

COMMUNITY DEVELOPMENT AUTHORITY
May 4, 2016

CDA20160504-1
UNAPPROVED

A regular meeting of the Community Development Authority of the City of Cedarburg, Wisconsin, was held on Wednesday, May 4, 2016 at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers.

The meeting was called to order by Mayor Kip Kinzel at 7:15 p.m.

Roll Call: Present - Mayor Kip Kinzel, Eric Stelter, Dale Lythjohan, Andy Dettro, Eric Arvold, Joe Kassander

Excused - Council Member Mitch Regenfuss

Also Present - City Administrator/Treasurer Mertes, City Attorney Mike Herbrand, City Planner Jon Censky, Attorney's Charles Sweeney and Matt Leffler, Council Member Patricia Thome, DJ Burns

STATEMENT OF PUBLIC NOTICE

Mayor Kinzel acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

COMMENTS & SUGGESTIONS FROM CITIZENS – None

APPROVAL OF MINUTES

Motion made by Eric Stelter, seconded by Dale Lythjohan, to approve the April 13 and April 19, 2016 minutes. Motion carried without a negative vote with Council Member Regenfuss excused.

NEW BUSINESS

Discussion and Possible Recommendation to Council to Hire Ehlers for Purposes of Advising and Assisting in the Redevelopment of the Amcast Property and Possible TIF District Creation; and Action Thereon

Attorney Herbrand recommended that Ehlers be hired to review the proforma numbers for the Amcast remediation and redevelopment. Eric Stelter asked if Ehlers could use the developer's plan. Attorney Herbrand explained that the information could be used but Ehlers will be looking at the numbers to see if the project is feasible as a TIF. Developer DJ Burns stated he would work with Ehlers on the plan.

Motion made by Eric Stelter to recommend the Council hire Ehlers for the purposes of advising and assisting in the redevelopment of the Amcast property and possible TIF District creation for

a total not to exceed \$15,000. Motion was seconded by Joe Kassander and carried unanimously with Council Member Regenfuss excused.

Review and Discussion of Proposed Frequently Asked Questions Related to the Possible Redevelopment of the Amcast Property; and Action Thereon

Attorney Sweeney handed out a draft document of frequently asked questions for the members to review and make suggestions for any changes. Eric Stelter felt the health concern question was extremely important. Attorney Sweeney stated the document was not a public document at this time as it is still in draft form. Once the document is final, it will become public. The members will review the document, send City Administrator/Treasurer Mertes any suggestions for changes, and take action at the next CDA meeting.

Update of Status of Negotiations of Acquisition of the Amcast Property from DJ Burns; and Action Thereon

DJ Burns explained that the EPA was waiting on a response from the CDA. He stated the FAQs would help any misinformation on the project. Having the CDA in place may allow for additional grant funds. The planned procedure for property transfer, to allow for the required protections to the CDA, would be an immediate transfer to the Oliver Fiontar, LLC.

In answer to Andy Dettro's question, Attorney Sweeney stated that this transfer process does not add liability to the City.

DJ Burns stated the perspective purchaser agreement was no longer being sought by the EPA. Eric Stelter asked DJ Burns what the next step was and he stated there could be a presentation to the Plan Commission and Common Council.

Update on Back Taxes Related to the Amcast Property; and Action Thereon

City Attorney Herbrand discussed the back taxes that were outstanding on the Amcast property. In answer to Eric Arvold's question, City Attorney Herbrand stated the total amount of taxes is approximately \$97,000 and the penalty and interest approximately \$160,000. City Attorney Herbrand talked to the County Treasurer and County Counsel about the outstanding taxes. The County Counsel will research options available and work with the City because of the current state of the property. The County would like to see the property back on the tax roll. City Administrator/Treasurer Mertes will review the outstanding charges from the City on the parcels, due to property maintenance.

Consider Recommendations to Common Council to Hire an Environmental Consultant for the Amcast Site; and Action Thereon.

City Attorney Herbrand stated the environmental consultant would assist the City with review of the project. The consultant would be able to verify if the costs are reasonable. Dale Lythjohan asked if the consultant would review the record of decision from the EPA. Attorney Sweeney suggested the consultant could work with DJ Burns to learn the history of the property. The

consultant could possibly recommend options to different stages of the remediation that are more cost effective. It would be a check and balances oversight.

In answer to Mayor Kinzel's question, Attorney Sweeney stated that yes; DJ Burns would be under scrutiny during the project by the EPA. The consultant would be part of the City's team to help answer questions.

Eric Stelter stated that sometimes consultants create more costs, find things wrong to create more work. Attorney Sweeney stated the City's environmental consultant would be advisory only and the scope of work would be included in the consultant's contract.

Staff will work on defining the scope of work for the consultant. It should include the review of the finance components of the project, milestones, and red flags.

City Administrator/Treasurer Mertes was asked what she discovered in talking to the three recommended consultants. She explained that all firms understood the work that would be expected and each would be able to talk in layman's terms to help the City understand EPA reports and progress of the remediation. At the next meeting the members will review the resumes of the consultants and make a recommendation to the Common Council. Also for review, staff will have sample contract language for the scope of work.

Identify Future Agenda Items and Meeting Date; and Action Thereon

Andy Dettro asked if future agendas could be emailed to the members. It was a consensus that email was the preferred method of delivery except for Eric Arvold. He would still like a hard copy mailed to him.

The next meeting date is scheduled for Tuesday, June 7 at 7:00 p.m.

Discussion and Understanding the Bounds and Restrictions of the Community Development Authority and Commissioners and how the CDA will Communicate with City Staff and the Common Council; and Action Thereon

Eric Stelter stated he requested this item be on the agenda, due to miscommunication with City Administrator/Treasurer Mertes on the distribution of the CDA introduction letters.

City Attorney Herbrand stated it is okay for the Commissioners to talk to residents, but they are not to make any promises and that needs to be known upfront with the property owner. The letter was just meant to be a meet and greet; an introduction to the new CDA.

ADJOURNMENT – CLOSED SESSION

Motion made by Mayor Kinzel, second by Eric Stelter to adjourn to closed session at 8:30 p.m. pursuant to State Statutes 19.85(1)(e) to deliberate or negotiate 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, specifically, for purposes of further negotiations with DJ Burns with regard to the possible redevelopment of the Amcast property. Approval of the April 13, 2016 closed session minutes. Motion carried on a roll call vote with Andy Dettro, Joe Kassander, Mayor Kinzel, Dale Lythjohan, Eric Stelter and Eric Arvold voting aye and Council Member Regenfuss excused, motion carried.

RECONVENE TO OPEN SESSION

Motion made by Mayor Kinzel, seconded by Dale Lythjohan, to reconvene to open session at 10:12 p.m. Motion carried on a roll call vote with Andy Dettro, Joe Kassander, Mayor Kinzel, Dale Lythjohan, Eric Stelter and Eric Arvold voting aye and Council Member Regenfuss excused.

ADJOURNMENT

Motion made by Dale Lythjohan, seconded by Mayor Kinzel, to adjourn the meeting at 10:13 p.m. Motion carried unanimously with Council Member Regenfuss excused.

Christy Mertes
City Administrator/Treasurer

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