

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

August 1, 2016
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Audrey Nelsen, Steve Ahmann, Denis Anderson, Rick Fagerlie, Shawn Mueske, Andrew Plowman, Ron Christianson and Tim Johnson. Present 9, Absent 0.

Also present were City Administrator Larry Kruse, City Clerk-Treasurer Kevin Halliday, Public Works Director Sean Christensen, Police Chief Jim Felt, Finance Director Steve Okins, Community Education and Recreation Director Steve Brisendine, Planning and Development Services Director Bruce Peterson, and City Attorney Robert Scott.

There were no additions or deletions to the agenda.

Council Member Anderson offered a motion to adopt the Consent Agenda which included the following items: City Council Minutes of July 18, 2016, Rice Memorial Hospital Board Minutes of July 20, Willmar Municipal Utilities Board Minutes of July 25, Application for Exempt Permit – Willmar Community Theatre Inc., Application for Exempt Permit – West Central Ducks Unlimited, Accounts Payable Report through July 27, Human Rights Commission Minutes of May 17, Police Commission Minutes of June 3, and CER Joint Powers Board Minutes of July 22, 2016. Council Member Fagerlie seconded the motion, which carried.

Planning and Development Services Director Bruce Peterson introduced Paul Rasmussen, Project Manager with MnDOT District 8, Paul Christina of Burlington Northern Santa Fe and John Single Project Consultant for the Wye Project. Mr. Rasmussen presented the two alternates known as Alternative 1 and Alternate 2, which contains two sub-options known as 2A and 2 B. He explained the options and the consideration of the impact of at-grade crossings on traffic patterns, safety and delay effects.

Mr. Rasmussen went over the project schedule explaining it is currently in the pre-design phase and they are close to finishing a draft layout along with a draft environmental impact which should be complete sometime in September. From there it will go for agency reviews and a public hearing the end of January, 2017. The bid letting is proposed for November of 2017 with a start of construction in the spring of 2018 and project completion proposed for the fall of 2020. A public meeting is scheduled for August 2, 2016 from 5:00 – 7:00 p.m. at the Willmar Public Library. Mayor Calvin thanked Mr. Rasmussen for the update and all those involved in the project.

No one requested to speak during the Open Forum.

The Finance Committee Report of July 25, 2015 was presented to the Mayor and Council by Council Member Anderson. There were seven items for consideration.

Item No. 1 There were no comments from the public.

Item No. 2 Staff explained to the Committee that due to current job description changes, which include transferring Treasurer duties from the previous City Clerk-Treasurer position to the Finance Department and the Finance Director job description, the City of Willmar Investment Policy needs to be revised to reflect the change in responsibilities. The proposed revised Investment Policy was presented which changes any City Clerk-Treasurer reference to the Finance Director. It was noted there were no other revisions to the Investment Policy needed at this time.

It was the recommendation of the Committee the Council introduces a resolution amending the Investment Policy by changing all references of "City Clerk-Treasurer" to "Finance Director" as presented.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Mueske, reviewed by Mayor Calvin, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the Investment Policy be amended by changing all references of "City Clerk-Treasurer" to "Finance Director".

Dated this 1st day of August, 2016.

/s/ Marv Calvin
Mayor

/s/ Kevin Halliday
Attest: City Clerk

Item No. 3 Community Education and Recreation Director Steve Brisendine presented a request to the Committee for authorization to submit an application for a James Metzen Mighty Duck Grant to help fund the replacement cost of the R-22 refrigerant system at the Civic Center. If approved, up to \$400,000 could be received through this grant. The deadline to apply is October 3, 2016, with a completion of the project deadline of December 31, 2017.

It was the recommendation of the Committee to authorize staff to submit an application for the James Metzen Mighty Duck Grant to obtain funds to assist in the replacement cost of the R-22 refrigerant system at the Civic Center. Council Member Anderson moved the recommendation of the Committee. Council Member Christianson seconded the motion, which carried.

Item No. 4 Community Education and Recreation Director Steve Brisendine presented a request to the Committee for authorization to submit an application for a Willmar Area Community Foundation Grant in an effort to obtain some funding for the proposed destination playground at Robbins Island. The committee spearheading this community initiative is hoping to build support and secure funding in the neighborhood of \$800,000 to build a 20,000 square foot inclusive destination playground at Robbins Island and have it ready for use by June, 2017. Staff recommended this application for funds be submitted in the amount of \$30,000. The deadline to apply is August 15, 2016, with funding notification within 90 days.

The Committee was recommending the Council authorize staff to submit an application for a Willmar Area Community Foundation Grant for \$30,000 to obtain funds to be used toward the proposed destination playground at Robbins Island. Council Member Anderson moved the recommendation of the Committee. Council Member Christianson seconded the motion, which carried.

Item No. 5 Staff explained to the Committee that the year-end financial report is presented to the Committee annually for review. In preparation of receiving the Independent Auditor's Annual Report, scheduled for the August 22nd Finance Committee meeting, staff reviewed the Management Letter, Footnotes and General Budget to Actual Comparison sections of the 2015 Comprehensive Annual Financial Report.

The Committee was recommending to the Council that beginning in 2017, financial reports and material budget amendments be presented quarterly to the Council. Council Member Anderson moved the recommendation of the Committee. Council Member Christianson seconded the motion, which carried.

Item No. 6 The Committee received the following reports: Quarter End 06/3/16 Investment Activity, Quarter End 06/30/16 Cash/Investment Portfolio, Quarter End 06/30/16 Interest Activity, Quarter End 06/30/16 Ten-Year Historical Investment Balances Per Quarter, Quarter End 06/30/16 Ten-Year

Historical Interest Received Per Quarter, 06/30/16 Rice Hospital Financial Report, and Quarter End 06/30/16 Rice Trust Fund. This matter was received by the Council for information only.

Item No. 7 Staff updated the Committee on the status of the Airport Fixed Base Operator (FBO). As of last week they were officially moved out and a settlement check was issued for residual fuel less the amount of July rent due. It was also noted that the request for proposals seeking a new FBO are due toward the end of July. This was received by the Council for information only.

The Finance Committee Report for July 25, 2016, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie.

The Public Works/Safety Committee Report for July 26, 2016 was presented to the Mayor and Council by Council Member Nelsen. There were five items for consideration.

Item No. 1 Citizens brought forth concerns of the proposed sidewalk pathway to be constructed to connect 23rd Street SE crossing Branch 3 of Ditch 23A to the new elementary school. Public Works Director Christensen noted the 30 foot utility easement containing dry utilities and a storm drain to be utilized for pedestrian access. The required 10 foot path will be maintained by the City and there will be no expenses to the homeowners surrounding it. Kelly Welch, 1304 23rd Street SE, addressed the Council with a public safety concern for the students attending the new elementary school. Mr. Welch stated there is not one sidewalk from Highway 12 between Lakeland Drive and the Bypass to Willmar Avenue. Bob Tinklenberg, 901 19th Street SE, also addressed the Council with concerns of drop-off points for the students at the new elementary school. The Council received the citizen comments for information only.

Item No. 2 Chief Felt noted the jail census for July 26, 2016 was 123; 41 inmates from the Department of Corrections, 65 inmates from Kandiyohi County and 17 inmates from other counties. The calls for service the previous two weeks totaled 895 and are 9 days ahead of this date last year. The majority of the calls for the previous two weeks were for traffic stops, followed by public assists and suspicious people/vehicles. The Committee discussed suspicious activity in the Garfield neighborhood. The Committee noted National Night Out is scheduled to take place on Tuesday, August 2nd. Administrator Kruse noted the outstanding efforts of the Police Department and Public Works Department on making the Rockin' Robbins and Jennie O' Turkey Store events a success.

Chief Hanson noted total Fire Department total calls for service in the previous two weeks totaled 11. The calls included 4 alarm activations, 2 car fires, 1 weather watch, 1 medical assist, 1 car crash, 1 cooking fire, and 1 public assist. The total calls for service this year is 177, compared to 200 calls in 2015. The dispatch to on scene time currently is 6 minutes 58 seconds. The Council received the updates for information only.

Item No. 3 Mr. Terry Frazee and Mr. Richard Falk brought forth, for information, boat ramp monitoring devices for aquatic invasive species at Willmar and Foot Lake. The lake associations have funds to contribute to the \$7,500 cost of the device, as well as the AIS Committee and Kandiyohi County. The I-LIDS monitors are un-manned systems placed at boat landings to monitor boat landing activities, capture video events. Videos encourage compliance with aquatic invasive species clean-off laws. The Committee was recommending the Council direct staff to proceed with research on the monitors and bring a final recommendation to Council. Council Member Christianson moved the recommendation of the Committee. Council Member Nelsen seconded the motion, which carried.

Item No. 4 Public Works Director Christensen brought forth, for information, an update on activities within the Public Works, Engineering and Wastewater departments.

- 2nd Street SW- Phase 1 concrete is complete, with the project scheduled to be complete by August 5th.
- Technology Drive NE parking lot repair- valley gutter and final wearing course is complete and the parking lot is now being utilized.

- Lion's Dog Park- waterline construction has begun.
- Robbins Island entrance- has been excavated and culverts installed. The new entrance could be complete by the next Rockin' Robbins event on August 16th.
- MPCA audit- The City is currently under an MPCA audit as the result of a settling pond bank breach at the site of the new elementary school. Follow up correspondence was received from the MPCA regarding corrections from their inspection of the Westwood Court Lift Station.
- Lift Station Updates- The Country Club Drive lift station building is currently being constructed. The Westwood Court lift station has the patch work and seeding done, the building is under construction and the roads are now open. The Fairgrounds lift station is at the 80% design stage, with research going into possible easements and right of way needs.
- Willmar Wye Update- Staff is currently attending project management updates via phone conferences and in-person meetings. Discussions are currently taking place to decide if the project merits the necessity of a 1st Ave crossing.
- 2016 Street Projects- Notices to property owners have been dispersed for construction starting on 15th Avenue SW and 7 ½ Street SW. A Press Release has been issued for construction scheduled to start on Minnesota Avenue SW on July 28th. A Press Release has also been issued for Lakeland Drive NE, as it will be temporarily closed between Litchfield Avenue and the railroad crossing on August 1st for water main improvements.

The Council received the Director's update for information only.

Item No. 5 The Committee discussed the possibility of a traffic and speed study along Willmar Avenue SE by the Middle School and on Lakeland Drive SE in front of the new elementary school site. Administrator Kruse noted the Eagle Lake Sanitary Sewer agreement is set to expire and staff has met with the County to discuss the terms of the agreement. A letter is planned to be written to extend the agreement so a facility study can be completed to determine their needs. The Civic Center Arena roof is scheduled to be advertised for bids this week with bids to be opened in August and a scheduled completion date of December. The Council received the discussion of non-agenda items for information only.

The Public Works/Safety Committee Report for July 26, 2016, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Christianson, seconded by Council Member Anderson.

The Community Development Committee Report for July 28, 2016 was presented to the Mayor and Council by Council Member Fagerlie. There were eight items for consideration.

Item No. 1 There were no public comments.

Item No. 2 Staff presented a proposal by a local technology service company to purchase Lot 1 of Block 4, Willmar Industrial Park Fourth Addition. The property is approximately 1.4 acres and the asking price for the real estate is \$78,110. The company plans to construct a 4800 square foot office/shop and will employ six full-time and one part-time employee. All employees will be paid salaries in excess of the City's \$12.00 per hour wage threshold. The company has offered to pay \$28,000 for the property utilizing the City's land write-down policy.

The Committee discussed the offer and suggested it was consistent with the goal of the City, that being providing assistance to companies to fill the Industrial Park.

The Committee was recommending the Council approve the land sale as proposed, subject to the adoption of the required ordinance. Council Member Fagerlie moved the recommendation of the Committee to approve the land sale. Council Member Nelsen seconded the motion, which carried.

Council Member Fagerlie made a motion to set a public hearing for August 15, 2016 to consider the ordinance. Council Member Nelsen seconded the motion, which carried.

Item No. 4 Staff presented a summary of the tax abatement request by RockStep Capital for the Kandi Mall. RockStep was requesting a 10-year abatement for taxes resulting from the K-Mart remodel, the construction of an additional satellite building, exterior/site improvements, and the market rate increase resulting from the purchase of the mall in 2015. Aaron Backman – EDC Director introduced RockStep representatives, John Vornholt, Kandi Mall manager, provided background information on the mall acquisition and redevelopment plans. Jodi Vest of RockStep Capital explained their investment and redevelopment strategies relative to large tenants, and talked about past results at other malls. Ms. Vest provided examples of success at their other locations as evidence that their strategy to refresh malls in small to medium sized markets does work.

The total new investment in the mall is estimated to exceed \$5 million, not including future tenant build-out. Staff explained how the abatement works relative to the tax levy. The City operates under a statutory limit of tax abatement but the proposed tax abatement still keeps the City well under that limit. It was noted that there are local investors involved with mall ownership. There are advantages to having local individuals involved in such a large real estate operation. The Committee discussed the City's requirements for tax abatement as stated in the City of Willmar tax abatement policy. In summary, the Committee considered the 10 year abatement with years 1-8 at 100% (approx. \$47,000/year) and year 9-10 at 80% (approx. \$37,500/year) to be a positive move for the City. It was hoped that the abatement would stimulate additional development by mall tenants and by businesses near the mall.

The Committee was recommending the Council approve the RockStep Capital tax abatement request subject to the required public hearing and approval of the business subsidy agreement. Council Member Fagerlie moved the recommendation of the Committee. Council Member Plowman seconded the motion, which carried.

Council Member Fagerlie made a motion to set a public hearing for September 6, 2016 to consider the tax abatement for Rock Step Capital. Council Member Anderson seconded the motion, which carried.

Item No. 5 Staff presented a report on a recent meeting with representatives of the Midwest Curling Association, aka Willmar Curling Club, to discuss their proposed facility. The club was looking to construct a facility of approximately 20,000 square feet and had requested City consideration in siting the facility and assisting the club with site preparation and utility costs. The facility is planned to have four lanes for curling and a fairly large club area, consisting of dining area, restrooms, and locker rooms.

Following discussion, staff had agreed to bring a recommendation to the Committee regarding the provision of a site and preparing the site for construction. The proposal was to enter into a long-term lease, and provide the land, soil corrections for the building footprint, and installation of water and sewer. The MCA would agree to secure private financing in advance of construction and to build an aesthetically pleasing building, constructed to code, with the final design subject to approval by the City. The MCA would agree to operate and maintain the building throughout the term of the lease. The MCA is to own and operate the Curling venue independent of the City for the duration of the lease.

The Committee was recommending to the Council that the City enter into a long-term lease, and provide the land, soil corrections for the building footprint, and install water and sewer to the building. Council Member Fagerlie moved the recommendation of the Committee. Council Member Nelsen seconded the motion.

Concerns were expressed by members of the Council regarding soil conditions and the cost for correction. Council Member Mueske offered an amendment to the motion to enter into a tentative long-term lease agreement with a contingency clause pending the results of a soil analysis for the building footprint and the installation of the sewer and water. Council Member Plowman seconded the amendment to the motion, which carried.

The original motion was discussed including the facility being used for other events besides curling and the status of the building being tax exempt. Operation and maintenance costs were also discussed. The motion carried with 7 Ayes and 1 Noes. The “no” vote was cast by Council Member Christianson.

Item No. 6 The Committee again discussed a proposal by staff to increase plan review fees from 40% of permit cost to 65% of permit cost. The Committee had previously recommended the increase, but the matter had been referred back to Committee. Staff presented documents showing that the City’s cost to provide building permit and inspection services in 2015 was approximately \$13,000 higher than the revenue received. The City received \$98,730 in plan review fees in 2015. Of this amount roughly \$24,000 were residential plan review fees. These fees were collected from new single family and multi-family housing, and from all permits for additions/alterations. Going from 40% to 65% with the plan review fee would have generated an additional \$12,000. It would have been nearly sufficient to balance out the revenue and expenses for building permit and inspection services.

The Committee was recommending the Council increase residential plan review fees from 40% to 65% of permit cost. Council Member Fagerlie moved the recommendation of the Committee. Council Member Anderson seconded the motion. Following a lengthy discussion Council Member Christianson made a motion to call for the question. Council Member Ahmann seconded the motion which failed with 5 Ayes and 3 Noes. (2/3 majority vote required) Council Members Ahmann, Mueske and Christianson cast the “no” votes.

Following additional discussion, Council Member Ahmann amended the motion to set the plan review fees at 40% of permit cost for the remainder of 2016, increase to 50% in 2017 and then increase for 65% in 2018. Council Member Mueske seconded the motion which passed with 5 Ayes and 3 Noes. Council Members Christianson, Nelsen and Johnson cast the “no” votes.

The original motion as amended for residential plan review fees carried with 6 Ayes and 2 Noes. Council Members Christianson and Johnson cast the “no” votes.

Item No. 7 Staff provided a brief update on the status of the wye project. There are still two options being considered for Highway 12 and, within the larger frame work of the project, there are a variety of smaller issues being considered. At a meeting earlier in the week, a major topic of discussion was the proposed crossing on 1st Avenue Northwest and whether that should be left in the project or an alternative sought. The various options will be vetted and information will become available very soon for the project partners to review and make a determination.

It was noted that MnDOT representatives would be available on August 1st to provide a detailed status report at the Council meeting. It was further noted that a public meeting is scheduled for August 2nd from 5-7 pm at the library to give the public an opportunity to be updated on project progress and to provide input. The Council received this update for information only.

Item No. 8 Staff informed the Committee that the final land release has been obtained for the remaining 480 acres of the former airport property. The City is now free to do what it wishes with that property. This was received by the Council for information only.

Item No. 9 Staff informed the Committee that another land sale is in the works for industrial park property. Staff had met with representatives of the company early in the week and the company expressed significant interest in obtaining the property. Staff has worked with the company for over one year to try and make the sale happen. The Council received this for information only.

Council Member Nelsen requested that staff follow up with a house at 9th Street NW/Olaf Avenue regarding some maintenance issues. Chair Fagerlie, reported that a letter of appreciation had been received regarding the City painting hydrants. This was received for information only.

The Community Development Committee Report for July 28, 2016, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie, seconded by Council Member Christianson.

Council Member Nelsen requested all Committee documentation be attached with the Council Agenda packet.

The position of Storm Water Compliance/Permit Assistant was brought before the Council for consideration by Mayor Calvin. Planning and Development Services Director Bruce Peterson stated staff has been looking at the needs that exist to take care of storm water compliance. It appears more follow-up will be needed in the future to comply with the Minnesota Pollution Control Agency requirements for a MS-4 community. In addition to the storm water needs, the proposed position would allow a staff member to be in the field to also deal with zoning matters and other code enforcement issues. Discussion led to the urgency of filling the Engineering Technician position and inclusion of these storm water inspections in their tasks as well as design, construction inspection and staking. City Administrator Kruse stated when the MPCA recently did their initial audit, the City did not have a proactive system in place to regulate and monitor the MS-4 needs.

Council Member Mueske made a motion to approve the Storm Water Compliance/Permit Assistant position. Council Member Plowman seconded the motion, which failed with 2 Ayes and 6 Noes. Council Members Christianson, Anderson, Ahmann, Nelsen, Johnson and Fagerlie cast the "no" votes.

City Clerk Kevin Halliday presented an application for a City Park Special Event by On-Sale Liquor License Holder. The Willmar Stingers will be holding a "Margarita Ville" on August 5, 2016, with plans to serve a full array of liquor. The Special Event Permit is required to allow a state liquor caterer license holder to distribute alcohol on City park grounds. The Bakers Creek Eatery, LLC dba The Oaks at Eagle Creek has applied for this permit with on-site employee listed as David Baker. Due to the late filing of the City application, this application has not been approved by the Community Ed and Recreation Board and just recently the Willmar Police Department.

It was staff's recommendation to approve the City Park Special Event by On-Sale Liquor License Holder for the August 5th event. Council Member Christianson moved the recommendation of staff to approve the license. Council Member Nelsen seconded the motion which carried on a roll call vote of 8 Ayes, 0 Noes.

City Clerk Kevin Halliday presented an application submitted by the new owners of Diamante Night Club located at 1108 Highway 71 NE for an On-Sale Liquor License and On-Sale Sunday Liquor License. The Willmar Police Department has completed the background check, criminal history check, property taxes and current utilities check on all owners listed on the application. It is staff's recommendation to approve the On-Sale Intoxicating Liquor License through the end of 2016 and the On-Sale Sunday Liquor License through the fiscal year ending April 25, 2017. Council Member Christianson moved the recommendation of the staff to approve the liquor licenses. Council Member Ahmann seconded the motion which carried on a roll call vote of 8 Ayes, 0 Noes.

City Administrator Larry Kruse presented a resolution for consideration that approves the Proposed Local Option Sales Tax and Authorizes and Election during the 2016 General Election. Mr. Kruse recapped the July 18th City Council meeting where the Council reviewed a proposed resolution regarding the local option sales tax and directed City Attorney Robert Scott to clarify the resolution and ballot question regarding "capital costs" and related financing costs. Staff further added to both the resolution and ballot the excise tax which relates to a \$20 fee for vehicle purchases.

Council Member Anderson made a motion to approve the resolution and ballot question as presented by staff. Council Member Mueske seconded the motion.

Council Member Christianson challenged the Community Center Improvements of \$10 million becoming more of a Field House and questioning the large amount allotted toward the improvements.

Council Member Johnson requested the specific dollar amounts for each individual project be placed in the ballot question as stated in the resolution.

Council Member Fagerlie stated he previously supported \$10 million for a community center near the Civic Center with a gymnasium, but after receiving further information would support reducing that amount and rebuilding in the current location.

Council Member Anderson suggested removing the Community Center Improvements which would reduce the overall sales tax amount, and increase the Robbins Island Improvements \$1 million and Swansson Field of \$1 million with a shorter term. After that propose the Community Center with community support.

Council Member Nelsen stated she would like to see the Community Center Improvements withdrawn at this time until the community can become engaged and support the project.

Council Member Mueske deferred to the Community Center maintenance issues referenced in the recent facility study in which this building was deemed the worst City facility.

Council Member Ahmann referred back to the survey where the number one priority was street repair. He proposed putting \$5 million in Street Improvements, \$2 million for Quiet Zones, \$1 million to the Community Center and \$4 million for Robbins Island Improvements.

Council Member Mueske opined street improvements could be funded by re-designation of capital improvement funds and questioned using local option sales funds for streets that are eligible for state aid funding.

Mayor Calvin called a recess to the meeting at 10:11 p.m. At 10:17 p.m. the Council reconvened.

The Council discussed the Community Center and the possibility of renovation and the cost estimate to keep it operational for the next 4-8 years.

After a lengthy discussion, Council Member Anderson proposed amending the resolution/ballot question presented by staff to include funding as follows: Eliminate the Community Center, designate \$3 million for the Civic Center Improvements, \$4 million for Robbins Island Improvements and \$3 million for Swansson Field Improvements. Council Member Nelsen seconded the motion, which carried with 7 Ayes, 1 Noe. Council Member Ahmann cast the "no" vote.

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Nelsen, reviewed by Mayor Calvin, and approved on a roll call vote of Ayes 7, Noes 1. Council Member Ahmann cast the "no" vote.

RESOLUTION NO. 2

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA APPROVING THE PROPOSED LOCAL SALES, USE AND EXCISE TAX AND AUTHORIZING AN ELECTION THEREON DURING THE 2016 GENERAL ELECTION

WHEREAS, Minnesota Statutes, Section 297A.99, provides the City of Willmar with authority to impose a local sales tax if that tax is approved by the voters at a general election and the State Legislature approves the local sales tax by passing a special law; and

WHEREAS, that statute also requires that in order to seek legislative approval for the local sales tax, the City Council must adopt a resolution indicating its approval of the tax and outlining the details of the proposed local sales tax; and

WHEREAS, the City of Willmar serves as a regional center of economic, employment, cultural and recreational opportunities for Kandiyohi County and a broad and substantial portion of West Central Minnesota, and attracts visitors from this broader region to its parks, trails, recreational and cultural facilities and abundant natural amenities; and

WHEREAS, there exist significant opportunities and needs to enhance the region's current recreational and cultural facilities and opportunities, and thereby promote the public health and welfare of the broader Willmar community; and

WHEREAS, the City Council hosted and participated in two community forums to discuss potential projects of regional significance that could be funded through the proposed local sales tax and solicit input from the public on May 24, 2016, at the Willmar Area Community Center, in which the public in attendance expressed their desires and preferences for prioritization of projects to the City Council; and

WHEREAS, the City conducted an online survey of community members in which the public was asked what project or type of project they would support funding through a City-wide sales tax, and the survey respondents most frequently identified transportation projects as the highest priority, which projects will be able to be funded by the City at greater levels through its Capital Improvement Plan in the event a local sales tax is used to finance improvements to the City's regional recreational and cultural facilities; and

WHEREAS, after careful thought, consideration and deliberation, the City Council wishes to enact a local sales, use and excise tax on items that are taxable by the State in order to raise revenues to fund the following public capital improvements, acquisitions and betterments as a means of substantially improving the region's current recreational and cultural facilities and opportunities:

Civic Center Development	\$3,000,000
Robbins Island Improvements	\$4,000,000
Swansson Field Improvements	\$3,000,000

WHEREAS, the proposed local sales use and excise tax will raise enough revenue over an estimated six year period to fund \$10 million dollars (\$10,000,000) in new capital improvements and betterments plus associated costs for debt service on any bonds issued to finance or refinance such capital improvements, and will improve the public health and welfare by advancing the community's recreational and cultural facilities and opportunities through the investment in the acquisition and betterment of the aforementioned regional assets and amenities; and

WHEREAS, the City Council wishes to approve the proposed local sales, use and excise tax and place the proposed tax on the ballot for the 2016 General Election.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that:

1. The local sales, use and excise tax described herein is approved, subject to voter consent and authority from the Minnesota state legislature. The local sales and use tax will be used exclusively to fund the following capital improvements:

Civic Center Development	\$3,000,000
Robbins Island Improvements	\$4,000,000
Swansson Field Improvements	\$3,000,000

2. The local sales and use tax will amount to one-half of one percent (0.5%) on the purchase of items and services in the City that are taxable by the State. The purchase of a motor vehicle will be exempt from this sales tax, except that an excise tax of \$20 will be collected per each retail sale of a motor vehicle in the City. The City anticipates that the total amount generated by the local sales tax will fund 10 million dollars (\$10,000,000) in new capital improvements and betterments plus associated costs for debt service on any bonds issued to finance or refinance such capital improvements, and that the tax will last for a period of six years; however, the tax may be retired earlier if the costs of the capital improvements and associated debt service have been paid from revenues collected over a shorter period.
3. The City Clerk is hereby directed by the City Council to follow the notification and election procedures applicable to placing the local sales tax on the ballot for the 2016 General Election in order to seek the approval of the proposed sales and use tax by the voters of the City.
4. The City Clerk is hereby directed to notify the County Auditor of the ballot question by the deadline outlined in Minnesota Statutes, Section 205.16, Subdivision 4, and submit the title and question for inclusion on the 2016 General Election Ballot in substantially the following form:

SALES TAX REFERENDUM QUESTION

Shall the City of Willmar, Minnesota (the "City"), be authorized to impose a sales and use tax of one-half of one percent and an excise tax of \$20 per retail sale of a motor vehicle to pay for \$10 million in principal capital expenditures plus associated debt financing costs for the following projects in the City (1) the betterment of the Robbins Island Park and Recreational Area totaling \$4 million, (2) the betterment of the Willmar Civic Center totaling \$3 million, and (3) the betterment of Swansson Field complex totaling \$3 million?

5. The City Clerk is hereby directed to follow all other requirements for submitting a ballot question and conducting an election, including the general notice and publication deadlines for the election and the ballot.
6. If the voters approve the local sales tax in the 2016 General Election, the City Council hereby authorizes City officials to seek the support of the State Legislature to approve the local sales tax and enact a special law allowing the City to impose the tax.

Dated this 1st day of August, 2016.

/s/ Marv Calvin
Mayor

/s/ Kevin Halliday
Attest: City Clerk

Announcements for Council Committee meeting dates were as follows: Finance, 4:45 p.m., City Hall August 8th, 4:45 p.m., City Hall, and Labor Relations Committee, 4:45 p.m., City Hall, August 10, 2016.

Council Member Ahmann requested the intersection of 9th Street and Becker Avenue SW be placed on the Public Works/Safety agenda in the near future for consideration of a stop sign.

Council Member Ahmann invited the public to National Night Out to be held at Garfield School for a potluck dinner on August 2nd from 6 – 10 p.m. with root beer floats and popcorn.

Council Member Anderson offered a motion to adjourn the meeting with Council Member Mueske seconding the motion, with carried. The meeting adjourned at 10:50 p.m.

Attest:

MAYOR

SECRETARY TO THE COUNCIL