

CITY OF ANTIGO
FINANCE, PERSONNEL, AND LEGISLATIVE COMMITTEE
MINUTES OF MEETING HELD
MAY 16, 2018

Finance, Personnel, and Legislative Committee of the City of Antigo met in Regular Meeting on the above date at 6:00 PM in the Multi-Purpose Room, City Hall, Ward 4 Tom Bauknecht presiding.

Attendee Name	Title	Status	Arrived
Carol Feller Gottard	Ward 5	Present	
Bill Brandt	Mayor	Absent	
Tim Kassis	Ward 3	Present	
Tom Bauknecht	Ward 4	Present	
Glenn Bugni	Ward 7	Present	
Reinhardt Balcerzak	Ward 8	Present	

Others in attendance: Todd Samolinski, George Shinnars and Steve Friend, Antigo Sign and Display; Roger Musolff, Building Inspector/Zoning Administrator; Kaye Matucheski, Clerk-Treasurer/Finance Director; Amy Lynch, Human Resource Specialist; Eric Roller, Police Chief/Director of Public Safety; Dominic Frandrup, Library Director; Angie Close, Langlade County Economic Development Corporation; and Jaime Horswill, Utility/Clerical Assistant.

Discussion and Action May Occur on Any of the Following Agenda Items:

1. Approval of the Minutes from the April 18, 2018 Meeting

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Glenn Bugni, Ward 7
SECONDER:	Tim Kassis, Ward 3
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

2. Waiver Request for Insurance Requirement and Permit Fee by Joshua Davids for Peace of Mind Giving Day

Julie Zack, Administrative/Clerical Assistant, provided a memo and copy of the Waiver Request from Mr. Joshua Davids. He is holding an event in the Heinzen Pavilion on July 1, 2018 called "Peace of Mind Giving Day" and plans to invite the public to this fundraising event. He wishes to have the insurance waived along with the permit fee for the event.

Mark Desotell, Director of Administrative Services, advised that the Park and Recreation Commission took up the issue of waiving the shelter reservation fee at their meeting on Monday. They did waive the shelter reservation fee contingent upon proof of donation to organizations listed on their application. It is Sarah Repp, Park, Recreation and Cemetery Director's, recommendation not to waive the insurance requirement as it is an individual not a known service organization.

Upon inquiry by Alderperson Balcerzak, Kaye Matucheski, Clerk-Treasurer/Finance Director, advised that the City should require the insurance as the request did not come from a 501c3 and it is just an individual.

Motion to deny the request to waive the insurance requirement and permit fee.

RESULT:	DENIED [UNANIMOUS]
MOVER:	Tim Kassis, Ward 3
SECONDER:	Tom Bauknecht, Ward 4
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

3. Request for Waiver of Insurance Requirement and Permit Fee for Langlade County Historical Society's Summer Picnic for a Rain Location

Ms. Zack provided a memo advising that the Langlade County Historical Society has a fundraising Summer Picnic on the grounds at 404 Superior Street. They have requested to have the Heinzen Pavilion reserved in case of rain. If they end up needing to use the pavilion, the city requires them to have a permit (due to inviting the public) and proper insurance coverage listing the City of Antigo as an additional insured on that date.

Ms. Zack's memo concluded by noting that the Langlade County Historical Society is requesting a waiver of the permit fee and insurance requirements because they will only use the pavilion in case of inclement weather, otherwise they will have it on their own property negating the need for these two items. The picnic is scheduled for July 11, 2018.

Upon inquiry by Alderperson Feller Gottard, Ms. Matucheski indicated that if approved, this request will be included on the yearly waiver list.

Motion to waive the insurance requirement and permit fee for the Langlade County Historical Society for the Heinzen Pavilion set for a rain date for July 11, 2018 as requested.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Tim Kassis, Ward 3
SECONDER:	Tom Bauknecht, Ward 4
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

4. Requested Loan Revision for the Antigo Sign & Display Lease (Formerly known as Antigo Neon) Restructuring their Remaining Principal Balance over a 20-Year Period (5-Year Balloon Payment) at a 4.19% Interest Rate

Mr. Desotell provided a memo advising that Antigo Sign and Display (formerly known as Antigo Neon) has requested that their Lease Agreement be revised in order to effectively bring their lease/purchase payment to a level allowing them to restructure their organization. This action will allow the restructured company the ability to purchase equity from investor(s) that were instrumental in the 2014 acquisition from Fallon Neon. Mr. Desotell provided the committee with the revised agreement providing proposed language to be reviewed and finalized prior to the June Council meeting under the review/guidance of the City Attorney.

Mr. Desotell's memo further noted that under a separate action, Antigo Sign and Display's interest in +/- 4.25 acres (consisting of the westernmost portion of the current parcel) will be transferred out of the 2014 Agreement to that of ownership by the City. In doing so, it is Mr. Desotell's recommendation that the remaining balance (+/- \$28,000) of a Payment in Lieu of Taxes (PILOT) left from the transfer of ownership from Fallon Neon to Antigo Neon be considered as a fair and equitable exchange in the best interest of the City allowing for additional development on industrial zoned property adjacent to tracts currently owned by the City. An updated amortization schedule was also provided to reflect the anticipated payments for Antigo Sign and Display based on the principal balance as calculated at the end of March. Minor adjustments will be made to reflect any Lease payments made between that date and the

adoption of a revised Lease.

Mr. Desotell indicated that the principal balance on the loan has been paid down from approximately \$655,000 to approximately \$576,000. The 2014 monthly payment was approximately \$4,000 and the new payment would be approximately \$3,000. They have been very healthy with their employment numbers and are headed in a great direction.

Upon inquiry by Mr. Desotell, Steve Friend, Antigo Sign and Display, indicated that their employment numbers are between 45-50 employees.

Motion to approve the loan revision for the Antigo Sign and Display Lease restructuring their remaining principal balance over a 20 year period (5 year balloon payment) at 4.19% interest rate as presented.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Tim Kassis, Ward 3
SECONDER:	Reinhardt Balcerzak, Ward 8
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

5. +/- 4.25 Acre Property Transfer from Antigo Sign & Display (formerly Antigo Neon) to the City of Antigo in Exchange for Forgiveness of the Remaining Balance of a Payment in Lieu of Taxes Debt Originally Created by Fallon Neon and Transferred to Antigo Neon at the Time of Sale

Mr. Desotell provided a memo with proposed revisions to the delinquent PILOT agreement between Antigo Neon and the City as created when Fallon Neon transferred their ownership to Antigo Neon at the end of 2014. The Agreement identified the terms for the payment of the delinquent PILOT amount (on a monthly basis) over the course of ten years. As part of Antigo Neon's request to restructure their loan under the existing Lease Agreement they also indicated a desire to eliminate the payment of the remaining delinquent PILOT balance (+/- \$28,000). They explored the possibility of Antigo Neon relinquishing a portion of the property identified in the original Lease. This section would be reverted back to the City's ownership in exchange for forgiveness of the remaining delinquent PILOT balance. Negotiations advanced ending with the recommendation to transfer the westernmost 4.25 acres of the original parcel for the forgiveness by the City of the outstanding delinquent PILOT balance as of June 13, 2018 when this matter would be considered by Council. The additional 4.25 acres would be added to the City's existing industrial parcel (+/- 10 acres) located immediately to the west allowing for future development.

Mr. Desotell indicated that the previous amount was close to \$40,000 and has been paid down to approximately \$28,000. They originally agreed to pay this in a ten year time frame.

Motion to approve the +/- 4.25 acre property transfer from Antigo Sign and Display to the City of Antigo in exchange for forgiveness of the remaining balance of a payment in lieu of taxes debt originally created by Fallon Neon and transferred to Antigo Neon at the time of sale.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Glenn Bugni, Ward 7
SECONDER:	Reinhardt Balcerzak, Ward 8
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

6. Pending Offer to Purchase for the Proposed Sale of Duffek Sand & Gravel According to the 2008 Lease Agreement with the City of Antigo

Mr. Desotell provided a memo and a copy of the existing Lease Agreement between Duffek Sand and Gravel, Inc. and the City of Antigo entered into on January 10, 2008. Paragraph 21 of the Lease grants the tenant the option to purchase the premises by payment of any remaining balance of the principal and interest (plus \$1.00) due on the amount indicated in Paragraph 2 of the Lease document. Duffek Sand and Gravel is in receipt of an Offer to Purchase for the subject property and buildings. Mr. Desotell is requesting the committee's concurrence of the sale contingent upon final payment of the funds owed to the City by Duffek Sand and Gravel (at the time of the sale closure) in the amount of \$1,094,158.15 as projected out to the end of May 2018. Any required adjustments (as determined upon review of the City Attorney) will be made as needed for the final presentation of this matter to Council.

Mr. Desotell advised that under the Lease Agreement, Duffek Sand and Gravel must make the City aware of any pending sale. They are making the City aware of such purchase and acknowledge that they will be making the City whole on the remaining principal balance.

Aldersperson Balcerzak advised that Paragraph 23 of the Lease indicates that the City has the right of first refusal to purchase. Mr. Desotell noted that it is in the City's best interest to acknowledge the sale and not exercise that right and attempt to sell it.

Mr. Desotell noted that after 2018 the location will completely be on the tax roll.

Motion to acknowledge the pending Offer to Purchase for the proposed sale of Duffek Sand and Gravel according to the 2008 Lease Agreement with the City of Antigo and to acknowledge that the City of Antigo will be made whole on the remaining principal balance as presented.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Tim Kassis, Ward 3
SECONDER:	Glenn Bugni, Ward 7
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

7. Updated Certified Survey Map and a No-Cost Transfer of an Additional +/- 2.4 Acres created by the Relocation of Highway 64 to the South of its Original Proposed Alignment during the By-pass Project in Preparation for the Anticipated Sale of Duffek Sand & Gravel, Inc.

Mr. Desotell provided a memo explaining that Duffek Sand and Gravel is working towards the potential sale of the property, buildings and operations to an interested buyer and has received an Offer to Purchase. During a review of the 2008 Lease Agreement between the City and Duffek Sand and Gravel it was noted that the relocation of the Highway 64 by-pass route (in 2011) was not built according to the projected 2008 alignment. In fact, the alignment was moved to the south creating an additional +/- 2.4 acres of available property along the southeast corner of the Duffek site. This additional acreage was not identified in the original (2007) Certified Survey Map and has been utilized as part of the Duffek Sand and Gravel operations. The 2.4 acres is instrumental to the purchaser and could jeopardize the proposed transaction.

The 2008 Lease Agreement addresses the mechanisms for the transfer of the +/- 8.6 acres of City owned property originally identified in the transaction with Duffek Sand and Gravel under any eventual sale on their part. Mr. Desotell is recommending that a deed for the additional +/- 2.4 acres be transferred by the City to the purchaser at the time of the sale and at no cost to the purchaser. This transaction will assure the continued use of the property in the best interest of the City while fostering continued economic development.

Motion to update the Certified Survey Map and a no-cost transfer of an additional +/- 2.4 acres created by the relocation of Highway 64 to the south of its original proposed alignment during the by-pass project in preparation for the anticipated sale of Duffek Sand and Gravel, Inc. as presented.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Tim Kassis, Ward 3
SECONDER:	Glenn Bugni, Ward 7
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

8. Bid Result Recommendations for the Replacement of the Membrane Roofing System of City Hall and the Fire Department and to Transfer Funds from the Parking Lot Capital Equipment/Improvement Plan

Mr. Desotell provided a draft resolution to better assist the committee members in understanding staff's recommendations for the 2018 City Hall/Fire Department membrane roof replacement project. The City received six bids and staff is recommending the lowest bidder as a qualified contractor for the project. Bids were received from Nasi Roofing, LLC, Quality Roofing, Inc., Kulp's of Stratford, C & C Services, Oshkosh Industrial Roofing and Sheet Metal and Northeastern Roofing, Inc.

The draft resolution noted that bids were solicited for the replacement of the existing membrane/ballast-stone system for the entire City Hall building complex, including the Fire Department. This work will replace the existing membrane/ballast-stone system in favor of a heavier gauge membrane secured to the underlying insulation without the use of ballast-stone and is being recommended for replacement based on the age of the original roofing system. A total of six bids were received providing information relative to the various options being considered for the project including such items as extended warranty (based on membrane thickness), a multi-year construction option, molded walkway paths and replacement of defective underlying materials if encountered (insulation).

Mr. Desotell's draft resolution also advised that staff conducted a post bid meeting with the apparent low priced bidder to clarify the information provided within their bid packet and recommended the purchase/installation for the Nasi Roofing, LLC bid in the amount of \$91,800 for the entire project to be completed in 2018 with the 50 mil membrane (20 year warranty) option. Staff additionally recommends that the molded walkway option for creating reinforced membrane walkways providing access to the roof top mechanical systems be added for an estimated project increase of \$5,000 along with a contingent amount of \$5,000 for any necessary repairs to wet/defective insulation. The 2018 budget included \$65,000 (with carryovers) for this membrane roof replacement project along with \$60,000 (with carryovers) for a future City Hall parking lot reconstruction project. Staff recommends that \$36,800 be transferred from the City Hall/Fire Department Parking Lot CIP item to the 2018 City Hall/Fire Department Roof Replacement item for a total project amount of \$101,800.

Upon inquiry by Alderperson Kassis, Roger Musolff, Building Inspector/Zoning Administrator, acknowledged that the specs were the same. A few of the bidders advised that they were very

busy and were not concerned if they did not receive the bid. Nasi Roofing will actually be doing a project for Langlade County, that may play into the cost as their equipment will already be on location. The brand of the roof is what the City had requested them to use and it is of good quality.

Motion to approve Nasi Roofing, LLC for the removal of the existing membrane/ballast-stone roof system and the installation of a 50 mil Duro-Last membrane roofing system in the amount of \$101,800 as described in their bid package and to approve the transfer of an additional \$36,800 from the City's Capital Equipment/Improvement Plan 2018 City Hall/Fire Department Parking Lot CIP item to be added to the existing \$65,000 CIP Roof Replacement budget to fully fund this project.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Reinhardt Balcerzak, Ward 8
SECONDER:	Glenn Bugni, Ward 7
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

9. Write Off Block Grant Loan in the Amount of \$14,000 for 420 Elm Street Due to a Sheriff's Sale

Ms. Matucheski provided a memo and Notice of Sheriff's Sale that was received for the property at 420 Elm Street. The City has a Block Grant Mortgage on this property in the amount of \$14,000. Due to the foreclosure and Sheriff's Sale, the City will be unable to collect the Block Grant loan so the \$14,000 will need to be written off. With this type of situation, the city has no recourse to collect the balance.

Upon inquiry by Alderperson Feller Gottard, Ms. Matucheski explained that the house was foreclosed on and sold at a Sheriff's Sale. Everything goes through the mortgage holder's process. The City is second position and there is no way of collecting on it.

Motion to write off the Block Grant loan in the amount of \$14,000 for 420 Elm Street due to a Sheriff's Sale.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Tim Kassis, Ward 3
SECONDER:	Reinhardt Balcerzak, Ward 8
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

10. Settlement Offer from Wisconsin Mutual for a Claim Where a Hydrant was Struck by a Vehicle on Freiburger Avenue

Ms. Matucheski provided a memo advising that a City hydrant was struck by a vehicle on Freiburger Avenue on December 12, 2017. After repairs an invoice was sent to the vehicle owner in the amount of \$9,515.72 which included parts and labor. The vehicle owner submitted the claim to her insurance company, Wisconsin Mutual. They have offered a settlement of \$7,049.47 for this claim due to the age of the hydrant, asphalt and curb and gutter. The City Attorney has reviewed the settlement offer and concurs that this is reasonable for the claim. The remaining amount of the claim will be expensed to the Water Utility.

Upon inquiry by Alderperson Kassis, Ms. Matucheski explained that the insurance company took depreciation into consideration. The City's numbers were actual costs based on schedules for labor, parts, vehicles, etc.

Motion to approve the settlement offer of \$7,049.47 from Wisconsin Mutual for a claim where a hydrant was struck by a vehicle on Freiburger Avenue.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Glenn Bugni, Ward 7
SECONDER:	Tom Bauknecht, Ward 4
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

11. Advancement of Demolition Bids for a Home Damaged by Fire and Subsequently Deeded to the City from Langlade County through the Tax-Reversion Process as Located at 218 Virginia Street

Mr. Desotell provided a memo advising that a home located at 218 Virginia Street was damaged by fire and is subsequently being transferred by deed from Langlade County to the City through the tax reverted property process. Because of the poor condition of the home and detached garage (including blighted contents of both buildings), Mr. Desotell is recommending the advancement of the demolition process on an accelerated schedule. Bids for the demolition and removal of the buildings/contents to a licensed landfill are currently being developed and advertised for submittal to the City by June 4, 2018. This process will allow for the opening and reviewing of bids in advance of the June Council agenda at which time staff's recommendations will be presented. The City's demolition budget has adequate funds to address this matter and similar house removals have been accomplished over the past year. While it is anticipated that an estimated budget of \$15,000 will more than cover the pending bids, the amount is being provided to assist you in your determination to advance this effort.

Mr. Desotell's memo concluded by requesting that the committee authorize the solicitation of demolition bids for the removal of the house, garage, foundation-backfill and site restoration of 218 Virginia Street and authorize staff to advance the bid results for consideration by Council at their June meeting without the need to have the actual bids approved at any subsequent committee meeting.

Mr. Desotell noted there is a liability issue with the building. There has been debris brought to the site. The street crews have cleaned up the yard.

Motion to advance the demolition bids for a home at 218 Virginia Street damaged by fire and subsequently deeded to the City from Langlade County through the tax reversion process. The bids will be moved to Council after received rather than coming back to committee.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
	Next: 6/13/2018 6:00 PM
MOVER:	Reinhardt Balcerzak, Ward 8
SECONDER:	Tim Kassis, Ward 3
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

12. Request from Public Safety Director to Fill Vacant Firefighter/Paramedic Position

This agenda item was moved and action taken after agenda item 13

Mr. Desotell provided a memo advising that the Antigo Fire Department is facing a potential second job opening for the replacement of a Firefighter/Paramedic position. As a result, the Department is requesting that a replacement candidate be considered from the current list of applications (including those having been interviewed just one week prior to this meeting). Approval of this request would allow for the timely replacement of vacancies while maintaining the approved level of staffing within the 2018 budget cycle.

Motion to approve the request to fill a vacant firefighter/paramedic position.

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Tim Kassis, Ward 3
SECONDER:	Glenn Bugni, Ward 7
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

13. Closed Session: Pursuant to Section 19.85(1)(c), Wisconsin Statutes, and upon proper motion, the committee will convene into closed session to discuss a Separation Agreement with a City Employee. Upon completion of discussion in closed session, the committee will reconvene into open session to act on matters discussed, if necessary, and to proceed with the regular order of business

At 6:35 pm pursuant to Section 19.85 (1)(c), Wisconsin Statutes, Kassis moved, Bugni seconded, to convene into closed session to discuss a Separation Agreement with a City Employee. Carried 5-0, Absent 1.

APPROVED

At 6:40 pm, upon completion of discussion in closed session, the committee reconvened into open session to act on matters discussed in closed session and proceed with the regular order of business.

Motion to accept a Non-Disciplinary Separation Agreement Waiver and Release between the City of Antigo, Antigo Firefighter's Union Local 1000 and Mr. Beau Gabriel as of today and with Council approval as presented.

RESULT:	RESOLUTION TO COUNCIL [UNANIMOUS]
MOVER:	Tim Kassis, Ward 3
SECONDER:	Reinhardt Balcerzak, Ward 8
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

Any Other Matters Authorized by Law to be Considered

NONE

Adjournment

1. **Motion to:** Adjourn at 6:55 pm

RESULT:	CARRIED [UNANIMOUS]
MOVER:	Glenn Bugni, Ward 7
SECONDER:	Tim Kassis, Ward 3
AYES:	Feller Gottard, Kassis, Bauknecht, Bugni, Balcerzak
ABSENT:	Bill Brandt

Tom Bauknecht, Chairperson

Date