



Finance Committee

May 7, 2019

6:30 p.m.

Civic Center
West Committee Room

Roll Call:

Alderpersons Wattawa, Feirer, Damon

1. Call to Order
2. Minute Approval
 - April 16, 2019 - [Finance Minutes 04-16-2019](#)
3. Discussion and Action Items:
 - Tax Key #545-8009-000 – request from property owner to remove penalty and interest amounts due - [545-8009-000](#)
 - Scope of Services – Project Management Services for Mariner Apartments – The Concord Group - [Final Proposal_St. Francis_Bear Dev_20190423](#)
 - Project – 4010 South Kirkwood Avenue Demolition - [Letter to common council for 4010 Kirkwood](#)
4. Convene into Closed Session (Roll Call Required)
 - Convene into Closed Session pursuant to Wis. Stat. sec. 19.85(1)(e) for purposes of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a Closed Session. Items for discussion: 2922 East Layton Avenue
5. Reconvene into Open Session
 - Upon conclusion of the Closed Session item, the Committee will reconvene into Open Session prior to acting on any matter that needs to be acted upon in Open Session
6. Adjourn

PUBLIC NOTICE

Upon reasonable notice, a good faith effort will be made to accommodate the needs of individuals to participate in public hearings, which have a qualifying disability under the Americans with Disabilities Act. Requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the St. Francis City Clerk at 481-2300 Extension #4305. The meeting room is wheelchair accessible from the east and west entrances.

NOTE: There is a potential that a quorum of the Common Council may be present.

MINUTES OF THE FINANCE COMMITTEE MEETING HELD APRIL 16, 2019

Present: Alderpersons Wattawa, Feirer, Damon

Also Present: City Administrator Johnsrud, City Clerk/Treasurer Uecker, City Attorney Alexy, Alderwoman Schandel, Alderman Brickner, City Engineer Dejewski, Police Chief Hunter

Chairman Wattawa called the meeting to order at 6:15 p.m.

Moved by Alderman Feirer, seconded by Alderman Damon to place on file the minutes of the Finance Committee meeting held April 3, 2019. Motion carried.

Delinquent Personal Property Taxes:

City Clerk/Treasurer Uecker stated that the Personal Property for bill number 106005 is delinquent for 2010-2012. Ownership changed hands in 2013 and the new owner has been current on personal property billings.

Moved by Alderman Damon, seconded by Alderman Feirer to recommend writing off the delinquent Personal Property taxes for Account #106005 for 2010-2012 in the amount of \$264.35. Motion carried.

Selection of Project Manager – Mariner Apartments:

City Administrator Johnsrud explained that a project manager for the Bear Development would ensure that the developer is following the specifications as approved by the City as well as the Developer's Agreement. He met with the Concord Group who would check specifications compared to construction and report to the City monthly. The estimated cost for this service would be \$83,440. City Administrator Johnsrud would work out a scope of services with Concord and come back with a not to exceed amount for a contract. Some of these expenses may be able to be reimbursed by the developer. One of the reasons that City Administrator Johnsrud feels that hiring a project manager is important is that there are issues with changing windows, not communicating and providing information to the City and having a project manager will guarantee the City gets what is expected from the project.

Moved by Alderman Feirer, seconded by Alderman Damon that City staff be directed to work with the Concord Group to develop a scope of services for project manager for the Mariner Apartments and to bring that information back to the Committee at the meeting. Motion carried.

Proposal - Tactical Athlete Health & Performance Institute:

City Administrator Johnsrud reminded the Committee that this was discussed at budget time as a resource to help decrease the City's workers compensation exposure. There are several other communities in the area that are using Tactical Athlete and seeing positive results. The proposal is for one year and would cost \$1000 per month.

Moved by Alderman Damon, seconded by Alderman Feirer to recommend approval of the Tactical Athlete proposal to the Common Council. Motion carried.

Adjourn:

Moved by Alderman Feirer, seconded by Alderman Damon to adjourn. Motion carried.

Time: 6:40 p.m.

2018 Real Estate Tax Summary

05/02/2019 12:12 PM

Page 1 Of 1

Parcel #: 545-8009-000 CITY OF ST. FRANCIS
 Alt. Parcel #: MILWAUKEE COUNTY, WISCONSIN

Tax Address:
 LAKESIDE VILLAGE SQUARE,
 4525 S LAWLER AVE
 CUDAHY WI 53110

Owner(s): O = Current Owner, C = Current Co-Owner
 O - SQUARE,, LAKESIDE VILLAGE

Districts: SC = School, SP = Special
Type Dist # Description
 SC 5026 ST FRANCIS SCHOOL DIST
 SP 0005 TID #5
 SP 0900 MATC

Property Address(es): * = Primary
 * 3825 S KINNICKINNIC AVE

Legal Description: **Acres:** 2.358
 CERTIFIED SURVEY MAP NO. 8755, SE 1/4
 SEC 15-6-22, LOT 2

Parcel History:

| Date | Doc # | Vol/Page | Type |
|------|-------|----------|------|
|------|-------|----------|------|

Plat: * = Primary **Tract:** (S-T-R 40% 160% GL) **Block/Condo Bldg:**

| Tax Bill #: | 51954 | Net Mill Rate | 0.029818337 | Installments | |
|------------------------|-----------|--------------------------------|-------------|-----------------|--------------|
| | | Gross Tax | 48,108.11 | End Date | Total |
| | | School Credit | 3,505.84 | 1 01/31/2019 | 24,767.13 |
| Land Value | 196,800 | Total | 44,602.27 | 2 03/31/2019 | 11,129.46 |
| Improve Value | 1,299,000 | First Dollar Credit | 84.41 | 3 05/31/2019 | 11,129.46 |
| Total Value | 1,495,800 | Lottery Credit 0 Claims | 0.00 | | |
| Ratio | 0.9435 | Net Tax | 44,517.86 | | |
| Fair Mrkt Value | 1,585,400 | | | | |

| | Amt Due | Amt Paid | Balance | Bal. Codes |
|---------------------------|-----------|-----------|---------|------------|
| Net Tax | 44,517.86 | 43,842.84 | 675.02 | D |
| Special Assmnt | 0.00 | 0.00 | 0.00 | N |
| Special Chrg | 0.00 | 0.00 | 0.00 | |
| Delinquent Chrg | 2,508.19 | 2,508.19 | 0.00 | |
| Private Forest | 0.00 | 0.00 | 0.00 | |
| Woodland Tax | 0.00 | 0.00 | 0.00 | |
| Managed Forest | 0.00 | 0.00 | 0.00 | |
| Prop. Tax Interest | | 1,315.29 | 27.00 | |
| Spec. Tax Interest | | 75.25 | 0.00 | |
| Prop. Tax Penalty | | 657.64 | 13.50 | |
| Spec. Tax Penalty | | 37.62 | 0.00 | |
| Other Charges | 0.00 | 0.00 | 0.00 | |
| TOTAL | 47,026.05 | 48,436.83 | 715.52 | |
| Over-Payment | | 0.00 | | |

Interest Calculated For MAY 2019

Notes:

Payment History: (Posted Payments)

| Date | Receipt # | Source | Type | Amount | GPT | SA | Int. | Pen. | Total |
|------------|-----------|--------|------|-----------|-----|----|----------|--------|-----------|
| 04/01/2019 | 35053 | C | T | 46,351.03 | D | N | 1,390.54 | 695.26 | 48,436.83 |

Key: Balance Code: D - Delinquent, P - Postponed, N - No Balance
 Payment Source: C - County, M - Municipality
 Payment Type: A-Adjustment, B-Write Off Bankrupt, D-Write Off Deeded, Q-Quit Claim, R-Redemption, T-Tax



April 23, 2019

Mr. Mark Johnsrud
City Administrator
City of St. Francis
3400 East Howard Avenue
St. Francis, WI 53235

Re: Proposal for select Project Management services for the Bear St. Francis 1, LLC development
City of St. Francis, Wisconsin

Dear Mr. Johnsrud:

Following our meeting at your office on Monday April 15, 2019, we are pleased to have the opportunity to submit a proposal for your consideration to provide select Project Management services on the above-referenced project.

It is our understanding that the development, with 221 "condo-style" residential units with other amenities for the luxury apartment complex, has an overall project budget of \$39 Million. The City has committed to provide approximately \$7.1 Million to support the development. The development is currently in the construction phase with an anticipated substantial completion date of December 31, 2019.

We propose the following fees based on the attached scope of services and the level of effort matrix. The scope of services are based on our understanding of the City of St. Francis needs as discussed in our meeting dated April 15, 2019.

| | |
|--|-----------------|
| A. PHASE I – Documentation Review/Due Diligence | \$26,400 |
| B. Phase II – Site Observation/Monthly Reporting (approx. \$6,430/month for 8 months) | \$51,440 |
| C. PHASE III – Project Close-out | <u>\$ 5,600</u> |

Total Estimated Fees **\$83,440**

Reimbursable Expenses:

The foregoing fees are exclusive of the following project related expenses:

1. Approved project related expenses outside the Milwaukee / St. Francis area. All travel to site for observation and monthly visits are included in the price above.
2. Cost for reproduction of drawings.
3. Cost for specialized consultants engaged at the direction of the City of St. Francis.

Payment of Fee and Reimbursable Expenses:

1. An invoice will be submitted monthly and payment will be due within thirty (30) days.
2. Reimbursable expenses incurred will be reimbursed at actual net cost.
3. Change order review will be billed on an hourly basis per the rates listed below.

- 4. Additional services authorized will be reimbursed on either a pre-agreed lump sum basis, or on an hourly basis at the following rates:

Hourly Rates

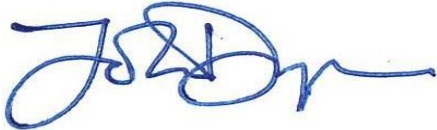
Additional services performed beyond the Scope of Services described shall be provided by The Concord Group and authorized by the Owner, will be reimbursed on either a pre-agreed lump sum basis, or on an hourly basis at the following rates:

| | |
|----------------------------|--------|
| Principal | \$ 205 |
| Director/Project Executive | \$ 180 |
| Senior Project Manager | \$ 160 |
| Senior Cost Estimator | \$ 160 |
| Project Manager | \$ 135 |
| Cost Estimator II | \$ 135 |
| Cost Estimator I | \$ 120 |
| Assistant Project Manager | \$ 95 |
| Assistant Cost Estimator | \$ 90 |
| On-Site Project Manager | \$ 90 |
| Technical Assistant | \$ 75 |

We look forward to providing the scope of services you require for project due diligence and monthly review. As indicated above, these services and associated fees can be further modified to meet your specific needs.

Thank you for the opportunity to provide this proposal for your consideration and we look forward to working with you on your current and future projects.

Sincerely, John Duggan



Chief Operations Officer/Principal
The Concord Group

JD/2019B520

AUTHORIZATION:

Entity: _____

By: _____

Title: _____

Date: _____



City of St. Francis – Bear St. Francis 1, LLC Development Project
Proposed Scope of Services April 23, 2019

I. Scope of Services

A. PHASE I – Documentation Review/Initial Due Diligence

1. Obtain and review all pertinent documentation provided by the City that includes plans, specifications, Developer's Agreement, shop drawings, material submittals/substitutions, etc.
2. TCG will provide an opinion of the project budget pricing and highlight any potential discrepancies. Essentially, this task will be performed to provide an opinion on the reasonableness of the project development costs as stated by the Developer.
3. With the assistance of the City, TCG will obtain and review any agreements in place between the Design Team (Architects/Engineers) and Contractor.
4. Evaluate the above information and report on our findings.

B. Phase II – Site Observation and Monthly Reporting

1. TCG shall obtain and review pertinent documentation provided by the City.
2. We shall discuss/coordinate the status of existing and future construction procedures with representatives of the City and their building inspector in order to gather information on the project.
3. TCG shall perform construction observation services to document and verify applicable materials/products were installed on all 11 apartment buildings and the club house/pool area in accordance with the construction documents. This effort will include providing an on-site Construction Observer approximately 2 hours per day, 5 days per week for a total of 40 hours per month over the remaining 8 months of construction, plus project management support.
4. Request and review the Design Team's punch lists and confirm whether work was completed for each building based on TCG's previous site observations.
5. TCG shall review each application for disbursement and make a recommendation that the work was completed in general conformance with general industry practices.
6. Prepare a detailed monthly report of construction summarizing the status of the project based on the site observations and our review of project documents, including project financial status of the TIF Loan disbursement payment process.

C. PHASE III – Project Close-out

The project close-out period will be completed shortly after the final construction ends tentatively on December 31, 2019. Services will be performed to prepare a final

observation and financial report on the project.

D. Possible Additional Services

1. Evaluate and make recommendations for requested Change Orders that potentially adjust TIF Loan payments.
2. Provide additional Project Management services to coordinate potential issues that may arise during construction on the project.

II. FEE SUMMARY

The estimated fees will be invoiced in accordance with above Scope of Services and our standard rate schedule. The Time and Expense fee has been estimated to total approximately \$83,400 broken down as follows:

| | |
|--|-----------------|
| A. PHASE I – Documentation Review/Due Diligence | \$26,400 |
| B. Phase II – Site Observation/Monthly Reporting (approx. \$6,430/month for 8 months) | \$51,440 |
| C. PHASE III – Project Close-out | <u>\$ 5,600</u> |
| Total Estimated Base Fee | \$83,440 |

D. Potential Additional Fees – Allowances, if services requested

- | | |
|--------------------------------|----------|
| 1. Change Order Review | \$ 5,000 |
| 2. Project Management Services | \$10,000 |

| LOAN REVIEW SERVICES City of St Francis Project | | THE CONCORD GROUP | | | | | | Comments |
|--|--|-------------------|-------------|----------------|-------------|------------|-------------|----------|
| Total Fee: \$98,440 | | | | | | | | |
| No. | Task Description | Proj. Executive | Ass. PM | Site Inspector | Estimating | Admin Ass. | Subtotal | |
| 1 | Initial Due Diligency - PROJECT BUDGET - \$36MM | | | | | | | |
| 1.1 | Review the project documents, contracts, developer agreements, design docs, etc. | 30 | 30 | | | 20 | 80 | |
| 1.2 | Review the developers proposed cost / budget for TIF eligible items | | | | | | 0 | |
| 1.3 | Produce a report | 8 | 8 | | | | 16 | |
| | Sub Total Hours | 38 | 38 | 0 | 0 | 20 | 96 | |
| | Hourly Rates | \$185.00 | \$95.00 | \$90.00 | \$135.00 | \$75.00 | | |
| | Total Report Cost | \$7,030.00 | \$3,610.00 | \$0.00 | | \$1,500.00 | \$12,140.00 | |
| | Total Estimating Cost | | | | \$0.00 | | \$0.00 | |
| | Total Cost | \$7,030.00 | \$3,610.00 | \$0.00 | \$0.00 | \$1,500.00 | \$12,140.00 | |
| 3 | Construction Pricing Reconciliation | | | | | | | |
| 3.1 | Prepare a comparative construction cost estimate | | | | 80 | | 80 | |
| 3.2 | Review Bid Results for Contractors and Sub-Contract awards | 4 | 16 | | | 16 | 36 | |
| | Sub Total Hours | 4 | 16 | 0 | 80 | 16 | 116 | |
| | Hourly Rates | \$185.00 | \$95.00 | \$90.00 | \$135.00 | \$75.00 | | |
| | Total Report Cost | \$740.00 | \$1,520.00 | \$0.00 | | \$1,200.00 | \$3,460.00 | |
| | Total Estimating Cost | | | | \$10,800.00 | | \$10,800.00 | |
| | Total Cost | \$740.00 | \$1,520.00 | \$0.00 | \$10,800.00 | \$1,200.00 | \$14,260.00 | |
| 4 | Construction Phase - Monthly Progress Review Assumed month duration | | 8 | 8 | | | | |
| 4.1 | Daily site visits to confirm progress and quality of work and to evaluate the reasonableness of the current month's payment application and confirm prior month's approved distributions / PM coordination & admin. | | 10 | 40 | | | 50 | |
| 4.2 | Review and make recommendations for payments for all project related costs, such as design fees, specialty consultants fees, etc | | 4 | | | | 4 | |
| 4.3 | Evaluate and make recommendations regarding the reasonableness of change order requests, including adjustments of cost and schedule as they relate to the requested change order | | | | | | 0 | |
| 4.4 | Prepare a detailed monthly report based on on-site observations and a review of all current project documents including financial status of the project | 4 | 8 | | | | 12 | |
| | Sub Monthly Hours | 32 | 176 | 320 | 0 | 0 | 66 | |
| | Hourly Rates | \$185.00 | \$95.00 | \$90.00 | \$135.00 | \$75.00 | | |
| | Total Section 2 | \$5,920.00 | \$16,720.00 | \$28,800.00 | \$0.00 | \$0.00 | \$51,440.00 | |
| 5 | Project Close Out | | | | | | | |
| 5.1 | Prepare final project close-out report confirming compliance by owner, contractor and architect/engineer with all contractual obligations and confirmation that all of the projects financial and regulatory approval requirements have been satisfied | 10 | 10 | 0 | | | 20 | |
| 5.2 | Prepare a final accounting for the project. | 10 | 10 | | | | 20 | |
| | Sub Total Hours | 20 | 20 | 0 | 0 | 0 | 40 | |
| | Hourly Rates | \$185.00 | \$95.00 | \$90.00 | \$135.00 | \$75.00 | | |
| | Total Section 3 | \$3,700.00 | \$1,900.00 | \$0.00 | \$0.00 | \$0.00 | \$5,600.00 | |

Total Hours: 94 250 320 80 36 780
SUB TOTAL: \$17,390 \$23,750 \$28,800 \$10,800 \$2,700 \$83,440
TOTAL: \$83,440
CONTINGENCY
CONCORD BASE FEE \$83,440

Change Order Review Allowance \$ 5,000
PM Coordination for Issues Arising on Site \$ 10,000

CONCORD TOTAL FEE W ALLOWANCES \$98,440



City of St. Francis

May 2, 2019

Honorable Mayor and Common Council
City of St. Francis

Subject: Project 4010 S. Kirkwood Avenue Demolition.

Gentlepersons:

The City has received bids for the subject project. They are as follows:

| Bidder | Bid |
|--------------------------------------|-------------|
| Shoreline Contracting Services, Inc. | \$16,450.00 |
| Paul's Excavating LLC | \$18,500.00 |
| Great Lakes Excavating Inc. | \$19,865.00 |
| Terry's Excavating Inc. | \$30,406.00 |

The apparent low bidder is Shoreline Contracting Services. Shoreline has successfully completed one past project for the City. The Code Compliance Department therefore recommends that the contract for the project is awarded to Shoreline Contracting Services, Inc. for \$16,450.00 as they are the lowest bidder.

Respectfully submitted,

Brett Eisch,
Code Compliance Officer