

**CITY OF MERRILL  
COMMITTEE OF THE WHOLE  
TUESDAY, APRIL 9, 2013, AT 5:30 P.M.  
CITY HALL BASEMENT CONFERENCE ROOM  
1004 E. FIRST STREET  
AGENDA**

1. Call to order
2. Public Comment
3. Consider bids for Fire Station construction
4. Discussion of liquor license renewal process and related ordinances
5. The Committee may convene in closed session pursuant to Wis. State Statutes Sec. 19.85(1)(e) for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to consider:
  - A. Status of City of Merrill claims for damages to the Lincoln House, update of negotiations to date, and options open to City to recoup losses.
  - B. Potential development incentive(s) for Merrill Renew Properties, LLC, for a project located in TID #8, at 201 S. Prospect Street, and a development agreement related thereto.
6. Adjournment.

Reviewed by Mayor Bialecki

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at 536-5594.

Date and time agenda was posted \_\_\_\_\_ Posted by \_\_\_\_\_



330 Fourth Street, PO Box 8000, Wausau, WI 54402-8000  
Tel: 715.845.8000 | Fax: 715.845.8008 | becherhoppe.com

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April 3, 2013

Mr. David Johnson, City Administrator  
City of Merrill  
1004 East First Street  
Merrill, WI 54452

Subject: Merrill Fire Station  
Bid Tabulation Results

Dear David:

Bids were received from a total of nine general contractors. All of the Generals were present for the mandatory pre bid meeting. Eight of the Generals completed the Bidders Proof of Responsibility ahead of time as required and one general provided the requested information at the time of the bid. The bids were opened and read aloud with representatives from each General Constructor present.

The low Base Bid was submitted by Ellis Stone Construction of Stevens Point for a cost of \$2,749,000. Alternate 1 cost was \$26,000. The bid tabulation attached to this letter provides a summary of the bid information, including the subcontractors. We are recommending Ellis Stone Construction. We have verified the majority of the subcontractors listed within the bidding forms and have expressed our position on the expectations of the general contractor and all of their subcontractors.

The Opinion of Probable Cost provided by Becher-Hoppe prior to bidding utilized the following construction budget of \$ 3,040,293 to \$2,875,000 at the 80% design completion. The final opinion of probable cost including a construction contingency was estimated at a total of \$3,155,292.

The **Base Bid** is contracted for the construction of a 18,750 square feet of office, living quarters, fire equipment apparatus bays and support function areas. The building will be constructed with an exterior reinforced CMU unit wall system, concrete floors, structural steel columns, PEMB roof beams, purlins and frame components, and EPDM membrane and metal roofing system. The work will include general construction, heating ventilating and air conditioning, plumbing, fire protection, electrical. The site work will include concrete driveways and sidewalk, asphalt driveway and parking lot and associated site work under one contract.

As is typical, we strongly recommend a contingency of ten percent (10%) for unknown conditions be included to the project budget in the event of unforeseen revisions required during construction.

Respectfully,

A handwritten signature in cursive script that reads "Melody Hamlin".

Melody Hamlin, Project Manager

Enclosures: Bid Tabulation

**City of Merrill - New Fire Station  
Bid Tabulation**

**Bid Date: April 2, 2013 @ 3:00 PM**

	Altman Construction Wisconsin Rapids, WI	Boldt Marshfield, WI	Ellis Stone Stevens Point, WI	Immel Green Bay, WI	Huotari Medford, WI	Hiron Neenah/Wausau, WI	SD Ellenbecker Athens, WI	SMA Abrams, WI	Urban Wausau, WI
<b>Base Bid</b>	\$2,870,380	\$3,336,600	\$2,749,000	\$3,298,000	\$2,874,000	\$3,127,000	\$2,848,708	\$2,778,000	\$2,937,000
<b>Alternate #1</b>	\$28,000	\$25,700	\$26,000	\$30,200	\$25,575	\$24,400	\$26,086	\$28,500	\$25,740
<b>Percent on the cost of work performed by General Contractor</b>	8%	10%	10%	10%	10%	None Listed	15%	15%	12%
<b>Percent on the cost of work performed by any Sub-contractor</b>	8%	10%	10%	10%	5%	None Listed	7%	7.5%	7%
<b>Addendum(s) Acknowledged</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>List of Substitutions</b>	None	Yes	Yes	Yes	None Included	Yes	None Included	None	Yes
<b>List of Subcontractors (Yes or No)</b>	Yes	Yes	Yes	Yes	None Included	Yes	Yes	Yes	Yes
<b>Security Deposit</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Schedule of Owner Direct Purchases</b>	None Included	None Included	None Included	None Included	None Included	None Included	None Included	None Included	None Included
<b>Bidders Proof of Responsibility</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

**Subcontractors**

Acoustical Ceilings  
Acoustic Tile  
Asphalt Paving  
Cabinetry  
Case Work  
Caulking  
Communications  
Concrete  
Damp Proofing  
Door Hardware  
Drywall/Partitions  
Earthwork  
Electrical  
EPDM Roofing  
Epoxy flooring  
Excavating  
Fire Protection  
Fire Suppression  
Flooring  
Hollow Metal Doors  
HVAC  
Landscaping  
Masonry  
Metal Building  
Metal Fabrication  
Overhead Doors  
Painting  
Plumbing  
Precast  
Roofing  
Safety/Security  
Sectional Overhead Doors  
Sitework  
Steel  
Sprinklers  
Temporary Fence  
Tile  
Windows  
Window Treatments

			Avstad						
American Asphalt	NEA	Larry Berrens American Asphalt	American Asphalt Jak Enterprise					NEA	
Commerical interior		The Sam Corp.	Caulking Plus						
		Andy's Concrete							SD Ellenbecker
		Vanderkoy Brothers SJS Excavating				Henkemeyer			
	Musson In the Lite LLC	In the Lite	In the Lite			In the Lite	In the Lite	In the Lite	In the Lite
HGS Protective Coating			HGS						
S & N Excavating						Merrill Sand & Gravel		Musson	
Apex Fire Protection		Apex Fire Protection				Apex Fire Protection		Apex Fire Protection	
		Marshfield Flooring							
	Borchardt's HVAC	Borchardt's HVAC	Borchardt's Down to Earth Landscaping			Borchardt's HVAC	Borchardt's HVAC	Borchardt's HVAC	Borchardt's HVAC
		Butler/Self Perform				Urban Construction	MV Services		Kowalski Masonry
		SDS Painting	Pine Valley B & D Plumbing			Lakeland Door SDS Painting			
	B&D Plumbing	B & D Plumbing	Moline			B&D Plumbing	RJ Kampo	B&D Plumbing	B & D Plumbing
Mauer Roofing		Mauer Roofing				Mauer Roofing	Mauer Roofing	Mathena	
						S & N Inc.	Corrigan Steel		
		Security Fence Resch's Tile	Nick's Welding Fireline						
		WI Window Concepts	Rech			Area Glass			

**REQUEST TO INCLUDE ITEM ON AGENDA**

Board or Committee: Committee of the Whole

Date of Meeting: next meeting

Requested by: Dave Johnson

**Describe below the item(s) you wish to have put on the agenda:  
(please attach any pertinent information)**

Withhold liquor licenses for money  
owed to City of Merrie  
   
   
   
   
 

Signed: 

Date: 3/5/2013

Please return this completed form to the City Clerk's office. Every effort will be made to include your item on the next possible meeting agenda. If you have any questions or concerns, please contact City Clerk Bill Heideman. Thank you.

Received at Clerks' Office by: Ks

Received Date: 3/5/2013

**Sec. 8-1. - Licensees required to pay local taxes, assessments and claims; appellate procedures.**

- (a) *Payment of claims as condition of license.* The city shall not issue or renew any license to transact any business within the city:
- (1) For any purposes for which taxes, assessments or other claims of the city are delinquent and unpaid.
  - (2) For any person who is delinquent in payment of any:
    - a. Taxes, assessments or other claims owed the city; or
    - b. Forfeiture resulting from a violation of any city ordinance.
- (b) *Exception.* This section shall apply to licenses issued pursuant to the provisions of this chapter, except chapter 6 and section 113-346
- (c) *Application for renewal.* An application for renewal of a license subject to this chapter shall be denied pursuant to the provisions of subsection (a) of this section only following notice and opportunity for hearing as provided by subsection (d) of this section.
- (d) *Appeals; notice and hearing.* Prior to any denial of an application for renewal of a license, including denials pursuant to subsection (a) of this section, the applicant shall be given notice and opportunity for a hearing as hereinafter provided:
- (1) With respect to licenses renewable under chapter 4, notice and opportunity for hearing shall be as provided by Wis. Stats. § 125.12, as amended from time to time.
  - (2) With respect to licenses other than those described in subsection (a) of this section, the common council or its assignee shall notify the applicant in writing of the city's intention not to renew the license and shall provide the applicant with an opportunity for hearing. The notice shall state the reasons for the intended action and shall establish a date, not less than three days nor more than ten days after the date of the notice on which the applicant shall appear before the common council. If the applicant shall fail to appear before the council on the date indicated on the notice, the council shall deny the application for renewal. If the applicant appears before the council on the date indicated in the notice and denies that the reasons for nonrenewal exist, the common council shall conduct a hearing with respect to the matter. At the hearing, both the city and the applicant may produce witnesses, cross examine witnesses and be represented by counsel. The applicant shall, upon request, be provided a written transcript of the hearing at the applicant's expense. If the common council determines the applicant shall not be entitled to renewal pursuant to subsection (a) of this section, the application for renewal shall be denied.
- (e) *Other license denial appeals.* Where an individual, business or corporation wishes to appeal the city clerk's decision not to issue a license or permit under this chapter on grounds other than those specified in subsections (a) through (d) of this section, the applicant may file a request in writing with the city clerk that the matter be referred to the common council. A public hearing shall be scheduled within 14 calendar days by the common council. All parties may be represented by counsel. The council shall consider all relevant information and shall render a decision which shall be binding.
- (f) *Penalty.* Any person who violates any provisions of this chapter or who operates any business, makes any sale or conducts any activity required to be licensed under this chapter without such license shall be subject to a penalty as provided in section 1-7

## Lincoln House

In 2011, the City of Merrill purchased Court View Apartments and Lincoln House from Bank of Wausau for \$25,000 and \$150,000 respectively. The City subsequently demolished Court View Apartments with the property scheduled to become a parking lot/green space in 2013. The Lincoln House continued in operation with five apartments and two office spaces rented out through today. We now have two apartment renters and one office space renter. This rental income paid for our upkeep expenses to the extent that the building has been kept up.

Although I was not here at the time, I believe that the City made the right decision to take over the Lincoln House. Had the City not done so I believe that we would have seen the building boarded up and left vacant in our downtown.

In early 2013, a water line break on the third floor caused water damage from the third floor down to the lower level. We just received a settlement offer for the water damage of \$130,000, plus the insurance paid approximately \$56,529.01 for water mitigation, asbestos abatement and demolition to dry the structure.

Initially, the City talked with developers who were seeking different forms of government assisted funding to redevelop the Lincoln House. In one instance the project was on the shortlist but was beat out by other projects for available funding. In another instance the criteria for eligibility for available funds changed and the Lincoln House did not score high enough to receive funding.

After this initial effort at redevelopment, three different developers, each with a building contractor, looked at the property. All three came to the same conclusion – it is not a viable project for three reasons: 1) Accessibility, you must go up or down steps to enter the building and reach an elevator, ADA compliance is a huge issue; 2) Wood vs concrete floors, all flooring is wood rather than concrete which is a fire protection issue; 3) Cost, the amount that would have to be spent to renovate the building makes the project cost prohibitive without outside funding assistance.

We have now placed exterior maintenance orders on the Lincoln House in order to maintain consistency in enforcement. If the City wants to retain the building it will require a significant investment in 2013 in order to bring it into compliance with the City's Exterior Maintenance Ordinance. The building must be painted, rotted wood trim replaced, broken windows replaced, and many wood window frames must be replaced. We would also need to repair the interior damage from the January flooding in order to continue to rent space in the building. The interior work alone would take the entire \$130,000 settlement amount. If all this exterior and interior work were done we would still be left with a building that developers feel is not a viable project.

Although the hoped for redevelopment of the building has not come to fruition, the City controls the property and has a much larger voice in what happens to the property if the building is demolished. My opinion is that the best use of the property is to take the insurance settlement and use it toward the demolition of the Lincoln House. This would leave the City with a good size lot for downtown development, preferably high-rise downtown housing.

We received an initial ballpark estimate of \$130,000 to demolish the building, and another \$10,000-20,000 for asbestos abatement. I have requested a formal quote for both phases of this work. An asbestos inspection was performed in the building on March 28 to determine the extent of the remaining asbestos in order to determine a cost of abatement. The City would incur costs to relocate renters holding current leases, the greatest cost being for the radio station. It is my recommendation that the Common Council, by consensus, authorize the City Administrator to seek bids for the demolition of Lincoln House, such bids to be brought before the Common Council for approval.

# Statement of Loss

Claim # 20130118



**Crawford & Company**  
175 North Patrick Blvd  
Brookfield, WI 53045  
262-278-1101 (Cell) 262-975-5010 (office)  
jim\_camacho@us.crawco.com

		3/26/2013
<b>Adjuster</b>	Jim Camacho	
<b>Phone</b>	(262) 278-1101	
<b>Insured Name</b>	City of Merrill	
<b>Loss Address</b>	120 S Mill St, Merrill, WI 54452	
<b>Phone Number</b>	(715) 536-5594	
<b>Other Phone</b>	(715) 536-5594	<b>Ins Claim #</b> 20130118
<b>Ins Company</b>	LOCAL GOVERNMENT PROPERTY INSURANCE FUND FOR THE STATE OF WI	
		<b>Date of Loss</b> 1/23/2013

### Abstract of Coverage

<b>Policy #</b>	140420	<b>Effective</b>	-	
<b>Forms</b>				
<b>Coverage</b>		<b>Limit</b>	<b>Co-Insurance</b> <b>Deductible</b>	
Dwelling		\$0.00		\$500.00
Other Structures		\$0.00		\$0.00

### Coverage - Dwelling

Coverage	\$0.00	Not Applicable					
			<b>RC Detail</b>	<b>ACV Detail</b>	<b>Value</b>	<b>Loss</b>	<b>Claim</b>
<b>Replacement Cost Value</b>			\$0.00		\$0.00		
<b>Actual Cash Value</b>				\$0.00	\$0.00		
<b>Total Estimated Loss</b>			\$186,529.01	\$186,529.01		\$186,529.01	
Less Depreciation				(\$0.00)			
<b>ACV Loss</b>				\$186,529.01			
Less Non-Recoverable Depreciation			(\$0.00)				
<b>Sub-Total</b>			\$186,529.01	\$186,529.01			
Less Deductible Applied			(\$500.00)	(\$500.00)			
<b>Adjusted Loss Amount</b>			\$186,029.01	\$186,029.01			\$186,029.01
<b>Recoverable Depreciation</b>			\$0.00				

<b>Total Loss &amp; Claim</b>						\$186,529.01	\$186,029.01
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<b>Total Recoverable Depreciation</b>			\$0.00				
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A copy of this document does not constitute a settlement of this claim. The above figures are subject to insurance company approval.

Accepted by \_\_\_\_\_