

1. **CALL TO ORDER**. The joint meeting of the Village Board with the Historic Preservation Commission and Community Development Authority was called to order at 5:30 p.m. by Village Board Vice-President Darrell Klimke.
2. **ROLL CALL**: Present: Present: Darrell Klimke, Mark Mortensen, Hans Noeldner, Eric Poole and Steve Staton. Absent: Jerry Bollig and Jerry Luebke. Also present: Village Administrator Mike Gracz, Public Works Director Mark Below, Police Chief Doug Pettit and Clerk Georgia Johnson.
  - a) **Recognition of WRWA 2006 Water System of the Year Award**. Below reported that the Village received the 2006 Water System of the Year Award from the Wisconsin Rural Water Association and was received at the State Conference last week. It was totally unexpected. Below commended Jerry Swinehart, Randy Hynes and Joy Hanson for the excellent work they do.
3. **CALL TO ORDER – HPC**. Chair Joan Gefke called the Historic Preservation Commission meeting to order.
4. **ROLL CALL**. Present: Al Miller, Joan Gefke, Dave Gochberg, Hans Noeldner, Beth Sever and Patrick Molzahn with Arlan Kay arriving at 5:37 p.m. Absent: Dave Gochberg.
5. **CALL TO ORDER – CDA**. Chair Scott MacWilliams called the Community Development Authority meeting to order.
6. **ROLL CALL**. Present: Scott MacWilliams, John Deits, Jeff Bergey, Eric Poole, Hans Noeldner. Absent: Paul Larson.
7. **REVIEW OF GARY GORMAN’S RED BRICK PROPOSAL**. Gary Gorman gave a brief history of the company explaining their main focus is on urban revitalization. Their first project was in 1985 and they have done 14 projects since. They find significant historic value in the projects they do and they have considerable experience. The company has outgrown their current space so when they found the Red Brick building empty they started pursuing the location as a possible new site for their company offices. On March 20<sup>th</sup> the Oregon School District chose Gorman & Company to pursue the sale and renovation of the Red Brick building. To break the discussion into two pieces, Gorman first went over the physical treatment of the building and then the financial proposal.

As to the physical treatment, the main question has been whether or not the front yard would be used for parking—the yard between the building and Main Street. The answer is “no”, it is planned to have garden areas and a little courtyard for people to congregate in. The School District has offered as part of the sale to include land in the “U” shaped area behind the building formed by the Administrative Offices. That area would park approximately 15 cars. More parking is needed but it is not known at this time where that will be. With respect to the interior, it is intended to meet the standards of the Department of Interior of the National Park Service. That Department will want to know what the Historical Preservation Commission wants in terms of design and they will also consult the State Historical Society’s Architectural staff. The final step to that process is getting certification confirming that it was built according to the standards required. No specifics for the interior have been determined yet. The fundamental use would be office use—the administrative offices, financial staff, the design and construction administration offices. The question was asked how much parking was needed and Gorman stated 40 parking spots for the staff—(approximately 25 more than the 15 spaces), and visitor parking—an additional 5. There was some discussion and it was suggested they might consider some type of incentive for car pooling. The Hitching Park would be used for parking until a solution to the parking needs was found.

Regarding the financial proposal, Gorman provided answers to the following questions: (1) Why is this good for Gorman & Company? It is a lower cost of capital since the Village can borrow cheaper than Gorman & Company and allows Gorman to utilize property tax payments to service debt. (2) Why is this good for the Village? It revitalizes an empty building, brings up to 40 employees into the downtown area and puts an exempt property on the tax rolls. (3) How is the Village protected? The proposal is to use \$2,200,000 of TIF monies and \$500,000 of Gorman equity totaling \$2,700,000. The uses of the capital are: \$29,000 for purchase of the building; \$1,900,000 construction costs (\$100/sq. ft. –19,000 sq.ft.), \$304,000 soft costs and \$467,000 development staff time and contingency. Gorman will provide a letter of credit to insure completion. Repayment of the loan will be secured by property tax payments as well as a collateral pledge in the form of a long term lease. A financial statement will be provided to assure sufficient financial strength. When asked if there was a development fee included in the proposal, Gorman stated there was not—there was a general contractor fee of 6%.

Noeldner asked if Gorman would be willing to make available the financial terms worked out on other projects and Gorman stated he would. Gorman stated almost all of them have non-conventional financial structures. Noeldner asked to see something that is similar to this proposal.

Deits asked if the \$2.2M was actually from tax increment so the taxpayers will pay it through taxes? Gorman stated there is a “but for” test in the TIF statute that says that “but for the TIF financing, if the project would not be feasible and would not be built”—that’s a threshold question for the TIF process to move forward. Gorman stated absent the TIF funding if the project doesn’t go forward there is no property tax revenue from that building. Deits stated he is concerned with the 80% of the cost of renovation being fronted by the taxpayers whether there is tax levy increase or not. Deits referred to some of the projects in Madison where a \$50M project only \$3M is from TIF monies. Deits’s concern was how the Village’s TIF would be able to afford this. Gorman responded that the loan would be paid back by two sources—(1) the property taxes that Gorman would pay as a tenant/owner of the building and (2) there would be a collateral pledge of their lease to the building and that revenue would go toward paying off the debt. Discussion continued. Gracz noted that it is being proposed later on the agenda for the Board to approve hiring Ehler’s & Associates to do a financial analysis of the Gorman proposal. Discussion continued. Gorman explained there would be two sources of repayment under this proposal. Gorman would ask the Village to use its borrowing power to borrow \$2.2M, there would be a pledge of the property tax increment generated, as well as a collateral pledge of the lease that Gorman would sign that the lease payments would be pledged to insure that the loan would be paid back on an agreed schedule. There was further discussion. Construction timetable would be about seven months. McWilliams asked if they have an anticipated lease value in mind? Gorman stated the numbers have not been put together yet. Discussion continued including the parking issues, Hitching Park is now 54 stalls and with the redesign an additional 4 or so. Noeldner asked if the \$100/sq.ft. cost was something that could be lowered and Gorman stated that it is a realistic cost and with a historic building any number of problems can arise.

8. **VILLAGE BOARD’S CONSIDERATION OF APPROVING ENGAGEMENT LETTER FOR FINANCIAL ADVISORY SERVICES FOR RED BRICK PROJECT.** Gracz referred to the engagement letter from Ehlers & Associates. Gracz noted that the Village’s financial advisor Mitch Milheim has left the firm and he and Hoelt have confidence that Mike Harrigan has the experience to handle this project. Gorman has signed a Reimbursement Agreement with the Village and Board approval is needed to proceed. The Board agreed that it was a necessary expense to get an expert involved. **Mortensen moved to sign the agreement with Ehler’s & Associates for financial advisory services up to \$5,000.00. Second by Staton. Motion carried 5-0.**
  
9. **HISTORIC PRESERVATION COMMISSION AND COMMUNITY DEVELOPMENT AUTHORITY’S RECOMMENDATIONS TO BOARD TO SUBMIT TE GRANT.** Gracz

stated the Village has been working with the Historic Preservation Commission and Vandewalle & Associates to a new approach to putting in a TE Grant. It was noted that the Village has received two TE Grants already. This would be for the streetscaping—street lights, benches, etc. Tied into the application is the Hitching Park area since it is a potential regional head for the bicycle paths in southern Dane County. There was discussion. **McWilliams moved that the CDA support the submission of the TE grant. Second by Bergey.** Noeldner noted under #7 on page 2 that the category marked is “Historic Preservation” and he questioned whether that was correct. Gefke explained that it is her understanding in order to get these grant monies it needs to be transportation related and it had been discussed and determined to submit the application as such. She requested that the category be changed. There was discussion. **MacWilliams amended the motion to support the application subject to the category being determined. Second by Bergey. Motion carried.**

**Sever moved, second by Miller, to recommend the Village Board to approve submitting the TE Grant with the category change being determined prior to submitting. Motion carried.**

10. **HISTORIC PRESERVATION COMMISSION AND COMMUNITY DEVELOPMENT AUTHORITY’S RECOMMENDATIONS TO BOARD TO EXTEND AGREEMENT FOR HITCHING PARK DESIGN SERVICES – VANDEWALLE AND ASSOCIATES.** Gefke referred to the email from Vandewalle & Associates recommending the Village extend the contract term for the Hitching Park design services with them since the current contract is due to expire next week. **Miller moved to recommend the Village Board extend the contract with Vandewalle & Associates for the Hitching Park Design services. Second by Sever. Motion carried.**

McWilliams asked CDA members for any discussion. There was none. **McWilliams moved to recommend the Village Board extend the contract with Vandewalle & Associates for the Hitching Park Design services. Second by Deitz. Motion carried.**

11. **VILLAGE BOARD’S CONSIDERATION OF SUBMITTING TE GRANT TO STATE OF WISCONSIN.** Staton moved to approve submitting a TE Grant to the State of Wisconsin contingent on review by Vandewalle & Associates for the appropriate category to be marked for enhancement (#7, pg. 2). **Second by Noeldner. Motion carried 5-0.**
12. **VILLAGE BOARD’S CONSIDERATION TO EXTEND AGREEMENT FOR HITCHING PARK DESIGN SERVICES.** Noeldner moved, second by Poole, to extend the Vandewalle & Associates Agreement for Hitching Park Design Services. **Motion carried 5-0.**
13. **ADJOURNMENT – HPC.** Kay moved, second by Noeldner, to adjourn at 6:12 p.m. **Motion carried.**
14. **ADJOURNMENT – CDA.** Bergey moved, second by McWilliams, to adjourn at 6:12 p.m. **Motion carried.**

A short recess was taken and the Board reconvened at 6:20 p.m.

15. **APPROVAL OF VOUCHERS.** Noeldner moved, second by Poole, to approve payment of vouchers for the Water and Sewer Utility Funds in the amount of \$22,351.56 per the list dated April 3, 2006. **Roll call vote: Klimke – yes; Noeldner – yes; Poole – yes; Mortensen – yes; Staton – yes. Motion carried 5-0.**

**Staton moved, second by Poole, to approve the payment of vouchers for the General Operating Fund in the amount of \$93,407.91 per the list dated April 3, 2006. Roll call vote: Klimke – yes; Noeldner – yes; Poole – yes; Mortensen – yes; Staton – yes. Motion carried 5-0.**

16. **APPROVAL OF MINUTES 3/20/06.** Poole moved to approve the minutes of the regular Village Board meeting of March 20, 2006. Second by Noeldner. Motion carried 5-0.
17. **COMMUNITY INPUT.** None.
18. **PUBLIC APPEARANCES AND PUBLIC HEARINGS.** None.
19. **COMMUNICATION AND MISCELLANEOUS BUSINESS.**
  - a) Village Appointments to Village/School District Joint Committee: Trustee Staton and Village Administrator Gracz. It was noted the President Luebke appointed Trustee Staton and Village Administrator to the Joint Committee and the School District's appointments are Andy Weiland and Courtney Odorico.
  - b) Declaring Village Property Surplus for Auction. Gracz referred to the list of property from the Police Department, the Municipal Court and the Senior Center. **Poole moved, second by Staton, to approve the property listed for sale at the surplus action. Motion carried 5-0.**
20. **REPORT OF OFFICERS.** Johnson noted that tomorrow (April 4<sup>th</sup>) is Election Day. The polls are open from 7:00 a.m. to 8:00 p.m.

Gracz referred to items distributed just prior to the meeting identified as item #21(c). He noted that the request by Noeldner to include an item on the agenda was overlooked and there was going to have to be a special meeting prior to the April 15<sup>th</sup> deadline for submitting a letter to the WisDOT.

Below reminded residents that brush pickup begins the 2<sup>nd</sup> Monday in April and runs through the second Monday in October.

21. **REPORT OF COMMITTEES**
  - a) Public Works & Utilities 4/30/06.
    - 1) Consideration to Hire E80 Plus Contractors to prepare a cost estimate for replacement of Jefferson Street Railroad Bridge. These costs will be shared with the City of Fitchburg. **Poole moved to authorize a contract with E80 Plus Contractors, LLC, of DeForest, WI, in the amount \$2,391.00 (the Village's portion) to draft a cost estimate to replace the railroad bridge on Jefferson Street. Noeldner seconded.** Poole stated this will give the Village the information it needs as far as cost to replace the bridge, and to get an estimate on what it would cost to widen the road. **Motion carried 5-0.**
    - 2) Discussion of Recommendations from SEH regarding Alpine Business Park Bid Document. Poole noted this includes three separate motions that have to do with the Alpine Business Park bid. **Poole moved to authorize the Public Works Director to change the sanitary sewer size in the bid from 12" to 15" for sanitary sewer from Netherwood north on Cusick Parkway at a cost difference of \$141,265.00. Second by Mortensen.** Poole stated the original bid went out with a 12" sanitary sewer request with a 15" alternate on the bid and it came back saying that the 12" sewer would only be four feet below ground and that to service any future business parks to the west of Cusick Parkway and to the north into the Jt. Business Park a lift station would have to be added. In that the Village is not looking to make anymore lift stations and the cost difference being considerably more for the lift station, the Committee felt it prudent to increase the pipe diameter to 15", allowing for it to be buried 4-5' deeper than 12" pipe and it should be able to handle any future expansion north and west. **Motion carried 4-1, with Noeldner opposed.**

**Poole moved to authorize changing the road surface on Cusick Parkway north of Netherwood—basically the intersection of Cusick and Netherwood Road—to a 9” concrete over 6” aggregate at an additional cost of \$106,000.00 from the current design being a 4” asphalt pavement over 10” aggregate. Second by Mortensen.** Poole noted that SEH Engineers has advised that with the addition of truck traffic, semi traffic, future expansion of the business park, the road leading out of the business park on Cusick Parkway, the road would start to develop ruts after 4-5 years and is recommending the installation of concrete in that area. There was discussion. Noeldner stated his objection on the basis that he feels most of the traffic should be routed on Braun Road in which case there wouldn't be a lot of concrete truck traffic on this road and therefore save the cost. Klimke stated that by having two exits out of the park area it makes sense to have concrete roadway into both areas. There was discussion. Noeldner asked why they were seeing changes in the initial proposals—asking why they started out with a thinner road pavement and a smaller sewer pipe. Below stated that most everything that has been done to date was done on a preliminary level and now they are actually getting out into the field and doing topographical work and laying things out. He stated this is typical once you get into a project. There was further discussion. Poole noted that the Committee recommended when the Village does go out for the extension of Braun Road that concrete should be looked at right from the onset of the bidding process. **Motion carried 4-1, with Noeldner opposed.**

**Poole moved to authorize the movement of the water main from the east side of Cusick Parkway to the west side due to the location of a pond on the east side. Second by Mortensen.** Poole stated the water main is on the east side and it needs to be changed because of the location of the pond. Klimke asked if there would be additional costs involved and Below stated there would not be. Noeldner asked if the business park is developed to the west of that then as he understood it that would make for an easier hook-up. Below stated it was more related to storm water piping and paths. **Motion carried 5-0.**

Recommendation to Submit. **Poole moved, second by Noeldner, to submit the Bike Path Grant request to Dane County.** Below stated that along with the letter he will be sending a copy of the plans for the bike path along Jefferson and Alpine Parkway and the cost estimates that have been received to date. **Motion carried 5-0.**

b) Personnel, Public Safety & Protection 3/27/06.

- 1) Revising Liquor License Grant Application including calculation worksheet. **Staton moved to accept the revised liquor license grant application including the calculation worksheet. Second by Poole.** Mortensen said from what he recalls when this first came up, this only takes care of half of it. There is confusion about what to include. At the Finance Committee it was decided to do the grant in two parts—the economic development portion of the grant and then potentially looking at a point system for renewals. Chief Pettit stated it was his recollection that there were two levels—one was the economic development grant reimbursement and the second is the criteria for a 6-month trial period after they get their license. Pettit stated they are also looking at an alcohol review point system for renewal of already established liquor licenses. Mortensen stated some of the discussion previously for the grant was to make it an economic incentive as well as an incentive to run a clean business. Maybe look at the number of complaints over a set period. Mortensen said he didn't know how to do that administratively. Pettit said they need to establish a complaint process. In most of the systems Pettit has looked at there are three levels of severity as to complaints against a liquor establishment and that could be encompassed in the grant application process. Pettit stated he thought it might get too cumbersome if included in the grant process but stated it should definitely be included in the annual review of the license renewals. There was further discussion including what the Board wants to include on the grant application insuring that a system is not set up where the owners or employees would be reluctant to

contact the Police Department for assistance and so forth. Pettit stated there are actually two review processes—one for the economic grant and the other for liquor license renewals of the establishments. Discussion continued. Mortensen stated maybe the economic portion could indicate what the maximum is that a license holder could get but it would depend upon whether there were complaints over a certain established period of time—say six months. Discussion continued including encompassing the additional language in the second paragraph under applicant's eligibility section of the application. Application would have to be reviewed on a case-by-case basis. Mortensen stated the computation worksheet would need to be reviewed again to see if it works that way. It was agreed to send this back to the Finance Committee for its May meeting. **Staton withdrew the motion and Poole withdrew the second.**

c) Committee Minutes Not Requiring Action.

1) COA 2/9/06

22. **UNFINISHED BUSINESS.** None.
23. **NEW BUSINESS.** None.
24. **ADJOURNMENT.** At 6:45 p.m., Noeldner moved to adjourn the Village Board meeting. Second by Staton. Motion carried 7-0.

Minutes submitted by  
Georgia Johnson,  
Village Clerk