



MINUTES

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Date and Time:	May 19, 2015 4:00 PM	Location:	City Conference Room 1515 Strongs Avenue Stevens Point, WI 54481
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Present: Chairperson Schlice, Alderperson Phillips, Commissioner Molski, Commissioner Sawyer, and Commissioner Gardner.

Excused: Commissioner Adamski and Commissioner Dugan.

Also Present: Executive Director Ostrowski, Mayor Wiza, David Senfelds, and Mary Ann Laszewski.

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1. Roll call.
 2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
 3. Public comment for pre-registered individuals for matters appearing on the agenda.
Discussion and possible action on the following:
 4. Approval of the minutes from the April 27, 2015 Redevelopment Authority meeting.
 5. Approval of financial reports, claims, and statements from March and April 2015.
 6. Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College.
 7. AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.
 8. Authorizing the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children’s Museum.
 9. Authorizing the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor.
 10. 2014 Audit and additional costs.
 11. Use of Housing Trust Fund dollars on a Habitat for Humanity project.
 12. Executive Director’s update (*this item is for informational purposes only*).
 13. Adjourn.
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1. Roll call.

Present: Schlice, Phillips, Molski, Sawyer, Gardner

2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.
3. Public comment for pre-registered individuals for matters appearing on the agenda.
No one registered to speak.

Discussion and possible action on the following:

4. Approval of the minutes from the April 27, 2015 Redevelopment Authority meeting.

Motion by Commissioner Molski to approve the minutes of the April 27, 2015 Redevelopment Authority Meeting; seconded by Alderperson Phillips. Motion carried 5-0.

5. Approval of financial reports, claims, and statements from March and April 2015.

Motion by Commissioner Sawyer to approve the financial reports, claims and statements from March and April 2015; seconded by Commissioner Gardner.

Alderperson Phillips asked if there is anything that stands out in the report and how Edgewater was doing. Executive Director Ostrowski answered saying that the year-end report for last year did not include the PILOT payment to the City. Therefore, there was a \$25,000-\$30,000 decrease in revenue. As of right now, Edgewater has a profit, but it does not have any debt service to pay. If there was debt on the property, it would likely eat up all of the profit. In terms of occupancy, it is at about 78%.

Commissioner Molski asked what the account adjustment analysis that she is seeing every month, to which Director Ostrowski answered that is the service fee for the checking account.

Motion carried 5-0

6. Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College.

Executive Director Ostrowski stated this is the amendment for the second year of operation and maintenance of the vapor mitigation system that is installed at Mid-State Technical College. The cost for this is amendment is \$17,000.

Commissioner Sawyer asked at what point are we done with mitigation. David Senfelds from AECOM answered it is based on the test results. Currently, we have a significant reduction in the air tests. Initially it was planned to be a two to three year project. Once we get to no detect, which is what the DNR likes to see, we will try to get two to three consecutive months of no detect then turn off the system temporally and see if we get any rebound of the vapors returning. At that point, it is just a give and take as to how much more we will need to run. He stated that by the end of summer or early fall we should be at that point. Once we get to that point of shutting down the system and getting zero detection without any rebound, we can talk to the DNR and get a closure for that site. Commissioner Sawyer asked about how often the testing occurred, to which Mr. Senfelds answered on a monthly basis the DNR requires us to monitor vapors that are coming from our vapor extraction system. In addition, the DNR wants us to collect sub-slab samples semi-annually from specific locations where we have sampling ports in the floors of MSTC. There are specific numbers that we are looking for that the DNR has given as standards which would have to be met before we can shut down the mitigation system. There are two aspects to the system, we are cleaning up contaminated soil underneath MSTC and then there are the vapors associated with it, and we have to clean up both. Commissioner Sawyer asked if the soil was routinely sampled, or are we just looking at the vapor levels. Mr. Senfelds explained that we can tell if the soil has been remediated based on the vapors coming off of that.

The reality is the closure will have a restriction, meaning that if MSTC decides to tear down the building and do something else with it, the DNR will require that the soil be tested just to see if it has been impacted. Commissioner Sawyer asked if Redevelopment Authority would be responsible if in the future the college moved and there was still contamination. Executive Director Ostrowski answered we would be responsible for that. Commissioner Sawyer then asked in respect to the breakdown of the charges, it seems as if the subcontract laboratory services are relatively small and the consulting services are more substantial. Mr. Senfelds answered there is monthly operation and check that we do on the system to make sure it is running correctly. The primary portion that takes up labor is the sub-slab testing since that is more time consuming which is included in the consultant's portion of the charges.

Motion by Commissioner Gardner to approve Amendment No.4 - AECOM Agreement for Environmental Services – Operating, Maintenance, and Monitoring for Year 2 – Mid-State Technical College in the amount of \$17,000; seconded by Alderperson Phillips.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner,

Nays – None

Motion carried 5-0.

7. AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481.

Executive Director Ostrowski said as Dun-Rite was doing their investigation testing; they did test a portion on the southeast corner of the Lullabye property. Their results indicated that there was some contamination. In order for us to go through the VPLE process, we will have to determine what the contamination is, and remediate it. This amendment is for AECOM to go and do the sampling and determine the extent of the contamination. We will also attempt to receive additional grant funds. The site investigation is not eligible under the grant, only the remediation, which could cover up to 78% of the cost. Yesterday, the Common Council did authorize a transfer of some of the funds back into the soil remediation fund to cover this up to \$100,000 in costs. When previously estimated, we figured \$50,000 to \$60,000 for the local match. With this amendment we are a little over \$60,000. However, we still have the remediation work to do.

Dave Senfelds stated the real purpose of what we are doing now is to get a better handle on the volume of contaminate that might be out there. Right now we have an area on the southeast portion that is based on some borings that were done by the adjoining Dun-Rite Cleaners. We did a few borings about a month or so ago to get some more data. We do need to complete the site investigation to determine the volume of that, so we can bid out the remediation service. There is also an issue that would have to be documented for the VPLE. For ground water contamination, we are also collecting additional samples to confirm the ground water contamination is likely coming from the adjoining dry-cleaning site. Based on their results, they do have a significant contamination and a portion may be coming on to the Lullabye site.

Alderperson Phillips asked for clarification that we are just concentrating on the Lullabye site. Are the previous businesses which were located in the area affecting the readings that are being given now. Mr. Senfelds stated no, the primary contaminant is PCE which is a dry-cleaning chemical and in recent testing we did discover some low level petroleum which is likely from Lullabye, but we have not tested for any fertilizers or nitrates.

Commissioner Gardner asked for clarification that the plume was just north to south, to which Mr. Senfelds confirmed yes and more in the southeast corner of the site.

Motion by Commissioner Gardner to approve AECOM Agreement for Environmental Services – Additional Site Investigation – Former Lullabye Furniture Site, 1017 Third Street, Stevens Point, WI 54481 with ability of the chairperson to approve up to a 20 % overage of contract amount not to exceed \$5,600; seconded by Alderperson Phillips.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

8. Authorizing the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children's Museum.

Executive Director Ostrowski explained we needed to get our new tax id number on our investment documents, as we are no longer the CDA. In doing so, Baird needs to get a new control agreement because of our relationship with the Children's Museum loan and how we guaranteed that loan. We will need to execute some documents in order for this to take place. We will work with Community First Bank who holds the loan for the Children's Museum and with Baird to get this all straightened out.

Commissioner Sawyer pointed out that he only saw Executive Director Ostrowski's name on the document. Mr. Ostrowski stated they only need one signature on the document and with Chairman Schlice's authorization on some of the other documents that may be come through from Community First Bank, but we can add the chairperson's signature below mine on the documents.

Motion by Commissioner Molski to authorize the Chairperson and Executive Director to execute necessary documents to change account information relating to the investment account with Baird and the loan guarantee for the Central Wisconsin Children's Museum with the addition of Chairperson Schlice's signature; seconded by Commissioner Gardner.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

9. Authorizing the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor.

Executive Director Ostrowski explained when we received the results from the façade consultant that reviewed the Edgewater Manor situation it was recommended that a temporary solution would be to bolt the façade to the structure and that would last about one to two years. We are coming up on the end of the first year, and we have our needs assessment in June that will likely indicate that the façade should be replaced. At this time he would like to get the consultant back out there to do some analysis to see if the condition has changed. Last time they were out at the property the cost was approximately \$1,600. If we do bring them back to re-evaluate, he does not anticipate it to be much more than that.

Motion by Commissioner Gardner to authorize the Chairperson and Executive Director to execute a contract with a consultant to review the façade on Edgewater Manor not to exceed \$2,500; seconded by Commissioner Sawyer.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

10. 2014 Audit and additional costs.

Executive Director Ostrowski explained the auditors are going through the Redevelopment Authority information and they have found there were some old downtown loan funds that were actually with the city that should be with the Redevelopment Authority and should be transferred over. The audit would incur an additional cost of \$750-950 for this work. They also had indicated there is a concern with some of the

housing trust fund loans where some of the dollar amounts did not match between the journals entries between the Housing Authority and CAP. To work through this, there will be an additional cost of about \$1,500 -1,900 in audit fees.

Commissioner Molski asked if these charges are incurred because of changing auditors, to which Executive Director Ostrowski said it is nice to change auditors once in a while, but I do not know why it was not caught in the past. It is not pointing out that there are any significant issues with the loans, but more of just having incorrect entries on the schedules. Commissioner Schlice added he has been in conversations with the auditors and it is the advantage of having the same firm do both the city and Redevelopment Authority audits to find stuff like this when they compare the books.

Motion by Commissioner Gardner to approve 2014 Audit and additional costs; seconded by Commissioner Sawyer.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

11. Use of Housing Trust Fund dollars on a Habitat for Humanity project.

Executive Director Ostrowski when a property has a Habitat, City, or Redevelopment Authority loan, and there was a foreclosure, Habitat would oftentimes put in a bid to cover all of the loans. They did this as long as we rolled the loan over for a new family. Unfortunately they were not the successful bidder for the house on Fourth Avenue. However, their bid allowed us to get our funds back. Approximately \$7,600 came from the CDBG portion, and about \$4,400 came from the Housing Trust funds. Director Ostrowski stated that since Habitat did cover our loan, that he recommends that we at least allow them to reuse those funds for a new family.

Commissioner Gardner clarified that funds were reimbursed, and you are asking for those funds to be used again for a Habitat on another project somewhere else, to which Executive Director Ostrowski stated yes.

Commissioner Sawyer asked if the Redevelopment Authority's loan would be secured by a specific piece of property, to which Executive Director Ostrowski stated we would take a lien on the property same as we have with other loans.

Commissioner Molski asked about the position of the mortgage, to which Executive Director Ostrowski stated we are in a subordinated position.

Commissioner Sawyer explained that in prior involvements with other areas of Habitat for Humanity, they do a phenomenal job by putting together volunteer work and materials donated to them or at reduce costs. They take a property that is really bad, and turn it into something really nice. It benefits the persons living there and the community.

Commissioner Schlice asked if we knew what property this would be used for, to which Executive Director Ostrowski answered it could be one on the west side or another one that could come up this month.

Commissioner Gardner stated he knows the funds have been frozen because of Edgewater repairs, but since we are only talking \$4,000-5,000 he is in favor of this.

Aldersperson Phillips expressed his opinion that he does not feel we should be stopping all of our other projects just because of Edgewater Manor.

Motion by Commissioner Sawyer to approve the use of Housing Trust Fund dollars on a Habitat for Humanity project; seconded by Molski.

Roll Call: Yeas – Schlice, Phillips, Molski, Sawyer, Gardner

Nays – None

Motion carried 5-0.

12. Executive Director’s update (*this item is for informational purposes only*).

Executive Director Ostrowski explained we have covered most of it already. We have wanted to start potentially looking at other projects that we would be interested in doing as the redevelopment authority. This could be a redevelopment plan for a certain area or looking for the worse house on a block, having a contractor purchasing the home and repairing it for resale.

The Edgewater Manor needs assessment should be completed in June.

Commissioner Gardner requested permission to contact Habitat for Humanity to see if they would be interested in taking on rehabilitation project. He also discussed the need for a process for selecting the homes for repair as well as a contractor to work with.

Commissioner Schlice explained that the Redevelopment Authority should have more to meet and deal with than just Edgewater Manor. The commission needs to develop some type of plan to continue to develop areas of the city. Executive Director Ostrowski explained there is typically a general plan laid out for an area, and then several project plans to carry out.

Aldersperson Phillips suggested the property on Patch Street which is used as a disk golf area, but could be used for further development. Commissioner Gardner responded that it is more a City Council issue than a redevelopment authority responsibility.

Commissioner Schlice likes the idea of a painting incentive for property owners.

Commissioner Molski asked if the city would be interested in helping the business owners who front Main Street and now have the rear portion of the building exposed with the removal of the mall. Executive Director Ostrowski stated we have a façade improvement grant program that those owners can access.

13. Adjourn

Meeting adjourned at 4:48 PM.

Approved:

John Schlice, Chairperson

Date

Attest:

Michael Ostrowski, Executive Director

Date