Our intention is to have in-person meetings going forward. For the time being, we will hold the City Committee Meetings, Plan Commission, Council and most others at the Community Room at 933 Michigan Avenue. This in-person location will meet the legal requirement for our open meetings. We will have a virtual option available, but the technology for the hybrid style meeting may not be reliable all of the time.

AGENDA

REDEVELOPMENT AUTHORITY
OF THE CITY OF STEVENS POINT

Members

- Chairperson Schlice
- Vice-Chairperson Gardner
- Alderperson Kneebone
- Commissioner Cooper
- Commissioner Kemmeter
- Commissioner Ladick
- Commissioner Barrett

Date and Time: August 3, 2021
2:00 PM

Location: **Community Room**
933 Michigan Avenue
Stevens Point, WI 54481

-and-

Zoom Teleconferencing

Meeting ID: 859 6532 8425 | Passcode: 490678
By Computer: https://us02web.zoom.us/j/85965328425?pwd=TFYvRUJXdStPbXcvL08rTk9ob3BkQT09
By Phone: +1-312-626-6799 (US Chicago)

Opening Section

1. Roll Call

2. Persons who wish to address the Board on specific agenda items other than a “Public Hearing” must register their request at this time. Those who wish to address the Board during a “Public Hearing” are not required to identify themselves until the “Public Hearing” is declared open by the Chairperson.

3. Public comment for pre-registered individuals for matters appearing on the agenda.

Discussion and Possible Action on the Following:

4. Presentation of 2020 Audit Report by Baker Tilly.

5. Award Bid for Asbestos Abatement at 1009 & 1013 Second Street.

6. Award Bid for Demolition of 1009 & 1013 Second Street.

7. Enter into closed session pursuant to Wisconsin Statutes 19.85(1)(e) for deliberating or negotiating the purchasing of public properties, investing of public funds, or conducting other

PLEASE TAKE NOTICE that any person who has special needs while attending these meetings or needs agenda materials for these meetings should contact the City Clerk as soon as possible to ensure that a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569 or by mail at 1515 Strongs Avenue, Stevens Point, WI 54481.

Maps further defining the above area(s) may be obtained from the City of Stevens Point Department of Community Development, 1515 Strongs Avenue, Stevens Point, WI 54481, or by calling (715) 346-1567, during normal business hours.

PLEASE TAKE FURTHER NOTICE that a quorum of the Common Council may be in attendance at this meeting.

specified public business, whenever competitive or bargaining reasons require a closed session, relating to the following:

A. Negotiating a possible development incentive and land sale of the property located at 1009 & 1013 Second Street.

B. Negotiating a possible development incentive and land sale of the property at 1016 Third Street.

C. Review Proposal for the Redevelopment/Repurposing of 1700 Strongs Avenue.

8. Reconvene into open session for possible action on Item 7(C).

9. Adjournment

Redevelopment Authority of the City of Stevens Point (A Component Unit of the City of Stevens Point, Wisconsin)

Communication to Those Charged with Governance and Management

December 31, 2020

REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS IDENTIFIED IN THE AUDIT TO THOSE CHARGED WITH GOVERNANCE

To the Authority Board of
Redevelopment Authority of the City of Stevens Point

In planning and performing our audit of the financial statements of the Redevelopment Authority of the City of Stevens Point, Wisconsin (the Authority) as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered its internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of its internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected, on a timely basis. We consider the following deficiency in the Authority's internal control to be a material weakness:

- Internal Control Over Financial Reporting

This communication is intended solely for the information and use of management, the Authority Board and others within the organization and is not intended to be and should not be, used by anyone other than these specified parties.

Baker Tilly US, LLP

Madison, Wisconsin
July 28, 2021

Auditing standards require that we perform procedures to obtain an understanding of your government and its internal control environment as part of the annual audit. This includes an analysis of significant transaction cycles and an analysis of the year-end financial reporting process and preparation of your financial statements.

Internal Control Over Financial Reporting

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- There is adequate staffing to prepare financial reports throughout the year and at year-end.
- Material misstatements are identified and corrected during the normal course of duties.
- Complete and accurate financial statements, including footnotes, are prepared.
- Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes and an independent review of financial reports.

Management has recorded the Authority's annual activity on the Authority's general ledger in accordance with generally accepted accounting principles (GAAP), however, has not prepared financial statements for the Authority, which would include required disclosures under GAAP. The Authority engaged the auditors to prepare the financial statements in conformity with generally accepted audit principles. As a result of this and because of the material misstatement, we are reporting a material weakness.

OTHER COMMUNICATIONS TO THOSE CHARGED WITH GOVERNANCE

Two Way Communication Regarding Your Audit

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.

b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:

    - Identify types of potential misstatements.
    - Consider factors that affect the risks of material misstatement.
    - Design tests of controls, when applicable and substantive procedures.

   We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.

c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

We are very interested in your views regarding certain matters. Those matters are listed here:

a. We typically will communicate with your top level of management unless you tell us otherwise.

b. We understand that the Authority has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.

c. We need to know your views about your organization's objectives and strategies and the related business risks that may result in material misstatements.

d. Which matters do you consider warrant particular attention during the audit and are there any areas where you request additional procedures to be undertaken?

e. Have you had any significant communications with regulators or grantor agencies?

f. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the Authority concerning:

a. The Authority's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?

b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices or other related matters or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December and sometimes early January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means or wish to provide other feedback. We welcome the opportunity to hear from you.

COMMUNICATION OF OTHER CONTROL DEFICIENCIES, RECOMMENDATIONS AND INFORMATIONAL POINTS TO MANAGEMENT THAT ARE NOT MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES

Prior Year Recommendations

Information Technology

As part of our audit, we look at the Authority's controls over information technology. There are a number of areas that we recommend the City, as fiscal agents of the Authority, review to determine if information technology controls could be strengthened:

- The City, who oversees the information technology controls of the Authority, does not require strong passwords for the network and financial software applications. Best practices state that passwords should be changed every 90 days, require a minimum of 6 characters, require complexity (numbers, letters and special characters) and passwords should be remembered so users cannot reuse recent passwords.

- We noted that while the City backs up its data, it does not test the system to ensure the backups can be restored.

- No one is reviewing access rights annually to determine if employees have the appropriate rights for their job duties.

Status 12/31/20

These recommendations still pertain.

REQUIRED COMMUNICATIONS BY THE AUDITOR TO THOSE CHARGED WITH GOVERNANCE

To the Authority Board of
Redevelopment Authority of the City of Stevens Point

Thank you for using Baker Tilly US, LLP as your auditor.

We have completed our audit of the financial statements of Redevelopment Authority of the City of Stevens Point, Wisconsin (Authority) for the year ended December 31, 2020 and have issued our report thereon dated July 28, 2021. This letter presents communications required by our professional standards.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. Our audit does not relieve management or the Authority Board of their responsibilities.

As part of the audit we obtained an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. The audit was not designed to provide assurance on internal control or to identify deficiencies in internal control.

Other Information in Documents Containing Audited Financial Statements

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in the 2019 Communications to those Charged with Governance and Management dated July 14, 2020.

Qualitative Aspects of the Entity's Significant Accounting Practices

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Authority during the year that were both significant and unusual and of which, under professional standards, we are required to inform you or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates at December 31, 2020.

Financial Statement Disclosures

The disclosures in the notes to the financial statements are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. There were no misstatements identified.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Management Representations

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

Independence

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and the Authority that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of the Authority for the year ended December 31, 2020, Baker Tilly US, LLP hereby confirms that we are, in our professional judgment, independent with respect to the Authority in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants. We provided no services to the Authority other than audit services provided in connection with the audit of the current year's financial statements and nonaudit services which in our judgment do not impair our independence.

- Financial statement preparation
- Civic Systems software
- Human Resources assistance

None of these nonaudit services constitute an audit under generally accepted auditing standards, including Government Auditing Standards.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Authority Board and management and is not intended to be and should not be, used by anyone other than these specified parties.

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

Baker Tilly US, LLP

Madison, Wisconsin
July 28, 2021

MANAGEMENT REPRESENTATIONS

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481-3594

Department of Community Development
Redevelopment Authority
Ryan J. Kernosky, Director
Ph: (715) 346-1567
Fax: (715) 346-1498

28 July 2021

Baker Tilly US, LLP
4807 Innovate Ln
P.O. Box 7398
Madison, WI 3707-7398

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the Redevelopment Authority of the City of Stevens Point as of December 31, 2020 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the Redevelopment Authority of the City of Stevens Point and the respective changes in financial position and cash flows in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.

2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government and all component units required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, if any, are reasonable.

6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.

7) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal and state awards.

8) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.

9) There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.

10) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of Authority Board or summaries of actions of recent meetings for which minutes have not yet been prepared.

12) We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

    a) Management,

    b) Employees who have significant roles in internal control, or

    c) Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.

15) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.

16) There are no known related parties or related party relationships and transactions of which we are aware.

Other

17) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

18) We have a process to track the status of audit findings and recommendations.

19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

20) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.

21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

22) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

23) There are no:

    a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.

    b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.

    c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.

    d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.

24) In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

    a) Financial statement preparation

    b) Civic Systems software

    c) Human resource assistance

    None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

25) The Redevelopment Authority of the City of Stevens Point has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

26) The Redevelopment Authority of the City of Stevens Point has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.

27) The financial statements properly classify all funds and activities.

28) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

29) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.

30) The Redevelopment Authority of the City of Stevens Point has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.

31) Provisions for uncollectible receivables, if any, have been properly identified and recorded.

32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

33) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.

34) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

35) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).

36) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.

37) We have appropriately disclosed the Redevelopment Authority of the City of Stevens Point's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.

38) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

39) With respect to the supplementary information, (SI):

    a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

    b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

40) We have appropriately recorded land held for resale owned by the Authority at the lower of cost or market.

41) We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 – *Fair Value Measurement*. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.

Sincerely,

Redevelopment Authority of the City of Stevens Point

Signed: ______________________________
Ryan Kernosky, Executive Director

Signed: ______________________________
Corey Ladick, City Comptroller-Treasurer

Signed: ______________________________
John Schlice, Chairman

bakertilly

Redevelopment Authority of the City of Stevens Point (A Component Unit of the City of Stevens Point, Wisconsin)

Financial Statements and
Supplementary Information

December 31, 2020

Table of Contents
December 31, 2020

Independent Auditors' Report

To the Authority Board of
Redevelopment Authority of the City of Stevens Point

Report on the Financial Statements

We have audited the accompanying financial statements of the Redevelopment Authority of the City of Stevens Point, a component unit of the City of Stevens Point, Wisconsin, as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the Redevelopment Authority of the City of Stevens Point's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Redevelopment Authority of the City of Stevens Point's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Redevelopment Authority of the City of Stevens Point's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Redevelopment Authority of the City of Stevens Point as of December 31, 2020 and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Redevelopment Authority of the City of Stevens Point's basic financial statements. The combining schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Madison, Wisconsin
July 28, 2021

The management of the Redevelopment Authority of the City of Stevens Point (the Authority) offers this narrative overview and analysis of its audited financial statements for the fiscal year ended December 31, 2020. The goal is for the reader to better understand the Authority's financial activities and its overall financial position and show whether current year revenues covered current year expenses and the extent to which the Authority has invested in its capital assets. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements which begin on page 1.

Financial Highlights

- The assets of the Authority exceed its liabilities as of December 31, 2020 by $8,463,133.
- The Authority's investment in capital assets as of December 31, 2020 was $3,388,852.
- The Authority's total revenue including nonoperating revenues for the fiscal year ended December 31, 2020 was $98,960.
- The Authority's total expenses for the fiscal year ended December 31, 2020 were $201,398.

Using This Annual Report

The Authority's Management Discussion and Analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: (1) fund financial statements and (2) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves. The Authority is a special-purpose government engaged only in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements.

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to private sector business. This Management Discussion and Analysis will (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position including its ability to address the next and subsequent year challenges and (d) identify individual fund issues or concerns.

The *Statement of Net Position* presents information on all of the Authority's assets and liabilities, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating or otherwise changing in a dramatic manner.

The *Statement of Revenue, Expenses and Changes in Net Position* presents information detailing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation).

The *Statement of Cash Flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments and net changes in cash resulting from operating activities, investing activities, noncapital financing activities and from capital and related financing activities. This statement also portrays the health of the Authority in that current cash flows are sufficient to pay current liabilities.

Financial Analysis

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an enterprise fund which is a proprietary fund type. The financial statements can be found on pages 1 through 3 of this report.

Notes to the Financial Statements

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 4 through 14 of this report.

Statement of Net Position

The following table represents a condensed comparative Statement of Net Position as of December 31, 2020 and 2019 respectively:

	2020	2019	Increase (Decrease)
Cash and investments	$ 3,352,989	$ 3,245,972	$ 107,017
Other current assets	465,209	91,577	373,632
Capital assets	3,388,852	3,496,731	(107,879)
Other noncurrent assets	1,256,111	1,732,320	(476,209)
Total assets	8,463,131	8,566,600	(103,439)
Current liabilities	28	1,029	(1,001)
Total liabilities	28	1,029	(1,001)
Investment in capital assets	3,388,852	3,496,731	(107,879)
Unrestricted net position	5,074,281	5,068,840	5,441
Total net position	$ 8,463,133	$ 8,565,571	$ (102,438)

As noted earlier, net position may serve over time as a useful indicator of financial position. In the case of the Authority, assets exceeded liabilities by $8,463,133 as of December 31, 2020 and $8,565,571 as of December 31, 2019.

A significant portion of the Authority's net position are invested in capital assets (e.g., land, land improvements and buildings). The Authority uses these capital assets to provide economic development opportunities to the city; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide housing loans to residents or for development activities.

The decrease in net position is due primarily from a decrease in capital assets due to an increase in accumulated depreciation.

Statement of Revenues, Expenses and Changes in Net Position

The following table reflects the condensed Statement of Revenues, Expenses and Changes in Net Position for the years ended December 31, 2020 and 2019:

	December 31, 2020		December 31, 2019	
	Amount	Percent	Amount	Percent
Revenue				
Operating revenues	$ -	0.00 %	$ -	0.00 %
Nonoperating revenues	98,960	100.00	96,111	100.00
Total revenue	98,960	100.00	96,111	100.00
Expenses				
Administration	4,926	2.45	2,992	2.14
Depreciation	107,879	53.56	107,879	77.12
Bad debts	35,893	17.82	-	0.00
Other	6,019	2.99	3,755	2.68
Loss on disposal of capital assets	46,681	23.18	25,263	18.06
Total expenses	201,398	100.00	139,889	100.00
Change in net position	$ (102,438)	100.00 %	$ (43,778)	100.00 %

Expenses in total increased $61,509 from 2019. This increase was mainly due to the Authority selling land held for resale for less than the book value, resulting in a loss on sale.

Capital Assets

At year-end, the Authority had $3.4 million invested in capital assets as reflected in the following schedule. See 2 for additional information on the Authority's capital assets.

	2020	2019
Land	$ 1,105,794	$ 1,105,794
Land improvements	1,761,436	1,761,436
Buildings	1,528,100	1,528,100
Accumulated depreciation	(1,006,478)	(898,599)
Total	$ 3,388,852	$ 3,496,731

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Ryan Kernosky, Executive Director, Redevelopment Authority of the City of Stevens Point, 1515 Strongs Avenue, Stevens Point, WI 54481.

Redevelopment Authority of the City of Stevens Point
(A Component Unit of the City of Stevens Point, Wisconsin)

Statement of Net Position
December 31, 2020

	Redevelopment Authority
Assets	
Current Assets	
Cash and investments	$ 3,352,989
Current portion of loans receivable	414,288
Current portion of notes receivable	50,921
Total current assets	3,818,198
Noncurrent Assets	
Loans receivable	910,898
Notes receivable	345,213
Capital assets:	
Land	1,105,794
Other capital assets	3,289,536
Less accumulated depreciation	(1,006,478)
Total noncurrent assets	4,644,963
Total assets	8,463,161
Liabilities	
Current Liabilities	
Accounts payable	28
Total current liabilities	28
Net Position	
Investment in capital assets	3,388,852
Unrestricted	5,074,281
Total net position	$ 8,463,133

See notes to financial statements

Redevelopment Authority of the City of Stevens Point
(A Component Unit of the City of Stevens Point, Wisconsin)

Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2020

	Redevelopment Authority
Operating Revenues	$ -
Operating Expenses	
Administration	4,926
Depreciation	107,879
Bad debts	35,893
Other	6,019
Total operating expenses	154,717
Operating loss	(154,717)
Nonoperating Revenues (expenses)	
Investment income	98,960
Loss on disposal of assets held for resale	(46,681)
Total nonoperating revenues (expenses)	52,279
Change in net position	(102,438)
Net Position, Beginning	8,565,571
Net Position, Ending	$ 8,463,133

See notes to financial statements

Redevelopment Authority of the City of Stevens Point
(A Component Unit of the City of Stevens Point, Wisconsin)

Statement of Cash Flows
Year Ended December 31, 2020

	Redevelopment Authority
Cash Flows From (used For) Operating Activities	
Cash paid to suppliers for goods and services	$ (11,946)
Net cash flows from (used for) operating activities	(11,946)
Cash Flows From Noncapital Financing Activities	
Cash collected on loans	52,979
Cash disbursed on loans	(35,759)
Cash collected on notes	49,199
Net cash flows from (used for) noncapital financing activities	66,419
Cash Flows From (Used For) Investing Activities	
Purchase of land held for resale	(46,681)
Investment Income	99,225
Net decrease in cash and cash equivalents	107,017
Cash and Cash Equivalents, Beginning	3,245,972
Cash and Cash Equivalents, Ending	$ 3,352,989
Cash Flows From (Used For) Operating Activities	
Operating loss	$ (154,717)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	107,879
Loan write-offs	8,093
Changes in assets and liabilities	
Accounts payable	(1,001)
Due from the primary government	27,800
Net cash flows from (used for) operating activities	$ (11,946)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Cash and investments, statement of net position	$ 3,352,989
Noncash Investing, Capital and Related Financing Activities	
Loss on disposal of assets held for resale	$ (46,681)

See notes to financial statements

1. Summary of Significant Accounting Policies

The accounting policies of the Redevelopment Authority of the City of Stevens Point, Wisconsin conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report contains the financial information of the Redevelopment Authority of the City of Stevens Point (the Authority) which is a component unit of the City of Stevens Point, Wisconsin. The Authority is a legally separate organization created under State Statute 66.1333 in 2014 for the purpose of redevelopment and non-HUD housing activities within the City of Stevens Point. The Authority is directed by seven board members who are appointed by the mayor and confirmed by the City Council.

This report contains all activities of the Authority. The reporting entity for the Redevelopment Authority consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Authority has not identified any organizations that meet this criteria.

Basic Financial Statements

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The following programs are reported by the Authority:

Development fund

Accounts for certain development loans made to local businesses.

Housing fund

Accounts for loans made to individuals for housing improvements, as well as properties held by the Authority for resale or to serve parking needs downtown.

Housing Trust fund

Accounts for investment activities of the Redevelopment Authority.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Assets, Liabilities and Net Position

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of Authority funds is restricted by state statutes. Available investments are limited to:

a. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association.

b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

g. Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions and grant regulations.

The Authority has adopted an investment policy, which includes allowable investments. The Authority's policy does not address the risks in Note II.A.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit. See Note 2. for further information.

Receivables

Accounts receivable has been adjusted for any known uncollectible accounts. There is no allowance as of December 31, 2020.

The Authority has used local funds for housing rehabilitation loan programs to loan to various individuals. The Authority has also issued a loan to the Children's Museum of the City of Stevens Point. The Authority records a loan receivable when the loan has been made and funds have been disbursed.

It is the Authority's policy to record a receivable when the initial loan is made. The net amount of the loan receivable balance is included in unrestricted net position. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as unrestricted net position in the financial statements.

Capital Assets

Capital assets are defined by the Authority as assets with an initial cost of more than $1,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The Authority has no infrastructure assets.

Additions to and replacements of capital assets are recorded at original cost, which includes materials, labor, overhead and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to capital assets. The cost of property replaced, retired or otherwise disposed of, is deducted from capital assets and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of revenues, expenses and changes in net position, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Land improvements	15 - 25 years
Buildings	40 years

Other Assets

On the statement of net position, land held for resale consists of land and improvements and is valued at cost of acquisition, demolition and site improvement. Properties include both land intended for resale and land designated as public area and held for resale is recorded at historical cost. The balance at year-end is $0.

Revenues and Expenses

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are loan repayments. Operating expenses for enterprise funds include the cost of providing services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Net Position Classifications

Equity is classified as net position and is displayed in three components:

a. Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation.

b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position - All other net position that do not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Compensated Absences

The City of Stevens Point employees provide the necessary staffing to operate the Authority's operations. These employees receive benefits according to the City of Stevens Point's policies.

All vested vacation and sick leave pay is accrued when incurred.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2020 are determined on the basis of current salary rates and include salary related payments.

2. Detailed Notes

Deposits and Investments

The Authority's cash and investments at year-end were comprised of the following:

	Associated Risks	Carrying Value	Bank Balance
Demand deposits	Custodial credit risk	$ 1,509,408	$ 1,456,068
U.S. agencies - explicitly guaranteed	Custodial credit risk, interest rate risk, investments highly sensitive to interest rate changes	239,983	239,983
U.S. agencies - implicitly guaranteed	Custodial credit risk, interest rate risk, credit risk, concentration of credit risk, investments highly sensitive to interest rate changes	30,096	30,096
Certificates of deposit (negotiable)	Custodial credit risk, interest rate risk, credit risk, concentration of credit risk, investments highly sensitive to interest rate changes	240,817	240,817
U.S. treasuries	Custodial credit risk, interest rate risk, investments highly sensitive to interest rate changes	234,996	234,996
State and local bonds	Custodial credit risk, interest rate risk, credit risk, concentration of credit risk, investments highly sensitive to interest rate changes	1,097,629	1,097,629
Petty cash	Not applicable	60	-
Total cash and investments		$ 3,352,989	$ 3,299,589

Reconciliation to financial statements:	
Per statement of net position:	
Unrestricted cash and investments	$ 3,352,989
Total cash and investments	$ 3,352,989

Deposits in each local and area bank are insured by the FDIC in the amount of $250,000 for time and savings accounts (including NOW accounts) and $250,000 for demand deposit amounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of $250,000 for the combined amount of all deposits.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of $400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing the amounts collateralized.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Market approach

Investment Type	Level 1	Level 2	Level 3	Total
U.S. agencies, explicitly guaranteed	$ -	$ 239,983	$ -	$ 239,983
U.S. agencies, implicitly guaranteed	-	30,096	-	30,096
Certificates of deposit (negotiable)	-	240,817	-	240,817
U.S. treasuries	-	234,996	-	234,996
State and local bonds	-	1,097,629	-	1,097,629
Total	$ -	$ 1,843,521	$ -	$ 1,843,521

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Authority's deposits may not be returned to the Authority.

As of December 31, 2020 $319,476 of the Authority's total bank balances of $1,456,068 were uninsured and uncollateralized and therefore exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Authority does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The state and local bonds were rated Aaa and Aa3 by Moody's at December 31, 2020.

Certificates of deposit (negotiable) were rated Aaa by Moody's at December 31, 2020.

U.S. Agencies - implicitly guaranteed were rated Aaa by Moody's at December 31, 2020.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2020, the Authority held investments in the following bonds and the percentage in the Authority's total investment portfolio:

	Percentage
Baraboo, WI	8 %
Greenfield, WI	8
Kimberly, WI	5
La Crosse, WI	10
Lake Mills, WI	5
Milwaukee County, WI	6
Outagamie County, WI	7
Fifth Third Bank	13

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

As of December 31, 2020, the Authority's investments were as follows:

		Maturity (In Years)		
Investment Type	Fair Value	Less Than One Year	1 - 5	6 - 30
State and local bonds	$ 1,097,629	$ 403,977	$ -	$ 693,652
U.S. agencies - explicitly guaranteed	239,983	-	11,768	228,215
U.S. agencies - implicitly guaranteed	30,096	-	243	29,853
Certificates of deposit	240,817	240,817	-	-
U.S. treasuries	234,996	234,996	-	-
Total	$ 1,843,521	$ 879,790	$ 12,011	$ 951,720

Investments Highly Sensitive to Market Changes

The Authority held securities of $513,569 with maturities exceeding ten years.

See Note 1. for further information on deposit and investment policies.

Receivables

All of the receivables on the statement of net position are expected to be collected within one year except for loans receivable and notes receivable. There is a portion of loans that are being repaid. Loans receivable that are due within one year total $414,288. The current portion of notes receivable total $50,921.

In 2017, the Redevelopment Authority provided funds to the City of Stevens Point so that the city could refinance a State Trust Fund Loan. The intended use of interest proceeds are for projects within the Redevelopment Authority and other investment opportunities.

Repayment requirements to maturity are as follows:

	Principal	Interest
Years:		
2021	$ 50,921	$ 13,865
2022	52,703	12,082
2023	54,548	10,238
2024	56,457	8,329
2025	58,433	6,353
2026 - 2027	123,072	6,500
Total	$ 396,134	$ 57,367

Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,105,794	$ -	$ -	$ 1,105,794
Total capital assets not being depreciated	$ 1,105,794	$ -	$ -	$ 1,105,794
Other Capital Assets:				
Land improvements	$ 1,761,436	$ -	$ -	$ 1,761,436
Buildings	1,528,100	-	-	1,528,100
Total capital assets being depreciated	3,289,536	-	-	3,289,536
Less accumulated depreciation for:				
Land improvements	(564,326)	(69,676)	-	(634,002)
Buildings	(334,273)	(38,203)	-	(372,476)
Total accumulated depreciation	(898,599)	(107,879)	-	(1,006,478)
Net other capital assets	$ 2,390,937	$ -	$ -	$ 2,283,058

Lease Disclosures

Lessor - Operating Leases

During 2013, the Community Development Authority (CDA) of the City of Stevens Point, Wisconsin, assigned a lease obligation in the amount of $140,000 for Old Dunham's building to the city. The CDA retained ownership of the building. On January 1, 2014, the CDA dissolved and the Redevelopment Authority (Authority) took over ownership of the building. This lease obligation will be liquidated by TID No. 6. See additional details in the City of Stevens Point, Wisconsin's financial statements.

Net Position

Net position reported on the statement of net position at December 31, 2020 includes the following:

Investment in Capital Assets	
Land	$ 1,105,794
Other capital assets, net of accumulated depreciation	2,283,058
Total investment in capital assets	3,388,852
Unrestricted	5,074,281
Total net position	$ 8,463,133

3. Other Information

Employer's Retirement System

The City of Stevens Point employees provide the necessary staffing to operate the Authority operations and the city makes the required contributions to the Wisconsin Retirement System. Information related to the Wisconsin Retirement System specific to the Authority is unavailable. See the Employer's Retirement System footnote in the City of Stevens Point, Wisconsin's financial statements for further details.

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets and errors and omission. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments are recorded as expenses when the related liabilities are incurred.

The Authority has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements* Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

Other Postemployment Benefits

The City of Stevens Point employees provide the necessary staffing to operate the Authority operations. Upon retirement, these employees receive benefits according to the City of Stevens Point's policies. Other postemployment benefit information related specifically to the Authority is unavailable. See the other postemployment benefits note and required supplementary information in the City of Stevens Point, Wisconsin's financial statements for further details.

Related Parties

The administration and operation of the Authority is performed by employees of the City of Stevens Point. The Authority pays the City of Stevens Point for these services, as well as other allocated costs.

SUPPLEMENTARY INFORMATION

Redevelopment Authority of the City of Stevens Point
(A Component Unit of the City of Stevens Point, Wisconsin)
Combining Schedule of Net Position
December 31, 2020

	Totals	Program Eliminations	Subtotal	Development Fund	Housing Fund	Housing Trust Fund
Assets						
Current Assets						
Cash and investments	$ 3,352,989	$ -	$ 3,352,989	$ 1,309,032	$ 145,593	$ 1,898,364
Current portion of loans receivable	414,288	-	414,288	-	725	413,563
Current portion of notes receivable	50,921	-	50,921	-	-	50,921
Total current assets	3,818,198	-	3,818,198	1,309,032	146,318	2,362,848
Noncurrent Assets						
Loans receivable	910,898	-	910,898	-	910,898	-
Notes receivable	345,213	-	345,213	-	-	345,213
Capital assets:						
Land	1,105,794	-	1,105,794	-	1,105,794	-
Other capital assets	3,289,536	-	3,289,536	-	3,289,536	-
Less accumulated depreciation	(1,006,478)	-	(1,006,478)	-	(1,006,478)	-
Total noncurrent assets	4,644,963	-	4,644,963	-	4,299,750	345,213
Total assets	8,463,161	-	8,463,161	1,309,032	4,446,068	2,708,061
Liabilities						
Current Liabilities						
Accounts payable	28	-	28	-	28	-
Total current liabilities	28	-	28	-	28	-
Net Position						
Investment in capital assets	3,388,852	-	3,388,852	-	3,388,852	-
Unrestricted	5,074,281	-	5,074,281	1,309,032	1,057,188	2,708,061
Total net position	$ 8,463,133	$ -	$ 8,463,133	$ 1,309,032	$ 4,446,040	$ 2,708,061

Combining Schedule of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2020

	Totals	Program Eliminations	Subtotal	Development Fund	Housing Fund	Housing Trust Fund
Operating Revenues	$ -	$ -	$ -	$ -	$ -	$ -
Operating Expenses						
Administration	4,926	-	4,926	-	4,926	-
Depreciation	107,879	-	107,879	-	107,879	-
Bad debts	35,893	-	35,893	-	35,893	-
Other miscellaneous	6,019	-	6,019	2,425	3,594	-
Total operating expenses	154,717	-	154,717	2,425	152,292	-
Operating loss	(154,717)	-	(154,717)	(2,425)	(152,292)	-
Nonoperating Revenues (expenses)						
Investment income	98,960	-	98,960	-	32,907	66,053
Loss on disposal of assets held for resale	(46,681)	-	(46,681)	-	(46,681)	-
Total nonoperating revenues (expenses)	52,279	-	52,279	-	(13,774)	66,053
Income (loss) before transfers	(102,438)	-	(102,438)	(2,425)	(166,066)	66,053
Transfers from other programs	-	(35,759)	35,759	-	-	35,759
Transfers to other programs	-	35,759	(35,759)	-	(35,759)	-
Total transfers	-	-	-	-	(35,759)	35,759
Change in net position	(102,438)	-	(102,438)	(2,425)	(201,825)	101,812
Net Position, Beginning	8,565,571	-	8,565,571	1,311,457	4,647,865	2,606,249
Net Position, Ending	$ 8,463,133	$ -	$ 8,463,133	$ 1,309,032	$ 4,446,040	$ 2,708,061

Redevelopment Authority of the City of Stevens Point
(A Component Unit of the City of Stevens Point, Wisconsin)

Combining Schedule of Cash Flows
Year Ended December 31, 2020

	Totals	Development Fund	Housing Fund	Housing Trust Fund
Cash Flows From (Used For) Operating Activities				
Cash paid to suppliers for goods and services	$ (11,946)	$ (3,454)	$ (8,492)	$ -
Net cash flows from (used for) operating activities	(11,946)	(3,454)	(8,492)	-
Cash Flows From (Used For) Noncapital Financing Activities				
Transfers in (out)	-	-	(35,759)	35,759
Cash collected on loans	52,979	-	48,835	4,144
Cash disbursed on loans	(35,759)	-	-	(35,759)
Cash collected on notes	49,199	-	-	49,199
Net cash flows from (used for) noncapital financing activities	66,419	-	13,076	53,343
Cash Flows From Investing Activities				
Purchase of land held for resale	(46,681)		(46,681)	-
Investment income	99,225	-	33,172	66,053
Net cash flows from (used for) investing activities	52,544	-	(13,509)	66,053
Net increase (decrease) in cash and cash equivalents	107,017	(3,454)	(8,925)	119,396
Cash and Cash Equivalents, Beginning	3,245,972	1,312,486	154,518	1,778,968
Cash and Cash Equivalents, Ending	$ 3,352,989	$ 1,309,032	$ 145,593	$ 1,898,364
Cash Flows From (used For) Operating Activities				
Operating loss	$ (154,717)	$ (2,425)	$ (152,292)	$ -
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	107,879	-	107,879	-
Loan write-offs	8,093	-	8,093	-
Changes in assets and liabilities:				
Accounts payable	(1,001)	(1,029)	28	-
Due from the primary government	27,800	-	27,800	-
Net cash flows from (used for) operating activities	$ (11,946)	$ (3,454)	$ (8,492)	$ -
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position				
Cash and investments, statement of net position	$ 3,352,989	$ 1,309,032	$ 145,593	$ 1,898,364
Noncash Investing, Capital and Related Financing Activities				
Loss on disposal of assets held for resale	$ (46,681)	$ -	$ (46,681)	$ -

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481-3594

Department of Community Development
Redevelopment Authority
Ryan J. Kernosky, Director
Ph: (715) 346-1567
Fax: (715) 346-1498

MEMORANDUM

To: Redevelopment Authority

From: Ryan Kernosky, Director of Community Development

Date: July 19, 2021

RE: Award Bid for Asbestos Abatement of 1009 & 1013 Second Street

----

Background: The RA acquired 1009 & 1013 Second Street over the last few years with the intention to abate asbestos at the aforementioned properties. The Bid was issued on June 24, 2021 with all bids due July 16, 2021. The City received the following bid:

Asbestos (1009 Second)	DJK Environmental, LLC	$ 2,300.00
Asbestos (1013 Second)	DJK Environmental, LLC	$ 6,800.00

DJK Environmental also bid on the 1018 Third Street property, however that was razed last fall.

Staff Recommendation: DJK Environmental, LLC is the low bid at a total $9,100.00. As such, staff recommends approval of accepting the bid from DJK Environmental, LLC.

Please let me know if you have any additional questions.

www.stevenspoint.com

DJK *Environmental, LLC*

June 30, 2021

City of Stevens Point
Attn: Ryan Kernosky

RE: Asbestos Abatement Service
3 Properties
1009 Second Street, Stevens Point, WI
1013 Second Street, Stevens Point, WI
1016 Third Street, Stevens Point, WI
DJK Proposal #: B21-06322

Dear Ryan,

Thank you for this opportunity to present our proposal for **Asbestos Abatement Services at the Properties located at**
1009 Second Street, Stevens Point, WI
1013 Second Street, Stevens Point, WI.
1016 Third Street, Stevens Point, WI

DJK Environmental, LLC, (DJK) proposal is based on information received from you. This will include the estimated time and materials involved in completing the project in conformance with all government regulations.

SCOPE OF WORK

- **Asbestos Abatement:**

1009 Second Street, Stevens Point, WI
Removal & Disposal of Approx.

1. 1 Electric Panel Transite Components
2. 1 Fire Door
3. 160 Sq. Ft. Wall Panel Adhesive

1013 Second Street, Stevens Point, WI
Removal & Disposal of Approx.

1. 110 Sq. Ft. Duct Wrap in various areas
2. Window Glazing-11 Windows (2’x4’ Double Hung)
   Window Glazing- 45 Windows (3’x4’ Wood Grid)
   Window Glazing- 4 Windows (Wood Strom)
   Window Glazing- 1 Door (Storm Door)
3. 200 Sq. Ft Transite Siding (South)
4. 16 Electric Panel Transite Components
5. 1 Safe(Assumed) (3’x3’x3)
6. White Window Caulk (Exterior West) 66 Ln. Ft.
7. Black Foundation Tar (Exterior South) 30 Ln. Ft.

1016 Third Street, Stevens Point, WI
Removal & Disposal of Approx.

1. 3 Garage Windows with window glazing compound
2. 1 Sq. Ft. Gray caulk-garage-overhead door
3. 4 Basement windows with window glazing compound
4. 8 Attic windows with window glazing compound
5. 35 Sq. Ft. Duct wrap with window glazing compound
6. 2 Electric panels- transite components

- All materials will be properly packaged, labeled, double bagged and taken off-site to be disposed of at a DNR approved landfill.
- All asbestos abatement performed will be in compliance with all Federal, State and Local regulations.
- This price includes the cost of all permits/notifications required.
- A comprehensive closure report will be issued within 5 days of completion of project. This report will include all critical aspects of the asbestos project.
- *For the safety of our clients it is highly recommended that the property be vacant during abatement. Entry into containment area by client or persons without proper personal protective equipment (PPE), purchased solely from DJK and escorted by a DJK employee could lead to possible bodily harm of themselves and/or others and could potentially contaminate other areas of the property. If entry is breached by said persons, DJK will not be held accountable for any harm or possible contamination outside of the work area. Any contractors or outside sources performing other scopes of work will not be allowed on-site during abatement, unless specified by a DJK project supervisor.*
- *Client has the right to cancel project at any time prior to abatement, however any cost incurred for permits, equipment and/or dumpster rentals after verbal consent/email or signing of this proposal will be solely the Client's responsibility.*

COST ESTIMATE

DJK Environmental, LLC. will provide professional services and materials in accordance with the current regulations.

1009 SECOND STREET		
ASBESTOS ABATEMENT	**LUMP SUM**	**$2,300.00**
1013 SECOND STREET		
ASBESTOS ABATEMENT	***LUMP SUM***	**$6,800.00**
1016 THIRD STREET		
ASBESTOS ABATEMENT	**LUMP SUM**	**$2,100.00**

ALL ITEMS MUST BE REMOVED FROM THE WORK AREA PRIOR TO ABATEMENT. DJK IS NOT RESPONSIBLE FOR DAMAGE CAUSED TO ITEMS LEFT IN THE WORK AREA. IF APPLIANCES ARE LEFT IN THE WORK AREA, I.E. STOVE, FRIDGE, WASHER, DRYER, ETC., FLOORING WILL NOT BE REMOVED BENEATH THESE ITEMS.

IF FLOORING TO BE REMOVED IS BENEATH TOILETS, SINKS/CABINETS, OWNER MUST DISCONNECT AND REMOVE THESE ITEMS PRIOR TO ABATEMENT. IF THESE ITEMS REMAIN, FLOORING WILL NOT BE REMOVED BENEATH, BUT RATHER CUT FLUSH WITH SAID TOILET, SINKS OR CABINETS.
DJK DOES NOT DISCONNECT GAS OR WATER TO APPLIANCES. APPLIANCES MUST BE DISCONNECTED PRIOR TO ABATEMENT.

Payment is due at the completion of the project. We accept payment in the form of a check or via credit/debit card. A fee of 3% will be added for all credit/debit card transactions. A Closure Report within 5 business days from the completion of the project. This proposal may be withdrawn if not accepted within 15 days.

We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions or comments or need for additional information concerning this proposal, please do not hesitate to contact me at (414) 539-4569.

Sincerely,
DJK Environmental, LLC.

***Cancellation Policy**: If project is cancelled within 72 hours of agreed upon date (business days), a fee of $400 will be owed to DJK for administrative costs, notification, permits, etc. All cancellations and/or reschedules MUST be done via email. - NO EXCEPTIONS*

DJK Proposal #B21-06322, Dated June 30, 2021.

Owner/Owner's Rep Signature______________________ Date __________________

DJK Environmental, LLC.

GENERAL TERMS AND CONDITIONS

1. COMPENSATION FOR "SERVICES"

"Services" will be invoiced as indicated in the DJK ENVIRONMENTAL, LLC, Proposal and Fee Schedule(s) attached and made a part of these general terms and conditions. Unless otherwise stated, any cost estimate of compensation for "Services" presented in our proposal is for budgeting purposes only and is not a fixed lump-sum. All costs incurred to complete a project regardless if they are less or greater than the cost estimate will be invoiced unless prior written notification is received to stop work. If it becomes apparent that the budgetary estimate is not sufficient to complete the Project in a satisfactory manner, the CLIENT will be advised. DJK ENVIRONMENTAL, LLC, reserves the right, upon written notice, to escalate the rate on rate-based reimbursable contracts. This rate change normally occurs annually, at the beginning of the calendar year. The amount of any excise, VAT, sales or gross receipts tax that may be imposed shall be added to the total compensation for "Services" as determined herein.

2. INVOICES AND PAYMENTS

Invoices will be submitted once a month or upon completion of "Services," whichever occurs earlier, and payment is due upon receipt of the invoice. A 1½% per month interest will be added to all accounts which are not paid within thirty (30) days of date of invoice. In addition, DJK ENVIRONMENTAL, LLC, may, after giving seven (7) days written notice to CLIENT, suspend "Services" under this Agreement until DJK ENVIRONMENTAL, LLC, has been paid n full all amounts due for "Services" and interest charges. CLIENT shall pay the reasonable attorney's fees and costs incurred by DJK ENVIRONMENTAL, LLC. That results from CLIENT'S failure to pay "Services" and interest charges. If CLIENT institutes a lawsuit against DJK ENVIRONMENTAL, LLC, which is dismissed, or which judgment is rendered for DJK ENVIRONMENTAL, LLC, CLIENT will pay DJK ENVIRONMENTAL, LLC, for all costs of defense, including reasonable attorney's fees, expert witness fees and costs.

DJK ENVIRONMENTAL, LLC
498 RIVER STREET
WILD ROSE, WI 54984

3. LIEN NOTICE

As required by the Wisconsin construction lien law, DJK ENVIRONMENTAL, LLC., hereby notifies CLIENT that persons or companies furnishing labor or materials for the construction or project on CLIENT'S land may have lien rights on CLIENT'S land and buildings if not paid. Those entitled to lien rights, in addition to the undersigned DJK **ENVIRONMENTAL, LLC ., are those who contract directly with the CLIENT or those who give the CLIENT notice within 60 days after they first furnish labor or materials for the construction or project. Accordingly, CLIENT probably will receive notices from those who furnish labor or materials for the mortgage lender, if any. DJK ENVIRONMENTAL, LLC, agrees to cooperate with the CLIENT and the CLIENT'S lender, if any, to see that all potential lien claimants are paid.**

4. DOCUMENTS

All documents prepared or furnished by DJK ENVIRONMENTAL, LLC., pursuant to this Agreement shall be the property of DJK ENVIRONMENTAL, LLC. Any reuse without written authorization or adaptation by DJK ENVIRONMENTAL, LLC, for the specific purpose intended will be at CLIENT'S sole risk and without liability or legal exposure to DJK ENVIRONMENTAL, LLC, or to DJK ENVIRONMENTAL, LLC, independent professional associates or consultants, and CLIENT shall indemnify and hold harmless DJK ENVIRONMENTAL, LLC., and DJK ENVIRONMENTAL, LLC, independent professional associates or consultants from all claims damages, losses and expenses including attorney's fees arising out of or resulting therefrom Unless otherwise expressly agreed to in writing by the parties hereto, nothing in this Agreement shall be interpreted to prevent DJK ENVIRONMENTAL, LLC, from application and use of any information learned by it from this Project.

5. REPRESENTATIONS,WARRANTIES AND COVENANTS OF DJK ENVIRONMENTAL, LLC.

DJK ENVIRONMENTAL, LLC, opinions, conclusions, recommendations and report will be prepared in accordance with the proposal and general terms and conditions and no other warranties, representations, guarantees or certifications will be made. DJK ENVIRONMENTAL, LLC MAKES NO WARRANTY, EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE, CONCERNING ANY OF THE MATERIALS OR " SERVICES" WHICH MAY BE FURNISHED BY DJK ENVIRONMENTAL, LLC, TO CLIENT.

6. LIMITATION ON THE SCOPE OF SERVICES

Any hazardous waste, substances, materials, pollutants or contaminants shall at all times be and remain CLIENT'S exclusive property and responsibility. Any arrangements and/or actions which may be taken by DJK ENVIRONMENTAL, LLC, for disposal, treatment, storage or transport of any such materials shall be made solely and exclusively for CLIENT'S benefit and CLIENT shall indemnify and hold DJK ENVIRONMENTAL, LLC, harmless against any liability for such arrangements or actions.

7. LIMITATION OF DJK ENVIRONMENTAL, LLC, LIABILITY

(a) Except for claims under circumstances caused by the willful or intentional misconduct of DJK ENVIRONMENTAL, LLC., any and all liability or claim for damages levied against DJKENVIRONMENTAL, LLC, whether based upon contract, tort, breach of warranty, professional negligence (including errors, omissions or other professional acts), or otherwise, including claims against employees, agents, directors, officers, contractors, and subcontractors, shall be limited to the greater of: (i) the amount of DJK ENVIRONMENTAL, LLC, Total Compensation, or (ii) the limits of coverage under DJK ENVIRONMENTAL, LLC, insurance policies. "Total Compensation" for purposes of this Agreement shall be defined to include the costs associated with the original scope of "Services," as identified on the signature sheet and any directly related Agreement Modifications. (b) In no event shall DJK ENVIRONMENTAL, LLC, be responsible for any incidental, indirect, impact, consequential damages (including loss of profits) or cost of defense incurred by CLIENT or any third-party as a result DJK ENVIRONMENTAL, LLC, performance or nonperformance of any "Services" beyond the limits set forth in Subparagraph (a), above. (c) All claims, whether based upon contract, tort, breach of warranty, professional negligence (including errors, omissions or other professional acts), or otherwise, shall be deemed waived and forever barred unless a lawsuit commences by CLIENT against DJK ENVIRONMENTAL, LLC within one (1) year after DJK ENVIRONMENTAL, LLC, completion of the "Services" with respect to which the claim is made.

8. CLIENT INDEMNIFICATION OF DJK ENVIRONMENTAL, LLC

CLIENT shall, to the maximum extent permitted by law, save, defend, indemnify and hold harmless DJK ENVIRONMENTAL, LLC, and its directors, officers, shareholders, employees, contractors, subcontractors, agents or affiliates (herein collectively called "Indemnified Parties") from and against any and all suits, actions, legal or administrative proceedings, claims, demands, actual damages, fines, punitive damages, losses, costs, liabilities, interest and attorney's fee (including any such fees and expenses incurred in enforcing this indemnity) which: (a) exceed the limitation on DJK ENVIRONMENTAL, LLC, liability provided for in Paragraph 8 or (b) which result from, arise out of or are in any way connected with; (i) the misrepresentations, intentional misconduct, negligent or improper acts or omissions of CLIENT, CLIENT'S employees, agents and subcontractors and their employees or agents; (ii) the release of any hazardous substance, unless caused by DJK ENVIRONMENTAL, LLC, intentional misconduct; or (iii) the release of any pollutant or contaminant in any way connected with generation, treatment, transportation, storage or disposal of waste materials, unless caused by the intentional misconduct of DJK ENVIRONMENTAL, LLC.

9. MODIFICATIONS TO THE AGREEMENT

These General Terms and Conditions together with the Proposal constitutes the entire Agreement between the parties and may be modified only by written amendment executed by CLIENT and DJK ENVIRONMENTAL, LLC.

10. PROJECT DELAYS

If DJK ENVIRONMENTAL, LLC, is delayed at any time in the progress of "Services" for any specific activity by an act, failure to act or neglect of CLIENT or CLIENT's employees or any other party; by changes in the scope of "Services"; by unforeseen circumstances including acts of force majeure, including without limitation Acts of God, fires, flood, or other catastrophe, riots, strikes; foreign or domestic governmental acts or regulations; by delay authorized by CLIENT by inclement weather; or by any cause beyond the reasonable control of DJK ENVIRONMENTAL, LLC, then the time for completion shall be extended. DJK ENVIRONMENTAL, LLC, shall receive an equitable compensation adjustment if the delays caused by any of the above results in changes, require additional "Services," or result in additional costs to DJK ENVIRONMENTAL, LLC.

11. TERM OF THE AGREEMENT

This Agreement shall remain in full force and effect until (i) DJK ENVIRONMENTAL, LLC, completion of the "Services" which it is to perform for CLIENT; or (ii) termination by either party upon no less than ten (10) days' prior written notice. Completion of "Services" shall be defined as occurring at the earlier of (1) the date when required submittals receive CLIENT's final acceptance or (2) thirty (30) days after the date when such submittals are submitted to CLIENT for final acceptance or (2) thirty (30) days after the date when such submittals are submitted to CLIENT for final acceptance. If CLIENT exercises its right to terminate this Agreement, CLIENT agrees to DJK ENVIRONMENTAL, LLC, for (a) all "Services" performed and (b) all "Services" performed and/or expenses incurred winding up "Services" begun before notice of termination is received by DJK ENVIRONMENTAL, LLC Termination hereunder shall operate to discharge only those obligations which are executory by either party on and after the effective date of termination. Any right (including, but not limited to indemnity) or duty of a party based on either performance or a breach of this Agreement, prior to the effective date of termination, shall survive.

12. OPINIONS OF COST

DJK ENVIRONMENTAL, LLC, opinion of probable construction/remediation costs and/or operations and maintenance costs provided for herein are to be made on the basis of DJK ENVIRONMENTAL, LLC, judgment and experience. But DJK ENVIRONMENTAL, LLC, cannot and does not guarantee that proposals, bids, or total construction/remediation costs will not vary from opinions of probable cost prepared by DJK ENVIRONMENTAL, LLC.

13. SHOP DRAWINGS

DJK ENVIRONMENTAL, LLC, shall review and approve (or take other appropriate action in respect of) shop drawings, samples and other data which contractor(s) are required to submit, but only for conformance with the design concept of the project and compliance with the information given in this Agreement. Such reviews and approvals or other action shall not extend to means, methods, techniques, sequences or procedures of construction. Not withstanding the foregoing, should such contractor(s) fail to perform their work in accordance with the contract documents, DJK ENVIRONMENTAL, LLC, will advise the CLIENT of such failure promptly after DJK ENVIRONMENTAL, LLC, has actual knowledge of the same.

14. INSURANCE

DJK ENVIRONMENTAL, LLC., will carry worker's compensation insurance and public liability and property insurance as DJK ENVIRONMENTAL, LLC., deems adequate. Certificates of insurance will be provided to CLIENT upon request. DJK ENVIRONMENTAL, LLC., shall not be responsible for liability for items not covered by such policies, or liability beyond the limits and conditions stated therein.

15. ----------BLANK----------------------

16. RIGHT OF ENTRY

Unless otherwise agreed, CLIENT will furnish right-of-access on the land for DJK ENVIRONMENTAL, LLC, to perform the "Services" including, surveys, sampling, explorations or other necessary investigations. DJK ENVIRONMENTAL, LLC will take reasonable precautions to minimize damage to the land resulting from DJK ENVIRONMENTAL, LLC, operations (whether land is owned by Client or others) but has not included in its compensation the cost for restoration of damage including but not limited to damage to asphalt concrete, or grass. If CLIENT DJK ENVIRONMENTAL, LLC, to restore land to its former condition, this will be accomplished and the cost will be added to the total compensation.

17. FIELD OBSERVATION, MONITORING AND TESTING

The purpose of DJK ENVIRONMENTAL, LLC, presence at the site is to enable DJK ENVIRONMENTAL, LLC, to better carry out the duties and responsibilities assigned to and undertaken by DJK ENVIRONMENTAL, LLC, and in addition, by exercise of DJK ENVIRONMENTAL, LLC, efforts as an experienced and qualified consultant to provide for CLIENT a greater degree of confidence that the completed work of CLIENT's contractor(s) will conform generally to the contract documents. On the other hand, DJK ENVIRONMENTAL, LLC, shall not, during such visits or as a result of such field observations, monitoring and testing of CLIENT's contractor(s)' work in progress, supervise, direct or have control over CLIENT's contractor's work nor shall DJK ENVIRONMENTAL, LLC, have authority over or responsibility for the means, methods, techniques, sequences or procedures selected by CLIENT's contractor(s), for safety precautions and programs incident to the work of CLIENT's contractor(s) or for any failure of CLIENT's contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to contractor(s) furnishing and performing their work. Accordingly, DJK ENVIRONMENTAL, LLC, can neither guarantee the performance of the contracts by CLIENT's contractor(s) nor assume responsibility for CLIENT's contractor(s)' failure to furnish and perform their work in accordance with the contract documents. Notwithstanding the foregoing, should such contractor(s) fail to furnish or perform their work in accordance with the contract documents. DJK ENVIRONMENTAL, LLC, will advise CLIENT of such failure promptly after DJK ENVIRONMENTAL, LLC, has actual knowledge of the same.

18. SAFETY

Unless otherwise expressly provided for in writing, any construction review of contractor's performance conducted by DJK ENVIRONMENTAL, LLC, is not intended to include review of the adequacy of the contractor's safety measures in, on, or near the construction site. The contractor will be solely and completely responsible for working conditions at the jobsite, including safety of all persons and property during performance of his work. These requirements will apply continuously and not be limited to normal working hours. This applies to all contractors not under contract with DJK ENVIRONMENTAL, LLC, to perform "Services" hereunder. Notwithstanding the foregoing, should such contractors fail to comply with the safety plan established by DJK ENVIRONMENTAL, LLC, DJK ENVIRONMENTAL, LLC, will advise CLIENT of such failure promptly after DJK ENVIRONMENTAL, LLC, has actual knowledge of the same.

19. DATA PROVIDED BY CLIENT OR OTHERS

DJK ENVIRONMENTAL, LLC, is not responsible for the quality or accuracy of data, nor for the acquisition or sampling programs or methods from which the data was developed, where such data is provided by or through CLIENT or others (not under contract with DJK ENVIRONMENTAL, LLC.) to DJK ENVIRONMENTAL, LLC, and on which CLIENT expects DJK ENVIRONMENTAL, LLC, work to be based in whole or in part. Such data includes but is not limited to borings, groundwater information geophysical studies, chemical analyses, geotechnical testing, reports, calculations, designs, drawings, surveys, etc. CLIENT will indemnify DJK ENVIRONMENTAL, LLC, against liability arising out or contributed to by providing such information to DJK ENVIRONMENTAL, LLC. CLIENT will provide to DJK ENVIRONMENTAL, LLC, all known information regarding existing and proposed conditions of the site or which affects the work to be performed by DJK ENVIRONMENTAL, LLC. Such information shall include, but not be limited to, site plans, surveys, known hazardous waste or conditions, previous laboratory analysis results, written reports, soil boring logs and applicable regulatory site response (Project information). CLIENT will immediately transmit to DJK ENVIRONMENTAL, LLC., any additions updates, or revisions to the Project Information as it becomes available to CLIENT, its subcontractors or consultants.

20. UTILITIES

CLIENT shall be responsible for designating the location of all utility lines and subterranean structures within the property lines of the Project. DJK ENVIRONMENTAL, LLC, will request responsible utilities to locate off-site utility lines when necessary. CLIENT agrees to hold DJK ENVIRONMENTAL, LLC, harmless indemnify DJK ENVIRONMENTAL, LLC, if damage results to utilities or subterranean structures that were not properly designated to DJK ENVIRONMENTAL, LLC, by CLIENT or others.

21. SAMPLES

Samples will be returned to CLIENT for final disposition, or at CLIENT's direction will be disposed of in the proper manner according to the applicable regulations for the handing, transport, and disposal of such materials at CLIENT's cost. At all times, any and all right, title and responsibility for samples shall remain exclusively with CLIENT; and under no circumstances shall this Agreement be construed or interpreted to create any right, title, interest or responsibility for any disposition of such samples by DJK ENVIRONMENTAL, LLC.

22. CLIENT REPRESENTATIVE

CLIENT shall designate in writing a person to act as CLIENT's representative with respect to the "Services" to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define CLIENT's policies and decisions with respect to DJK ENVIRONMENTAL, LLC, "Services" for the Project. If CLIENT fails to provide such written designation, the person who executes this Agreement is the CLIENT’S representative.

23. INDEPENDENT CONTRACTOR

DJK ENVIRONMENTAL, LLC, shall be fully independent in performing the "Services" and shall not act as CLIENT's agent or employee, but rather, as an independent contractor.

24. CONFIDENTIALLY

Except for circumstances in which it may be necessary to submit information to regulatory or governmental authorities, respond to legal process, or use information as evidence in court or administrative proceedings, DJK ENVIRONMENTAL, LLC., and the CLIENT shall retain as confidential, all information and data furnished by the other party which relate to the other party's technologies, procedures, processes, methods, trade secrets, ideas, improvements, and/or computer programs, which are designated in writing by such other party as confidential at the time of transmission and are obtained or acquired by the receiving party in connection with this Agreement and shall not disclose such information to any third party. However, nothing herein is meant to prevent nor shall be interpreted as preventing either party from disclosing and/or using said information or data (i) which are actually known to receiving party before being obtained or derived from the transmitting party; or (ii) when the information or data are generally available to the public without the receiving party's fault at any time before or after it is acquired from the transmitting party; or (iii) where the information or data are obtained or acquired in good faith at any time by the receiving party from a third party who has the same good faith and who is not under any obligation to the transmitting party in respect there of; or (iv) where a written release is obtained by the receiving party from the transmitting party.

25. ASSIGNMENT

This Agreement is to be binding on the heirs, successors and assigns of the parties hereto and is not to be assigned by either party without first obtaining the written consent of the other. Such consent shall not be unreasonably withheld.

26. NOTICES

Any notices required or permitted to be sent shall be in writing and shall be deemed duly provided if delivered personally, or by facsimile or certified mail, return receipt requested, to be signatories of this Agreement at the addresses set forth herein or such other address as the parties may designate.

27. ENTIRE AGREEMENT

The attached Proposal and Schedule(s) and the terms and conditions set forth herein constitute the entire understanding of the parties relating to the provision of "Services" by DJK ENVIRONMENTAL, LLC, to CLIENT and shall be incorporated in all work orders and authorizations unless otherwise stated therein.

28. SEVERABILITY

Every part, term or provision of this Agreement is severable from the others. Notwithstanding any possible future finding by a duly constituted authority that a particular part, term or provision is invalid, void or unenforceable, this Agreement has been made with the clear intention that the validity and enforceability of the remaining parts, terms and provisions shall not be affected thereby.

29. GOVERNING LAW

Unless specifically stated otherwise under Special Terms and Conditions, this Agreement shall be governed by and interpreted pursuant to the laws of the State of Wisconsin.

These terms and conditions are hereby accepted and executed by a duly authorized signatory to act for, in the name and behalf of, the owner(s).

By: _________________________________ Title: ___________________________

Typed Name: _________________________ Date: ___________________________

City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481-3594

Department of Community Development
Redevelopment Authority
Ryan J. Kernosky, Director
Ph: (715) 346-1567
Fax: (715) 346-1498

MEMORANDUM

To: Redevelopment Authority

From: Ryan Kernosky, Director of Community Development

Date: July 19, 2021

RE: Award Bid for Demolition of 1009 & 1013 Second Street

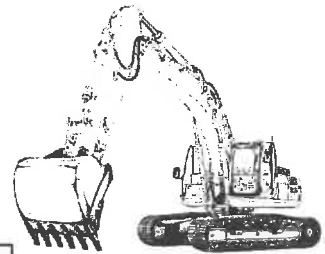
Background: The RA acquired 1009 & 1013 Second Street over the last few years with the intention to raze and redevelop the property. Staff issued a Request for Bid from qualified firms the demolition and removal of the structure and parking lot, including concrete slabs, foundation, brick, wood framing, roofing, and all mechanical equipment. The Bid was issued on June 24, 2021 with all bids due July 16, 2021. The City received the following five bids:

Demo (1009 Second/1013 Second St)	Kyle Kluck Trucking & Excavating	$ 90,700.00
	HM Brandt LLC	$ 99,640.00
	LinnCo	$ 103,501.19
	Wanta & Sons Inc.	$ 104,520.00
	Sunrise Trucking & Excavating	$ 134,240.00

Staff Recommendation: Kyle Kluck Trucking & Excavating is the low bid at $90,700.00. As such, staff recommends approval of accepting the bid from Kyle Kluck Trucking & Excavating.

Please let me know if you have any additional questions.

Kyle Kluck Trucking & Excavating
5628 State Highway 66
Stevens Point,WI 54482
Phone: 715-340-0763
kylekluckexcavating@gmail.com



Estimate

Date	Estimate #
2/4/2021	518

Name / Address
CITY OF STEVENS POINT DEPT. OF COMMUNITY DEVELOPMENT 1515 STRONGS AVE STEVENS POINT, WI 54481-3594

Terms	Project
Net 15	BELKE LUMBER COMPANY

Description	Qty	Rate	Total
BELKE LUMBER COMPANY DEMOLITION: SECOND ST			
REMOVE MAIN BUILDING ALONG WITH WOOD STORAGE SHED ATTACHED AND SMALL DETACHED SHED		57,000.00	57,000.00
REMOVE FOUNDATION & FILL BASEMENT TO GROUND LEVEL			
SPREAD 200 YARDS OF TOPSOIL OVER DISTURBED AREAS		4,000.00	4,000.00
SEED & MULCH DISTURBED AREAS		2,000.00	2,000.00
1009 2ND ST DEMOLITION		25,000.00	25,000.00
REMOVE BUILDING ALONG WITH FOUNDATION FILL AREA BACK LEVEL WITH EXISTING GRADE			
SPREAD 100 YARDS OF TOPSOIL OVER DISTURBED AREAS		1,500.00	1,500.00
SEED & MULCH DISTURBED AREAS		1,200.00	1,200.00

PLEASE RETURN ONE COPY, SIGNED AND DATED IF ACCEPTED	**Total**	$90,700.00

Signature & Date ______________________

Date: July 15, 2021
City of Stevens Point- Belke Lumber & Adjacent Buildings

EXCLUSIONS:

- No lead, hazardous waste or asbestos removal.
- No patching, repairs or replacements.
- No new installs provided.
- No security fence installation.
- No gas or electric or sewer disconnects (by others).
- No permits for sidewalk closure/removal or tree removal.
- No work in city streets.

(No back charges considered without written notification within 10 days of the occurrence and 3 days to respond)

HM Brandt LLC proposes to hereby to furnish material, labor and equipment – complete in accordance with above specifications, for the sum of all parts below:

Base Structural Demolition Bid (Belke Lumber & Adjacent Buildings) for the Sum of:
Ninety-Nine Thousand, Six Hundred and Forty Dollars & no/100
$99,640.00

Payment to be made as follows: 30 days from billing based on schedule of values per phase. NO retainage to be held after approval of HM Brandt punch list.

This proposal does not take into account seasonal weather conditions, which may affect method of production and price as stated above. Any such changes in production method or price would be identified in writing and approved prior to implementation.

A SERVICE CHARGE COMPUTED BY A PERCENTAGE RATE OF 1 ½% PER MONTH WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% MAY BE ASSESSED ON ALL INVOICES NOT PAID WITHIN TERMS OF SALE AS SHOWN ON INVOICE. THE CUSTOMER SHALL PAY ALL COSTS OF COLLECTION, INCLUDING ACTUAL ATTORNEYS' FEES.
NOTE: PLEASE READ NOTICE OF LIEN RIGHTS ATTACHED AND MADE A PART HEREOF.

Proposal

LinnCo, Inc.
2151 Troop Drive, Ste 100
Sartell, MN 56377

Phone (320) 272-8288

Submitted to				Job Name			
Name	City of Stevens Point			Name	Commercial Demolition: 1009 & 1013 Second Street		
Attn:	Ryan Kernosky, Director of Community Dev.						
Address	1515 Strongs Ave			Address	1009 - 1013 Second Street		
City, State, Zip	Stevens Point, WI 54481			City, State, Zip	Stevens Point, WI 54481		
Phone:	715-346-1568	Cell:		Bid Date:	7/16/2021	Time Due:	1:00pm
Date:	7/16/2021						

Included:

- Demolition permits
- Mobilization
- Temporary fencing
- Utility Disconnects
- Erosion control (silt fence and inlet protection)
- Regulated waste abatement (bulbs/ballasts/etc.)
- MSW
- Total structure demolition (above and below grade)
- Debris disposal
- Pavement removal
  - Parking/loading area on South side of 1013 building
- Furnish and install backfill
- Site restoration
  - Furnish and install topsoil
  - Hydroseed disturbed areas

Excluded:

- Contract bond (if bond is desired, add 1% to total)
- Asbestos abatement
- Disposal of chemicals (none were found in 1009 building, and no access was given to 1013)
  - Once access is granted to 1013, pricing, if required, can be provided.
- Backfilling and site restoration of pit left from demolition of old garage/storage shed on south end of lot

TOTAL PRICE: $ 103,501.19

NOTE: Assumes all Asbestos Containing Materials have been abated prior to demolition.

Prepared by - John Linnemann, Estimator/Project Manager
LinnCo, Inc.

7/16/2021
Date

Accepted by (Signature)

Title, Company

Date

Wanta and Son, Inc.
172943 County Rd C
Hatley WI, 54440

Prepared by:
Ryan Wanta
Designer / Sales
7/16/2021

To:

Ryan J. Kernosky
Executive Director
City of Stevens Point Redevelopment Authority
1515 Strongs Avenue
Stevens Point, WI 54481

BID FOR DEMOLITION OF 1009 SECOND ST. & 10013 SECOND ST (BELKE LUMBER & ADJACENT BUILDINGS)

Location of the Project:

1009 Second St, Stevens Point, WI 54481
1013 Second St, Stevens Point, WI 54481

Owner:

REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT
1515 STRONGS AVE
STEVENS POINT WI 54481

1009 SECOND STREET LOT

Included in this Bid:

- Demolition, removal, and disposal of existing structure, including slab/foundation located at 1009 Second Ave, Stevens Point. Approx. 2,600 sq ft in size.
- Provide Sand Fill and Back-fill areas with dirt as necessary to level the grade of the ground consistent with adjacent undisturbed areas. Fill to existing site height @ Sidewalk @ Second St., no additional grading information has been made available to indicate otherwise. This includes 6" of topsoil / seeding.

1013 SECOND STREET "BELKE" LOT

Included in this Bid:

- Demolition, removal, and disposal of existing structure (approx. 4,128 sq ft) and additional shed structure (approx. 1,674 sq ft), located at 1013 Second Ave, Stevens Point.
- Remove and dispose of paved surface area within lot, adjacent to the South totaling approx. 205 sq yds.
- Provide Sand Fill / Back-fill areas with dirt as necessary to level the grade of the ground consistent with adjacent existing site height @ Sidewalk at Second St., no additional grading information has been made available to indicate otherwise. This includes 6" of topsoil / seeding. This will also include the low areas adjacent to the structure, totaling approx. 633 sq yds.

GRAND TOTAL FOR COMPLETE PROJECT: $104,520.00

Not Included in this Bid:

- Hazardous material removal or disposal. Including Asbestos, which will be removed prior to demolition by the City of Stevens Point's own contractors.
- Anything not mentioned herein
- Due to the already deteriorating conditions of existing sidewalks, any damage occurs to concrete sidewalk or curbs, their replacement costs are not included.

Notes:

Entire site to be made available by the City of Stevens Point to be completed at same time. As indicated by City of Stevens Point officials, clean fill and top soil is an acceptable cap for contaminated soils. Any delays or additional costs related to additional environmental testing or remediation on this site regarding this proposal's scope of work will be at the site owner's own expense.

Any alteration or deviation from above specification involving extra costs will be executed only upon written order and will incur any extra charges over and above estimate. All agreements contingent upon strikes, accidents, or delays beyond our control.

Respectfully Submitted by:

Ryan Wanta, Representative of Wanta & Son, Inc.

Date: 7/16/2021

Note: This proposal may be withdrawn if not accepted within 30 days

Acceptance of Proposal

The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be discussed upon acceptance of proposal.

Signature: ______________________________

Name: ________________________________

Representative for:
REDEVELOPMENT AUTHORITY OF THE CITY OF STEVENS POINT

Date: _________________________________

204 Sq Yards

Clear

Press **CTRL** to enable snapping

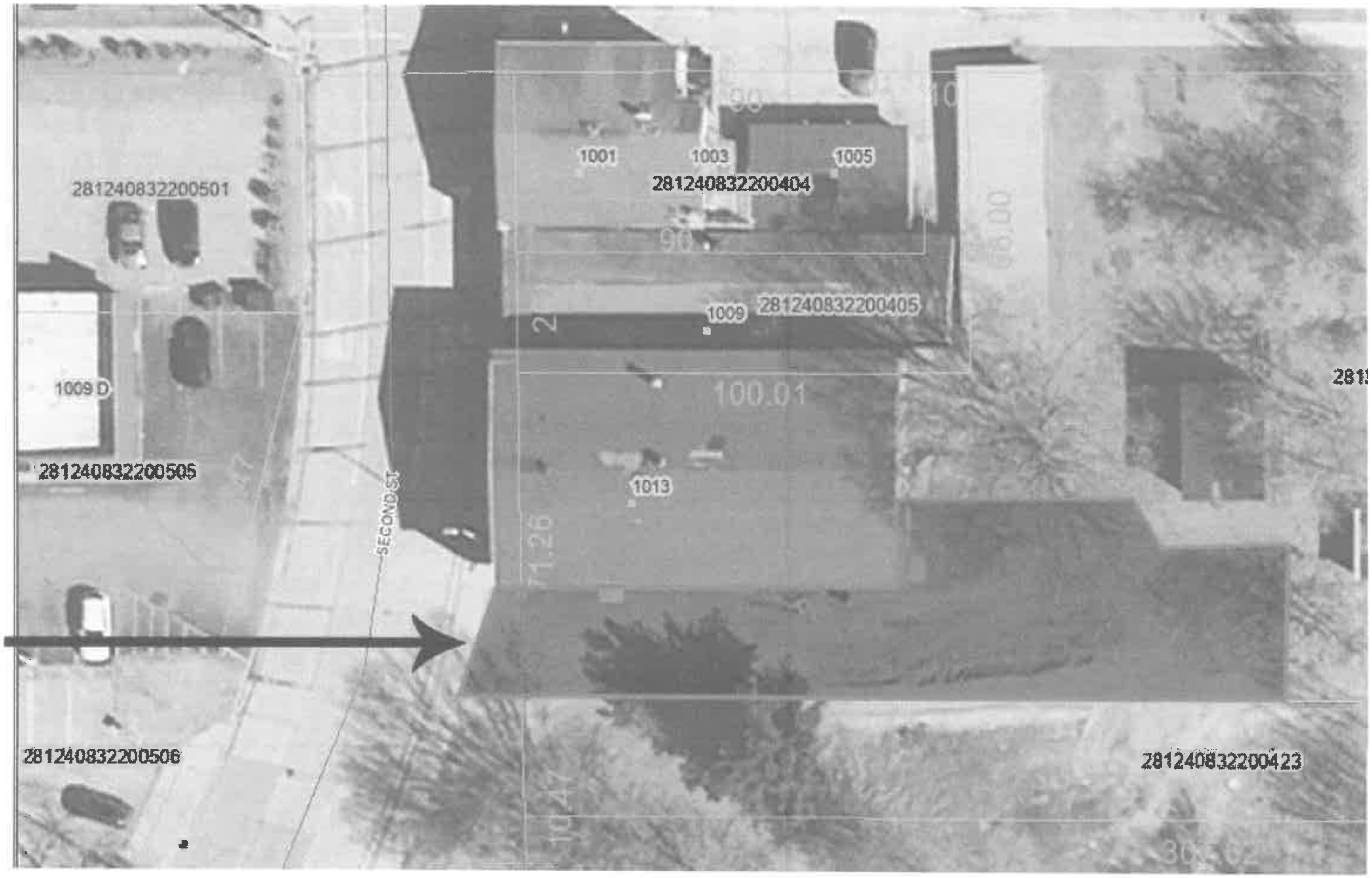
PAVED SURFACE AREA
AT 1013 SECOND ST (BELKE):
205 SQ YDS

Measurement Result

632.9 Sq Yards

Clear

Press CTRL to enable snapping



LOW GRADE TO BE FILLED/LEVELED
633 SQ YDS

SUNRISE TRUCKING & EXCAVATING

207 2nd Street · Mosinee, WI 54455
Cell 715-218-1970
bryon@sunrisetruckingllc.com
Bryon Danczyk President

Proposal

Date: 7/15/21
Project: Belke Lumber
Addendums Received: None

Description:
Demo/haul away existing asphalt on the south side of the building
Demo/haul away existing building including building slab and foundation
Import/place sand in existing basement
Cap existing sewer and water laterals

$134,240.00

This would be a winter project probably.

Does Not Include Unless Indicated Above: Dewatering, Shoring, Rock Excavation, Frost Excavation, EBS, Cold Weather Protection, Construction Fence, Soil Testing, Curb, Concrete Or Asphalt Street Patch, EBS, Asbestos Or Lead Paint Removal

All work is done only one time. Cleanup Of Other Subs Will Be Extra. No Back Charges Will Be Accepted Or Paid For Unless Agreed Upon In Writing Before Work Is Started.

By Acceptance Of This Bid The Customer Accepts This As Part Of The Contract Documents.

Any questions:
Bryon Danczyk
Cell# 715-218-1970