

**CITY OF MERRILL  
COMMITTEE OF THE WHOLE  
Tuesday, June 10, 2014 at 5:30 P.M.  
City Hall Common Council Chambers  
1004 East First Street**

**AGENDA**

1. Call to order
2. Public Comment
3. Consider recommendation from City Administrator Johnson to lift the hiring freeze to replace a retiring firefighter
4. Consider future directions for former fire station @ 701 East First Street (agenda item requested by Mayor Bialecki)
5. The Committee of the Whole may convene in closed session per Wisconsin State Statutes Section 19.85(1)(e) - deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to discuss potential modification of 2013 agreement with C&D Excavating, LLC for demolition and redevelopment of 413 & 419 West Main St. and potential acquisition, demolition, and redevelopment of other "blighted" properties within Tax Increment District No. 8 (West Side) and also to discuss possible property acquisition.
6. The Committee may reconvene in open session for potential action(s) on closed session issue(s)
7. Adjournment

*NOTE: A quorum of the Common Council will be present at this meeting. However, no Common Council action will be taken.*

Agenda prepared by City Clerk Bill Heideman  
Agenda reviewed by City Attorney Tom Hayden

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

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CITY OF MERRILL  
City Administrator

**David Johnson, City Administrator**  
1004 East First Street  
Merrill, Wisconsin 54452  
Phone (715) 536-5594  
FAX (715) 539-2668  
e-mail: David.Johnson@ci.merrill.wi.us

To: Common Council  
From: David Johnson, City Administrator  
Subject: Lifting Hiring Freeze  
Date 6/5/14

The City has received notice that Captain Robert Akey will be retiring from the Merrill Fire Department on August 13, 2014.

The Merrill Fire Department presently has 7 firefighter/paramedic personnel (1 Captain & 6 firefighter/ paramedics) assigned to each of the three shifts. This number is required to assure the citizens of Merrill adequate fire/EMS protection 24/7. It is anticipated that an internal promotion will fill this position, leaving a vacant firefighter/paramedic.

In order to maintain the present staffing level it will be necessary to hire a firefighter/paramedic. Therefore, it is my recommendation, and that of the Fire Chief, that the hiring freeze be lifted to allow for the hiring of a firefighter/paramedic to fill the pending vacancy.

David Johnson

*David Johnson*



# CITY OF MERRILL

Finance Director/City Treasurer

**Kathy Unertl, Finance Director**

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Phone (715) 536-5594 • FAX (715) 539-2668

e-mail: [Kathy.Unertl@ci.merrill.wi.us](mailto:Kathy.Unertl@ci.merrill.wi.us)

Date: June 5<sup>th</sup>, 2014

To: Mayor Bill Bialecki and Alderpersons

From: Kathy Unertl, Finance Director *Kathy Unertl*

RE: Consider future directions for former fire station (701 E. 1<sup>st</sup> St.)

The 2014 City Capital Budget included Transit Garage/Office moving to the former fire station (see following which is based upon 80% Federal grant funding). Federal grant funding will be available to separate all utilities between the apparatus garage and rest of the building.

Since the Transit Commission is only interested in the apparatus garage, the 2014 budget may need to be amended depending upon future direction for the rest of the building.

**Capital Plan**

**2014 thru 2018**

Department Transit  
 Contact Transit Administrator  
 Type Improvement  
 Useful Life 20 years  
 Category Transit  
 Priority 2 Important

**City of Merrill, Wisconsin**

Project # **BUS-14-001**  
 Project Name **Transit Garage/Office - Former Fire Station**

**Total Project Cost: \$200,000**

**Description**  
 Relocation of Transit busses into former fire apparatus building, as well as Transit Offices from City Hall to former fire station (701 E. 1st St.).  
 Eligible for Federal grant of 80% and City local match of 20%.  
 If this project proceeds, City is committed to use the facility for Transit purposes for next twenty-years.

**Justification**  
 Reuse of existing fire station building. Need new roof, close off/capping of 2nd floor utilities, electrical and plumbing repairs to first floor, replacement overhead entryway door (with ADA person door), and new ADA restrooms.  
 Eligible for Federal grant of 80% and City local match of 20%.  
 If this project proceeds, City is committed to use the facility for Transit purposes for next twenty-years.

Expenditures	2014	2015	2016	2017	2018	Total
Construction/Maintenance	200,000					200,000
<b>Total</b>	<b>200,000</b>					<b>200,000</b>

Funding Sources	2014	2015	2016	2017	2018	Total
Federal Grant	160,000					160,000
Tax Levy or PFP Capital Offset	40,000					40,000
<b>Total</b>	<b>200,000</b>					<b>200,000</b>

**Budget Impact/Other**  
 Expansion of existing Transit Garage rejected as 2010 Federal Stimulus project due to environmental issues (former landfill).  
 Another option could be demolition of existing fire station, except apparatus addition. Then, construction of new Transit Office. Preliminary cost estimate of over \$1,000,000 with potential local match of about \$200,000.

**From:** Unertl, Kathy

**Sent:** Tuesday, May 27, 2014 12:38 PM

**To:** Aldermen; Bialecki, Bill; Johnson, David; Heideman, Bill; Hayden, Tom; Savone, Dave; Grenfell, Rich

**Subject:** Fiscal Note - Old Fire Station (701 East 1st Street)

Item #7 (Warming Center) on the Board of Public Works agenda for Wednesday, May 28<sup>th</sup> has potentially major fiscal costs. Perhaps this item should be discussed by a future Committee of the Whole? As we deal with 2015 and future budget challenges, what are the City's priorities for scarce tax-levy dollars?

Specifically:

- As part of the Capital Plan, two options will be presented related to the old fire station: 1) Demolition of everything but the Apparatus Garage (which Transit is interested in); or 2) Rehab of the original building and kitchen/office addition. Without any asbestos inspection/abatement, it would appear to be less expensive to demo than rehab – ballpark demo estimate of not to exceed \$25,000.
- Estimated reroofing of the original building and flat kitchen/office addition is \$30,000 range. The shingles on the original building appear to be in seriously deteriorated condition. The last reroof of the flat building was about 1993 (or so). The roof on the Apparatus Garage was replaced in 2011 for \$16,049.
- There are both electric and plumbing issues with the existing building. Are any health & safety issues that must be addressed before reoccupying the building?"
- Then, there are the on-going Wisconsin Public Service expenses – although some costs relate to the Apparatus Building. As part of transfer to Transit, there needs to be separation of utility services (and related bills).

**Utilities - 2013**

WPS	\$14,178
Electric & Natural Gas	
Water & Sewer	\$969
	<hr/>
	\$15,146

**Key policy issues:** Since Transit Commission isn't interested in anything but the Apparatus Garage, does the City of Merrill want to continue to maintain the old fire station building? Demo? Or, potential sale to the private sector?

Kathy Unertl, Finance Director  
City of Merrill  
1004 E. 1<sup>st</sup> St.  
Merrill WI 54452  
Phone: (715) 536-5594

**From:** Johnson, David

**Sent:** Tuesday, May 27, 2014 4:48 PM

**To:** Aldermen; Bialecki, Bill; Hayden, Tom; Savone, Dave; Grenfell, Rich; Unertl, Kathy

**Subject:** RE: Fiscal Note - Old Fire Station (701 East 1st Street)

Just as a point of information, there are numerous items that must be addressed in the original 1917 building and the 1960s addition if they are to be used for any public purpose.

- An ADA compliant entrance must be added
- An ADA compliant restroom must be provided
- The kitchen must be re-wired
- The kitchen and restroom plumbing must be redone, they leak under the floor slab
- Utility services must be separated from the apparatus bay
- The 1917 portion of the building needs to be re-roofed, not sure about the 1960s addition
- The plumbing to the second floor restroom needs to be capped or replaced
- The HVAC system needs work
- There is a definite lack of insulation in the second floor of the 1917 building after the insulated suspended ceiling collapsed in the main sleeping room just before we moved to the new station, which will result in higher heating bills.
- The second floor is not ADA accessible
- The second floor is only usable with major renovation but still will not be ADA accessible
- Minor tuckpointing needs to be done to the brick

The apparatus bay is perfect for the transit authority to use as a bus barn. We talked to the Food Pantry about locating in the old part of the station but they declined, the group interested in a warming shelter is still interested but they only need to use a portion of it for part of the year. From a fiscal and practical perspective the 1917 building and 1960s addition need to go, from a historic preservation perspective they should be saved. No matter what the Common Council decides to do with the building there will be criticism – from one side for spending funds to renovate the building and from the other side for tearing down a historic structure. The question to be answered is what can we realistically afford to do and what is in the best interest of the community in the long run?

David Johnson, City Administrator

City of Merrill

1004 E. 1<sup>st</sup> St.

Merrill WI 54452

715-536-5594

**Status update on demolition timeframe for 419 West Main Street (C&D Excavating) and discussion of potential interest by another individual in building rehabilitation (Tax Increment District No. 8):**

The City's September 24<sup>th</sup>, 2013 agreement with C&D Excavating was for demolition by June 1<sup>st</sup>, 2014 to facilitate redevelopment. City Administrator Johnson advised that there is an interested individual in rehabilitating the "blighted" building with potential investment of about \$1.7 million over a five-year period.

First phase for potential rehabilitation would be engineering structural analysis followed by roof replacement. Pagel emphasized need for rehabilitation from exterior to inside through window and door replacement and any brick tuck pointing. State approved building renovation plans would be required for the interior.

Unertl advised that the potential downside would be if rehabilitation effort failed. It might be necessary to use TIF \$ to demolish the structure.

Consideration of amendment to allow sale of the building by C&D Excavating would potentially allow for another demolition and redevelopment project in Tax Increment District No. 8. Since there is potential property acquisition negotiation underway, RDA Commissioners determined need to continue discussion and consideration in closed session.



**merrill**

Location. Nature. People.

**Smart Move**

# CITY OF MERRILL

## Redevelopment Authority (RDA)

**Kathy Unertl, RDA Secretary**

1004 East First Street • Merrill, Wisconsin • 54452

Phone (715) 536-5594 • FAX (715) 539-2668

e-mail: [Kathy.Unertl@ci.merrill.wi.us](mailto:Kathy.Unertl@ci.merrill.wi.us)

Date: May 29<sup>th</sup>, 2014

To: RDA Commissioners

From: Kathy Unertl, Finance Director/RDA Secretary

**RE: 419 West Main Street – Discussion of Potential Building Rehabilitation**

Besides the extremely harsh winter conditions which delayed many projects, another reason that the 419 West Main Street “blighted” building hasn’t been demolished is an individual interested in potential rehabilitation. Key issues:

- Would need to be engineering structural analysis verifying that building salvageable.
- Roof replacement would need to be priority [which is what the previous owner was under code enforcement orders to do in 2013 prior to City/RDA acquisition].
- Would the windows and doors need to be replaced immediately, or possible to replace in the future? Also, appearance of east wall where former building was attached prior to being destroyed in fire?
- Would need RDA and Common Council authorization to amend the agreement with C&D Excavating to transfer title for \$1.00 plus documented expenses such as asbestos abatement.
- Would need development agreement with the interested individual related to rehabilitation plans and timeframes. Also, should include provision to potentially deed title to City of Merrill/RDA if rehabilitation plans/timeframes not met.
- Potential downside?: If rehabilitation effort failed/incomplete, potential interest of anyone else to rehab? Or, need for TIF \$ to demo the structure.

Note: There could be discussion of financial issues related to this potential rehabilitation and other strategic redevelopment opportunities under RDA agenda item #10 - closed session.

# C & D Excavating, LLC

PO Box 842  
W6976 Sunset Drive  
Merrill, WI 54452  
Cell (715) 218-0243

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## PROPOSAL

PROPOSAL SUBMITTED TO		TODAY'S DATE	DATE OF PLANS/PAGE #'S
Re-Development Authority of Merrill		08/26/2013	
PHONE NUMBER	FAX NUMBER	JOB NAME	
		Purchase of 413 & 419 W. Main Steet, Merrill	
ADDRESS, CITY, STATE, ZIP		JOB LOCATION	
Merrill, WI 54452		Purchase of 413 & 419 W. Main Steet, Merrill	

We propose hereby to furnish material and labor necessary for the completion of:

### Property Purchase

1. C&D Excavating argees to purchase 413 & 419 W. Main Street, Merrill WI for \$1.00 (One Dollar).  
"As Is"
2. C&D Excavating will remove building and clear lot by June 1, 2014.
3. C&D Excavating must have a clear title, no tax liens or judgements on property.
4. RDA will be responsible for all closing costs.
5. Redevelopment for possibly restaurant or retail commercial business.

We propose hereby to furnish material and labor - complete in accordance with above specifications for the sum of:  
One Dollar and no/100 \_\_\_\_\_ dollars ( \$ 1.00 )

Payment as follows: \_\_\_\_\_

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal action, as determined by a court of competent jurisdiction.

Authorized  
Signature

Note: this proposal may be withdrawn by us  
if not accepted within 30 days.

**ACCEPTANCE OF PROPOSAL** The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date of Acceptance \_\_\_\_\_

**1309268S2 RESOLUTION NO. 2343****A RESOLUTION DETERMINING PROPERTY TO BE BLIGHTED AND SUBMITTING PROPOSED ACQUISITION AND REDEVELOPMENT TO COMMON COUNCIL FOR APPROVAL – 413 & 419 WEST MAIN STREET**

WHEREAS, the property in the City of Merrill, Wisconsin (the "City") described in Exhibit A attached hereto (the "Property") has been proposed as the site for various public improvements and private development projects; and

WHEREAS, the Property has been determined by City staff to be a "blighted property" as defined in Section 66.1333 of the Wisconsin Statutes based on various reports previously prepared in connection with proposed redevelopment of the Property, including Redevelopment Authority meetings; Tax Increment District No. 8 Plan; and City Building Inspector Notices; and

WHEREAS, this body is advised by the staff of the City that the blight conditions described in the Report have continued; and

WHEREAS, blight elimination, slum clearance, and urban renewal and redevelopment projects on the Property will protect and promote the health, safety and general welfare of citizens of the City; and

WHEREAS, the Redevelopment Authority of the City of Merrill, Wisconsin (the "Authority") proposes to acquire and assist the private redevelopment of the Property and to carry out blight elimination and urban projects on the Property; and

WHEREAS, pursuant to Section 66.1333(5)(c)1g. and (5)(c)1r. of the Wisconsin Statutes, the Authority may acquire or assist the private redevelopment of blighted property without designating a redevelopment area boundary or adopting a redevelopment plan if the Authority obtains advance approval of the Common Council; and

WHEREAS, on September 10<sup>th</sup>, 2013 the Authority held a duly-noticed public hearing to determine whether the Property is blighted, at which time all interested parties were given an opportunity to express their views respecting the determination of blight for the Property; and,

WHEREAS, the Authority has studied the facts and circumstances relating to the Property and the proposed redevelopment of the Property, consideration having been given, among other items, to the following matters: (i) the definition of "blighted property" contained in Section

66.1333(2m)(bm) of the Wisconsin Statutes, (ii) the Report with respect to the existence of blight on the Property in the context of Section 66.1333 of the Wisconsin Statutes, (iii) the past and existing condition of, and the proposed uses of, the Property, (iv) the goals and objections of the proposed acquisition of the Property, and (v) visual inspections of the Property and surrounding areas by various members of the Authority and by various staff of and consultants to the City; and

WHEREAS, pursuant to the resolution of the Common Council of the City which created the Authority, it has all powers, duties and functions set out in Section 66.1333 of the Wisconsin Statutes and shall proceed under Sections 66.1105, 66.1301 to 66.1329, 66.1331, 66.1333 or 66.1337 of the Wisconsin Statutes, with respect to all projects relating to blight elimination, slum clearance, urban renewal and urban redevelopment.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN, this 24<sup>th</sup> day of September, 2013, that:

1. The Property is determined to be a "blighted property" within the meaning of Section 66.1333(2m)(bm) of the Wisconsin Statutes.
2. The Authority is authorized to acquire and assist the private redevelopment of the Property for the purpose of carrying out blight elimination and urban renewal projects thereon as described in the preamble hereto.
3. The proposed redevelopment of the Property for the purpose of carrying out blight elimination and urban renewal projects shall be submitted to the Common Council for review and approval.

Motion (Hass/Peterson) to adopt. Carried 6-1 on roll call vote. Voting No – Alderwoman Caylor.

*Note: Exhibit A referenced in the resolution is available for inspection in the Clerk/Treasurer office at City Hall.*

**1309185S2** Redevelopment Authority

**1309186S2** The Authority recommends to authorize the sale of 413 & 419 West Main Street to C & D Excavating, LLC. for \$1.00 to facilitate demolition and future site redevelopment.

Motion (Schwartzman/Peterson) to adopt. Carried 7-0 on roll call vote.