

**COMMUNITY DEVELOPMENT AUTHORITY**  
**MINUTES**

05/26/15

**MEMBERS PRESENT:** Russ Wilson, Andy Witt, Sarah Napgezok, Gary Gisselman, Dorothy Korzilius, Romey Wagner, David Welles

**MEMBERS ABSENT:**

**OTHERS PRESENT:** Ann Werth, Betty Noel, Juli Birkenmeier, Tammy Stratz, Kevin Fabel, Ken Lassa, REI, Lisa Gutknecht, DNR,

**(1) Call Meeting to Order**

Meeting was called to order at 12:00 pm in the WCDA Boardroom at 550 E Thomas Street, Wausau, Wisconsin.

**(2) Approval of Minutes**

Wagner moved to approve the minutes from 03/24/15. Gisselman seconded the motion. Motion approved unanimously.

**(3) 303-305 S. 2<sup>nd</sup> Avenue – Status Update**

Lisa Gutknecht from the DNR gave an update on the status of 303-305 S. 2<sup>nd</sup> Avenue. She stated that the soil extraction system is up and running and sampling will be done in June to see if there have been any significant changes. Those samples should give us a good indication of what will need to be done over the next six months to a year, and provide us with a good assessment of the numbers. Currently, the sub slab samples collected have shown a decrease in levels.

Ms. Gutknecht advised the commissioners that more project oversight is needed from consultant, AECOM, contracted by the WCDA, for the 2<sup>nd</sup> Avenue project. Currently, AECOM has been contacting Ms. Gutknecht more as a consultant than as a regulatory body. She believes AECOM should be providing an action plan for the future of the property. Her advice to the WCDA board was AECOM should also be looking at ways to maximize our DERF funds, and where the WCDA would be able to potentially access additional funding to continue with the clean-up project if the cap for DERF reimbursement is exhausted. She said AECOM must become a master of the DERF regulations in order to provide the best service to their client. Wilson will set a meeting with AECOM and staff to move the project forward with the recommendations presented today.

Fabel agreed with Gutknecht that DERF funds have strict guidelines that must be adhered to for reimbursement and AECOM wants to make sure they have DNR approval prior to any work being done. He stated AECOM understands there is a budget for this project and does not want to spend funds beyond what is reimbursable. Gutknecht reiterated that the WCDA needs to rely more on AECOM as their consultant. She informed us the DNR agency as a whole will be going

through a large turnover of staff in the near future and we won't get the same service as we did in the past.

Fabel stated that the soil samples collected from the street were good and should cost less to remediate than previously thought. The City will be able to proceed with the street project as scheduled pending all committee and council approvals. Gutknecht informed the board that there needs to be a specific plan regarding the removal of the contaminated material in the street. Fable relayed that AECOM is currently writing the bid specifications for the City in reference to the contamination. This will provide consistency to the project.

#### **(4) Discussion and Possible Action on 2102 North 2<sup>nd</sup> Street**

Werth gave an update regarding a recent meeting with Fabel, Gutknecht, and Ken Lassa, REI, to discuss the property located at 2102 North 2<sup>nd</sup> Street, currently under the PECFA fund. Staff has been receiving a number of inquiries concerning the potential purchase and re-use of this building and its availability to the public. Council members have also expressed redevelopment interest of the area, and have requested a time line of this building going to market.

Gutknecht explained to the committee that we potentially are now dealing with more than petroleum contamination. In her review of the project it was noted there was some testing done previously indicating the presence of PCE's on the north end of the property. Gutknecht is recommending we do borings on the north end of the property to confirm absence or presence of PCE's on property. There was also testing for vapor intrusion and we need to do additional testing.

She explained there are three areas of concern that need to be addressed to move this project forward: 1.) Confirming the presence or absence of PCE in the soil on the north end of the building, this is the CDA's responsibility; 2.) Ground water under the site – vapor intrusion into the building, appears at present time that this would come under the responsibility of the Superfund site; 3.) Petroleum contamination – reimbursement by the PECFA Fund.

Gutknecht stated there should be a meeting to review the sampling results for confirmation the contamination is gone before a closure letter can be drafted. From the vapor intrusion samples that were previously collected, there were low levels of petroleum, but, some PCE was also present.

REI has submitted a proposal for the cost of additional testing for \$4,010. In order to sell the property the buyer would need to be aware that all contamination has been removed and the testing done is complete. Gutknecht believes excavating the site would remove the contamination. Lassa felt the earliest the soil boring could be done would be June 12<sup>th</sup> and results would be available 7 to 10 days after. The results will determine how the CDA will need to proceed.

Welles made a motion to approve the proposed testing to be done by REI, Napgezsek seconded. Motion approved unanimously.

#### **(5) Finance Committee Report & 2014 Audit Update**

Witt distributed his Chair Report from the May 6, 2015 Finance Committee meeting. He gave an update on the WCDA investment sheet as of April 30, 2015, noting that due to continued low interest rates, the Committee approved the transfer of \$150,000 from the public housing money market at Associated Bank to the public housing money market at Integrity First Bank. Noel

recommended that we hold off closing any of the Associated accounts that receive ACH deposits from HUD until further decisions have been made relative to a possible RAD conversion.

Witt then gave an update on the WCDA's open Capital Fund Program (CFP) grants stating that the 2013 grant will be fully expended after completion of the scattered site garage modernization project. He said that although just \$8,000 of the 2014 CFP grant has been used it is well within obligation and expenditure guidelines and furthered that HUD recently released the 2015 grant funds.

Witt stated that the 2015 first quarter financial statements and summaries for both RVT LLC and the WCDA were reviewed by the Finance Committee and further reviewed the items of note contained in his Chair Report. He reported that although HUD has now completed an allocation for RVT LLC operating subsidy, the actual subsidy transfer still needs to be manually calculated each month to remain in compliance with the Operating Agreement. He said the Operating Agreement calculation to date reflects a lower allocation than HUD's so Hawkins Ash has created a separate set of financials, Public Housing – Amp 3, to keep track of the allocations and balances created by both calculations.

Witt concluded by saying that the audits for both RVT LLC and the WCDA have been completed and that Schenck will present them at either the June or July board meeting.

#### **(6) Consideration and Action on Resolution 15-003 – Capitalization Policy Revision**

Noel proposed moving this to next month's agenda as she is considering making a few minor revisions resulting from knowledge gained at a recent financial training seminar she attended, hosted by Hawkins Ash CPAs. Welles made a motion to defer Resolution 15-003 to a future agenda, Napgezek seconded. Motion approved unanimously.

#### **(7) Operational Issues and Current Activities**

- **Occupancy Overview** – Birkenmeier stated that occupancy for the Scattered Sites, Riverview Towers, and Riverview Terrace remains above 94%.
- **Scattered Sites Project** – Werth gave an update on the garage modernization project stating that door installation will begin next week and project completion is estimated for the end of June.
- **Development of CDA Web Page Status** – Wilson sought testimonials of service from all board commissioners along with success stories of WCDA projects. Werth will follow up with individuals to secure the information so they may be added to the City of Wausau's website as soon as possible.
- **Housing Software RFP** – Noel gave a background on Yardi Systems, the current software the WCDA uses for the administration of all programs. She reiterated that the software is very expensive and includes many unused features better suited for large housing authorities or management companies. She said the current agreement with Yardi expires on November 30, 2015 and said that staff has been busy networking with similarly-sized Wisconsin housing authorities to find software that is efficient, user-friendly and cost-effective. Noel plans to seek proposals from some Wisconsin firms as well as a few national vendors who participate at WAHA conferences. Werth said she contacted Gerard Kline, Director of City-County IT, and Tara Alfonso, Assistant City Attorney, to review the current Yardi agreement to ensure a smooth data conversion process.

**(8) Adjourn**

Napgezek moved to adjourn, Gisselman seconded. Meeting adjourned.

Respectfully Submitted,

Russ Wilson  
Chairperson