



Whitewater CDA

MINUTES

Monday, August 24, 2009
4:30 PM – CDA Board of Directors
2nd Floor - Cravath Lakefront Conference Room
Whitewater Municipal Building
312 W. Whitewater Street
Whitewater, WI 53190

1. Call to order and roll call

Tom Miller called the meeting to order at 4:32PM.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum @ 4:50PM

Absent: Stanek

Others Present: Mary Nimm, Kevin Brunner, Doug Saubert, Dave Zepecki, Bud Gayhart

2. Approval of the Agenda

Jeff Knight motioned to approve the agenda, moving the closed session item #11 up to #6 due to posted time of 4:35PM. Allen seconded.

Ayes: Allen, Knight, Marshall, Miller, Stewart

Nays: None

Absent: Stanek, Kienbaum

The motion to approve the agenda passed unanimously on a voice vote.

3. HEARING OF CITIZEN COMMENTS. *No formal CDA Action will be taken during this meeting although issues raised may become a part of a future agenda. Items on the agenda may not be discussed at this time.* **NO CITIZEN COMMENTS**

4. Approval of the July 27, 2009 Minutes

Marshall motioned to approve the July 27 minutes. Allen seconded.

Ayes: Allen, Knight, Marshall, Miller, Stewart

Nays: None

Absent: Kienbaum, Stanek

The motion to approve the amended July 27 passed unanimously on a voice vote.

5. June and July, 2009 Financial Reports

Saubert noted a new loan is in process in the Housing Loan Program.

Nimm noted that the Learning Depot has missed two payments and that she will be calling them this week.

Allen motioned to accept the June and July 2009 financial reports. Marshall seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Kienbaum

Nays: None

Absent: Stanek

6. Whitewater University Technology Park Update and Discussion

- a. Innovation Center** – Brunner noted Innovation Center planning is going well. Design of Innovation Center continues. Immediate attention is to work on securing tenants. Applying for grant to pay for geothermal technology. Brunner asked the CDA what they want to see before the ground is broken for the Innovation Center – tenant leases, no tenant leases?

Marshall would like to have at least one tenant lease secure.

Brunner – noted CDA would own building, \$2m from grant, there will be a need to finance just over \$2.5m. Would have to make sure to secure cash flow to pay for dept service. PILOT will be paid to TID 4 to help pay-off some of the debt.

Gayhart – also pursuing alternatives for private investments.

Brunner – timing is very important in this. This has been an amazing success story.

Knight – Energy Independence Office has been in communication with TPB.

Allen – looked at wind turbine?

Knight – hopes that PR's will be ready to go at announcement.

Knight motioned to approve the grant application with Focus on Energy for Funding for Geothermal....

Allen seconded.

Ayes: Allen, Knight, Marshall, Miller, Stanek, Kienbaum

Nays: None

Absent: Stanek

- b. EDA Grant Status** – Waiting on EDA Grant hope to hear yet this week.

- c. **Ground Breaking** – October 28 for the Innovation Center @ 3PM. September 29 for road-renaming and technology park designation @ 4PM.

7. Discussion and Possible Action Plan for TID 6

Nimm noted that this item was here at Knights request. Knight is asking what the plan for TID 6 should be in response to a request for funding assistance with a private re-development request. There is potential for redevelopment in TID 6.

Brunner – could help with elimination of blight. The rule was based on a percentage of total investment would be the incentive at approx \$26,000 per million of private investment.

Knight – how do these projects compare?

Brunner – TID 6 has been created, must borrow for project, need to be sure there is revenue to pay-off debt.

Knight – with blight elimination would there be a better deal?

Brunner – neither Nimm or Brunner has worked on redevelopment project in the last month.

Knight – should review other projects and use some consistency on comparables.

Brunner – on an increment of \$1m, the ROI is approx \$25k.

Knight – would like to find a way to help.

Brunner – would like to keep the funding for blight elimination only.

8. Discussion and Possible Action on Construction Management Contract with JP Cullen for construction of Innovation Center

Brunner – received a memo, it has been recommended by Tech Park Board to enter into a construction management contract with JP Cullen. Selected: lowest cost, local firm-122 families employed within 22 miles of Whitewater, very interested-company support

MEMORANDUM

TO: Whitewater Community Development Authority

FROM: Kevin Brunner, City Manager

DATE: August 19, 2009

RE: Approval of Agreement between the City of Whitewater and J. P. Cullen & Sons for Construction Management Services for the Whitewater Innovation Center.

I am pleased to bring to you a recommendation from the Whitewater University Technology Park Board of Directors to hire J. P. Cullen & Sons, Inc. to provide construction management services for the planned Whitewater Innovation Center building project. J. P. Cullen and Sons was selected by a subcommittee of the Technology Park Board consisting of Bud Gayhart, Jeff Knight and myself (with consultation from Project Architect Cliff Goodhart of Eppstein Uhen and Associates) from eleven firms that submitted proposals solicited for these services. I am attaching a copy of the RFP which was solicited for your information because it contains in much more abbreviated form than the actual contract what services will be provided by J. P. Cullen as well as the project schedule.

J. P. Cullen & Sons will be providing pre-construction services at no cost and then will receive 1.75% as a fee for construction management services. In addition, the firm would receive 1.75% as a fee on any change orders required for the project. The only other payment to Cullen would be for reimburseables, a list of which is also attached.

In addition to submitting the lowest fee percentage for construction management services for this project of the eleven firms that submitted proposals, Cullen also impressed the selection committee and the Technology Park Board with their green and sustainable building project experience, large number of local workers who could be employed on this project by Cullen if they successfully complete and receive the bids for the project construction, the interest and enthusiasm that Cullen's executive management team showed for this project as well as Cullen's overall financial strength. Clearly, all three firms selected to make final presentations for this project (which included Findorff Construction of Madison and Miron Construction of Neenah) could have performed these services for the City and CDA, but a combination of the fee structure coupled with the local impact that hiring J.P. Cullen would have tilted the recommendation in Cullen's favor.

Cullen will be allowed to self-perform work on this project but will have to do so on a competitive bid basis. By this, the entire project will be hard bid, however, Cullen will be allowed submit a sealed bid one day in advance of the other firms that might submit bids in order to promote competition and fairness in the process. It is anticipated that there will be two phases of bidding: One for the foundation and related site work and then one for the rest of the construction related work.

Again, we are very pleased to recommend hiring of J. P. Cullen & Sons to provide construction management services on this important project. This will be the first building in the City's new technology park. Jeff Knight and I will be available to answer any questions at next week's meeting regarding this recommendation. If you have any questions in the interim please feel free to contact me.

Cc: Mary Nimm

Gayhart – eliminated other two competitors based on merit.

Marshall motioned to enter into Construction Management Contract with JP Cullen for construction of Innovation Center giving the City Attorney the authorization to finalize the contract with City Manager approval. Allen seconded.

Ayes: Allen, Marshall, Knight, Miller, Stewart, Kienbaum

Nays: None

Absent: Stanek

The motion to approve entering into Construction Management Contract with JP Cullen for construction of Innovation Center passed on a roll-call vote.

9. Update on Development Agreement with Keller Inc on Spec Building

Zepecki – the closer we get the slower things go. Waiting on private investor, exploring other investment opportunities. More discussion with Keller on 8/25/2009.

10. Business Park Marketing Committee Update

a. Status of Marketing Campaign

Knight – talked about continuing to keep WW name in public. Talked about major announcements to Keller deal. Zepecki assist CDA with press release for Keller building.

Keller, Tech Park/Road Announcement, Innovation Center Announcement

Follow-up packages in result to mailings with competitive advantages of being in Whitewater. Calls being made to IL firms, none to WI firms due to non-compete agreement in WI.

11. Adjourn to closed session at approximately 4:35PM to reconvene at approximately 5:15PM Per Wisconsin Statute 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

a. Request to Re-Negotiate Economic Development Loan Terms with Zingg Motors

Tom Miller called to adjourn to closed session at 4:45PM. Allen seconded. Gayhart invited to attend closed session.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum

Absent: Stanek

Others Present: Mary Nimm, Kevin Brunner, Gayhart

12. Reconvene and Roll Call

Allen Motioned to reconvene to open session at 4:47PM. Marshall seconded.

Present: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum

Absent: Stanek

Others Present: Mary Nimm, Kevin Brunner, Gayhart

13. Discussion and Possible Action on Request to Re-Negotiate Economic Development Loan Terms with Zingg Motors

Al Marshall motioned to approve the extension of 1 year on the loan term with a balloon payment due in July 2010 if approved by commerce. Allen seconded.

Ayes: Jim Allen, Jeff Knight, Alan Marshall, Tom Miller, Al Stanek, Jim Stewart, Marilyn Kienbaum

Nays: None

Absent: Stanek

The motion to approve the extension of a 1 year on the loan term with a balloon payment due in July 2010 with Zingg Motors if approved by commerce passed on a roll-call vote.

14. CDA Coordinator

a. First Time Homebuyer Workshop

Nimm reported she is planning an October 17th First Time Homebuyer Workshop to be held at the Cravath Lakefront Center.

b. Landscaping at Enterprise and Commercial Entrances

Nimm reported that the landscaping at the Enterprise and Commercial Drive entrances to the Business Park is completed. Total out of business development fund costs are @ \$3,165.00

15. Future Agenda Items

Knight – East Gateway Redevelopment

16. Adjourn

Stewart motioned to adjourn at 5:55PM. Kienbaum seconded.

Respectfully Submitted,

Mary S Nimm
Coordinator, CDA