

WILLMAR CITY COUNCIL PROCEEDINGS
BY ELECTRONIC MEANS (GOTO MEETING)

August 17, 2020
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 Rick Fagerlie, Shawn Mueske, Vicki Davis, Fernando Alvarado, Julie Asmus, and Audrey Nelsen. Present 7, Absent 2. Council Members Kathy Schwantes and Andrew Plowman were excused from the meeting.

Also present were City Administrator Brian Gramentz, Police Chief Jim Felt, Finance Director Steve Okins, Public Works Director Sean Christensen, Planning and Development Services Director Dave Ramstad, Park and Recreation Director Rob Baumgarn, City Clerk Judy Thompson, and City Attorney Robert Scott.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda, as presented. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

City Clerk Judy Thompson reviewed the consent agenda.

- A. Board of Canvass Minutes of August 14, 2020
- B. City Council Minutes of August 3, 2020
- C. Willmar Municipal Utilities Board Minutes of August 10, 2020
- D. Planning Commission Minutes of July 15, 2020
- E. Accounts Payable Report for July 30 - August 12, 2020
- F. Special Park and Recreation Board Minutes of August 10, 2020
- G. Board of Zoning Appeals Minutes of June 15, 2020
- H. Police Commission Minutes of June 3, 2020
- I. Building Report for the Month of July, 2020
- J. Application for Planning Commission - Stephanie Carlson
- K. Invest in Willmar Board Minutes of July 8, 2020
- L. Willmar Main Street Board Minutes of July 21, 2020
- M. Special Invest in Willmar board Minutes of August 10, 2020

Council Member Nelsen offered a motion to approve the Consent Agenda. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

Mayor Calvin read a Proclamation declaring August 27, 2020 as "Ron Andreen Day."

At 7:09 p.m. Mayor Calvin opened the public hearing for an Ordinance Amending Willmar Municipal Code, Chapter 4.5, Buildings, Article II, Building Code and adopting the most current building code. Planning and Development Services Director Dave Ramstad presented details of said ordinance and recommended Council approve the proposed ordinance.

There being no one to speak for or against said ordinance, Mayor Calvin closed the public hearing at 7:11 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Fagerlie offered a motion to adopt, assign a number and order final publication of **Ordinance No. 1454 Amending Willmar Municipal Code, Chapter 4.5, Buildings, Article II, Building Code**. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

The Public Works/Safety Committee Report for August 5, 2020 was presented to the Mayor and Council by Council Member Asmus. There were three items for consideration.

Item No. 1 Staff brought forth, for information, the discussion of the Event Center/Recreation Center. The project would potentially utilize \$2 million of Local Option Sales Tax. The Committee is requesting

the Event Center subcommittee discuss the project's priority before the Invest in Willmar Board meets again. This item was for information only.

Item No. 2 No action was taken by the Committee on the recreation fields. Discussion included updating the financials of the project and bringing it back to the Invest in Willmar Board for approval. This item was for information only.

Item No. 3 It was the recommendation of the Committee to adopt the resolution authorizing Change Order No. 1 in the amount of \$18,824.20 for Project No. 2001-E 7th Avenue NW Sewer Extension. The Change Order includes replacing three feet of unsuitable soil, lean backfilling to prevent settlement and sewer damage by drop manholes, and adding polystyrene insulation for sanitary and storm sewer crossings to prevent freezing. The additional cost will be paid from the project's contingency fund.

Resolution No. 2020-104 Accepting Change Order No. 1 for Project No. 2001-E was introduced by Council Member Asmus. Council Member Alvarado seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

The Public Works/Safety Committee Report of August 5, 2020, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Asmus. Council Member Nelsen seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

The Finance Committee Report for August 6, 2020 was presented to the Mayor and Council by Council Member Nelsen. There were five items for consideration.

Item No. 1 Staff explained that the City regularly receives donations and, pursuant to Council action on March 7, 2016, which established a donation protocol that allows staff to promptly send a thank you letter and to have the Council formally approve the donations received, the list of donations during the first and second quarter of 2020 is as follows:

\$ 100.00	Marcus Construction – Movies in the Park 2020
\$ 200.00	Iron Warriors MC – Fire Explorers Program
\$ 200.00	Iron Warriors MC – Police Explorers Program
\$ 1,083.67	WBFBA Tournament Account – Portable Pitching Mounds
\$ 600.00	AgCountry Farm Credit Services – Fire Department Equipment
\$ 50.00	Marv Calvin – 100 Miles in 100 Days Program
\$16,000.00	Healthy Together Willmar Blue Cross Blue Shield – Willmar Main Street

It was the recommendation of the Committee to adopt a resolution to formally approve the donations for January 1, 2020 through June 30, 2020.

Resolution No. 2020-105 Acknowledgement of Donations was introduced by Council Member Nelsen. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

Item No. 2 Staff explained the Federal Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law on March 27, 2020, and made funds available to qualifying local, state, and federal agencies to cover expenses related to unbudgeted expenditures incurred between March 1, 2020, and December 30, 2020, due to COVID-19. On June 26, 2020, the Minnesota Legislative Advisory Commission approved Governor Walz's request to formally allocate state-received CARES Act funds to counties, cities, and townships in the State of Minnesota. The City and EDC mutually understand (MOU) that the EDC, based on its nature as an economic development organization and its regular practice of disbursing funds and loan proceeds to businesses within the City consistent with its authority, is best positioned to ensure CARES Act funds are appropriately, effectively, and efficiently disbursed to aid eligible businesses and non-profit corporations.

Kandiyohi County approved the transfer of \$1,308,900 in CARES Act funds to the EDC on July 21st. That funding was wired to the EDC the week of July 27th. The EDC formally launched the CARES Pandemic

Relief (CPR) Program on July 28th. Over the past week, the EDC has received thirty-three applications for assistance, of which twenty-four are from Willmar. Of those thirty-three applications, twenty-seven are from businesses and six from nonprofits.

Staff is proposing to transfer \$1,000,000 to the EDC for the purpose of aiding eligible small businesses and non-profit corporations located within the City, in compliance with the requirements imposed by the CARES Act and the regulatory guidance and recordkeeping requirements issued by the U.S. Treasury Department and State of Minnesota. Further discussion by the Committee resulted in a consensus the City's contribution should not be limited to applicants within the City limits only, but should be used, as necessary, County-wide.

It was the recommendation of the Committee to adopt a resolution to 1) authorize a transfer of \$1,000,000 in CARES Act funds to the EDC for disbursement of grants, in compliance with the CARES Act, to small businesses and nonprofits within Kandiyohi County which have experienced economic harm attributable to the COVID-19 Pandemic; and 2) to have the EDC represent the City of Willmar in distributing these CARES Act funds to qualified small business and nonprofit applicants.

Resolution No. 2020-106 Approving the City's Transfer of CARES Act Funding to the Kandiyohi County and City of Willmar Economic Development Commission for Purposes of Aiding Qualifying Small Businesses and Non-Profit Corporations was introduced by Council Member Nelsen. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

Item No. 3 Finance Director Steve Okins provided the Committee with an update on the status of the Local Option Sales Tax revenues received through August 5, 2020. Through the first seven months of collections, the average monthly revenue has been approximately \$166,000. Staff continues to update and analyze what projects could be funded and at what level. New projections will be provided to the Invest In Willmar Committee and the Finance Committee later this month. This item was for information only.

Item No. 4 Finance Director Steve Okins reported no formal information has been received from the State to-date; however, there is a preliminary indication the deficit at the state level may be greater than first predicted. The next financial forecast by the State of Minnesota is not scheduled until November. This item was for information only.

Item No. 5 Future Finance Committee meetings will include discussion on filing fees, Federal Path Local Financing, Sales Tax Project Financing, and possible Carris Health Debt Refinancing. This item was for information only.

The Finance Committee Report of August 6, 2020, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

The Community Development Committee Report for August 10, 2020 was presented to the Mayor and Council by Council Member Fagerlie. There was one item for consideration.

Item No. 1 Staff presented the history on the Renaissance Zone adopted by City Council on May 4, 2020. Staff then presented a revised tax abatement policy that included special conditions and the parameters for developers to receive special abatement considerations by the City as part of the Renaissance Zone Overlay District. The policy revisions do not prevent non-renaissance zone abatements from occurring as part of the traditional zoning underlying the Renaissance Zone or in any other surrounding areas. The proposed amendments to the existing City tax abatement policy establishes a separate standardized process for projects that meet Renaissance Zone design criteria, so said projects may be considered on a priority basis by the City.

It was the recommendation of the Committee that the City Council adopt the revised City Tax Abatement Policy.

Resolution No. 2020-107 Approving Amendments to the City's Tax Abatement Policy was introduced by Council Member Fagerlie. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

The Community Development Committee Report of August 10, 2020, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie. Council Member Nelsen seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

The Special Public Works/Safety Committee Report for August 12, 2020 was presented to the Mayor and Council by Council Member Asmus. There was one item for consideration.

Item No. 1 It was the recommendation of the Committee to adopt the resolution approving plans and specifications and authorizing advertisement for bids for the Swansson Field improvements. The project includes upgrades to Elise Klemmetson Field (Orange) with a new grandstand, dugouts, fencing, turf infield, improved drainage and concession stand area. Other improvements to the complex would include drainage to softball fields, scoreboards, fencing, dugouts, upgraded restroom facility and grass infield on Blue. The subcommittee has been working with Widseth Architects and Marcus Construction (CMr) on this project. A public meeting was held on August 5th for community input. The Invest in Willmar Committee and Willmar Parks and Recreation met on August 10th to discuss and review the project. The Invest in Willmar Committee and Willmar Parks and Recreation made their recommendation to move this project forward for Council approval.

Invest in Willmar Committee member Mary Sawatzky and Architect Dana Hlebichuk gave a presentation and highlighted various components of the project to the Council.

Following discussion, **Resolution No. 2020-108 Approving Plans and Specifications and Authorize Advertisement for Bids for the Swansson Field Improvements** was introduced by Council Member Asmus. Council Member Nelsen seconded the motion.

Mayor Calvin recommended Council consider removing the ten percent contingency fund of \$200,000 and add it to the budget for a total of \$1.7 million for the project. He stated State legislature designates ten percent be placed in a contingency fund, but Council has the authority to remove if desired.

Council Member Asmus offered a friendly amendment to the original motion to include the Mayor's recommendation. The motion died for a lack of a second.

The original motion then carried on a roll call vote of Ayes 6, Noes 0.

The Special Public Works/Safety Committee Report of August 12, 2020, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Asmus. Council Member Alvarado seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

Park and Recreation Director Rob Baumgarn presented a request from the Invest in Willmar Board to approve the priority list for projects that are part of the local option sales tax.

Mayor Calvin expressed concern over the amount of funds put aside for contingencies and his displeasure as to how this is handled.

City Administrator Gramentz stated it is not uncommon to have contingency funds. These funds are not lost, and are available for alternates on said projects.

Following discussion, Council Member Mueske offered a motion to approve the priority list the Invest in Willmar Board has set for local option sales tax projects. Council Member Asmus seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

City Attorney Robert Scott gave a report on the 909/911 Trott Avenue Southwest property, as directed by Council at their August 3rd Council meeting. Mr. Scott indicated the property has a pending sale in process, and offered four options for the Council to consider in moving forward with this situation. They were: 1) a "wait and see" approach to make sure the homeowner has, in fact, evicted the problem residents and the house will be sold; 2) make contact with homeowner and informally let them know of the concerns; 3) authorization to proceed with a formal notice of abatement, and; 4) a criminal referral.

Following a lengthy discussion, Council Member Mueske offered a motion to choose option number one – to "wait and see". Council Member Alvarado seconded the motion which carried, on a roll call vote of Ayes 6, Noes 0.

Council Member Fagerlie offered the following comments: clarified the pronunciation of Ron Andreen's name, stated he has known him for many years and spoke very highly of Mr. Andreen and his contributions to the community.

Council Member Mueske offered the following comments: he had the pleasure of serving on the Charter Commission with Ron Andreen and spoke very highly of him.

Council Member Alvarado offered the following comments: "Salute" to Ron Andreen for his many years of service; if you haven't already completed the Census, please do so now as the deadline is September 30th; Fall is approaching and remember to keep the leaves on your property and not in the street; Food Shelf is available to those in need.

Council Member Asmus offered the following comments: gave a "Shout Out" to Council Member Davis and her husband for receiving Willmar's first Human Rights Diversity Award; excited more Local Option Sales Tax Projects are moving forward; things are looking good in Willmar.

Council Member Nelsen offered the following comments: gave a "Shout Out" to Ron Andreen and she had the pleasure to serve on the Charter Commission with him; there will be more information coming on the upcoming Flags of Honor event.

The upcoming Committee meetings will be as follows: Public Works/Safety Committee – no meeting scheduled at this time; Finance Committee – Thursday, August 20th at 5:00 p.m.; Community Development Committee – no meeting scheduled at this time; and Labor Relations Committee – no meeting scheduled at this time.

Council Member Nelsen offered a motion to adjourn the meeting with Council Member Asmus seconding the motion which carried. The meeting adjourned at 8:38 p.m.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 2020-104

A RESOLUTION ACCEPTING CHANGE ORDER NO. 1 FOR PROJECT NO. 2001-E.

Motion By: Asmus

Second By: Alvarado

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the Mayor and City Administrator of the City of Willmar are hereby authorized to modify the contract for Project No. 2001-E between the City of Willmar and Land Pride Construction of Paynesville, Minnesota by Change Order No. 1 in the increased amount of \$18,824.20.

Dated this 17th day of August, 2020

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 2020-105
ACKNOWLEDGEMENT OF DONATIONS

Motion By: Nelsen Second By: Asmus

WHEREAS, the City of Willmar has received donations which have been acknowledged by the City Administrator expressing the community's appreciation for the time period of January 1, 2020 through June 30, 2020.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar, Minnesota that the City formally accept the donations as listed below:

- \$ 100.00 - Marcus Construction - Movies in the Park 2020
- \$ 200.00 - Iron Warriors MC - Fire Explorers Program
- \$ 200.00 - Iron Warriors MC - Police Explorers Program`
- \$ 1,083.67 - WBFBA Tournament Account - Portable Pitching Mounds
- \$ 600.00 - AgCountry Farm Credit Services - Fire Department Equipment
- \$ 50.00 - Marv Calvin - 100 Miles in 100 Days Program
- \$16,000.00 - Healthy Together Willmar BC/BS - Willmar Main Street

Dated this 17th day of August, 2020

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

**CITY OF WILLMAR
RESOLUTION NO. 2020-106**

**A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA
APPROVING THE CITY'S TRANSFER OF CARES ACT FUNDING TO THE KANDIYOHI COUNTY & CITY OF
WILLMAR ECONOMIC DEVELOPMENT COMMISSION FOR PURPOSES OF AIDING QUALIFYING SMALL
BUSINESSES AND NONPROFIT CORPORATIONS**

Motion By: Nelsen

Second By: Asmus

WHEREAS, the Coronavirus Disease 2019 ("COVID-19") is a respiratory disease that was declared a global pandemic by the World Health Organization on March 11, 2020; and

WHEREAS, the Federal Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law on March 27, 2020, and made funds available to qualifying local, state, and federal agencies to cover expenses related to unbudgeted expenditures incurred between March 1, 2020 and December 30, 2020, due to COVID-19; and

WHEREAS, on June 26, 2020, the Minnesota Legislative Advisory Commission approved Governor Walz's request to formally allocate state received CARES Act funds to counties, cities, and townships in the State of Minnesota; and

WHEREAS, the City of Willmar (the "City"), through submission of a Coronavirus Relief Fund Certification Form to the Minnesota Department of Revenue, duly applied to receive CARES Act funds in the amount of \$1,514,038.00; and

WHEREAS, the State of Minnesota (the "State") granted the City's application for CARES Act funds, and the City formally accepted \$1,514,038.00 in CARES Act funds from the State on July 29, 2020; and

WHEREAS, numerous small businesses and non-profit entities within the City and Kandiyohi County (the "County") have experienced business interruption and economic hardship due to COVID-19 and required closures under various executive orders issued by Governor Walz, including but not limited to Executive Orders 20-04, 20-20 and relevant extensions; and

WHEREAS, the guidance issued by the United States Department of the Treasury (the "Treasury Department") provides that a local government may use CARES Act funds to pay for expenses associated with the provision of economic support in connection with the COVID-19 public health emergency, such as, but not limited to, expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures; and

WHEREAS, the guidance issued by the Treasury Department provides that local governments may transfer CARES Act funds to other local government entities for the purpose of making eligible expenditures; and

WHEREAS, the Kandiyohi County & City of Willmar Economic Development Commission (the "EDC") is the designated economic development organization for the City and the County, and the EDC has been providing emergency loans and grants to businesses and non-profit corporations affected by COVID-19 since March 26, 2020; and

WHEREAS, the City and EDC mutually understand and agree that the EDC, based on its nature as an economic development organization, and its regular practice of disbursing funds and loan proceeds to businesses and non-profit corporations within the City and County consistent with its authority, is best positioned to ensure CARES Act funds are appropriately, effectively, and efficiently disbursed to aid eligible businesses and non-profit corporations; and

WHEREAS, the City desires to transfer One Million Dollars (\$1,000,000.00) in CARES Act funds to the EDC for the purpose of aiding eligible small businesses and non-profit corporations located within the City and/or County, in compliance with the requirements imposed by the CARES Act and the guidance issued by the Treasury Department the State of Minnesota; and

WHEREAS, the City and the EDC's respective staff have developed a draft memorandum of understanding regarding the transfer of the CARES Act funds from the City to the EDC, and the manner in which the EDC's subsequent expenditure of the funds shall be made so as to comply with the CARES Act and guidance issued by the Treasury Department and/or the State of Minnesota (the "MOU"), which is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that Marvin Calvin, in his capacity of Mayor of the City of Willmar, is hereby authorized to transfer One Million Dollars (\$1,000,000.00) in CARES Act funds from the City to the EDC, subject to the condition that such funds shall only be used by the EDC for the purpose of aiding eligible small businesses and non-profit corporations located within the City and/or County, which have experienced economic harm attributable to the COVID-19 pandemic and resulting restrictions on business activities, in compliance with the CARES Act and guidance issued by the Treasury Department and/or the State of Minnesota.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Willmar, Minnesota, that the MOU attached hereto as Exhibit A is hereby approved, and the Mayor and City Administrator are authorized to sign a final version thereof that is in substantial conformity with the draft attached as Exhibit A.

Dated this 17th day of August, 2020

s/s Rick Fagerlie
MAYOR PRO TEMPORE

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 2020-107

A RESOLUTION APPROVING AMENDMENTS TO THE CITY'S TAX ABATEMENT POLICY

Motion By: Fagerlie Second By: Asmus

WHEREAS, On May 4th, 2020, the Willmar City Council ("Council") established the Renaissance Zone, which is a new zoning overlay district encompassing the Central Business (CB) district and adjacent areas; and

WHEREAS, the new Renaissance Zone overlay district is a five-year pilot program intended to encourage economic development; and

WHEREAS, the Council now desires to build upon the second phase of development incentives targeted to the Renaissance Zone by adopting revised policies on tax abatement, which are available City-wide, but are enhanced for and expected to have a particular positive effect within the Renaissance Zone.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the Council hereby approves and adopts the revised Tax Abatement Policy attached hereto as Exhibit-1.

Dated this 17th day of August, 2020

s/s Rick Fagerlie
Mayor Pro Tempore

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 2020-108

A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE SWANSSON FIELD IMPROVEMENTS.

Motion By: Asmus Second By: Nelsen

WHEREAS the Parks and Recreation Director of the City of Willmar have presented to the City Council plans and specifications for the Swansson Field Improvements for the City of Willmar;

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

Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized.

Dated this 17th day of August, 2020.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk