

**MINUTES OF THE CITY COUNCIL MEETING
JUNE 7, 2016**

CALL TO ORDER

Pursuant to due call and notice thereof, the regular meeting of the City Council was called to order at 5:00 p.m. by Mayor Deiss in the Council Chambers, located in the City Administrative Center.

MEMBERS PRESENT

Mayor George Deiss, Council Members Bruce Uselman, Don Niles and Gillette Kempf. Deb Wiese was absent.

OTHERS PRESENT

Brad Swenson, Dave Evans, Dan Kovar, Naomi Plautz, Dean Uselman, Tim Booth, Sharon Domier and Anna Erickson from the Wadena Pioneer Journal and Phil Martin from Bolton & Menk, Inc.

CONSENT CALENDAR

Motion was made by Niles, second by Kempf to approve the following items on the consent calendar:

A. Minutes of the City Council meeting held May 10, 2016

B. Claims as Presented for payment:

1. May 05, 2016.....	\$45,245.17
2. May 05, 2016.....	\$35,362.04
3. May 06, 2016.....	\$1,455.22
4. May 06, 2016.....	\$2,906.76
5. May 06, 2016.....	\$5,458.12
6. May 13, 2016.....	\$148,318.80
7. May 13, 2016.....	\$4,704.06
8. May 15, 2016.....	\$19,963.86
9. May 16, 2016.....	\$1,584.34
10. May 18, 2016.....	\$996.00
11. May 19, 2016.....	\$43,365.17
12. May 20, 2016.....	\$41,297.00
13. May 20, 2016.....	\$270,217.49
14. May 20, 2016.....	\$9,916.45
15. May 23, 2016.....	\$170,950.35

16. May 25, 2016.....	\$198.76
17. May 25, 2016.....	\$1,588.63
18. May 31, 2016.....	\$764.00
19. May 31, 2016.....	\$537,397.51

- C. City Administrator’s Monthly Report for May 2016
- D. WHRA Meeting Minutes for April 26, 2016
- E. WDA Meeting Minutes for April 14, 2016
- F. Park Advisory Board Meeting for June 6, 2016
- G. Library Board Meeting Minutes for March 15, 2016
- H. Police Department Activity Report for May 2016
- I. Fire Department Meeting Minutes for May 2016
- J. Senior Citizens Center Financial Report for May 2016

Upon voting Mayor Deiss declared the motion carried, all members voting aye.

PUBLIC HEARING – TIF – GRANDSTAY HOTEL – KYLE DAVIS 5:00 P.M.

Mayor Deiss Opened the Public Hearing for Tax Increment Financing for the Grandstay Hotel at 5:02 p.m.

Mikaela Huot, Consultant for Springsted Incorporated, reviewed the TIF plan with a maximum duration for 9 years for a new Grandstay Hotel with 40 rooms on .96 acres of land. The maximum estimated public cost is \$265,000. The first step is to adopt the Resolution Establishing Tax Increment Financing District No. 1-17.

Don Niles stated that he will refrain from commenting due to being an investor in this project.

Matthew Lovin, Attorney representing Dan & Beth Kellogg with AmericInn, is concerned about a need for another hotel. He feels there is lack of information as far as a market study, construction statement showing costs, financial projections, no record of money with potential investors, lack of a plan or goals and a lack of the need for another hotel. He also asked if there is a need for public assistance or not. He also stated that Kellogg’s have owned the hotel for many years and their numbers don’t show a need for another hotel and that Kellogg’s expanded AmericInn when there was a need for more rooms without any assistance.

Dan Kellogg feels that with his 60 years of experience between himself and his wife that there just isn’t a need for another hotel. His occupancy rate is only 27% from October through March and that the average number of rooms blocked is only 11 or 12 per day out of 50 rooms before walk-ins. Dan also shared his stats with Kyle Dave about his property.

Kyle Davis said that he respects Dan Kellogg’s and his attorney’s concerns. He stated that the application only asked for 2 years of proforma. He also informed everyone that his plan is to help build the town and to help bring more people into town. He has submitted everything that has been asked for and he also paid \$12,000 out of his own pocket for the Market Study. He would like some firm numbers from Kellogg’s backing up their occupancy rates. He stated

that the purpose of TIF is to get profitable and that the majority of investors are local and they are all about growing Wadena.

Dan Kellogg stated that the average he gave us before was for 12 months and also that full occupancy during sports tournaments are hit and miss.

Mikaela Huot addressed concerns that Dan Kellogg has about this plan.

Gillette Kempf asked if the city can set the amount of assistance. The maximum amount is \$265,000.

George Diess asked if the city can set the number of years. Currently the plan is 9 years.

Mikaela Huot reviewed the policy guidelines.

Motion by Uselman, second by Kempf to close Public Hearing at 5:45 p.m.

Motion by Uselman, second by Kempf to adopt the Resolution Establishing Tax Increment Financing District No. 1-17.

Upon voting, Mayor Deiss declared the resolution adopted. Uselman & Kempf voting aye. George Deiss opposed. Don Niles abstained.

There was discussion about forming a Developers Agreement Review Committee.

Dean Uselman, Brad Swenson, Bruce Uselman, George Deiss & Mikaela Huot will be on the Developers Agreement Review Committee.

There was discussion on the timeline and getting more information on the Market Study and Financial Analysis.

Kyle Davis questioned if others have had to supply more than the 2 year Market Study and that he will share as much information as he can.

GORES COMPANY – REQUEST TO SHARE COST OF WATER LEAK BOLINE CHIROPRACTOR OFFICE

Craig Folkestad stated that in the Boline Chiropractic Building, 11 Bryant Ave SE, they had a water leak that went down a floor drain and it didn't get caught by them right away. He would like the city to pay 1/3 of the cost of this water leak. He stated that Dale Salge has agreed to pay 1/3 of the portion. The total cost of this bill is \$1,015.76

No motion was made to reduce his bill or for the City to pay any portion of it.

NATALIA PAULSON – SE PROJECT SPECIAL ASSESSMENT APPEAL

Natalia Paulson asked the Council to reduce her special assessments due to the hardship she is experiencing after the death of her husband. Natalia didn't make it to the Public Hearing meeting last December on the SE Projects Special Assessments.

After discussion about the assessments no motion was made to reduce her special assessments.

MARK HANSON – WCTA DEVELOPER – WEB ADVERTISING

Mark Anderson presented Gateway to The North, an interactive Wadena County digital directory, and would like the City Council to give their blessing to allow putting a link on our city website. There is no cost to the city it is just putting a link on our city website which will show all the points of interest in Wadena. He is hoping to get grants to help pay for keeping this updated. He also stated that there will be an app for phones and tablets as well.

Motion by Uselman, second by Kempf to approve Mark Hanson's request as presented.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

VFW TEMPORARY LIQUOR LICENSE FOR JUNE 16, 2016

The VFW applied for a temporary liquor license to be used in the city parking lot south of their building on June 16th for their dance in conjunction with June Jubilee.

Motion by Kempf, second by Uselman to authorize the temporary liquor license for the VFW.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

RONALD MCDONALD RIDE – BLOCK OFF 1ST STREET – June 11, 2016

Ronald McDonald Ride would like approval to block off a portion of 1st Street NW for their ride this year on June 11, 2016. Police Chief Naomi Plautz stated that we have done this in the past with no issues. It is needed for parking the bikes and taking off.

Motion by Niles, second by Uselman to approve blocking off a portion of 1st Street NW as requested.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

COMMUNITY CENTER DRIVE PROJECT – BID AWARD

Phil Martin, with Bolton & Menk, stated that the bids for the Community Center Drive Project were opened on June 2, 2016. Anderson Brothers Construction Company's Base Bid was

\$256,425.71 and their Alternative 1 Bid was \$272,227.41, Tri-City Paving's Base Bid was \$268,274.00 and their Alternative 1 Bid was \$290,669.00. Central Specialties' Base Bid was \$264,837.18 and their Alternative 1 Bid was \$279,151.99. Phil's recommendation is to hire Anderson Brothers Construction Company for the Alternative 1 Project due to the need of event parking and pedestrian safety that would also provide an urban section for the entire street length and grade separation between the street and potential trail. The cost of the walkway would be about \$15,000.

Lee Westrum, Superintendent at WDC School, commented that the school would pay for their share of the walkway.

Motion by Niles, second by Kempf to adopt Resolution 06-03-16 to hire Anderson Brothers Construction as recommended by Phil Martin and splitting the \$15,000 for the walkway 50/50 between the city & the school.

Upon voting, Mayor Deiss declared the Resolution adopted. All members voting aye.

SIDEWALK POLICY AMENDMENTS

Dan Kovar is recommending changes to the Sidewalk Policy to add in the SE Project area to expand the sidewalk zone and proposed changes recommended by League of Minnesota Cities and make a couple other minor changes.

Motion by Uselman, second by Niles to adopt the amended Sidewalk Policy as proposed.

Upon voting, Mayor Deiss declared the Sidewalk Policy adopted. All members voting aye.

MEETING OPEN TO PUBLIC – 7:10 P.M.

No one present.

PLANNING COMMISSION BOARD APPOINTMENT

Brad Swenson stated that this position has been open for 1.5 years and that Tom Angier has submitted a letter to ask to be appointed to the Planning Commission Board and it is Brad's recommendation to appoint Tom Angier.

Motion by Kempf, second by Uselman to adopt Resolution 06-02-16 Appointing Tom Angier to the Planning Commission effective June 8, 2016 for a two (2) year eight (8) month term that expires on January 31, 2019.

Motion by Kempf, second by Uselman to adopt Resolution 06-02-16.

Upon voting, Mayor Deiss declared the resolution adopted. All members voting aye.

FIRE DEPARTMENT TURN OUT GEAR BIDS

This item got tabled.

APPOINTMENT OF ELECTION JUDGES

Brad Swenson reminded the City Council that the Primary Election is August 9, 2016 and the General Election is November 8, 2016 and informed them that Rosemary Kostrzewski has found/filled all election judges' positions and that she did a very good job getting this completed.

Motion by Niles, second by Kempf to approve the election judges for the elections for 2016 as presented by Brad Swenson

Niles gave a big thank you to Rosemary for all her hard work.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

R-1 – ZONING – LOT COVERAGE ORDINANCE AMENDMENT

Dean Uselman stated that in the current City Code there is no percentage of lot coverage listed in R-1 but that there is in R-2. Brad Swenson & Dean Uselman both felt that R-1 should be at least as restrictive as R-2 and that buildings should not cover more than 35% of the lots in R-1.

Kempf asked if the current lots are grandfathered in and it was answered yes.

Motion by Uselman, second by Kempf to adopt the Ordinance No. 206, 3rd Series.

Upon voting, Mayor Deiss declared the ordinance adopted. All members voting aye.

POLICE CAR CAMERA QUOTES

Naomi obtained 2 quotes for the new cameras for the police cars. Watch Guard quoted \$9,840.00 for 2 cameras. Digital Ally quoted \$8,645 for 2 cameras. Naomi is recommending to purchase 2 units through Watch Guard. The officers are more familiar and comfortable using the Watch Guard system because that is what they are currently using. These units would be an upgrade from what they have with minimal re-fresher training. Watch Guard in their opinion is an all-around better unit too. Naomi also feels that at this time they only need 2 units due to having one of the vehicles for only one more year and will ask at budget time for the 3rd unit to be included in the budget request along with the new vehicle.

Motion by Uselman, second by Kempf to allow the purchase of 2 units from Watch Guard as recommended by Police Chief Naomi Plautz.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

SURVEY PROPOSALS FROM BOLTON & MENK – SE PROJECT /HIGHWAY 71 SOUTH

Phil Martin has put together some proposals to do some survey work which is not in the contract for replacing monuments or placing block corner monuments within the SE Project. So far there have been a 145 monuments located.

Task 1 – Bolton & Menk located 145 land monuments in the design topography and prior to construction. Survey crews will stake out all 145 monuments to verify position or set new monuments at positions that were disturbed/removed during the construction phase. Quote for Task 1 is \$5,000 - \$7,000.

Task 2 – Set certified monuments at approximately 124 block corners. Additional fieldwork, office computations and/or title work will be required in some areas in order to set the certified monuments (capped 18" long $\frac{3}{4}$ " iron pipes). Provide a survey sketch detailing the block lengths. Survey sketch will be provided to the City and be recorded in the County Recorder's records. Quote for Task 2 is \$15,000 - \$20,000.

Dean Uselman commented that he regularly gets asked about where the property lines are located. He is recommending both tasks to be completed.

Motion by Niles, second by Uselman to move forward with Task 1 & Task 2.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

Phil Martin has a survey proposal to perform a right-of-way monument survey along Jefferson Street between Franklin Avenue and Lincoln Avenue. All work would be managed and supervised by a licensed land surveyor.

Task 1 – Verify or Set certified monuments at approximately 22 block corners (capped 18" long $\frac{3}{4}$ " iron pipes) along Jefferson Street/U.S. Highway 71 between Franklin Avenue and Lincoln Avenue. Extensive fieldwork, office computations and/or title work will be required in some areas in order to set the certified monuments. Provide a survey sketch detailing the block lengths. Survey sketch will be provided to the City and be recorded at in the County Recorder's records. Quote for Task 1 is \$10,000 - \$13,000.

If Task 1 is completed, Bolton & Menk will be able to monument any parcel along this stretch of right-of-way for a reduced rate.

Task 2 – Verify or Set certified monuments for a single parcel along Jefferson Street/U.S. Highway 71 between Franklin Avenue and Lincoln Avenue. Quote for Task 2 is \$1,200 - \$1,400 (per parcel).

Brad Swenson gave a recap on a previous project that was completed and the negative results of not putting the pins back for 2-3 property owners.

Brad Swenson mentioned 2 options at this point. We could leave it and approach it at budget time or we could consider it now and take the expense out of reserves.

Bruce Uselman commented that he would rather wait until budget time with the exception of the 2 or 3 property owners that were promised their pins put back.

Dean Uselman commented that one benefit of doing this would be getting that portion from Howard Ave SE to Lincoln Ave SE plotted which currently is not plotted.

Mayor George Deiss commented that he would like to wait until budget time.

Gillette Kempf will abstain due to her mother's property being in this area.

Tabled until budget time.

1ST ASSISTANT FIRE CHIEF HIRING

Dean Uselman had one applicant for the 1st Assistant Fire Chief vacancy that was left open by Mike Klienke who resigned from that position. Dean is recommending Brian Brauch who has been a firefighter for the Wadena Fire Department for 8 years effective 6-8-16 at current pay schedule.

Motion by Niles, second by Uselman to hire Brian Brauch as 1st Assistant Fire Chief as recommended by Fire Chief Dean Uselman.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

WELLNESS CENTER – CHANGE ORDER – FRANSEN DECORATING, INC.

Brad Swenson reviewed with the Council the change order for staining the exterior letters on the building of the Maslowski Wellness & Research Center in the amount of \$1,920.00 from Fransen Decorating, Inc. The work was completed in the fall of 2014.

Motion by Niles, second by Kempf to approve the change order as presented.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

LIQUOR STORE ASSISTANT MANAGER POSITION HIRING

Brad Swenson and Tim Booth interviewed 5 applicants for the Assistant Liquor Store Manager position and they are recommending hiring Linda Olson at the starting step at \$15.32 effective June 11, 2016.

Motion by Uselman, second by Kempf to hire Linda Olson as recommended.

Upon voting, Mayor Deiss declared the motion carried. All members voting aye.

DEPARTMENT REPORTS

STREET, SEWER & PARKS DEPARTMENTS

Dan Kovar reported that last month the Council approved hiring Shawn Swenson for Heavy Equipment Operator/Maintenance Worker and that Shawn has started this position and is now declining it and would like to return to his previous position. Dan is looking for authorization to advertise this Heavy Equipment Operator/Maintenance Worker position. The City Council authorized Dan to advertise this position.

Dan Kovar asked for help getting public comment on the splash park and he asked the Council to let him know what comments they have received.

ELECTRIC & WATER DEPARTMENTS

Dave Evans reported that his crews have been busy with the SE Project installing conduit and 10 new LED light bulbs have been changed out on Hwy 71 S.

Dave Evans commented about the new AMI System working well and that it doesn't obligate us for finding leaks in private properties plumbing but it will help.

LIQUOR STORE

Tim Booth thanked the Council for approving the hiring of Linda Olson.

WDA/PLANNING & ZONING/FIRE DEPARTMENT

Dean Uselman reported that the WDA would like to pursue an infrastructure grant for the Business Park and is looking for recommendations.

Dean Uselman reported that Planning & Zoning has done a ton of permits and there have been issues with fences and property lines.

Dean Uselman reported that during the excavation for the new sewer line for the Bearings and More that they found 3 buried tanks. Dean also reported that the fireman did a great job stopping the recent fire at the Howard Apartments.

POLICE DEPARTMENT

Police Chief Naomi Plautz reported that on June 23rd St. Ann's Catholic Church is hosting a Red, White & Blue Mass for emergency personnel that is open to the public.

WELLNESS CENTER MANAGER

Eric Robb was absent.

CITY ADMINISTRATOR

Brad Swenson reported that he received an email from CGMC stating that they would like to meet with us at the next City Council meeting or a Special Meeting. The Council preferred to meet at a regular monthly meeting. Brad stated that he will get this set up.

Brad Swenson reported the CGMC Annual Meeting is in Austin Minnesota and needs to know if anyone would like to attend.

COUNCIL REPORTS

Bruce Uselman has nothing to report.

Don Niles reported that he has had one person in favor of the splash park and one person against it approach him.

Don Niles asked Dan Kovar if the fishing signs in Sunnybrook Park could get removed.

Gillette Kempf reported that she recently had family visiting from Massachusetts and one of them is a wine connoisseur and he complimented the liquor store on a very well put together selection.

Gillette Kempf reported that there is still a lot of bicyclists riding bikes on the sidewalks and that she is trying her best to put a stop to it.

Deb Wiese was absent.

MAYOR'S REPORT

Mayor George Deiss reported that he has had 4 people in favor of the splash park and 2 against it approach him and also that the Goedel Foundation has awarded \$8,000 to go towards the splash park.

Mayor George Deiss reported that Jordan Kern made it to State for Golf and that 33 kids have signed up for Summer Golf.

Mayor George Deiss reported that he met with local Mayors in New York Mills today.
Mayor George Deiss reported that the Governor did not sign the tax bill and that a Special Session may not be called.

Mayor George Deiss reminded the Council that the June Jubilee is next week and that the Council Members can ride in the fire truck again.

ADJOURNMENT

Motion was made by Niles, second by Kempf to adjourn at 8:15 p.m.

Bradley A. Swenson
City Administrator

George Deiss
Mayor