing and the costs to the town. (attached). Davies concluded that it would be beneficial to purchase rather than lease. Lipscomb submitted a letter of support for the mower (attached). **Doerr moved to approve the purchase of the John Deere Boom Mower, seconded by Davies. Motion carried 3-0.**
10. Resolution 2023.05.01 Amending 2023 Town Budget: **Davies moved to approve Resolution 2023.05.01, seconded by Doerr. Motion carried 3-0**
11. Set date for Annual Road Tour: Date is set for Monday, June 19, 2023. Meet at the town hall at 8:30 AM.

12. Newark Drive Report: Per Doerr, a meeting between Michel's and the town will occur prior to any work being done on Newark, but as of now there is no date set for the road work to begin.
13. Approval of Operator License for Nicole Gonzales: Per Krueger, the background check came back clear. **Davies moved to approve the operator license for Nicole Gonzales, seconded by Doerr. Motion carried 3-0.**
14. Department Reports:
Town Police Department: None.
Chairman: The Blue Lotus Center will be having an Open House on June 11th and is open to the public.
Supervisor: Doerr reported that noxious weeds have started to grow. The town can't cut outside the town road right-of-way.
Davies reported that Paradise Hills has been re-graded and is complete.
Director of Public Works: Schmidt reported that they have been spraying noxious weeds. They are also grinding stumps, filling potholes and road washout and will also be getting new soil for the ball diamond soon.
Administrator/Deputy Clerk: [Per Krueger] Komro reported that the Form CT Annual Financial Report has been filed. Komro addressed a parking violation of trailers on the dead end of Fairfield Dr and advised that they must remove the trailers. The town had a request for a solicitor's permit. A resident asked what we can do regarding the increase in the deer population. Komro investigated a noncompliant accessor structure; the resident is planning on moving it. Komro wrote a zoning violation letter regarding the presence of a rooster – the rooster has since been terminated. Follow up on the shuttle process for Breakfast on the farm if the Trento parking lot will be used – they will have some buses in place for transport.
Treasurer: Cozzuli-Meer reported on the town received the Lottery Credit from Washington Co., and the 2nd Qtr. Transportation Aid from the State of WI.
Clerk: Reminder that the next town board meeting will be June 19th, which is the third Tuesday of the month at 7:00 PM. Krueger has been organizing town files and continues working with Komro on general operations of the town. Concerned with the size of the town hall and the number of people it can occupy regarding meetings and elections and would request the board address this on a future town board meeting.
15. Approve Payment of Bills:
Davies moved to approve payment of bills totaling \$48,505.36, Doerr seconded. Motion carried 3-0.
16. Adjourn: **Davies moved, and Lipscomb seconded to adjourn at 9:02 PM. Motion carried 3-0.**

Respectfully submitted,



Heather Krueger, Clerk

Affidavit of Posting: These minutes were posted on the Trenton Town Hall Bulletin Board at 1071 State Hwy 33 East, West Bend, WI on May 19, 2023, Heather Krueger.

Subject to Approval: These Minutes will be considered for final approval by the Town Board at the 6/19/2023 Town Board Meeting.

Attachments:

The town purchased our Tractor/mower 22 years ago. In the past five years maintenance records indicate roughly \$12,000 in repairs and during that time \$10,500 was spent with Serwe on a rental. To give you an idea of the value of this equipment and the effect of COVID and Supply & Demand, the value of this unit:

2017 \$100,000

2018 \$160,000

2019 \$145,000

2022 \$190,000

2023 \$230,000

The quote to lease from Serwe the tractor with a rotary head only rents for \$3,600.00 per week good for 40 hours and we are responsible for buying a set of blades, with attaching hardware per rental. If we are renting it with the Mulching head, then the weekly rental is \$4,600.00 per week and the customer is responsible for any tooth damage. A seasonal rental May thru October or 26 weeks is \$72,000.00 with the rotary and or flail head and \$92,000.00 with the mulcher head. On fully guaranteed 6-month rentals then every 4th. week is free to allow for bad weather, so a 6-month rental is charged for 20 weeks not 26 weeks.

I visited Serwe with Charlie and Tim and met with Archie Serwe. While we were looking at new equipment and learning about the popular equipment that other Towns and the surrounding counties have purchased, we came across this used, previously rented tractor. A tractor with 700 hours. I have supplied the board with the used quote of \$191,000. The new unit with this set up is \$271,000.

Here is our quote and I believe it is a good deal for many reasons.

- It's used and \$80,000 less than a new one.
- A new one could take a year or more for delivery and cost more as rates increase before delivery. Supply & Demand.
- It is safer for our operators to mow from the road on a flat surface. Operators often need to know how to navigate cutting on uneven surfaces.
- It should eliminate edge of road damage. The tires should not ride the edge of our roads.
- It will leave a more refined cut and with the mulch accessory we can leave a refined mulch product for residents and not the buzz cut chopping look.
- We can take delivery immediately, not wait a year or more that is estimated.
- We can get 25K or so with our current NH mower.
- We have the ARPA balance, Tuscola refund and cash reserves to make this purchase.
- With a 25' boom we will be able to reach and surgically cut additional noxious weeds.

- With the Flail head attachment, we will be able to mulch brush and small trees instead of tearing and scrapping them.
- We need to consider the next one or two employees that can use this mower. This should last 30 yrs. We will not always have an experienced tractor driver to operate this mowing for us. Who will be out next one or two DPW employees? The joystick operation is well suited for a novice.
- Serwe is reputable and most other counties are using this exact set up.
- The NH we are using is between 22 and 23 years old.
- It has also been suggested that we could provide cutting for surrounding towns at the estimated rate of \$150/hour. Surrounding towns have part time DPW's and this option could transition our DPW from a cost to a profit center for those hours requested.

I believe the most important purchase considerations are the funds available now, the risk of passing on this used unit and spacing out our major expense requirements. If we pass on opportunities when they present themselves, we will eventually find the town needing multiple major expenses. We also were not able to estimate the future cost but if it is within the next few years you can expect this to be close to \$300,000.

Respectfully submitted,
Mike Lipscomb

Purchase of JD 6145M Tractor vs. Lease of Same/similar Tractor

Data used in this analysis:

Time Frame - the relevant range:	22 years	Same as age of current tractor, known age
Discount rate:	5%	Rate quoted to Town for borrowing, unadjusted
Number of hours on the NH now owned:	3500	Avg hours per year based on 22 years =159 (about 4 weeks)
Number of days to make one round of Town	10	

Purchase Details as offered by Serve Implement LLC

JD 6145M Tractor as quoted:	\$	190,000.00
Tiger 36" mulching head new	\$	<u>21,544.68</u>
Estimated Sales Price or Trade on the New Holland	\$	211,544.68
	\$	(25,000.00)

Estimated Present Value of the 6145M at the end of 22 Years, using a discount rate of 5%, \$70,000 estimated value at end of 22 years, sell or trade at end of year 22

Estimated net cost of purchasing:	\$	<u>(23,933.00)</u>	PV factor=.3419
	\$	162,611.68	

Note: includes no estimate for repairs/maintenance, increased insurance, etc.

Lease Details under Current Lease Arrangement:

Data used in this analysis:

Lease payment is currently approximately \$7800/month
First year: Town rented it for 160 hours (4 weeks)
Now rent for 2-3 weeks/year

Plan: Run mower 3 months per year

If leased, 3 months of lease payments: \$ 23,400.00 Assumes current lease payment

22 years of payments, 3 months/year \$ 514,800.00 amount \$7800/mo remains the same for 22 years

In order to compare the purchase vs a lease, need to compute the 22 years of payments on a today's dollars basis :

Using 5%, present value of an annuity (more than one payment, more than one year): Cost of lease

\$ 308,014.20

Critical assumption: that the mower would be operated for 3 months/year

If mower is operated 2 months a year:

2 months of payments
22 years of payments, 2 months/year
Using 5%, present value: Cost of lease

\$ 15,600.00
\$ 343,200.00
\$ 205,342.80

If mower is operated 1 month/year:

1 month of payments
22 years of payments, 1 month/year
Using 5%, present value: Cost of lease

\$ 7,800.00
\$ 171,600.00
\$ 102,671.40

Additional considerations with continuing to lease:

If the Town leases for 1 month/year, will it need to purchase a replacement mower for the one that is basically used up ? If yes, that would be a cost of leasing.

Respectfully Submitted by:
Barb Davies
5/16/2023