

MINUTES  
REGULAR WASECA CITY COUNCIL MEETING  
WEDNESDAY, MARCH 2, 2016

9A

**CALL TO ORDER/ROLL CALL**

- 1 The regular Waseca City Council meeting was called to order at 7:00 p.m. by Mayor John Clemons.

Councilmembers present:

|                    |                   |
|--------------------|-------------------|
| Mayor John Clemons | Allan Rose        |
| Fred Salsbury      | Mark Christiansen |
| Ann Fitch          | Daren Arndt       |
| Les Tlougan        |                   |

Staff present:

Danny Lenz, City Manager  
Mark DuChene, City Engineer  
Penny Vought, Police Chief  
Mary Buenzow, Records Secretary

**MOMENT OF SILENT PRAYER/PLEDGE OF ALLEGIANCE**

- 2 A moment of silent prayer was observed. The Pledge of Allegiance to the Flag was recited.

**APPROVAL OF AGENDA**

- 3 It was moved by Tlougan, seconded by Arndt, to approve the agenda as presented; the motion carried 7-0.

**VISITORS, REQUESTS AND COMMUNICATIONS**

4a **“Connections” Visitation Center update**

**Shelly Hovland, 621 North State Street, and Katie Thomas, 803 Northwest Street, Janesville,** addressed the Council and provided an update of the Visitation Center.

Ms. Hovland explained the center was started by a grant in 2012 and they recently received an extension of the grant, which will allow them to be operational for another year. In 2013 the Center served 21 families and 34 children and the numbers have grown steadily since the Center opened, to 200 visits and 40 exchanges.

Ms. Hovland stated the Center serves clients from 8 Minnesota counties and provides accessibility for many families who are living at or below the poverty level, or have no means of transportation. She stated there are some clients who walk to the Center.

Ms. Thomas added the Center also serves clients from MN Prairie Human Services and other agencies as well. Seventeen families and 36 children came to the Center from these other agencies.

Mayor Clemons stated he appreciates the service the Center provides and has heard good things about it. He wondered where visitations were taking place prior to the Center. Ms. Hovland stated many exchanges and visitations were taking place in parking lots, and other family members were put into uncomfortable positions of monitoring the visitations.

Mayor Clemons suggested the Center be advertised. Ms. Hovland replied they have placed information on various directories and brochures are placed in many locations, including police cars so officers can hand them out.

Councilmember Tlougan asked for an example of what takes place at the Center. Ms. Hovland explained during an exchange the parents come in separate entrances at different times. The children are taken from one parent and handed to another. At no time are the parents in contact with each other. The visits take place in the police building where behavior is monitored and the visitations are videotaped and a staff person is present in the room.

The Council thanked Ms. Hovland and Ms. Thomas for their presentation.

**Mayor Clemons asked if there was anyone else in the audience, not on the agenda, who wished to address the Council at this time. There were no further comments.**

#### **PUBLIC HEARINGS**

- 5a Amendment to Tax Abatement & Business Subsidy Agreement – Winegar, Inc.  
**Resolution No. 16-08** – Authorizing Amendment to Tax Abatement & Business Subsidy Agreement with Winegar, Inc.

On June 15, 2012 the City of Waseca entered into a Tax Abatement and Business Subsidy agreement with Winegar, Inc. to assist in funding the construction of an addition to their existing facility. The project was evaluated according to the City of Waseca Tax Abatement Policy to determine the term of the abatement. The project was awarded the following points:

- 5-points: Create jobs paying \$2.00 over current minimum wage
- 10-points: Retention of 10 jobs
- 6-points: Creation of 6 new jobs
- 5-points: Construction of building
- 5-points: Expansion critical to the growth of Waseca
- Total: 31-points - Qualifies for 10-year Tax Abatement

As part of the agreement Winegar, Inc. is required to report on their progress toward meeting the goals for job retention and growth, with penalties for not meeting the anticipated goals. The first year of tax abatement payments was scheduled to begin in 2015, with the reporting being required prior to payments being made. The terms of the agreement were for payments of \$9,599 per year for ten years for a total of \$95,990.

Winegar, Inc. informed the City, prior to the distribution of funds, that they had not met the job retention and creation goals, with all 10 position being eliminated and no new jobs being created. Winegar, Inc. staff asked City staff what options were available to continue the tax abatement. Staff has reviewed the abatement terms, and has researched the value generated by the project. The estimated market value of the abated properties post-project was \$1,368,900, while the actual market value for 2015 is \$1,528,600. Staff has also re-scored the

project based on the post-project conditions for a total of 15-points. Based on the re-scoring, the project would have likely qualified for a 5-year Tax Abatement without the job retention and creation component. Based on this information staff has developed several options for the City Council to consider.

The City of Waseca Economic Development Authority has reviewed the request and has recommended the City Council amend the agreement to remove the job creation and retention requirements.

Councilmember Tlougan asked what should be done next, so this does not happen again. The City Manager replied an updated business subsidy policy was presented at the last EDA meeting for their review.

**The public hearing opened at 7:10 p.m.** There were no comments. **The public hearing closed at 7:10 p.m.**

It was moved by Fitch, seconded by Rose, to adopt Resolution No. 16-08, A RESOLUTION OF THE WASECA CITY COUNCIL AUTHORIZING AMENDMENT TO TAX ABATEMENT & BUSINESS SUBSIDY AGREEMENT WITH WINEGAR, INC.;

#### DISCUSSION

Mayor Clemons stated he is glad the Council is flexible in these circumstances and this is a good reason to change the policy. He appreciated that Winegar went for the expansion.

Councilmember Salsbury commented the economic times are not the same as when the policy was developed.

#### VOTE ON THE MOTION

The motion carried 6-0-1 (Arndt abstained as an employee of Winegar, Inc.)

Tim Wenzel, Winegar, Inc., thanked the City for working with Winegar on this issue and stated the company will try to be good corporate citizens.

#### **5b Adoption of Ordinance No. 1041 – Amending Chapter 36.01 of City Code, Master Fee Schedule**

With the anticipated completion of the Northeast Park Pavilion this spring staff has been reviewing the Master Fee Schedule to determine the appropriate price for the rental of this facility. In addition staff has reviewed the existing fees for park and park facility rentals. The current fees offer a large variety of rates based on day of the week, length of rental time, entity and residency. This fee structure can be difficult for residents and visitors to understand and is burdensome to staff to administer.

The proposed changes to the park rental fees eliminates the weekend and weekday rates, non-resident rates and the ½ pavilion rates for all facilities except the Johnson Pavilion at Clear Lake Park. It also adds the 4-hour and All Day fee for the Northeast park Pavilion (\$45 and \$90 respectively). The Water Park fee for Punch cards has also been updated to eliminate the 20 and 30 visit punch card options. Staff recommends that these fees be incorporated into the fee schedule via Ordinance No. 1041.

Councilmember Salsbury commented one reason for the resident/non-resident fees at the water park is because the Council told residents they would get a break in water park fees.

Councilmember Fitch inquired whether we still need the swimming lesson fees. The City Engineer replied the water park may still offer private lessons and lessons for tots.

**Mayor Clemons opened and closed the public hearing at 7:18 p.m. with no public comments.**

It was moved by Tlougan, seconded by Clemons, to adopt Ordinance No. 1041, AN ORDINANCE OF THE CITY OF WASECA, MINNESOTA AMENDING CHAPTER 36.01 OF THE CITY CODE; MASTER FEE SCHEDULE; the motion carried 7-0.

### **ROUTINE BUSINESS**

6a **Resolution No. 16-10** – Resolution of Support and Funding Commitment for Local Trail Connection Program Grant Application

At the February 16, 2016, City Council Meeting, the City Council directed staff to assist with the application for a MnDNR Local Trail Connections Program Grant for phase 1 of the northeast trail connection (see attached map). Part of the grant application requirements is a supporting resolution from the local government authority.

This grant application would commit the City to at least a 25% local fund match for the grant. The total estimated cost for the proposed project is \$160,000. This commits the City to at least \$40,000. These funds have not been appropriated but since this would likely be a 2017 construction project these funds would be identified through the 2017 budget process and likely come from the capital improvement fund.

It was moved by Rose, seconded by Tlougan, to adopt Resolution No. 16-10, A RESOLUTION OF THE WASECA CITY COUNCIL SUPPORTING APPLICATION FOR A MINNESOTA DEPARTMENT OF NATURAL RESOURCES LOCAL TRAIL CONNECTIONS PROGRAM GRANT;

### **DISCUSSION**

Councilmember Tlougan commented it is nice when people from the community come forward and push the Council in the right direction. He commended Roger Ashland and the Retired Citizens of Waseca group for their efforts.

**Roger Ashland, 522 11<sup>th</sup> Avenue NW**, addressed the Council and stated City staff has been great to work with, and this has been a very pleasant experience. Mayor Clemons stated Mr. Ashland and his group were committed enough to this project that they were willing to do fundraising for it.

### **VOTE ON THE MOTION**

The motion carried 7-0.

**UNFINISHED BUSINESS**

**7a Appoint Downtown Walkway Task Force**

The City Council approved the creation of a Downtown Walkway Park Taskforce at the February 16, 2016 City Council meeting. Staff has reached out to possible members of the taskforce and proposes the following taskforce:

- Mark DuChene, Waseca Director of Engineering
- Mark Bartelt, Waseca Park Director
- Amy Swain, Adjacent Property and Business Owner at 118 North State Street
- Oscar Marquez, Adjacent Property Owner at 112 North State Street
- Tracy Jevning, Downtown Business Owner and Member of Waseca Downtown District Partnership
- Park Board Member (to be assigned at next park board meeting)
- City Council Member

All meetings will be scheduled and posted and be open to the public for participation. The taskforce is proposed to bring back ideas for the Park Board to consider recommending to the City Council.

Councilmember Salsbury stated he would like an official representative from the Chamber to also serve on the taskforce. Mayor Clemons felt this is a good idea, but it should be a business owner and not a Chamber staff member.

Councilmember Arndt volunteered to serve on this task force as the council representative.

It was moved by Clemons, seconded by Tlougan, to appoint a Downtown Walkway Task Force with the above-mentioned members, including Daren Arndt as the Council representative, and also a member appointed by the Chamber; the motion carried 7-0.

**7b Appoint Downtown Winter Decorations Task Force**

The City Council approved the creation of a Downtown Winter Decorations Taskforce at the February 16, 2016 City Council meeting. Staff has reached out to possible members of the taskforce and proposes the following taskforce:

- Ann Fitch, City Council Member
- Tracy Jevning, Downtown Business Owner and Member of Waseca Downtown District Partnership
- Steve Burnett, Waseca Resident
- At-Large (if desired)
- At-Large (if desired)
- Carl Sonnenberg, Utilities Director
- Mark Duchene, City Engineer
- Tim Roessler, Public Works Maintenance Superintendent

All meetings will be scheduled and posted and be open to the public for participation. The taskforce is proposed to bring back ideas for the City Council to consider.

The City Manager commented Andrew Miller may be one of the at-large members. Councilmember Salsbury stated he felt someone appointed by the Chamber should also be a member of this task force.

It was moved by Salsbury, seconded by Rose, to appoint a Downtown Winter Decorations Task Force, including a member appointed by the Chamber;

#### DISCUSSION

Mayor Clemons commented this group is being called “Winter Decorations Task Force” simply because winter decorations can be left up longer than Christmas decorations, and will offer more leeway as to what designs can be chosen.

#### NEW BUSINESS

8 None

#### CONSENT AGENDA

9 It was moved by Rose, seconded by Arndt, to approve the Consent Agenda as presented; the motion carried 7-0 and included the following actions:

- a. Minutes – Regular City Council meeting – February 16, 2016 – were accepted and placed on file.
- b. Payroll & Expenditures – February 2016 – were authorized for payment.
- c. Payment Request #5 – Waseca Public Library Remodel Phase 2 – was authorized for payment.

#### CITY MANAGER’S REPORT

10 **The City Manager provided the following report:**

Regarding the Elm Avenue Project, yesterday Waseca County Board voted to amend the settlement agreement with MnDOT to extend the required completion date from 2017 to 2018. This is important to staff, as we are on a tight time schedule and this will give us a better planning schedule. The term “completion” has been defined as “open to traffic with no lane restrictions”. City Manager stated we anticipate the contract with our contractor would extend into 2019 to deal with project and warranty work, etc.

Councilmember Salsbury wondered when this agreement occurred as MnDOT was concerned that we were going to get the project done in 2017. The City Engineer stated MnDOT District 7 is aware of the amendment agreement. The grant is for 2019 funds so as long as we get the project done by 2019 he does not feel there would be any concerns.

The City Manager reported he attended a scheduling conference regarding Pondview. The trail has been set for October 18<sup>th</sup> and 19<sup>th</sup>. We are still working with the property owner but staff is proceeding as if it is going to trial.

Councilmember Christiansen questioned if this means nobody can build in Pondview at this time. The City Manager stated if someone came in for a building permit, the City would be obligated to grant it, but the DNR would stop it.

The City Manager reminded the Council of the retreat tomorrow evening at 6:00 p.m. in the Public Safety Building Community Room. If there are items the Council would like to discuss, please let him know.

**ANNOUNCEMENTS**

- 11 Councilmember Christiansen announced March is an active month for the Boy Scouts, with their burger and fish fry fundraiser at the American Legion next Friday.

Councilmember Christiansen stated on Saturday, March 12<sup>th</sup> there is a concert at the Art Center, featuring two local musicians. Concert times are 3:00 p.m. and 7:30 p.m. and tickets are \$15.00 each.

Councilmember Christiansen stated the Boy Scouts Scouting For Food fundraiser begins on March 12<sup>th</sup>. Last year over 2400 pounds of food was collected and the Scouts will try to increase that amount this year.

Councilmember Christiansen commented he has some ideas he would like to discuss at the retreat, i.e. how to sell Waseca, get it developed and people involved with their ideas. He felt this is a key year and hopes to hear some good ideas. Councilmember Christiansen welcomed Chamber members or anyone who would like to have a say in the Council's priorities.

Councilmember Arndt wished the Waseca High School Boys Basketball team good luck this week.

Mayor Clemons commented there is a significant amount of garbage and debris at the house on 2<sup>nd</sup> Street NW. He has brought this to staff's attention and the City Manager has informed him that staff has a plan to address this issue.

**ADJOURNMENT**

- 12 There being no further business to be brought before the Council, it was moved by Arndt, seconded by Rose, to adjourn the meeting at 7:47 p.m.; the motion carried 7-0.

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JOHN CLEMONS  
MAYOR

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MARY BUENZOW  
RECORDS SECRETARY