

Draft

COMMUNITY DEVELOPMENT AUTHORITY
September 7, 2010
5:30 p.m.
Council Chambers
224 East Jefferson Street

1. **CALL TO ORDER**

Chairman Bil Scherrer called the meeting to order at 5:30 p.m.

2. **ROLL CALL**

The following commissioners were in attendance: Bil Scherrer, Jack Eckola, Jim Spiegelhoff, Jim Peterson, Mayor Bob Miller Absent: Alderman Jeff Fischer Excused: Judie Lemieux Alderman Fischer arrived at 5:32 p.m.

Also in attendance: Ms. Tina Chitwood of RCEDC, Attorney John Bjelajac, City Administrator Kevin Lahner, Treasurer Steve DeQuaker, Ms. Leslie Scherrer and Mr. Peter Scherrer of Peter Scherrer Group, Mr. Tom Stelling of Stelling and Associates, Mr. Jim Wanasek of Wanasek Construction.

3. **APPROVAL OF MINUTES FROM JULY 6, 2010**

A motion was made by Peterson to approve the minutes from the July 6, 2010 CDA Meeting. Spiegelhoff seconded the motion and with all in favor, the motion carried.

4. **PERSONS DESIRING TO BE HEARD**

None

5. **REVIEW AND ACTION TO AWARD THE BID FOR THE CONSTRUCTION OF THE DOWNTOWN PARKING STRUCTURE**

City Administrator Kevin Lahner led a discussion on the award of the bid for the construction of the downtown parking structure. He stated that the base bid requested was for construction of a 200 stall parking structure. Along with the base bid, were construction alternatives that could be either accepted or selected by the Community Development Authority. The main alternative for consideration was the use of the existing pre-cast materials vs. all new materials with other minor alternatives relating to the colored concrete, lighting and stairs.

The administrator further explained the second alternative bid for 160 parking stall structure was also considered as the city was concerned that the bid for the 200 stall structure would come in over budget. The alternatives given for the 200 stall structure were also part of the 160 parking stall bid.

The bids were received on Friday, September 3, 2010 and were reviewed by the construction people, engineers and architect. At this time, the meeting was turned over to the Peter Scherrer Group.

Mr. Peter Scherrer explained to the CDA that the bids were consistent with the expectation. The bids ranged from a low of \$2,087,419.00 to a high of \$2,310,828.62. A bid analysis was distributed from the Peter Scherrer Group to the CDA members. Mr. Peter Scherrer stated that a decision had to be made by the CDA whether to construct a 200 or 160 stall parking structure and whether to use existing or all new materials.

Lahner then discussed that the city had bid the project both with existing material and new material with the prediction that there would be significant value with the existing material. In looking through the bids, that prediction was not reflected in the bid prices.

Eckola wanted clarification if the 200 spaces were part of the original three-story plan or if it was a two-story structure. Peter Scherrer explained that it was considered two decks and a ground floor.

Peterson was concerned if either Metro or Riley would be using local subs. Scherrer replied that they both would be using local people. Lahner stated that the issue of local subs could not be a consideration for the CDA as the decision had to be based on the bid prices received.

Chairman Scherrer questioned if the construction of the parking structure would coordinate with the opening of the hotel? Peter Scherrer stated that both of the contractors could meet that schedule.

Eckola stated that he thought the CDA was under a 1.7 million dollar budget for the project and questioned how the CDA would obtain the additional money. Lahner explained that they went back to the workshop and discussed that it would be closer to two million dollars with the money coming from environmental remediation funds as well as TIF 3.

Peterson questioned if there were any concerns with using existing material that had been lying around for fifteen years vs. using new products? Lahner said it was a concern as the pieces would have to be modified and the modification would also affect the schedule. Lahner felt that the value of having all new outweighed the value of using existing material. During analysis, the city was leaning toward using Riley Construction as it was all new material, the mark-up on change orders was smaller and the cost for the alley was less.

Fischer asked for clarification that from a design and final product standpoint if both bids were equal? Peter Scherrer stated that regarding functionality it would be the same, with the difference would be aesthetics.

Mr. Tom Stelling added that the existing pieces are from 2007 and they won't look brand new if used in the structure. The mayor also added that he was concerned with liability issues considering what had happened with the parking structure in Milwaukee and it was his recommendation to build with new materials.

A motion was made by Peterson to approve the base bid for 200 stalls from Riley Construction in the amount of \$2,087,419.00. A second was made by Eckola Roll Call Ayes: Scherrer, Miller, Fischer, Eckola, Spiegelhoff, Peterson Nays: None Motion carried 6-0

A motion was made by Eckola with a second by Fischer to reject the other alternates for consideration (colored concrete, metal Hallide Lighting, pre-cast stairs). Roll Call Ayes: Scherrer, Miller, Fischer, Eckola, Spiegelhoff, Peterson Nays: None Motion carried 6-0

A motion was made by Peterson with a second by Fischer to award the Washington Alley Project to Riley Construction for an amount of \$112,500. Roll Call Ayes: Scherrer, Miller, Fischer, Eckola, Spiegelhoff, Peterson Nays: None Motion carried 6-0

6. REVIEW AND ACTION TO RESERVE \$20,000 FROM THE TID-RLF FUND TO BE USED TO PROVIDE \$5,000 MICRO LOANS TO BUSINESSES AFFECTED BY 2010 ROAD CONSTRUCTION AND ROAD CLOSURES ON CHESTNUT, DODGE AND WASHINGTON STREETS

Ms. Tina Chitwood of RCEDC gave a presentation to the CDA members in regard to micro loans to businesses on Chestnut, Dodge and Washington Street who have been impacted by the 2010 road construction. She explained that the loan amount is a maximum of \$5,000 per applicant for operating capital with currently \$20,000 available. She explained the interest rate is 0% during the construction period through January 30, 2011. If the loan is not repaid at that point, the interest rate would be 4% with the first payment due by Marcy 1, 2011. The term of the note would be four years. RCEDC not the CDA would be in charge of processing the loans as well as the disbursement of the money.

Jim Peterson stated that he was in favor of this type of loan as he has personally seen the serious economic downturn this has had on local businesses.

7. ADJOURNMENT

A motion was made by Spiegelhoff to adjourn the meeting. Eckola seconded the motion and with all in favor the meeting adjourned at 6:16 p .m.

Beverly R. Gill
City Clerk
City of Burlington
Racine & Walworth County