

CITY OF WAUWATOSA

MEMORIAL CIVIC CENTER
7725 WEST NORTH AVENUE
Telephone: (414) 479-8917
Fax: (414) 479-8989

BUDGET & FINANCE COMMITTEE MEETING

Tuesday, April 13, 2004

Committee Room #2

PRESENT: Aids. Bruderle-Baran, Casey, Grimm, Matthews, McCarthy, Stepaniak, Subotich – 7

EXCUSED: Ald. Jenkins

ALSO PRESENT: T. Wontorek, City Admin.; B. Aldana, Asst. City Atty.; N. Welch, Comm. Devel. Dir.;
W. Kappel, Public Works Dir.; W. Wehrley, City Eng.; J. Plass, Accounting Mgr.

Ald. Stepaniak as Chair called the meeting to order at 8:02 p.m.

Contract with Graef, Anhalt, Schloemer & Associates (GAS) for construction inspection services

Mr. Wehrley said this is the second year of a three year agreement with Graef, Anhalt, Schloemer & Associates (GAS). The terms of the agreement allow for an annual adjustment in construction inspection hourly fees. The 2003 Technician III bill-out rate was \$47 per hour all inclusive. They were able to negotiate with GAS to limit the bill-out rate to only 3.2% increase over last year or \$48.50 per hour. He added that the number of inspections GAS performs for the city should remain steady. He recommended acceptance of the proposed 2004 hourly rates and fee schedule.

Moved by Ald. McCarthy, seconded by Ald. Casey to recommend approval of the proposed 2004 hourly inspection rates and fee schedule --

Ald. Grimm expressed concern that outside inspection contractors may attempt to pad their bill to the city. He asked if the city could use in-house inspectors. Mr. Wehrley responded that the benefit of using consultants is that as the construction season gets busier, the city can call them and have a rapid response within a day or two. The city does have one in-house inspector whose schedule is completely full. The department had looked into a second in-house inspector, but found it was not cost effective.

Vote on the motion was Ayes: 6, Noes: 1 (Grimm)

Request and petition from Richard Achter, 1745 N. 116th Street for compensation for paving of N. 116th Street

Richard Achter 1745 N. 116th Street, presented a home video of the cracks he observed in the year-old paving job on the streets surrounding his neighborhood.

Gloria Stearns, 1815 N. 116th Street, said the cracks appeared one year after the work was done and the sod that was put down looks very bad. She said the residents are asking for a refund of some of the special assessment bills they paid. She expressed concern about the real cost in the future.

Mr. Kappel said they have not finalized the contract on the sod work. He added that his department is not satisfied with the sod patching that was done. He explained that the street paving is asphalt over a concrete base. When this is done, there is always a situation called reflective fractures. This can only be avoided by getting a contractor that will give some kind of guarantee, but the best offer he has seen is a two year warranty at double the cost. He said the cause of reflective fracturing is shifting temperatures during the winter months which tend to cause shifting of the earth underneath the asphalt surface. The presence of reflective fracturing does not affect

the long term life of the pavement. He assured the residents that the paving job will last approximately 36 years before there is a need to repave and approximately 76 years before they need to resurface the road. In the meantime, the city does scheduled maintenance of the surface by crack sealing and seal coating. He said they did proper preparation of the surface by a process called rubbleizing which does not guarantee that there won't be cracking. He added that the cracking does not indicate a substandard result. Ald. Casey noted that the Portland cement underneath the asphalt contains expansion joints. He asked if the area was prepped prior to the paving. Mr. Kappel responded that they did subsurface patching.

Ald. McCarthy said the deplorable condition of the sod work needs to be the first priority. He said this is a street very near to his residence and he can see the cracks as well. He asked if there was anything that could be done this year. Mr. Kappel responded that at this point, they would like to see what the pavement does during the hot summer months. He was confident that the warmer weather will pull the sides of the cracks together. He stressed that this is the worst time of the year for pavement and there should be some level of resealing as the weather gets warmer. He reiterated that the integrity of the road is not compromised. He offered to inspect the area toward the end of August; however, he wasn't anticipating the cracks getting any worse.

Ald. McCarthy asked at what point the contractor gets paid. Mr. Wehrley responded that the final payment is 5%, but they cannot withhold the payment because the work is not considered substandard. Pavement cracks are expected. Mr. Kappel noted that the residents were never promised a perfect surface either in notices or the public hearing. He is ready to bring in professionals to give their opinion if needed. Both he and Mr. Wehrley stated that they could not declare the pavement job defective and withhold payment.

Moved by Ald. McCarthy, seconded by Ald. Subotich to recommend that the matter be held until the first committee meeting in September to review the entire project including the landscaping and to make copies of the inspector's daily reports available to the committee --

Ald. Subotich asked how the cracks could reseal. Mr. Kappel responded that the cracks are at their widest in the winter and in the summer they shrink closer together. Ald. Subotich asked if the cracks could be filled in September. Mr. Kappel said they could do that if there was a reason, but crack filling is not usually done within the first year of a paving job. He stressed that asphalt is more pliable than concrete and more susceptible to temperature fluctuations.

Ald. Grimm asked how the inspection of a paving project is documented. Mr. Wehrley said the inspector fills out a daily diary. Ald. Grimm asked for a copy of the daily report for the paving project and the sod work on N. 116th Street. Mr. Kappel assured the committee that the bad condition of the sod work is not disputed. He added that the engineers will walk from house to house to see the physical condition of the work that was done.

Vote on the motion was Ayes: 4, Noes: 3 (Casey, Matthews, Stepaniak)

Amendment to Tax Increment District (TID) #2

Ms. Welch said the city proposes to amend the project plan for Tax Increment District (TID) #2. The proposed project is the construction of a 475,000 square foot building for GE Healthcare Systems – Information Technology and e-Commerce divisions located in the Medical Research Park. The estimated construction costs are approximately \$85 million. In order to make it possible to provide the amount of parking required for the building, the city will provide approximately \$15 million for the construction of structured parking and some additional surface parking spaces. The city will also provide the following: 1) a second mortgage loan to the Edison Technology Center, LLC, and 2) the Redevelopment Authority will purchase the land from Milwaukee County for \$2.61 million and lease the land to Edison Technology Center. The city will also use some of the funds from the amended Tax Increment District (TID) #2 for associated professional fees and costs related to financing the necessary traffic improvements, storm water modifications, and potential public safety improvements. She recommended approval of the amendment.

Ald. Bruderle-Baran commended Ms. Welch and Mr. Braier, Finance Director for their work on this project.

Moved by Ald. Bruderle-Baran, seconded by Ald. Matthews to recommend approval of the amendment to TID #2 – 7

Vouchers

<u>NAME</u>	<u>AMOUNT</u>	<u>FOR</u>
D. Collins	\$45.00	Police – 3/21-3/23/04 – Appleton Criminal Profiling
J. Farina	\$39.79	Police – 3/22-3/26/04 – Blackhawk Tech. Coll. Field Training Officer Training Course
Fred Carsky	\$45.00	Police – 3/21-3/23/04 – Appleton Criminal Profiling
B. Skornia	\$45.00	Police – 3/22-3/26/04 – Racine PATC – Detective and New Invest. Training
C. Anderson	\$121.93	Health – 4/5-4/6/04 – Madison WI Tobacco Control Conference
J. Wojcehowicz	\$62.50	Water – 4/7-4/8/04 – Green Bay WI Rural Water Conference

Moved by Ald. Casey, seconded by Ald. Matthews that the vouchers be allowed and paid – 7

Property tax refund claim of Covenant Healthcare Inc. located at 10010 W. Blue Mound Road, 201 N. Mayfair Road, and 4500 Harley Davidson Avenue;

Ald. Bruderle-Baran left the meeting at 8:59 p.m. and recused herself from the Covenant Healthcare, Inc. property tax refund claims.

Moved by Ald. McCarthy, seconded by Ald. Casey to convene into closed session per Wis. Stat. 19.85(1)(g): Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, and may reconvene into open session – 8

The committee convened into closed session at 9:00 p.m.

Moved by Ald. Matthews, seconded by Ald. McCarthy to recommend denial of the property tax refund claim of Covenant Healthcare, Inc. – 7

The meeting adjourned at 9:08 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

svh