



\*\*\* All present are expected to conduct themselves in accordance with our City's Core Values \*\*\*

## OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of: **FINANCE COMMITTEE**  
Date/Time: **Tuesday, December 9, 2014 at 5:00 PM**  
Location: **City Hall, 2nd Floor Board Room**  
Members: Keene Winters (C), Karen Kellbach, Dave Nutting, David Oberbeck, Bill Nagle

### AGENDA ITEMS FOR CONSIDERATION/ACTION

- 1 Public Comment on matters appearing on the agenda.
  - 2 Discussion and possible action on 2015 Municipality Held for Cause Services Agreement with the Humane Society of Marathon County, Inc. - Jacobson
  - 3 Discussion and possible action on 2015 Purchase of Animal Impound Services Agreement between the Humane Society of Marathon County, Inc. - Jacobson
  - 4 Review of cost-recovery calculations for Town of Wausau fire inspection services. - Kujawa
  - 5 Discussion and possible action on terms of development agreement with Elk Creek Architectural LLC (Wausau Club) - Lawrence
  - 6 Discussion and possible action on terms of development agreement with Composite Envisions - Lawrence
  - 7 Discussion and possible action on the purchase of 525 McClellan Street - Stratz
  - 8 Discussion and possible action regarding the authorization to accept the donation of property 717 Park Avenue Stratz
  - 9 Discussion & possible action on an education program for the April referendum on city administrator - Winters
  - 10 Discussion & possible action on wording for an April 2015 referendum on city administrator - Jacobson
  - 11 Discussion & possible action on wording for an April 2015 referendum on establishing a stormwater sewer utility - Nagle
  - 12 Discussion & possible action on a procurement policy for legal services - Jacobson
  - 13 Establishment of a Gantt Chart for the citywide revaluation process - Winters
  - 14 Discussion and possible action on sole source purchase self-contained breathing apparatus.
  - 15 Distribution of survey results from the GFOA process - Groat
- Adjournment

Keene Winters, Chair

This notice was posted at City Hall and emailed to the Wausau Daily Herald newsroom on 12/04/14 at 4:00 pm.

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, (Alderspersons: Wagner, Neal, Gisselman, Rasmussen, Abitz, Mielke), \*Tipple, \*Jacobson, \*Groat, Rayala, Department Heads

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving Municipality Held for Cause Services Agreement for the impoundment, care, treatment and/or humane disposal of animals taken into custody by law enforcement or humane officers and animals held for cause, between the Humane Society of Marathon County, Inc. and the City of Wausau, from 1/1/15 through 12/31/15

Committee Action: Approved

Fiscal Impact: Per animal charge according to schedule attached to proposed contract for Animals Held for Cause

**File Number:** 03-0717

**Date Introduced:** December 9, 2014

**RESOLUTION**

**WHEREAS**, effective January 1, 2014, the City contracted with the Humane Society of Marathon County for the impoundment, care, treatment and/or humane disposal of animals taken into custody by law enforcement or humane officers and animals held for cause; and

**WHEREAS**, that contract expires December 31, 2014, and there is a need to provide for the care of such animals; and

**WHEREAS**, your Finance Committee, on December 9, 2014, recommended entering into a contract with the Humane Society of Marathon County, Inc., for the impoundment, care, treatment and/or humane disposal of animals taken into custody by law enforcement or humane officers and animals held for cause, covering a period from January 1, 2015 through December 31, 2015;

**NOW THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau that the proper city officials are hereby authorized to execute a contract with the Humane Society of Marathon County, Inc. in substantial compliance with the terms of the proposed contract attached.

Approved:

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James E. Tipple, Mayor

(Updated 11-6-14)

## **MUNICIPALITY HELD FOR CAUSE SERVICES AGREEMENT**

### **THE HUMANE SOCIETY OF MARATHON COUNTY, INC.**

**THIS SERVICES AGREEMENT** ("Agreement"), is made and entered into, by and between the MUNICIPALITY of **City of Wausau** (The "MUNICIPALITY") and the **Humane Society of Marathon County, Inc.** ("HSMC"), its successors or assigns.

#### **RECITALS**

WHEREAS, MUNICIPALITY, desires to purchase services from HSMC (A not-for-profit corporation under the laws of the State of Wisconsin) for the impoundment, care, treatment and/or humane disposal of: (a) animals taken into custody by law enforcement or humane officers employed by the MUNICIPALITY and (b) "Animals Held for Cause" [as that term is used in Wis. Stat. §§173.21 and 22] (i.e., animals held by HSMC on behalf of the MUNICIPALITY pending further legal determination or order); and

WHEREAS, at all times this Agreement shall be construed in a manner so as to maximize the welfare of the animals who are the subject hereof and who are cared for by HSMC pursuant to the terms of this Agreement; and

WHEREAS, MUNICIPALITY desires to compensate HSMC for these services on a per animal per day basis for any animal taken into custody or Held for Cause, and

WHEREAS, HSMC maintains a principal place of business located at 7001 Packer Drive, Wausau, WI 54401. It is a not-for-profit private corporation (a private entity) entering into a contract with a political subdivision as defined in Wis. Stat. §173.15(1) and acknowledges its obligations under Wis. Stat. §173.15(2) in relation to said contract; and

#### **AGREEMENT**

NOW, THEREFORE, in consideration of the above Recitals (which are acknowledged to be true and correct and are incorporated into this Agreement) and the promises and agreements hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each party to this Agreement), it is agreed by the MUNICIPALITY and HSMC as follows:

#### **SUMMARY OF SERVICES.**

1. **Animals Taken into Custody.** HSMC will operate an impoundment facility to humanely receive, hold, treat, care for and dispose of all animals taken into custody by law enforcement or humane officers pursuant to §173.13, Wis. Stats., except stray animals, as well as keep accurate records thereof of all of the animals brought to HSMC. HSMC may obtain ownership of animals if unclaimed within the statutory 7-days for eventual adoption or relocation, as permitted by law. Disposal costs of animals described above that are brought in shall be included in this Agreement.
2. **Animals Held for Cause.** HSMC will operate an impoundment facility to humanely receive, hold, treat, care for, dispose of "Animals Held for Cause," by the MUNICIPALITY, as required by law

and in coordination with law enforcement, humane officer and the Courts of Marathon County as well as keep accurate records thereof of all of the animals brought to HSMC. Where necessary, the MUNICIPALITY shall be responsible for extraordinary veterinarian expenses of any animal brought to the HSMC under this section, provided the municipality is consulted and consents to the proposed veterinary treatment. For purposes of this sentence, any officer of the Wausau Police Department holding the rank of lieutenant or the humane officer may authorize veterinary services beyond veterinarian well checks.

**1.0 COMPENSATION.** MUNICIPALITY shall compensate HSMC for services detailed in this agreement on a fee for service basis as described in Schedule A, attached hereto and incorporated herein by reference. All fees include initial vaccinations except rabies, certain veterinarian well checks as required by law.

**2.0 REIMBURSEMENT.** HSMC agrees to cooperate with the MUNICIPALITY by providing notice to the MUNICIPALITY City of Wausau via phone call or e-mail within 72 hours, not including weekends or holidays, of receipt of an animal subject to this Agreement. HSMC will provide prompt and accurate accounting of any charges made to MUNICIPALITY pursuant to Schedule A attached hereto. HSMC will also provide documentation and testimony as needed to facilitate MUNICIPALITY'S actions to seek payment, or any other form of reimbursement, for the custody, care, or treatment of any animal subject to this Agreement which is permitted by law.

### **3.0 TERM OF AGREEMENT.**

3.1 Term. Unless otherwise agreed in writing, the term of this agreement shall be one (1) year commencing **January 1, 2015** and this term shall expire **December 31, 2015**. This Agreement can only be renewed by mutual agreement of the two parties. The Agreement may also be terminated subject to termination provisions under Section 6.0.

3.2 Renewal Procedures. The Agreement shall not renew automatically and nothing in this Agreement shall be construed as requiring MUNICIPALITY or HSMC to renew the Agreement. In the event that either party desires to extend this agreement beyond its one-year obligation, as described in 3.1, the party requesting the renewal must provide notice to the other party by 60-days prior to the expiration date.

**4.0 DEFINITIONS.** As used in this Agreement and in all discussions leading to and throughout the Term of this Agreement, the following words shall have the meanings provided below:

4.1 Abandoned Animal: Is a domesticated animal left for any length of time without apparent and adequate provision for its food, water, or other care as is reasonably necessary for the animal's health whose owner is known. Said animal may be taken into custody and held for cause as set forth below.

4.2 Animal Taken into Custody: As that term is used in §173.13, Wis. Stats., means animals taken into custody by law enforcement or humane officers employed by the MUNICIPALITY as follows: abandoned, unwanted, untagged, unlicensed, not confined in violation of a quarantine order, an animal that has caused damage to a person or property, an animal that has participated in an animal fight or has been mistreated by a person in violation of Chap. 951, Stats., or delivered by a veterinarian pursuant to law, but does not include stray animals.

4.3 Animal Held for Cause: As that term is used in Wis. Stat. §§173.21 and 22, Wis. Stats. as follows: Animals held on behalf of MUNICIPALITY because there is reasonable cause to believe that the owner has mistreated the animal in violation of Chap. 951, Stats., or that the animal poses a significant threat to public health, safety or welfare, or the animal may be used as evidence in pending prosecution, or by court

order. Such animals are only 'boarded' at HSMC and are NOT subject to adoption without agreement of the parties or further Court order.

4.4 Domesticated Animal: Dogs, cats, birds, domesticated rodents (rabbits, guinea pigs, hamsters, mice) domesticated weasels (mink, chinchillas, ferrets) domesticated birds, fish, reptiles, amphibians, invertebrates, or any other species of **domestic, exotic or hybrid** animal sold, transferred, or retained for the purpose of being kept as a household pet, except livestock, as defined below.

4.5 Livestock: Horse, bovine & bison, sheep, goat, pig, llama, alpaca, farm-raised deer, rodents, weasels, poultry, or fowl kept and husbanded for food, fur or by-product. Livestock are not within the scope of this Agreement.

4.6 Owner: Includes any person who owns, harbors or keeps an animal.

4.7 Stray: A "domesticated animal" whose owner or custodian is unknown or cannot be ascertained immediately with reasonable effort. Stray animals are not within the scope of this Agreement.

4.8 Surrender: Is any animal that has been voluntarily handed over to HSMC by its owner, handler or other legal representative (i.e., guardian, personal representative, trustee or agent under a durable power of attorney) and not any humane officer or law enforcement officer. Surrender Animals are not within the scope of this Agreement.

4.9 Unclaimed Animal: An animal may be deemed unclaimed by MUNICIPALITY under the following circumstances:

4.9.1 The owner has received notification that an animal has been taken into custody and of the procedures and requirements for return, and the owner informs the MUNICIPALITY in writing that he or she will not claim the animal.

4.9.2 The animal was taken into custody because it was abandoned, untagged, unlicensed, or delivered by a veterinarian, and within 7 days after custody is taken, the animal is not claimed by its owner and no petition has been filed in circuit court for the review of its seizure or withholding.

4.9.3 The animal is not claimed by its owner within 7 days of the end of a quarantine period if the MUNICIPALITY demands that the owner claim the animal and pay for the custody, care and treatment.

4.9.4 The owner is ordered to pay or post bond for the payment of costs of custody, care or treatment of the animal, and refuses to do so upon demand.

4.10 Wild Animal: The definition of "wild animal" is to include all nature-born, non-domesticated, non-owned free animals of all and any species even if living in and around humans or other domesticated, exotic or livestock animal. Wild Animals are not within the Scope of this Agreement.

## **5.0 EXECUTION AND PERFORMANCE OF SERVICES.**

5.1 Cooperation. HSMC agrees to use reasonable methods in working with all MUNICIPALITY departments, agencies, employees and officers. MUNICIPALITY agrees to use reasonable methods in working with HSMC in order to enable HSMC to perform the services described herein and in paying for such services.

5.2 HSMC Personnel. HSMC agrees to secure, at its own expense, all personnel necessary to carry out its obligations under this Agreement. Such personnel shall not be employees of MUNICIPALITY. HSMC shall ensure that its personnel are instructed that they do not have any direct contractual relationship with MUNICIPALITY. MUNICIPALITY shall have no authority over any aspect of HSMC'S personnel practices and policies and shall not be liable for actions arising from such policies and practices.

5.3 Technical Assistance and Transportation of Animals. MUNICIPALITY is not purchasing transportation services from HSMC, and HSMC shall have no ongoing obligation to pick up or transport ANY animal covered by this Agreement.

5.4 Facility Access. HSMC will provide, or assure the availability of an appropriate facility that will provide admitting of animals subject to this agreement 24 hours per day, 7 days per week. This intake facility/room will be made available to MUNICIPALITY law enforcement or humane officers to bring in such animals. MUNICIPALITY and its law enforcement officers agree to abide by all INTAKE PROTOCOLS established by HSMC. Facility will be open to private individuals during normal operating hours.

5.5 Services for all Animals. HSMC agrees to provide services to MUNICIPALITY for professional, humane and ethical impoundment, animal shelter, care services, treatment and humane disposal of any animal within the scope of this agreement.

5.6 Disposition of Animals.

5.6.1 MUNICIPALITY shall make reasonable efforts to notify owners regarding the grounds for the taking of any animal into custody and the procedures and requirements for return, pursuant to §173.13, Wis. Stats.

5.6.2 MUNICIPALITY shall advise HSMC whether animals may be returned to owners when claimed, unless the MUNICIPALITY directs HSMC to withhold the animal from its owner for cause.

5.6.2.1 Animals may be returned when claimed if they were taken into custody because they were abandoned, untagged, unlicensed, caused damage to persons or property, or delivered by a veterinarian, pursuant to §173.23, Wis. Stats.

5.6.2.2 Animals may be withheld from their owners where the MUNICIPALITY has reasonable grounds to believe that the owner has mistreated the animal in violation of Chap.951, Wis. Stats., the animal poses a significant threat to public health, safety or welfare, the animal may be used as evidence in a prosecution, or a court has ordered the animal withheld for any reason, pursuant to §173.21(1), Wis. Stats.

5.6.3 HSMC shall also make reasonable attempts to identify, locate, and make contact with the animal's owner in order to arrange for either the surrender of the animal or the return of the animal, as set forth herein.

5.6.4 In the event MUNICIPALITY directs HSMC to withhold an animal from its owner, MUNICIPALITY shall petition the circuit court for an order doing any of the following with respect to the animal: 1) Providing for payment for the custody, care, or treatment of the animal; 2) Requiring the owner of the animal to post a bond for the costs of custody, care or treatment of the animal pending the outcome of any other proceeding; 3) Authorizing the sale, destruction or other disposal of the animal, pursuant to §173.23(3), Wis. Stats.

5.7 Claim and Return.

5.7.1 Animals which are permitted or ordered returned to their owners shall be returned upon the happening of all of the following: 1) The owner claims the animal and provides reasonable proof of ownership to HSMC; 2) If vaccination is required by statute or ordinance, the animal is vaccinated or assurance of vaccination by prepayment is given to HSMC; 3) If licensure is required by statute or ordinance, proof that the animal is licensed is provided to HSMC within 72 hours of return; and 4) All charges for custody, care, vaccination or treatment care are paid to HSMC.

~~5.7.2 In the event an owner refuses to pay for custody, care, vaccination or treatment care, HSMC may elect to return the animal to its owner and charge MUNICIPALITY for same in accordance with Schedule A. MUNICIPALITY may, in turn, petition the circuit court for redress from the owner, as set forth in par. 5.6.4, above and applicable Wisconsin Statutes.~~

5.8 Unclaimed Animals. MUNICIPALITY shall be responsible for the determination of whether an animal shall be deemed unclaimed. Upon making said determination, MUNICIPALITY shall notify HSMC and pay the disposition fee set forth in Attachment A to HSMC.

5.9 Protocols. HSMC and MUNICIPALITY agree that HSMC will create certain protocols (rules) for MUNICIPALITY'S law enforcement officers, humane officers and other authorized agents to follow in order to accomplish the efficient execution of this contract with a minimum of confusion or disagreement.

5.9.1 Law enforcement, humane officers and other agents of the MUNICIPALITY may be requested to assist with the creation and efficient administration of these protocols.

5.9.2 Continued breaches of the HSMC protocols by MUNICIPALITY will be considered a breach of contract in the discretion of HSMC.

5.9.3 MUNICIPALITY is responsible for communication of the Protocols amongst its law enforcement officers, humane officers and any other persons responsible for the execution of the terms of this agreement.

5.10 Ethical and Humane Treatment. HSMC agrees it will use the best practices for care, housing, treatment, adoption or final disposition (euthanize, transfer or adoption) of all animals within the scope of this agreement and in compliance with all federal, state and local laws.

5.11 Not an Exterminator. MUNICIPALITY agrees that HSMC does not provide services for any animal that would be best handled by a 'pest' exterminator.

5.12 Review of Services to All Animals. HSMC agrees that MUNICIPALITY or its designated agent shall have access to HSMC executive officer or president of the HSMC Board of Directors in order to verify compliance with the terms of this Agreement during regular business hours.

5.13 Records. HSMC agrees to keep statistical records of all animals, including origin (jurisdiction), admittance, disposition, care, treatment and redemption records. Such records shall be made available to MUNICIPALITY as they request from time to time. Such records will be available electronically.

**6.0 TERMINATION OF AGREEMENT.**

6.1 Termination: No Cause. Either party may terminate the Agreement, for any reason, at any time upon 90 days' written notice.

6.2 In the event this Agreement is terminated, HSMC shall be paid for all outstanding services provided to date and MUNICIPALITY agrees to pay HSMC within 60 days for such services.

6.3 In the event this Agreement is terminated, MUNICIPALITY shall promptly remove all animals boarded pursuant to this agreement and place them with another impoundment facility. Notwithstanding termination of this agreement, until another impoundment facility has been arranged and the held animals removed, MUNICIPALITY agrees to pay the HSMC for its services at the agreed upon rate.

## **7.0 INSURANCE and INDEMNIFICATION.**

7.1 Indemnification of MUNICIPALITY. HSMC shall indemnify, hold harmless and defend MUNICIPALITY, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss (including, but not limited to, property damage, bodily injury and loss of life), damages, costs or expenses which MUNICIPALITY, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of HSMC furnishing the services or goods required to be provided under this Agreement, provided, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from the acts or omissions of MUNICIPALITY, its agencies, boards, commissions, officers, employees or representatives. The obligations of HSMC and MUNICIPALITY under this paragraph shall survive the expiration or termination of this Agreement.

7.2 Insurance. In order to protect itself and MUNICIPALITY, its officers, boards, commissions, agencies, employees and representatives under the indemnity provisions of this Agreement, HSMC shall obtain and at all times during the term of this Agreement keep in full force and effect comprehensive general liability and auto liability insurance policies (as well as professional malpractice or errors and omissions coverage, if the services being provided are professional services) issued by a company or companies authorized to do business in the State of Wisconsin and licensed by the Wisconsin Insurance Department, with liability coverage provided for therein in the amounts of at least:

- Comprehensive General Liability - \$1,000,000.00 combined single limit.
- Business Auto - \$1,000,000.00 Combined single limit.
- Workers Compensation Insurance as required by Wisconsin Statutes of all employees engaged in work
- Umbrella coverage - \$1,000,000.00 minimum.

7.2.1 MUNICIPALITY shall be given ten (10) days advance notice of cancellation or nonrenewal. After execution of this Agreement and upon request of MUNICIPALITY, HSMC shall furnish MUNICIPALITY with a certificate of insurance.

7.2.2 In the event any action, suit or other proceeding is brought against MUNICIPALITY upon any matter herein indemnified against, MUNICIPALITY shall give reasonable notice thereof to HSMC and shall cooperate with HSMC'S attorneys in the defense of the action, suit or other proceeding.

**8.0 NOTICE TO PUBLIC AND PRIVATE OF NONAFFILIATION.**

HSMC may employ at various times outside contractors or promoters to assist it with all types and levels of products or services. HSMC agrees that it shall inform all outside contractors, promoters, and the public that the HSMC is not a legal entity, agency or subdivision of MUNICIPALITY.

**9.0 NOTICES.**

9.1 Notices to MUNICIPALITY. Except as more specifically provided by the terms of this Agreement, notice to MUNICIPALITY shall be delivered via first class mail, return receipt requested, as follows:

James E. Tipple Mayor City of Wausau 407 Grant Street Wausau, WI 54403	Toni Rayala City Clerk City of Wausau 407 Grant Street Wausau, WI 54403
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9.2 Notices to HSMC. Except as more specifically provided by the terms of this Agreement, notice to HSMC shall be delivered via first class mail, return receipt requested, as follows:

Mary Kirlin Executive Director Humane Society of Marathon County, Inc. 7001 Packer Drive Wausau, WI 54401	Linda Barger-Karger President of the Board of Directors Humane Society of Marathon County, Inc. 7001 Packer Drive Wausau, WI 54401
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**10.0 MISCELLANEOUS.**

10.1 Integrated Agreement. This document together with any and all instruments, exhibits, schedules or addenda attached hereto or referenced herein sets forth the complete understanding of the parties relating to the matters which are the subject hereof and supersede any and all prior or contemporaneous written or oral agreements, understandings and representations relating thereto.

10.2 Modifications. This Agreement may only be modified in writing signed by the parties or any officers of such parties with authority to bind the party. No oral statements, representations, or course of conduct inconsistent with the provisions of this Agreement shall be effective or binding on any party regardless of any reliance thereon by the other.

10.3 Choice of Law and Venue. This Agreement shall be construed and enforced in accordance with the internal laws of the State of Wisconsin. In the event of any disagreement or controversy between the parties over this Agreement, the parties agree that the sole and exclusive venue for any legal proceedings related to it shall be in the Marathon County Circuit Court (State of Wisconsin).

10.4 Construction.

10.4.1 Construction against the Drafter. Provisions for which ambiguity is found shall not be strictly construed against any party by virtue of that party having drafted or prepared the same.

10.4.2 Captions. Captions or any section or paragraph of this Agreement are for the convenience of reference only and shall not define or limit the scope of any provisions contained therein.

10.4.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner so as to be effective and valid under applicable law. However, if any provision is prohibited by or found to be invalid or unenforceable under applicable law or for any other reason or under particular circumstances the same shall not affect the validity or enforceability of such provision under any other circumstances or of the remaining provisions of the Agreement. Such provision shall be deemed automatically amended with the least changes necessary so as to be valid and enforceable and consistent with the intent of such provision as originally stated.

10.4.4 Tense. Use of the singular number shall include the plural and one gender shall include all others.

#### **11.0 ASSIGNMENT.**

Neither party shall assign nor transfer any interest or obligation under this Agreement without the prior written consent of the other.

#### **12.0 THIRD-PARTY BENEFICIARIES.**

This Agreement is intended to be an agreement solely between the parties hereto and for their benefit only. No part of this Agreement shall be construed to add to, supplement, amend, abridge or appeal existing duties, rights, benefits or privileges of any third-party or parties, including, without limitation, employees of either party and any other municipality located within the geographic limits of COUNTY.

#### **13.0 EXECUTION IN COUNTERPARTS.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

#### **14.0 REPRESENTATION OF COMPREHENSION OF DOCUMENT.**

In entering into this Agreement, the parties represent that they have relied upon the advice of their attorneys, who are the attorneys of their choice, concerning the legal consequences of this Agreement. They further agree that the terms of this Agreement have been completely read and explained to them and they are fully understood and voluntarily accepted.

#### **15.0 WARRANTY OF CAPACITY TO EXECUTE.**

15.1 I, James E. Tipple, in my capacity as Mayor for the City of Wausau, and I, Toni Rayala, in my capacity as City Clerk for the City of Wausau, warrant that we have the legal authority to execute this Agreement on behalf of the City of Wausau and to receive the consideration specified in it, and that neither they nor the City of Wausau sold, assigned, transferred, conveyed or otherwise disposed of any rights subject to this Agreement,

15.2 I, Mary Kirlin, Executive Director, Humane Society of Marathon County, Inc., and I, Linda Berna-Karger, President of the Board of Directors of HSMC warrant that we have the legal authority to execute this Agreement on behalf of the HSMC and that neither they nor HSMC have sold, assigned, transferred, conveyed or otherwise disposed of any rights subject to this Agreement.

**FOR HUMANE SOCIETY OF MARATHON MUNICIPALITY:**

\_\_\_\_\_  
MARY KIRLIN, Date  
Executive Director, HSMC

\_\_\_\_\_  
LINDA BERNA-KARGER, Date  
President Board of Directors, HSMC

**FOR MUNICIPALITY:**

\_\_\_\_\_  
JAMES E. TIPPLE, Date  
Mayor, City of Wausau

\_\_\_\_\_  
TONI RAYALA, Date  
City Clerk, City of Wausau

This Agreement was drafted by:  
Attorney Andrew W. Schmidt  
Schmidt & Schmidt, S.C.  
P. O. Box 146  
123 Grand Avenue  
Wausau, WI 54402-0146

**SCHEDULE A**

**RATE STRUCTURE FOR SERVICES RELATED TO ANIMALS TAKEN INTO CUSTODY  
AND/OR HELD FOR CAUSE**

**1.0 COMPENSATION.** MUNICIPALITY agrees to pay for services outlined in this Agreement on the following schedule on a per animal basis:

<b>Term</b>	<b>Admission Fee</b>	<b>Max billable days</b>	<b>Daily Rate</b>	<b>Disposition Charge</b>	<b>Vet Bills</b>
<b>Year 1</b>	<b>\$60.00</b>	<b>Not limited</b>	<b>\$16.00</b>	<b>\$160.00</b>	<b>Billed at cost</b>

HSMC may assist Municipality in documenting health of animal while in custody of HSMC to assist in successful prosecution of alleged perpetrator of animal abuse or neglect covered by Wis. Stat. Chapter 173 and 951. Municipality will work with HSMC and District Attorney’s Office for the inclusion of “restitution costs” in any criminal prosecution.

**2.0 ALL SCHEDULES ABOVE ARE SUBJECT TO THE FOLLOWING:**

2.1 Exceptional or emergency veterinary services provided by **non-HSMC** staff will be part of the costs billed to MUNICIPALITY on an as incurred basis.

2.2 Exceptional or emergency services provided by **HSMC** staff will be billed to MUNICIPALITY on an as incurred basis of \$25.00 per hour, with a one hour minimum. This is where an HSMC staff member is requested by on-site law enforcement to assist them **on-site. This fee is for HSMC staff and their transportation cost to and from the site to render professional advice and assistance.**

2.2.1 “HSMC Staff” means one person at the \$25/hour rate.

2.2.2 Charges will include the actual cost of supplies (i.e. special equipment for the control of animals) subject to this Agreement.

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving Purchase of Animal Impoundment Services Agreement for the impoundment, care, treatment and/or humane disposal of non-dog strays taken into custody by law enforcement or humane officers, between the Humane Society of Marathon County, Inc. and the City of Wausau, from 1/1/15 through 12/31/15

Committee Action: Pending

Fiscal Impact: \$55,000, with a credit for less than 300 animals brought in at \$185 per animal, and a charge of \$200 per animal beyond 300, with \$12,710 to be offset by County.

**File Number:** 03-0717

**Date Introduced:** December 9, 2014

**RESOLUTION**

**WHEREAS**, effective January 1, 2014, the City contracted with the Humane Society of Marathon County for the impoundment, care, treatment and/or humane disposal of non-dog strays and the non-dog strays of the Village of Weston, Town of Weston and City of Schofield, taken into custody by law enforcement or humane officers; and

**WHEREAS**, that contract expires December 31, 2014, and there is a need to provide for the care of such animals; and

**WHEREAS**, funding for this service was provided in the 2015 Animal Control Fund Budget; and

**WHEREAS**, your Finance Committee, on December 9, 2015, recommended entering into a contract with the Humane Society of Marathon County, Inc., for the impoundment, care, treatment and/or humane disposal of non-dog strays and the non-dog strays of the Village of Weston, Town of Weston and City of Schofield, taken into custody by law enforcement or humane officers, covering a period from January 1, 2015 through December 31, 2015;

**NOW THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau that the proper city officials are hereby authorized to execute a contract with the Humane Society of Marathon County, Inc. in substantial compliance with the terms of the proposed contract attached.

Approved:

---

James E. Tipple, Mayor

**PURCHASE OF ANIMAL IMPOUNDMENT SERVICES AGREEMENT**

**BETWEEN  
THE HUMANE SOCIETY OF MARATHON COUNTY, INC.  
AND CITY OF WAUSAU**

Municipality Address: Mayor James E. Tipple  
City of Wausau  
407 Grant Street  
Wausau WI 54403

Humane Society: Executive Director  
7001 Packer Drive  
Wausau WI 54401

Registered Agent Attorney Andrew W. Schmidt  
For HSMC: 123 Grand Avenue  
Wausau WI 54403

THIS SERVICES AGREEMENT (the "Agreement"), is made and entered into, by and between the City of Wausau (the "MUNICIPALITY") and the Humane Society of Marathon County, Inc. ("HSMC"),

**RECITALS**

WHEREAS, MUNICIPALITY, desires to purchase services from HSMC (a not-for-profit corporation under the laws of the State of Wisconsin) for the impoundment, care, treatment and/or humane disposal of non-dog strays and the non-dog strays of the Village of Weston, Town of Weston and City of Schofield (collectively "EVEREST METRO"); and

WHEREAS, HSMC, is presently situated and capable to provide services to MUNICIPALITY for professional and ethical impoundment, animal shelter, care services, treatment and humane disposal of an animal; and

WHEREAS, at all times this Agreement shall be construed in a manner consistent with Wisconsin Statutes and pursuant to the terms of this Agreement; and

WHEREAS, HSMC maintains a principal place of business located at 7001 Packer Drive, Wausau, Wisconsin 54401, but periodically uses third party facilities to fulfill the services provided in this Agreement; and

WHEREAS, HSMC is a not-for-profit private corporation (a private entity) entering into an Agreement with a political subdivision as defined in Wis. Stat. §173.15(1) and acknowledges its obligations under Wis. Stat. §173.15(2) in relation to this Agreement; and

WHEREAS, MUNICIPALITY and HSMC desire that this Agreement is for the impoundment, care and treatment of non-dog strays for the Term of this Agreement.

NOW THEREFORE, in consideration of the above Recitals which are acknowledged to be true and correct and are incorporated into this Agreement and the promises and agreements hereinafter contained and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by each party to this Agreement, it is agreed by the MUNICIPALITY and HSMC as follows:

## **AGREEMENT**

**1.0 TYPE AND GEOGRAPHIC SCOPE OF SERVICES.** HSMC agrees to provide the services detailed herein with respect to stray animals (EXCLUDING DOGS) in response to a request by MUNICIPALITY.

1.1 Stray Animals (EXCLUDING DOGS). HSMC will operate an impoundment facility to care for, and/or humanely dispose of non-dog strays as defined per this Agreement as well as keep accurate records thereof pursuant to the provisions of Wis. Stats. §173.15(2)(b) of all of the animals brought to HSMC under the terms of this Agreement.

1.2 Animals Held for Cause. This Agreement does not include impoundment services for animals taken into custody pursuant to §173.13, Wis. Stats., by law enforcement or humane officers of any political subdivision. Furthermore, this Agreement does not include impoundment services for animals withheld from their owner for cause by any political subdivision, pursuant to §173.21, Wis. Stats., et seq. MUNICIPALITY and HSMC agree that any such services to be performed on behalf of the MUNICIPALITY, shall be subject to a separate agreement.

1.3 HSMC will attempt to locate the owners of stray animals and if found, inform the owner of the cost of holding, care, and treatment of that owner's animal.

1.4 HSMC will obtain ownership of a stray animal if they are unclaimed within the statutory 7 days for eventual adoption or relocation. Disposition costs of an animal that was brought in as a stray shall be borne by the MUNICIPALITY pursuant to the terms of Compensation set forth herein.

1.5 This Agreement does not include impoundment services for stray dogs. Marathon County has entered into a separate one year agreement with HSMC for impoundment services for stray dogs.

1.6 The services provided herein by HSMC also include any non-dog stray brought in under MUNICIPALITY's "INTERGOVERNMENTAL HUMANE OFFICER SERVICES AGREEMENT BETWEEN THE CITY OF WAUSAU AND EVEREST METROPOLITAN POLICE DEPARTMENT" entered into January 1, 2014.

**2.0 COMPENSATION.** MUNICIPALITY shall compensate HSMC for services detailed in this Agreement as follows: \$55,500 for the contract, for up to 300 non-dog strays. For any non-dog stray brought in beyond 300, the flat fee shall be \$200 per non-dog stray. The fees include any non-dog stray brought in under MUNICIPALITY's "INTERGOVERNMENTAL HUMANE OFFICER SERVICES AGREEMENT BETWEEN THE CITY OF WAUSAU AND EVEREST METROPOLITAN POLICE DEPARTMENT" entered into January 1, 2014.

2.1 The contract price of \$55,500 shall be due and paid in full on or before January 30, 2015.

2.2 HSMC will bill MUNICIPALITY for animals beyond 300 non-dog strays regardless of whether Wausau Police/Humane Officer or Everest Metro Police Officer delivers the animals to HSMC.

2.3 If less than 300 non-dog strays are brought in during calendar year 2015, a credit shall be given MUNICIPALITY for the balance owed at \$185 per animal and the full amount paid under the contract which shall be carried over and applied the following year to the MUNICIPALITY'S obligation.

### **3.0 TERM OF AGREEMENT.**

3.1 Term. Unless otherwise agreed in writing, the term of this Agreement shall be from January 1, 2015 through December 31, 2015. This Agreement can only be renewed by mutual agreement of the two parties. The Agreement may also be terminated subject to termination provisions under Section 6.0.

**4.0 DEFINITIONS.** As used in this Agreement the following words shall have the meanings provided below:

4.1 Stray Non-Dog Animal: A non-dog animal whose owner or custodian is unknown or cannot be ascertained immediately with reasonable effort. A stray non-dog animal may be brought to HSMC only by the MUNICIPALITY's humane or law enforcement officers, or a humane officer or law enforcement officer of Everest Metro.

4.2 Surrender: Is any animal that has been voluntarily delivered to HSMC by its owner, handler or other person entitled to do so. Surrender animals are NOT within the scope of this Agreement.

4.3 Unclaimed: Any animal whose owner has failed to reclaim the animal within the statutory time frames under State laws.

4.4 Wild Animal: The definition of “wild animal” is to include all nature-born, non-domesticated, non-owned free animals of all and any species even if living in and around humans or other domesticated, exotic or livestock animal. Wild animals are NOT within the scope of this Agreement. “Wild animals” does not include feral cats.

## **5.0 EXECUTION AND PERFORMANCE OF SERVICES.**

5.1 Cooperation. HSMC agrees to use reasonable methods in working with all MUNICIPAL departments, agencies, employees and officers. MUNICIPALITY agrees to use reasonable methods in working with HSMC in order to enable HSMC to perform the services described herein.

5.2 HSMC Personnel. HSMC agrees to secure, at its own expense, all personnel necessary to carry out its obligations under this Agreement. Such personnel shall not be employees of MUNICIPALITY. HSMC shall ensure that its personnel are instructed that they do not have any direct contractual relationship with MUNICIPALITY. MUNICIPALITY shall have no authority over any aspect of HSMC’s personnel practices and policies and shall not be liable for actions arising from such policies and practices.

5.3 Transportation of Animals. MUNICIPALITY is NOT purchasing transportation services to or from HSMC, and HSMC shall have no obligation to pick up or transport ANY animal covered by this Agreement.

5.4 Facility Access. HSMC will provide, or assure the availability of an appropriate facility that will provide admitting stray non-dog animals 24 hours a day, 7 days a week, that are delivered by humane and/or law enforcement officers employed by the City of Wausau or Everest Metro.

5.5 Services for Animals. HSMC agrees to provide for the professional, humane and ethical impoundment, animal shelter, care services, and humane disposal of any animal within the scope of this Agreement.

5.6 Reclaiming Services. HSMC shall use reasonable attempts to identify, locate, and make contact with the animal’s owner in order to arrange for either the surrender or the return of the animal. Said efforts will be made within the statutory 7 day holding period. Notwithstanding the foregoing, the parties acknowledge that the owners of some stray non-dog animals are never known or even identified such that HSMC’s ability to find the owner is a legal impossibility.

5.7 Ethical and Humane Treatment. HSMC agrees it will use the best practices for care, housing, adoption or final disposition (euthanize, transfer or adoption) of all animals within the scope of this Agreement and in compliance with all federal, state and local laws.

5.8 Not an Exterminator. MUNICIPALITY agrees that HSMC does not provide services for any animal that would be best handled by a “pest” exterminator.

5.9 Disposition of Stray Non-Dog Animals. After the statutory waiting time, seven (7) days, the parties agree that HSMC will obtain exclusive possession of all strays covered by this Agreement. However, and at the HSMC’s sole discretion, the HSMC may not desire to take possession of certain animals and shall have the legal right to terminate the animal and dispose of the animals remains.

5.10 Protocols. Both parties will mutually create and agree upon protocols to follow in order to accomplish the efficient execution of this Agreement with a minimum of confusion or disagreement.

5.11 Records. HSMC agrees to keep statistical records of all animals, including origin (jurisdiction), admittance, disposition, care, treatment, redemption records and those additional records as may be required under Wis. Stats. §173.15(2)(b). Such records shall be made available to MUNICIPALITY. Such records will be available for review, copying or inspection at HSMC by appointment with Executive Director or designee.

## **6.0 TERMINATION OF AGREEMENT.**

6.1 Termination: No Cause. Either party may terminate this Agreement, for any reason, at any time upon 30 days written notice to the other party.

6.2 In the event this Agreement is terminated, HSMC shall reimburse the MUNICIPALITY for the Compensation paid by the MUNICIPALITY prescribed under Section 2.0 of this Agreement less either the amount of animals turned into HSMC by the MUNICIPALITY multiplied by \$185 or 1/12<sup>th</sup> for each month that the Agreement is in effect whichever is greater.

## **7.0 INSURANCE AND INDEMNIFICATION.**

7.1 Insurance. In order to protect itself, MUNICIPALITY and EVEREST METRO, its officers, boards commissions, agencies, employees and representatives under the indemnity provisions of this Agreement, HSMC shall obtain and at all times during the term of this Agreement keep in full force and effect comprehensive general liability insurance policies (as well as professional malpractice or errors and omissions coverage, if the services being provided are professional services) issued by a company or companies authorized to do business in the State of Wisconsin and licensed by the Wisconsin Insurance Department, with liability coverage provided for therein in the amounts of at least:

- Commercial General Liability - \$1,000,000.00 combined single limit.
- Workers Compensation Insurance as required by Wisconsin Statutes

of all employees engaged in work.

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7.2 Indemnification.

A. Immunity. The MUNICIPALITY and EVEREST METRO are governmental entities entitled to governmental immunity under law, including Wis. Stat. §893.80. Nothing contained herein shall waive the rights and defenses to which the MUNICIPALITY AND EVEREST METRO may be entitled under law, including all of the immunities, limitations, and defenses under Wis. Stats. §893.80 or any subsequent amendments thereof.

B. Responsible for Own Actions. HSMC, MUNICIPALITY AND EVEREST METRO shall bear the risk of its own actions, as it does with its day-to-day operations.

C. Employee Claims. The employees of the parties hereto shall be covered by his or her employing entity for purposes of worker's compensation, under Ch. 102, Wisconsin Statutes, unemployment insurance, and benefits under Ch. 40 Wisconsin Statutes. Both parties waive subrogation rights each may have against the other party for claim payments under Ch. 102, Wisconsin Statutes.

D. HSMC shall indemnify, hold harmless and defend MUNICIPALITY and EVEREST METRO, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss (including, but not limited to, property damage, bodily injury and loss of life), damages, costs or expenses which MUNICIPALITY and EVEREST METRO, its officers, employees, agencies boards, commissions and representatives may sustain, incur or be required to pay by reason of HSMC furnishing the services or goods required to be provided under this Agreement, provided, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from the willful or intentional acts or omissions of MUNICIPALITY and EVEREST METRO, its agencies, boards, commissions, officers, employees or representatives. The obligations of HSMC and MUNICIPALITY and EVEREST METRO under this paragraph shall survive the expiration or termination of this agreement.

**8.0 NOTICE TO PUBLIC AND PRIVATE ON NONAFFILIATION.** HSMC may employ at various times outside contractors or promoters to assist it with all types and levels of products or services. HSMC agrees that it shall inform all outside contractors, promoters, and the public that the HSMC is not a legal entity, agency or subdivision of MUNICIPALITY.

**9.0 NOTICES.**

9.1 Notices to the MUNICIPALITY. Except as more specifically provided by the terms of this Agreement, notice to the MUNICIPALITY shall be delivered via first class mail as follows:

Mayor James E. Tipple  
City of Wausau  
407 Grant Street  
Wausau WI 54403

Toni Rayala  
City Clerk  
407 Grant Street  
Wausau WI 54403

9.2 Notices to HSMC. Except as more specifically provided by the terms of this Agreement, notice to HSMC shall be delivered via first class mail as follows:

Mary Kirlin  
Executive Director  
Humane Society of Marathon Co.  
7001 Packer Drive  
Wausau WI 54401

Linda Berna-Karger  
President of the Board of Directors  
Humane Society of Marathon Co.  
7001 Packer Drive  
Wausau WI 54401

## **10.0 MISCELLANEOUS.**

10.1 Integrated Agreement. This Agreement together with any all instruments, exhibits, schedules or addenda attached hereto sets forth the complete understanding of the parties relating to the matters which are the subject hereof and supersede any and all prior or contemporaneous written or oral agreements, understandings and representations relating thereto.

10.2 Modifications. This Agreement may only be modified in writing signed by the parties or any officers of such parties with authority to bind the party. No oral statements, representations, or course of conduct inconsistent with the provisions of this Agreement shall be effective or binding on any party regardless of any reliance thereon by the other.

10.3 Choice of Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Wisconsin. In the event of any disagreement or controversy between the parties over this Agreement, the parties agree that the sole and exclusive venue for any legal proceedings related to it shall be in the Marathon County Circuit Court, State of Wisconsin.

### **10.4 Construction.**

10.4.1 Construction Against the Drafter. Provisions for which ambiguity is found shall not be construed against any party by virtue of that party having drafted or prepared the same.

10.4.2 Captions. Captions or any section or paragraph of this Agreement are for the convenience of reference only and shall not define or limit the scope of any provisions contained therein.

10.4.3 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner so as to be effective and valid under applicable law. However, if any provision is prohibited by or found to be invalid or unenforceable under applicable law or for any other reason or under particular circumstances the same shall not affect the validity or enforceability of such provision under any other circumstances or of the remaining provisions of the Agreement. Such provision shall be deemed automatically amended with the least

changes necessary so as to be valid and enforceable and consistent with the intent of such provision as originally stated.

10.4.4 Tense. Use of the singular number shall include the plural and one gender shall include all others.

**11.0 ASSIGNMENT.** No party shall assign nor transfer any interest or obligation under this Agreement without the prior written consent of the other.

**12.0 THIRD-PARTY BENEFICIARIES.** Except as set forth herein above with respect to EVEREST METRO, this Agreement is intended to be an Agreement solely between the parties hereto and for their benefit only. No part of this Agreement shall be construed to add to, supplement, amend, abridge or appeal existing duties, rights, benefits or privileges of any third-party or parties, including, without limitation, employees of either party and any other municipality located within the geographic limits of the County.

**13.0 EXECUTION IN COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

**14.0 REPRESENTATION OF COMPREHENSION OF DOCUMENT.** In entering into this Agreement, the parties represent that they have relied upon the advice of their attorneys, who are the attorneys of their choice, concerning the legal consequences of this Agreement. They further agree that the terms of this Agreement have been completely read and explained to them and they are fully understood and voluntarily accepted.

**15.0 WARRANTY OF CAPACITY TO EXECUTE.**

15.1 I, James E. Tipple, in my capacity as MUNICIPALITY Mayor, and acting as the MUNICIPALITY Contract Administrator for the City of Wausau, and I, Toni Rayala, warrant that we have the legal authority to execute this Agreement on behalf of the City of Wausau and to receive the consideration specified in it, and that neither we nor the City of Wausau sold, assigned, transferred, conveyed or otherwise disposed of any rights subject to this Agreement.

15.2 I, Mary Kirlin, Executive Director, Humane Society of Marathon County, Inc., and I, Linda Berna-Karger, President of the Board of Directors of HSMC warrant that we have the legal authority to execute this Agreement of behalf of the HSMC and that neither they nor HSMC have sold, assigned, transferred, conveyed or otherwise disposed of any rights subject to this Agreement.

**FOR HUMANE SOCIETY OF MARATHON COUNTY, INC.:**

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MARY KIRLIN Date  
Executive Director, HSMC

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LINDA BERNA-KARGER Date  
President Board of Directors, HSMC

**FOR MUNICIPALITY:**

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JAMES E. TIPPLE Date  
Mayor, MUNICIPALITY Contract Administrator

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TONI RAYALA Date  
City Clerk

This Agreement drafted by  
Anne L. Jacobson  
City of Wausau

Modified 11/5/2014 by Linda Berna-Karger:  
Section 2.0, 2.1, 2.2 (Compensation)  
Section 3.0/3.1 (Term of Agreement)  
Section 6.2 (Termination of Agreement)



## Staff Report

**From:** Megan Lawrence  
**To:** Finance Committee Members  
**Date:** December 9, 2014  
**Re:** Wausau Club

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Purpose: Discussion and possible action on proposed development agreement with Elk Creek Architectural, LLC for the Wausau Club

Facts OR Considerations:

In December 2013, Wausau City Council voted to accept ownership of the Wausau Club in the form of a donation. In March 2014, the City of Wausau released an RFP for the historic site. The RFP process returned one proposal, from Elk Creek Architectural LLC, locally owned by Mark Goffin. Mr. Goffin desires to convert the iconic Wausau Club into a “symbiotic mercantile space consisting of a destination spa, wine bar & cellar, gallery, design center, bakery & café, and special events hall.”

Mr. Goffin’s \$1.9 million project will utilize traditional financing sources along with state and federal historic tax credits. Additionally, the City of Wausau and Mr. Goffin will collaboratively apply for WEDC’s Community Development Reinvestment Grant, which if awarded, will ultimately turn into a revolving loan fund for the City of Wausau. To complete his financing package, Mr. Goffin is seeking a \$150,000 grant from the City of Wausau along with donation of the site.

The Wausau Club is located within Tax Increment District Number 3.

Overall, Mr. Goffin’s proposal to redevelop the Wausau Club will foster economic development in downtown Wausau by preserving a cultural icon, driving tourism, attracting new businesses, creating jobs and adding to the City’s tax base.

A TIF application and project details are enclosed for your consideration.



## City of Wausau TIF Application

Please complete the following information and return it along with a \$125 fee made payable to Community Development.

### **DEVELOPER**

Legal Entity: Elk Creek Architectural, LLC

d/b/a:

Main Office Location: 9290 County Road A, Wausau, WI 54401

Type of Business: Residential/Commercial Architectural Woodworking

Project Description: The Wausau Club is a treasured and beloved icon to the citizens of Wausau and is not merely an important piece of our history, but rather a constant and evolving reflection of our culture. The facility will be converted into a symbiotic mercantile space consisting of a destination spa, wine bar & cellar, gallery, design center, bakery & café, and special events hall. (*See Project Deliverables*) and (*Operation Budget Projections*)

Reason for Application Assistance: In line with the goals, objectives, and strategies of the TIF guidelines for the City of Wausau, this funding will insure the entire scope of the project funding and sources. Without this funding the project will likely hit a headwall and place in jeopardy the creation of jobs, the reuse and historical revitalization of a property that's history is an identity of this community.

### **PROPERTY INFORMATION**

#### **Parcel 1**

Address: 309 McClellan Street, Wausau, WI 54403

Size: .508 Acre

Current Use: Vacant

Current Assessed Value: \$499,000 (2013)

Current Property Taxes: \$0

#### **Parcel 2**

Address:

Size:

Current Use:

Current Assessed Value:

Current Property Taxes:

## **PROPOSED IMPROVEMENTS**

### *Describe improvement details*

The Wausau Club building was placed on the list of National Historic Landmarks in 1989. This will result in all work meeting the requirements for the substantial rehabilitation of historic structures as defined by the National Parks Service, division of the Department of the Interior, and the Wisconsin Historical Society. The substantial rehabilitation will upgrade or provide new utilities to service the facility and will be done according to all applicable codes and guidelines, including, but not limited to, local zoning codes, state building codes, and National Parks Service guidelines. In addition, the facility will meet life safety and handicap accessibility requirements. These improvements will not only allow for commercial use, it will regain its original charm and increase the remaining life of the property.

*(See Estimated Construction Costs)*

## **RETURN ON INVESTMENT ANALYSIS**

### **Project Costs** *(See Sources and Use of Funds)*

	Amount (\$)	Source of Funds
Purchase of Land	1	
Demolition Cost		
Site Improvements		
Purchase of Existing Facility	0	
Construction of New Building(s)		
Renovation of Existing Structure	1,095,855	
Machinery & Equipment	27,395	
Architectural & Engineering Fees	54,793	
Legal & Other Professional Fees	134,242	
Contingency	215,086	
Working Capital	141,175	
Other ( please specify)		
Elk Creek Sweat Equity & Materials	186,000	
<b>Total Project Costs</b>	<b>1,854,547</b>	

### **Value of Property**

- Lot Size (in acres): .508
- Improvement Square Footage: 26,824
- Current Assessed Values: Land \$324,000 + Improvements \$175,000 = \$499,000
- Calculated Property Value: Land \$324,000 + Improvements \$555,000 = \$874,000

**Projected Property Taxes**

- Current Property Taxes: \$0
- Calculated Property Taxes: \$12,250 - \$21,063
- Calculated Tax Increment: 24.10 mil rate (2014) 25.06 mil rate (2005)

**Zoning:**

- Current Zoning: Commercial/Country Club
- Proposed Zoning: Commercial

**Requested City Participation/Financing**

Source	Amount	Terms: Years/Interest	Contact Information
Loans:			
Equity			
Requested City Participation:			
Loan:	\$525,000	30/0%	
Grant:	\$150,000		
Other:			
<b>Total Financing</b>	<b>\$675,000</b>		

CDI Grant (\$500,000) n/a WEDC  
**TOTAL CITY RISK \$175,000 Less than 9.5% of Project Cost (\$1,854,547)**

**City of Wausau ROI:**

1. Creation of 25-36 jobs resulting in an estimated economic impact of \$491,425 to \$728,528. (See Job Creation)
2. Reduction of Leakage in the marketplace. (See Leakage & Market Sales Analysis)
3. Increased Tax Base. (See Other Considerations)
4. City risk mitigated with CDI Grant and may develop a perpetual loan fund for future projects.

**Jobs Created**

- Up to \$15,000: \_\_\_\_\_
- \$15,001-\$30,000: 25-36 Jobs
- \$30,001-\$45,000: \_\_\_\_\_
- \$45,001-\$60,000: \_\_\_\_\_
- \$60,001 and above: \_\_\_\_\_
- Description of Employee benefits:
- Please return to Community Development, Attn: Megan Lawrence, 407 Grant Street, Wausau, WI 54403.



# The Mercantile

A house of culture

Presented By

**ELK CREEK**  
Architectural

# Project Deliverables

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Included in this section are:

1. Floor Plan Concept Drawings (Main Level)
2. Floor Plan Concept Drawings (Lower Level)
3. Floor Plan Concept Drawings (Upper Level)
4. Sources and Use of Funds
5. Project Timetable

We have proposed in the Floor Plan Concept Drawing (Main Level) our preferred scenario of retail space including a wine bar, gallery with outdoor patio seating, and destination salon & spa. The salon and spa space (green) will consist of reception, retail and soft seating/lounge area, salon floor, manicure and pedicure bar, treatment rooms, and back-of-house area. The wine bar & gallery (brown) will consist of a beautifully re-created 1920's bar, hand crafted tables and soft seating, allowing guests to admire locally crafted art and furniture throughout the bar/gallery all the while enjoying wine and craft brews. We envision the gallery to offer support to the CVA with exhibits or pieces too large for its facility. The remainder of the main level will consist of common area (Orange) to include the grand staircase, restrooms, corridor and elevator.

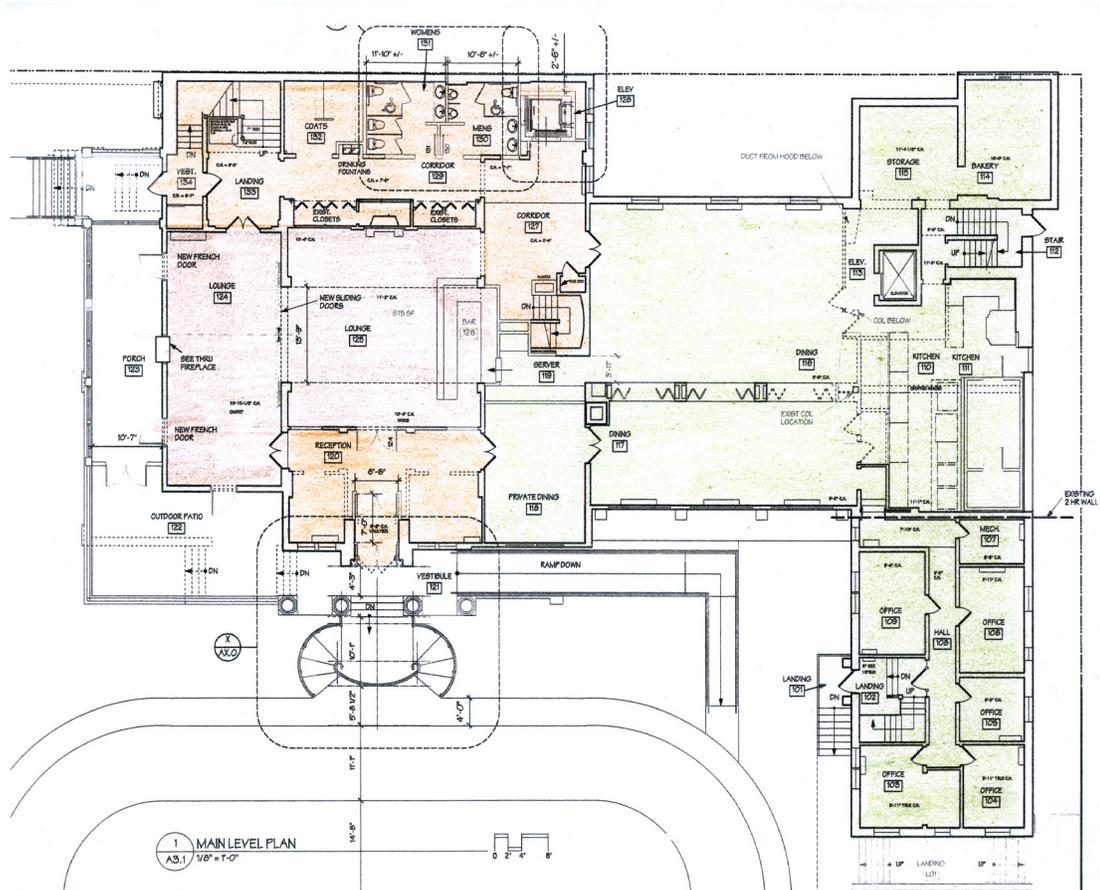
The Floor Plan Concept Drawing (Lower Level) is less a preferred scenario than it is a necessary layout. Due to the existing floor plan and previously completed work, the kitchen (Mustard) and bakery & café (Purple) will be located in applicable areas. The wine cellar (Brown) will conveniently utilize space below the wine bar with direct access achieved through a connecting staircase. With the exception of storage/laundry (Green) and mechanical (Red), the common areas (Orange) make up the remainder of the lower level. There is some unused space (White) that may be proposed as additional mercantile space. We envision specialty retail shops geared to the male demographic, an element almost absent in the River District.

We have further proposed in the Floor Plan Concept Drawing (Upper Level) our preferred vision for office space, design center, and special events hall. The north wing (Purple) will host a conference room and offices space. The design center (Mustard) will provide a functioning space for wedding and special event planning, as well as lounge area during such events. The ballroom/stage (Rose) is ample space to conduct corporate retreats, intimate weddings, yoga & meditation, and even act as a platform for performance artists and musicians. Again, common areas (Orange) make up the remainder of the upper level with a sufficient area planned for back-of-house and mechanical (Red).

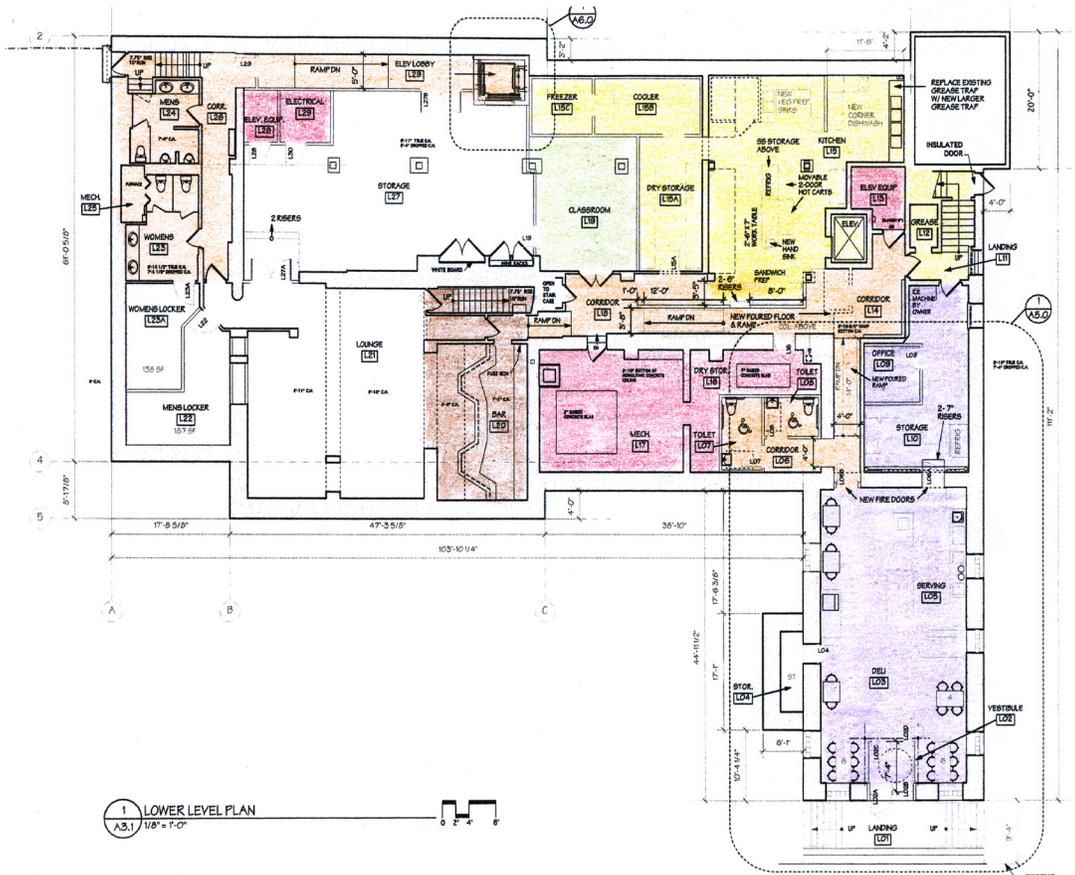
In terms of predicted vulnerabilities, there are always uncertainties which exist at this stage of the redevelopment of an historic property. Among them are environmental unknowns, surprises that come with more in-depth investigation of the structure, and hence, funding uncertainties. Upon being selected as developer, Elk Creek would undertake a site analysis to determine any environmental or structural issues. This would provide a better understanding of costs moving forward in our funding requests. Although our timeline assumes the completion of Due Diligence and funding award dates, these are arbitrary, and may extend longer. It is our desire to partner with the City in such a manner to allow refining our funding requests, if required.

As stated earlier, Elk Creek will not paint itself as an experienced developer. However, we wish to convey to City staff and leaders that Elk Creek and its owner have roots that are deeply embedded in soil of this community with a vested interest in the Main Street/River District. We have been involved in hundreds of projects in the Wausau area, many of them involving commercial entities. Our track record is driven by our passion for historic preservation, unique vision, design and reuse.

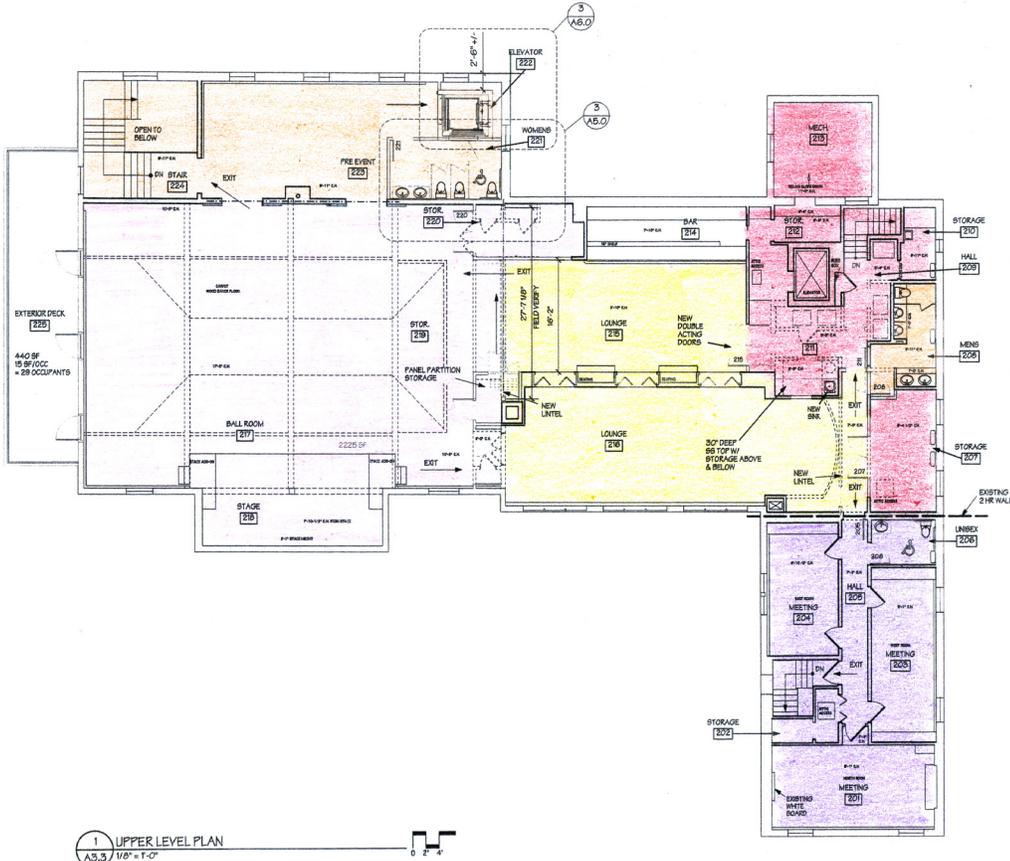
# Floor Plan Concept Drawings (Main Level)



# Floor Plan Concept Drawings (Lower Level)



# Floor Plan Concept Drawings (Upper Level)



## Operation Budget Projections

### 1. Rent Schedule (Figure 5):

Rent Schedule  
(Figure 5)

PHASE	ENTITY		SF	RENT		TOTAL		FUTURE
1	Salon		4000	2000		2000		3000
2	Wine/Pub		4000	2000		2000		3000
2	Cellar		1200	600		600		900
2	Office		1000	500		500		750
2	Events		4000	2000		2000		3000
3	Bakery		3000	1500		1500		2250
3	Design		3500	1750		1750		2625
4	Lower		3000	1500		1500		2250
<b>TOTAL</b>			<b>23700</b>	<b>11850</b>		<b>11850</b>		<b>17775</b>

### 2. Operating Budget

	\$ 142,200	Annual (\$11,850/Month)
	(4050)	Vacancy/Bad Debt
	<hr/>	
	137,950	Effective Gross
	(64,600)	Operating Expense:
		6,600 Admin & Expenses
		15,000 Maintenance & Repairs
		3,000 Common Utilities
		26,000 Property TX (\$12,000)
		12,000 Insurance (\$6,000)
		2,000 Reserve
	<hr/>	
	73,350	Net Before Debt
	(18,000)	Debt 1 \$525,000 0%/30yr
	(25,680)	Debt 2 \$257,000 5%/20yr
	<hr/>	
	29,670	Cash Flow
	14,000	Initial Property TX Reserve
	6,000	Initial Insurance Reserve
	(32,100)	Expected Float on HTC
	<hr/>	
	\$ 17,570	End Cash Flow

3. Showing cash flow at \$.50 per sf lease rate (warrants start-up & success of Tenants)

4. HTC carrying costs of \$32,100 later distributed to graduating Property TX & Insurance

### Estimated Construction Costs

\$1,095,855

1. All systems sub-contractors have agreed and planned to 'birdcage' the systems' designs in order to accommodate performing phase work.
2. Elevator Pit & Shaft \$135,000
  - a. Required roof modification?
  - b. Miron - tower shaft per IRS?
3. Fire Sprinkler System \$117,000
  - a. Exposed system in basement
  - b. Concealed system 2<sup>nd</sup>/3<sup>rd</sup> floors
  - c. Dry stem system in attic
  - d. 4" water main variance
  - e. Bid \$4.50 sf /as low as \$3.50 sf
4. Construction/Utility rework required \$73,000
5. Plumbing & Fixtures \$167,000
  - a. (6) public ADA restrooms
  - b. (1) full kitchen
  - c. (1) dispense & laundry
  - d. (2) full beverage bar
6. HVAC \$126,000
  - a. (7) separate units allow separation of systems
7. Electrical \$88,400
  - a. Existing Electrical is usable
  - b. Each unit/entity will have separate utility
  - c. New & required estimated at \$3.40 sf
8. Security & Systems \$21,000
  - a. Basic Security w/remote access
  - b. Integrated with Fire & Sprinkler
9. Kitchen \$77,000
  - a. Equipment & Supplies in used/excellent condition
  - b. Restoration and install
10. Renovation Material & Labor \$291,455

\*Additional items not included in the Uses of Funds:

Items budgeted through \$186,000 in equity labor & improvement (not listed in Source of Funds) and approved by The Wisconsin State Historical Society, IRS, and the Financial Institution are: any and all labor provided to rehabilitate, maintain and add value to the building and grounds. It has been suggested that improvements ineligible for Historic Tax Credits (HTC), such as landscaping, be performed as 'sweat equity'. Although interior painting, cleaning and permanent furnishings (millwork) are eligible for HTC's, these will be performed as equity labor as well.

## Sources and Uses of Funds

### SOURCES

First Mortgage	\$	257,055
Partnership Investment-Federal Historic Tax Credits		321,030
Partnership Investment-State Historic Tax Credits		321,030
Wisconsin Economic Development Grant		93,565
TIF Funding (5-20%)		150,867
Wausau City Loan (30 years, 0%, deferred)		525,000

### TOTAL SOURCES

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\$ 1,668,547

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### USES

Land & Building	\$	1
Construction		1,095,855
Contingency		109,586
Architectural & Engineering		54,793
Interim Costs		71,230
<ul style="list-style-type: none"> <li>• Construction Insurance</li> <li>• Construction Interest</li> </ul>		
Financing Fees and Expenses		23,012
<ul style="list-style-type: none"> <li>• Construction Loan Origination Fee</li> <li>• Title &amp; Recording Costs</li> <li>• Other Related Expenses</li> </ul>		
Related Costs		27,395
<ul style="list-style-type: none"> <li>• Includes unforeseen construction costs <ul style="list-style-type: none"> <li>○ Damaged equipment</li> <li>○ Vandalism &amp; theft</li> <li>○ Engineering resolutions</li> </ul> </li> </ul>		
Syndication Costs		40,000
<ul style="list-style-type: none"> <li>• Legal and Accounting Costs involved in the founding of a Master Tenant, LLC between the Developer and Federal HTC Investor (Bank).</li> </ul>		
Developers Overhead		141,175
Project Reserves		105,500

### TOTAL USES

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\$ 1,668,547

## Job Creation & Economic Impact

1. Job Creation & Economic Impact
  - a. The Mercantile is projecting the creation of 25-32 positions
    - i. Banquet – 4
    - ii. Wine Bar & Cellar – 5
    - iii. Café – 6
    - iv. Salon & Spa – 6
    - v. Design/Gallery – 1
    - vi. Hobby – 2
    - vii. Hospitality – 2
    - viii. Management & Maintenance – 2
    - ix. Temporary construction positions are not included in these projections
  - b. WEDC generated a report estimating the economic impact of:
    - i. \$491,425 for 25 jobs in those sectors
    - ii. \$728,528 for 36 jobs in those sectors
  - c. Scenario results by WEDC (Figure 7) represent the economic impact of a salon expansion. Terradea Salon & Spa has the potential to create an additional 6 positions prior to the completion of The Mercantile, augmenting the economic impact.

Local impact for 22 positions within the Wausau Club:

### Aggregate Changes

<b>\$491,425</b> <small>Change in Earnings 1.25 Multiplier</small>	<b>25</b> <small>Change in Jobs 1.13 Multiplier</small>	<b>\$19,788</b> <small>Average Earnings Per Job (2011)</small>
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For 32 positions, the impact would be:

### Aggregate Changes

<b>\$728,528</b> <small><a href="#">Change in Earnings</a> ⓘ 1.25 Multiplier</small>	<b>36</b> <small><a href="#">Change in Jobs</a> ⓘ 1.13 Multiplier</small>	<b>\$20,129</b> <small>Average Earnings Per Job (2011) ⓘ</small>
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### Changes to Beauty Salons (812112)

<b>\$123,481</b> <small>Change in Earnings 1.18 Multiplier</small>	<b>6</b> <small>Change in Jobs 1.12 Multiplier</small>	<b>\$22,049</b> <small>Average Earnings Per Job (2011)</small>
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### Leakage & Market Sales Analysis

As described in the 2012 Market Profile, developed by the River District of Wausau, the demand for retail services within a 10-mile radius of the River District provides substantial development opportunities due to leakage in the marketplace (Figure 3).

- Furniture & Home Furnishings has a 55% leakage rate. The Mercantile’s design center will cater to the discerning shopper with fine hand crafted furniture and cabinetry, leather pieces, art of all mediums, fixtures, and accents to provide an eclectic flare so desired, yet so limited in the River District.
- Food & Beverage Stores have a 42% leakage rate. The Mercantile’s bakery, café, wine bar, cellar and craft brews will help fill the void. On Saturday, July 26<sup>th</sup>, 2014, CBS Morning News aired a piece on the growing interest in wine in the U.S. People are falling in love with wine! In 2013 the wine sales in the U.S. topped 36 billion dollars; more than any other place in the world. With the increase in so-called wine bars, cropping up in places outside of the ‘big city’, Americans are finding the opportunity to be educated and sample a multitude of wines without the cost of full bottle trial & error. This industry is just beginning to toast its own success.
- Health & Personal Care has a 32% leakage rate. Terradea Salon & Spa’s rate of growth has surpassed the capacity of its current location at 608 3<sup>rd</sup> Street. The Mercantile would support the expansion and allow Terradea to position itself as a destination spa. Terradea also plans to develop a small fair trade boutique within its retail area. Terradea has tested this market at the North Star location and we strongly sense that it will be a success in The Mercantile as well.
- Sporting, Hobby, Book & Music Stores have a 55% leakage rate. The Mercantile’s gallery, sport memorabilia, and events hall will potentially slow the ‘leak’ in this sector. Many options are on the table, with the consideration on our minds of ‘what is missing’ in the River District.

(Figure 3)



## Other Considerations

2. Tax Revenue – Future
  - a. 2014-15                   \$0
  - b. 2016                       \$12,250
  - c. 2017-18                 \$18,630
  - d. 2019-?                 \$26,474
3. Tax Revenue Losses since 2004
  - a. 2005 the taxes were \$21,010 and in 2008 the taxes were \$7,929. In the years 2006-2007 no taxes were paid. Therefore, between \$15,858 and \$42,020 was absent from tax revenue for the City. In 2014 there will be no tax imposed, and possibly the same for 2015 as well, which would account for another \$15,858-\$42,020 loss.
4. Economic Impact Losses since 2004
  - a. 10 years of idle use has cost the City of Wausau an estimated \$4.9 million in wage economic impact from potential job creation alone. Factor in the leakage and potential annual consumer spending of \$3.1 million (conservatively figured, half of the potential annual revenues generated by the suggested Mercantile entities); the losses quickly rise to over \$35 million.
  - b. Independentwestand.org, a site recommended by WEDC displays the statistic that if every family unit in the Wausau metro area spent just \$10 a month with a locally-owned, independent business instead of a national chain, over \$4,341,773 would be directly returned to the Wausau community. That means better schools, better roads, more police, fire and rescue departments and stronger local economy. When you spend \$100 with a national chain, \$43 returns to the local economy versus \$68 when spent at an independent business due to the revolving effect of continued local spending. Add that potential effect to the respected losses in (4a).
  - c. These figures and examples simply represent how the investment or lack of investment, by the City, into local business opportunity has a profound effect not only on the local economy, but the City's ROI as well.
5. Success Scenario over 30yr period
  - a. City loan repaid \$525,000
  - b. Elk Creek Investment of \$968,000 and the City investment of \$150,000 into The Mercantile has the following economic impact (in today's dollars):
    1. \$14.7 million in wages
    2. \$750,000 in property tax revenue
    3. \$186 million in potential annual average revenue
    4. \$\$ Millions more in revolving local revenue

**WAUSAU CLUB  
TAX INCREMENT DISTRICT 3  
10 YEAR RATE OF RETURN**

DEVELOPER INCENTIVES

DEVELOPER GRANT	\$150,000
PROJECTED TAX RATE	\$24.29
PROJECTED INCREASE IN VALUE	\$847,000
DEBT RETIREMENT 10 YEAR ISSUE 3.25%	

**CASH FLOW PROJECTED BY YEAR**

Budget Year	Increment		SOURCES OF FUNDS	USES OF FUNDS	Annual Surplus (Deficit)	Accumulated Surplus (Deficit)
	Value	Tax Rate	Increment Revenue Projection	Debt Retirement		
2015					-	-
2016					-	-
2017	324,000	\$24.29	7,870	18,000	(10,130)	(10,130)
2018	847,000	\$24.29	20,574	18,000	2,574	(7,556)
2019	847,000	\$24.29	20,574	18,000	2,574	(4,983)
2020	847,000	\$24.29	20,574	18,000	2,574	(2,409)
2021	847,000	\$24.29	20,574	18,000	2,574	164
2022	847,000	\$24.29	20,574	18,000	2,574	2,738
2023	847,000	\$24.29	20,574	18,000	2,574	5,312
2024	847,000	\$24.29	20,574	18,000	2,574	7,885
2025	847,000	\$24.29	20,574	18,000	2,574	10,459
2026	847,000	\$24.29	20,574	18,000	2,574	13,033
2027	847,000	\$24.29	20,574		20,574	33,606
2028	847,000	\$24.29	20,574		20,574	54,180
2029	847,000	\$24.29	20,574		20,574	74,754
2030	847,000	\$24.29	20,574		20,574	95,327
2031	847,000	\$24.29	20,574		20,574	115,901
Total			295,901	180,000		

## TTD #3 CASH FLOW PROJECTIONS

Year	EXPENSES			DEBT RETIREMENT			REVENUES			Annual Surplus (Deficit)	Accumulated Balance	
	Total Annual Debt Service Existing Issues	2015 Debt Issue \$3,000,000	Wausau Club Debt Issue \$150,000	Capital Expenditures and Other Project Costs	Administrative, Organization & Discretionary Costs	Debt Proceeds	Other Income	Transfer from Holtz Krause Fund	Wausau Club Increment			Project Increment
2013	2,815,752			1,298,296	48,275	1,108,000	229,987		7,870	2,095,370	(972,706)	(1,132,734)
2014	2,197,602			2,774,317	50,000	1,185,000	1,287,573	1,239,432	20,574	2,330,847	491,125	(2,105,440)
2015	2,090,133			4,905,000	50,000	3,000,000	1,751,302		20,574	2,479,214	(443,139)	(1,614,315)
2016	1,897,692			73,800	35,000				20,574	2,491,610	78,453	(2,057,454)
2017	1,961,091			73,800	35,000				20,574	2,504,068	15,349	(1,979,001)
2018	2,562,404			281,000	35,000				20,574	2,516,588	(544,983)	(2,508,634)
2019	1,759,448			281,000	35,000				20,574	2,342,501	269,627	(2,239,007)
2020	1,743,786			281,000	35,000				20,574	2,479,214	422,002	(2,239,007)
2021	1,277,687			281,000	35,000				20,574	2,491,610	900,497	(1,817,005)
2022	413,450			281,000	35,000				20,574	2,504,068	1,777,192	(916,508)
2023	107,675			281,000	35,000				20,574	2,516,588	2,095,487	860,683
2024	105,650			281,000	35,000				20,574	2,529,171	2,110,095	2,956,171
2025	108,338			281,000	35,000				20,574	2,541,817	2,120,053	5,066,266
2026	105,725			281,000	35,000				20,574	2,554,526	2,135,375	7,186,319
2027	107,800		18,000	281,000	35,000				20,574	2,567,299	2,164,073	9,321,694
2028	109,725			281,000	35,000				20,574	2,580,135	2,174,984	11,485,767
2029	106,575			281,000	35,000				20,574	2,593,036	2,191,035	13,660,751
2030	600,000			281,000					20,574	2,606,001	1,745,575	15,851,786
2031									20,574	2,619,031	2,639,605	17,597,361
												20,236,966
	\$ 20,070,533	\$ 3,800,600	\$ 180,000	\$ 8,977,613	\$ 638,275	\$ 5,293,000	\$ 3,268,862	\$ 1,239,432	\$ 295,901	\$ 44,939,521		



## Staff Report

**From:** Megan Lawrence  
**To:** Finance Committee Members  
**Date:** December 9, 2014  
**Re:** Composite Envisions

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Purpose: Discussion and Possible Action Authorizing a Development Agreement with Composite Envisions.

Facts OR Considerations:

Composite Envisions, locally owned by Cory Thorson, is an innovative composite technology business located in the Wausau Business Campus. Since opening in 2012, Composite Envisions has quickly outgrown their facility located at 350 S 86<sup>th</sup> Avenue. Composite wishes to acquire approximately 4.2 acres of City owned property on Development Court in order to construct a new 7,500 square foot facility. Additionally, they are requesting a \$100,000 grant for equipment to help facilitate their expansion. Composite's expansion will increase the City tax base by approximately \$12,000 and create four new full time positions in Wausau.

The City of Wausau sold 1.36 acres to Composite Envisions for \$7,000 in 2012 to facilitate the construction of a 3,000 square foot facility at 350 S 86<sup>th</sup> Avenue.

The new site Composite seeks to acquire is located within Tax Increment District Number Five. A TIF application is enclosed for your review. On November 20, 2014, the Economic Development Committee unanimously recommended giving the land to Composite Envisions and authorized the approval of 10 year 0% forgivable loan in the amount of \$100,000. This loan would be forgiven in annual increments of \$10,000 over the life of the loan.



## City of Wausau TIF Application

Please complete the following information and return it along with a \$125 fee made payable to Community Development.

### **DEVELOPER**

Legal Entity: CE Acquisitions LLC / Composite Envisions LLC

d/b/a: Composite Envisions / Elite Motoring

Main Office Location: 350 S 86<sup>th</sup> Ave

Type of Business: Composite Materials Distribution and Light Manufacturing

Project Description: Building a larger facility to keep up with demand and expand distribution side of the business. Also purchasing new heavy equipment to expand production capabilities almost 10x.

Reason for Application Assistance: Need assistance for funding with our press equipment. This will expand our capabilities and let us produce 10x more panels per day while being more efficient to compete on a larger scale and bring more jobs to the area.

### **PROPERTY INFORMATION**

#### **Parcel 1**

Address: Undeveloped Land on the north of Development Court in the Wausau Business Campus

Size: Approx 3 acres

Current Use: Vacant

Current Assessed Value: \$0.00

Current Property Taxes: \$.0.00

#### **Parcel 2**

Address:

Size:

Current Use:

Current Assessed Value:

Current Property Taxes:

### **PROPOSED IMPROVEMENTS**

*Describe improvement details:* We plan to construct a brand new facility on this property with a minimum of 7500 sq ft in size. We will setup the building to be capable of easily adding 3 more additions of 7500sq ft. One will most likely happen in the near future as 7500sq ft will be fairly compact according to our current cad drawings for the building/equipment layout. However we cannot over extend ourselves....

### **RETURN ON INVESTMENT ANALYSIS**

## Project Costs

	Amount (\$)	Source of Funds
Purchase of Land	0	City donation
Demolition Cost	n/a	
Site Improvements	n/a	
Purchase of Existing Facility	n/a	
Construction of New Building(s)	450,000	Bank Loan
Renovation of Existing Structure	n/a	
Machinery & Equipment	\$100,000- \$150,000	\$100k grant from city/\$50K Bank Loan
Architectural & Engineering Fees		
Legal & Other Professional Fees	\$4,000	Self Funded
Contingency		
Working Capital	\$50,000	Bank Loan
Other ( please specify) Mezzanine, Pallet Racking, Shelves, Phone system, security system etc	\$35,000	Self Funded
Increase in inventory/materials to be used with press	\$100,000	50k Self Funded, 50K Bank Loan
<b>Total Project Costs</b>	<b>\$789,000</b>	

### Value of Property

- Lot Size (in acres): 3 acres
- Improvement Square Footage: 7,500sq ft
- Current Assessed Values: Land \$ \_\_\_\_\_ + Improvements \$ \_\_\_\_\_ = N/A
- Calculated Property Value: Land \$50,000 + Improvements \$450,000 = \$12,055

### Projected Property Taxes

- Current Property Taxes: \$3,293.85
- Calculated Property Taxes: \$12,055
- Calculated Tax Increment: \$12,055

### Zoning:

- Current Zoning: \_\_\_IP\_
- Proposed Zoning: \_\_\_\_\_N/A

**Requested City Participation/Financing**

<b>Source</b>	<b>Amount</b>	<b>Terms: Years/Interest</b>	<b>Contact Information</b>
Loans:	\$600,000	20/6% fixed 5 yr then variable	Integrity First Bank, Christina Cooper 715-845-0900
Equity	\$89,000	Personal	
Requested City Participation:			
Loan:			
Grant:	\$100,000	Grant	
Other: Land Donation	3-4 Acres	Donation	
<b>Total Financing</b>	<b>\$789,000</b>		

**City of Wausau ROI:** Composite Envisions will create four new full time jobs within 12 months of construction.

**Jobs Created**

- Up to \$15,000: \_\_2 part time\_\_\_\_\_
- \$15,001-\$30,000: \_\_2\_\_\_\_\_
- \$30,001-\$45,000: \_\_\_\_\_
- \$45,001-\$60,000: \_\_1\_\_\_\_\_
- \$60,001 and above: \_\_1\_\_\_\_\_
- Description of Employee benefits: Our employees will be offered a health insurance plan (some will be given a monthly stipend towards costs) 3% match to retirement fund, vacation.

Please return to Community Development, Attn: Megan Lawrence, 407 Grant Street, Wausau, WI 54403.

**COMPOSITE ENVISIONS  
TAX INCREMENT DISTRICT 5  
9 YEAR RATE OF RETURN**

<u>DEVELOPER INCENTIVES</u>		
FORGIVEABLE LOAN		\$100,000
PROJECTED TAX RATE		\$24.29
PROJECTED INCREASE IN VALUE		\$500,000

**CASH FLOW PROJECTED BY YEAR**

Budget Year	Increment Value	Tax Rate	SOURCES OF FUNDS	USES OF FUNDS	Annual Surplus (Deficit)	Accumulated Surplus (Deficit)
			Increment Revenue Projection	Forgiveable Loan		
2015					-	-
2016	500,000	\$24.29	12,145	100,000	(87,855)	(87,855)
2017	500,000	\$24.29	12,145		12,145	(75,710)
2018	500,000	\$24.29	12,145		12,145	(63,565)
2019	500,000	\$24.29	12,145		12,145	(51,420)
2020	500,000	\$24.29	12,145		12,145	(39,275) ← Mandated TID Termination
2021	500,000	\$24.29	12,145		12,145	(27,130)
2022	500,000	\$24.29	12,145		12,145	(14,985)
2023	500,000	\$24.29	12,145		12,145	(2,840)
2024	500,000	\$24.29	12,145		12,145	9,305
2025	500,000	\$24.29	12,145		12,145	21,450
<hr/>						
Total			121,450	100,000		

**CITY OF WAUSAU**  
**TAX INCREMENTAL DISTRICT NUMBER FIVE**  
**PROJECTED CASH FLOW**

Year	USES OF FUNDS					Tax Increment	Other Income	Annual Surplus (Deficit)	Cumulative Balance
	Total Annual Debt Service	Administrative, Organization & Discretionary Costs	Developer Grants & Loans	Capital Expenditures					
2013	548,886	17,934	160,000	1,151		1,259,989	532,018	(309,353)	
2014	458,923	40,000	1,200,000			1,288,068	50,000	(360,855)	
2015	281,028	40,000	<b>100,000</b> *	1,174,000		1,182,063		(412,965)	
2016	283,598	18,000				1,187,973		886,375	
2017	289,774	18,000				1,193,913		886,139	
<b>TOTAL</b>	<b>1,862,209</b>	<b>133,934</b>	<b>1,460,000</b>	<b>1,175,151</b>		<b>6,112,006</b>	<b>50,000</b>		

\* Composite Envision Payment

Agenda Item No.

**STAFF REPORT TO FINANCE COMMITTEE**

**AGENDA ITEM**

Authorization to purchase 525 McClellan Street

**BACKGROUND**

Marathon Savings Bank owns 525 McClellan Street. This property has two buildings on the lot and is located between the corner group home property and the City of Wausau's parking lot on McClellan Street. Marathon Savings has owned this property for several years and had rented it out during that time. Recently they decided to sell it and had contacted the City to see if we would be interested in purchasing the property since it is in poor condition.

**KEY ISSUES**

- \* The property is assessed at \$120,400
- \* Both buildings are in need of rehabilitation to bring it up to code.
- \* The current parking lot for the City of Wausau employees is tight. In an effort to provide additional parking for the YMCA, the city evacuated the parking spaces previously utilized in the Unitarian Church.

**FINANCIAL IMPACT**

- \* \$39,500 in acquisition costs
- \* Approximately \$20,000 in demolition costs







<b>AGENDA ITEM</b>
Authorization to accept the donation of 717 Park Avenue
<b>BACKGROUND</b>
<p>Family members of the owner of 717 Park Avenue reached out to the City of Wausau regarding the possibility to donating this property to the City. The owner has health issues and has been removed from the house and will not be able to return to his home. His brother has been designated his power of attorney. He wanted to sell the property but after meeting with a realtor, he was told that it could not be sold in its present condition – too many code violations and hazards that would need to be taken care before it could be considered to be listed.</p> <p>He contacted City Hall and requested an inspection be performed by myself and a building inspector with the possibility of having the property condemned and donating it to the City. Rich Grefe attended the inspection with me. The property was full of debris and personal effects. There was water damage from a leaking roof, the electrical would need to be completely upgraded along with the plumbing – that was not even hooked up to the existing bathtub. The heating system would need to be reconfigured. The plaster is falling off several off the walls and are all stained with soot due to the wood burning stoves that heated the house. The floors are uneven and the steps to both the basement and the upstairs level are very dangerous. After the inspection we determined that the house would need to be a total gut job and that would not take care of any foundation issues.</p>
<b>KEY ISSUES</b>
<ul style="list-style-type: none"> <li>* The property is assessed at \$48,900</li> <li>* The current owner will never be able to return to the house</li> <li>* The lot is 60 x 120 – which allows a new single family home to be built</li> <li>* The rehabilitation costs would exceed \$75,000 – which over 1 ½ times what the property is worth</li> </ul>
<b>FINANCIAL IMPACT</b>
<ul style="list-style-type: none"> <li>* Approximately \$10,000 in demolition costs – Community Development program funds</li> </ul>



## **EDUCATION EFFORT FOR THE APRIL REFERENDUM ON CITY ADMINISTRATOR**

In August, the Wausau Common Council voted to place an advisory referendum on the April 7, 2015, ballot on whether the city should change its form of government and have a professional chief operating officer overseeing all departments. By the end of January 2015, the council will need to put forward the wording for the referendum.

What form of government will we be asking the public's advice on:

- A city manager form of government with no mayor
- A city administrator form of government with no mayor
- A city administrator form of government with a part-time mayor

Shortly, the council will need information on the choices to frame the referendum question and the public will need to have a description of the choices as well.

## **DRAFT REFERENDUM**

Should the City of Wausau create a stormwater sewer utility and use utility bills instead of general property tax dollars to pay for the maintenance of a stormwater sewer system?

Yes                       No

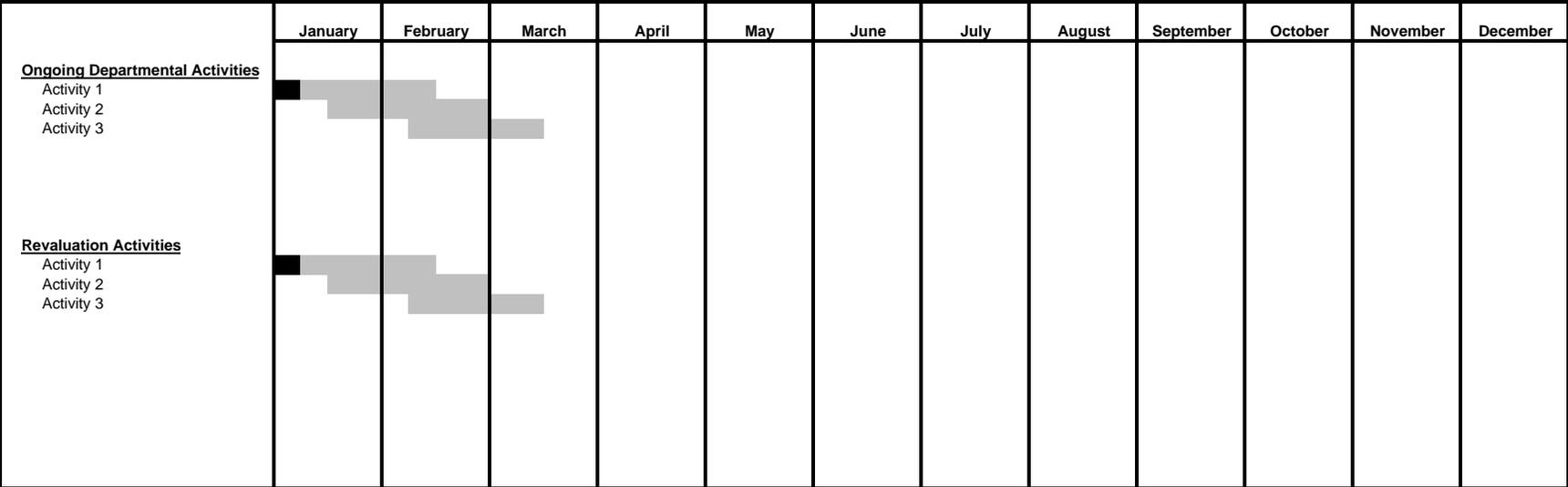
The City of Wausau currently has a utility to fund water and sewerage services to homes, businesses, government buildings and not-for-profit organizations. All are sent utility bills based on their usage of the system.

Currently, Wausau's stormwater sewer is paid for by general property taxes levied against homes and for-profit commercial property only, based on the value of that property and without regard to the amount of stormwater run-off generated by the property. Not-for-profit and governmental property owners do not contribute revenue to stormwater services, although they may generate run-off.

The creation of a stormwater utility would take the costs of maintaining storm sewers off the property tax rolls and impose a utility fee based on the size of the property owner's roof and paved surfaces (i.e., a measure of the amount of stormwater run-off the property generates). Like with the existing water and sewer utility, charges would apply to homes, for-profit entities, not-for-profit organizations and government buildings equally.

State law requires that any new revenue raised by a city through fees be used to off-set property taxes. This charge would shift approximately 16% of the costs of the stormwater system from homes and for-profit businesses to not-for-profit organizations and governments who currently pay nothing toward the maintenance of the system, even though they generate an estimated 16% of the stormwater run-off.

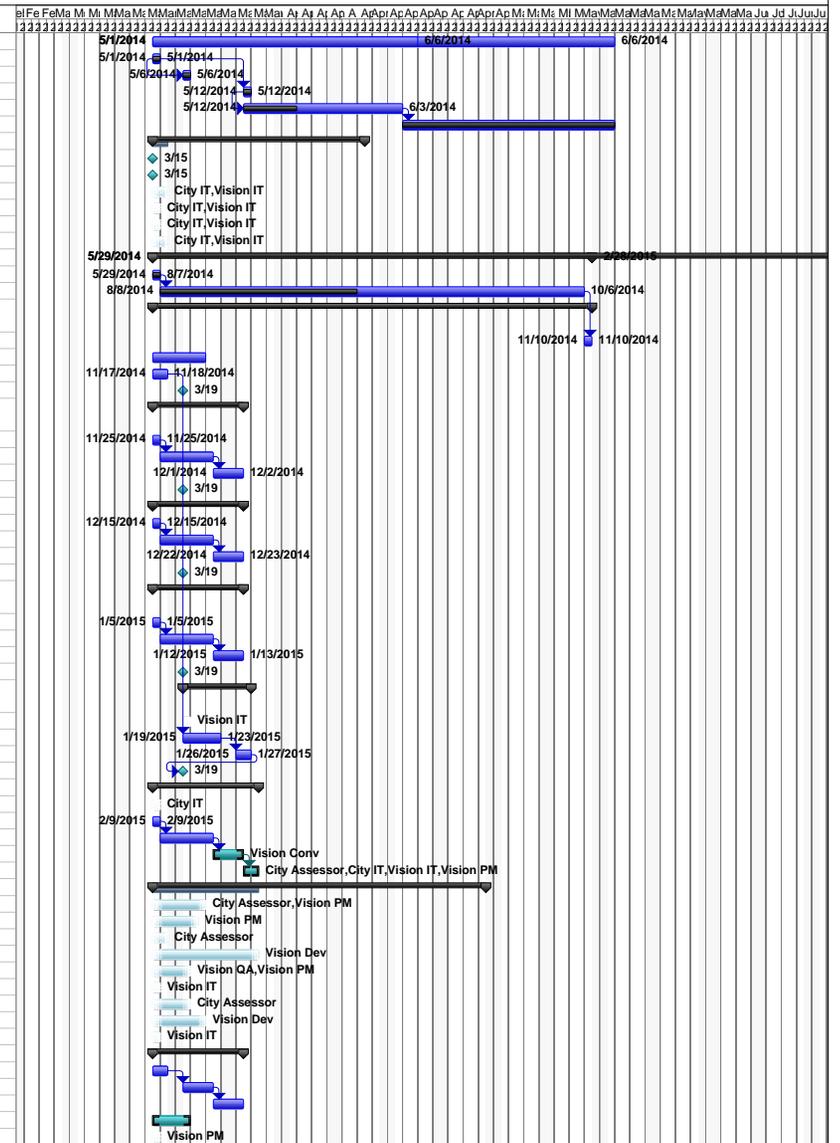
**GANTT CHART FOR ASSESSMENT DEPARTMENT ACTIVITIES**



Scheduled Activities
  Completed Activities

## City of Wausau Vision/CAMA Project Plan

ID	Task Name	Duration	Task Start Date	Task Finish Date	Predecessors	Resource Names	% Complete	
1	<b>INITIATION</b>	<b>25 days</b>	<b>5/1/2014</b>	<b>6/6/2014</b>			<b>74%</b>	
2	Contact Signed	1 day	5/1/2014	5/1/2014			100%	
3	Setup FTP site	1 day	5/6/2014	5/6/2014	2SS+2 days		100%	
4	Kickoff Meeting with City	1 day	5/12/2014	5/12/2014	2FS+7 days		100%	
5	Collect Customer Information	15 days	5/12/2014	6/3/2014	4SS		33%	
6	Startup tasks completed	20 days	5/1/2014	6/3/2014	5		100%	
7	<b>INSTALLATION OF VISION ENVIRONMENTS</b>	<b>20 days</b>	<b>9/1/2014</b>	<b>12/9/2014</b>			<b>0%</b>	
8	System Setup and Installation	0 days	9/29/2014	9/30/2014		City IT, Vision IT	100%	
9	Test Environment	0 days	10/1/2014	10/2/2014		City IT, Vision IT	100%	
10	Production Environment	2 days	10/1/2014	10/2/2014		City IT, Vision IT	0%	
11	Configuration of GIS	1 day	12/9/2014	12/9/2014		City IT, Vision IT	0%	
12	Configuration of Pictometry	1 day	12/9/2014	12/9/2014		City IT, Vision IT	0%	
13	Installation of Mobile Tool	2 days	3/23/2015	3/24/2015		City IT, Vision IT	0%	
14	<b>DATA ANALYSIS and CONVERSION</b>	<b>76 days</b>	<b>5/29/2014</b>	<b>2/28/2015</b>			<b>21%</b>	
15	Send 1st Pass of data to Vision for review	1 day	5/29/2014	8/7/2014		City IT	100%	
16	Data analysis/mapping	40 days	8/8/2014	10/6/2014	15	City Assessor, Vision PM	45%	
17	<b>Subset #1 - Parcel, Municipality, Land, and Land Calc Set up</b>	<b>42 days</b>					<b>0%</b>	
18	Delivery of 1st Data Subset	1 day	11/10/2014	11/10/2014	16	Vision IT	0%	
19	City to Review Data Delivery	5 days	11/10/2014	11/14/2015		City Assessor	0%	
20	Vision to make revisions from City feedback	2 days	11/17/2014	11/18/2014		Vision Conv	0%	
21	Subset Conversion Signoff	0 days	11/18/2014	11/19/2014		City Assessor, City IT	0%	
22	<b>Subset #2 - Commercial/Condo/M&amp;S/Building Details</b>	<b>8 days</b>					<b>0%</b>	
23	Delivery of 2nd Data Subset	1 day	11/25/2014	11/25/2014		Vision IT	0%	
24	City to Review Data Delivery	5 days	11/2/2014	11/28/2014	23	City Assessor, Vision PM	0%	
25	Vision to make revisions from City feedback	2 days	12/1/2014	12/2/2014	24	Vision Conv	0%	
26	Subset Conversion Signoff	0 days	12/2/2014	12/3/2014		City Assessor, City IT	0%	
27	<b>Subset #3 - Ownership and Sales</b>	<b>8 days</b>					<b>0%</b>	
28	Delivery for 3rd Data Subset	1 day	12/15/2014	12/15/2014		Vision IT	0%	
29	City to Review Data Delivery	5 days	12/15/2014	12/19/2014	28	City Assessor, Vision PM	0%	
30	Vision to make revisions from City feedback	2 days	12/22/2014	12/23/2014	29	Vision Conv	0%	
31	Subset Conversion Signoff	0 days	12/29/2014	12/30/2014		City Assessor, City IT	0%	
32	<b>Subset #4 - Income/Outbuilding/Appeal/Photos/Permits</b>	<b>8 days</b>					<b>0%</b>	
33	Delivery of 4th Data Subset	1 day	1/5/2015	1/5/2015		Vision IT	0%	
34	City to Review Data Delivery	5 days	1/5/2015	1/9/2015	33	City Assessor, Vision PM	0%	
35	Vision to make revisions from City feedback	2 days	1/12/2015	1/13/2015	34	Vision Conv	0%	
36	Subset Conversion Signoff	0 days	1/13/2015	1/14/2014		City Assessor, City IT	0%	
37	<b>Subset #5 - Valuation and Valuation History/Mobile Homes</b>	<b>7 days</b>					<b>0%</b>	
38	Delivery of 5th Data Subset	1 day	1/19/2015	1/19/2015		Vision IT	0%	
39	City to Review Data Delivery	5 days	1/19/2015	1/23/2015	20	City Assessor, Vision PM	0%	
40	Vision to make revisions from City feedback	2 days	1/26/2015	1/27/2015	39	Vision Conv	0%	
41	Subset Conversion Signoff	0 days	1/27/2015	1/27/2015	40	City Assessor, City IT	0%	
42	<b>Final Conversion</b>	<b>10 days</b>					<b>0%</b>	
43	Receive Final Data Delivery from City	1 day	1/28/2015	1/28/2015		City IT	0%	
44	Delivery of Final Conversion	1 day	2/9/2015	2/9/2015		Vision IT	0%	
45	City to review Final Conversion	5 days	2/9/2015	2/13/2015	44	City Assessor, City IT	0%	
46	Vision to make final revisions from City feedback	2 days	2/16/2015	2/17/2015	45	Vision Conv	0%	
47	Delivery and Sign off of Final Conversion	2 days	2/23/2015	2/23/2015	46	City Assessor, City IT, Vi	0%	
48	<b>DEVELOPMENT OF MOBILE HOME MODULE</b>	<b>32 days</b>	<b>10/8/2014</b>	<b>11/26/2014</b>			<b>0%</b>	
49	Review Mobile Home Specification	5 days	10/8/2014	10/14/2014		City Assessor, Vision PM	0%	
50	Update Requirements Document	4 days	10/15/2014	10/21/2014		Vision PM	0%	
51	City to Review Requirements Document	2 days	10/21/2014	10/22/2014		City Assessor	0%	
52	Develop Mobile Home Module	10 days	10/22/2014	11/4/2014		Vision Dev	0%	
53	Test Mobile Home Module	3 days	11/5/2014	11/7/2014		Vision QA, Vision PM	0%	
54	Deliver to City for Testing	1 day	11/12/2014	11/12/2014		Vision IT	0%	
55	City to review and provide feedback	3 days	11/12/2014	11/14/2014		City Assessor	0%	
56	Modifications based on City feedback	5 days	11/17/2014	11/25/2014		Vision Dev	0%	
57	Deliver updated module for testing and verification	1 day	11/26/2014	11/26/2014		Vision IT	0%	
58	<b>TRAINING SESSIONS</b>	<b>8 days</b>	<b>1/27/2015</b>	<b>2/17/2015</b>			<b>0%</b>	
59	Data Entry Training	2 days	1/27/2015	1/28/2015		Trainer	0%	
60	Appraiser/Assessor Training	4 days	2/10/2015	2/11/2015	59	Trainer	0%	
61	IT/Database Administrator Training	2 days	2/16/2015	2/17/2015	60	Trainer	0%	
62	<b>Go LIVE</b>	<b>3 days</b>	<b>3/2/2015</b>	<b>3/4/2015</b>			<b>0%</b>	
63	Transition to Customer Support	1 day	4/20/2015	4/20/2015		Vision PM	0%	



**\*Draft\* Gantt Chart of Assessment Tasks (Adapted for 2015 Revaluation)**

<b>OBJECTIVE: The Fair &amp; Equitable revaluation of all real and personal property within 10% of Full Value for 2015.</b>	<b>Related Form #</b>	<b>Wisconsin Property Assessment Manual Pages</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>JULY</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>
<b>TASK LIST:</b>														
Attend Annual Assessors School		4-7,												
Obtain Necessary Forms for Real Estate & PP from county		4-1, 17-7 to 17-10												
Prepare for mailing of PP returns	PA-003	4-9, 17-4, 17-22 to 17-25												
Assessment Date - for Real and Personal Property (Note partials)		1-2, 4-3, 4-7, 7-13, 15-1	January 1st											
Keep records as work progresses (new parcels, permits, ownership changes, track information relative to value)	PA-500	4-1 to 4-7, 17-2, 17-4, 17-11 to 17-14												
Keeping records for the valuation of Agricultural Land on form PA-703 (is an insert to PA-500)	PA-703	Chapter 11, 17-9, 17-15												
Track "For Sale " properties through MLS or other sources														
Track Mortgages, Easements and other recorded documents for each parcel														
Practice effective Public Relations throughout year		Chapter 13												
Distribute Personal Property Forms	PA-003	4,9 17-4, 17-5, 17-22 to 17-25												
Receive Sales Transfer Forms and update ownership records accordingly	PE-500	4-1, 17-4, 17-5, 17-69 to 70												
Assist Clerk in sending out Tax Exemption report each even numbered year	PC-220	17-5, 17-9, 17-35,17-36			Due March 1st every other year									
Assist Clerk in sending out Multi Parcel Tax Exemption report each even numbered year	PC-220A	17-5, 17-9, 17-37, 17-38			Due March 1st every other year									
Receive, date, audit PP Returns from Owners (Due March 1st)	PA-003	4-9, 15-5, 17-4, 17-22 to 17-25												
Receive, date, audit Cable Television Systems Annual Property Report	PA-016	17-55 to 17-68			Due March 1st									
Question PP Owners as to reported amounts and clarify so no duplicate assessments		Chapter 15												
Occupational Taxes: Receive list or statement specifying amounts handled in previous year (Iron Ore Concentrates)	PA-002	15-24 & 25, 17-4, 17-27		Info to be received by February 1st										
Occupational Taxes: Receive list or statement specifying amounts handled in previous year (Grain)	PA-005	15-24 & 25, 17-4, 17-28		Info to be received by February 1st										
Occupational Taxes: Receive list or statement specifying amounts handled in previous year (Coal)	PA-006	15-24 & 25, 17-4, 17-29		Info to be received by February 1st										
Occupational Taxes: Receive list or statement specifying amounts handled in previous year (Petroleum)	PA-014	15-24 & 25, 17-4, 17-30		Info to be received by February 1st										
Order Maps as needed - Base, Cadastral, Contour, Plat, Soil, Tax, Topographic														
Send delinquent notice to occupational tax accounts		15-24, 15-25		By February 1st										
Receive and review preliminary roll for what property will be included on manufacturing roll from Manufacturing and Utility Bureau.		4-8, 10-2		By February 15th										
Receive Requests for Exempt Real Property by March 1	PR-230	17-5, 22-1, 22-2, 22-3												
Review Requests for Exempt Real Property														
Value Real Properties and place in Assessment Roll		4-3, 4-8												
Personal Property Filing due date.		4-9, 15-2, 15-5			March 1st									
Contact businesses unresponsive to required Personal Property Filing due date.														
Receive Request for Exemption of Renewable Energy Systems	PR-303	17-5, 17-53			Due March 1st									
Assessor to enter PP values in assessment roll		4-8, 15,2												
Send property information (permits, splits, sales) to DOR for Mfg Assessments														
Send information, permits etc to DOR for Telco Assessments														
Send information and talk with Property Listers or Register of Deeds office to correct legals. (Schofield)														
List ownership and legal descriptions. (Wausau)														
Make Corrections for Errors in Previous Years	PA-5/661	4-8, 5-35, 17-3, 17-9, 17-21												
Assess Omitted Real Property for 2 previous years		4-8, 5-35, 21.3-1												
Assess Omitted Personal Property for 2 previous years		4-8, 5-35, 15-3, 15-24												

**\*Draft\* Gantt Chart of Assessment Tasks (Adapted for 2015 Revaluation)**

<b>OBJECTIVE: The Fair &amp; Equitable revaluation of all real and personal property within 10% of Full Value for 2015.</b>	<b>Related Form #</b>	<b>Wisconsin Property Assessment Manual Pages</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUNE</b>	<b>JULY</b>	<b>AUG</b>	<b>SEPT</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>
Finalize values and enter into the PP roll.	PR-299	4-4, 15-1 to 5, 17-6, 17-45												
Make sure Clerk publishes proper notice for 1st meeting of Board of Review		18-10												
Mail notices of changed RE Assessments (at least 30 days prior to the 1st meeting of Board of Review)	PR-301A	4-4, 17-5, 17-42, 18-11, 21.1-4												
Mail notices of Personal Property Assessments														
Mail notices of Change in Exempt computer Equipment	PR-307	17-5, 17-82, 17-83												
Provide notice of and conduct an open book period for property owners to discuss notices		18-11												
Meet with and talk with property owners about assessment changes														
Mail Summary of Computer Exemption Report on or before May 1	PA-004	4-4,					On or before May 1st							
Summary of Computer Exemption Report TID(s)	PA-004A						On or before May 1st							
Attach Signed Affidavit to Roll at Board of Review	PA-533	1-11, 4-4, 17-17, 18-12, 19-2, 21.2-1												
Assessment roll completed. Assessment roll open for public inspection	PA-539-2	4-4, 4-11, 15-2, 17-2, 17-16							estimated					
Prepare Final Report: MAR (including all changes for new construction, class shifts etc.) - estimates are OK	PA-100	4-4, 17-3, 17-18, 17-19					Before 1st Monday of May							
Send estimated/completed Final Report: MAR to Supervisor of Equalization	PA-100	4-3, 4-11,17-3,17-18,17-19,19-8					By 1st Monday in May							
Attend 1st meeting of Board of Review		4-4, 4-12, 17-20, Chap18, 19-9, 21.8-1					30 day period beginning 2nd Monday in May							
Defend Assessments at Board of Review														
Assist Clerk with Notice of Board of Review Determination	PR-302	17-10, 17-47					After Bd of Review							
Assist Clerk with Statement of Assessment	PA-521	17-6, 17-48, 17-49					After Bd of Review							
TID Assessors Final Report for each TIF district (TAR)	PA-100T	4-13, 6-4, 17-18, 17-19						Due by 2nd Monday in June						
AAR Final Report								Due after Board of Review						
Receive and review the manufacturing Full Value Assessment Roll and Change Report - update data base w/ changes														
Calculate penalty from Use Value Calculation Worksheet	PA124a & b	11-C-1 to 11-C-4, 17-79 to 17-81												
Review of Media reports, telephone book, city directory, other sources for new PP accounts & deletions of old		15-2												
Review of web pages, Business Journal, Chamber of Commerce Directories for new PP accounts & deletions of old														
Send out and review sales questionnaires from property owners														
Send out and review Income & Expense reports from property owners														
Send out letters requesting appointments for sale verifications, listing of new parcels, and permit inspections.														
Inspections (Field Work) of new parcels, sales and permits		4-3,												
Provide Elected Officials with reports as to monthly activities														
Provide Information (as requested) to public & Elected Officials														
Occupancy Check for Personal Property Accounts		15-2												
Year end Inspections of new construction/permits (pictures)														
Take pictures of partial construction														
Value Mobile Homes	PA-117	15-21 to 24, 17-6, 17-50, 17-51												
Prepare Statement of Monthly Parking fee for new mobile homes	PA-118	17-6, 17-52												
Prepare (or assist treasurer with) Monthly Invoice for Mobile Home Park	Invoice													
Talk with & answer questions of Property Owners about tax Bills		Chapter 13												



**CITY OF WAUSAU  
SOLE SOURCE PURCHASE JUSTIFICATION  
REQUIRED FORM PURCHASE OF GOODS OR SERVICES EXCEEDING \$5,000**

Purchase of goods or services for no more than \$25,000 may be made without competition when it is agreed *in advance* between the Department Head and the Finance Director. Sole source purchasing should be avoided unless it is clearly necessary and justifiable. The justification must withstand public and legislative scrutiny. The Department Head is responsible for providing written documentation justifying the valid reason to purchase from one source or that only one source is available. Sole source purchasing criteria include: urgency due to public safety, serious injury financial or other, other unusual and compelling reasons, goods or service is available from only one source and no other good or service will satisfy the City's requirements, legal services provided by an attorney, lack of acceptable bids or quotes, an alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs, standardization of a specific product or manufacturer will result in a more efficient or economical operation or aesthetics, or compatibility is an overriding consideration, the purchase is from another governmental body, continuity is achieved in a phased project, the supplier or service demonstrates a unique capability not found elsewhere, the purchase is more economical to the city on the basis of time and money of proposal development.

1. Sole source purchase under \$5,000 shall be evaluated and determined by the Department Head.
2. Sole source purchase of \$5,000 to \$25,000 a formal written justification shall be forwarded to the Finance Director who will concur with the sole source or assist in locating additional competitive sources.
3. Sole source purchase exceeding \$25,000 must be approved by the Finance Committee.

1. Provide a detailed explanation of the good or service to be purchased and vendor.
  - Self-Contained Breathing Apparatus (SCBA) that meet or exceed the most current version of the National Fire Protection Association 1981, Open-Circuit Self-Contained Breathing Apparatus for Emergency Services, and National Institute for Occupational Safety and Health (NIOSH) requirements of 42 CFR, Part 84. Apparatus must include low profile 4,500 psi cylinders that fit within our truck storage brackets and face pieces of various sizes.
  - Additional SCBA face pieces of various sizes that go with SCBA
  - Additional low profile 4,500 psi cylinders that go along with the above SCBA
  - Backplates and clips for trucks
  - Vendor is Mine Safety Appliance (MSA), Cranberry Township, Pennsylvania

2. Provide a brief description of the intended application for the service or goods to be purchased.

Self-Contained Breathing Apparatus (SCBA) is a critical component of personal protective equipment needed to operate in a hazardous atmosphere by providing breathable air to the firefighter. Standardization of SCBA's is an important safety concern internally within a fire department and externally when working with mutual aid departments. In the case of a firefighter emergency at a fire scene (such as a trapped or lost firefighter) and neighboring fire departments are involved with rescue operations, familiarity of SCBA's and buddy-breathing components may help with the successful outcome.

3. State why other products or services that compete in the market will not or do not meet your needs or comply with your specifications.

The Wausau Fire Department has used the MSA SCBA for many years and has made significant investment into its products, service, maintenance, and training of its members. The department the MSA SCBA's in fire suppression, hazardous materials, and other operations where an immediate danger to life and health atmosphere exists. Although other products are available, due to MSA's major redevelopment of their SCBA with fire service input, their latest SCBA provides the highest level of functionality along with comfort and safety features that other vendors may or may not have.

Those features include:

- Compliance with NFPA 1981, 2013 version
- Electronics are placed on the SCBA and not the mask - resulting in a lighter face mask
- Open port breathing design
- Rapid Intervention Team (RIT) connection lighting
- Cross-contamination feature

- Console with diagnostics
- Mid-point alarm
- Central battery pack that can be easily checked and changed
- Proprietary programming that eliminates amplification of inhalation noise
- RFID enabled to keep track of ownership and maintenance
- Certified drag rating of 1,000 pounds and lift rating of 500 pounds
- Ease of glove hand use with oversized controls
- Ergonomics. Adjustable lumbar pad.

Several members of the department have been trained to perform maintenance and repair on our SCBA's that a typical firefighter isn't qualified to. This capability reduces the amount of time that out of service SCBA's are in maintenance as well as reducing or eliminating the need to ship the SCBA to a repair facility. MSA has provided this training, and if we went with a different SCBA vendor, our members (if similar training was offered) would have to learn two different systems to continue with maintenance and operation. Our parts are MSA specific and cannot be used on other vendor products.

If we continue with the MSA SCBA, our current air cylinders along with air cylinder brackets may still be functional with the new SCBA's which will reduce our additional spare cylinder needs.

4. Describe your efforts to identify other vendors to furnish the product or services.

The following vendors were contacted for information:

- Interspiro
- Scott
- Draeger

On December 2, 2014, two of the above vendors came to the Wausau area to show their SCBA's. Wausau Fire Department personnel attended these presentations.

5. How did you determine that the sole source vendor's price was reasonable?

From the demonstrations on December 2, 2014, it was shown that the MSA warranty covers all components of the SCBA for fifteen years. None of the other vendors provided a warranty this comprehensive or for this length of time. In summary, we feel that the following benefits of the MSA SCBA justify the sole source purchase request:

- Long, successful history with MSA
- Local, convenient dealer with proven history of customer service excellence
- MSA SCBA provides the most safety features and ease of use for department members
- Fire department members have been trained and are comfortable with MSA SCBA
- Neighboring fire departments are using MSA SCBA's and are familiar with system

6. Which of the following best describes this sole source procurement? Select all that apply.

- Product or vendor is uniquely qualified with capability not found elsewhere.
- Urgency due to public safety, serious financial injury or other. (explain)
- The procurement is of such a specialized nature that by virtue of experience, expertise, proximity or ownership of intellectual property
- Lack of acceptable quotes or bids.
- Product compatibility or the standardization of a product.
- Continuation of a phased project.
- Proposal development is uneconomical.

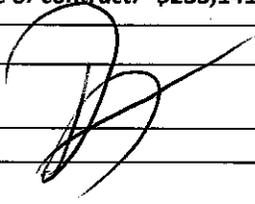
**Department: Fire**

**Preparer: Philip Rentmeester**

**Vendor Name: Mine Safety Appliance (MSA)**

**Expected amount of purchase or contract: \$235,141.00**

**Department Head Signature:**



**Date:** 12/3/14

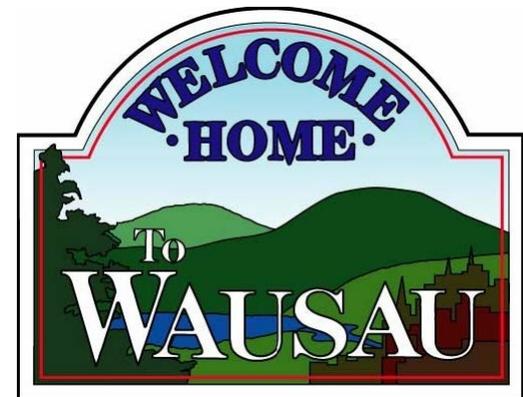
**Finance Director Signature:**

**Date:**

# City of Wausau Citizen Engagement and Priority Assessment

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July 2012





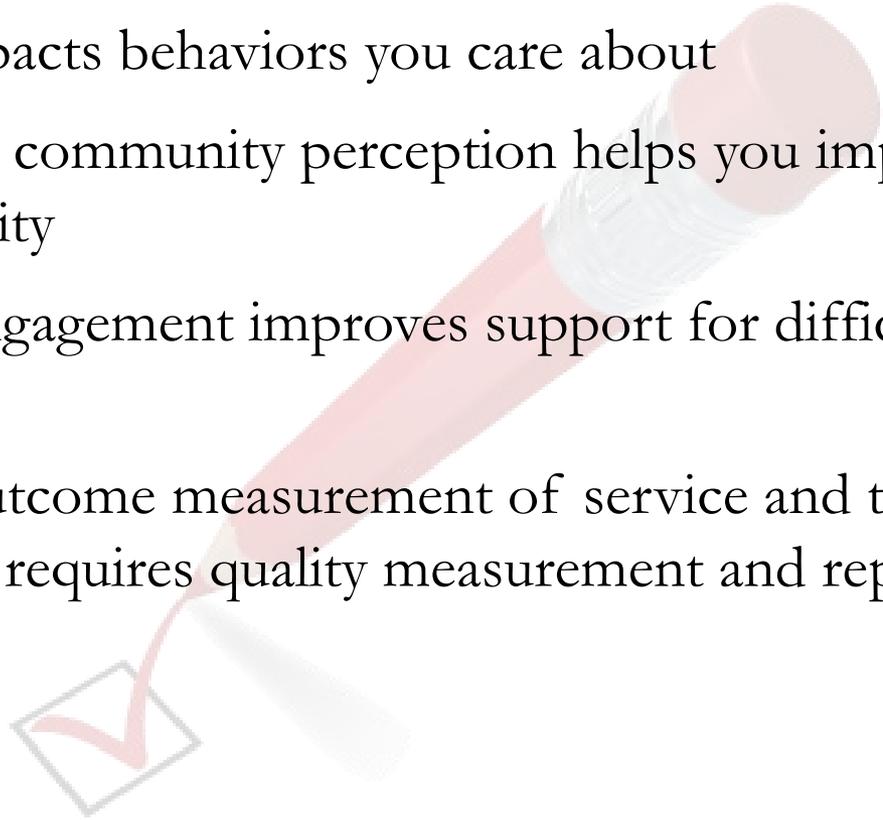
# Background on Cobalt Community Research

- 501c3 not for profit research coalition
- Mission to provide research and education
- Developed to meet the research needs of schools, local governments and nonprofit organizations



# Measuring Where You Are: Why Research Matters

- Understanding community values and priorities helps you plan and communicate more effectively about City decisions
- Perception impacts behaviors you care about
- Understanding community perception helps you improve and promote the City
- Community engagement improves support for difficult decisions
- Bottom line outcome measurement of service and trust: Good administration requires quality measurement and reporting





# Study Goals

- Support budget and strategic planning decisions
- Explore service assumptions to ensure baseline service measures are understood
- Identify which aspects of community provide the greatest leverage on citizens' overall satisfaction
- Measure improvements by tracking performance over time
- Benchmark performance against a standardized performance index statewide, regionally and nationally



# Methodology

- Random sample of 1,550 residents pulled from utility billing list
- Utilized [www.random.org](http://www.random.org), a well-respected utility used internationally by many universities and researchers to generate true random numbers
- Conducted using two mailings in May and June 2012
- Valid response from 620 residents, providing a conventional margin of error of +/- 3.1 percent in the raw data and an ACSI margin of error of +/- 1.8 percent (95% confidence)
  - Note: National surveys with a margin of error +/- 5% require a sample of 384 responses to reflect a population of 330,000,000



# Bottom Line

- The City has solid performance when compared against Wisconsin, regional and national benchmarks
- Wausau ACSI Score = 64 (National local government avg. = 62, Midwest local government avg. = 62, Wisconsin local government avg. = 67)
- There are several areas where improvement can have significant impact:
  - Economic Health
  - City Government Management
  - Property Taxes
  - Police Department
- Top 5 service and programs budget priorities:
  - Police services
  - Street maintenance/ repair/ construction
  - Fire services
  - Snow plowing and salting
  - Ambulance services



# Bottom Line

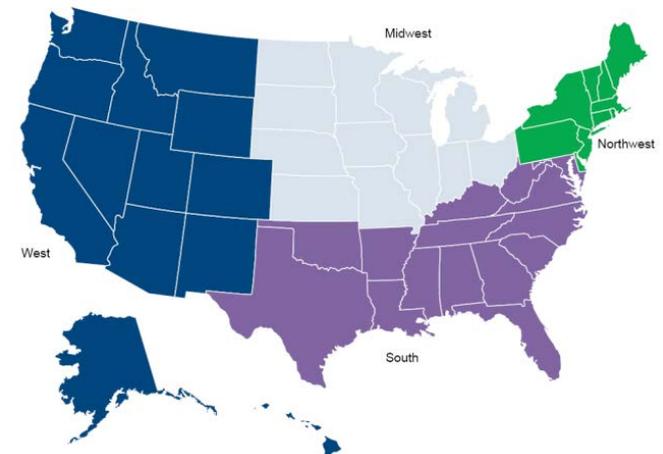
- Top Shopping or Service Businesses residents would like to see locate in Wausau:
  - Grocery store
  - Red Lobster
  - Lowes
  - Trader Joe's
  - Target
  - Restaurants
  - Macy's
  - Cabela's
- Detailed information by specific demographic groups is available to aid in policy review
  - Detail by: years of residency, own/rent, employment status, age, education, income, marital status, household composition, gender and ethnicity



# Available Tools

- Detailed questions and responses broken by demographic group and “thermal mapped” so lower scores are red and higher scores are blue
- Online portal to allow side-by-side comparisons of groups and subgroups (for example, breaking down the scores of individuals divided by age, gender, etc.)
- Online portal allowing download of data into MS Excel
- Comparison scores with local governments in Wisconsin, the Midwest and across the nation
- Comparison scores with non-local government comparables (industries, companies, federal agencies)

Census Bureau Regions





# Preserving Voice: Looking Into Detail

## Sample:

City of Wausau  
2012 Budget Action  
Preference Detail

		Fire services						Ambulance services					
		Eliminate the Service	Reduce Service Levels	Raise Taxes	Raise User Fees	Combine Service with Another Community	Privatize the Service/ Outsource	Eliminate the Service	Reduce Service Levels	Raise Taxes	Raise User Fees	Combine Service with Another Community	Privatize the Service/ Outsource
<b>Total Percentage Specifying</b>		<b>0%</b>	<b>2%</b>	<b>17%</b>	<b>21%</b>	<b>45%</b>	<b>4%</b>	<b>0%</b>	<b>2%</b>	<b>13%</b>	<b>22%</b>	<b>38%</b>	<b>12%</b>
<b>Length of Residency</b>	One year or less	-	11%	11%	11%	33%	-	-	11%	11%	11%	33%	-
	1-5 years	-	2%	24%	29%	31%	7%	-	2%	10%	33%	21%	21%
	6-10 years	-	2%	18%	18%	43%	7%	-	3%	15%	22%	30%	17%
	More than 10 years	0%	2%	16%	20%	47%	4%	0%	2%	13%	21%	41%	10%
<b>Do you own or rent/lease your residence?</b>	Own	0%	3%	18%	21%	43%	5%	0%	2%	14%	23%	38%	12%
	Rent/Lease	-	2%	12%	14%	47%	7%	-	7%	5%	12%	40%	16%
<b>Employment Status</b>	Yes	-	2%	19%	22%	48%	3%	-	3%	15%	22%	42%	11%
	No, outside the City	-	2%	10%	23%	42%	6%	-	1%	8%	23%	37%	15%
	No, I am unemployed	-	7%	15%	26%	33%	11%	-	11%	11%	26%	33%	19%
	I am retired	1%	1%	16%	18%	45%	4%	1%	1%	12%	22%	36%	10%
<b>Age</b>	18 to 24	-	-	25%	-	25%	-	-	25%	-	-	25%	-
	25 to 34	-	4%	22%	22%	39%	4%	-	5%	18%	29%	30%	9%
	35 to 44	-	3%	22%	24%	37%	5%	-	1%	15%	24%	33%	13%
	45 to 54	-	5%	13%	18%	48%	6%	-	4%	8%	19%	46%	14%
	55 to 64	-	1%	14%	25%	50%	5%	-	1%	14%	21%	44%	13%
	65 or over	1%	1%	16%	16%	48%	3%	1%	1%	12%	21%	38%	11%
<b>Education</b>	Some high school	-	6%	13%	-	38%	6%	-	6%	13%	6%	19%	13%
	High school graduate	1%	2%	10%	21%	45%	5%	1%	3%	9%	21%	39%	11%
	Some college	-	3%	21%	24%	42%	3%	-	3%	15%	23%	41%	10%
	College graduate	-	2%	13%	22%	49%	5%	-	1%	10%	25%	40%	15%
	Graduate degree(s)	-	1%	28%	17%	45%	4%	-	2%	21%	20%	36%	11%



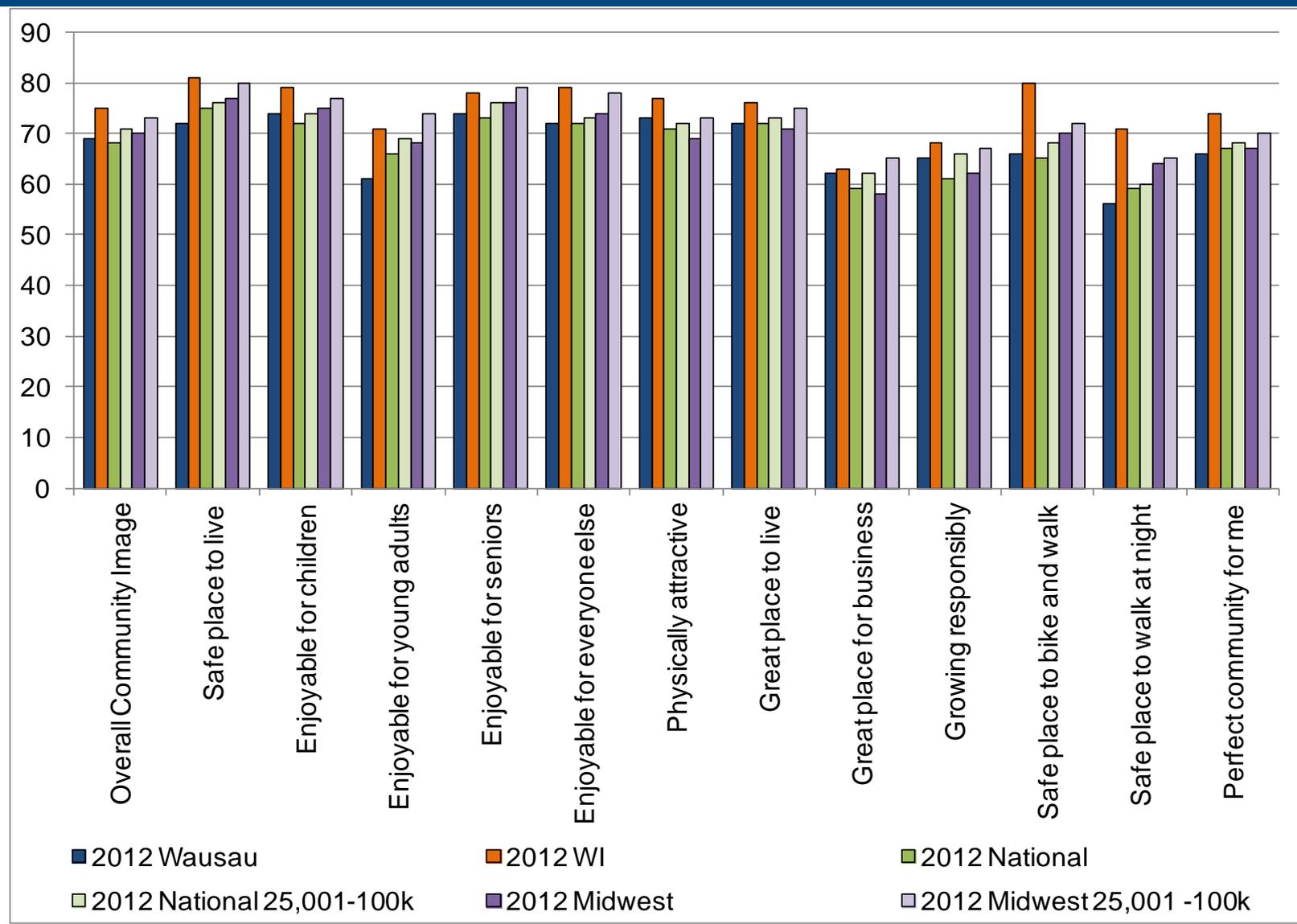
# Results





# Community Image Components to Benchmarks

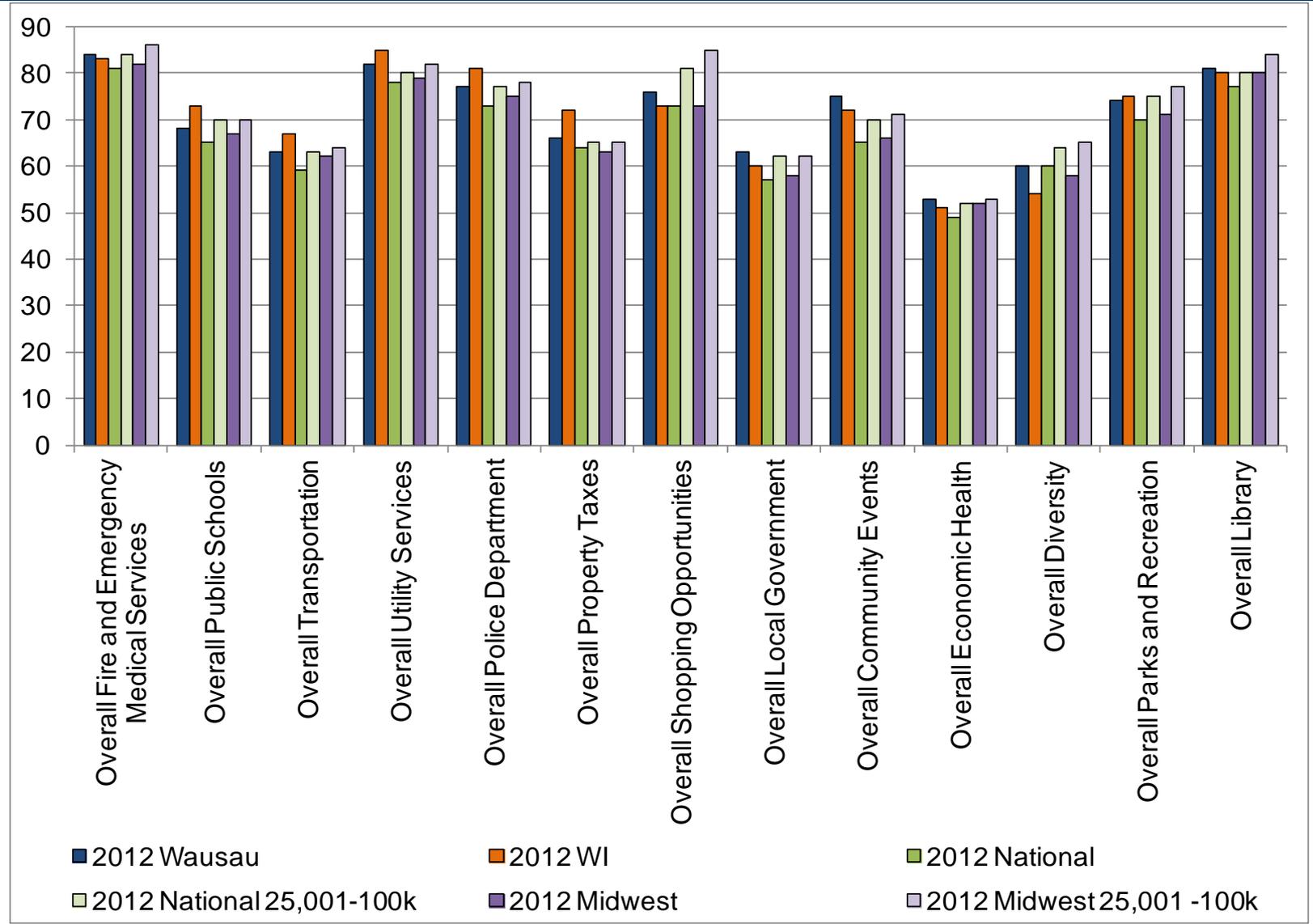
(High score = 100)





# Quality of Life Components to Benchmarks

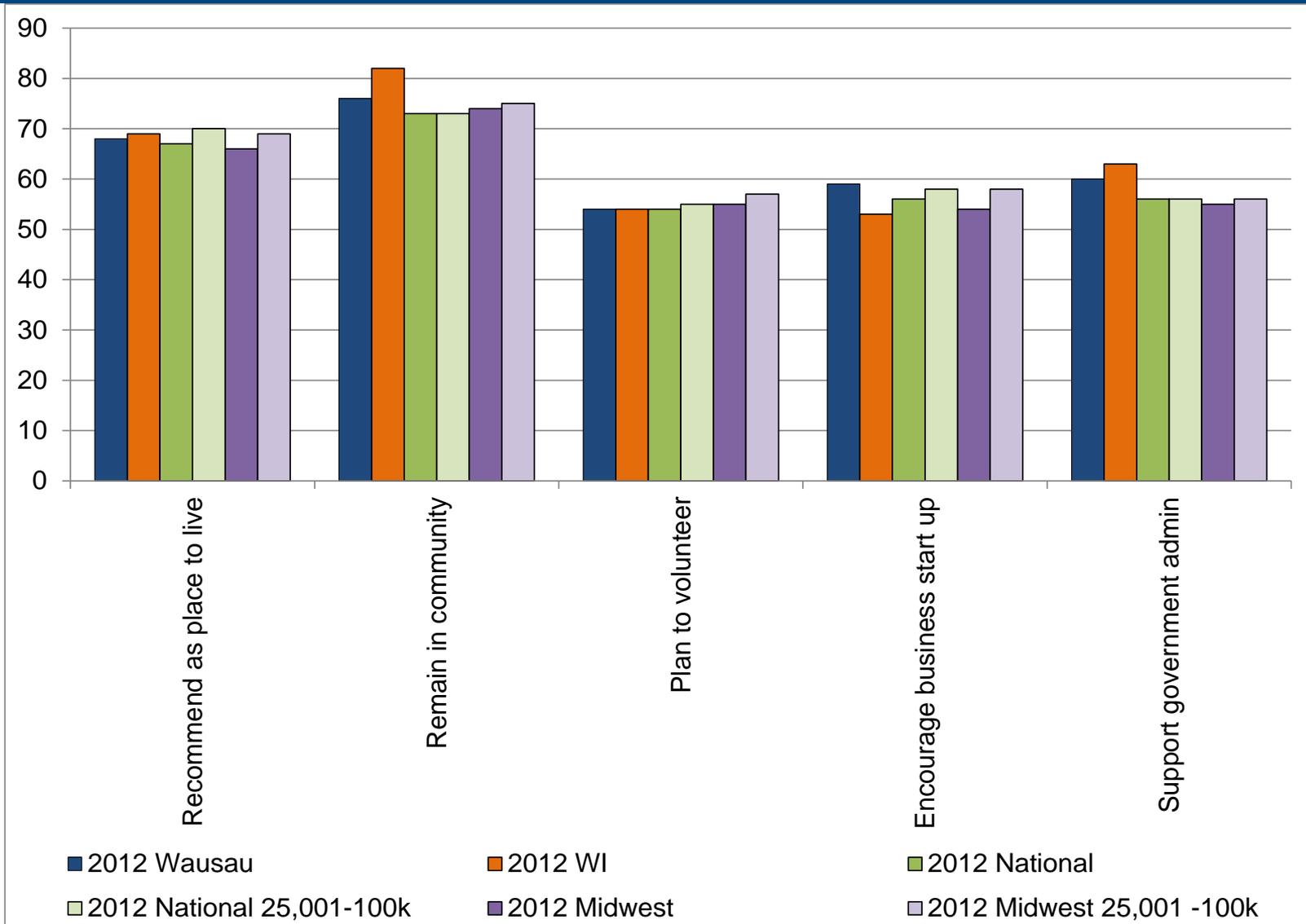
(High score = 100)





# Key Drivers to Benchmarks

(High score = 100)





# Understanding the Charts: Community Questions – Long-term Drivers

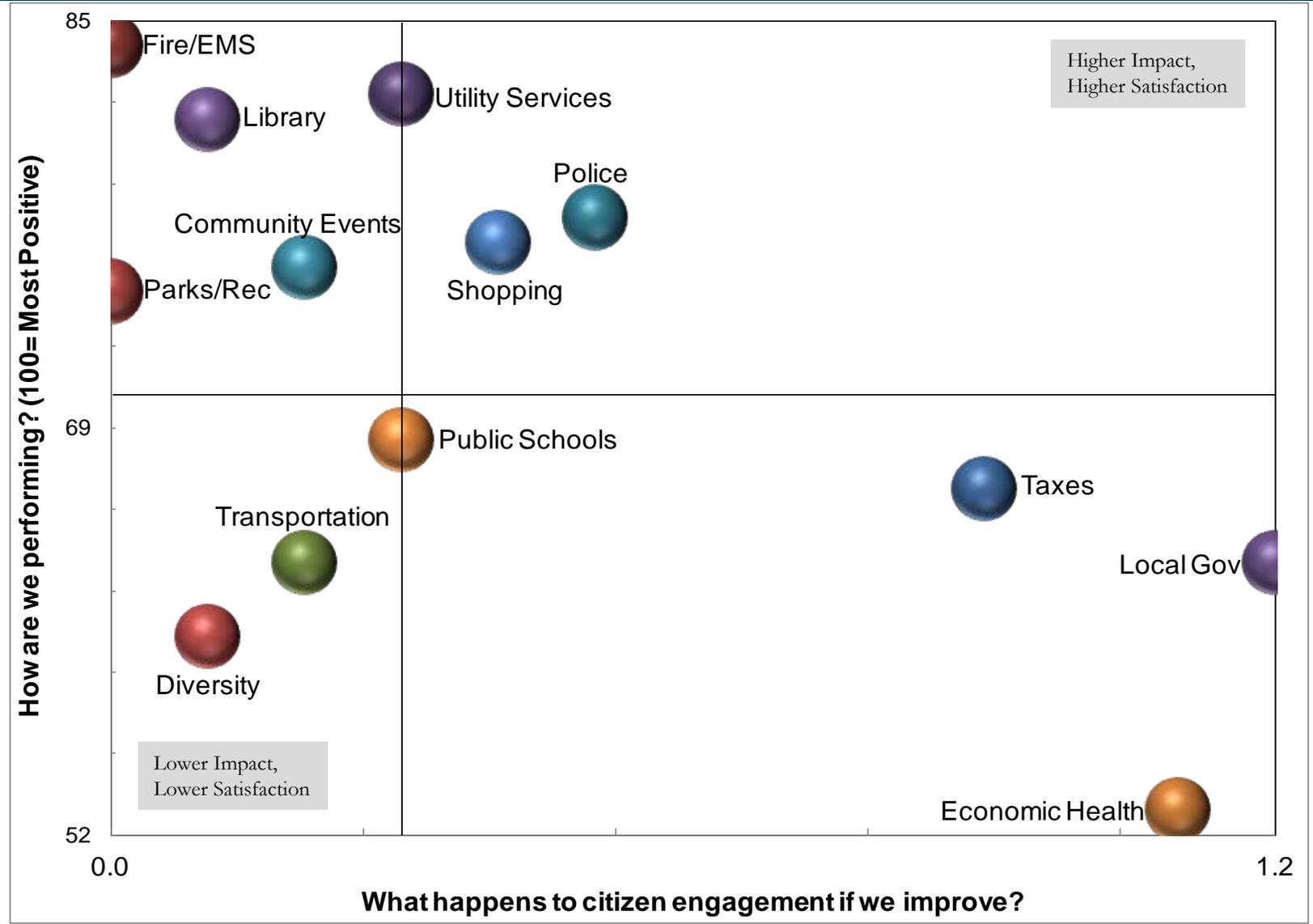
Perceived Performance

<p>High scoring areas that do not currently have a large impact on engagement relative to the other areas. Action: May show over investment or under communication.</p>	<p>High impact areas where the City received high scores from citizens. They have a high impact on engagement if improved. Action: Continue investment</p>
<p>Low scoring areas relative to the other areas with low impact on engagement. Action: Limit investment unless pressing safety or regulatory consideration.</p>	<p>High impact on engagement and a relatively low score. Action: Prioritize investment to drive positive changes in outcomes.</p>

Impact

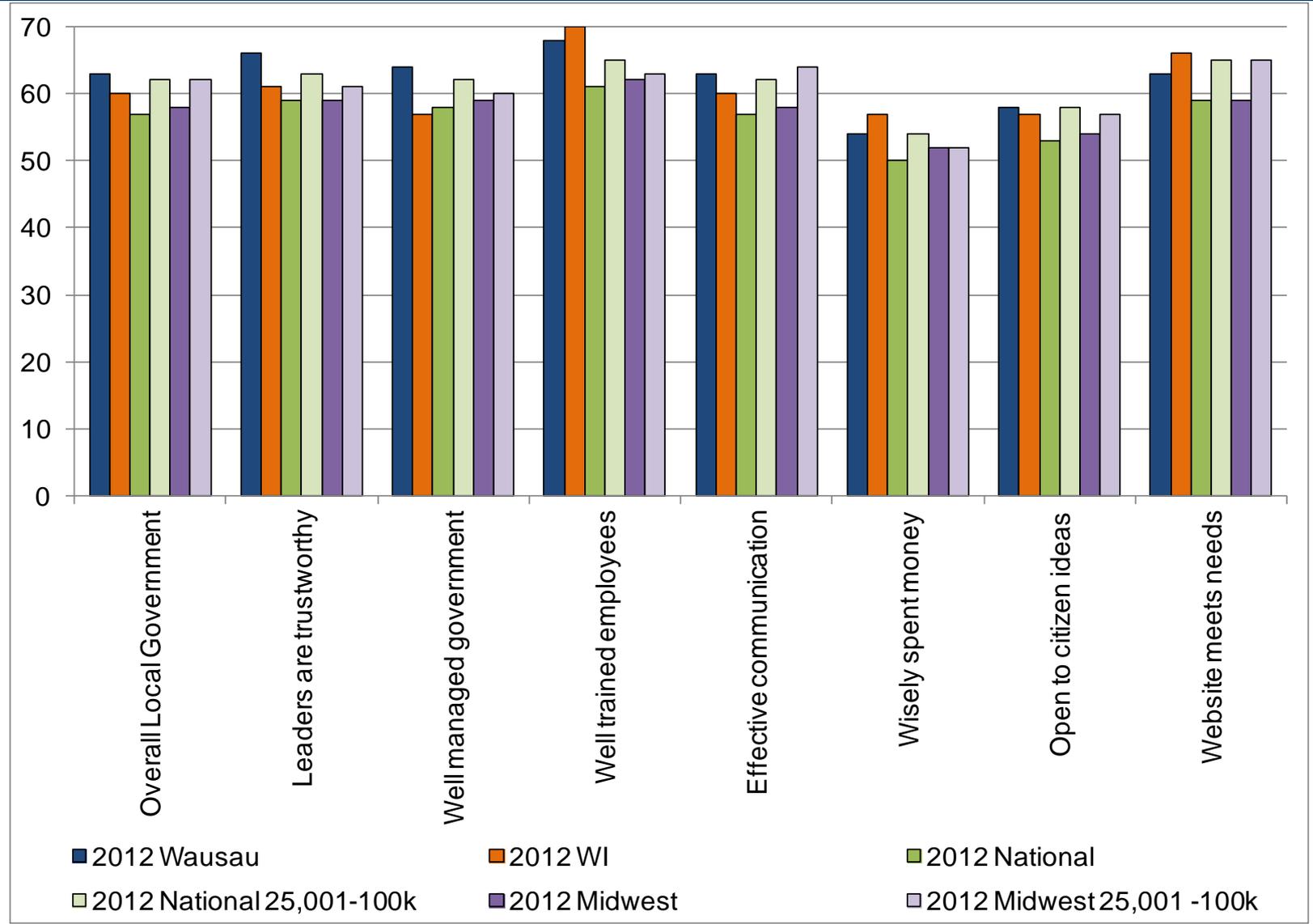


# Drivers of Satisfaction and Behavior: Strategic Priorities



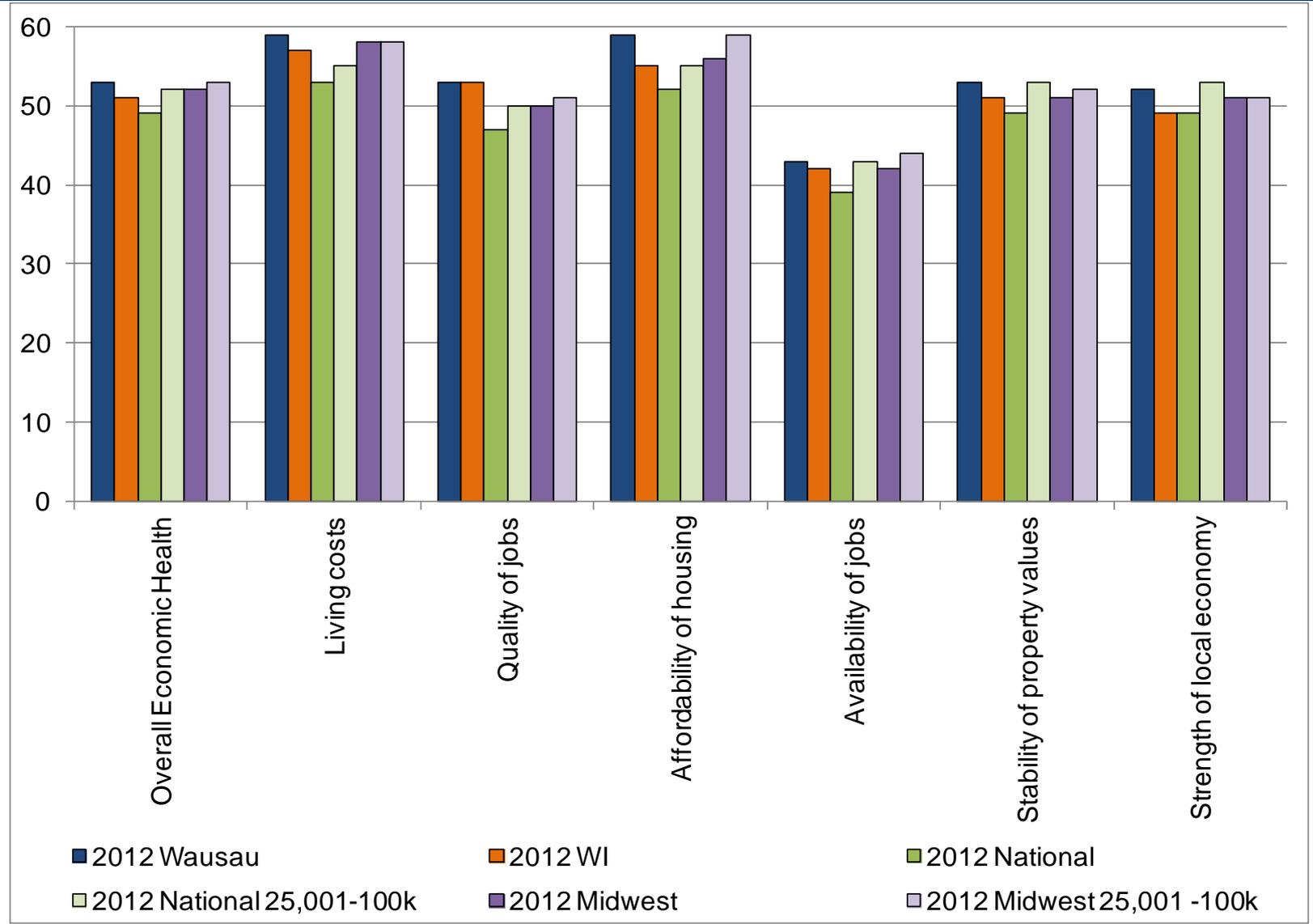


# Drivers of Satisfaction and Behavior: Local Government



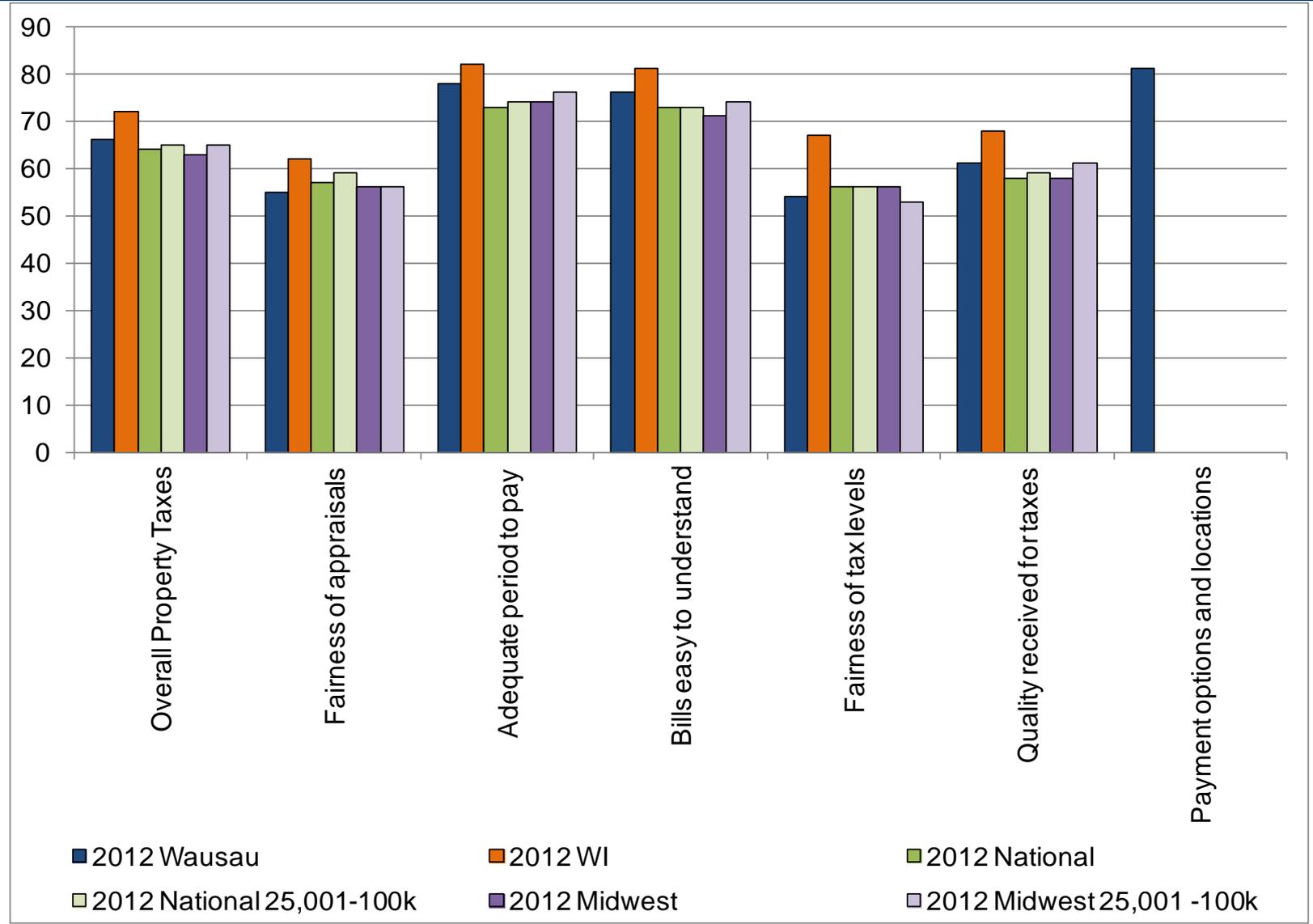


# Drivers of Satisfaction and Behavior: Economic Health



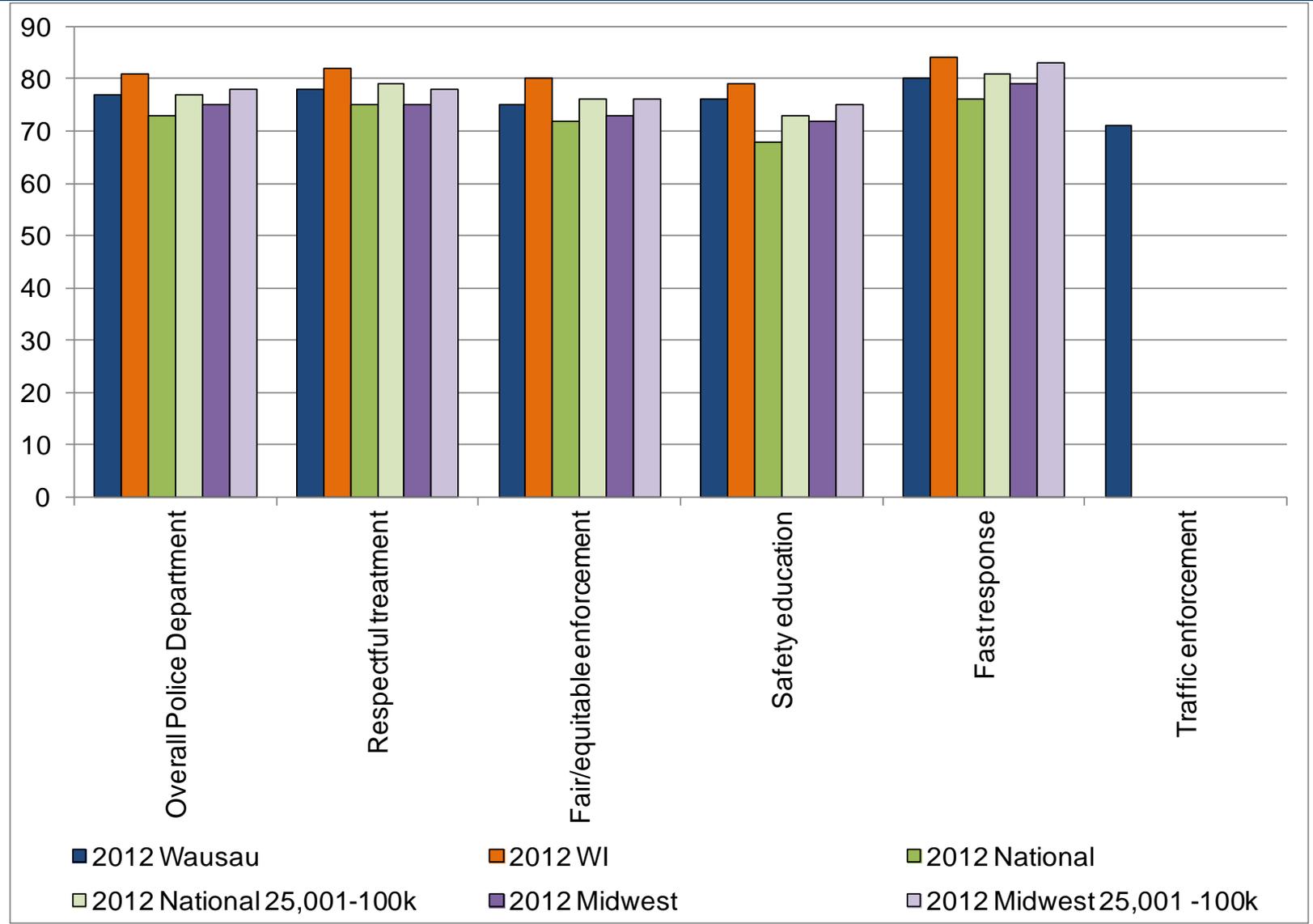


# Drivers of Satisfaction and Behavior: Taxes



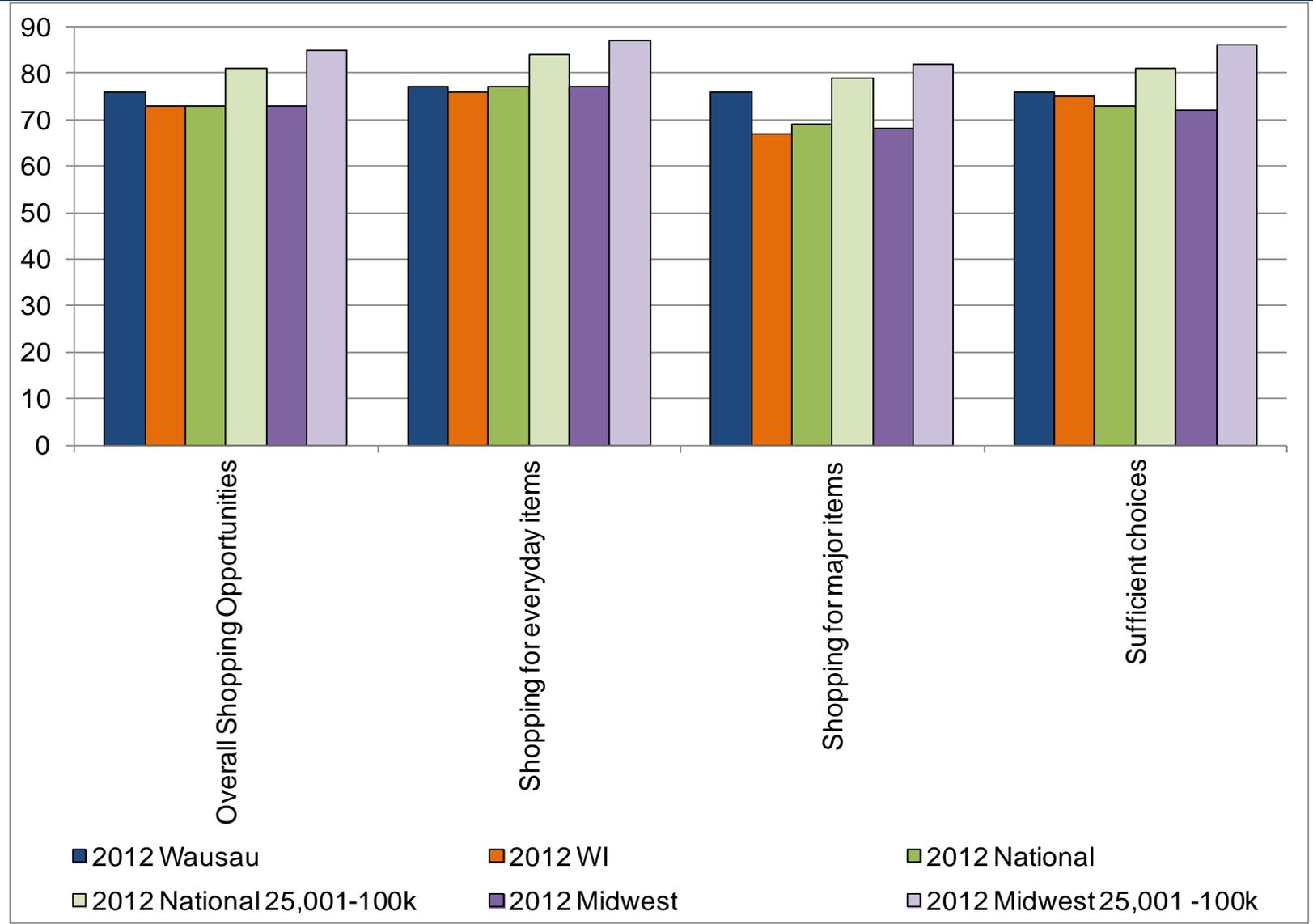


# Drivers of Satisfaction and Behavior: Police Department





# Drivers of Satisfaction and Behavior: Shopping Opportunities

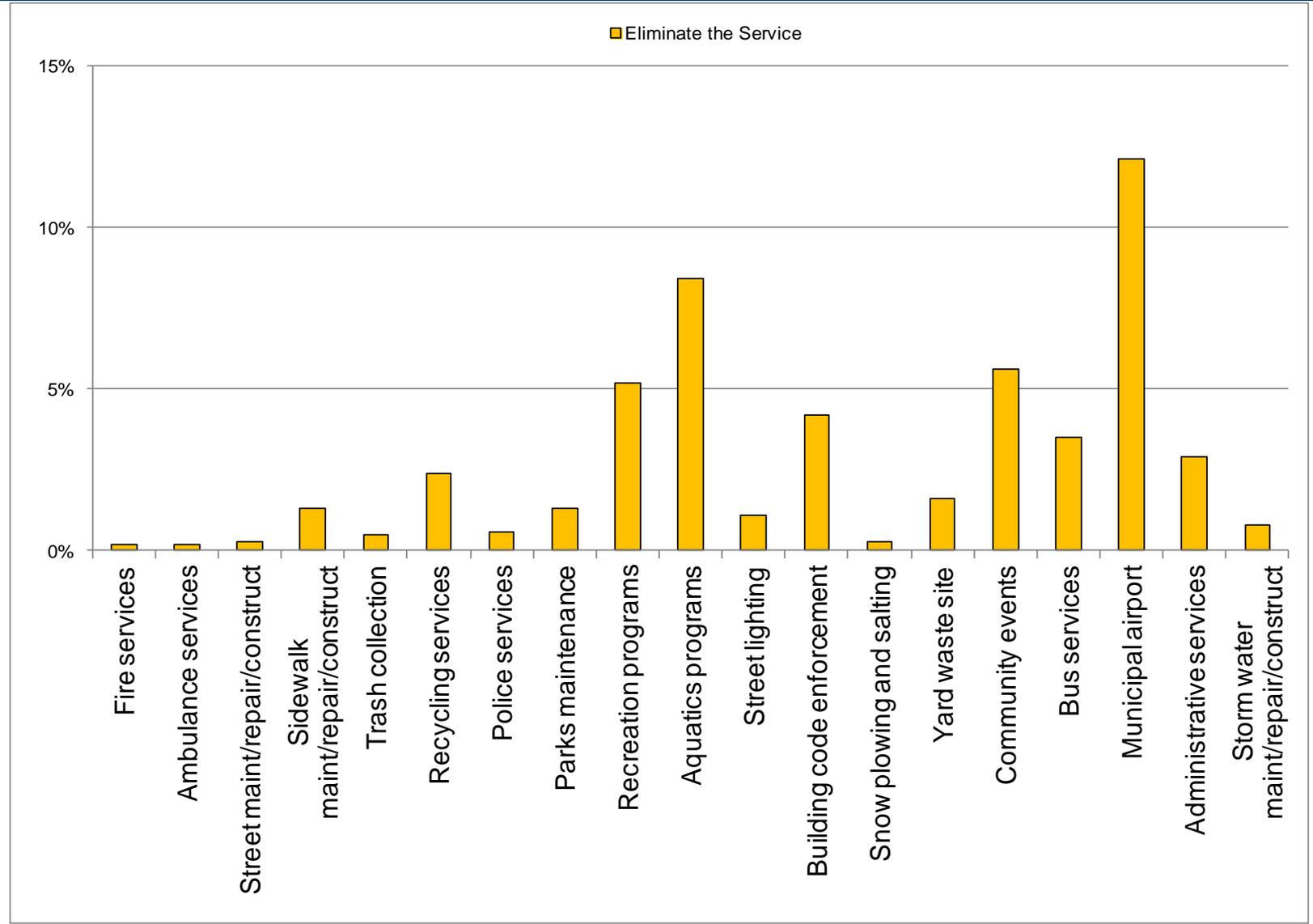






# Support for Budgetary Actions

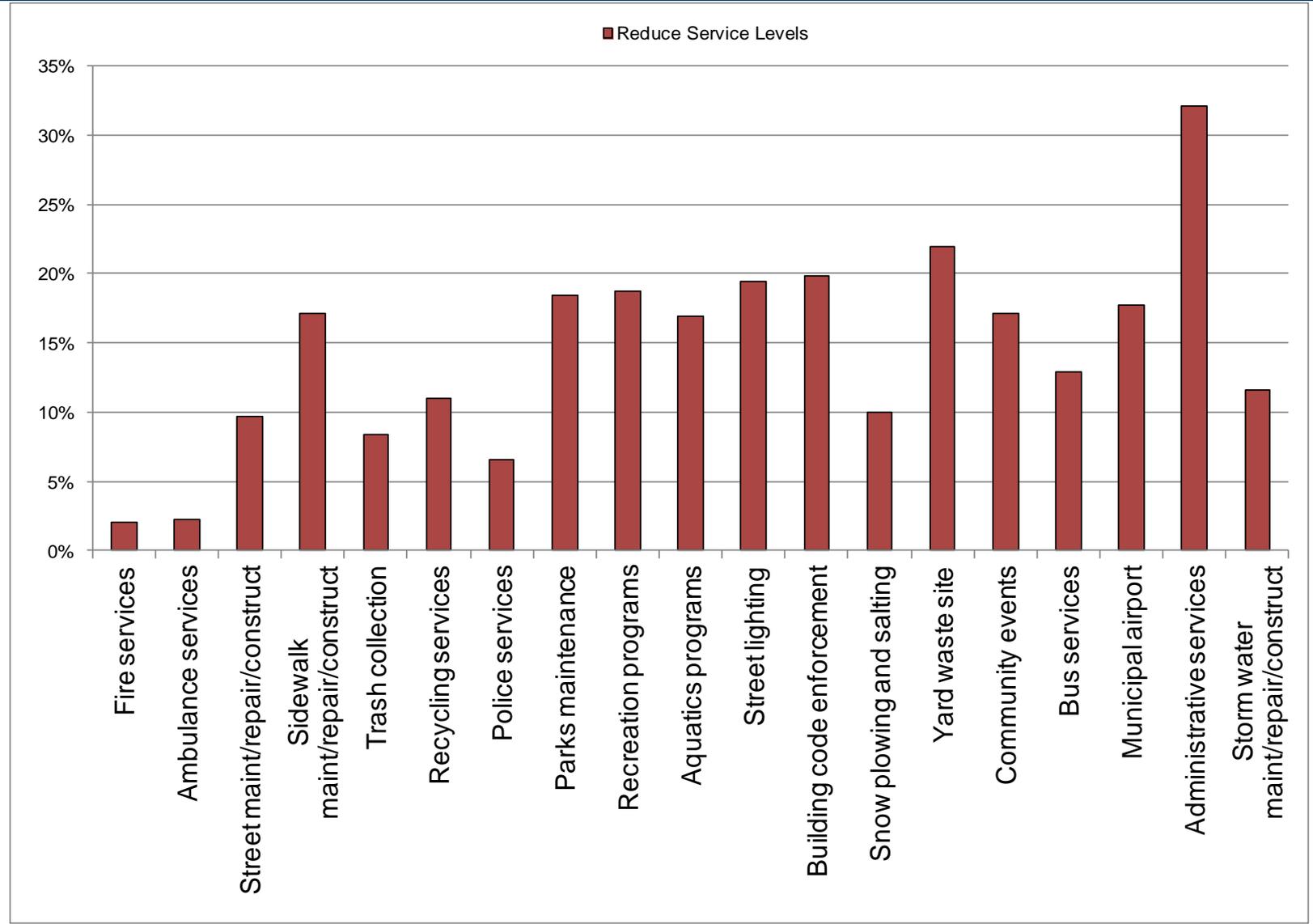
## Eliminate the Service





# Support for Budgetary Actions

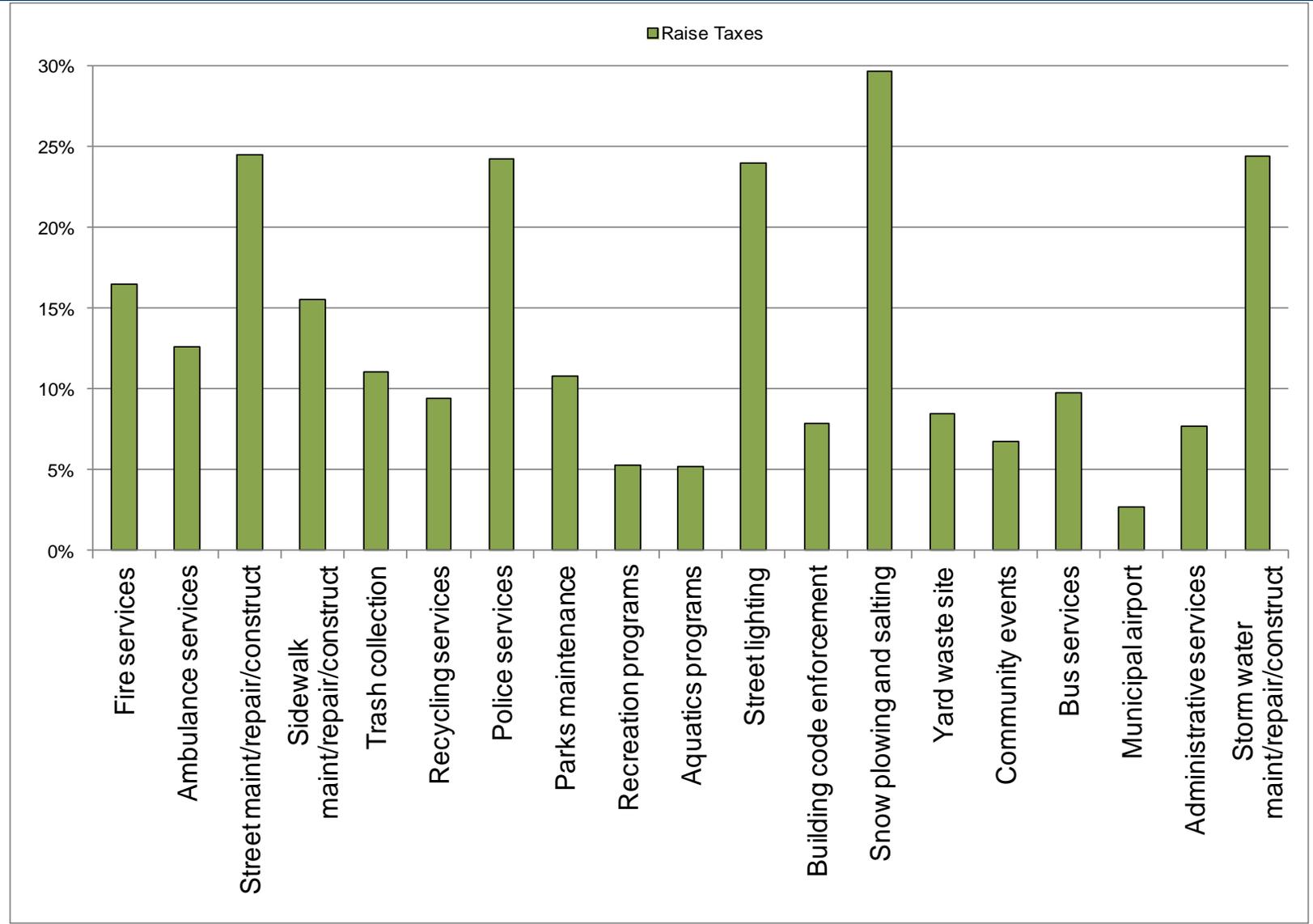
## Reduce Service Levels





# Support for Budgetary Actions

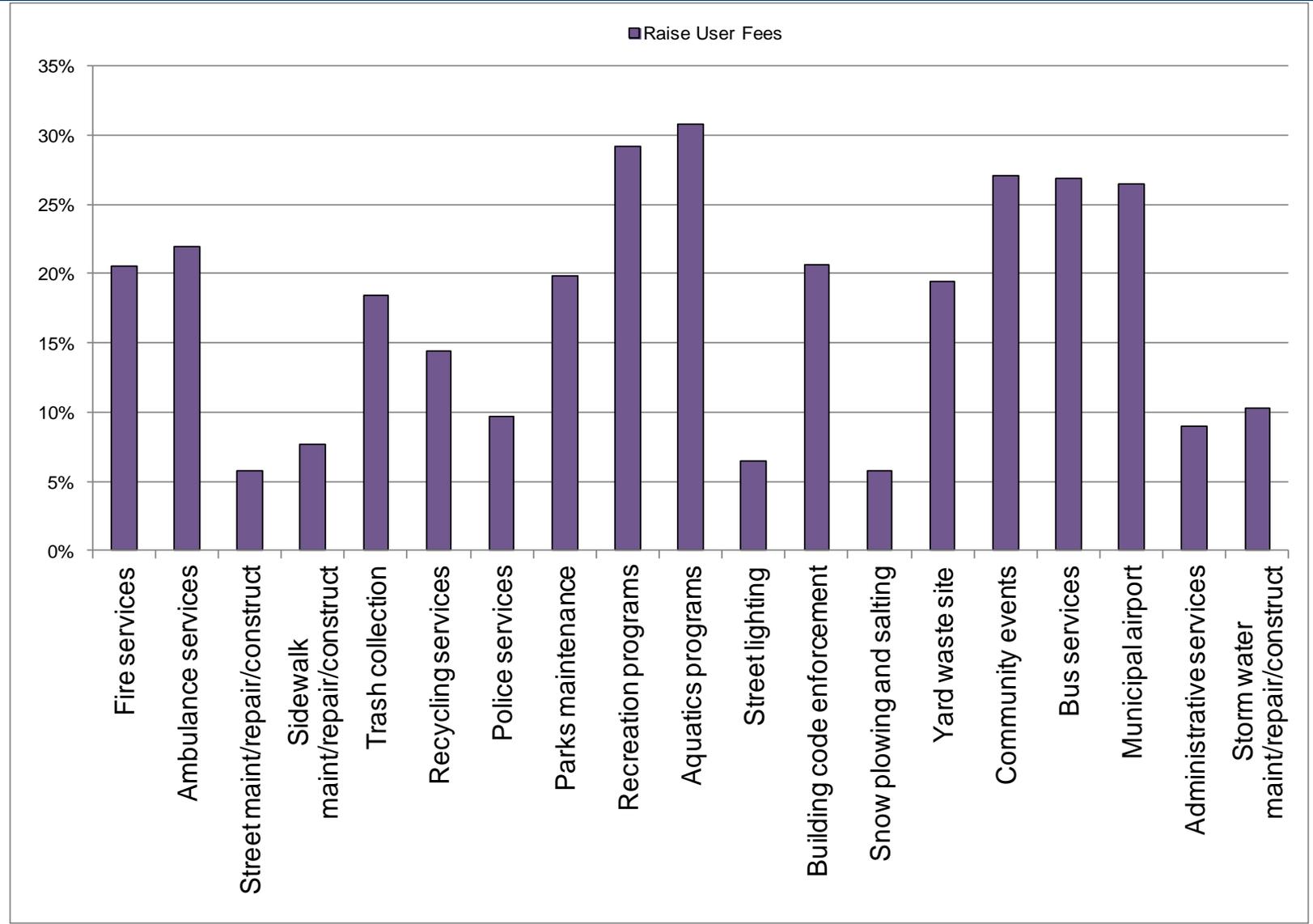
## Raise Taxes





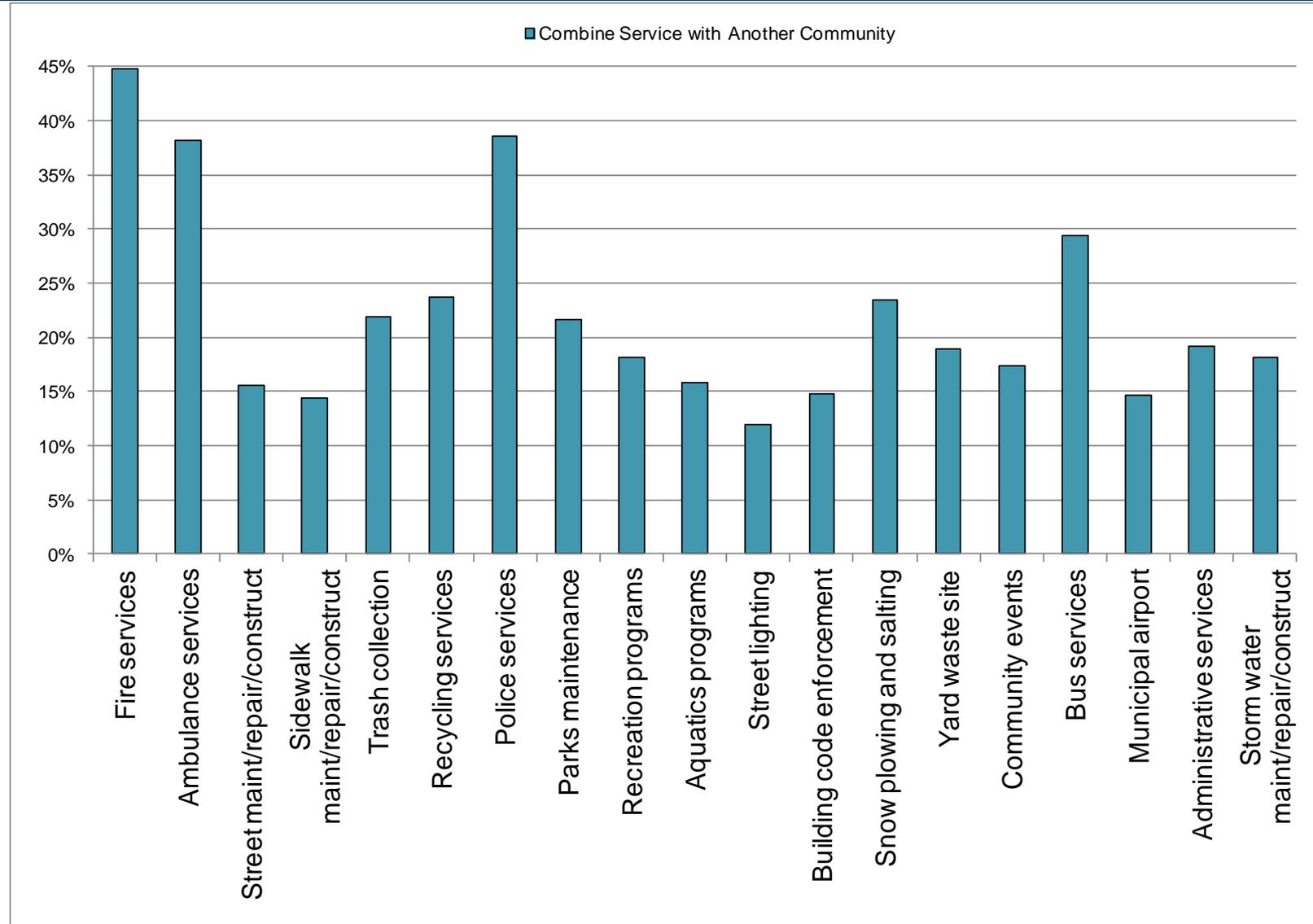
# Support for Budgetary Actions

## Raise User Fees





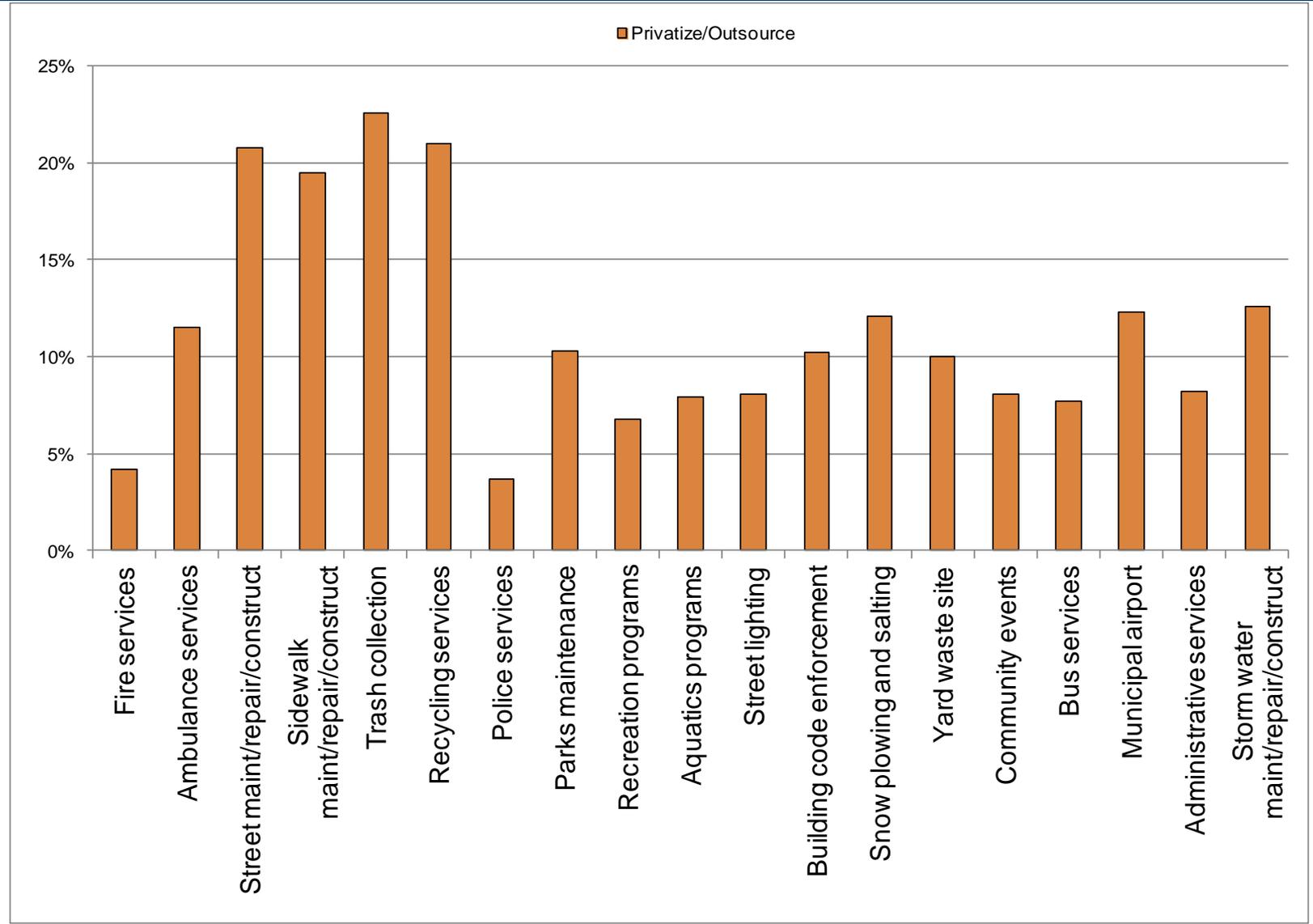
# Support for Budgetary Actions Combine with Other Communities





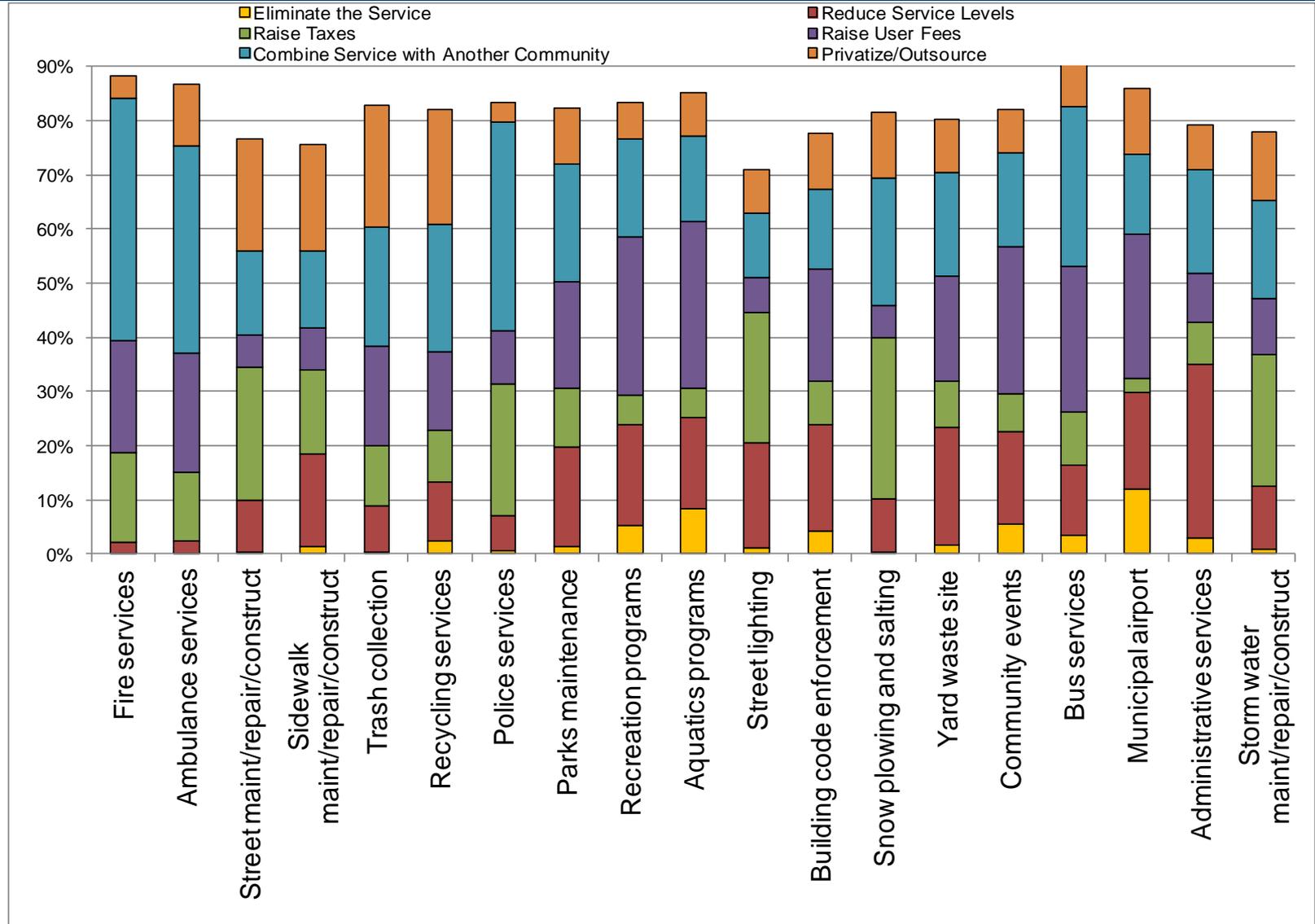
# Support for Budgetary Actions

## Outsource the Service/Private



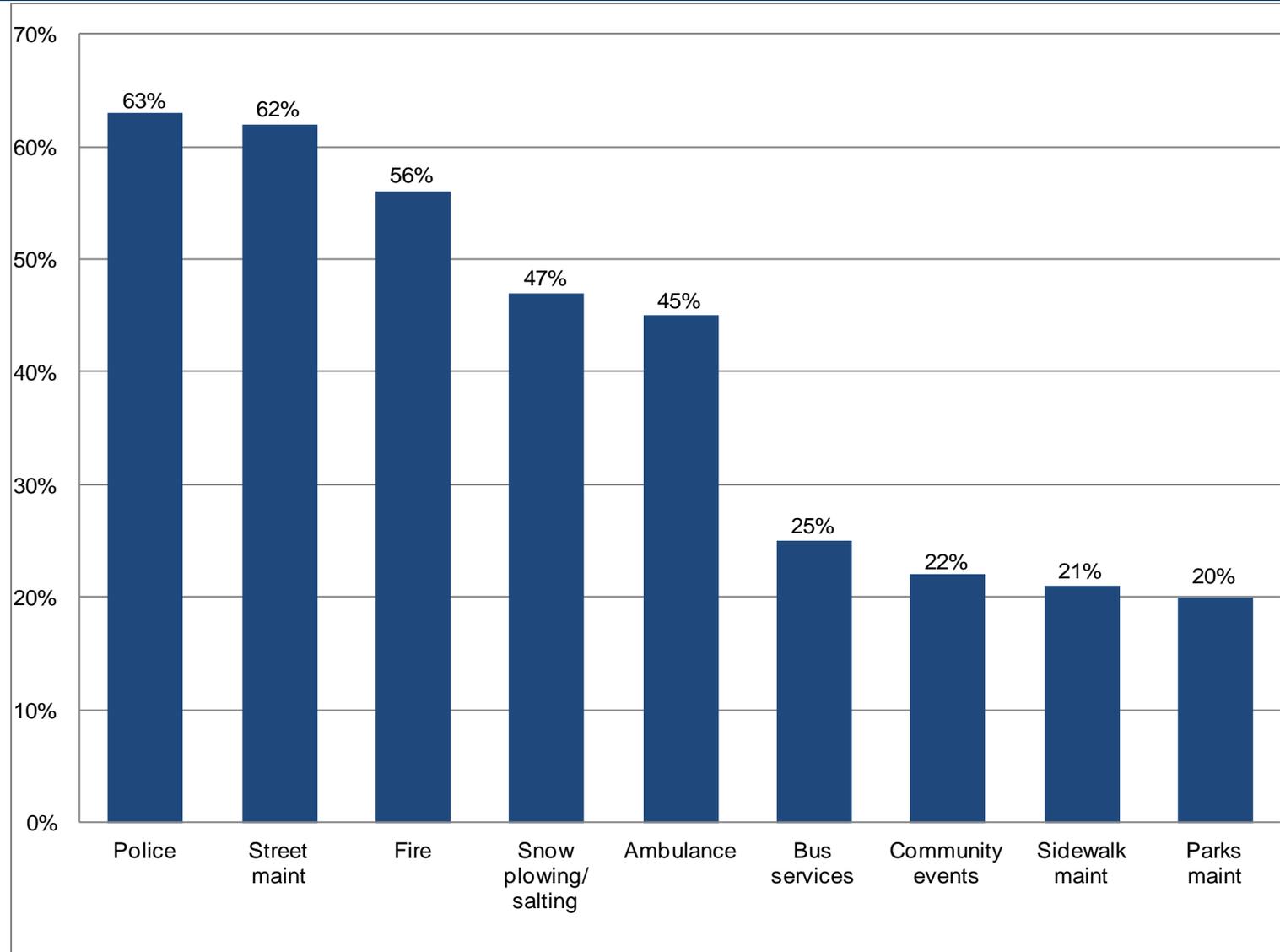


# Support for Budgetary Actions Preferred Options for All Services



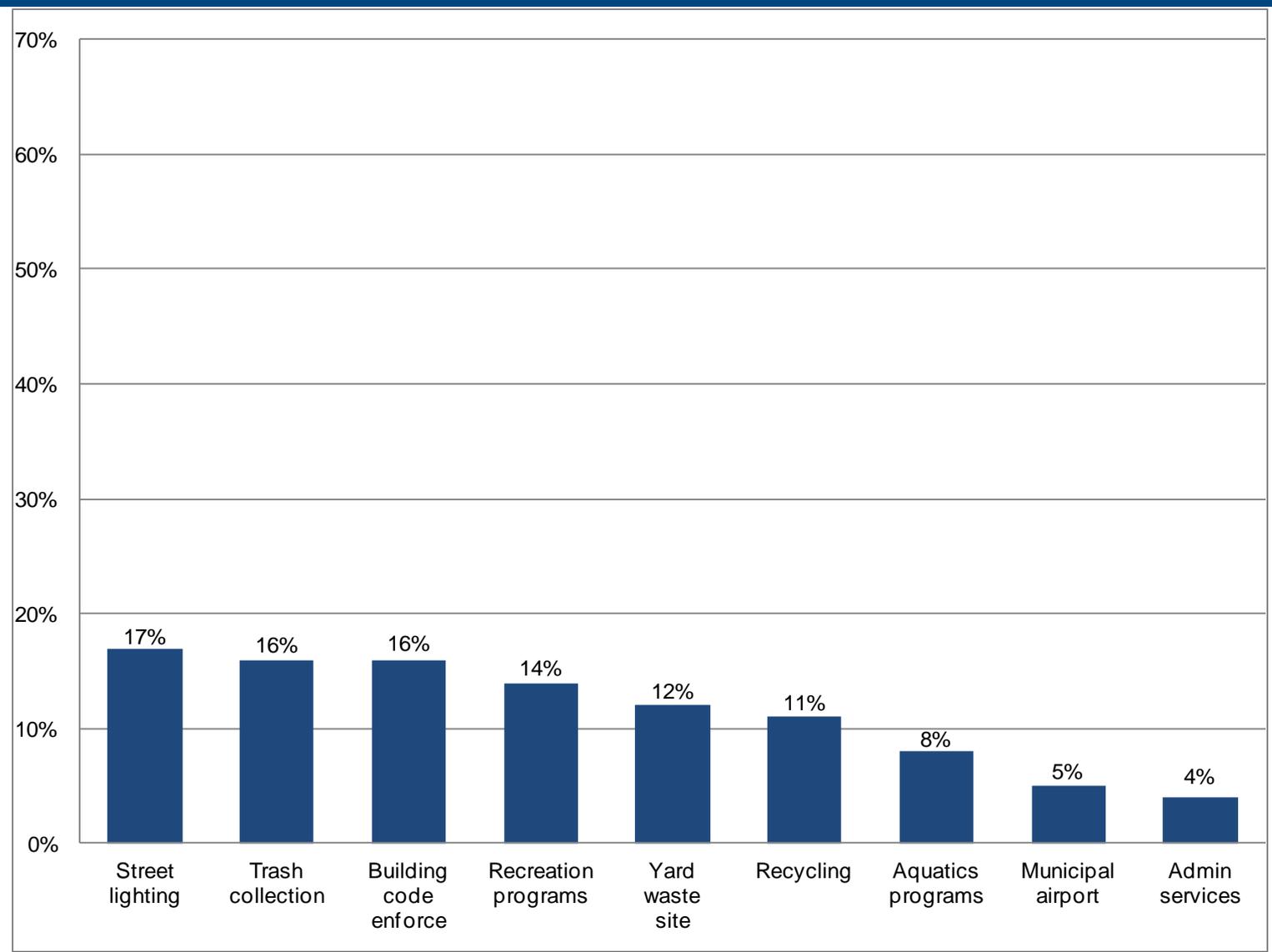


# Budget Priorities



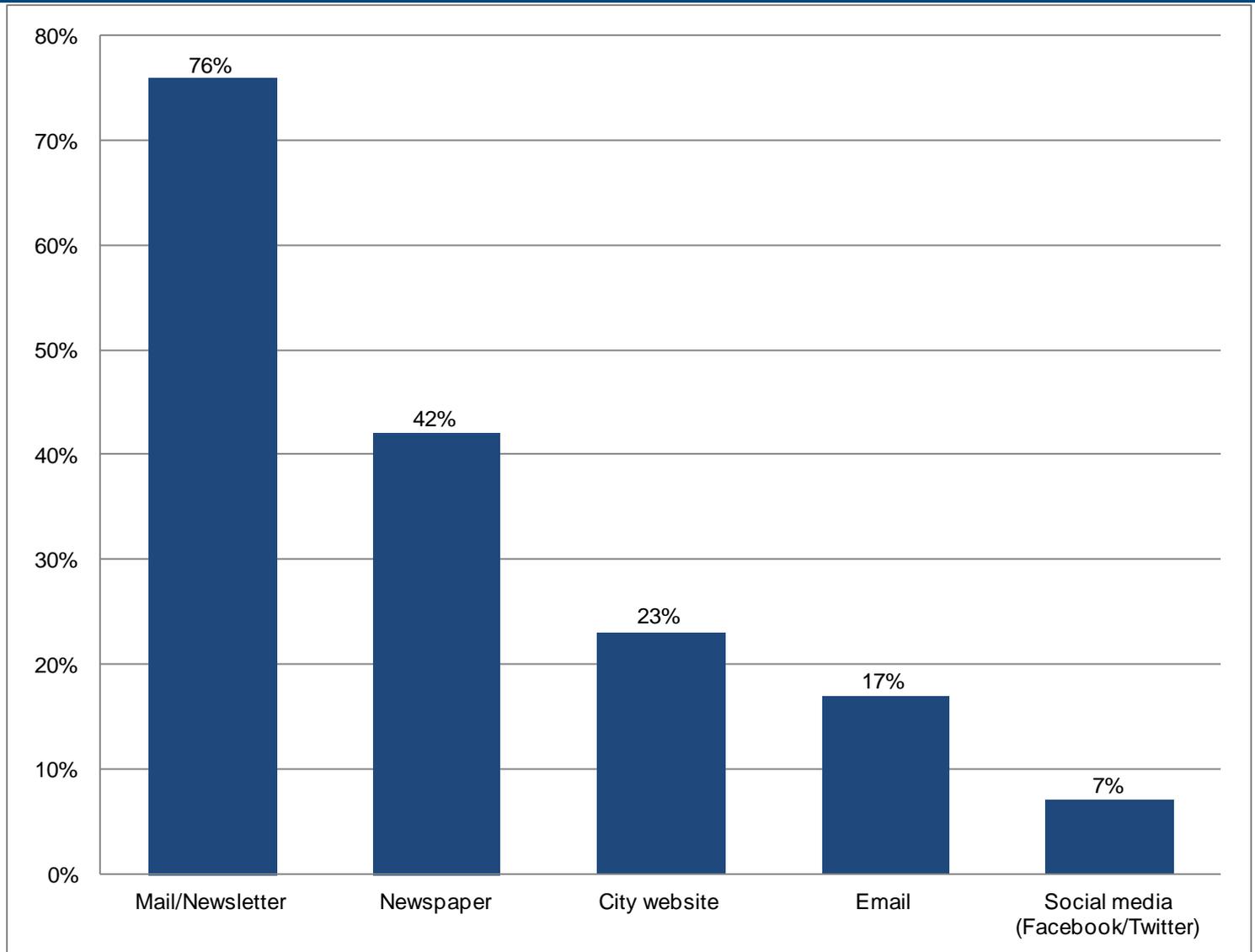


# Budget Priorities (Continued)



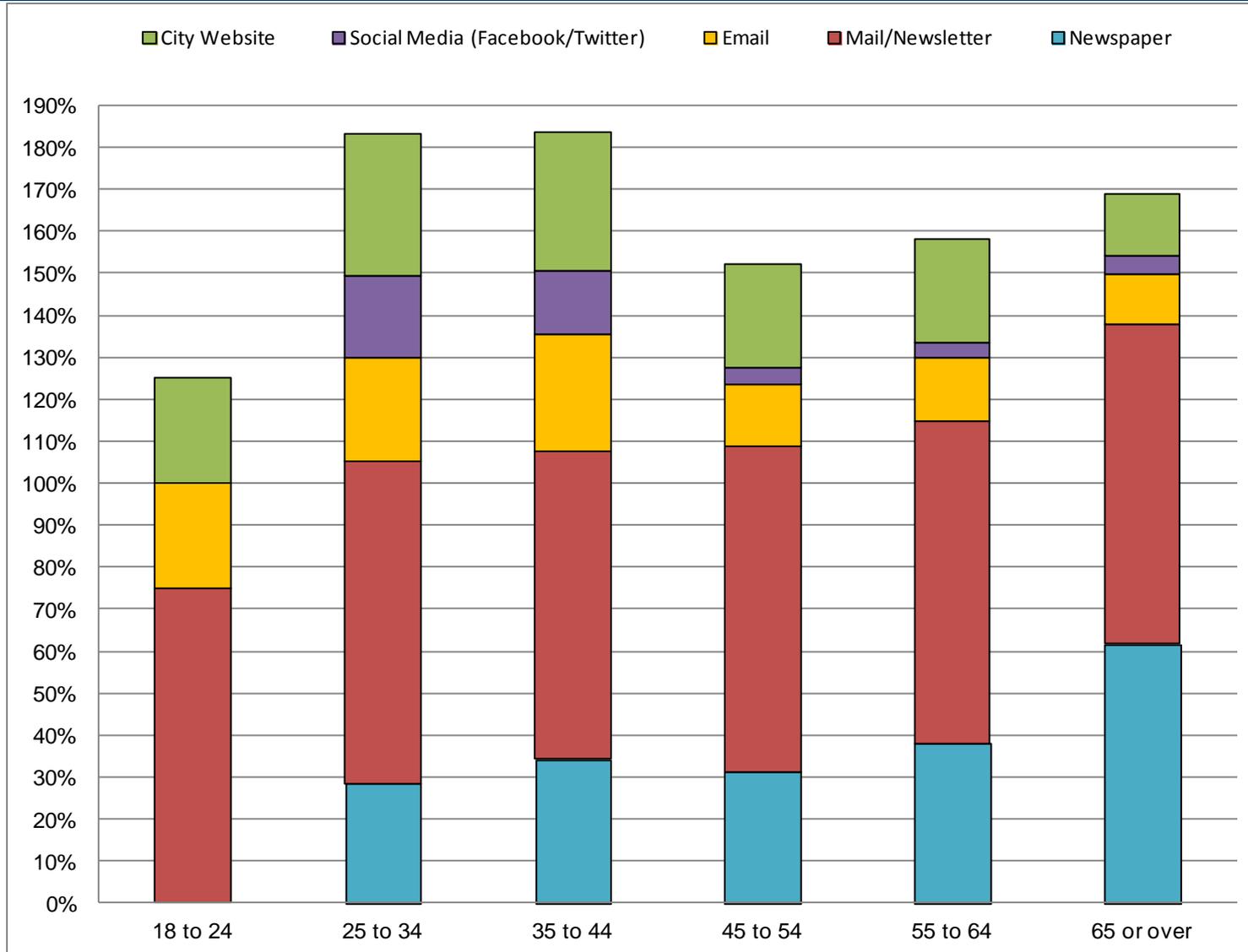


# Communication Preference



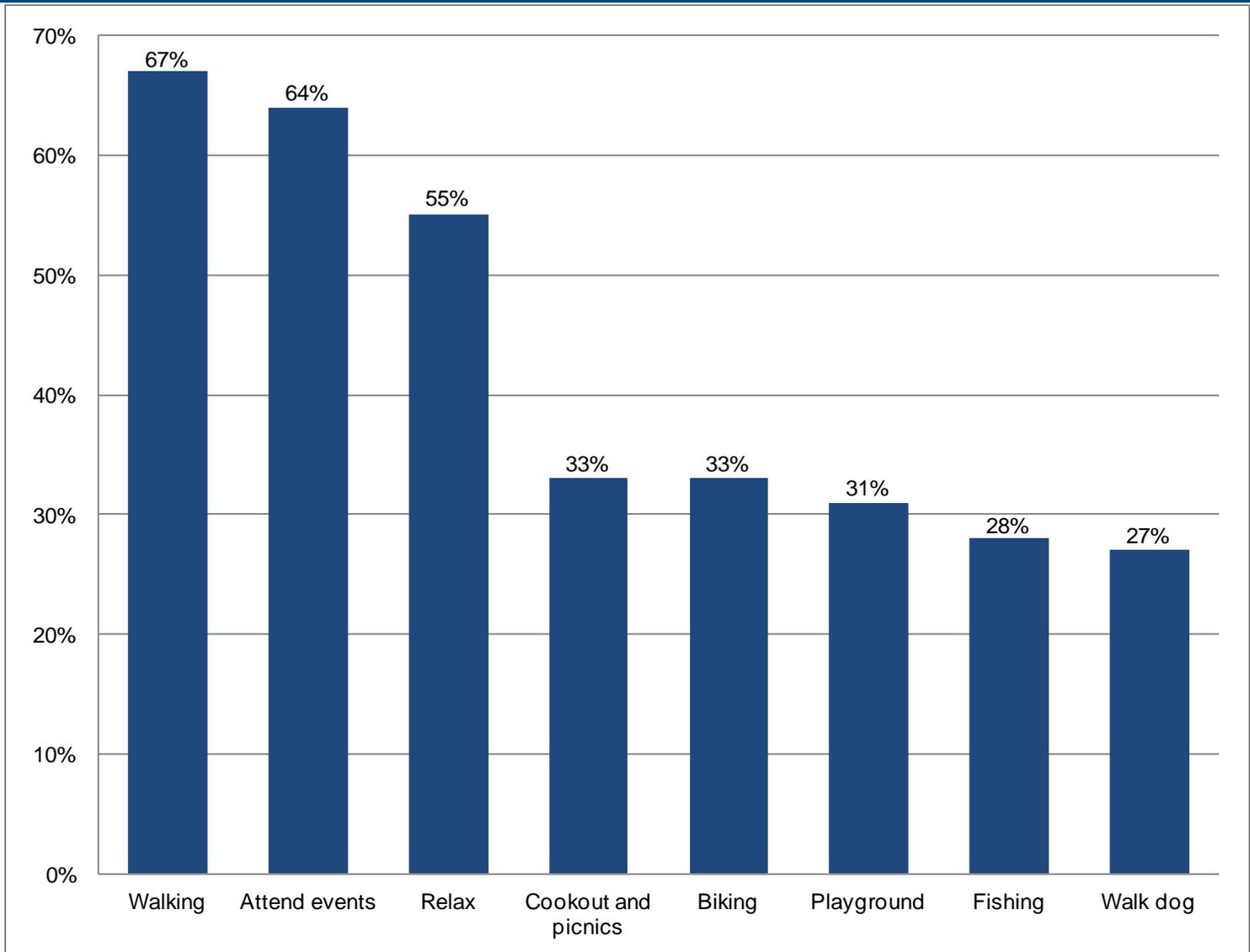


# Communication Preference by Age



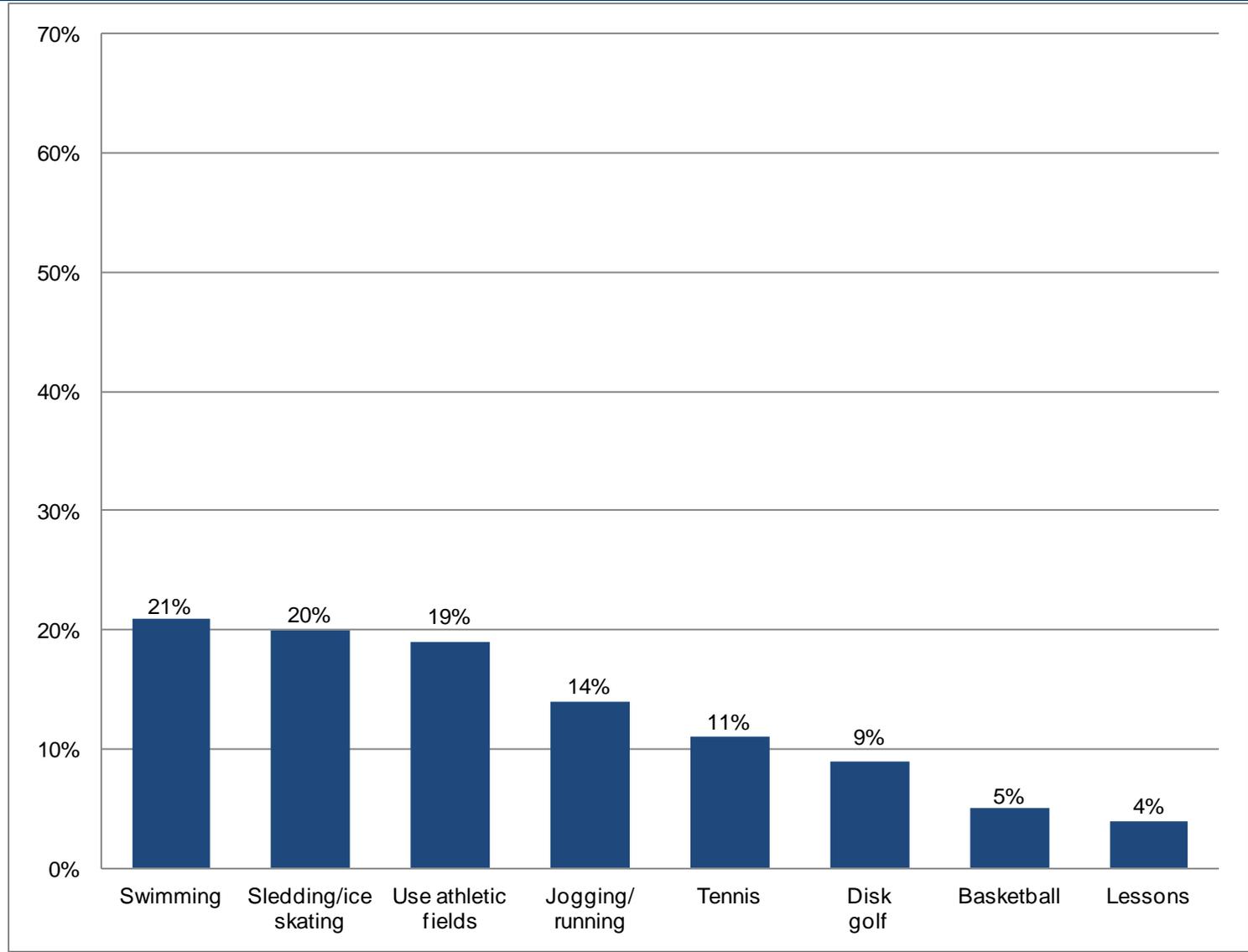


# Why do residents visit park and recreation facilities?





# Why do residents visit park and recreation facilities? (Continued)





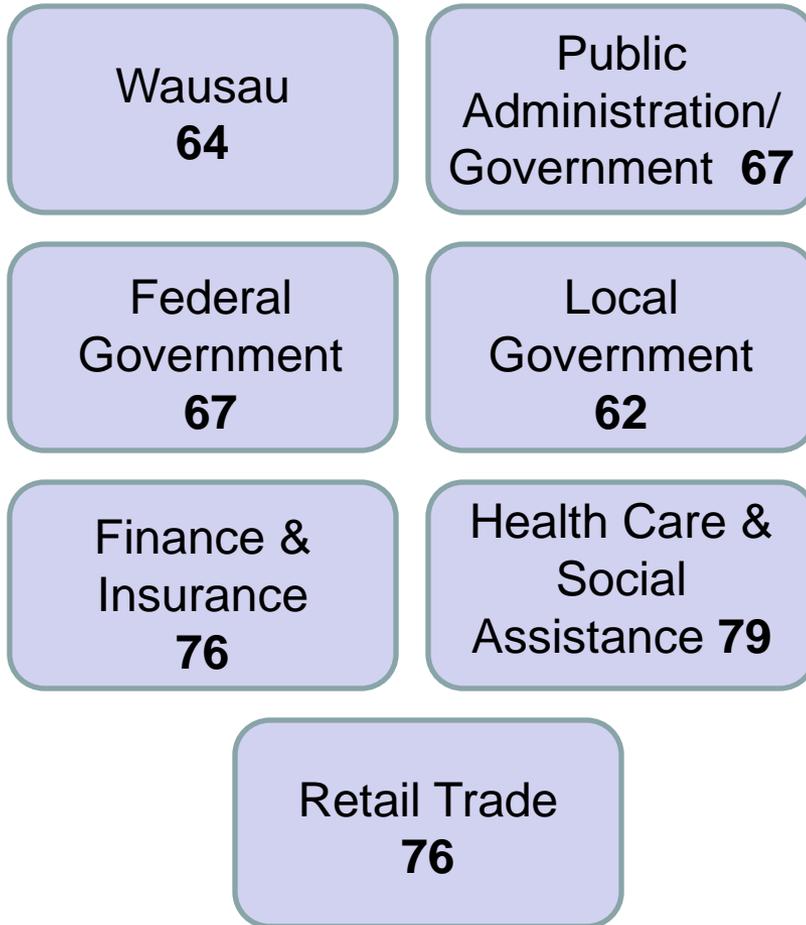






# American Customer Satisfaction Index (ACSI): National, Sector, Industry Scores

National ACSI Index = **75.9**



Detail Agency and Company Scores at [www.theACSI.org](http://www.theACSI.org)



# Implementing Results



# Perception v Reality: Minimize Distortion or Fix Real Performance Issues

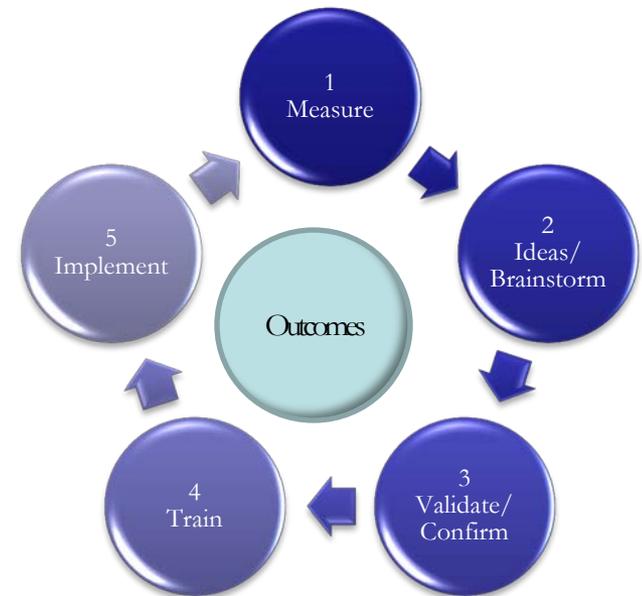




# Strategy is About Action: Improve Performance to Improve Outcomes

The diagram at the right provides a framework for following up on this survey.

- The first step (measurement) is complete. This measurement helps prioritize resources and create a baseline against which progress can be measured.
- The second step is to use internal teams to further analyze the results and form ideas about why respondents answered as they did and potential actions in response.
- The third step is to validate ideas and potential actions through conversations with residents and line staff – do the ideas and actions make sense. Focus groups, short special-topic surveys and benchmarking are helpful.
- The fourth step is to provide staff with the skills and tools to effectively implement the actions.
- The fifth step is to execute the actions.
- The final step is to re-measure to ensure progress was made and track changes in resident needs.





# Be Clear About Your Strategic Outcomes

What are the characteristics of an ideal community through residents' eyes?

Your residents want you to succeed.