CITY OF BURLINGTON

Administration Department
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1161 – (262)763-3474 fax
www.burlington-wi.gov

AGENDA
COMMITTEE OF THE WHOLE
Tuesday, September 6, 2016 at 6:30 p.m.
Common Council Chambers - 224 East Jefferson Street

Mayor Jeannie Hefty
Edward Johnson, Alderman, 1st District
John Ekes, Alderman, 1st District
Ruth Dawidziak, Alderman, 2nd District
Bob Grandi, Alderman, 2nd District
Tom Vos, Council President, Alderman, 3rd District
Jon Schultz, Alderman, 3rd District
Thomas Preusker, Alderman, 4th District
Todd Bauman, Alderman, 4th District

1. Call to Order – Roll Call

2. Citizen comments

3. Approval of minutes for August 16, 2016 *(R. Dawidziak)* ..... *pg. 3*

4. **Topic:** Presentation – Tina Chitwood, Community Development Manager for the Racine County Economic Development Corporation (RCEDC) will present RCEDC's 2016 Semi Annual Report and update regarding the Downtown Strategic Plan..... *pg. 5*

5. **Topic:** Resolution 4801(20) - to consider authorizing the expenditure of the not-to-exceed amount of $15,534 for a Three Year Support and Hardware Upgrade to the City Unitrend Backup Storage System. Due to the timeliness of this issue, this item is scheduled for same night final consideration at tonight's Common Council meeting. ..... *pg. 14*

6. **Topic:** Resolution 4802(21) - to consider authorizing City Officials to execute a Fixtures Disclaimer relating to collateral affixed to real estate located in the Burlington Municipal Airport at 711 Airport Road. This item is scheduled for final consideration at the September 20, 2016 Common Council meeting. ..... *pg. 18*

7. **Adjourn** *(B. Grandi)*

Note: *If you are disabled and have accessibility needs or need information interpreted for you, please call the City Clerk's Office at 262-342-1161 at least 24 hours prior to the meeting.*

COMMITTEE OF THE WHOLE **ITEM NUMBER: 3**

DATE: September 6, 2016

SUBJECT: August 16, 2016 Committee of the Whole Minutes

SUBMITTED BY: Diahnn Halbach, City Clerk

BACKGROUND/HISTORY:
The attached minutes are from the August 16, 2016 Common Council meeting.

BUDGET/FISCAL IMPACT:
N/A

RECOMMENDATION:
Staff recommends approval of the attached minutes from the August 16, 2016 Committee of the Whole meeting.

TIMING/IMPLEMENTATION:
This item is scheduled for final consideration at the September 6, 2016 Common Council meeting.

ATTACHMENTS:
Committee of the Whole Minutes

CITY OF BURLINGTON

City Clerk
300 N. Pine Street, Burlington, WI, 53105
(262) 342-1171 – (262) 763-3474 fax
www.burlington-wi.gov

CITY OF BURLINGTON
Committee of the Whole Minutes
Jeannie Hefty, Mayor
Diahnn Halbach, City Clerk
Tuesday, August 16, 2016

1. **Call to Order/Roll Call**

Council President Tom Vos called the meeting to order at 6:36 p.m. starting with roll call. Aldermen present: Ed Johnson, John Ekes, Bob Grandi, Ruth Dawidziak, Tom Vos, Tom Preusker and Todd Bauman. Excused: Jon Schultz

Also present: City Administrator Carina Walters, Director of Administrative Services Megan Watkins, Treasurer and Budget Officer Steve DeQuaker, City Attorney John Bjelajac, Fire Chief Alan Babe, DPW Director James Bergles, and Building Inspector Gregory Guidry.

- Council President Tom Vos stated for the record that although he is filling in for Mayor Hefty, he would be voting in his presence and his votes will be counted.

2. **Citizens Comments and Questions**

- There were none.

3. **Approval of Minutes from August 2, 2016**

A motion was made by Ekes with a second by Grandi to approve the minutes from August 16, 2016. With all in favor, the motion carried to approve the minutes.

4. **Topic:** **Discussion** regarding the bank depository at BMO Harris Bank.

Steve DeQuaker reviewed the background history as to why the city has chosen to do its municipal banking with BMO Harris Bank. DeQuaker explained that we have had a contract with BMO since 2009, which was a three year contract with an automatic 3-year extension and an additional automatic 2-year extension. BMO is offering a 2-year contract extension which would include a nominal service fee increase of 10%. DeQuaker stated that this is the first increase since 2009.

Alderman Preusker inquired if this service is bid out to other banks. DeQuaker responded that not many banks are able to service the City's banking needs, mainly due to the fluidity of the cash and the in/out nature of the City's operation. DeQuaker further stated that the issue of "Safety, Liquidity, and Security" is a state mandate for public funds and BMO is currently collateralizing all of the City's account balances. If something should happen and the City had to "Cash Out", collateral would be called and the City would be paid and most banks do not offer to collateralize due to the cost.

5. **Topic:** **Resolution 4800(19)** to consider approving the submittal of an application for an Urban Forestry Grant with the Wisconsin Department of Natural Resources.

   Jim Bergles explained to council and staff that the City must apply yearly in order to be accepted into the Wisconsin Department of Natural Resources Urban Forestry Grant program; however the application process requires that the City authorize a resolution which must be submitted along with the Urban Forestry Grant application by October 31, 2016. Bergles went on to explain that acceptance into the program, qualifies the City to be reimbursed approximately $21,701.51 of the estimated $43,403.02 to be spent in 2017.

6. **Item:** **Ordinance 2006(2)** to amend the Official Traffic Map to install a No Left Turn sign on westbound West State Street, at its intersection with the driveway into the Aurora site, located at 709 Spring Valley Road.

   Jim Bergles explained that the Town of Lyons approved Aurora to install a No Left Turn sign approximately 50 feet before the north entrance facing west towards Burlington. Aurora has also asked for an additional no left turn sign to be placed in the City of Burlington's right-of-way to further help prevent west bound vehicles from turning left into the north entrance. Bergles further explained that if vehicles were allowed to turn left at the north entrance, a backup of traffic heading west out of Burlington could occur. Bergles also stated that the main entrance is located off of Spring Valley road and that this north entrance is mainly designed for service vehicles and employees.

7. **Item:** **Motion 16-852** to consider approving the 2016 Halloween Trick or Treat hours.

   Council President Vos introduced Motion 16-852. Alderman Johnson stated he thought the hours should be 5 p.m. to 7 p.m. and was concerned about it getting to late and too dark for the younger children. Alderman Dawidziak stated that starting at 6 p.m. allows time for working parents to get home and get their children ready and that it's already dark at 5 p.m. this time of year.

8. **Adjourn**

   A motion was made by Dawidziak with a second by Ekes to adjourn the meeting. With all in favor, the meeting adjourned at 7:01 p.m.

Minutes respectfully submitted by:

_____

Diahnn C. Halbach
City Clerk
City of Burlington

COMMITTEE OF THE WHOLE **ITEM NUMBER: 4**

DATE: September 6, 2016

SUBJECT: **PRESENTATION** regarding the 2016 Semi Annual Report for the Racine County Economic Development Corporation (RCEDC) and update regarding the Downtown Strategic Plan.

SUBMITTED BY: Tina Chitwood, RCEDC

PURPOSE:
A brief presentation is scheduled for the Committee of the Whole meeting to be given by Tina Chitwood of the Racine County Economic Development Corporation (RCEDC) regarding the 2016 Semi-Annual Report. RCEDC has been an important entity in the City's economic development, in particular by working closely with the City and the businesses wishing to (re)locate to Burlington. RCEDC also works with the Community Development Authority, the Historic Preservation Committee and has been an integral part of the most recent downtown strategic plan process.

RCEDC will also provide an update regarding the Downtown Strategic Plan.

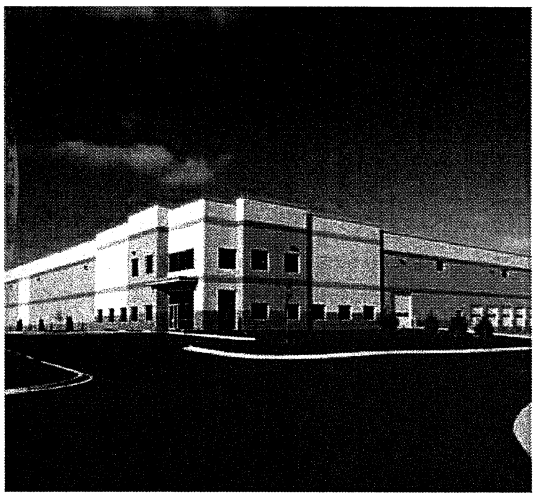
BUDGET/FISCAL IMPACT:
N/A

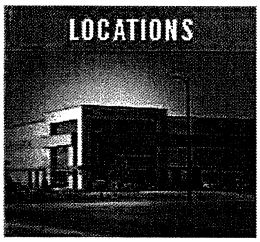
RECOMMENDATION:
For discussion only

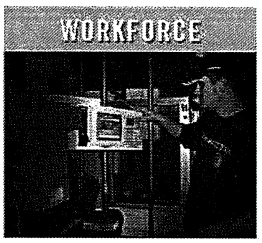
TIMING/IMPLEMENTATION:
This item is for discussion at the September 6, 2016 Committee of the Whole meeting.

ATTACHMENTS:
2016 Semi Annual Report

RACINE COUNTY
ECONOMIC DEVELOPMENT CORPORATION



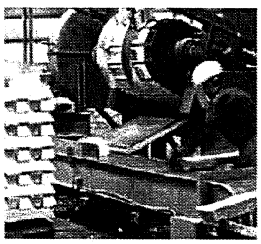




2016

SEMI ANNUAL REPORT

GROWING BUSINESS
CONNECTING COMMUNITIES
JOB CREATION

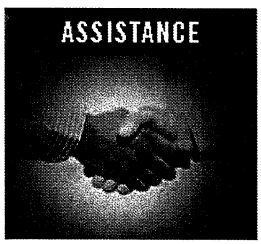


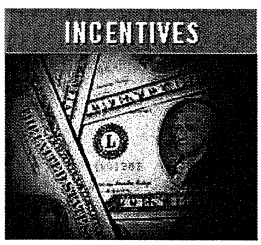
Prepared for

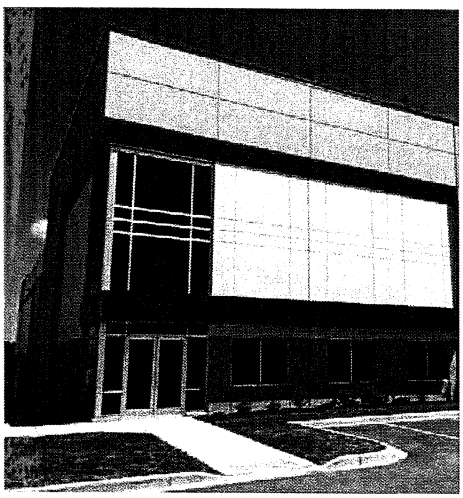
City of Burlington

RCEDC MISSION

TO ENSURE THE ECONOMIC VITALITY
OF RACINE COUNTY
BY WORKING WITH OUR PARTNERS
TO SUPPORT INNOVATION AND CREATIVITY
THAT LEADS TO
BUSINESS INVESTMENT







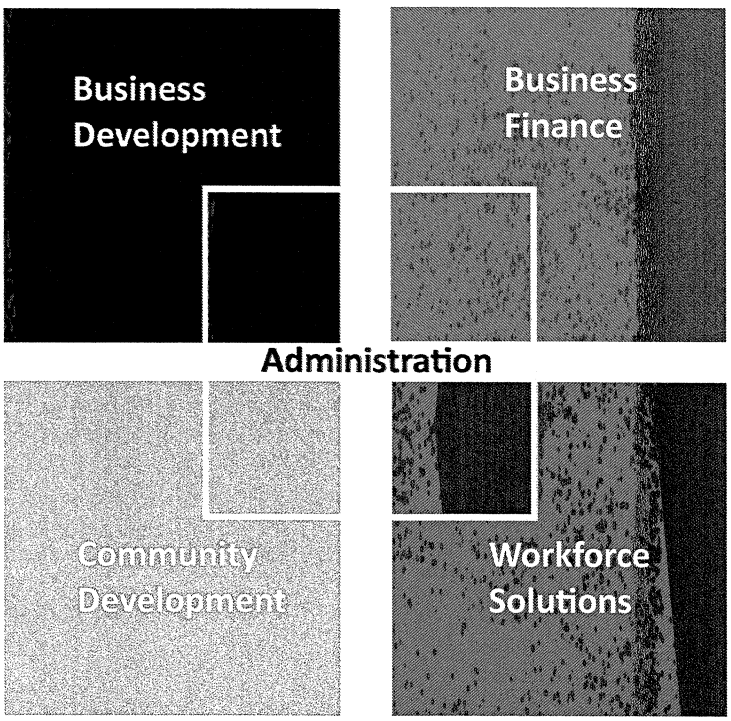
About Us

The Racine County Economic Development Corporation (RCEDC) is a 501 c(3) Private Non-Profit Organization that promotes economic development throughout Racine County. RCEDC is governed by a 30 – Member board of directors, and 9 – Member Executive Committee with day-to-day management handled by a professional staff.

What we do

RCEDC along with our partners provide businesses with almost every service needed to complete an expansion, relocation, financing, or workforce development project. Our dedicated staff is committed to meeting the needs of Racine County, Wisconsin businesses and companies interested in expanding or locating in Chicago-Milwaukee Corridor.

Our Five Divisions



Work Plan

Annually RCEDC develops a work plan that is measurable and consistent with the Racine County Economic Development Plan. This report provides an update of activities for the first half of 2016.

Economic Development Plan

(Updated 2013 – Version 6.0)

The Economic Development Plan for Racine County is built around five challenges. These challenges represent the areas that most directly affect the economic vitality of the County. Each challenge has a lead partner responsible for implementation and each challenge includes multi-year metrics and measurements to track.

EDP Challenges

- To create an entrepreneurial culture in Racine County (UW Parkside Small Business Development Center lead partner);
- ***To focus on a proactive business recruitment and a business retention and expansion (BRE) program that will create and retain jobs, create additional tax base and increase personal income in Racine County (RCEDC lead partner);***
- To utilize the existing natural and cultural resources, recreational opportunities and business location advantages to promote a positive image of Racine County (Real Racine lead partner);
- To take advantage of the development opportunities that exist as a result of the Chicago-Milwaukee Corridor and to properly link land use with future business development Countywide (Racine County Planning and Development lead partner);
- To link education and training in a manner that provides a competitive workforce to meet the present and future needs of local employers (Racine County Workforce Development Center lead partner).

BUSINESS RECRUITMENT AND DEVELOPMENT

RCEDC undertakes business recruitment activities, assists growing Racine County companies with financial and technical assistance, completes research activities and markets Racine County for business investment opportunities.

Recruitment Projects. 2016 Goal: 7

1. AccuColor Plus, Inc. (Racine)
2. Musicology (Burlington)
3. My Bread Bakery (Racine)

Expansion/Retention Projects. 2016 Goal: 8

1. BRP US, Inc. (Sturtevant)
2. Norco Manufacturing (Caledonia)
3. Winklers Masonry (Caledonia)
4. Meredith's Culligan (Union Grove)
5. Talmer Bank (Union Grove)

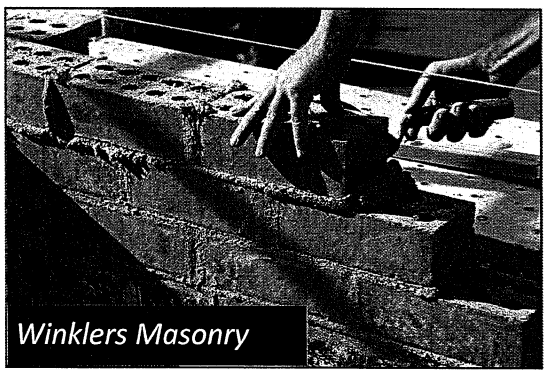
RCEDC monitors the ongoing compliance obligations of 14 projects on behalf of various communities who entered into Development Agreements with companies.

Business Development Resources:
(Found on RCEDC's website under Data Center tab)

1. Racine County At-A-Glance
2. Racine County Quarterly Snapshots
3. Racine County Economic Indicator Dashboard
4. Racine County Business Park Story Map
5. Community Profiles
6. Business Analyst Retail Market Analysis Reports

Economic Gains (Countywide)	2016 Semi-Annual Results
Total Project (Investment) Amount	$12M
Total Construction Costs	$13M
Total Jobs Created and Retained	140

AccuColor Plus, Inc.


Winklers Masonry

EVINRUDE E-TEC | BRP

MULTI-YEAR AND REAL ESTATE DEVELOPMENT PROJECTS

RCEDC coordinates several multi-year community projects including the following:

Multi-Year Projects. 2016 Goal: 1 Completion

1. DeBack Farms Business Park (Caledonia) - Complete
2. Downtown Strategic Plan (Burlington) - Complete

On-Going

1. Sub-Continental Divide on Highway 11 west of Sturtevant
2. Downtown Development (Racine)
3. Machinery Row (Racine)
4. Retail Redevelopment (Racine)
5. Utility Project (Yorkville)
6. REC Fees (Racine , Mount Pleasant and Sturtevant)
7. Shepherd's College Development Project (Union Grove)
8. Multi-Family Housing (former Co-Op site, Union Grove)
9. Keuper Mercantile Building (former Schuette-Daniels furniture, Burlington)

Real Estate Development and Brownfield Projects

1. Former Racine Steel Casting (Racine)
2. Machinery Row (Racine)
3. Former UPEC (Racine)
4. Harborside (Racine)
5. Uptown (Racine)
6. Belle Harbor (Racine)
7. West Racine (Racine)

2016 Business Call Visits, Technical Assistance and Outreach Meetings:

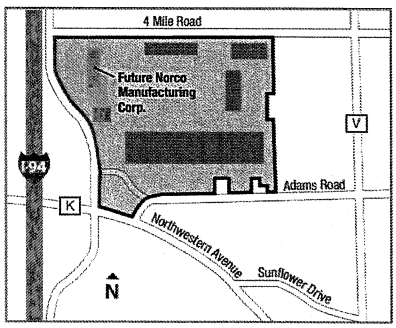
1. 24 CEO Call Visits
2. 72 Outreach Meetings & Presentations
3. 6 RCEDC Hosted Events
4. 112 Technical Assistance / Data Requests

Leadership Training Series:

1. CEO Roundtable
2. Living as a Leader

16 Assists/Referrals to Companies Located in or Interested in a Location in Burlington

DEBACK FARMS™
BUSINESS PARK



RACINE COUNTY CEO ROUNDTABLE

INSIDE RACINE BUSINESS
ideas for connecting business

FINANCIAL RESOURCES

Business Lending Partners (BLP), a division of RCEDC, provides financing options to Racine County businesses, as well as provides the US Small Business Administration (SBA) 504 loans throughout Wisconsin. The benefits of these loan programs include reduced down payments, long-term fixed interest rates and 90% financing in partnership with the company's bank.

BUSINESS LENDING PARTNERS
Your Wisconsin SBA 504 Lender

MUSICOLOGY
Instruments. Lessons. Rentals.

Finance Projects. 2016 Goal: 23

1. 1520 Clark Street, L.P. /Herman & Kittle (Racine)
2. Marshall Petroleum (Wisconsin)
3. Musicology (Burlington)
4. Mauer Home School, LLC (Racine)
5. Willkomm Development LLP (Mt. Pleasant)
6. WIN Properties LLC (Burlington)

BLP holds a 3-star rating with the SBA through the quality controls implemented to ensure compliance of all regulations.

1 Loan Approved and 4 Prospects Located In or Interested In a Location In Burlington are Seeking Financing Assistance from RCEDC's BLP.

70 1946 Willkomm's 2016
Fast Friendly Family-owned Since 1946

Racine County Matching Grant Program. 2016 Goal: $50,000 in Applications

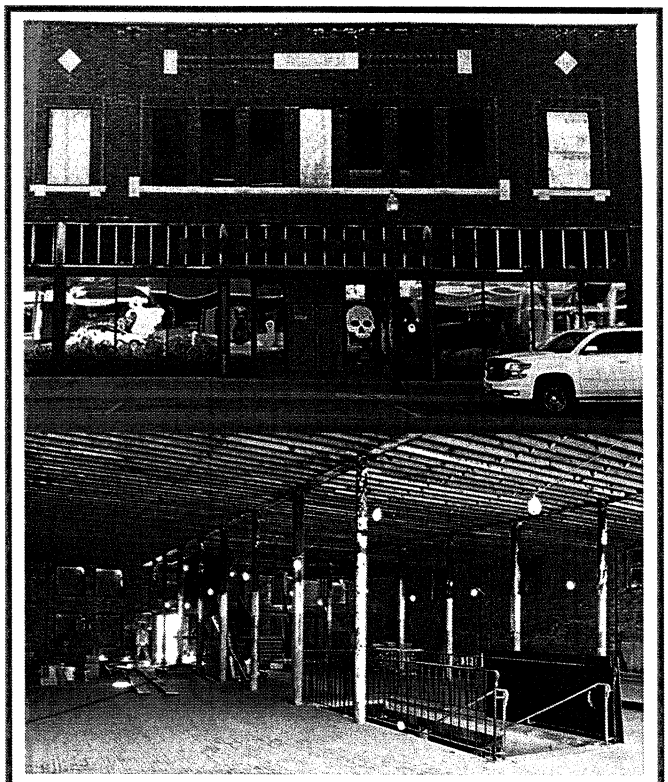
1. O&H Danish Bakery (Mount Pleasant)
2. David Insurance (Mount Pleasant)
3. PTF German Precision Technology (Racine)
4. AMI Information Systems (Mount Pleasant)
5. Bukacek Construction (Racine)
6. Econoprint (Racine)
7. Hy-Safe Technology (Union Grove)
8. Marini Manufacturing (Racine)
9. Pipes Down Under (Racine)
10. Reliance Controls (Racine)
11. Spee Dee Packaging (Yorkville)

FINANCIAL RESOURCES

RCEDC provides grant administration services to several municipalities. The grants are capitalized to encourage downtown development, infrastructure for business development, redevelopment activities and brownfield remediation , training and consulting costs.

Communities participating include:

- Burlington
- Caledonia
- Union Grove
- Racine
- Racine County
- Sturtevant



Grant Activity	2016 Goal	2016 Semi-Annual Results
Keuper Mercantile WEDC-CDI Grant Management (Burlington)	1	Awarded Q2 2016
Brownfields Grants Management (Racine)	8	10 (2 new awards)
RootWorks Redevelopment Area Grants Management (Racine)	4	4
Matching Grant Program (Racine County)	$50,000	$22,697 (11 awards)
Reports to Regulatory Agencies and Funding Organizations	120	45
Uptown BID Rent Assistance Grant-Petals By Felicia (Racine)	3	1

WORKFORCE SOLUTIONS

Workforce Solutions is a collaborative partnership between RCEDC, RAMAC and Racine County Workforce Solutions to strengthen and grow local businesses through industry-driven, customized services.

Services Include:

- Employee Recruitment
- Employee Training
- Financial Assistance Resources
- Workforce Data

Racine County WORKFORCE SOLUTIONS *your future...our focus*

Activity	2016 Goal	2016 Semi-Annual Results
Companies Assisted with a Tangible Resource	12	8 (a)
On-Site Recruitments	50	43
Job Fairs	4	2
Youth Internships	50	3
Employment Data Sharing	56	29
Lunch and Learn Training Sessions	6	3
Increase # of Employers that Post on Job Center of WI by 15%	15% inc.	17% inc. achieved

(a) Applied Material Solutions (Burlington)

CNH Industrial (Racine)

Echo Lake Foods (Burlington)

Love Inc. (Burlington)

Publications International (Yorkville)

Racine Heat Treating (Racine)

SC Johnson (Racine)

Vobeda Machine and Tool (Racine)

Your One Stop Economic Development Resource

Administration & Marketing

Jenny Trick
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Nick Johnson
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Accounting Manager
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Lynn Beauchesne
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Administration Assistant
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Jordan Brown
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Community Development

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Community Development Manager
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Rachana Kothari
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Brownfield Redevelopment & Research Specialist
rkothari@racinecountyedc.org

Racine County Economic Development Corporation
2320 Renaissance Boulevard, Sturtevant, WI 53177

www.racinecountyedc.org
Phone: 262-898-7400
Fax: 262-898-7401
Email: rcedc@racinecountyedc.org

COMMITTEE OF THE WHOLE **ITEM NUMBER: 5**

DATE: September 6, 2016

SUBJECT: **RESOLUTION 4801(20)** Authorizing the Expenditure of $15,534 for 3 Year Support and Hardware Upgrade to the City Unitrends Backup Storage System

SUBMITTED BY: Steve DeQuaker, Budget Officer/Treasurer

BACKGROUND/HISTORY:
The City uses Unitrends as a backup software and hardware system. As a result of needed software updates to the Accounting Software, as well as other recent software upgrades, the current Unitrends Appliance is too small to handle the current backup of City Data. Currently, less than 2 days are stored. This is down from 5 days of the backup data needed (data is all city data). The support upgrade is currently budgeted an on annual basis and split between each department in the City. Support is approximately $3,400 per year. This proposal upgrades the data drive to a 12 terabyte (TB) system with three years of support. The support portion is up for renewal in September. This item is managed by Digicorp and they have agreed to hold the 3-year price for council consideration.

BUDGET/FISCAL IMPACT:
Staff's recommendation is to move this from line item budget to equipment replacement fund for the next three years due to the purchase of new hardware. After the three years, if the 12TB system is still adequate, we would move support back to the line item budget, but keep the appliance portion (about $9,000) in the equipment replacement fund. The net impact on the 2016 line item budget is minimal at $329 total, which will be absorbed by the upgrade as a price reduction.

RECOMMENDATION:
Move the purchase and three-year support into Equipment Replacement Fund and no longer budget the support expense for the next three years. This is a high priority item as the city is currently only able to keep less than two days of data, rather than the accepted practice of 5 days.

TIMING/IMPLEMENTATION:
This item is for discussion at the September 6, 2016 Committee of the Whole meeting. Due to the timeliness of this issue, it is scheduled the same night for final consideration.

ATTACHMENTS:
Unitrends Quote for 1 upgrade and service and Quote for three years of service and upgrade

Resolution No. 4801(20)
Introduced by: Committee of the Whole

A RESOLUTION APPROVING THE PURCHASE OF A TWELVE-TERABYTE (TB) UNITREND BACKUP HARDWARE AND THREE-YEAR SUPPORT FOR THE NOT TO EXCEED PRICE OF $15,534

WHEREAS, on June 1, 2004 the Common Council did approve Resolution 3812(18) a Resolution Adopting a Purchasing Policy for the City of Burlington; and,

WHEREAS, the Purchasing Policy requires that all unanticipated expenditure and Budget Items be reviewed and pre-approved by the Common Council; and,

WHEREAS, the software and program upgrades recently completed have increased the size of the data being stored as backup, requiring an immediate upgrade in hardware; and,

WHEREAS, the City of Burlington is in need of replacing its Unitrends Backup Appliance and Software Support with funds not included in the 2016 budget; and,

WHEREAS, the City of Burlington has funds available in the Equipment Replacement Fund for such items; and,

WHEREAS, Digicorp, Inc., through its Information Technology contract with the City is able to determine needs and perform such work and upgrades; and,

WHEREAS, the purchase of a Unitrends 12TB drive and 3-year support for the not to exceed price of $15,534 has been recommended by the City Budget Officer/Treasurer.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Burlington that purchase of the aforementioned hardware and 3 years' support is hereby approved for the total amount not to exceed $15,534.

Introduced: September 6, 2016
Adopted: September 6, 2016

_____
Jeannie Hefty, Mayor

Attest:

_____
Diahnn Halbach, City Clerk

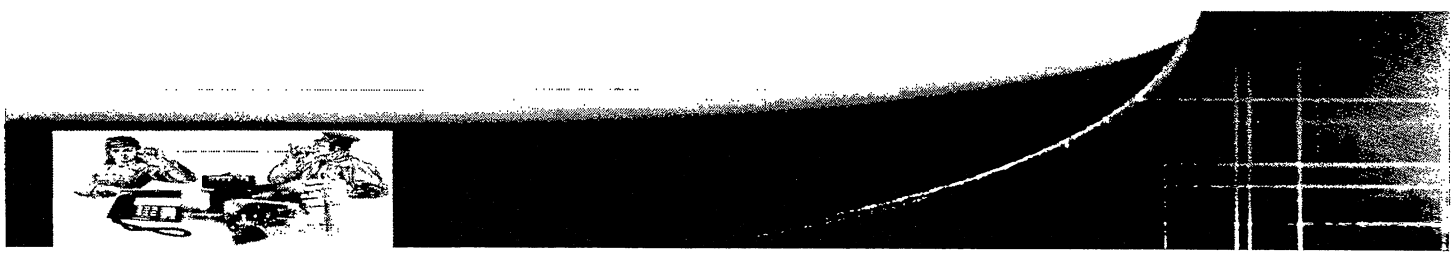
OPTION 2:

SYSTEM CONFIGURATION: Unitrends Recovery-814S w/ 3 Year Support

QTY	*DESCRIPTION*	*Unit Price*	*Extended Price*
1	Appliance + 36 Months of Platinum Support for model RC814S (raw capacity of 12T), for the price of Appliance + 36 Months Support for model RC714S	$ 23,796.00	$ 15,863.00
1	Pro-rated Support Contract credit for existing DPU contract ASSET TAG - 713-100-50067 CONTRACT #SRN-000151572 CONTRACT EXPIRES ON 9/13/2016	($ 329.00)	($ 329.00)
	Estimated Total		**$ 15,534.00**

Recommended.

PROJECT NOTES: Freight and taxes are not included. Proposal assumes all necessary wiring is in place. The proposed design will be reviewed by the assigned Data Engineer and finalized prior to executing the Sales Agreement. **Pricing includes promotions and is valid until August 29, 2016.**



BUDGET PROPOSAL FOR: City of Burlington

PROPOSAL DATE: August 16, 2016

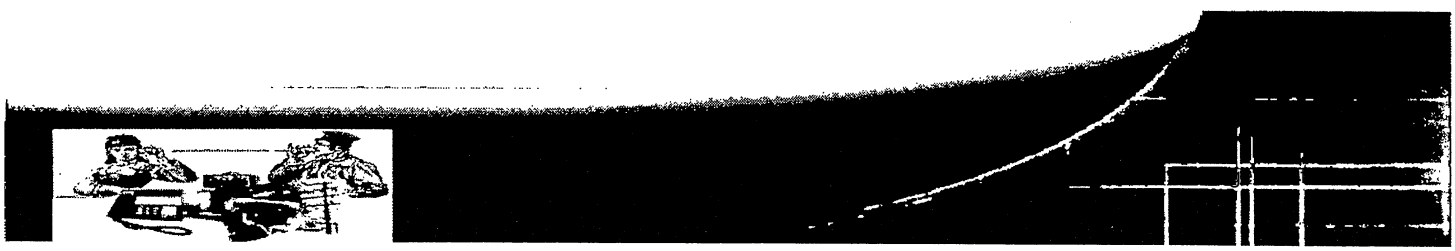
ESTIMATED PROJECT COST: See PROMO options below

SYSTEM PROPOSED: Unitrends

OPTION 1:

SYSTEM CONFIGURATION: Unitrends Recovery-814S w/ 1 Year Support

QTY	*DESCRIPTION*	*Unit Price*	*Extended Price*
1	Appliance + 12 Months of Platinum Support for model RC814S (raw capacity of 12T), for the price of Appliance + 12 Months Support for model RC714S	$ 18,449.00	$ 12,299.00
1	Pro-rated Support Contract credit for existing DPU contract ASSET TAG - 713-100-50067 CONTRACT #SRN-000151572 CONTRACT EXPIRES ON 9/13/2016	($ 329.00)	($ 329.00)
	Estimated Total		**$ 11,970.00**



COMMITTEE OF THE WHOLE AGENDA **ITEM NUMBER: 6**

DATE: September 6, 2016

SUBJECT: **RESOLUTION 4802(21)** to consider authorizing city officials to engage in a fixtures disclaimer with Farmers & Merchants State Bank for an airport hangar building owned by MJJ Holdings, LLC at 711 Airport Road.

SUBMITTED BY: Carina Walters, City Administrator

BACKGROUND/HISTORY:
The attached resolution addresses a request by Farmer & Merchants State Bank for the City to sign a Fixtures Disclaimer regarding an airport hangar owned by MJJ Holdings, LLC at 711 Airport Road. The Fixtures Disclaimer merely seeks to obtain the 5,400 square foot pole building and/or other improvements on this property in the event MJJ Holdings, LLC defaults in their loan with Farmer & Merchant State Bank. The Fixture Disclaimer does not allow for Farmer & Merchant State Bank to gain interest or place a lien on the Airport property MJJ Holdings, LLC is leasing from the City. The 29-year Airport Hangar Lease was approved with MJJ Holdings, LLC at the July 19, 2016 Common Council meeting.

BUDGET/FISCAL IMPACT:
N/A

RECOMMENDATION
This is before the Committee of the Whole as the City owns the property and has a Lease Agreement with MJJ Holdings. City Attorney John Bjelajac and staff recommend executing the Fixtures Disclaimer with Farmer & Merchant State Bank for collateral at 711 Airport Road.

TIMING/IMPLEMENTATION:
This item is scheduled for discussion at the September 6, 2016 Committee of the Whole meeting and will be placed on the September 20, 2016 Common Council agenda for final consideration.

ATTACHMENTS:
Resolution
Fixtures Disclaimer

Resolution No. 4802(21)
Introduced by: Committee of the Whole

A RESOLUTION AUTHORIZING CITY OFFICIALS TO ENGAGE IN A FIXTURES DISCLAIMER WITH FARMERS & MERCHANTS STATE BANK FOR AN AIRPORT HANGAR BUILDING AT 711 AIRPORT ROAD

WHEREAS, the Burlington Municipal Airport is owned and operated by the City of Burlington; and,

WHEREAS, MJJ Holdings, LLC entered into a 29-year Airport Hangar Lease with the City of Burlington for property located at 711 Airport Road, approved by the Common Council as Motion 16-847 on July 19, 2016; and,

WHEREAS, MJJ Holdings, LLC has secured financing with Farmers & Merchants State Bank, 210 W. Madison Street, Waterloo, WI 53594, to construct a 5,400 square foot pole building at 711 Airport Road to be used as an airport hangar on the grounds of the Burlington Municipal Airport; and,

WHEREAS, Farmers & Merchant State Bank has requested a Fixtures Disclaimer, hereto attached as "Attachment A", with the City of Burlington to allow Farmers & Merchant State Bank to obtain a security interest with the 5,400 square foot pole building and/or improvements (collateral) in the event of default by MJJ Holdings, LLC; and,

WHEREAS, said Fixtures Disclaimer does not create a lien on the real property owned by the City of Burlington at the Burlington Municipal Airport, as identified in the legal description within the attached Fixtures Disclaimer.

NOW THEREFORE BE IT RESOLVED by the Common Council of the City of Burlington, Racine County and Walworth County, State of Wisconsin, that the appropriate City officials are hereby authorized as Landlord to execute the attached Fixtures Disclaimer in favor of Farmers & Merchant State Bank as a secured party, in relation to the stated collateral, being the 5,400 square foot pole building and improvements located at 711 Airport Road, Burlington, Wisconsin.

Introduced: September 6, 2016
Approved:

_____
Jeannie Hefty, Mayor

Attest:

_____
Diahnn Halbach, City Clerk

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FIXTURES DISCLAIMER

FARMERS & MERCHANTS STATE BANK, 210 W. MADISON STREET, WATERLOO WI 53594 ("Secured Party") has or is about to acquire a security interest in the following goods ("Collateral") of MJJ HOLDINGS, LLC 709 AIRPORT ROAD, BURLINGTON WI 53105 ("Debtor"):

A 5490 SQUARE FOOT POLE BUILDING AND ALL IMPROVEMENTS TO BE CONSTRUCTED AT 711 AIRPORT ROAD, BURLINGTON WI 53105, INCLUDING ALL FIXTURES, FURNITURE AND EQUIPMENT CONTAINED WITH THE BUILDING. SEE ATTACHED SPECIFICATIONS.

The Collateral has or may become affixed to the real estate and improvements, or either, at 711 AIRPORT ROAD (STREET OR ROUTE)

BURLINGTON (CITY) WALWORTH (COUNTY) WISCONSIN (STATE) (the "Realty"),

the legal description of which is:

A PART OF SECTION 30, TOWNSHIP 3 NORTH, RANGE 19 EAST AND PART OF SECTION 25, TOWNSHIP 3 NORTH, RANGE 18 EAST OF THE 4TH PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

SEE ATTACHED FOR CONTINUED LEGAL DESCRIPTION

The undersigned ("Disclaiming Party", whether one or more) has an interest in the Realty and, in consideration of any financial accommodation extended by Secured Party to MJJ HOLDINGS, LLC ("Borrower") at any time, consents to Secured Party's security interest in the Collateral, and as to Secured Party, disclaims any interest in the Collateral as fixtures while any Debtor, or any Borrower, or any of them and another is indebted to Secured Party.

Disclaiming Party further agrees that:

(a) Secured Party may enter upon Realty at any time and remove the Collateral without liability for damage to the Realty resulting from such removal;

(b) Disclaiming Party will not assert any claim or interest in the Collateral nor seek to levy execution on it;

(c) Any mortgage, security interest, lien, right of distraint or other interest upon or in the Collateral that the undersigned now or in the future holds shall be subordinate to Secured Party's interest in Collateral; and

(d) Disclaiming Party will not take any action to obtain possession of the Realty from Debtor or to remove the Collateral from the Realty without giving Secured Party at least 10 days prior written notice of the proposed action.

This disclaimer binds the heirs, personal representatives, successors and assigns of Disclaiming Party and benefits the successors and assigns of Secured Party.

Dated as of SEPTEMBER 20, 2016.

_____ (SEAL)
DIAHNN HALBACH, CLERK - CITY OF BURLINGTON

_____ (SEAL)
JEANNIE HEFTY, MAYOR - CITY OF BURLINGTON

_____ (SEAL)

_____ (SEAL)

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the legal description of which is:

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Dated as of SEPTEMBER 20, 2016.

_____ (SEAL)
DIAHNN HALBACH, CLERK - CITY OF BURLINGTON

_____ (SEAL)
JEANNIE HEFTY, MAYOR - CITY OF BURLINGTON

_____ (SEAL)

_____ (SEAL)

City of Burlington Airport Property

A part of Section 30, Township 3 North, Range 19 East and part of Section 25, Township 3 North, Range 18 East of the 4th Principal Meridian described as follows: Commencing at the West 1/4 corner of Section 30; thence S89°53'E, 271.66' to an iron stake; thence S0°36'E, 141.16' to the place of beginning of the Airport property hereinafter described: Thence S0°36'E, 1381.47' to an iron stake; thence S11°27'W, 608.77' to an iron stake which is 835.75' N89°50'W of an iron stake designated "A"; thence continue S11°27'W, 532.10' to a point in the centerline of Wisconsin State Trunk Highway 11; thence S89°21'E along the centerline of said highway, 639.77' to a point; thence N0°52'W, 306'± to the center of the White River; thence southeasterly along the center of the White River, 365'± to a point which is 374' S0°52'E of the iron stake designated "A"; thence N0°52'W, 1069.60' to a point; thence S89°39'E, 660.00' to a point; thence N46°53'20"E, 676.65' to a point; thence N11°27'E, 300.00' to a point; thence S89°39'E, 638.00' to an iron stake which is 451.44' S22°43'W of an iron stake designated "B" in the westerly right-of-way line of Bieneman Road; thence S71°09'E, 883.47' to a spike in the centerline of Bieneman Road; thence continue S71°09'E, 250'± to the center of Honey Creek; thence northwesterly along the center of Honey Creek, 600'± to a point which is 683' S71°09'E of the iron stake designated "B"; thence N71°09'W 430'± to a point; thence S45°48'W, 81.35' to a point in the centerline of Bieneman Road; thence N44°12'W along the centerline of said road, 160.00' to a spike; thence N71°09'W, 72.77' to the iron stake designated "B"; thence continue N71°09'W, 451.60' to an iron stake; thence N0°07'E, 110.00' to an iron stake; thence S89°53'E, 281.88' to a spike in the centerline of Bieneman Road; thence N14°42'W along said centerline, 417.50' to a spike; thence N89°56'W, 116.03' to an iron stake; thence N71°09'W, 367.33' to an iron stake; thence N1°16'W, 466.60' to an iron stake; thence N89°50'30"W, 1926.87' to a point; thence N71°09'W, 1497.62' to a point; thence N75°26'21"W, 127.25' to a point; thence N1°40'17"W, 120.00' to a point; thence N89°24'12"W, 477.45' to a point; thence N75°26'21"W, 1381.48' to a point; thence S18°51'W, 901.91' to a point; thence S89°24'12"E, 265.08' to a point; thence S66°51'39"E, 1753.17' to a point; thence S71°09'E, 281.29' to a point; thence S1°40'17"E, 326.68' to a point; thence S89°16'33"E, 983.29' to a point; thence S71°09'E, 444.34' to the place of beginning containing 240.18 acres, more or less, with 159.18 acres more or less, in Racine County and 81.0 acres, more or less, in Walworth County, State of Wisconsin.

PARCEL #206-03-19-30-100-000