

**CITY OF BURLINGTON**  
**Committee of the Whole Minutes**  
**Robert Miller, Mayor**  
**Beverly R. Gill, City Clerk**  
**March 15, 2011**

**1. CALL TO ORDER/ROLL CALL**

Mayor Bob Miller called the meeting to order at 6:30 p.m. starting with roll call. Aldermen present: Bob Prailes, Ed Johnson, Peter Hintz, Jim Prailes, Tom Vos, Steve Rauch, Jeff Fischer, Katie Simenson  
High school students present: Lauren Nadolski and David Martin.

Also present: City Administrator Kevin Lahner, City Attorney John Bjelajac, Police Chief Peter Nimmer, Fire Chief Dick Lodle, Treasurer Steve DeQuaker, Public Works Director Connie Wilson, Library Director Gayle Falk, and Assistant to the Administrator Megan Johnson and City Engineer Tom Foht of Kapur and Associates.

**2. CITIZENS COMMENTS AND QUESTIONS**

None

**3. APPROVAL OF MINUTES FOR MARCH 1, 2011**

A motion was made by Johnson with a second by Jim Prailes to approve the minutes from March 1, 2011. With all in favor, the motion carried.

**4. DISCUSSION REGARDING THE SALE OF THE FORMER DEPARTMENT OF PUBLIC WORKS PROPERTY AND WATER DEPARTMENT PROPERTY**

The mayor presented the council with a different alignment of Lot #1 of the DPW building on Milwaukee Avenue than what was previously discussed. This particular parcel would now consist of approximately 1.5 acres and would provide some flexibility to potential buyers.

Johnson questioned if it would be easier to sell the 1.5 acres vs. the one acre. Lahner replied that it would depend on the potential use of the property. Lahner added that the needs of ChocolateFest would always be taken into consideration.

Atty. Bjelajac stated that this is the time to preserve or carve out any land the city wants to keep.

Simenson questioned the setbacks on the property and if a building could be built closer to the street with parking in the rear. Lahner affirmed that depending on the needs of a developer, that could be possible.

Rauch spoke in favor of going with the one acre parcel with the potential of adding more land if necessary.

Mr. Claude Lois, 117 Monica Avenue spoke on behalf of ChocolateFest and reported they are willing to work with the city regarding the sale of land and he stated ChocolateFest is only interested in one of the buildings.

The mayor asked for a consensus of opinion from council and it was agreed that the one acre site would be preferable at this time.

Hintz had visited the new DPW building and reported that it was crowded and for that reason the city should not consider selling the Sheldon Street property until the overcrowding is addressed. He was not advocating hanging on to it forever, but at least until the overcrowding issue is resolved.

Vos had a difference of opinion regarding the crowding at the new site. He said the building is three times larger than the old structure and if that wasn't large enough, then someone didn't do their job. He further stated that with the purchase of 28 acres, there would be room to expand if necessary. Vos said the building is only two months old and it was a little early to say that it wasn't large enough in light of the fact it is still being determined what needs to be kept or discarded. Vos was in favor of selling the Sheldon Street Property and if it proved necessary to provide more space at the new DPW site, a pole building could be constructed. He further said that consolidation was one of the goals for the new site.

Simenson had taken pictures of the old site, spoke to the workers and it was her opinion that the new building is too small. She further stated that the new building came in under budget and there was money to build a pole building for additional storage if that is needed.

Bob Prailes questioned the dimensions of the Sheldon Street building, the new DPW building and the former DPW building. Wilson stated that the Sheldon Street site has 5,000 square feet; the old DPW site had 20,000 square feet and the new DPW building has 35,000 square feet.

Lahner explained that meetings have been held with the employees and the message to them was to wait and see until we are completely moved in and where we are at. He thought there would be a possibility of adding cold storage to the new site.

Vos was not in favor of keeping the Sheldon Street site as he believed we should consolidate and expand at the new site if it is needed.

Bob Prailes agreed with Vos that the Sheldon Street property should be sold and put back on the tax roll.

Atty. Bjelajac cautioned that council should concentrate on the listing contract of the property with a future agenda addressing the space consideration.

Vos questioned if the city has an offer for the land, that we take it and get the property back on the tax roll.

Simenson questioned if the additional square footage at the new DPW building includes the office area square footage as it is considerable. Wilson replied that it was included in the total.

Bob Prailes thought the idea of having more office space and less storage space did not make sense as there had been talk of elimination of a secretarial position.

**5. RESOLUTION 4469(53) "A RESOLUTION TO CONSIDER RETAINING SERVICES WITH MLG COMMERCIAL AS THE REALTOR TO SELL MUNICIPAL PROPERTY"**

Mayor Miller introduced Resolution 4469(53). Atty. Bjelajac discussed with council a change he wanted made on the listing contract by deleting lines 57-60 which he referred to as the 5<sup>th</sup> trigger event that referred to a commission payment.

Simenson questioned if the contract included those who are already interested in the property. The mayor responded there would be two exclusions for the DPW property and none for the Sheldon Street location.

Johnson questioned the number of contracts. Lahner explained that there are three contracts which included Lot 1, Lot 2 of the DPW and the Sheldon Street property with MLG Commercial having all three of the listings.

Vos asked if the DPW property will be listed as a lot or a lot with a building on it. He felt that at some time a decision will have to be made whether to tear it down.

Lahner explained that within the contract for Lots 1 and 2, it indicates the city desires the buildings to be torn down. Lahner reported on a discussion with the realtor that suggested if there is no interest early on, that the city consider tearing down the building. This would cost about five dollars a square foot in terms of market value as compared to a property with a building on that has to be torn down and compared to a vacant piece of property.

Vos then asked if there was a timeframe for this to happen. Lahner thought we should give it a six month timeframe. The mayor thought if there is no interest after three months we may have to look at it.

Jim Pralles asked if we have a quote for tearing down the buildings. The mayor replied that he was still waiting for a quote on the DPW building and the transfer site.

Vos asked if the city was going to clean it out before marketing it. Lahner thought it would be put on the market right away.

Johnson questioned if MLG Commercial has any connections to Burlington and asked why they were chosen. Lahner explained that proposals had been sent out to all local brokers as well as commercial brokers that are in the Milwaukee area. Lahner said that MLG has years of experience and are familiar with the Racine County market and are accustomed to marketing property for cities.

Vos wanted to have a time line for tearing the building down and he found it hard to believe that the city will get the kind of deal that had originally been offered where they would pay a good buck and then tear the buildings down. Lahner proposed bringing a timeline and cost of tear down to a future council meeting.

Simenson questioned what the difference was between a commercial broker and a regular real estate agent. Lahner replied that a commercial broker has more networking ability and has special tools to market the properties and more in contact with the types of people who buy commercial properties.

Fischer asked for further clarification on the three properties. It was his understanding that Lot #1 was 824 Milwaukee Avenue; he questioned if the building has not been condemned, why can't it be sold? Lahner replied that the building has not been condemned but it has many structural issues. The mayor stated that this is a listing contract and the council can add or subtract items. Fischer also inquired on Lot #2 which is the old transfer site. He questioned if that building would have to be torn down also. Lahner explained that it is only a shell of a metal building. The mayor added that this listing contract is similar to 824 Milwaukee Avenue. The third site questioned was the old Water Department building on Sheldon Street and Fischer inquired if that would be torn down. The mayor replied that this particular building is in excellent condition and had been very well maintained by the Water Department. Fischer then questioned how the price was determined. Lahner said that a market analysis had been done by the realtor as well as recent sales to determine the price.

Fischer added that from a procedural point, he wanted to know if the public had been made aware of the potential sale of all three properties. Lahner replied that there will be signage on all of the properties and the information could also be placed on the city's website as well as in the newspaper.

Fischer questioned if there were any commercial realtors in the city. Lahner replied that there are some in Burlington who do commercial work but not any that are a commercial brokerage.

Rauch inquired if the Lion's Club had been in contact with the city regarding moving of their pole barn to the ChocolateFest site. The mayor had not heard back from them.

Simenson asked about the exclusions on the listing contracts. It was determined that the Sheldon Street listing contained an exclusion that should not be there but rather it should be on the Maryland Avenue listing.

6. **RESOLUTION 4470(54) "A RESOLUTION TO CONSIDER REJECTING ALL BIDS RECEIVED FOR THE 2011 UTILITY AND SIDEWALK IMPROVEMENT PROGRAM"**

Mayor Miller stated that all bids had been rejected by the Board of Public Works because of excessive cost. The project will be modified and re-bid on March 31, 2011.

7. **ORDINANCE 1923(26) "AN ORDINANCE TO CONSIDER AMENDING THE OFFICIAL TRAFFIC MAP BY CREATING A "NO PARKING ZONE" ON A PORTION OF THE EASTERLY SIDE OF MCHENRY STREET"**

The mayor introduced Ordinance 1923(26) for discussion. Johnson stated that he had driven by the area and felt that depending on the size of the vehicle parked, it could be a problem. The mayor stated that this would result in the loss of one parking space.

8. **MOTION 11-704 "A MOTION TO CONSIDER AUTHORIZING THE 2011 VETERAN'S MEMORIAL DAY PARADE ON MAY 30, 2011"**

The mayor introduced Motion 11-704 to the council. There was no further discussion on this motion.

9. **DISCUSSION REGARDING THE WISCONSIN BUDGET REPAIR BILL**

Administrator Lahner provided council with a recap of the recently enacted Budget Repair Bill and the impact on the 2011 Budget. Lahner reported that the most immediate change will be the 5.8% contribution by the non-represented employees toward their pension. He further stated that those under a collective bargaining unit will not be affected. He listed the total expenditure decrease of \$81,375 which is the Wisconsin Retirement System contribution.

Rauch questioned if the CPI also applies to the non-represented. Lahner thought it only affected those under a bargaining agreement. Rauch was also concerned how it affected the pay scale that had been approved.

Lahner announced that both he and the Police Chief who are covered under contracts will be contributing to their pensions.

Lahner further explained that the city is self-insured for health insurance and as such the premiums are several hundred dollars a month less than the state plan and because of that the city will not be affected by the budget repair bill.

Lahner advised council and mayor that he had met with the city employees to discuss these changes. He further discussed the decreases in aid from the state with a projected number of \$255,000 in 2012.

Lahner further explained that there would be no increase in the tax levy and the state will not allow for carryover. They will also require debt to be approved by referendum.

Hintz then questioned if the city would have to provide full-time fire or emergency services and had to hire more employees how that would fit into this budget. Lahner thought the city might be out of luck unless there could be a referendum.

Lahner explained that the city will be looking for ways to reduce expenditures as well as looking for revenue sources.

Fischer asked when the union contracts would be expiring. Lahner stated it would be December 31, 2014.

Fire Chief Lodle wanted to make the council aware that the city's full-time fire fighters are non-union and will be paying their share of pension.

Simenson then stated that any raises that had recently been given are now in the negative.

**10. ADJOURNMENT**

A motion was made by Jim Prailles with a second by Vos. With all in favor, the meeting adjourned at 7:55 p.m.

Beverly R. Gill  
City Clerk  
City of Burlington