

**Special Village Board Meeting
March 05, 2018**

Board Present: Trustee Trentadue, Trustee Benkowski, Trustee Wanggaard, Trustee Prott, Trustee Willing and President Dobbs.

Absent: Trustee Wishau

Staff/Others: HR Director Toni Muise, Public Works Director Tom Lazcano, Highway Superintendent Bill Jacoby and Financial Coordinator Dave Wagner

1. Call the meeting to order.

President Dobbs called the meeting to order at 6:00 p.m., at Village Hall, located at 5043 Chester Lane, Racine, Wisconsin.

2. Presentation by Kueny Architects and Camosy Construction on the new proposed Highway Department Garage.

Jon Wallencamp of Kueny Architects had a presentation prepared of what they've compiled thus far and was seeking direction from the Board. They proposed two different options. Option 1 is total demolition of the preexisting village hall and construction of a new building in its place. Option 1 would be more costly and would require use of greenspace on site and a new storm water management pond(s). Option 2 would incorporate the existing facility (9000 square feet) and repurpose the structure into a new design. The structural elements are in good shape and are fit to be reused. Everything else would be brand new, such as the electrical, plumbing, paint, furniture, etc. The office layout for the new Department of Public Works offices would be more accommodating to incoming staff. This option saves greenspace and helps limit the storm water management ponds that would need to be added to the site. The space also allows future growth options for possible expansion. The existing storage building would be used to store all the equipment and vehicles. The new repair bay shown would repurpose the existing repair bay and encompass the structural elements. The existing office space is currently a split level. The plan is to create one level instead of the costly task of installation of an elevator. They would bring the floor level to a 0/0; this would also raise the ceilings. There are a variety of ways to level the floors and there are plenty of options in terms of grading (geofoam, concrete, dirt, etc.). To renovate the old building it would cost \$92 a square foot whereas new it would cost \$200 per square foot.

Trustee Willing asked if any of the existing village hall was presented in this. Wallencamp stated the entire structure will be repurposed and the plan they have fits well with the existing structure. The vehicle parking/repair bay will take the outer walls down and plans to incorporate the existing steel columns and joists heads. The new repair bay will be a little higher but won't affect the layout.

Trustee Trentadue wanted to know about the integrity of the structure. She was hesitant because of water leaking into the building. Wallencamp stated that the whole roof will be replaced and the concrete blocks have had the water wept out and if satisfactory could be reused. These are options and if the entire structure needs to be demoed it can be. Trustee Wanggaard has issues with the old building and also expressed concern with water leaking

into the structure and thought that the moisture was not weeping out from the concrete. He considered that keeping the building posed a possible detriment to an important project. Atmospheric tests would need to be done in order to discover any mold issues and ensure that the tests are taken in the right area/season. His concern extended to the longevity of the building as well and Wallencamp felt it could survive another 50-100 years.

There was discussion about whether or not to repurpose and save money or just level the building entirely. Trustee Willing pointed out the difference of cost is nearly \$500,000. The structure has value and if the building is deemed reusable, it would be ensured that it is a healthy and safe building to operate in. The costs for researching asbestos and mold would need to be done regardless of the option chosen.

The new footprint including the existing village hall at 37,000 square feet. President Dobbs felt that they wanted to initially downsize the building and that this presentation shows a larger expansion. Trustee Prott thought if something new was being constructed it should accommodate the equipment currently owned and build necessary storage for future growth. It would be a waste to accommodate only our current needs and not plan for future expansion. Trustee Trentadue thought there would be opportunity to expand in the future if need be. Roger Gast was present and would possibly be interested in selling the property that is currently the yard waste site and the storage garage sits on.

There was discussion about how the equipment in the highway garage would be stored and moved in a day-to-day fashion. A "U" shaped drive space was recommended because of the efficiency of storage. Bill Jacoby stated they didn't want so many garage doors because they are high maintenance and expensive, especially in terms of heating. Jacoby felt that many buildings that were sold this year were previously used for storage. With that loss of storage some equipment must be stored outside which leads to more maintenance. There was also discussion on equipment needed by The Highway Department; there is a need for a hydraulic lift and possibly an oil bar.

Trustee Benkowski felt it would be shortsighted to build a new facility short of the storage that is in current demand. He felt it was a given to reutilize the pre-existing structure. They were also looking into utilizing the space as much as possible and in the event of gaining more land, we could expand. In the short term, if the building were reduced, they would need to rebuild at a cost to improve in 10-15 years which may be more expensive given the current state. It's most logical to do it now. The building will be fairly modest, even if over budget. The second life of the structure would be built in an efficient matter and would be minimally executed.

President Dobbs confirmed that they are currently projecting 3.5 million with a contingency built in at \$125,000. The estimated price would include the equipment needs but have not gone into detail about what could be reused in regards to office equipment, toilets, etc. Cranes and lifts have not been included in the price either but might not be necessary to the project. The Village is tax exempt in buying material and can save on bonding as well.

There was further discussion on the cost between building a new structure versus repurposing the old space.

The yard waste site would be accessible to the public by adding a section of road to keep the public out of the Village's side. The road would need to be built perhaps a temporary stone drive so the public wouldn't have to drive through construction. Dave Wagner presented some numbers for a payment plan. The electronic memo sent to the Board Members presented a 3.5 versus 2.5 million dollar project. They found that the tax rate for debt

purposes would increase about \$.19 cents per thousand over the next couple of years and this project would add to the increase. The 2.5 million estimated project would increase the tax rate by around \$.27 cents per thousand compared to the \$.19 per thousand that's already scheduled. The 3.5 million estimated project would raise it to \$.31cents per thousand. Some examples included a \$200,000 home would see a \$27 increase annually. For a \$300,000 house it would be about \$56. The debt limit is in good shape, and would be at about 51% of the debt limit. There was also discussion about furniture, fixtures and equipment that is not included in the architects estimate and there's about \$220,000 in the budget available for those things so borrowing wouldn't be necessary. They could utilize the fund balance and could absorb about \$500,000 from fund balance on what's currently budgeted.

Motion by Trustee Wanggaard to adjourn until after the regular scheduled Board meeting. Seconded by Trustee Trentadue. Motion carried unanimously.

3. Discussion and possible action on item no. 2.

Motion by Trustee Wanggaard to reconvene at 7:21 p.m. Seconded by Trustee Trentadue. Motion carried unanimously.

Wagner's presentation and numbers show the Village coming out of old debt and what to expect with new borrowing. The difference between the two is about \$36 with or without the cost of the project.

There was discussion about taking on another big budget project. It was also discussed whether or not to push back this project for a year if timing was an issue. During that hold-off year, prices could increase and the issues discussed would still stand. There will always be other things to finance. The Police Department project could be held off as they aren't able to start without the Highway Department being finished and this project has been held off for many years as is.

The price presented is a rough estimate and could fluctuate up or down. A new budget could be constructed based on the new information gathered. A more accurate number could be given once it is decided what could be reused versus what needs to be purchased. Until it is put out for bids it is hard to pin down a solid number. With tariffs possibly being put into trade, all those commodities go up and prices can't be controlled. Now would be the time to do it. The building would be precast and manufactured in a closed environment, trucked on site and erected into place. It is very efficient and long lasting in regards to structure. The roof is made from bar joists and steel and a rubber membrane roof which could last 20-25 years and would house internal drainage.

Trustee Benkowski thought we would see labor shortages, cost increases (it would be 5-7% more costly in the future than now), inflation and felt our frugality got us in this issue in the first place. The building is modest, and most buildings are 3x larger for anticipated future growth. We are really only accommodating today's need and we are being fiscally cautious. Ad Hoc Committee would still be actively involved with the architects. Jacoby and the committee felt now is the time to do it.

Wagner wanted to know at what point is the figure locked down outside of unforeseen cost. Wallencamp said it's when the construction document is ready for bid and the bid packages have been formatted. Within 2 weeks of that Guaranteed Maximum Price (GMP) and that would have a 2% cushion to take care of any issues that might come up. Wagner wanted about 45 days GMP before we can lock in the money. From the time the GMP goes through

to when construction begins is about 20-40 day and an additional 30 days before the first draw is made.

President Dobbs asked if there was any Public Comment from the audience.

Fran Martin thought with the potential increase for the cost of steel and the arrival of Foxconn retaining many resources and workers, it doesn't make sense to push this project off. She felt it should be done now.

Trustee Prott wanted to know if the work completed thus far would be a starting point in negotiating to completion. The contract now brings us to the GMP portion and the full contract would be signed at that point and is just an attachment to the contract. Camosy Construction's goal is to push forward and they are aware of the timeframe.

Motion by Trustee Benkowski to proceed with the project as presented by Kueny Architects and further elaborated by Camosy Construction for budgetary numbers to proceed with the plan that was presented at 3.35 million with the intent of building occupancy in November of 2018. Seconded by Trustee Willing.

Roll call vote.

Trustee Benkowski – aye	Trustee Willing – aye
Trustee Trentadue – aye	Trustee Prott – aye
Trustee Wanggaard – aye	President Dobbs – aye

Motion carried unanimously.

4. Adjournment.

Motion by Trustee Wanggaard to adjourn. Seconded by Trustee Willing . Motion carried unanimously. Meeting adjourned at 7:58 p.m.

Respectfully submitted,

Joslyn Hoeffert,
Deputy Village Clerk