

# **CITY OF WILLMAR**

## **MISSION STATEMENT**

The City of Willmar is committed to providing responsible municipal service in an open, effective and efficient manner to all citizens of the local and area community. The ultimate goal is to preserve and enhance the quality of life for future generations.

## **COMMUNITY VALUES**

Fiscal Responsibility

Excellence in the Delivery of Service

Quality Service

Ethics and Integrity

Visionary Leadership and Planning

Open and Honest Communication

Professionalism

RESOLUTION NO. 17-90

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA  
SUPPORTING THE CONSENSUS OF THE JULY 22, 2017 STRATEGY WORK SESSION

Motion By: Plowman

Second By: Mueske

WHEREAS, the City Council of the City of Willmar on July 22, 2017 held a Council Strategical Retreat to prioritize and reach a consensus with respect to views on capital projects.

WHEREAS, multiple projects were discussed under three categories defined as Facilities, Stormwater Management and Parks to provide additional guidance regarding execution of those projects.

WHEREAS, the following summary of capital priorities was reached:

Facilities:

1. City Hall (high consideration given to consolidation of multiple facilities)
2. Civic Center (ice plant is urgent/consider consultant for master plan)
3. Community Center/Auditorium tied (both guided by community input, tuckpointing of Auditorium immediate concern)
4. Aquatic Center (pool bottom repair immediate concern)

Stormwater Management:

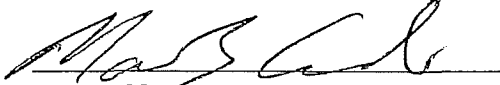
1. Western Interceptor (design 2017, construction 2018)
2. Menards (design and land purchase 2018, construction 2019)
3. Kennedy School Area (not likely in the next five years)
4. Analyze annually and adjust plans

Parks:

1. Robbins Island (\$250,000 match to receive \$606,000 Legacy Grant)
2. Neighborhood Parks and Playgrounds (replace play units)
3. Rice Park/Miller Park (complete Rice to plan, reconstruct tennis courts at Miller)
4. Swansson Park (improved lighting for Baker Field)

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar that the priorities developed at the July 22, 2017 Council Work Session be supported and developed into next year and future City budgets.

Dated this 7<sup>th</sup> day of August, 2017

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk



**WILLMAR CITY COUNCIL MEETING  
MONDAY, JULY 15, 2019 7:00 PM  
COUNTY BOARD ROOM, HEALTH AND HUMAN SERVICES BUILDING  
2200 – 23<sup>RD</sup> STREET NE, WILLMAR, MINNESOTA**

**AGENDA**

1. Call Meeting to Order
2. Roll Call
3. Pledge of Allegiance
4. Proposed Additions or Deletions to Agenda
5. Consent Items  
Approve:     A. City Council Minutes of July 1, 2019  
               B. Willmar Municipal Utilities Board Minutes of July 8, 2019  
               C. Planning Commission Minutes of July 1, 2019  
               D. Application for Exempt Permit – United Way of West Central Minnesota  
               E. Application to Conduct Excluded Bingo – Pennock Lions Club  
               F. Accounts Payable Report June 27 through July 10, 2019  
Accept:       G. Park and Recreation Board Minutes of June 19, 2019  
               H. Monthly Building Report for June, 2019  
Information:  I. Appointment of Khalif Bashir to Board of Zoning Appeals
6. Approve Consent Agenda Items
7. Items Removed from Consent Agenda
8. Open Forum
9. Hearings:  
7:01 p.m. – Ordinance Authorizing Issuance of General Obligation Bonds, Series 2019A  
              Resolution for Consideration of Parameters  
7:02 p.m. – Resolution for Modification to Legacy on First TIF Plan and Municipal Development  
              District  
7:03 p.m. – Resolution for Modification to GM/Magnum TIF Plan and Municipal Development  
              District  
7:04 p.m. – Ordinance Authorizing the Sale of Real Property to Hoffman Construction Company  
              Resolution for Consideration of Land Purchase Agreement
10. Consideration of Introduction of Ordinance for Sale of Real Property to Viaene
11. Labor Relations Committee Report of July 8, 2019  
Action Item:  A. Consideration of Wastewater Working Foreman Job Description Update  
               B. Consideration of Employee Personnel Policy – 5<sup>th</sup> Section
12. Public Works/Safety Committee Report of July 10, 2019  
Action Item:  A. Resolution to Authorize Willmar Police Department Grant Participation  
               B. Consideration of Sale of Fire Truck  
               C. Resolution to Authorize Contracts for Sperry Tennis Court Project

D. Resolutions to:

- 1) Accept Change Order No. 1 for Project No. 1804
- 2) Accept Project No. 1804 and Authorize Final Payment to Duininck Inc.

13. Consideration of International City/County Managers Association Contract
  - 1) Resolution Approving City Administrator's Choice
  - 2) Resolution Approving the Use of ICMA by the City
  - 3) Resolution Approving Contract for ICMA Participation to be Signed by Mayor
14. Consideration of Premise Permit – Green Mill
15. Council Members' Announcements
16. Adjourn



**WILLMAR CITY COUNCIL PROCEEDINGS**  
**BOARD ROOM**  
**HEALTH AND HUMAN SERVICES BUILDING**  
**WILLMAR, MINNESOTA**

July 1, 2019  
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, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman and Audrey Nelsen. Present 9, Absent 0.

Also present were Interim City Administrator Brian Gramentz, Police Chief Jim Felt, Park and Recreation Director Rob Baumgarn, Planning and Development Services Director David Ramstad, Public Works Director Sean Christensen, Human Resource Director Samantha Beckman, Fire Chief Frank Hanson, City Clerk Judy Thompson, City Attorney Robert Scott, and Public Works Superintendent Gary Manzer.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda as presented. Council Member Nelsen seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda.

- A. City Council Minutes of June 17, 2019
- B. Willmar Municipal Utilities Board Minutes of June 24, 2019
- C. Planning Commission Minutes of June 19, 2019
- D. Accounts Payable Report June 13 through June 26, 2019
- E. Park and Recreation Board Minutes of May 15, 2019
- F. Central Community Transit Operations Board Minutes of May 28, 2019
- G. Willmar Lakes Area CVB Board Meeting Minutes of May 14, 2019

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Mueske seconded the motion which carried.

Public Works Superintendent Gary Manzer introduced two new Public Works Operators - Megan Iiams and Jason Wog, and new Public Works Mechanic - Josh Juven to the Mayor and Council. He stated Ms. Iiams and Mr. Wog began their employment with the City two weeks ago, and Mr. Juven began his employment with the City today. Mayor Calvin and members of the Council welcomed them to the City.

Steve Wright, Willmar, addressed the Mayor and Council during the Open Forum. Mr. Wright spoke in support of approving the new Stingers Lease.

The Finance Committee Report for June 20, 2019 was presented to the Mayor and Council by Council Member Nelsen. There were four items for consideration.

Item No. 1 The Willmar Stingers Lease with the additional wording addressing the usage of the concession stand was again reviewed. Both the Park and Recreation Board and the Planning Commission have recommended approval of the ten-year length of the agreement and inserted wording for the use of the concession stand and process to be used for all organizations in relationship to the Stinger Organization. It was the recommendation of the Committee to introduce a Resolution to authorize the Mayor and City Administrator to sign the Lease Agreement as submitted.

**Resolution No. 19-094 Authorizing the Agreement with Willmar Baseball, LLC (Stingers) for Lease of City of Willmar's Taunton Stadium and Baker Baseball Field** was introduced by Council Member Nelsen. Council Member Fagerlie seconded the motion.

Following discussion, Council Member Alvarado offered a friendly amendment to add the following language in paragraph 34: "For non-League events at the Facility conducted by Ridgewater College, Willmar High School, the Minnesota State High School League, American Legion, VFW or Willmar Rail games, or any other organization who may be granted use of the Facility, the organization responsible for the event may, as an alternative to contracting with Lessee for the operation of the Concessions Stand during such event, locate temporary concessions facilities on the Facility's premises and conduct concessions sales on its own behalf, subject to all of the requirements in this Section that would be applicable to Lessee if Lessee were operating the Concessions Stand for such event."

Council Member Plowman called point of order. Mayor Calvin ruled that a friendly amendment was necessary as a change in verbiage to the lease that was provided the Mayor and Council is being proposed. Council then approved the ruling of Mayor Calvin.

City Attorney Robert Scott stated this is a minor change to the lease and the parties involved had no objection to the change.

Stingers co-owner Marc Jerzak addressed the Mayor and Council and stated the Stingers are in agreement with the language in the friendly amendment. He also stated various activities have already been taking place in the ballpark over the last ten years.

The original motion then carried on a roll call vote of Ayes 8, Noes 0.

Item No. 2 Staff submitted a request to the committee to start the process to finance the 2019 Street Improvement Program. The process that is required would be: 1) to introduce an Ordinance Authorizing the Issuance of \$4,740,000 in General Obligation Improvement Bonds Series 2019A and the Levying of Taxes to Secure Payment of them, and 2) to introduce a resolution to set a public hearing on the ordinance. It was the recommendation of the Committee to introduce an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Therefor.

Council Member Nelsen **introduced an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Therefor.** Council Member Mueske seconded the motion which carried.

**Resolution No. 19-095 Calling for Public Hearing on an Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and Levying Taxes for the Payment Thereof** was introduced by Council Member Nelsen, and a public hearing was set for July 15, 2019 at 7:01 p.m. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Item No. 3 Staff explained to the committee now that the referendum, state statute and ordinance have all been passed, and in order to finance any costs incurred prior to issuing of any debt the City would need to declare its intent to reimburse itself for those costs. Staff also explained that by setting the amount in the resolution at the maximum allowed that no further intent resolutions would be needed. It was also explained that this would not require the City to issue the total amount of \$ 30,000,000, if timing of projects allow cash to be used to cover the costs. It was the recommendation of the Committee to introduce a resolution declaring the Official Intent of the City of Willmar to Reimburse Certain Capital Expenditures from the Proceeds of Tax-Exempt Bonds.

**Resolution No. 19-096 Declaring the Official Intent of the City of Willmar, Minnesota, to Reimburse Certain Capital Expenditures from the Proceeds of Tax-Exempt Bonds** was introduced by Council Member Nelsen. Council Member Fagerlie seconded the motion.

Following discussion, and explanation from Ehlers Senior Municipal Advisor Todd Hagen and City Attorney Robert Scott, the motion carried on a roll call vote of Ayes 8, Noes 0.

Item No. 4 The May Monthly Finance Report was reviewed by the committee with discussion on timing, and staff indicating that the June report is a more accurate report to review since it will be after any audit adjustments, first half of the year, and starting the next year budget process. This item was for information only.

The Finance Committee Report of June 20, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Fagerlie seconded the motion, and carried.

The Community Development Committee Report for June 24, 2019 was presented to the Mayor and Council by Council Member Fagerlie. There were three items for consideration.

Item No. 1 Staff informed the Committee that the floodplain ordinance is a draft for vetting purposes only, and that staff are seeking feedback from the committee members. The committee was also informed that the draft floodplain ordinance has thus far been vetted by the City Administrator, City Attorney and Department Directors. After committee input, the intention of staff is to forward the draft floodplain ordinance to the other elected officials for further vetting, prior to its return for final committee review. During discussion, the committee was informed that participation in the National Flood Insurance Program (NFIP) could result in mortgage lenders requiring up to seven homes in the floodplain to carry NFIP-backed flood insurance - but, only if the home has a mortgage. Staff also informed the committee that there are negligible costs associated with the City becoming an NFIP participant because there is such a low number of homes in the floodplain. Thus, NFIP participation would require minimal enforcement by the City Building Official. Additionally, the committee was informed that NFIP participation would allow all non-floodplain homeowners to voluntarily get NFIP-backed flood insurance for flooding caused by rain and storm water runoff - a type of insurance excluded from regular homeowner's insurance. Finally, the committee was informed that based on feedback thus far, it continues to be Dr. Ramstad's recommendation to participate in the National Flood Insurance Program (NFIP), and that staff will bring this agenda item back to the Committee before moving forward. This item was for information only.

Item No. 2 The purpose of this agenda item was to receive committee approval to proceed to Council for a first meeting to present the modifications to the tax increment financing (TIF) plan for the Legacy on First TIF Plan and Municipal Development District No. II, followed by a second public hearing to adopt the resolution for said TIF modification. The TIF modification addresses two issues: first, the Assistant State Auditor's requirements and second to adjust the size of Municipal Development District so that it better supports current and future Willmar TIF projects.

The committee was informed that both the GM/Magnum and Legacy TIF plans have both been completely amended and restated in similar ways to give clarity, while also maintaining their intent and their original financial arrangements.

First, the modified TIF plan addresses Assistant State Auditor Jason Nord's concerns that the Legacy on First and GM/Magnum TIF plans cite old state laws; that the duration of the original TIF is not correct in that it is supposed to be +1 year per TIF guidelines (i.e. 15+1=16 years, instead of the 15 years currently stated); that Legacy on First appears to suggest an extension may be necessary but is unclear; that the estimates of tax increment to be generated provide two estimates and unconventionally separates administration costs out; that estimates on the "plan collection form" and "plan document" do not match - there are small discrepancies in annual amounts used; that the ultimate cost estimates are left blank, and the Assistant State Auditor found it unclear whether the cost estimates recognize the "original net tax capacity" (ONTC) of the district in relation to project costs.

Secondly, the modified TIF plan addresses an inappropriately sized Municipal Development District, which had been made the same size as the project's TIF district. The Municipal Development District has been enlarged to be coterminous with the City limits so that, per state law, a portion of money from the TIF districts are available to be spent on other TIF-eligible projects in the larger Municipal Development District (if the City Council so chooses). The Municipal Development District was also enlarged so that the City will not need to modify its size over again. Expanding the Municipal Development District to be coterminous with the city limits simplifies existing and new TIF administration because parcel boundaries change over time, and parcels often get combined and split, natural occurrences that make it difficult to maintain the boundaries of the Municipal Development District that was originally coterminous with the project's TIF district. It was the recommendation of the Committee to introduce a public hearing at Council on July 1st, 2019, and then to have the public hearing during the July 15th Council meeting for approval of a resolution to modify the TIF Plan and Municipal Development District.

Following discussion, Council Member Fagerlie offered a motion to set a public hearing for July 15, 2019 to modify the TIF Plan and Municipal Development District. Council Member Mueske seconded the motion which carried.

Item No. 3      Committee informed that this item is virtually identical to the above item (restated below).

The purpose of this agenda item was to receive committee approval to proceed to Council for a first meeting to present the modifications to the tax increment financing (TIF) plan for the GM/Magnum TIF District No. 3 and Municipal Development District No. VI, followed by a second public meeting to adopt the resolution for said TIF modification. The TIF modification addresses two issues: first, the Assistant State Auditor's requirements and second to adjust the size of Municipal Development District so that it better supports current and future Willmar TIF projects. The committee was informed that both the GM/Magnum TIF Plan have been completely amended and restated to give clarity, while also maintaining their intent and their original financial arrangements.

First, the modified TIF plan addresses Assistant State Auditor Jason Nord's concerns that the GM/Magnum TIF plan cites old state laws; that the duration of the original TIF is not correct in that it is supposed to be +1 year per TIF guidelines (i.e. 8+1=9 years, instead of the 8 years currently stated); that GM/Magnum appears to suggest an extension may be necessary but is unclear; that the estimates of tax increment to be generated provide two estimates and unconventionally separates administration costs out; that the ultimate cost estimates are left blank, and the Assistant State Auditor found it unclear whether the cost estimates recognize the "original net tax capacity" (ONTC) of the district in relation to project costs.

Secondly, the modified TIF plan addresses an inappropriately sized Municipal Development District, which had been made the same size as the project's TIF district. The Municipal Development District has been enlarged to be coterminous with the City Limits so that, per state law, a portion of money from the TIF districts are available to be spent on other TIF eligible projects in the larger Municipal Development District (if the City Council so chooses). The Municipal Development District was also enlarged so that the City will not need to modify its size over again. Expanding the Municipal Development District to be coterminous with the city limits simplifies existing and new TIF administration because parcel boundaries change over time, and parcels often get combined and split, natural occurrences that make it difficult to maintain the boundaries of the Municipal Development District that was originally coterminous with the project's TIF district. It was the recommendation of the Committee to introduce a public hearing at Council on July 1st, 2019, and then to have the Public Hearing during the July 15<sup>th</sup> Council Meeting for approval of a resolution to modify the TIF Plan and Municipal Development District.

Following discussion, Council Member Fagerlie offered a motion to set a public hearing for July 15, 2019 to modify the TIF Plan and Municipal Development District. Council Member Mueske seconded the motion which carried.

The Community Development Committee Report of June 24, 2019, was approved and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie. Council Member Mueske seconded the motion, and carried.

The Labor Committee Report for June 24, 2019 was presented to the Mayor and Council by Council Member Mueske. There were five items for consideration.

Item No. 1 There was a public comment by Deb Stulen stating that she has been an employee of the City since 2002 under the supervision of the City Clerk's Department as Secretary/Receptionist. She also stated that her work is assigned by the City Clerk which includes Special Assessments, Elections, City Auctions, Liquor Licensing, City Events, and several other duties related to the Clerk's department. This item was for information only.

Item No. 2 Staff presented the responses to one of the questions from our Employee Engagement Survey, recently completed by City staff. Council Member Davis had inquired about what Council Members could do to improve employee morale at the City so that question was added to a recent survey. The majority of the responses received were all actions/items that could be implemented at no cost to the City. There were two items that require funding that the committee would like to explore further: implementing a strengths finder program and allocating money in the budget for Employee Events (Pool Party, Holiday Party, etc.). This item was for information only.

Item No. 3 Staff presented the fourth section of the updated employee personnel policy obtained from the League of MN Cities. Text in black is League's recommended language and text in green is language pulled from our existing Personnel Policy. It was the recommendation of the Committee to adopt the fourth section of the new Personnel Policy.

Council Member Mueske offered a motion to adopt the fourth section of the new Personnel Policy. Council Member Alvarado seconded the motion which carried.

Item No. 4 Staff presented the fifth section of the updated employee personnel policy obtained from the League of MN Cities. At the League's recommendation, staff is utilizing their handbook template and customizing it to Willmar's policies and procedures. This item was for information only.

Item No. 5 A motion was made by Council Member Alvarado, seconded by Council Member Davis and passed to go into closed session pursuant to Minn. Stat. 13.D.03 subdivision 1(b) to discuss Labor Negotiations Strategy. This item was for information only.

The Labor Committee Report of June 24, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Mueske. Council Member Alvarado seconded the motion, and carried.

The Finance Committee Report for June 25, 2019 was presented to the Mayor and Council by Council Member Nelsen. There was one item for consideration.

Item No. 1 Representatives from Engan and Associates were present to explain the changes made in the design of the proposed Robbins Island Four Season Shelter. The proposed changes as described would reduce previously presented estimates and designs to fall within the estimated dollars available for the project. A number of items discussed were the changes from previous proposals which were: less plumbing due to the size being reduced to a 56x50 building, no fireplace, no upper mechanical room, LP siding, no staff office, program space or storage, HVAC to propane furnace, less site paving, no fire pit, compost by city and none structural fill supplied by City. Other items explained included the contingency amount is planned to cover any soil corrections needed due to the geo-technical unit price being in the estimates, any furnishings and site plantings and landscaping that would be added if funds are available. After lengthy discussion, items that the

committee would like to see bid as alternates included the following: 1) Asphalt shingles instead of standing seam metal roofing; 2) Air conditioning; 3) Wood ceiling in community room; 4) Spray foam insulation; 5) Ground concrete floor; and, 6) Wall feature in community room. It was the Committee's recommendation to approve the proposed concept drawings as presented, order the preparation of plans and specification and advertise for bids.

Recreation Director Rob Baumgarn and Engan and Associates representative Richard Engan explained the proposed concept drawings to the Mayor and Council.

Following discussion, Council Member Nelsen offered a motion to approve the proposed concept drawings as presented, order the preparation of plans and specifications and advertise for bids. Council Member Fagerlie seconded the motion which carried.

The Finance Committee Report of June 25, 2019, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Nelsen. Council Member Fagerlie seconded the motion, and carried.

At 7:46 p.m. Mayor Calvin reconvened the assessment hearing from June 17, 2019 to address the proposed assessment amounts on Parcel Nos. 95-912-0952 and 95-914-2350. Public Works Director Sean Christensen presented a request to amend the 2019 Assessment Roll to address the concerns brought forth at the assessment hearing held June 17, 2019 from the property owners of these two parcels. Following review with City staff, Parcel No. 95-912-0952 was amended from \$20,160.00 to \$8,000.00 and 95-914-2350 was amended from \$28,285.45 to \$23,811.58,

There being no one present to speak for or against the proposed amended assessment amounts, Mayor Calvin closed the hearing at 7:47 p.m. and opened it up for discussion by the Council.

Following discussion, **Resolution No. 19-097 Amending the 2019 Assessment Roll** was introduced by Council Member Fagerlie. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Public Works Director Sean Christensen presented a request to allow Hoffman Construction to purchase approximately 11.5 acres of city-owned land in the southeast corner of County Road 55 and Highway 40.

Council Member Plowman **introduced an Ordinance Authorizing the Sale of Real Property to Hoffman Construction Company**, and set a public hearing for July 15, 2019. Council Member Mueske seconded the motion which carried.

Public Works Director Sean Christensen presented a request to approve Hoffman Construction Company to use the old airport taxiway and driveway to the Very High Frequency Omni-Directional Range (VOR) building for fill material for the Willmar Wye Project. Mr. Christensen and Hoffman Construction Project Manager Todd Hoffman presented pertinent information regarding the proposed project.

Following discussion, Public Works Director Sean Christensen was directed to work with Hoffman Construction to include the removal of the old VOR building in the project.

Council Member Plowman offered a motion to approve staff's request. Council Member Asmus seconded the motion which carried.

Public Works Director Sean Christensen presented a request to use the material staging area on old airport runway for Willmar Wye Project by Hoffman Construction, and stated the material would be removed prior to snow removal storage.

Council Member Plowman offered a motion to approve staff's request. Council Member Asmus seconded the motion which carried.

City Clerk Judy Thompson presented a request from the Willmar Lakes Rotary Club for One-Day to Four-Day Temporary On-Sale Liquor Permits for the upcoming "Rockin Robbins" community festivals which will be held at Robbins Island on July 16, July 23, July 30, and August 6, 2019. Staff was recommending approval of said permits.

Following discussion, Council Member Plowman offered a motion to approve staff's recommendation. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Mayor Calvin offered the following comments: the groundbreaking ceremony for the Willmar Wye Project will be held July 9th at 2:30 p.m. at the west end of old runway. Since there is a possibility a majority of Council will be in attendance, Mayor Calvin asked City Clerk Judy Thompson to post a notice reflecting such; July 29th will be a mini-retreat for the Council and asked Council if they desired to have a facilitator present. Consensus of the Council was that the only agenda item for the mini-retreat is labor and Springsted findings, and a facilitator would not be needed; Council Members Nelsen and Asmus and himself attended the League of Minnesota Cities Annual Conference in Duluth last week and found it very informative; Planning and Development Services Director Dave Ramstad and himself recently took a trip to Washington, D.C., on behalf of the City, to lobby elected officials to support funding for Highway 23 expansion. He noted there was good interaction with the elected officials and positive results; thanked Police Chief Jim Felt for his efforts recently in assisting another local community with a hostile situation.

Council Member Schwantes offered the following comments: thanked the Willmar Fests Board for all their hard work and effort they put in for a successful and great celebration, fireworks were spectacular; wished everyone a safe 4th of July.

Council Member Davis offered the following comments: wished everyone a safe and happy 4th of July.

Council Member Alvarado offered the following comments: the Rockin Robbins events will begin on July 16th and urged everyone to attend these family events; be safe and smart while celebrating the 4th of July.

Council Member Asmus offered the following comments: thanked the City for the opportunity to attend the League of Minnesota Cities Annual Conference in Duluth. She was surprised the awards presented to cities were regarding water quality issues at their respective wastewater treatment plants; "Hats Off" to the employees for all their work and involvement in the Willmar Fests activities; have a happy and safe 4th of July;

Council Member Plowman offered the following comments: echoed fellow Council members' comments on wishing everyone a safe and happy 4th of July; echoed the Willmar Fests comments; and offered a fun fact regarding the VOR – many years ago we would see large C-130's making a turn around the City which was the national guard from Minnesota, North Dakota, and Wisconsin who would use our VOR as their turn-around point, which was antiquated when the VOR was shut down.

Council Member Nelsen offered the following comments: thanked the City for the opportunity to attend the League of Minnesota City Annual Conference in Duluth as there was great networking with people from our area as well as around the state. She had the opportunity to participate in a panel discussion on Women in Leadership, and encouraged others to watch their calendars for future meetings and try to attend; Coalition of Minnesota Cities meeting will be in Bemidji in late July; enjoy the 4th of July; Willmar participated in the Green Steps Program for many years and would encourage the City to get involved with this program again and feels it would be great for the community and the environment.

Council Member Fagerlie offered the following comments: have a safe 4th of July.

Council Member Nelsen offered a motion to adjourn the meeting with Council Member Fagerlie seconding the motion which carried. The meeting adjourned at 8:18 p.m.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
SECRETARY TO THE COUNCIL

**RESOLUTION NO. 19-094**

**RESOLUTION AUTHORIZING THE AGREEMENT WITH WILLMAR BASEBALL, LLC (STINGERS) FOR LEASE OF CITY OF WILLMAR'S TAUNTON STADIUM AND BAKER BASEBALL FIELD**

Motion By: Nelsen

Second By: Fagerlie

BE IT RESOLVED by the City Council of the City of Willmar to approve an agreement with Willmar Stingers to renew the lease for Taunton Stadium and Baker Field for a period of ten years, starting August 25, 2019 thru August 25, 2029.

Dated this 1st day of July, 2019.

s/s Marv Calvin

MAYOR

Attest:

s/s Judy Thompson  
CITY CLERK

**RESOLUTION NO. 19-095**

**RESOLUTION CALLING FOR PUBLIC HEARING ON AN  
ORDINANCE AUTHORIZING THE ISSUANCE  
OF \$4,740,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A  
AND LEVYING TAXES FOR THE PAYMENT THEREOF**

Motion By: Nelsen

Second By: Fagerlie

WHEREAS:

A. The City of Willmar has heretofore undertaken to construct certain public improvements pursuant to Minnesota Statutes, Chapters 429, as more fully described in the proposed Ordinance set forth below.

B. Said improvements have heretofore been duly incorporated into the City's capital Program in accordance with the City Charter.



C. It is necessary and desirable that the City of Willmar issue its General Obligation Improvement Bonds, Series 2019A in the principal amount of \$4,740,000 to various improvement projects in the City.

D. Section 2.12 of the City Charter requires that acts of the City Council which authorize the borrowing of money and levying of taxes shall be by ordinance.

E. Councilmember Nelsen introduced an Ordinance entitled "An Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A and the Levying of Taxes to Secure Payment Thereof".

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The City Clerk is authorized and directed to distribute a copy of said Ordinance to each Council Member, to the Mayor, and to the City Attorney, and to file a reasonable number of copies of the Ordinance in the office of the City Clerk and the following other public places:

- A. \_\_\_\_\_
- B. \_\_\_\_\_
- C. \_\_\_\_\_

2. This Council shall meet at the time and place specified in the form of notice hereinafter contained for the purpose of conducting a public hearing on the Ordinance and considering the Ordinance for adoption.

3. The City Clerk is hereby authorized and directed to cause notice of the time, place and purpose of said public hearing to be published in the local official newspaper of the City not less than seven days in advance of the date of hearing as required by the City Charter, which notice shall be substantially the following form:

(Remainder of this page intentionally left blank)

NOTICE OF PUBLIC HEARING  
ON THE ADOPTION OF AN ORDINANCE

NOTICE IS HEREBY GIVEN by the City Council of the City of Willmar, Minnesota, that the City Council will conduct a public hearing on and consider adoption of the Ordinance described below at the Kandiyohi County Health and Human Services Building Board Room in the City of Willmar, Minnesota, at 7:01 o'clock p.m. on the 15<sup>th</sup> day of July, 2019 said proposed Ordinance is as follows:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$4,740,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A AND THE LEVYING OF TAXES TO SECURE PAYMENT THEREFOR.

The City of Willmar hereby ordains:

1. In accordance with Minnesota Statutes, Chapter 429, the City of Willmar has heretofore determined to construct the following improvements:

<u>Project</u>	<u>Total Cost</u>	<u>Amount to be Financed</u>	<u>Amount to be Assessed</u>
2019 Improvements	\$6,252,865	\$4,740,000	\$1,718,990

2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of \$4,740,000.

3. For the purposes of complying with Minnesota Statutes, Section 475.61, there will be levied a direct ad valorem tax upon all taxable property in the municipality in such amounts as are required by law to secure payment of said Bonds.

4. This Ordinance is adopted in order to authorize the borrowing of money and the issuance of General Obligation Improvement Bonds and the levying of taxes therefor as provided in Section 2.12 of the City Charter. Further details shall be set forth by resolution.

Such persons as desire to be heard with reference to the proposed Ordinance will be heard at this hearing.

By Order of the City Council

/s/ Judy Thompson  
City Clerk

4. Upon sale of said bonds, the City Clerk shall compute the levy made by said Ordinance No. \_\_\_\_\_ commencing in or about the year 2020 and ending in or about the year 2030 upon all taxable property in the City, which tax shall be spread upon the tax rolls and collected with and as part of other general property taxes in said City in such an amount as is necessary to comply with Minnesota Statutes, Section 475.61, subd. 1. Said tax levy shall be irrevocable so long as any of said bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, subd. 3.

5. No bonds shall be issued and no tax levy shall be effective in accordance with this resolution until (a) after the Ordinance has been duly adopted and published in accordance with the City Charter, and (b) the applicable 15 day period has elapsed with respect to said Ordinance and all appropriate bond resolutions during which period no Certificate of Intent is filed in accordance with Section 7.04(j) of the City Charter.

The motion for the adoption of the foregoing resolution was duly seconded by member Fagerlie and upon a vote being taken thereon, the following voted in favor thereof: Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 1st day of July, 2019.

s/s Marv Calvin  
MAYOR

ATTEST:

s/s Judy Thompson  
CITY CLERK

**RESOLUTION NO. 19-096**

**RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF WILLMAR,  
MINNESOTA, TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM THE PROCEEDS  
OF  
TAX-EXEMPT BONDS**

Motion By: Nelsen Second By: Fagerlie

WHEREAS, the Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations") under the Internal Revenue Code of 1986, as amended (the "Code"), providing that proceeds of tax-exempt bonds used to reimburse prior capital expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Willmar, Minnesota, municipal corporation and a political subdivision of the State of Minnesota (the "City"), expects to incur certain expenditures that may be financed temporarily from sources other than tax-exempt bonds, and later reimbursed from the proceeds of tax-exempt bonds; and

WHEREAS, the City has determined to make a declaration of its official intent (the "Declaration") to reimburse certain capital costs from the proceeds derived from the sale of tax-exempt bonds issued by the City

or another political subdivision in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA AS FOLLOWS:

1. The City may incur certain capital expenditures in connection with the following projects in the approximate amounts set forth below (collectively, the "Projects"):

- (1) \$2,000,000 for a community center replacement;
- (2) \$6,000,000 for new athletic fields;
- (3) \$3,000,000 for infrastructure improvements at Robbins Island Regional Park;
- (4) \$2,000,000 for a new playground and spectator amenities at Swanson Field Regional Park;
- (5) \$7,000,000 for stormwater management infrastructure improvements, and
- (6) \$10,000,000 for a new recreation and event center.

2. The City reasonably expects to reimburse the expenditures made for certain costs of the Projects from the proceeds of tax-exempt bonds, in one or more series, in principal amounts currently estimated in the amounts set forth above or an aggregate principal amount not to exceed \$30,000,000 plus an amount sufficient to pay the costs related to the issuance of the bonds and paying debt service on the bonds. All reimbursed expenditures related to the Projects will be capital expenditures, costs of issuance of the tax-exempt bonds or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of tax-exempt bonds, except for the following expenditures: (a) costs of issuance of tax-exempt bonds; (b) costs in an amount not in excess of the lesser of \$100,000 or 5% of the proceeds of the tax-exempt bonds; or (c) "preliminary expenditures" up to an amount not in excess of 20% of the aggregate issue price of the tax-exempt bonds that are reasonably expected by the City to finance the Projects. The term "preliminary expenditures" includes architectural, engineering, surveying, soil testing, bond issuance and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of the Projects, excluding land acquisition, site preparation, and similar costs incident to commencement of construction.

4. A reimbursement allocation with respect to tax-exempt bonds will be made not later than 18 months after the later of: (i) the date the original expenditure is paid; or (ii) the date the Projects is placed in service or abandoned, but in no event more than 3 years after the original expenditure.

5. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Projects and the principal amount of the tax-exempt bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of tax-exempt bonds are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such expenditures for which bonds are issued.

6. The action is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

The motion for the adoption of the foregoing resolution was duly seconded by member Fagerlie and, after a full discussion thereof and upon a vote being taken thereon, the following voted

in favor thereof: Council Members Rick Fagerlie, Shawn Mueske, Kathy Schwantes, Vicki Davis, Fernando Alvarado, Julie Asmus, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: None

Whereupon the resolution was declared duly passed and adopted on this 1st day of July, 2019.

s/s Marv Calvin  
MAYOR

ATTEST:

s/s Judy Thompson  
CITY CLERK

**RESOLUTION NO. 19-097**

**RESOLUTION AMENDING THE 2019 ASSESSMENT ROLL.**

Motion By: Fagerlie Second By: Nelsen

**WHEREAS**, The City Council of the City of Willmar, Minnesota duly adopted the assessment roll for the 2019 Street Improvement Project No. 1901 on June 17, 2019, and

**WHEREAS**, certain adopted assessments have been amended due to additional information.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of Willmar, Minnesota, as follows:

1. Special assessment amount against Parcel 95-912-0952 be amended from \$20,160.00 to \$8,000.00, and 95-914-2350 should be amended from \$28,285.45 to \$23,811.58.
2. Such assessment roll be amended to the sum of \$1,796,242.93, a copy of which is attached hereto and made a part hereof, is hereby accepted.
3. The City Clerk shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Dated this 1st day of July, 2019.

s/s Marv Calvin  
MAYOR

ATTEST:

s/s Judy Thompson  
CITY CLERK

**WILLMAR MUNICIPAL UTILITIES MINUTES**  
**MUNICIPAL UTILITIES AUDITORIUM**  
**JULY 8, 2019**

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, July 8, 2019 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer, Justin Mattern, Nathan Weber, Abdirizak Mahboub, Bruce DeBlicek and Brendan MacDonald. Absent was Commissioner Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Energy Services & Marketing Rep Michelle Marotzke, Facilities & Maintenance Supervisor Kevin Marti, SI Coordinator Mike Sangren, Administrative Secretary Beth Mattheisen, City Attorney Robert Scott (via teleconference), and WC Tribune Journalist Shelby Lindrud.

Commission President Laumer opened the meeting by asking if any revisions were needed to the presented agenda. There being none, Commissioner Laumer continued by requesting a resolution to approve the Consent Agenda. Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner Weber seconded.

**RESOLUTION NO. 24**

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the June 24, 2019 Commission meeting; and,
- ❖ Bills represented by vouchers No. 190943 to No. 191078 and associated wire transfers inclusive in the amount of \$5,914,784.60.

Dated this 8<sup>th</sup> day of July, 2019.

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

The foregoing resolution was adopted by a vote of six ayes and zero nays.

Commissioner Weber (LC Chair) reviewed with the Commission the July 1<sup>st</sup> WMU Labor Committee meeting minutes (see attached). The main topic of discussion focused on the renewable energy program (Bright Energy Choice) being offered by MRES to its member utilities. This program allows customers to purchase Renewable Energy Certificates (RECs). These RECs provide confirmation that the customer’s designated electricity used has been generated by qualifying renewable sources (i.e. wind, solar). Therefore, this program is designed to reduce the environmental impact of conventional electric generation. The RECs program offers WMU’s customers the opportunity to participate in an affordable and cost-effective program which supports renewable energy without the costly investment of solar or wind equipment. This program, which will begin in January 1, 2020, is being offered to WMU customers as an “opt-in” program with a one-year commitment requirement. Cost to each customer would be based on their individual kilowatt usage and would be listed as a line item on their monthly utility bill. The cost per kWh for 2020 is \$0.0033 (less than ½¢ per kWh). Community education and marketing would be highly utilized to inform the public of this opportunity to help promote green energy for the citizens of Willmar.



In an effort to lead by example, the Labor Committee was recommending that the Utility fully participate in the RECs Program being offered. The cost to purchase the RECs for WMU's own use is estimated to be near \$10,000 for the year 2020 (100% renewable).

Following extensive discussion by the Commission, Commissioner Weber offered a two-fold motion to both authorize participation in the Renewable Energy Certificate Program being offered by MRES as an opt-in program, and for the WMU to fully support the program at an estimated cost of \$10,000 for 2020. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays.

In conjunction with the REC Program, Energy Services & Marketing Rep Marotzke presented the Commission with a WMU/Bright Energy Choices flyer (draft) for residential customers (commercial customer flyer will be forthcoming). It was noted that the average home uses approximately 700 kWh per month, therefore the average estimated cost per household for participation in the program would be \$2.31 per month (\$0.0033 per kWh). Following input from the Commission, modifications would be added for clarity of the energy program being offered to WMU's customers.

Energy Services & Marketing Rep Marotzke continued by providing insight into ways in which the Commission and Utility staff can assist in promoting the WMU and to utilize the programs and services that are available to its customers. Marotzke also presented the Commission with a news release depicting the core values of public power and key ways we serve our community and customers.

In an effort to keep the City Council well-informed and "up to speed" on projects and issues affecting the Utility, Commissioner Laumer was once again requesting that joint meetings between WMU officials and members of the City Council be scheduled. Due to the Open Meeting Law, multiple meetings would be required to accommodate 2-3 Councilmembers in attendance at each. Commissioner Laumer and General Manager Harren would be attending. Attendance by additional Commissioner(s) (1 or 2) would be encouraged keeping in mind the Open Meeting Law requirements. Laumer reviewed with the Commission a draft of the activities and topics of discussion to be reviewed at the proposed joint meetings (Priam Substation, Downtown Street Lighting Project, Water Treatment Plant, etc.).

Director of Finance Runge presented the Commission with the WMU 2020 Budget Process Schedule. Runge stated that the early completion of the budgeting process is necessary to meet the City Council's requested completion date of August 14<sup>th</sup>. Therefore, final approval by the Commission will be requested at the August 12<sup>th</sup> MUC meeting.

Director of Finance Runge reviewed with the Commission the WMU Cost of Power Report for May 2019. This report is illustrated using a rolling year-to-date format and provides the overall cost of power for the year (0.065 per kWh year-to-date). Also reflected in the analysis is the total year-to-date cost.

Facilities & Maintenance Supervisor Marti presented the Commission with the June 2019 Wind Turbine Report. Turbine availabilities for the month of June were at 97.5% (Unit #3) and 96.3% (Unit #4) with a monthly total production of 400,456 kWh. Marti noted that a very positive week-long training session for the Utility's Wind Turbine Technicians had recently been conducted.

General Manager Harren informed the Commission of two upcoming WMU Committee meetings that have been scheduled. A meeting of the Labor Committee will be held on August 1<sup>st</sup> at 12:00 p.m. This meeting will be a review of the recently completed Electric & Water Rate Study (Dave Berg will present the results). A meeting of the Planning Committee will be held August 7<sup>th</sup> at 11:30 a.m. This meeting will focus on the proposed 2020 WMU Budget.

General Manager Harren stated that additional WMU Committee meetings will be forth coming. Agenda item(s) for a future Planning Committee meeting will include: generation study analysis. Agenda item(s) for a future Labor Committee meeting will include: succession planning for the General Manager position; and, Strategic Plan.

For information: Upcoming meetings/events to note include:

- WMU Annual Open House – Thurs., August 15<sup>th</sup> (4:00-6:30 pm)
- MMUA Summer Conference – August 19-21 (Breezy Point)
- MRES Laramie River Station and Grayrocks Dam & Reservoir Tour (August 27-28)
- MRES Legal Seminar “*Staying Current: Emerging Issues for Utilities*” – Oct. 4<sup>th</sup> (Sioux Falls, SD)

There being no further business to come before the Commission, Commissioner Laumer declared the meeting adjourned at 12:25 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

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Beth Mattheisen  
Administrative Secretary

ATTEST:

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Abdirizak Mahboub, Secretary





**WILLMAR MUNICIPAL UTILITIES**  
**MUC Labor Committee Meeting Minutes**  
**Monday, July 1, 2019**  
**12:00 p.m.**

Attendees: Commissioners Nathan Weber, Ross Magnuson & Abdirizak Mahboub, General Manager John Harren, Director of Finance Denise Runge, Energy Services & Marketing Rep Michelle Marotzke, and Administrative Secretary Beth Mattheisen.

Commissioner Weber called the meeting to order at 12:02 p.m.

\*\*\*\*\*

**AGENDA ITEM(s):**

➤ **Renewable Energy Certificate Program (offered by MRES):**

General Manager Harren and Energy Services & Marketing Rep Marotzke provided a recap of the renewable energy certificate program (Bright Energy Choice) being offered by Missouri River Energy Services (MRES) to its member utilities. The Bright Energy Choices program allows customers to purchase Renewable Energy Certificates (RECs). These RECs provide proof that the customer's designated electricity used was generated by qualifying renewable sources (i.e. wind, solar). The RECs Program is designed to reduce the environmental impact of conventional electric generation by promoting renewable energy. This program, which will begin on January 1, 2020, is an "opt-in" program with a one-year commitment required. The customer's energy usage is based on per kilowatt-hour (kWh) and would be listed as a line item on the customer's monthly utility bill. The cost per kWh for 2020 is \$0.0033.

In an effort to receive input from our customers, the Labor Committee had directed Staff to conduct public polling to receive feedback. Three separate polls (Facebook, WC Tribune, and Survey Monkey) were conducted to get a pulse on the community's desire to participate in a renewable energy program. The number of polling participants was lower than anticipated therefore less customer feedback was received regarding green energy. Results of the compiled data were reviewed and discussed.

In an effort to lead by example, Staff was recommending that the Utility participate in the RECs Program. The cost to purchase the RECs for WMU's own use (electric & water departments) is estimated to be near \$10,000 for the year 2020 (100% renewable). These RECs would provide the renewable energy for the Utility's Electric and Water Departments (Service Center, Admin. Office, Power Plant, substations, well fields, water towers, water treatment plants, etc.). There would be no additional programming costs to the Utility to provide this program.

Marketing and educating the public on the advantages of participating in this program would be essential (bill stuffers, social media, website information, etc.). Staff will compile data to reflect billing estimates for various large business accounts to assist in their consideration to participate in the program. Staff will also provide Commissioners with data reflecting the estimated costs as related to their individual Utility account. It was also the recommendation of the Committee to "tweak" the current Bright Energy Choices flyer in an effort to promote marketing of the program (i.e. add testimonials). Various marketing strategies were discussed to promote the voluntary RECs Program.

**Recommendation/Action:**

Following review and discussion, it was the consensus of the Labor Committee to recommend that the Utility participate in the Renewable Energy Certificate Program offered by MRES. This program would be offered as an opt-in option to its customers with a one-year commitment required. Furthermore, the Utility will support the program fully (100% renewable energy) at an estimated cost of \$10,000 for 2020.

➤ **MISCELLANEOUS:**

General Manager Harren distributed an informational article published by Wood Mackenzie as it relates to reaching 100% renewable energy within the U.S. by 2030. The article states that the estimated transition costs to attain 100% renewable energy by 2030 could cost rate payers \$4.5 trillion or \$35,000 per U.S. household. While the article states that 100% renewable energy is possible, the timeline for completion by 2030 is not realistic. This was for information only.

**3. Adjournment:**

There being no further business to come before the Labor Committee, Commissioner Weber offered a motion to adjourn the meeting. Commissioner Mahboub seconded the motion which carried by a vote of three ayes and no noes, and the meeting was adjourned at 12:51 p.m.

**WILLMAR PLANNING COMMISSION  
CITY OF WILLMAR, MN  
WEDNESDAY, JULY 1, 2019**

**MINUTES**

1. The Willmar Planning Commission met on Wednesday, July 1, 2019, at 5:30 p.m. at the Willmar City Offices Conference Room #1.

*Members Present:* Steve Gardner, Terry Sieck, Rolf Standfuss, Dr. Jerry Kjergaard, Jonathan Marchand, and Cletus Frank.

*Members Absent:* Jeff Kimpling, Christina Nelson, and Rhonda Otteson.

*Others Present:* Sarah Swedburg – Planner, David Ramstad – Planning & Development Director, Todd Hagen – Ehlers & Associates, Robert Scott – City Attorney, Brian Gramentz – Interim City Administrator.

2. MINUTES: Minutes of the June 19, 2019 meeting were approved as presented.
3. The Commissioners were introduced to the new Interim City Administrator, Brian Gramentz.
4. GM/MAGNUM & LEGACY ON FIRST TIF MODIFICATIONS: Staff introduced two Municipal Development Districts that are in need of modification. The Planning Commission reviewed and approved Plan Reviews in 2017 for both of the developments that these TIF Agreements effect (GM/Magnum & Legacy on First). At that time, Planning Commission found that the developments were in alignment with the Zoning Ordinance and Comprehensive Land Use Plan.

Todd Hagen of Ehlers & Associates explained that these modifications were requested by the State Auditor & the Municipal Development District amendments were a recommendation of Ehlers & Associates, consultants for the City to reconcile existing TIF Agreements. The expansion of both Municipal Development Districts would allow the City to take full advantage of Statute allowance, as well as move towards simplifying any future TIF Agreements.

Dr. Dave Ramstad also noted that by expanding these districts, it allows other redevelopment & economic development TIF projects to financially pool, should a project find itself in need.

Mr. Gardner and Mr. Frank inquired about the Commission's role in reviewing these amendments. Robert Scott, City Attorney, stated that review of this item by the Planning Commission is required by State Statute and is in alignment with Planning Commission's role, as found within the City Charter.

Mr. Gardner clarified that the resolutions would take effect on July 1, 2019.

Mr. Standfuss made a motion, seconded by Mr. Marchand, to approve Resolution 19-02, "Resolution of the City of Willmar Planning Commission Finding That a Modification to the Development Program for Municipal Development District No. VI and a Modification to the Tax Increment Financing Plan for Tax Increment District No. 3 Conform to the General Plans for the Development and Redevelopment of the City."

The motion carried.

Mr. Standfuss made a motion, seconded by Dr. Kjergaard, to approve Resolution 19-03, "Resolution of the City of Willmar Planning Commission Finding That a Modification to the Development Program for Municipal Development District No. II and a Modification to the Tax Increment Financing Plan for the Legacy on First Tax Increment Financing District Conform to the General Plans for the Development and Redevelopment of the City."

The motion carried.

There being no further business to come before the Commission, the meeting adjourned at 5:52 p.m.

Respectfully submitted,



Sarah Swedburg  
Planner

MINNESOTA LAWFUL GAMBLING  
**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

If total raffle prize value for the calendar year will be \$1,500 or less, contact the Licensing Specialist assigned to your county by calling 651-539-1900.

**Application Fee (non-refundable)**

Applications are processed in the order received. If the application is postmarked or received 30 days or more before the event, the application fee is **\$100**; otherwise the fee is **\$150**.

Due to the high volume of exempt applications, payment of additional fees prior to 30 days before your event will not expedite service, nor are telephone requests for expedited service accepted.

**ORGANIZATION INFORMATION**

Organization Name: United Way of West Central Minnesota Previous Gambling Permit Number: X-33823-19-001

Minnesota Tax ID Number, if any: \_\_\_\_\_ Federal Employer ID Number (FEIN), if any: 41-0844871

Mailing Address: PO Box 895

City: Willmar State: MN Zip: 56201 County: Kandiyohi

Name of Chief Executive Officer (CEO): James Miller

CEO Daytime Phone: 320 235-1050 CEO Email: james@liveunitedwcm.org  
(permit will be emailed to this email address unless otherwise indicated below)

Email permit to (if other than the CEO): \_\_\_\_\_

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

Fraternal       Religious       Veterans       Other Nonprofit Organization

**Attach a copy of one of the following showing proof of nonprofit status:**

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

**A current calendar year Certificate of Good Standing**  
Don't have a copy? Obtain this certificate from:  
MN Secretary of State, Business Services Division      Secretary of State website, phone numbers:  
60 Empire Drive, Suite 100      [www.sos.state.mn.us](http://www.sos.state.mn.us)  
St. Paul, MN 55103      651-296-2803, or toll free 1-877-551-6767

**IRS income tax exemption (501(c)) letter in your organization's name**  
Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS toll free at 1-877-829-5500.

**IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)**  
If your organization falls under a parent organization, attach copies of both of the following:  
1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and  
2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**GAMBLING PREMISES INFORMATION**

Name of premises where the gambling event will be conducted (for raffles, list the site where the drawing will take place): The Barn Theatre

Physical Address (do not use P.O. box): 321 4th St SW, Willmar, MN 56201

Check one:  
 City: Willmar Zip: 56201 County: Kandiyohi  
 Township: \_\_\_\_\_ Zip: \_\_\_\_\_ County: \_\_\_\_\_

Date(s) of activity (for raffles, indicate the date of the drawing): 11/1/19

Check each type of gambling activity that your organization will conduct:

Bingo       Paddlewheels       Pull-Tabs       Tipboards       Raffle

**Gambling equipment** for bingo paper, bingo boards, raffle boards, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo ball selection devices may be borrowed from another organization authorized to conduct bingo. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **List of Licensees** tab, or call 651-539-1900.



**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)**

<p style="text-align: center;"><b>CITY APPROVAL</b> for a gambling premises located within city limits</p> <p><input checked="" type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print City Name: <u>City of Willmar</u></p> <p>Signature of City Personnel: <u>Judy R. Thompson</u></p> <p>Title: <u>City Clerk</u> Date: <u>7/2/2019</u></p> <div style="border: 1px solid black; padding: 5px; text-align: center; margin-top: 10px;"> <p><b>The city or county must sign before submitting application to the Gambling Control Board.</b></p> </div>	<p style="text-align: center;"><b>COUNTY APPROVAL</b> for a gambling premises located in a township</p> <p><input type="checkbox"/> The application is acknowledged with no waiting period.</p> <p><input type="checkbox"/> The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.</p> <p><input type="checkbox"/> The application is denied.</p> <p>Print County Name: _____</p> <p>Signature of County Personnel: _____</p> <p>Title: _____ Date: _____</p> <p><b>TOWNSHIP (if required by the county)</b> On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.213.)</p> <p>Print Township Name: _____</p> <p>Signature of Township Officer: _____</p> <p>Title: _____ Date: _____</p>
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**CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)**

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the event date.

Chief Executive Officer's Signature: [Signature] Date: 6/28/19

(Signature must be CEO's signature; designee may not sign)

Print Name: James Miller

<p><b>REQUIREMENTS</b></p> <p><b>Complete a separate application for:</b></p> <ul style="list-style-type: none"> <li>• all gambling conducted on two or more consecutive days; or</li> <li>• all gambling conducted on one day.</li> </ul> <p>Only one application is required if one or more raffle drawings are conducted on the same day.</p> <p><b>Financial report to be completed within 30 days after the gambling activity is done:</b> A financial report form will be mailed with your permit. Complete and return the financial report form to the Gambling Control Board.</p> <p>Your organization must keep all exempt records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).</p>	<p><b>MAIL APPLICATION AND ATTACHMENTS</b></p> <p><b>Mail application with:</b></p> <p>___ a copy of your proof of nonprofit status; and</p> <p>___ application fee (non-refundable). If the application is postmarked or received 30 days or more before the event, the application fee is <b>\$100</b>; otherwise the fee is <b>\$150</b>. Make check payable to <b>State of Minnesota</b>.</p> <p><b>To:</b> Minnesota Gambling Control Board 1711 West County Road B, Suite 300 South Roseville, MN 55113</p> <p><b>Questions?</b> Call the Licensing Section of the Gambling Control Board at 651-539-1900.</p>
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Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

**ORGANIZATION INFORMATION**

Organization Name: Pennock Lions Club Previous Gambling Permit Number: XB-36324-18-006  
 Minnesota Tax ID Number, if any: 41-1436178 Federal Employer ID Number (FEIN), if any: \_\_\_\_\_  
 Mailing Address: P.O. Box 281  
 City: Pennock State: MN Zip: 56279 County: Kandiyohi  
 Name of Chief Executive Officer (CEO): Bruce Luepke  
 CEO Daytime Phone: 320.894.1223 CEO Email: \_\_\_\_\_  
(permit will be emailed to this email address unless otherwise indicated below)  
 Email permit to (if other than the CEO): drosenbrook@tds.net

**NONPROFIT STATUS**

Type of Nonprofit Organization (check one):

Fraternal     Religious     Veterans     Other Nonprofit Organization

Attach a copy of at least one of the following showing proof of nonprofit status:

(DO NOT attach a sales tax exempt status or federal employer ID number, as they are not proof of nonprofit status.)

- Current calendar year Certificate of Good Standing**  
 Don't have a copy? This certificate must be obtained each year from:  
 MN Secretary of State, Business Services Division      Secretary of State website, phone numbers:  
 60 Empire Drive, Suite 100      [www.sos.state.mn.us](http://www.sos.state.mn.us)  
 St. Paul, MN 55103      651-296-2803, or toll free 1-877-551-6767
- Internal Revenue Service-IRS income tax exemption 501(c) letter in your organization's name**  
 Don't have a copy? Obtain a copy of your federal income tax exempt letter by having an organization officer contact the IRS at 877-829-5500.
- Internal Revenue Service-Affiliate of national, statewide, or international parent nonprofit organization (charter)**  
 If your organization falls under a parent organization, attach copies of both of the following:  
 1. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling; and  
 2. the charter or letter from your parent organization recognizing your organization as a subordinate.

**EXCLUDED BINGO ACTIVITY**

Has your organization held a bingo event in the current calendar year?  Yes  No

If yes, list the dates when bingo was conducted: \_\_\_\_\_

The proposed bingo event will be:

one of four or fewer bingo events held this year. Dates: \_\_\_\_\_  
-OR-

conducted on up to 12 consecutive days in connection with a:

county fair      Dates: August 7, 8, 9, and 10, 2019

civic celebration      Dates: \_\_\_\_\_

Minnesota State Fair      Dates: \_\_\_\_\_

Person in charge of bingo event: Robert Rosenbrook Daytime Phone: 320.894.0538

Name of premises where bingo will be conducted: Kandiyohi County Fairgrounds

Premises street address: 801 Seventh St. N.W.

City: Willmar If township, township name: \_\_\_\_\_ County: Kandiyohi

**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT (required before submitting application to the Minnesota Gambling Control Board)**

**CITY APPROVAL  
for a gambling premises  
located within city limits**

On behalf of the city, I approve this application for excluded bingo activity at the premises located within the city's jurisdiction.

Print City Name: City of Willmar

Signature of City Personnel:  
Judy R. Thompson

Title: City Clerk Date: 7/2/2019

**The city or county must sign before  
submitting application to the  
Gambling Control Board.**

**COUNTY APPROVAL  
for a gambling premises  
located in a township**

On behalf of the county, I approve this application for excluded bingo activity at the premises located within the county's jurisdiction.

Print County Name: \_\_\_\_\_

Signature of County Personnel: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**TOWNSHIP (if required by the county)**  
On behalf of the township, I acknowledge that the organization is applying for excluded bingo activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes, Section 349.213.)

Print Township Name: \_\_\_\_\_

Signature of Township Officer: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**CHIEF EXECUTIVE OFFICER'S SIGNATURE (required)**

The information provided in this application is complete and accurate to the best of my knowledge.

Chief Executive Officer's Signature: Bruce Luepke Date: 7-1-2019  
(Signature must be CEO's signature; designee may not sign)

Print Name: Bruce Luepke

**MAIL OR FAX APPLICATION & ATTACHMENTS**

Mail or fax application and a copy of your proof of nonprofit status to:

Minnesota Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113  
Fax: 651-639-4032

An excluded bingo permit will be mailed to your organization. Your organization must keep its bingo records for 3-1/2 years.

**Questions?**  
Call a Licensing Specialist at 651-539-1900.

Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo. Otherwise, bingo hard cards, bingo paper, and bingo number selection devices must be obtained from a distributor licensed by the Minnesota Gambling Control Board. To find a licensed distributor, go to [www.mn.gov/gcb](http://www.mn.gov/gcb) and click on **Distributors** under the **LIST OF LICENSEES** tab, or call 651-539-1900.

This form will be made available in alternative format (i.e. large print, braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board

will be able to process the application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to Board

members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



Vendor Payment History Report  
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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
AFFILIATED MED CENTERS			000028											
	56182	07/10/19	EMPLOYEE PHYSICAL	21.73		10268902/7-19		D	N				SUBSISTENCE OF P	101.42411.0337
AFFORDABLE PUMPING SERVI			002404											
	56183	07/10/19	SEPTIC PUMPING	285.00		43615		D	N				CLEANING AND WAS	230.43430.0338
ALEX AIR APPARATUS INC			002061											
	56184	07/10/19	HOSE	291.83		INV-39703		D	N				SMALL TOOLS	101.42412.0221
ALLDATA			003472											
	56185	07/10/19	DIAGNOSTICS SUBSCRIP.	179.00		2004799229		D	N				SUBSCRIPTIONS AN	101.43425.0443
ALPHA TRAINING & TACTICS			003136											
	56186	07/10/19	PLATES FOR BODY ARMOR	1,030.40		2019-175		D	N				SUBSISTENCE OF P	101.42411.0227
AMERICAN ENGINEERING TES			002525											
	56187	07/10/19	BUILDING-SOIL TESTING	763.90		1301544		D	N				OTHER IMPROVEMEN	450.45432.0554
AMERICAN LEGION			002236											
	56188	07/10/19	AMERICAN LEGION AD	185.00		062519		D	N				OTHER CHARGES	208.45008.0449
AMERICAN WELDING & GAS I			000057											
	56189	07/10/19	FIRE EXT. INSPECTION	16.50		06406473		D	N				MTCE. OF EQUIPME	101.45437.0334
	56189	07/10/19	WELDING GAS	49.65		06441469		D	N				GENERAL SUPPLIES	101.43425.0229
				66.15										
				66.15										
			VENDOR TOTAL											
						*CHECK TOTAL								
AMERIPRIDE LINEN & APPAR			000051											
	56190	07/10/19	TOWEL SERVICE	22.25		2801033761		D	N				CLEANING AND WAS	101.43425.0338
	56190	07/10/19	UNIFORM RENTAL	7.75		2801033761		D	N				RENTS	101.43425.0440
	56190	07/10/19	UNIFORM RENTAL	7.65		2801033765		D	N				RENTS	101.42412.0440
	56190	07/10/19	TOWEL SERVICE	35.20		2801036674		D	N				CLEANING AND WAS	101.43425.0338
	56190	07/10/19	UNIFORM RENTAL	7.75		2801036674		D	N				RENTS	101.43425.0440
	56190	07/10/19	UNIFORM RENTAL	7.65		2801036675		D	N				RENTS	101.42412.0440
	56190	07/10/19	TOWEL SERVICE	22.25		2801039232		D	N				CLEANING AND WAS	101.43425.0338
	56190	07/10/19	UNIFORM RENTAL	7.75		2801039232		D	N				RENTS	101.43425.0440
	56190	07/10/19	UNIFORM RENTAL	7.65		2801039234		D	N				RENTS	101.42412.0440
	56190	07/10/19	TOWEL SERVICE	37.21		2801041820		D	N				CLEANING AND WAS	101.43425.0338
	56190	07/10/19	UNIFORM RENTAL	107.29		2801041820		D	N				RENTS	101.43425.0440
	56190	07/10/19	UNIFORM RENTAL	7.65		2801041822		D	N				RENTS	101.42412.0440
				278.05										
				278.05										
			VENDOR TOTAL											
						*CHECK TOTAL								
ASPEN MILLS			003008											
	56191	07/10/19	OLSON-UNIFORMS	422.30		239134		D	N				SUBSISTENCE OF P	101.42411.0227
AT&T MOBILITY			000075											
	56192	07/10/19	MOBILE HOTSPOT	53.55		X06232019		D	N				COMMUNICATIONS	101.41409.0330

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
BACKES TECHNOLOGY SERVIC			000087											
	56193	07/10/19	CAT 6 WIRE RUN-PARTS	80.00		17793		D	N				MTCE. OF STRUCTU	101.45437.0225
	56193	07/10/19	CAT 6 WIRE RUN-LABOR	95.00		17793		D	N				MTCE. OF STRUCTU	101.45437.0335
			VENDOR TOTAL	175.00										
				175.00		*CHECK TOTAL								
BANKS/ERIC			.00808											
	56194	07/10/19	CANDY-WLMR FEST PARADE	300.00		1		D	N				GENERAL SUPPLIES	101.45432.0229
BATTERY WHOLESALE INC			002860											
	56195	07/10/19	#147037-BATTERY	72.55		121657WIL		D	N				INVENTORIES-MDSE	101.125000
	56195	07/10/19	#126466-BATTERY	169.98		122083WIL		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	242.53										
				242.53		*CHECK TOTAL								
BECKER/DALE			003505											
	56196	07/10/19	BASKETBALL CAMP COACHI	1,000.00		062819		D	M	07			PROFESSIONAL SER	101.45432.0446
BECKMAN/SAMANTHA			003401											
	56197	07/10/19	SHRM CP TEST-MILEAGE	135.14		070119		D	N				TRAVEL-CONF.-SCH	101.41420.0333
BENNETT OFFICE TECHNOLOG			000099											
	56198	07/10/19	PRINT/PAGE COUNT	100.79		291643		D	N				OFFICE SUPPLIES	101.41405.0220
BENSON LAUNDRY			003377											
	56199	07/10/19	CLEANING SUPPLIES	35.71		322149		D	N				CLEANING AND WAS	101.45433.0228
BERNICK'S PEPSI-COLA CO			000103											
	56200	07/10/19	CONCESSION SUPPLIES	1,296.00		20203		D	N				GENERAL SUPPLIES	101.45437.0229
	56200	07/10/19	COFFEE	148.56		5229		D	N				GENERAL SUPPLIES	101.43425.0229
	56200	07/10/19	CONCESSION SUPPLIES	5,720.00		77616		D	N				GENERAL SUPPLIES	101.45437.0229
	56200	07/10/19	CONCESSION SUPPLIES	1,374.50	CR	80975		D	N				GENERAL SUPPLIES	101.45433.0229
			VENDOR TOTAL	5,790.06										
				5,790.06		*CHECK TOTAL								
BLUE CROSS BLUE SHIELD O			003449											
	56201	07/10/19	HEALTH INSURANCE-AUG	7,727.72		190702097263		D	N				COBRA INS PREMIU	101.120001
	56201	07/10/19	HEALTH INSURANCE-AUG	5,708.50		190702097263		D	N				EMPLOYER INSUR.	101.41402.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	1,275.48		190702097263		D	N				EMPLOYER INSUR.	101.41403.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	3,401.28		190702097263		D	N				EMPLOYER INSUR.	101.41405.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	1,700.64		190702097263		D	N				EMPLOYER INSUR.	101.41408.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	2,307.22		190702097263		D	N				EMPLOYER INSUR.	101.41409.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	425.16		190702097263		D	N				EMPLOYER INSUR.	101.41424.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	7,566.96		190702097263		D	N				RETIRED EMPLOYEE	101.41428.0818
	56201	07/10/19	HEALTH INSURANCE-AUG	45,787.10		190702097263		D	N				EMPLOYER INSUR.	101.42411.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	3,401.28		190702097263		D	N				EMPLOYER INSUR.	101.42412.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	4,251.60		190702097263		D	N				EMPLOYER INSUR.	101.43417.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	35,406.83		190702097263		D	N				EMPLOYER INSUR.	101.43425.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	1,700.64		190702097263		D	N				EMPLOYER INSUR.	101.45001.0114
	56201	07/10/19	HEALTH INSURANCE-AUG	2,307.22		190702097263		D	N				EMPLOYER INSUR.	101.45432.0114



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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
BSN SPORTS INC			003001											
	56208	07/10/19	BASEBALL/SOFTBALL SUPP	3,676.23		905486595		D	N				GENERAL SUPPLIES	101.45432.0229
B32 ENGINEERING GROUP IN			003455											
	56209	07/10/19	CIVIC CNTR REFRIG. PRO	3,946.00		1119		D	N				PROFESSIONAL SER	438.45433.0446
	56209	07/10/19	CIVIC CNTR REFRIG. PRO	3,946.00		1144		D	N				PROFESSIONAL SER	438.45433.0446
	56209	07/10/19	REIMBURSABLE EXPENSE	184.45		1144		D	N				PROFESSIONAL SER	438.45433.0446
			VENDOR TOTAL	8,076.45										
													*CHECK TOTAL	
CALVIN/MARVIN B			001998											
	56210	07/10/19	LMC CONFERENCE	901.04		062819		D	N				TRAVEL-CONF.-SCH	101.41401.0333
CARD SERVICES			002552											
	56211	07/10/19	FLOWERS-HANSON FUNERAL	61.20		061707		D	N				GENERAL SUPPLIES	101.41401.0229
	56211	07/10/19	WITTMAN-FAREWELL SUPPL.	40.68		061716		D	N				GENERAL SUPPLIES	101.43417.0229
	56211	07/10/19	DOBRANSKY/KING-FAREWELL	33.69		062011		D	N				GENERAL SUPPLIES	101.42411.0229
	56211	07/10/19	DOBRANSKY/KING-FAREWELL	103.97		062713		D	N				GENERAL SUPPLIES	101.42411.0229
	56211	07/10/19	HALVORSON-FAREWELL COFFE	4.80		062812		D	N				SUBSISTENCE OF P	101.43425.0227
			VENDOR TOTAL	244.34										
				244.34									*CHECK TOTAL	
CARDMEMBER SERVICE			002365											
	56212	07/10/19	OFF SITE BACKUP	34.99		STMT/6-19		D	N				SUBSCRIPTIONS AN	101.41409.0443
	56212	07/10/19	WEBSITE HOSTING FEE	2.48		STMT/6-19		D	N				SUBSCRIPTIONS AN	101.41409.0443
	56212	07/10/19	DOC MONTHLY SOFTWARE	95.00		STMT/6-19		D	N				SUBSCRIPTIONS AN	101.41409.0443
	56212	07/10/19	FOREIGN TRANSACTION FEE	1.90		STMT/6-19		D	N				OTHER CHARGES	101.41409.0449
	56212	07/10/19	CANCELLED SEMINAR REGIS.	109.00CR		STMT/6-19		D	N				TRAVEL-CONF.-SCH	101.41420.0333
	56212	07/10/19	SPEAKERS	13.93		STMT/6-19		D	N				SMALL TOOLS	101.42411.0221
	56212	07/10/19	1ST AID SUPPL./GLOVES	111.96		STMT/6-19		D	N				GENERAL SUPPLIES	101.42411.0229
	56212	07/10/19	DUCT TAPE/PLASTIC TARPS	102.37		STMT/6-19		D	N				GENERAL SUPPLIES	101.42411.0229
	56212	07/10/19	HANNEMAN-LODGING EXPENSE	383.12		STMT/6-19		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	56212	07/10/19	HANNEMAN-TRAVEL INS.	17.24		STMT/6-19		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	56212	07/10/19	SEAN-STAFF MTG MEALS	21.11		STMT/6-19		D	N				TRAVEL-CONF.-SCH	101.43425.0333
	56212	07/10/19	LANYARDS	59.21		STMT/6-19		D	N				GENERAL SUPPLIES	101.45432.0229
	56212	07/10/19	REC SUPPLIES	93.09		STMT/6-19		D	N				GENERAL SUPPLIES	101.45432.0229
	56212	07/10/19	ICE PACKS	59.55		STMT/6-19		D	N				GENERAL SUPPLIES	101.45432.0229
	56212	07/10/19	JUNE EVENT SUPPLIES	70.16		STMT/6-19		D	N				GENERAL SUPPLIES	101.45435.0229
	56212	07/10/19	GAUER-FAREWELL COFFEE	39.99		STMT/6-19		D	N				SUBSISTENCE OF P	651.48484.0227
			VENDOR TOTAL	997.10										
				997.10									*CHECK TOTAL	
CARLSON/DUSTIN			003506											
	56213	07/10/19	BASKETBALL CAMP COACHI	2,840.00		062819		D	N				PROFESSIONAL SER	101.45432.0446
CELLEBRITE INC			003329											
	56214	07/10/19	2020 SOFTWARE LICENSE	1,850.00		INVUS204944		D	N				PREPAID EXPENSES	101.128000
	56214	07/10/19	2019 SOFTWARE LICENSE	1,850.00		INVUS204944		D	N				LICENSES AND TAX	101.42411.0445
			VENDOR TOTAL	3,700.00										
				3,700.00									*CHECK TOTAL	



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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F S 9 BX M	ACCOUNT NAME	ACCOUNT
CONCORDE BANK			002887							
	56222	07/10/19	2015 GO IMP BOND-I	958.13		070219		D N	INTEREST	315.47100.0444
	56222	07/10/19	2016 GO IMP BOND-I	1,037.50		070219		D N	INTEREST	316.47100.0444
	56222	07/10/19	2017 GO IMP BOND-I	3,721.25		070219		D N	INTEREST	397.47100.0444
			VENDOR TOTAL	5,716.88		*CHECK TOTAL				
CORNERSTONE OF WILLMAR I			002164							
	56223	07/10/19	CIVIC CNTR REFRIG. P	148,105.00		EST. 10		D N	OFFICE & CONCESS	438.45433.0335
	56223	07/10/19	CARDINAL ARENA WALL P	20,000.00		2779		D N	BUILDINGS AND ST	450.45433.0551
			VENDOR TOTAL	168,105.00		*CHECK TOTAL				
CROW CHEMICAL & LIGHTING			000186							
	56224	07/10/19	TOILET TISSUE	102.00		14819		D N	GENERAL SUPPLIES	101.43425.0229
	56224	07/10/19	LATEX GLOVES/WIPES	203.64		14819		D N	GENERAL SUPPLIES	101.43425.0229
	56224	07/10/19	WIPES	65.20		14826		D N	GENERAL SUPPLIES	101.43425.0229
			VENDOR TOTAL	370.84		*CHECK TOTAL				
CROW RIVER CONSTRUCTION			003260							
	56225	07/10/19	DUST CNTL APPLICATION	2,104.50		1156		D N	MTCE. OF OTHER I	101.43425.0336
DEAL/ARIN			.02926							
	56226	07/10/19	REPLACED PYRL CK 46916	258.82		070919		D N	SALARIES-TEMP. E	101.45437.0112
DELTA DENTAL OF MINNESOT			002867							
	56227	07/10/19	DENTAL INSURANCE-JUL	419.40		7682862		D N	COBRA INS PREMIU	101.120001
	56227	07/10/19	NON-TASC/SICK LEAVE-JUL	48.85		7682862		D N	COBRA INS PREMIU	101.120001
			VENDOR TOTAL	468.25		*CHECK TOTAL				
DEPT OF HUMAN SERVICES			000009							
	56228	07/10/19	CLEANING SERVICES	1,612.50		00000549411		D N	CLEANING AND WAS	101.45433.0338
DEPT OF HUMAN SERVICES			002914							
	56229	07/10/19	ECPN PAYMENT-AUG	9,411.73		00000552615		D N	OTHER CHARGES	101.41428.0449
DESIGN ELECTRIC INC			000203							
	56230	07/10/19	REPL. FAULTY CABLE	10,572.00		10287		D N	MTCE. OF EQUIPME	651.48484.0334
DOOLEY'S PETROLEUM INC			000212							
	56178	06/28/19	1,990 GALLONS DIESEL	4,109.45		316572		D N	INVENTORIES-MDSE	101.125000
	56178	06/28/19	6,003 GALLONS UNLEADE	13,625.32		316572		D N	INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	17,734.77		*CHECK TOTAL				
	56231	07/10/19	200.7 GALLONS UNLEADED	533.86		27476		D N	MOTOR FUELS AND	651.48484.0222
	56231	07/10/19	465.9 GALLONS DIESEL	1,137.74		27477		D N	MOTOR FUELS AND	651.48484.0222

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DOOLEY'S PETROLEUM INC			000212											
	56231	07/10/19	111.4 GALLONS DIESEL	272.04		27478		D	N				MOTOR FUELS AND	651.48486.0222
				1,943.64	*CHECK	TOTAL								
			VENDOR TOTAL	19,678.41										
DUBON/ANGELICA			.02917											
	56232	07/10/19	SHELTER REFUND	90.00		062619		D	N				REFUNDS AND REIM	101.41428.0882
DUININCK CONCRETE			000151											
	56233	07/10/19	GENERATOR CONCRETE PAD	333.70		93507		D	N				BUILDINGS AND ST	450.42412.0551
DUININCK INC			000222											
	56234	07/10/19	DISPOSE OLD CONCRETE	141.90		536280		D	N				BUILDINGS AND ST	450.42412.0551
	56234	07/10/19	MIX FOR STREET PATCHIN	3,360.10		536346		D	N				GENERAL SUPPLIES	101.43425.0229
	56234	07/10/19	TACK	876.38		536431		D	N				GENERAL SUPPLIES	101.43425.0229
	56234	07/10/19	PEA ROCK FOR VOSS PARK	705.60		536542		D	N				MTCE. OF OTHER I	101.43425.0226
	56234	07/10/19	MIX FOR STREET PATCHIN	3,818.53		536641		D	N				MTCE. OF OTHER I	101.43425.0226
			VENDOR TOTAL	8,902.51	*CHECK	TOTAL								
				8,902.51										
DVS RENEWAL			003336											
	56179	06/28/19	#103762-LICENSE TABS	11.00		062019		D	N				LICENSES AND TAX	101.42411.0445
	56179	06/28/19	#130712-LICENSE TABS	17.00		062019		D	N				LICENSES AND TAX	101.42411.0445
			VENDOR TOTAL	28.00	*CHECK	TOTAL								
				28.00										
ED'S SERVICE CENTER & SA			000231											
	56235	07/10/19	TOWING CHARGES-JUN	2,580.00		STMT/6-19		D	N				OTHER SERVICES	101.42411.0339
ELECTRIC MOTOR COMPANY			003288											
	56236	07/10/19	BELT FOR SCREW PUMPS	289.14		5791		D	N				MTCE. OF EQUIPME	651.48484.0224
ELECTRIC PUMP INC			000788											
	56237	07/10/19	RAILS FOR E.L. #9	335.58		0065706		D	N				MTCE. OF STRUCTU	651.48487.0225
ERICKSON P & H OF BLOMKE			002912											
	56238	07/10/19	CONNECT NAT GAS TO GEN	448.29		18866		D	N				BUILDINGS AND ST	450.42412.0551
FANCY COATS			002172											
	56239	07/10/19	K-9 BOARDING 06/20-06/23	72.00		35347		D	N				PROFESSIONAL SER	101.42411.0446
	56239	07/10/19	K-9 BOARDING 06/29-06/30	24.00		63019		D	N				PROFESSIONAL SER	101.42411.0446
			VENDOR TOTAL	96.00	*CHECK	TOTAL								
				96.00										
FARM-RITE EQUIPMENT			003002											
	56240	07/10/19	#163318-BELT	19.65		P21680		D	N				INVENTORIES-MDSE	101.125000
	56240	07/10/19	#163318-THERMOSTAT	69.35		P21710		D	N				INVENTORIES-MDSE	101.125000
	56240	07/10/19	#163318-A/C COMP. BELT	700.10		P21718		D	N				INVENTORIES-MDSE	101.125000

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F S 9 BX M	ACCOUNT NAME	ACCOUNT
FARM-RITE EQUIPMENT			003002							
	56240	07/10/19	#080492-BROOM BRISTLES	1,038.45		P22020		D N	INVENTORIES-MDSE	101.125000
				1,827.55	*CHECK	TOTAL				
			VENDOR TOTAL	1,827.55						
FASTENAL COMPANY			001188							
	56241	07/10/19	HOLE SAW KIT	151.00		MNWIL180003		D N	SMALL TOOLS	651.48485.0221
	56241	07/10/19	SHOP SUPPLIES	9.78		MNWIL180036		D N	GENERAL SUPPLIES	651.48484.0229
				160.78	*CHECK	TOTAL				
			VENDOR TOTAL	160.78						
FELT/JAMES E			000993							
	56242	07/10/19	DOBRANSKY-RETIREMENT GFT	255.95		061519		D N	GENERAL SUPPLIES	101.41401.0229
	56242	07/10/19	KING-RETIREMENT GIFT	255.95		061519		D N	GENERAL SUPPLIES	101.41401.0229
	56242	07/10/19	FUEL REIMB.-LEMA EVENT	31.00		061519		D N	MOTOR FUELS AND	101.42411.0222
	56242	07/10/19	WILLS FOR HEROES	51.68		061519		D N	SUBSISTENCE OF P	101.42411.0227
				594.58	*CHECK	TOTAL				
			VENDOR TOTAL	594.58						
FISCHER/BETH			002484							
	56243	07/10/19	CELL PHONE-JUN	50.00		070819		D M 07	COMMUNICATIONS	208.45005.0330
	56243	07/10/19	CELL PHONE-JUL	50.00		070819		D M 07	COMMUNICATIONS	208.45005.0330
	56243	07/10/19	MILEAGE 4/29-7/7/19	912.34		070819		D M 07	TRAVEL-CONF.-SCH	208.45005.0333
				1,012.34	*CHECK	TOTAL				
			VENDOR TOTAL	1,012.34						
FIVE-STAR PUMPING			000234							
	56244	07/10/19	BIOSOLIDS LAND APPLIC.	4,759.76		3777		D N	OTHER SERVICES	651.48486.0339
FLAHERTY & HOOD P.A.			001449							
	56245	07/10/19	LABOR/EMPL. CONSULT-JU	3,316.99		13212		D M 07	PROFESSIONAL SER	101.41406.0446
	56245	07/10/19	LEGAL SERVICES-JUN	5,190.34		13319		D M 07	PROFESSIONAL SER	101.41406.0446
				8,507.33	*CHECK	TOTAL				
			VENDOR TOTAL	8,507.33						
FORUM COMMUNICATIONS COM			002269							
	56246	07/10/19	ORD.-SALES/USE TAX	741.00		C-03016015		D N	PRINTING AND PUB	101.41401.0331
	56246	07/10/19	55 AND BEYOND AD	72.00		184334/5-19		D N	ADVERTISING	101.45435.0447
	56246	07/10/19	55 AND BEYOND AD	72.00		184334/6-19		D N	ADVERTISING	101.45435.0447
	56246	07/10/19	LIFE CONNECTIONS AD	94.00		36972/4-19		D N	ADVERTISING	101.45435.0447
				979.00	*CHECK	TOTAL				
			VENDOR TOTAL	979.00						
FP MAILING SOLUTIONS			001791							
	56247	07/10/19	POSTAGE MTR RENT-3RD QTR	174.21		RI104115808		D N	RENTS	101.42411.0440
FRAMEWORK INC			003459							
	56248	07/10/19	WEBSITE HOSTING	199.00		000788		D N	COMMUNICATIONS	208.45005.0330
	56248	07/10/19	AD CAMPAIGN/LOGO DESIGN	750.00		000788		D N	ADVERTISING	208.45012.0447
				949.00	*CHECK	TOTAL				







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HIGH POINT NETWORKS INC			002299											
			VENDOR TOTAL	34,139.45										
HILLYARD\HUTCHINSON			000333											
56262	07/10/19	CLEANING SUPPLIES		12.32		603466084		D	N				CLEANING AND WAS	101.45435.0228
56262	07/10/19	FLOOR FINISH/SEALANT		302.70		603469892		D	N				MTCE. OF STRUCTU	101.45435.0225
56262	07/10/19	FLOOR BUFF PADS		79.80		603469892		D	N				GENERAL SUPPLIES	101.45435.0229
56262	07/10/19	HAND TOWELS		107.70		603473414		D	N				GENERAL SUPPLIES	101.45435.0229
56262	07/10/19	FLOOR BUFF PADS		7.10		603473414		D	N				GENERAL SUPPLIES	101.45435.0229
56262	07/10/19	CLEANING SUPPLIES		55.85		603476987		D	N				CLEANING AND WAS	101.42412.0228
56262	07/10/19	HAND SOAP		58.96		603489546		D	N				GENERAL SUPPLIES	101.45437.0229
56262	07/10/19	CLEANING SUPPLIES		287.34		603489804		D	N				CLEANING AND WAS	101.45435.0228
56262	07/10/19	VACUUM REPAIR-PARTS		50.50		700384155		D	N				MTCE. OF EQUIPME	101.45435.0224
56262	07/10/19	VACUUM REPAIR-LABOR		72.00		700384155		D	N				MTCE. OF EQUIPME	101.45435.0334
			VENDOR TOTAL	1,034.27		*CHECK TOTAL								
				1,034.27										
HOME DEPOT CREDIT SERVIC			000058											
56263	07/10/19	GAUER-RETIREMENT GIFT		250.00		2565307		D	N				GENERAL SUPPLIES	101.41401.0229
HOME STATE BANK			003067											
56264	07/10/19	2014 GO IMP BOND-I		1,356.25		070219		D	N				INTEREST	314.47100.0444
56264	07/10/19	2015 GO IMP BOND-I		4,830.00		070219		D	N				INTEREST	315.47100.0444
56264	07/10/19	2016 GO IMP BOND-I		5,162.50		070219		D	N				INTEREST	316.47100.0444
			VENDOR TOTAL	11,348.75		*CHECK TOTAL								
				11,348.75										
INDEPENDENT SCHOOL DIST			000348											
56265	07/10/19	SCHOOL RETIREMENT PRGR		1,388.57		7246		D	N				PROFESSIONAL SER	101.45432.0446
INNOVATIVE OFFICE SOLUTI			003023											
56266	07/10/19	GARBAGE BAGS		13.56		IN2562545		D	N				GENERAL SUPPLIES	101.42412.0229
JACOBSON/JOEL			.02921											
56267	07/10/19	ADULT GOLF LESSONS-MAY		396.00		070919		D	N				PROFESSIONAL SER	101.45432.0446
JAGUSH/JEFFREY			003037											
56268	07/10/19	MILEAGE 5/20-6/27/19		29.00		070819		D	N				TRAVEL-CONF.-SCH	101.43425.0333
56268	07/10/19	MILEAGE 5/20-6/27/19		3.48		070819		D	N				TRAVEL-CONF.-SCH	101.45427.0333
56268	07/10/19	MILEAGE 5/20-6/27/19		10.44		070819		D	N				TRAVEL-CONF.-SCH	101.45435.0333
56268	07/10/19	MILEAGE 5/20-6/27/19		87.00		070819		D	N				TRAVEL-CONF.-SCH	651.48484.0333
			VENDOR TOTAL	129.92		*CHECK TOTAL								
				129.92										
JOHANNECK WTR CONDITIONI			003355											
56269	07/10/19	COOLER RENTAL		1.00		CR1711-3-047		D	N				RENTS	651.48484.0440
56269	07/10/19	COOLER RENTAL		2.00		CR1711-3-059		D	N				RENTS	651.48484.0440
56269	07/10/19	R.O. SYTEM RENTAL		36.00		ER1801-3-018		D	N				RENTS	101.41408.0440
56269	07/10/19	COOLER RENTAL		1.00		ER1801-3-018		D	N				RENTS	101.41408.0440



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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
KURHAJETZ/TINA			.02695											
	56278	07/10/19	REFUND VB CLINIC	57.00		070819		D	N				REFUNDS AND REIM	101.41428.0882
KVEENE/CHRIS			003399											
	56279	07/10/19	MILEAGE 6/1-6/30/19	78.88		070119		D	N				TRAVEL-CONF.-SCH	101.41409.0333
LAKE REGION BANK			002886											
	56280	07/10/19	2014 GO IMP BOND-I	1,356.25		070219		D	N				INTEREST	314.47100.0444
	56280	07/10/19	2015 GO IMP BOND-I	3,858.75		070219		D	N				INTEREST	315.47100.0444
	56280	07/10/19	2016 GO IMP BOND-I	5,150.00		070219		D	N				INTEREST	316.47100.0444
	56280	07/10/19	2017 GO IMP BOND-I	7,215.00		070219		D	N				INTEREST	397.47100.0444
			VENDOR TOTAL	17,580.00										
				17,580.00										
LAKELAND BROADCASTING IN			002187											
	56281	07/10/19	AQUATIC CENTER RADIO AD	400.00		CC-Q-119069613		D	N				ADVERTISING	101.45437.0447
	56281	07/10/19	KQIC ADVERTISING	235.20		IN-Q-119069729		D	N				OTHER CHARGES	208.45010.0449
	56281	07/10/19	KOLV ADVERTISING	212.80		INB-1190611878		D	N				OTHER CHARGES	208.45010.0449
			VENDOR TOTAL	848.00										
				848.00										
LAKES AREA REVIEW			002432											
	56282	07/10/19	MAYORS BIKE RIDE ADS	190.40		WLACVB		D	N				TRAVEL-CONF.-SCH	208.45006.0333
LAKESIDE PRESS			001646											
	56283	07/10/19	MEETING FLYERS	156.00		8846		D	N				OTHER CHARGES	208.45008.0449
	56283	07/10/19	LINDAHL-BUSINESS CARDS	56.96		8864		D	N				OFFICE SUPPLIES	651.48484.0220
	56283	07/10/19	SIETSEMA-BUSINESS CARDS	56.96		8864		D	N				OFFICE SUPPLIES	651.48484.0220
			VENDOR TOTAL	269.92										
				269.92										
LAMETTI & SONS INC			003405											
	56284	07/10/19	ARMORY/FRGRNDS/GORTON	32,457.89		1610/1810-#7		D	N				MTCE. OF OTHER I	432.48510.0336
LEAGUE OF MN CITIES INS			000983											
	56181	07/08/19	MUNICIPAL LIABILITY IN	8,343.00		40000823/19		D	N				INSURANCES AND B	101.41402.0441
	56181	07/08/19	AUTO LIAB/PHYS DAMAGE	215.00		40000823/19		D	N				INSURANCES AND B	101.41402.0441
	56181	07/08/19	PROPERTY INS PREMIUM	1,060.00		40000823/19		D	N				INSURANCES AND B	101.41408.0441
	56181	07/08/19	EQUIPMENT INS PREMIUM	487.00		40000823/19		D	N				INSURANCES AND B	101.41408.0441
	56181	07/08/19	AUTO LIAB/PHYS DAMAGE	102.00		40000823/19		D	N				INSURANCES AND B	101.41408.0441
	56181	07/08/19	PROPERTY INS PREMIUM	350.00		40000823/19		D	N				INSURANCES AND B	101.41409.0441
	56181	07/08/19	EQUIPMENT INS PREMIUM	112.00		40000823/19		D	N				INSURANCES AND B	101.41409.0441
	56181	07/08/19	MOBILE PROPERTY PREMIU	4,221.00		40000823/19		D	N				INSURANCES AND B	101.41428.0441
	56181	07/08/19	MUNICIPAL LIABILITY IN	8,983.00		40000823/19		D	N				INSURANCES AND B	101.41428.0441
	56181	07/08/19	MUNICIPAL LIABILITY IN	6,174.00		40000823/19		D	N				INSURANCES AND B	101.41428.0441
	56181	07/08/19	MUNICIPAL LIABILITY IN	8,224.00		40000823/19		D	N				INSURANCES AND B	101.41428.0441
	56181	07/08/19	AUTO LIAB/PHYS DAMAGE	30.00		40000823/19		D	N				INSURANCES AND B	101.41428.0441
	56181	07/08/19	PROPERTY INS PREMIUM	229.00		40000823/19		D	N				INSURANCES AND B	101.42411.0441
	56181	07/08/19	EQUIPMENT INS PREMIUM	103.00		40000823/19		D	N				INSURANCES AND B	101.42411.0441
	56181	07/08/19	EQUIPMENT INS PREMIUM	402.00		40000823/19		D	N				INSURANCES AND B	101.42411.0441

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VENDOR NAME AND NUMBER		CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
LEAGUE OF MN CITIES				INS			000983								
	56181	07/08/19		MUNICIPAL LIABILITY I	27,213.00		40000823/19		D	N				INSURANCES AND B	101.42411.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	12,930.00		40000823/19		D	N				INSURANCES AND B	101.42411.0441
	56181	07/08/19		PROPERTY INS PREMIUM	859.00		40000823/19		D	N				INSURANCES AND B	101.42412.0441
	56181	07/08/19		MOBILE PROPERTY PREMIUM	258.00		40000823/19		D	N				INSURANCES AND B	101.42412.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	1,438.00		40000823/19		D	N				INSURANCES AND B	101.42412.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	312.00		40000823/19		D	N				INSURANCES AND B	101.43417.0441
	56181	07/08/19		PROPERTY INS PREMIUM	18,481.00		40000823/19		D	N				INSURANCES AND B	101.43425.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	1,550.00		40000823/19		D	N				INSURANCES AND B	101.43425.0441
	56181	07/08/19		MOBILE PROPERTY PREMIU	1,453.00		40000823/19		D	N				INSURANCES AND B	101.43425.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	4,714.00		40000823/19		D	N				INSURANCES AND B	101.43425.0441
	56181	07/08/19		PROPERTY INS PREMIUM	1,431.00		40000823/19		D	N				INSURANCES AND B	101.45427.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	610.00		40000823/19		D	N				INSURANCES AND B	101.45427.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	102.00		40000823/19		D	N				INSURANCES AND B	101.45432.0441
	56181	07/08/19		PROPERTY INS PREMIUM	2,610.00		40000823/19		D	N				INSURANCES AND B	101.45433.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	1,613.00		40000823/19		D	N				INSURANCES AND B	101.45433.0441
	56181	07/08/19		MOBILE PROPERTY PREMIUM	56.00		40000823/19		D	N				INSURANCES AND B	101.45433.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	113.00		40000823/19		D	N				INSURANCES AND B	101.45433.0441
	56181	07/08/19		PROPERTY INS PREMIUM	928.00		40000823/19		D	N				INSURANCES AND B	101.45435.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	213.00		40000823/19		D	N				INSURANCES AND B	101.45435.0441
	56181	07/08/19		PROPERTY INS PREMIUM	3,524.00		40000823/19		D	N				INSURANCES AND B	101.45437.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	312.00		40000823/19		D	N				INSURANCES AND B	101.45437.0441
	56181	07/08/19		PROPERTY INS PREMIUM	9,063.00		40000823/19		D	N				INSURANCES AND B	230.43430.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	482.00		40000823/19		D	N				INSURANCES AND B	230.43430.0441
	56181	07/08/19		PROPERTY INS PREMIUM	21,759.00		40000823/19		D	N				INSURANCES AND B	651.48485.0441
	56181	07/08/19		EQUIPMENT INS PREMIUM	10,247.00		40000823/19		D	N				INSURANCES AND B	651.48485.0441
	56181	07/08/19		MOBILE PROPERTY PREMIUM	97.00		40000823/19		D	N				INSURANCES AND B	651.48485.0441
	56181	07/08/19		AUTO LIAB/PHYS DAMAGE	951.00		40000823/19		D	N				INSURANCES AND B	651.48485.0441
	56181	07/08/19		PROPERTY INS PREMIUM	1,412.00		40000823/19		D	N				INSURANCES AND B	816.41402.0441
				VENDOR TOTAL	163,766.00										
					163,766.00										
															*CHECK TOTAL
LETG LLC				002844											
	56285	07/10/19		GPS PUCK FOR SQUAD	64.00		242731		D	N				MTCE. OF EQUIPME	101.42411.0224
LITTLE CROW SKI SHOW				000417											
	56286	07/10/19		2019 PROGRAM AD	250.00		6828		D	N				ADVERTISING	208.45006.0447
LOCAL GOV'T INFORMATION				003226											
	56287	07/10/19		MONTHLY SUBSCRIP.-JUL	1,578.00		47311		D	N				SUBSCRIPTIONS AN	101.41409.0443
LOCATORS & SUPPLIES INC				002162											
	56288	07/10/19		SAFETY VESTS/RAIN JKTS	99.57		0277111		D	N				SUBSISTENCE OF P	101.43425.0227
	56288	07/10/19		STREET SIGNS	1,474.50		0277286		D	N				MTCE. OF OTHER I	101.43425.0226
				VENDOR TOTAL	1,574.07										
					1,574.07										*CHECK TOTAL
LOFFLER COMPANIES				002593											
	56289	07/10/19		CONTRACT USAGE-JUN	95.45		3150045		D	N				MTCE. OF EQUIPME	101.41405.0334

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
LUTHI/CHRISTINE			.02923											
	56290	07/10/19	SHELTER REFUND	110.00		070819		D	N				REFUNDS AND REIM	101.41428.0882
M-R SIGN CO INC			000424											
	56291	07/10/19	STREET SIGNS	75.51		204651		D	N				MTCE. OF OTHER I	101.43425.0226
MACQUEEN EQUIPMENT INC			000427											
	56292	07/10/19	#130012 REPAIR-PARTS	1,841.79		P19880		D	N				INVENTORIES-MDSE	101.125000
	56292	07/10/19	RETURNED UNUSED PARTS	398.36CR		P20070		D	N				MTCE. OF EQUIPME	101.43425.0224
	56292	07/10/19	#130012 REPAIR-PARTS	738.01		P20104		D	N				INVENTORIES-MDSE	101.125000
	56292	07/10/19	#130012-CONVEYOR COVER	152.66		P20141		D	N				INVENTORIES-MDSE	101.125000
	56292	07/10/19	#130012-MAIN BROOM COVER	415.96		P20188		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	2,750.06										
													*CHECK TOTAL	
MARCUS/PAUL			001280											
	56293	07/10/19	SAFETY BOOTS	175.00		070219		D	N				SUBSISTENCE OF P	651.48484.0227
MENARDS			000449											
	56294	07/10/19	SAW BLADES	24.98		79643		D	N				SMALL TOOLS	101.45433.0221
	56294	07/10/19	INSULATION	683.02		79643		D	N				MTCE. OF STRUCTU	101.45433.0225
	56294	07/10/19	SILICONE/SUPPLIES	87.71		79643		D	N				GENERAL SUPPLIES	101.45433.0229
	56294	07/10/19	BOLTS/CABLE	97.57		79654		D	N				MTCE. OF EQUIPME	101.43425.0224
	56294	07/10/19	SNOW FENCE	307.66		79719		D	N				GENERAL SUPPLIES	101.43425.0229
	56294	07/10/19	LIGHT BULBS	4.99		79720		D	N				MTCE. OF STRUCTU	101.43425.0225
	56294	07/10/19	48" LEVEL	54.88		79760		D	N				SMALL TOOLS	101.43425.0221
	56294	07/10/19	GROMMETS	7.38		79760		D	N				GENERAL SUPPLIES	101.43425.0229
	56294	07/10/19	PLANT SUPPLIES	53.27		79796		D	N				GENERAL SUPPLIES	651.48484.0229
	56294	07/10/19	REPL. BALLASTS	44.96		79824		D	N				MTCE. OF STRUCTU	101.43425.0225
	56294	07/10/19	PUSH BROOMS	89.97		79829		D	N				SMALL TOOLS	101.45433.0221
	56294	07/10/19	ANT KILLER	2.99		80095		D	N				GENERAL SUPPLIES	101.43425.0229
	56294	07/10/19	WOOD FOR BLDG MTCE	52.80		80096		D	N				MTCE. OF STRUCTU	101.45433.0225
	56294	07/10/19	ELEC/PLUMBING PARTS	91.29		80220		D	N				MTCE. OF STRUCTU	101.45433.0225
			VENDOR TOTAL	1,603.47										
													*CHECK TOTAL	
MILLER/JAMES			.02229											
	56295	07/10/19	PARADE ANNOUNCER	100.00		062219		D	N				PROFESSIONAL SER	101.45001.0446
MILLS AUTOMOTIVE GROUP			000432											
	56296	07/10/19	#170559-INTAKE GASKET	10.45		4728350		D	N				INVENTORIES-MDSE	101.125000
	56296	07/10/19	#170559-IGN. COIL	37.42		4728352		D	N				INVENTORIES-MDSE	101.125000
	56296	07/10/19	#992939-HUB CAP	69.94		4731018		D	N				INVENTORIES-MDSE	101.125000
	56296	07/10/19	#170560-SIGNAL SWITCH	48.29		4737077		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	166.10										
													*CHECK TOTAL	
MINNEAPOLIS FINANCE DEPA			000466											
	56297	07/10/19	AUTO PAWN TRANS FEE-MAY	97.20		400451003094		D	N				PROFESSIONAL SER	101.42411.0446

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ML PROMOTIONS & APPAREL			003514											
	56298	07/10/19	CONV BID PROMO ITEMS	1,429.16		169		D	N				OTHER CHARGES	208.45008.0449
	56298	07/10/19	MTGS/CONV RETRACTOR KITS	499.20		184		D	N				OTHER CHARGES	208.45008.0449
			VENDOR TOTAL	1,928.36										
				1,928.36										
MN DEPT OF LABOR & INDUS			000522											
	56299	07/10/19	2ND QTR SURCHARGE PYMT	8,864.31		070219		D	N				OTHER CHARGES	101.41402.0449
MN PETROLEUM SERVICE			002167											
	56300	07/10/19	FUEL SYSTEM REPAIR-LABOR	579.25		0000058844		D	N				MTCE. OF OTHER I	101.43425.0336
MN\WI PLAYGROUND			003213											
	56301	07/10/19	PLAY EQUIP INSTALLATI	10,000.00		2018478		D	N				OTHER IMPROVEMEN	450.45439.0554
	56301	07/10/19	PLAY EQUIP INSTALLATI	27,729.00		2019191		D	N				FURNITURE AND EQ	450.45432.0552
			VENDOR TOTAL	37,729.00										
				37,729.00										
MOTTINGER/JODI			003510											
	56302	07/10/19	GYMNASTICS COACHING	1,344.69		062819		D	M	07			PROFESSIONAL SER	101.45432.0446
MVTL LABORATORIES INC			000544											
	56303	07/10/19	LAB TESTING	45.00		982910		D	N				PROFESSIONAL SER	651.48484.0446
	56303	07/10/19	LAB TESTING	45.00		983737		D	N				PROFESSIONAL SER	651.48484.0446
			VENDOR TOTAL	90.00										
				90.00										
MVTV WIRELESS			003372											
	56304	07/10/19	AIRPORT INTERNET-JUL	162.95		11699-20190701		D	N				COMMUNICATIONS	101.41409.0330
NAPA CENTRAL MN			000249											
	56305	07/10/19	CARB. CLEANER	13.20		341-810835		D	N				GENERAL SUPPLIES	101.45433.0229
NCL OF WISCONSIN INC			001627											
	56306	07/10/19	LAB SUPPLIES	860.16		425159		D	N				GENERAL SUPPLIES	651.48484.0229
NELSON INTERNATIONAL			000568											
	56307	07/10/19	#022446-BATTERY	657.30		X101053847:01		D	N				MTCE. OF EQUIPME	101.42412.0224
	56307	07/10/19	#022446-CORE RETURN	202.50	CR	X101053847:01		D	N				MTCE. OF EQUIPME	101.42412.0224
	56307	07/10/19	FUEL TREATMENT	35.80		X101054190:01		D	N				MOTOR FUELS AND	651.48486.0222
			VENDOR TOTAL	490.60										
				490.60										
NELSON/ANITA			002823											
	56308	07/10/19	IN-SERVICE TRAINING	300.00		101		D	M	07			PROFESSIONAL SER	101.45437.0446
NEWBERG/SOLVEIG			.02924											
	56309	07/10/19	REFUND VB CLINIC	47.00		070819		D	N				REFUNDS AND REIM	101.41428.0882



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NL-S FAST PITCH .02918	56310	07/10/19	TOURNAMENT FEES	500.00		16		D	N				SUBSCRIPTIONS AN	101.45432.0443
NORTHERN BUSINESS PRODUC 002322	56311	07/10/19	OFFICE SUPPLIES	74.53		413057-0		D	N				OFFICE SUPPLIES	101.45432.0220
	56311	07/10/19	4 DWR LEGAL FILE CABINET	429.99		414072-0		D	N				SMALL TOOLS	101.42411.0221
	56311	07/10/19	OFFICE SUPPLIES	40.37		415659-0		D	N				OFFICE SUPPLIES	101.41410.0220
	56311	07/10/19	OFFICE SUPPLIES	56.57		417195-0		D	N				OFFICE SUPPLIES	651.48484.0220
	56311	07/10/19	OFFICE SUPPLIES	41.17		417551-0		D	N				OFFICE SUPPLIES	101.45432.0220
	56311	07/10/19	OFFICE SUPPLIES	89.30		418257-0		D	N				OFFICE SUPPLIES	651.48484.0220
	56311	07/10/19	OFFICE SUPPLIES	261.85		418591-0		D	N				OFFICE SUPPLIES	101.41410.0220
	56311	07/10/19	OFFICE SUPPLIES	35.29		418915-0		D	N				OFFICE SUPPLIES	101.41410.0220
			VENDOR TOTAL	1,029.07										
				1,029.07									*CHECK TOTAL	
O'REILLY AUTOMOTIVE INC 000650	56312	07/10/19	#130012-EXHAUST WRAP	49.99		1528-207905		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	#130012-EXHAUST CLAMP	6.34		1528-207963		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	#170559-IGN. PARTS	58.44		1528-207964		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	FLOOR DRY	77.88		1528-208802		D	N				GENERAL SUPPLIES	101.42412.0229
	56312	07/10/19	BLOWER MOTOR RESISTOR	71.43		1528-210342		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	#130012-HUB CAP	37.69		1528-211119		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	#170559-BRAKE PARTS	84.99		1528-211739		D	N				INVENTORIES-MDSE	101.125000
	56312	07/10/19	THREAD SEAL/ANTI SEIZE	53.96		1528-211846		D	N				GENERAL SUPPLIES	101.43425.0229
	56312	07/10/19	CAR WASH SUPPLIES	20.38		1528-211889		D	N				GENERAL SUPPLIES	101.43425.0229
	56312	07/10/19	#170074-BRAKE PARTS	84.99		1528-213109		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	546.09										
				546.09									*CHECK TOTAL	
PERKINS LUMBER CO INC 000604	56313	07/10/19	WOOD STAKES	37.98		1906-018794		D	N				GENERAL SUPPLIES	101.43425.0229
	56313	07/10/19	SCREWS	104.70		1906-019007		D	N				MTCE. OF EQUIPME	101.43425.0224
	56313	07/10/19	CONCRETE MIX-MILLER PARK	180.46		1906-019076		D	N				MTCE. OF OTHER I	101.43425.0226
	56313	07/10/19	SHOP VAC	89.99		1906-019820		D	N				SMALL TOOLS	101.45437.0221
	56313	07/10/19	SCREWS	73.90		1906-020135		D	N				MTCE. OF OTHER I	101.43425.0226
	56313	07/10/19	20 CHAISE LOUNGE CHAIR	1,159.80		1906-022419		D	N				SMALL TOOLS	101.45437.0221
	56313	07/10/19	SCREWS FOR DESK	4.50		1906-022449		D	N				MTCE. OF EQUIPME	101.41408.0224
			VENDOR TOTAL	1,651.33										
				1,651.33									*CHECK TOTAL	
PEST PRO II 001968	56314	07/10/19	PEST CONTROL SERVICES	37.00		26114		D	N				PROFESSIONAL SER	101.45435.0446
POLICEONE.COM .02928	56315	07/10/19	ANDERSON-TASER CERTIF.	495.00		57425 REV.1		D	N				TRAVEL-CONF.-SCH	101.42411.0333
PREMIUM WATERS INC 000374	56316	07/10/19	DRINKING WATER	27.50		329949/6-19		D	N				SUBSISTENCE OF P	101.42412.0227

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PREMIUM WATERS INC			000374											
	56316	07/10/19	DRINKING WATER	59.50		527119/5-19		D	N				SUBSISTENCE OF P	101.45437.0227
				87.00	*CHECK	TOTAL								
			VENDOR TOTAL	87.00										
PRO WATER SOLUTIONS			.02919											
	56317	07/10/19	R.O. SYSTEM REPAIR-PARTS	118.50		1147		D	N				MTCE. OF EQUIPME	101.45433.0224
	56317	07/10/19	R.O. SYSTEM REPAIR-LABOR	85.00		1147		D	N				MTCE. OF EQUIPME	101.45433.0334
				203.50	*CHECK	TOTAL								
			VENDOR TOTAL	203.50										
RICE HOSPITAL/CARRIS HEA			001166											
	56318	07/10/19	DRAW CHG-CASE 19008160	37.96		13519		D	N				PROFESSIONAL SER	101.42411.0446
RIVARD/LUKE			003419											
	56319	07/10/19	COMM. RHYTHMS WORKSHOP	350.00		27		D	M	07			PROFESSIONAL SER	899.45435.0446
ROSEBUDS SWEETS & TREATS			.02916											
	56180	06/28/19	HALVORSON-FAREWELL COFFE	142.00		061819		D	N				SUBSISTENCE OF P	101.43425.0227
RULE TIRE SHOP			000665											
	56320	07/10/19	TIRE REPAIR-PARTS	10.50		1-36130		D	N				MTCE. OF EQUIPME	101.43425.0224
	56320	07/10/19	TIRE REPAIR-LABOR	45.00		1-36130		D	N				MTCE. OF EQUIPME	101.43425.0334
				55.50	*CHECK	TOTAL								
			VENDOR TOTAL	55.50										
RUNIA/DAVID			003511											
	56321	07/10/19	BASKETBALL CAMP COACHI	1,000.00		062819		D	M	07			PROFESSIONAL SER	101.45433.0446
RUNNING'S SUPPLY INC			001418											
	56322	07/10/19	ROPE/GLOVES	44.54		4756275		D	N				GENERAL SUPPLIES	651.48484.0229
	56322	07/10/19	PRUNERS	28.98		4758771		D	N				SMALL TOOLS	101.43425.0221
	56322	07/10/19	BUCKET FOR FOG SAMPLING	13.99		4760003		D	N				GENERAL SUPPLIES	651.48485.0229
	56322	07/10/19	WEED KILLER	123.96		4760215		D	N				GENERAL SUPPLIES	101.43425.0229
	56322	07/10/19	DOG FOOD	58.99		4763126		D	N				SUBSISTENCE OF P	101.42411.0227
	56322	07/10/19	BALL MOUNT HITCH	41.98		4764606		D	N				MTCE. OF EQUIPME	101.43425.0224
	56322	07/10/19	WHEEL BARROW TIRES	59.98		4765111		D	N				MTCE. OF EQUIPME	101.43425.0224
	56322	07/10/19	KEY FOR BLDG	1.99		4765979		D	N				MTCE. OF STRUCTU	101.45435.0225
	56322	07/10/19	TWINE	13.18		4765979		D	N				GENERAL SUPPLIES	101.45435.0229
	56322	07/10/19	TARP FOR SALT SHED	34.99		4766046		D	N				MTCE. OF STRUCTU	101.43425.0225
	56322	07/10/19	GRAVE-SFTY BOOTS/VESTS	122.89		4766864		D	N				SUBSISTENCE OF P	101.42412.0227
	56322	07/10/19	VOLK-SAFETY BOOTS	175.00		4767633		D	N				SUBSISTENCE OF P	101.43425.0227
	56322	07/10/19	FAGEN-SAFETY BOOTS	129.99		4767636		D	N				SUBSISTENCE OF P	101.43425.0227
	56322	07/10/19	ROPE FOR FLAG POLE	23.20		4772500		D	N				GENERAL SUPPLIES	651.48484.0229
	56322	07/10/19	PRESSURE GAUGE	14.99		4772530		D	N				SMALL TOOLS	651.48484.0221
	56322	07/10/19	PLIERS	15.99		4772530		D	N				SMALL TOOLS	651.48484.0221
	56322	07/10/19	SHOVELS	59.94		4772575		D	N				SMALL TOOLS	101.43425.0221
	56322	07/10/19	PARTS FOR FLAG POLE	23.17		4772776		D	N				GENERAL SUPPLIES	651.48484.0229

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RUNNING'S SUPPLY INC				001418											
56322	07/10/19			TWINE/DUCT TAPE	17.37		4773439		D	N				GENERAL SUPPLIES	101.45435.0229
56322	07/10/19			RATCHET STRAP	44.99		4774968		D	N				SMALL TOOLS	101.43425.0221
56322	07/10/19			ADAPTER	19.98		4774968		D	N				MTCE. OF EQUIPME	101.43425.0224
56322	07/10/19			DOG FOOD	117.98		4786415		D	N				SUBSISTENCE OF P	101.42411.0227
56322	07/10/19			MCGILLIVRAY-SFTY BOOTS	139.99		4788926		D	N				SUBSISTENCE OF P	101.42412.0227
56322	07/10/19			FUEL NOZZLE	104.98		4793582		D	N				MTCE. OF EQUIPME	651.48484.0224
56322	07/10/19			PTO LOCK PIN	8.97		4793582		D	N				GENERAL SUPPLIES	651.48484.0229
56322	07/10/19			DRILL/DRIVER KIT	219.99		4794452		D	N				SMALL TOOLS	101.45433.0221
56322	07/10/19			RECEIVER PIN & CLIP	2.49		4794452		D	N				MTCE. OF EQUIPME	101.45433.0224
56322	07/10/19			TRIMMER LINE AND HEAD	32.98		4796505		D	N				GENERAL SUPPLIES	101.45433.0229
56322	07/10/19			DUPLICATE KEYS	11.94		4800170		D	N				GENERAL SUPPLIES	101.42411.0229
56322	07/10/19			SNAP RING PLIERS	21.99		4801163		D	N				SMALL TOOLS	651.48484.0221
56322	07/10/19			LAWN MOWER OIL	21.99		4801163		D	N				MOTOR FUELS AND	651.48484.0222
56322	07/10/19			WEED KILLER	21.60		4801163		D	N				GENERAL SUPPLIES	651.48484.0229
56322	07/10/19			PROPANE	19.98		4801163		D	N				GENERAL SUPPLIES	651.48484.0229
56322	07/10/19			REFRIGERANT	83.76		4803131		D	N				INVENTORIES-MDSE	101.125000
56322	07/10/19			SPRAYER TIP	17.99		4807521		D	N				SMALL TOOLS	101.45432.0221
56322	07/10/19			5 RAKES	79.95		4808408		D	N				SMALL TOOLS	101.43425.0221
56322	07/10/19			TOW BALL MOUNT	19.99		4808408		D	N				MTCE. OF EQUIPME	101.43425.0224
56322	07/10/19			CLEANING SUPPLIES	25.74		4808408		D	N				CLEANING AND WAS	101.43425.0228
56322	07/10/19			WEED KILLER	33.98		4808408		D	N				GENERAL SUPPLIES	101.43425.0229
56322	07/10/19			5 GALLON PAILS	17.45		4808408		D	N				GENERAL SUPPLIES	101.43425.0229
56322	07/10/19			TRASH BAGS	12.49		4808408		D	N				GENERAL SUPPLIES	101.43425.0229
56322	07/10/19			RAIN SUIT/JACKET	89.98		4809044		D	N				SUBSISTENCE OF P	101.43425.0227
56322	07/10/19			JUVEN-SAFETY BOOTS	175.00		4812661		D	N				SUBSISTENCE OF P	101.43425.0227
				VENDOR TOTAL	2,351.30		*CHECK TOTAL								
					2,351.30										
SCHUELER/ALLEN				002142											
56323	07/10/19			PYMT FOR SET ASIDE ACR	1,200.00		070219		D	M	01			OTHER CHARGES	651.48486.0449
SCHUELER/HARRY				000889											
56324	07/10/19			PYMT FOR SET ASIDE ACR	2,920.00		070219		D	M	01			OTHER CHARGES	651.48486.0449
SCZUBLEWSKI/JAYME				003512											
56325	07/10/19			WEBSITE DEVELOPMENT	1,000.00		112		D	M	07			PROFESSIONAL SER	235.41402.0446
SERVICE CENTER/CITY OF W				000685											
56326	07/10/19			EQUIPMENT REPAIR-OIL	78.00		STMT/6-19		D	N				MOTOR FUELS AND	101.42411.0222
56326	07/10/19			EQUIPMENT REPAIR-OIL	79.50		STMT/6-19		D	N				MOTOR FUELS AND	101.42411.0222
56326	07/10/19			EQUIPMENT REPAIR-PARTS	356.73		STMT/6-19		D	N				MTCE. OF EQUIPME	101.42411.0224
56326	07/10/19			EQUIPMENT REPAIR-PARTS	659.82		STMT/6-19		D	N				MTCE. OF EQUIPME	101.42411.0224
56326	07/10/19			EQUIPMENT REPAIR-OIL	198.76		STMT/6-19		D	N				MOTOR FUELS AND	101.43425.0222
56326	07/10/19			EQUIPMENT REPAIR-PARTS	1,705.13		STMT/6-19		D	N				MTCE. OF EQUIPME	101.43425.0224
56326	07/10/19			EQUIPMENT REPAIR-PARTS	585.94		STMT/6-19		D	N				MTCE. OF EQUIPME	101.45432.0224
56326	07/10/19			EQUIPMENT REPAIR-OIL	33.00		STMT/6-19		D	N				MOTOR FUELS AND	101.45433.0222
56326	07/10/19			EQUIPMENT REPAIR-PARTS	1,395.33		STMT/6-19		D	N				MTCE. OF EQUIPME	101.45433.0224
56326	07/10/19			EQUIPMENT REPAIR-OIL	24.00		STMT/6-19		D	N				MOTOR FUELS AND	101.42411.0222
56326	07/10/19			EQUIPMENT REPAIR-PARTS	12.18		STMT/6-19		D	N				MTCE. OF EQUIPME	101.42411.0224

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
SERVICE CENTER/CITY OF W			000685											
	56326	07/10/19	EQUIPMENT REPAIR-OIL	111.18		STMT/6-19		D	N				MOTOR FUELS AND	101.43425.0222
	56326	07/10/19	EQUIPMENT REPAIR-PARTS	5,474.27		STMT/6-19		D	N				MTCE. OF EQUIPME	101.43425.0224
	56326	07/10/19	EQUIPMENT REPAIR-PARTS	4,999.50		STMT/6-19		D	N				MTCE. OF EQUIPME	101.43425.0224
			VENDOR TOTAL	15,713.34		*CHECK TOTAL								
SIETSEMA/SARA			003218											
	56327	07/10/19	LCCMR PRESENTATION	13.40		062519		D	N				TRAVEL-CONF.-SCH	651.48484.0333
SMEBY/ROSS			002570											
	56328	07/10/19	MILEAGE 6/1-6/30/19	150.80		070119		D	N				TRAVEL-CONF.-SCH	101.41409.0333
ST JAMES YOUTH SOFTBALL			.02925											
	56329	07/10/19	SB TOURNAMENT REGIS.	225.00		070919		D	N				SUBSCRIPTIONS AN	101.45432.0443
STACY'S NURSERY INC			000706											
	56330	07/10/19	LANDSCAPE ROCK	95.00		14337		D	N				GENERAL SUPPLIES	101.43425.0229
	56330	07/10/19	HARDWOOD MULCH	90.00		14338		D	N				GENERAL SUPPLIES	101.42412.0229
	56330	07/10/19	FLOWERS/POTTING SOIL	155.77		14370		D	N				GENERAL SUPPLIES	101.45435.0229
	56330	07/10/19	GRASS SEED	257.50		14371		D	N				MTCE. OF OTHER I	101.43425.0226
			VENDOR TOTAL	598.27		*CHECK TOTAL								
STATEWIDE DISTRIBUTING I			000718											
	56331	07/10/19	STYROFOAM CUPS	27.30		204818		D	N				GENERAL SUPPLIES	101.42411.0229
STERLING WATER-MINNESOTA			000188											
	56332	07/10/19	SOFTENER RENTAL-JUL	18.50		01454495/6-19		D	N				RENTS	101.41408.0440
SWEDBURG/SARAH			003373											
	56333	07/10/19	ARTISTS ON MAIN ST MTG	48.20		062619		D	N				SUBSISTENCE OF P	235.41402.0337
	56333	07/10/19	LMC CONFERENCE	272.12		062819		D	N				TRAVEL-CONF.-SCH	101.41402.0333
			VENDOR TOTAL	320.32		*CHECK TOTAL								
TAMMEN/LOGAN			.02927											
	56334	07/10/19	REPLACED PYRL CK 46904	129.33		070919		D	N				SALARIES-TEMP. E	101.45432.0112
THOMPSON/JUDY			000949											
	56335	07/10/19	MILEAGE 4/1-6/30/19	187.87		070819		D	N				TRAVEL-CONF.-SCH	101.41403.0333
TITAN MACHINERY			003375											
	56336	07/10/19	MOWER BLADES	773.86		12604805 GP		D	N				MTCE. OF EQUIPME	101.43425.0224
UNCOMMON USA INC			001286											
	56337	07/10/19	US FLAGS	72.00		895866		D	N				GENERAL SUPPLIES	101.42412.0229

Vendor Payment History Report  
INCLUDES ONLY POSTED TRANS

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
US BANK			000264											
	330	06/27/19	#148 GO IMP BOND-I	3,645.00		801305100		M	N				INTEREST	330.43430.0444
	56338	07/10/19	PAYING AGENT FEE	500.00		5401476		D	N				OTHER CHARGES	338.47200.0449
	56338	07/10/19	#169 2018 GO IMP BOND-SC	500.00		5401478		D	N				OTHER CHARGES	318.47100.0449
				1,000.00										
			VENDOR TOTAL	4,645.00										
													*CHECK TOTAL	
US BANK EQUIPMENT FINANC			003143											
	56339	07/10/19	COPIER LEASE-JUL	157.97		388644478		D	N				RENTS	101.42412.0440
	56339	07/10/19	COPIER LEASE-JUL	221.18		388649071		D	N				RENTS	651.48484.0440
	56339	07/10/19	COPIER LEASE-JUL	340.00		388956179		D	N				RENTS	101.41410.0440
				719.15										
			VENDOR TOTAL	719.15										
													*CHECK TOTAL	
VIGIL/KATIE			.02810											
	56340	07/10/19	PARADE CAMERA OPERATOR	100.00		062219		D	N				PROFESSIONAL SER	101.45001.0446
WEST CENTRAL COMMUNICATI			000796											
	56341	07/10/19	SPARE RADIO BATTERIES	474.00		088084S		D	N				GENERAL SUPPLIES	101.42412.0229
WEST CENTRAL INDUSTRIES			000801											
	56342	07/10/19	LAWN MTCE-JUN	240.00		4232		D	N				MTCE. OF OTHER I	101.45437.0336
WEST CENTRAL PRINTING			000803											
	56343	07/10/19	PRINTED POSTCARDS	58.67		21224		D	N				PRINTING AND PUB	235.41402.0331
WEST CENTRAL TROPHIES			000808											
	56344	07/10/19	HALVORSON-RETIRE. PLAQUE	125.00		5398		D	N				GENERAL SUPPLIES	101.41401.0229
	56344	07/10/19	DOBRANSKY-RETIRE. PLAQUE	125.00		5398		D	N				GENERAL SUPPLIES	101.41401.0229
	56344	07/10/19	KING-RETIREMENT PLAQUE	125.00		5398		D	N				GENERAL SUPPLIES	101.41401.0229
	56344	07/10/19	RAMSTAD-NAME TAG	12.50		5398		D	N				GENERAL SUPPLIES	101.41402.0229
				387.50										
			VENDOR TOTAL	387.50										
													*CHECK TOTAL	
WILLIAMS/MATTHEW			003513											
	56345	07/10/19	BASKETBALL CAMP COACHI	3,716.00		062819		D	M	07			PROFESSIONAL SER	101.45432.0446
WILLMAR AUTO VALUE			002689											
	56346	07/10/19	CHAMOIS	12.99		22309597		D	N				GENERAL SUPPLIES	651.48484.0229
	56346	07/10/19	BATTERY CORE RETURN	18.00CR		22310703		D	N				MTCE. OF EQUIPME	101.42412.0224
	56346	07/10/19	OIL	17.97		22311156		D	N				MOTOR FUELS AND	651.48484.0222
				12.96										
			VENDOR TOTAL	12.96										
													*CHECK TOTAL	
WILLMAR FESTS			000817											
	56347	07/10/19	CELEBR. LT OF THE WOR	15,000.00		062619		D	N				CIVIC PROMOTION	101.45428.0812
	56347	07/10/19	HOLIDAZE DONATION	5,000.00		062619		D	N				CIVIC PROMOTION	101.45428.0812
				20,000.00										
			VENDOR TOTAL	20,000.00										
													*CHECK TOTAL	



ACS FINANCIAL SYSTEM  
07/10/2019 15:42:14

Vendor Payment History Report  
INCLUDES ONLY POSTED TRANS

CITY OF WILLMAR  
GL540R-V08.12 PAGE 23

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
REPORT TOTALS:				1,161,155.13										

RECORDS PRINTED - 000536

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Vendor Payment History Report

CITY OF WILLMAR  
GL060S-V08.12 RECAPPAGE  
GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	614,844.32
205	INDUSTRIAL DEVELOPMENT	26,565.75
208	CONVENTION & VISITORS BUREAU	7,512.08
230	WILLMAR MUNICIPAL AIRPORT	10,020.47
235	WILLMAR MAIN STREET	2,126.87
314	D.S. - 2014 BOND	6,781.25
315	D.S. - 2015 BOND	13,505.63
316	D.S. - 2016 BOND	16,512.50
318	D.S. - 2018B BOND	500.00
330	D.S. - 2004C BOND AIRPORT	3,645.00
338	D.S.-R22 REFRIGERATION 2018A	500.00
397	D.S. - 2017 BOND	16,380.00
430	C.P. - AIRPORT DEVELOPMENT	48,995.10
432	C.P. - WASTE TREATMENT	40,487.89
438	C.P.-R22 REFRIGERATION 2018A	156,181.45
450	CAPITAL IMPROVEMENT FUND	97,395.40
651	WASTE TREATMENT	96,992.12
803	COMM EMERGENCY RESPONSE TEAM	447.30
816	BIOSCIENCE GRANT	1,412.00
899	DONATION FUND (AGENCY)	350.00
TOTAL ALL FUNDS		1,161,155.13

BANK RECAP:

BANK	NAME	DISBURSEMENTS
HERT	HERITAGE BANK	1,161,155.13
TOTAL ALL BANKS		1,161,155.13



**Members Present:** Jim Anderson, Tom Gilbertson, Rand Middleton, Andy Ogdahl, Rachel Skretvedt and Julie Asmus, City Council Representative

**Staff Present:** Rob Baumgarn, Britta Diem, Gary Manzer, Ryan Scheffler and Becky Sorenson

**Guests Present:** Tom Amberg, Ryan Voz, Marc Jerzak, Stacy Teigels-Nelson, Mary Sawatzky

The meeting was called to order by Vice Chairman, Jim Anderson. He asked for a motion to approve last month's minutes. Rachel Skretvedt made the motion to approve, seconded by Tom Gilbertson. Motion carried.

Public Forum – Rob Baumgarn stated that, since we have not had a chance to go over our bylaws, he was going to follow open forum protocols of the City Council and limit comments to 3 minutes.

Gary Manzer informed everyone that he had received a call about a child stuck in a swing at the Destination Playground. The child was stuck in the companion swing/infant carrier (he was not an infant) and he entered it backwards. The swing had to be cut to release him. The child was not hurt and the mother was present. After looking at the swing set, Gary thinks it's a little deceiving on how to use the units. He has removed the swing and will be ordering a replacement and discussing the safety features with the manufacturer.

Mary Sawatzky, representing the baseball community, was present to talk about the Stingers' lease agreement. She stated that she and Rob have had a good conversation regarding the lease agreement and other baseball matters. Her presence is to provide info to the Board. Some of her concerns with the lease language is that conditions for the concession stand requirements are appreciated but conditions are not stated, the length of the lease are stated but the ability to review the lease was not stated.

Jim Anderson then talked about the Willmar Stingers lease and asked Rob to clarify. Rob said that the process is that anything the Park & Rec Board recommends will go to either the Finance Committee or the Public Works Committee before going to the City Council. Rob has talked to other baseball groups for their input. The Finance Committee had questions on the concession stand which was a concern for baseball groups who wanted to be able to sell concessions and make money for their group. Verbiage was added to the agreement stating the groups running a tournament could either contract with the Stingers to run the concession stand or the group could sell their own concessions from a tent but would not be allowed to use the concession building.

One thing that Rob was not aware of is that any leases that are over 3 years in length have to go to the Planning Commission, so he will be going to the Planning Commission meeting tonight.

Jim Anderson asked if there was a motion to approve the revised lease. A motion was made by Tom Gilbertson, seconded by Rachel Skretvedt to approve the revised lease. Discussion followed. Julie Asmus asked what the length of time for the War Hawks' lease. Rob answered it was a yearly lease and said he has asked them to go with a three year lease but they have not wanted to do that. Julie stated that she understood the desire for a ten year lease versus having to renew every five years but she feels that ten years is a very long time. Rachel agreed with Julie and said that we should revisit the issue and check with the Planning Commission at tonight's meeting to see if they were in favor of a three or five year lease. Julie stated she didn't think they would go for a three year lease. Rob said that he had heard there were other leases that are for a longer term than ten years.

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Rob stated that we have the verbiage ready to go if they choose to have a five year with a five year renewal. Our ultimate goal is to keep the Stingers in town. Rachel Skretvedt said that with all the changes happening in the near future with the Local Option Sales Tax taking place, maybe now is a good idea to go with a 5 year lease.

Jim Anderson asked Rob what the reasons were for going with a ten year lease. Rob said he feels it's a good way to lock in the Stingers for ten years. Verbiage is in the lease to cover cost increases over the ten year period. The one big advantage to the City is that the Stingers will now take care of cleaning the stadium saving around \$7,000 for the City.

Rachel asked what other Board Members thought. Jim Anderson mentioned to the Board that Andy Ogdahl is removed from voting on the lease. Tom Gilbertson stated he was in favor of the ten year lease. Jim asked if the vote should be a two part vote – the concession changes and the ten year lease. The original motion was to accept the lease with the changes. As there was no further business, Jim asked for a vote on the motion. Motion carried with Andy Ogdahl abstaining and Julie Asmus voting against the motion.

The next item on the agenda was the Glacial Ridge Curling Club. Tom Amberg was present to discuss the architect for the design of the new facility. He received three different bids – from Negen Associates, Terwisscha Construction and Ramaker & Associates. The Curling Club is recommending accepting Lon Negen as the architect. They are asking for City Council approval. Jim Anderson asked for a motion. Rand Middleton made a motion to accept the Curling Club's recommendation. Julie Asmus seconded. After further discussion, the motion was approved.

The next item on the agenda was the Wild Oar agreement. Stacy Teigels Nelson and Rob have been working on this plan for a while to put rental water equipment at the Island. It has been approved by the City Council. Stacy was present to talk about her plans. Jim Anderson stated, that since it's already been approved, this is for our information only. Stacy stated that her plans include non-motorized water equipment, ie paddle boards, kayaks and one paddle boat. Everyone using the equipment would be required to wear a life jacket. She is planning to sell pre-packaged food, nothing homemade. She will be moving a building in to house the paddleboards, etc. It will not be a permanent structure, it would be removed at the end of the season. Her plan is to be open 7 days a week, weather permitting 1-6 pm weekdays and 12-5 on weekends, extending hours during special events.

Tom Gilbertson asked if they would be renting out anything other than watercraft. Stacy replied that it would just be water craft so far. Rob mentioned that we have discs available for disc golf. After some discussion, Julie Asmus wished Stacy good luck.

The four season shelter was the next topic to be discussed. Rob, Julie Asmus and Curt Hein met with Richard Engan to finalize plans. The scaled down bathrooms is a good plan as it allows all plumbing on one wall which will save money. The outside has been scaled back from all block to block part of the way with siding on the top half. There will be no air conditioning in the building, will utilize the natural air flow. The flooring will be stained concrete. Bathroom fixtures will be the same as at the Arena to make for ease of maintenance. Water and light fixtures will be on sensors so faucets and lights won't be left on. The biggest change will be no fireplace. A big screen television will be mounted on the wall allowing for groups to use for Powerpoint presentations, etc. The kitchenette area will be made bigger with some cabinets.

The outside plaza will be moved a bit closer to the beach. That way, if a fire pit is added, someone sitting at the fire pit would be able to look at the lake instead of the shelter. Julie Asmus also stated the bike/walk path was a bit too close as originally drawn, people would have to circle around the fire pit to continue on. By moving the plaza, it

**PARKS & RECREATION BOARD**  
**JUNE 19, 2019, PAGE 3**

allows for a direct route for bikes, walkers. Rob said he has talked to Richard and Stuart at SRF to make sure the bike path connects to Thompson Park with the least amount of congestion with walkers, etc.

Some of the bigger questions were the vaulted ceiling versus a drop down ceiling. Rob feels that the vaulted ceiling with a rustic look would be much better than a drop down ceiling. Acoustics will be included in the design. Ceiling fans will help with ventilation. We have been able to move the shelter a bit further south so no trees will be affected, the big oak tree won't have to be cut down. Rob feels that we should be able to go out for bid shortly. He thanked the Board for their work.

Rachel Sketvedt asked how much money was able to be saved in the new design. Rob stated that we were \$227,000 over. He said that about \$30,000-\$40,000 was saved just in the bathrooms. The siding change saved additional money. Rob stated there were some alternate choices so if the bid comes back over budget, changes could be made

We need to submit to the Council this cut down version because the original plan was \$1.2 million and Council said no and stated the project needs to be \$800,000 or less. It will go to the City Council at the July meeting, after first going to the committee.

Rand Middleton asked about Guri Endresen Shelter. Rob stated that it would stay the same until the new shelter is built. After that, some re-vamping would need to be done to facilitate the electrical for the playground that was placed in Guri, which will need to be moved. The new road will be in the area of Guri so the shelter will have to be moved or torn down.

The Coordinator's Reports were emailed out to Board Members. This is the Board's opportunity to ask about programs. Jim Anderson stated there was a good article in the newspaper regarding our new PARK IT program. He said there were a lot of kids and staff at Rice Park today having a good time. Ryan talked a bit about the program, saying there were arts and crafts, board games, lawn games and sports for kids to take part in. Kids sign in when they arrive and will be eligible for prizes at the end of the program in July. He's hoping to have Berry make an appearance. The rotation is Mondays at Miller, Tuesdays at Lincoln, Wednesdays at Rice and Thursdays at Northside. We are averaging around 25 per park, hoping to build the numbers up. Julie Asmus asked if we are competing with the Growmobile. Rob said we had talked to James Miller to make sure our PARK IT program was not at the same park on the same day the Growmobile. Also, the Growmobile is more education based where our program is more recreation based.

Rand Middleton asked Ryan to speak about youth baseball. For 3<sup>rd</sup> & 4<sup>th</sup> grade, we used to play just Willmar teams but we have 19 teams in the league from New London, Watkins, KMS, to name a few. We also have 19 teams in grades 5 & 6, with area town teams. He is working on getting traveling and rec teams to work together and have traveling players also playing rec. Rob stated we have made huge strides in working with baseball associations to improve baseball in Willmar. We are trying to entice kids to come out and play baseball, even if they aren't baseball players. Rob feels that third and fourth grade levels should be able to experiment with sports and not tied down to one. That is what we are hoping to accomplish thru PARK IT where kids can try various sports to find what they like best.

Rand Middleton asked about soccer opportunities. Ryan said we have a Tuesday/Thursday morning league for kindergarten thru grade 4. The enrollment numbers for kindergarten is low. Ryan is unsure why that is. We did make a change this year with children registering for the grade going into (versus the grade completed) so pre-schoolers may not have been aware that they could register for kindergarten soccer. Rob explained that the

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traveling soccer numbers have gone down because there aren't any local teams to play and they would need to drive to the Cities for games which is a hardship for quite a few parents.

Rob asked if anyone had questions for Britta. Julie Asmus asked if there were any issues with getting summer staff. Both Ryan and Britta stated they had no problems with hiring staff. Britta was appreciative that many of her staff were returning. Ryan stated he thinks the City needs to address the part time pay scale. Gary Manzer said he has the same problem with his summer staff because they max out at \$11 with the County starting at \$12.

Jim Anderson asked if the free splash pad took away paying customers at the pool. Britta stated that it might but she didn't feel it was a big problem.

Rand Middleton asked about Vos Park's new playground. He stated that the playground looked very different. Rob said he was told to have a "wow" factor so the playground equipment was chosen with a space theme. The playground equipment was moved to the south west to keep it from being flooded with heavy rains. The shelter will also be moved. Due to the promotion from Game Time, we are able to pay \$100,000 for equipment and get \$200,000 in equipment, on certain playground packages. This has been a great benefit as we had so many parks with bad or substandard equipment.

Jim Anderson asked about pickleball courts. Rob stated he got a quote for doing pickleball courts and he didn't like it. He is looking at contracting it out to a paving company, painting lines and buying our own nets. He is hoping to get the job done this fall. The plan is for six pickleball courts at Sperry Park.

Julie Asmus stated she had three questions about Robbins Island. She asked about the zip line swing. Gary Manzer stated he is waiting for the new line to come in. Julie asked about shade tarps. Gary stated that for a large shade area, you would need to have some heavy duty poles with deep footings to carry the weight. Rachel Skretvedt said that someone should talk to Sarah Carlson and the Foundation about receiving some funding towards the shade structures.

Gary mentioned that there are issues at Rice Park with part of the concrete pad. Some fixes have been done but have not solved the problem. Water runs to the southwest into the grass, creating mud which the kids run thru and bring onto the splash pad. Currently some rubber curbing has been placed in the area. The concrete needs to be jack hammered out and replaced but Gary didn't want to do that now. The temporary fix doesn't affect usage of the splash pad and new concrete will be poured this fall.

Julie Asmus' third question was regarding the sign at Robbins Island. She said she has received numerous questions if the sign will be completed. Currently, the sign is at an angle allowing for clear viewing by cars coming from the south but cars coming from the north don't see the sign until they are past it. Julie asked if there was any plan to add another sign angled so people coming from the north could easily see it. Gary stated he did not know if there was any discussion regarding that but he has had some complaints about the sign. Rob stated there was a brown highway sign for Robbins Island. It was felt that the sign was adequate.

As there was no further business, a motion was made by Tom Gilbertson to adjourn, seconded by Julie Asmus and passed.

The next Park & Rec Board meeting will be July 17 at 1:30 at the Arena.

## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee
WI028701	6/3/2019	Blahosky/Ryan L & Marcola M 820 24th Ave SW	95-867-0040 Lot 4, Block 1 West Portland Acres	Alteration Residential Add/Alter	Remove 8' bearing wall	\$1,500.00 \$81.03
WI028775	6/3/2019	Leiva R/Alicia 410 Litchfield Ave SE	95-240-0070  Gilbertson's Subdivision	Reroofing Residential Add/Alter	Residential Reroof	\$2,500.00 \$31.25
WI028801	6/3/2019	Ziegler Willmar LLC 4600 Hwy 71 S		New Commercial New	ZIEGLER - Office, Showroom, and Service Facility	\$14,629,500.00 \$86,542.82
WI028802	6/3/2019	Ziegler Willmar LLC 4600 Hwy 71 S		New Commercial New	7800 Sq Ft Cold Storage Building	\$400,000.00 \$4,138.96
WI028828	6/3/2019	Canavan/Brendon & Jessalyn 1234 15th St SW	95-860-0060 Lot 6, Block 1 West Park 1st Addition	Reroofing Residential Add/Alter	Residential Reroof	\$3,000.00 \$31.50
WI028838	6/3/2019	Eddy/Aaron J & Lilia R 617 25th St SE	95-668-4740 Lot 4, Block 1 Pheasant Run	Reroofing Residential Add/Alter	Residential Reroof	\$6,500.00 \$33.25
WI028842	6/3/2019	Minnwest Technology Campus Man 1721 Technology Dr NE	95-508-2030  Minnwest Technology Campus, Cic #40	Alteration Commercial Add/Alter	Remodel Basement Level	\$146,000.00 \$1,916.46
WI028846	6/4/2019	Diaz/Blanca 632 2nd St SE	95-410-0190 Lot 19, Block 1 Johnson's Subd.	Reroofing Residential Add/Alter	Residential Reroof	\$2,000.00 \$31.00
WI028849	6/3/2019	Okay Home Solutions Llc 718 Litchfield Ave SW	95-003-3750 Block 33 Willmar, Town Of (Original)	Reroofing Commercial Add/Alter	Commercial Reroof	\$13,000.00 \$206.25
WI028853	6/3/2019	Rockstep Willmar, Llc 1605 1st St S	95-923-8640	Alteration Commercial Add/Alter	Interior Tenant Remodel - Verizon	\$150,000.00 \$1,951.46
WI028854	6/4/2019	Cruze/Derrick & Elizabeth 901 3rd St SW	95-280-2140 Lot 14, Block 12 Hanson's Addition To Willmar	Reroofing Residential Add/Alter	Residential Reroof	\$3,600.00 \$31.80
WI028859	6/3/2019	Hein/Curtis & Tracy 1208 Campbell Ave NW	95-009-0810 Block 130 Second Addition To Willmar	Reroofing Residential Add/Alter	Residential Reroof	\$1,000.00 \$31.00

## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee
WI028860	6/3/2019	Schliep/Michael A & Nadene R 2108 22nd Ave SW	95-715-0230 Lot 13, Block 2 Southgate Addition	Reroofing Residential Add/Alter	Residential Reroof	\$8,294.00 \$34.15
WI028862	6/3/2019	Muldrow/Cathy Ann 1208 Grace Ave SW	95-200-0260 Lot 6, Block 2 Erickson's Subd. Of Block 4	Reroofing Residential Add/Alter	Residential Reroof	\$4,200.00 \$32.10
WI028863	6/4/2019	Carlson/Jeffrey L & Pamela D 1413 Westwood Ct NW	95-562-0090 Lot 9, Block 1 Northwood Estates 2nd Addition	Reroofing Residential Add/Alter	Residential Reroof	\$12,000.00 \$36.00
WI028867	6/4/2019	Presbyterian Family Foundatn 832 Pleasant View Dr SE	95-671-0890 Pleasant View Second Addition	Addition Residential Add/Alter	34' x 18' Addition	\$66,365.00 \$1,156.83
WI028871	6/6/2019	Larson/Jesse P & Jacquelyn 821 15th St SW	95-080-0360 Lot 6, Block 3 Bon-Van Acres	Reroofing Residential Add/Alter	Residential Reroof	\$9,000.00 \$34.50
WI028872	6/6/2019	Alonso/Charlotte Rae 800 Augusta Ave SE	95-660-0250 Lot 5, Block 2 Perkins 1st Addition	Reroofing Residential Add/Alter	Residential Reroof	\$6,000.00 \$33.00
WI028873	6/6/2019	Norton/Brandon M 710 7th St SW	95-006-3330 Block 80 First Addition To The Town Of Willmar	Reroofing Residential Add/Alter	Residential Reroof - Garage	\$2,000.00 \$31.00
WI028875	6/6/2019	Mathison/Steven M & Jeri A 1432 Grace Ave SW	95-080-0420 Lot 12, Block 3 Bon-Van Acres	Siding Residential Add/Alter	Residential Reside	\$18,500.00 \$59.25
WI028876	6/7/2019	Haugen/Eugene M & Arlene I 607 17th St SW	95-040-0530 Block 5 Barnstad's Addition To The City Of Willmar	Siding Residential Add/Alter	Residential Reside	\$3,154.00 \$51.58
WI028877	6/7/2019	Christianson Propertes, Llc 287 28th St SE	95-882-0440 Lot 3, Block 4 Woodberry Addition	New New Two-Family Dwelling	New Two-Family Dwelling	\$255,768.00 \$2,211.94

## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee
WI028880	6/7/2019	Green/Douglas P & Janice L 1801 15th Ave SW	95-862-0160 West Park 3rd Addition	Reroofing Residential Add/Alter	Residential Reroof	\$5,000.00 \$32.50
WI028883	6/10/2019	Lindquist Trust/Arland & V 1701 7th Ave SE	95-843-0510 Lot 1, Block 6 Welshire Addition	Reroofing Residential Add/Alter	Residential Reroof	\$6,000.00 \$33.00
WI028884	6/10/2019	Olson/Stacey Mae 2305 20th Ave SW	95-601-0045 Lot 6, Block 2 Ortenblad's Homesites	Reroofing Residential Add/Alter	Residential Reroof	\$6,000.00 \$33.00
WI028885	6/10/2019	Boike/Dean W & Kimberly 1221 28th St NW	95-135-0420 Lot 22, Block 2 College View	Siding Residential Add/Alter	Residential Reside	\$40,000.00 \$70.00
WI028886	6/10/2019	Jimenez/Joanne L & Adrian 1308 Becker Ave SE	95-184-0510 Lot 1, Block 4 Erickson's Third Addition	Reroofing Residential Add/Alter	Residential Reroof	\$1,500.00 \$31.00
WI028887	6/10/2019	Cak Properties, Llc 509 24th St SE	95-668-1230 Lot 3, Block 7 Pheasant Run	Deck Residential Add/Alter	Residential Deck	\$3,000.00 \$249.68
WI028888	6/11/2019	Ind. School Dist. #347 824 7th St SW	95-090-0100 Booth's Addition To Willmar	Alteration Churches/Schools	Misc Exterior Improvements - Kennedy Elementary School	\$700,000.00 \$5,021.56
WI028889	6/11/2019	Alvarado/Clemencia Lopez 1205 5th St SW	95-750-0100 Sub-Div. N1/2 Of Ne1/4	Siding Residential Add/Alter	Residential Reside	\$2,000.00 \$51.00
WI028890	6/11/2019	Mcdougall/Gary L & Pamela 1012 Elizabeth Ave SE	95-260-0040 Lot 4 Gordhamer's Addition	Drainage system Residential Add/Alter	110' Drain tile and Sump	\$8,000.00 \$141.25
WI028891	6/11/2019	Anderson/Dennis & Barbara 610 12th St SW	95-006-7340 Block 112 First Addition To The Town Of Willmar	Reroofing Residential Add/Alter	Residential Reroof	\$4,861.00 \$32.43
WI028896	6/12/2019	Olson/Christina L 817 Pleasant View Dr SE	95-671-0700 Lot 20, Block 4 Pleasant View Second Addition	Reroofing Residential Add/Alter	Residential Reroof	\$2,000.00 \$31.00

## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee	
WI028898	6/12/2019	Reineke/Kevin & Sherrie Prom 417 9th St SW	95-003-6630 Block 54 Willmar, Town Of (Original)	Siding Residential Add/Alter	Residential Reside	\$1,500.00	\$51.00
WI028899	6/13/2019	Hornick/Kasandra Jo 2035 6th St SW	95-922-7880	Deck Residential Add/Alter	Residential Deck	\$1,800.00	\$94.64
WI028900	6/13/2019	Gazelka/Brian P 1904 7th St SW	95-340-0310 Lot 1, Block 3 Hilltop Park	Reroofing Residential Add/Alter	Residential Reroof	\$3,000.00	\$31.50
WI028901	6/13/2019	Ind. School Dist. #347 1234 Kandiyohi Ave SW	95-006-7460 Block 113 First Addition To The Town Of Willmar	Reroofing Commercial Add/Alter	Commercial Reroof	\$47,252.00	\$580.38
WI028903	6/17/2019	J. D. Kreps Properties Llc 309 Lakeland Dr Suite #2 SE	95-445-0020  Lakeland Professional Centre, Cic #41	Alteration Commercial Add/Alter	Combining Two Tenant Spaces	\$450.00	\$35.65
WI028904	6/17/2019	Chapin/Justin & Dianna 1419 Fairacre Lane SW	95-209-0070 Lot 7, Block 1 Fairacre Addition	New New Single-Family Dwelling	New Home	\$593,682.00	\$5,719.98
WI028908	6/18/2019	Arby's Restaurant Group 2415 1st St S	95-923-8840	Alteration Commercial Add/Alter	Arby's Restaurant Remodel	\$200,000.00	\$2,388.96
WI028911	6/19/2019	Habitat For Humanity -Wc Mn 604 29th St NW	95-248-0260 Lot 6, Block 2 Glacial Valley Estates	New New Single-Family Dwelling	New Single Family Dwelling	\$183,472.00	\$2,248.70
WI028914	6/20/2019	Earl and Caryl Swenson 2504 3rd Ave SE	95-882-0010 Lot 1, Block 1 Woodberry Addition	New New Single-Family Dwelling		\$195,757.00	\$2,353.84
WI028919	6/20/2019	Milani/Rahim B & Marsha L 1002 Hill Road SW	95-600-0640 Block 4 Orchard Hill, Nursery Add	Install Egress Window Residential Add/Alter	Install 2 Egress Window	\$1,500.00	\$49.50
WI028923	6/21/2019	Butterfield/James & Terrie 1004 Willmar Ave SW	95-570-0240 Block 2 Nursery Addition	Reroofing Residential Add/Alter	Residential Reroof	\$6,433.00	\$33.22



## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee
WI028924	6/21/2019	O'Meara/Daniel R & Sheila M 920 4th St SE	95-250-1160 Lot 6, Block 6 Glarum's Addition To Willmar	Reroofing Residential Add/Alter	Residential Reroof	\$2,000.00 \$31.00
WI028928	6/24/2019	Engwall/David R/& Barbara Jean 2217 10th Ave SE	95-617-0120 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028929	6/24/2019	Baklund/Brad & Barbara 2200 10th Ave SE	95-617-0220 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028930	6/24/2019	Hanson/Ann M 2215 10th Ave SE	95-617-0140 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028931	6/24/2019	Fank Living Trust/Sandra Kay 2202 10th Ave SE	95-617-0240 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028932	6/24/2019	Gilbertson/Hollis J/Etal (3) 2213 10th Ave SE	95-617-0130 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028933	6/24/2019	Armstrong/Beverly 2206 10th Ave SE	95-617-0230 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028934	6/24/2019	Lahr/Cindy 2211 10th Ave SE	95-617-0110 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028935	6/24/2019	Bonnett Revoc Trust/David E 2208 10th Ave SE	95-617-0210 Park Avenue Condo #12	Reroofing Residential Add/Alter	Residential Reroof	\$4,800.00 \$32.40
WI028941	6/25/2019	Olson/Benjamin 316 Litchfield Ave SW	95-003-3120 Block 29 Willmar, Town Of (Original)	Reroofing Commercial Add/Alter	Commercial Reroof	\$22,000.00 \$323.25
WI028942	6/25/2019	Como/Mackenzie 2309 19th Ave SW	95-921-5460	Reroofing Garage/Shed	Residential Reroof	\$1,000.00 \$31.00

## City of Willmar Monthly External Permits Report

Permit #	Issued Date	Owner and Site Address	Permit Sub-Type and Work Type	Description	Valuation	Total Permit Fee
WI028943	6/25/2019	Divine House Properties, Llc 307 5th St SW	95-003-5080 Block 43 Willmar, Town Of (Original)	Reroofing Commercial Add/Alter	Commercial Reroof	\$29,000.00 \$400.25
WI028944	6/26/2019	Nordin/Douglas & La Don 1108 17th St SW	95-350-0080 Lot 8 Hoaglund's Subdivision	Reroofing Residential Add/Alter	Residential Reroof	\$4,000.00 \$32.00
WI028946	6/26/2019	Lippert/Brian T 1327 7th St SW	95-750-0350  Sub-Div. N1/2 Of Ne1/4	Siding Residential Add/Alter	Residential Reside	\$8,000.00 \$54.00
WI028951	6/26/2019	Garcia/Jesus & Jessica Lopez 230 Anthony St SE	95-220-0780 Lot 8, Block 7 Ferring's Addition	Reroofing Residential Add/Alter	Residential Reroof	\$2,450.00 \$31.23
WI028952	6/27/2019	Yusuf/Bashir & Faiza Awil 311 Benson Ave SW	95-003-3130 Block 29 Willmar, Town Of (Original)	Alteration Churches/Schools	Interior Remodel - Adult Daycare	\$10,000.00 \$272.71

**Count: 60** **Totals: \$17,873,938.00 \$119,455.56**

**Year-to-Date Summary (1/1/2019 through 6/30/2019)**

**Count: 182** **YTD Totals: \$35,312,303.00 \$257,088.90**

**Application for Appointment to  
City Board/Committee/Commission**

Please indicate the Board/Committee(s)/Commission(s) to which you are interested in being appointed. (If more than one, please number in order of choice.)

- \_\_\_\_\_ Airport Commission (meets monthly)
- \_\_\_\_\_ Cable Advisory Board (meets as needed)
- \_\_\_\_\_ Charter Commission (meets as needed)
- \_\_\_\_\_ Park and Recreation Board
- \_\_\_\_\_ City/County Economic Development Operations Board (meets monthly)
- \_\_\_\_\_ City of Willmar HRA
- \_\_\_\_\_ Human Rights Commission (meets as needed)
- \_\_\_\_\_ Municipal Utilities Commission (meets bi-monthly)
- \_\_\_\_\_ Pioneerland Library System Board (meets monthly)
- \_\_\_\_\_ Planning Commission (meets bi-monthly)
- \_\_\_\_\_ Police Civil Service Commission (meets first Monday in February each year and on as-needed basis thereafter)
- \_\_\_\_\_ Rice Memorial Hospital (meets bi-monthly)
- \_\_\_\_\_ Willmar Convention and Visitors Bureau
- \_\_\_\_\_ Zoning Appeals Board (meets monthly)
- \_\_\_\_\_ Ad hoc Task Forces (will be posted and will meet on an as-needed basis)

**Applicant Information**

Name: Khalif Ahmed Bashir Date of Application: 06/24/19  
 Address: 1509 Becker Ave SE Willmar Phone No. 320-282-2765  
(Certain Boards and Commissions may require that you are a resident of the City of Willmar)  
 Email: Khalifahmed22@gmail.com

What prompted you to make application for a citizen committee? I have a willingness to serve and to be part of the future of the Willmar community.

Briefly tell us why you want to serve on this Board/Committee/Commission:

The future of my community depends on me getting involved and taking my turn to volunteer time. It will be interesting that I will be able to balance the public good with private rights and interests. Therefore its my desire to express an interest.

List any special background or experience you have which would be helpful to this Board/Committee/Commission:

~~At~~ Ability to Comprehend Complex Matters  
and balance competing interests.

shile  
~~and~~

I also have an experience drafting regulations  
keeping a cool head. Bachelors of Education (Arts)

List your educational background:

Bachelors of <sup>Arts</sup> political science & public Administration

List any social, fraternal, patriotic, governmental, or service organizations, which you have or currently are serving on:

N/A

If you are employed, please provide the name and address of your employer and your position:

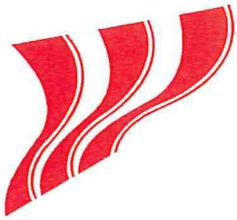
Kenedy Elementary School - Bilingual para  
824 7<sup>th</sup> Street SW Willmar, MN 56201

Please return completed application to:

Mayor's Office  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201

Or fax completed forms to:

(320) 235-4917



**WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Steven B. Okins, Finance Director</b>	<b>Subject: 2019 General Obligation Street Improvement Financing Series 2019A</b>

**AGENDA ITEM:** Hearing for General Obligation Street Improvement Series 2019A

**INTRODUCTION/REQUEST:** To adopt the ordinance and introduce a resolution to finalize the 2019A Street Financing.

**HISTORY:** Previous City Council action has approved the 2019 General Obligation Improvement Bonds, Series 2019A, in the amount of \$4,470,000.

**CURRENT CIRCUMSTANCE:** Adopt the ordinance and introduce a resolution authorizing the sale of General Obligation Improvement Bonds Series 2019A Series Financing.

**RECOMMENDATION:** Adopt, assign a number and publish the ordinance authorizing the issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A. Introduce a resolution to finalize the 2019A Street Financing and to authorize the Pricing Committee to negotiate with local banks to price the financing. The criteria used will be not to exceed \$4,740,000 with an interest rate not to exceed 3.00%.

**ISSUES:** NA

**FINANCIAL IMPACT:** Issuing of \$4,474,000 of General Obligation Improvement Bonded Indebtedness to help finance the 2019 Street Improvements.

**ALTERNATIVES:** No negotiate the issuing of bonds and seek public bidding of other financing.

**RECOMMENDED MOTION:** 1) Adopt, assign a number and order final publication of the ordinance. 2) Adopt a resolution finalizing the sale of General Obligation Improvements Bonds, Series 2019A and appointing a Pricing Committee of the Mayor, City Administrator and Finance Director.

**REVIEWED BY:** Brian Gramentz, City Administrator

**COUNCIL MEETING DATE:** July 15, 2019

**ORDINANCE NO.**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$4,740,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019A AND THE LEVYING OF TAXES TO SECURE PAYMENT THEREFOR.**

The City of Willmar hereby ordains:

1. In accordance with Minnesota Statutes, Chapter 429, the City of Willmar has heretofore determined to construct the following improvements:

<u>Project</u>	<u>Total Cost</u>	<u>Amount to be Financed</u>	<u>Amount to be Assessed</u>
2019 Improvements	\$6,252,865	\$4,740,000	\$1,718,990

2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of \$4,740,000.

3. For the purposes of complying with Minnesota Statutes, Section 475.61, there will be levied a direct ad valorem tax upon all taxable property in the municipality in such amounts as are required by law to secure payment of said Bonds.

4. This Ordinance is adopted in order to authorize the borrowing of money and the issuance of General Obligation Improvement Bonds and the levying of taxes therefor as provided in Section 2.12 of the City Charter. Further details shall be set forth by resolution.

This Ordinance introduced by Council Member Nelsen

This Ordinance introduced on July 1, 2019

Hearing notice published on July 5, 2019

This Ordinance given a hearing on \_\_\_\_\_

This Ordinance adopted on \_\_\_\_\_

This Ordinance published on \_\_\_\_\_

RESOLUTION NO. \_\_\_\_

A RESOLUTION AUTHORIZING THE SALE OF GENERAL  
OBLIGATION IMPROVEMENT BONDS, SERIES 2019A,  
SUBJECT TO CERTAIN PARAMETERS;  
FIXING THEIR FORM AND SPECIFICATIONS;  
DIRECTING THEIR EXECUTION AND DELIVERY;  
AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED By the City Council of the City of Willmar, Kandiyohi County, Minnesota (the “City”) as follows:

Section 1. Sale of Bonds.

1.01. It is determined that:

(a) the assessable public improvements including the costs of various street and utility improvement projects (the “Improvements”) have been duly ordered by the City;

(b) the City is authorized by Minnesota Statutes, Chapter 429 (the “Improvement Act”) to finance all or a portion of the cost of the Improvements by the issuance of general obligation bonds of the City payable from special assessments levied against benefited property and ad valorem taxes;

(c) on July 1, 2019, the City Council adopted a resolution calling a public hearing on an Ordinance entitled “An Ordinance Authorizing the Issuance of \$4,740,000 General Obligation Improvement Bonds, Series 2019A, and Levying of Taxes to Secure the Payment Thereof” (the “Ordinance”);

(d) a public hearing on the adoption of the Ordinance was held this same date, and, following the public hearing the City Council adopted the Ordinance;

(e) it is necessary and expedient to the sound financial management of the affairs of the City to issue its General Obligation Improvement Bonds, Series 2019A (the “Bonds”) in the approximate aggregate principal amount of \$4,740,000, subject to certain parameters provided herein, to provide financing for the Improvements pursuant to the Improvement Act to provide financing for the Improvements;

(f) the City hereby retains Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”) to act as an independent municipal advisor for the purpose of reviewing the pricing fairness associated with the purchase and subsequent reoffering of the Bonds. It being thus determined that the City has retained an independent municipal advisor in connection with such sale, the City is authorized by Minnesota Statutes, Section 475.60, Subdivision 2(9) to negotiate the sale of the Bonds.

1.02 Pricing Committee. The City hereby establishes a pricing committee with respect to the Bonds comprising the Mayor (or a City Council member designated by the Mayor), the Interim City Administrator and the City Finance Director (the "Pricing Committee"). The Pricing Committee is authorized and directed, upon satisfaction of the conditions for the issuance of the Bonds under the City Charter and with the advice of Baker Tilly MA, to (i) review proposals for the sale of the Bonds; (ii) award the sale of the Bonds to the prospective purchaser (the "Purchaser") in an aggregate principal amount not to exceed \$4,740,000, with a true interest cost not to exceed 3.00% and a final maturity not later than February 1, 2030; (iii) approve the dates for optional redemption or any mandatory sinking fund redemption schedule; and (iv) approve the tax levy for the repayment of the Bonds. The City hereby approves the sale of the Bonds to the Purchaser, at the price, maturity schedule, and rates to be determined by the Pricing Committee based on the lowest true interest cost.

1.03. Terms and Principal Amounts of the Bonds. The City will forthwith issue and sell the Bonds pursuant to Minnesota Statutes, Section Chapters 429 and 475 (collectively, the "Act"), in an aggregate principal amount not to exceed \$4,740,000 bearing interest as determined by the Pricing Committee, and maturing on February 1 in the years and amounts as determined by the Pricing Committee.

1.04. Optional Redemption. The City may elect to prepay Bonds on the dates to be determined by the Pricing Committee. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. Prepayments will be at a price of par plus accrued interest.

## Section 2. Registration and Payment.

2.01. Registered Form. Each Bond will be issued as a single typewritten bond, only in fully registered form. The interest thereon and, upon surrender of each of the Bonds, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. The Bonds will be dated as of the date of delivery. The interest on the Bonds will be payable on the dates to be determined by the Pricing Committee and set forth in the Bonds to the registered owners of record thereof as of the close of business on the 15th day of the immediately preceding month, whether or not that day is a business day.

2.03. Registration. The City appoints the City Finance Director as bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar must keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of a Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney



duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15th day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. When a Bond is surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. Bonds surrendered upon transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When a Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the Bond until the Registrar is satisfied that the endorsement on the Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name a Bond is registered in the bond register as the absolute owner of the Bond, whether the Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Bond and for all other purposes, and payments so made to a registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for a transfer or exchange of Bonds sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to the transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. If a Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of the mutilated Bond or in lieu of and in substitution for a Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that the Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the City and the Registrar must be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it is not necessary to issue a new Bond prior to payment.

(i) Redemption. In the event any of the Bonds are called for redemption, notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. The Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04. Execution and Delivery. The Bonds will be prepared under the direction of the City Finance Director and executed on behalf of the City by the signatures of the Mayor and the City Clerk, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of the Bonds, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. When the Bonds have been so prepared and executed, the City Finance Director will deliver the same to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

Section 3. Form of Bonds.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form as shown in **EXHIBIT A**.

3.02. Approving Legal Opinion. The City Finance Director will obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany the Bonds.

Section 4. Payment; Security; Pledges and Covenants.

4.01. (a) Debt Service Fund. The Bonds are payable from the General Obligation Improvement Bonds, Series 2019A Debt Service Fund (the "Debt Service Fund") hereby created. The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. Amounts in the Debt Service Fund are irrevocably pledged to the Bonds. To the Debt Service Fund hereby created, there is hereby pledged and irrevocably appropriated and there will be credited: (A) the proceeds of ad valorem taxes herein or hereafter levied (the "Taxes"), and, subject to 4.01(b), the special assessments levied against the property specially benefited by the Improvements (the "Assessments"); (B) capitalized interest financed from Bond proceeds, if any; and (C) all investment earnings on funds in the Debt Service Fund; and (E) any and all other moneys which are properly available and are appropriated by the City Council to the Debt Service Fund. If a payment of principal or interest on the Bonds becomes due when there is not sufficient

money in the Debt Service Fund to pay the same, the City Finance Director is directed to pay such principal or interest from other funds of the City, and such fund will be reimbursed for those advances out of the proceeds of Assessments and Taxes when collected.

(b) Construction Fund. The proceeds of the Bonds, less the appropriations made in Section 4.01(a), together with the Assessments collected during the construction of the Improvements and any other funds appropriated for the Improvements will be deposited in a separate construction fund (the “Construction Fund”) to be used solely to defray expenses of the Improvements and the payment of principal and interest on the Bonds prior to the completion and payment of all costs of the Improvements. Any balance remaining in the Construction Fund after completion of the Improvements and the costs thereof paid, may be used as provided in Minnesota Statutes, section 475.65. Thereafter, the Construction Fund is to be closed and any remaining balances therein and subsequent collections of Assessments for the Improvements and any Taxes are to be deposited in the Debt Service Fund.

4.02. Covenants. It is hereby determined that the Improvements will directly and indirectly benefit abutting property and other identified property, and the City hereby covenants with the holders from time to time of the Bonds as follows:

(a) The City has caused or will cause the Assessments for the Improvements to be promptly levied so that the first installment will be collectible not later than 2020 and will take all steps necessary to assure prompt collection, and the levy of the Assessments is hereby authorized. The City Council will cause to be taken with due diligence all further actions that are required for the construction of each Improvement financed wholly or partly from the proceeds of the Bonds, and will take all further actions necessary for the final and valid levy of the Assessments and the appropriation of any other funds needed to pay the Bonds and interest thereon when due.

(b) In the event of any current or anticipated deficiency in Assessments and Taxes, the City Council will levy additional ad valorem taxes in the amount of the current or anticipated deficiency.

(c) The City will keep complete and accurate books and records showing: receipts and disbursements in connection with the Improvements, Assessments and Taxes levied therefor and other funds appropriated for their payment, collections thereof and disbursements therefrom, monies on hand and, the balance of unpaid Assessments and Taxes.

(d) The City will cause its books and records to be audited at least annually and will furnish copies of such audit reports to any interested person upon request.

4.03. Pledge of Taxes. It is determined that at least 20% of the cost of the Improvements will be specially assessed against benefited properties. For the purpose of paying the principal of and interest on the Bonds, there is levied a direct annual irrevocable ad valorem tax (the “Taxes”) upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. The Taxes will be credited to the Debt Service Fund above provided and will be in the years and amounts as to be set for in the certificate of the Pricing Committee.

4.04. Certification as to Debt Service Fund Amount. It is hereby determined that the estimated collections of Assessments and the foregoing Taxes will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levy herein provided is irrevocable until the Bonds are paid, provided that at the time the City makes its annual tax levies the Finance Director may certify to the County Auditor of Kandiyohi County the amount available in the Debt Service Fund to pay principal and interest due during the ensuing year, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.05. County Auditor Certificate as to Registration. If no Certificate of Intent is filed in accordance with Section 7.04(j) of the City Charter within 15 days after adoption of this resolution, the Clerk is hereby directed to file a certified copy of this resolution and a copy of the certificate of the Pricing Committee with the County Auditor of Kandiyohi County, Minnesota, together with such other information as he or she shall require, and to obtain the County Auditor's certificate that the Bonds have been entered in the County Auditor's Bond Register, and the tax levy required by law has been made.

#### Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the City relating to the Bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. No Official Statement or Prospectus. It is determined that no official statement or prospectus has been prepared or circulated by the City in connection with the sale of the Bonds and that the Purchaser has made its own investigations concerning the City as set forth in an investment letter of even date, receipt of which is hereby acknowledged.

5.03. Other Certificates. The Mayor, Interim City Administrator and Finance Director, or any of them, are hereby authorized and directed to furnish at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the City or incumbency of its officers, at the closing the Mayor, Interim City Administrator and Finance Director, or any of them, shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

.

Section 6. Tax Covenant.

6.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any action which would cause the interest on the Bonds to become subject to taxation under the Internal Revenue Code of 1986, as amended (the "Code"), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds.

6.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States if the Bonds (together with other obligations reasonably expected to be issued in calendar year 2019) exceed the small-issuer exception amount of \$5,000,000.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the Bonds or to cause or permit them or any of them, or the Improvements, to be used, in such a manner as to cause the Bonds to be "private activity bonds" within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Qualified Tax-Exempt Obligations. In order to qualify the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

(a) the Bonds are not "private activity bonds" as defined in Section 141 of the Code;

(b) the City designates the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds which will be issued by the City (and all subordinate entities of the City) during calendar year 2019 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the City during calendar year 2019 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. No Requirement of Continuing Disclosure. The Purchaser need not comply with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). Consequently, the City will not enter into any undertaking to provide continuing disclosure of any kind with respect to the Bonds.

Section 8. Defeasance. When all of the Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge the Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full or by depositing irrevocably in escrow, with a suitable institution qualified by law as an escrow agent for this purpose, cash or securities which are backed by the full faith and credit of the United States of America, or any other security authorized under Minnesota law for such purpose, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required and sufficient, subject to sale and/or reinvestment in like securities, to pay said obligation(s), which may include any interest payment on such Bond and/or principal amount due thereon at a stated maturity (or if irrevocable provision shall have been made for permitted prior redemption of such principal amount, at such earlier redemption date). If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for the adoption of the foregoing resolution was duly seconded by Member \_\_\_\_\_, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.



**EXHIBIT A**  
**FORM OF BOND**

No. R-\_\_ UNITED STATES OF AMERICA \$\_\_\_\_\_  
STATE OF MINNESOTA  
COUNTY OF KANDIYOHI  
CITY OF WILLMAR

GENERAL OBLIGATION IMPROVEMENT BOND, SERIES 2019A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>
_____%	February 1, 20__	____ 1, 2019

REGISTERED OWNER:

The City of Willmar, Minnesota, a duly organized and existing municipal corporation in Kandiyohi County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to \_\_\_\_\_, or registered assigns, in the manner hereinafter set forth, the principal sum of \$\_\_\_\_\_, on the February 1 in the years and in installment amounts as follows:

<u>Date</u>	<u>Installment</u>	<u>Date</u>	<u>Installment</u>
_____	_____	_____	_____

with interest thereon from the date hereof at the annual rate of \_\_\_\_% per annum, payable February 1 and August 1 in each year, commencing February 1, 20\_\_\_. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

The City may elect on February 1, 20\_\_\_, and on any day thereafter to prepay Bonds due on or after February 1, 20\_\_\_. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. Prepayments will be at a price of par plus accrued interest.



This Bond is one of an issue in the aggregate principal amount of \$4,740,000 all of like original issue date and tenor, except as to number and redemption privilege, all issued pursuant to a resolution adopted by the City Council on July 15, 2019 (the "Resolution"), for the purpose of providing money to finance certain local improvements, pursuant to and in full conformity with, the City's Charter, the Constitution and the laws of the State of Minnesota, including Minnesota Statutes, Chapters 429 and 475 and the principal hereof and interest hereon are payable in part from special assessments levied against property specially benefited by local improvements, and in part from ad valorem taxes for the City's share of the cost of the improvements, as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in special assessments and taxes pledged, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$100,000 plus any integral multiple of \$1,000 in excess thereof.

The City Council has designated the issue of Bonds of which this Bond forms a part as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code") relating to disallowance of interest expense for financial institutions and within the \$10,000,000 limit allowed by the Code for the calendar year of issue.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Finance Director of the City of Willmar, Minnesota (the "Registrar"), by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The City and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the City's Charter, the Constitution and laws of the State of Minnesota to be done, to exist, to happen and to be performed preliminary to and in the issuance of this Bond in order to make it a valid and binding general obligation of the City in accordance with its terms, have been done, do exist, have happened and have been performed as so required, and that the issuance of this Bond does not cause the indebtedness of the City to exceed any constitutional, statutory, or charter limitation of indebtedness.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon has been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Willmar, Kandiyohi County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Clerk and has caused this Bond to be dated as of the date set forth below.

Dated: \_\_\_\_\_, 2019

CITY OF WILLMAR,  
MINNESOTA

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of City Finance Director</u>
_____, 2019	_____ Federal ID #	_____

STATE OF MINNESOTA  
COUNTY OF KANDIYOHI

COUNTY AUDITOR'S  
CERTIFICATE AS TO  
TAX LEVY AND  
REGISTRATION

I, the undersigned County Auditor of Kandiyohi County, Minnesota, hereby certify that a resolution adopted by the City Council of the City of Willmar, Minnesota, on July 15, 2019, and the accompanying Certificate of Pricing Committee levying taxes for the payment of its \$4,740,000 General Obligation Improvement Bonds, Series 2019A, dated as of date of delivery, has been filed in my office and said obligations have been registered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS My hand and official seal this \_\_\_\_\_ day of July, 2019.

(SEAL)

\_\_\_\_\_  
County Auditor  
Kandiyohi County, Minnesota

\_\_\_\_\_  
Deputy



# WILLMAR

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Dave Ramstad, Director of Planning and Development Services</b>	<b>Subject: Public Hearing of a Modification to Legacy on First TIF Plan &amp; its Municipal Development District</b>

**AGENDA ITEM: A PUBLIC HEARING TO CONSIDER AND APPROVE THE MODIFICATION TO THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. II, AND THE MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR THE LEGACY ON FIRST TAX INCREMENT FINANCING DISTRICT, A REDEVELOPMENT DISTRICT WITHIN MUNICIPAL DISTRICT NO. II**

**INTRODUCTION/REQUEST:** The purpose of this agenda item is to conduct the required public hearing for modifications to tax increment financing plan for the Legacy on First TIF District and Municipal Development District No. II. The proposed modification of the Municipal Development District expands the boundaries to be coterminous with the corporate boundaries of the City of Willmar. The proposed modification of the TIF Plan will enable the City to meet the Office of the State Auditor’s requirements, incorporate current statutory language, increase the TIF budget, and allow the City to pay interest, if so desired. The TIF plan will not result in the establishment of a new tax increment financing district or increase the geographic size of the existing tax increment financing district.

**HISTORY:** The City of Willmar is considering a proposal to modify Municipal Development District No. II and adopt a modification of the Tax Increment Financing Plan (TIF) for the Legacy on First TIF District. The tax increments collected from the TIF District are proposed in two phases by Legacy Group Development, LLC. Phase-I was the construction of an approximately 7,600 square foot structure designed for retail, offices and restaurants, as well as the construction of new access, parking improvements, lighting, utility extensions/relocations, soil correction, and stormwater controls. Phase II is the construction of an approximately 2,000 – 3,000 square foot structure designed for commercial use. Most of the project is already completed. The location of the TIF District is within Municipal Development District No. II and is indicated on the map in Appendix B of the attached TIF Plan. The project is located on the westside of First Street, bordering Minnesota Avenue to the north, Monongalia Avenue to the south, and Second Avenue to the west.

**CURRENT CIRCUMSTANCE:** As required by Minnesota Statutes, Section 469.175, Subd. 2 and 4, we are forwarding a draft of the Modification.

**RECOMMENDATION:** Staff recommends a motion to adopt the Resolution for the modifications to Legacy on First TIF Plan & its Municipal Development District.

**ISSUES:** When the original TIF Plans were submitted to the Office of the State Auditor (“OSA”), some discrepancies were noted that needed to be addressed to bring the TIF plan into compliance with the TIF Act (M.S., Sections 469.174 to 469.1974, inclusive, as amended). This included confusion regarding district duration and an incomplete budget. The modification of the TIF Plan provides clarity of the intent of the City Council regarding both issues to satisfy the OSA. As part of this, staff recommends increasing the budget in the TIF Plan to account for inflation and allow for the payment of interest, should the City choose to do so in the future. It also sets a shorter duration of 15 years instead of the maximum allowable of 25 years. This shorter duration specified in the TIF Plan supersedes the statutory maximum. The increase in the budget requires a public hearing.

The modification of Municipal Development District No. II represents a continuation of the goals and objectives set for the in the development district programs. Generally, the substantive changes include the modification of the TIF District and to expand the boundaries of the Development District to be coterminous with the City’s corporate boundaries.

**FINANCIAL IMPACT:** Authorize an increase in the TIF budget and the ability to pay interest, should the City choose to do so in the future. This does not obligate the City to modify any existing developer agreements, nor does it obligate the City to modify any existing developer agreements. Cost of modification is covered by TIF Administration fees.

**ALTERNATIVE:**

1. To approve the modifications to the TIP plan and Municipal Development District
2. To not approve the plan and thereby not meet State TIF reporting requirements

**REVIEWED BY:** Dave Ramstad, Director of Planning and Development Services

**COMMUNITY DEVELOPMENT COMMITTEE DATE:** June 24, 2019

**COUNCIL MEETING DATE:**

July 1<sup>st</sup>, 2019 – Set Hearing

July 15, 2019 – Conduct Hearing

Consent Agenda     Agenda

**CITY OF WILLMAR  
KANDIYOHI COUNTY  
STATE OF MINNESOTA**

Council member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. II AND A MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR THE LEGACY ON FIRST TAX INCREMENT FINANCING DISTRICT.**

BE IT RESOLVED by the City Council ("Council") of the City of Willmar, Minnesota ("City"), as follows:

Section 1. Recitals

1.01. The Council has heretofore established Municipal Development District No. II (the "Development District") and adopted a Development Program therefor. It has been proposed by the City that the City enlarge the Development District and adopt a Modification to the Development Program (the "Development Program Modification") for the Development District and adopt a Modification to the Tax Increment Financing Plan (the "TIF Plan Modification") for the Legacy on First Tax Increment Financing District (the "TIF District") which are referred to collectively herein as the "Modifications", all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Modifications, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Modifications and have caused the Modifications to be prepared.

1.03. The City has performed all actions required by law to be performed prior to the adoption and approval of the proposed Modifications, including, but not limited to, notification of Kandiyohi County and Independent School District No. 347, having taxing jurisdiction over the property in the TIF District, a review of and written comment on the Development Program Modification by the City Planning Commission, and the holding of a public hearing upon published notice as required by law.

1.04. The City is modifying the boundaries of the Development District to be coterminous with the city limits of the City of Willmar.

1.05. The City is not extending the duration or modifying the boundaries of the TIF District.

Section 2. Findings for the Development Program Modification

2.01. The Council hereby finds that: (a) the land within the Development District would

not be available for development or redevelopment without the financial aid to be sought under the Development Program Modification; (b) the Development Program Modification will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Development District by private enterprise; and (c) the Development Program Modification conforms to the general plan for the development of the City as a whole.

2.02. These findings are based on the facts and conditions described in the Development Program Modification, which is incorporated herein by reference.

### Section 3. Findings for the TIF Plan Modification

3.01 The Council hereby reaffirms the original findings for the TIF District, namely that it was established as a "redevelopment district".

3.02 The Modifications are being completed to allow for the enlargement of Development District Number 3, and to authorize the expenditure of tax increments from Tax Increment Financing District Number 3, to be spent within the boundaries of Development District Number 3, as enlarged, or additional project costs.

3.03 The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The fact supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.

3.04 The TIF Plan Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The facts supporting this finding are that the TIF Plan Modification will continue the redevelopment by private enterprise that has been stimulated under the original plan for the TIF District.

3.05 The Council further finds the future redevelopment, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

### Section 4. Public Purpose

4.01. The adoption of the Modifications conform in all respects to the requirements of the Act and will help fulfill a need to redevelop an area of the State which is already built up, to provide employment opportunities, to provide housing opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

### Section 5. Approval and Adoption of the Modifications

5.01. The Modifications, as presented to the Council on this date, are hereby approved, ratified, adopted and shall be placed on file in the office of the Director of Planning and Development Services.

5.02. The staff, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Modifications and for this purpose to negotiate, draft, prepare and present to this Council for its consideration all further modifications, resolutions,

documents and contracts necessary for this purpose. Approval of the Modifications does not constitute approval of any project or a Development Agreement with any developer.

5.03. The Director of Planning and Development Services is authorized and directed to forward a copy of the Modifications to the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to M.S., Section 469.175, Subd. 4a.

5.04. The Director of Planning and Development Services is further authorized and directed to file a copy of the Modifications with the Kandiyohi County Auditor.

The motion for the adoption of the foregoing resolution was duly seconded by Council member \_\_\_\_\_, and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Dated: July 15, 2019

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

(Seal)





June 14, 2019

Mr. Mark Thompson, County Auditor  
Kandiyohi County  
Health & Human Services Building  
2200 – 23<sup>rd</sup> Street NE, Ste. 2020  
Willmar, MN 56201

Mr. Scott Thaden, School Board Clerk  
Willmar Public Schools ISD 347  
611 – 5<sup>th</sup> St. SW  
Willmar, MN 56201

**Re: The City of Willmar's proposed modification to the Tax Increment Financing Plan for the Legacy on First TIF District**

Dear Mr. Thompson and Mr. Thaden:

The City of Willmar (the "City") is considering a proposal to modify the Development Program for Municipal Development District No. II (the "Development District") and to adopt a modification of the Tax Increment Financing Plan (the "TIF Plan") for the Legacy on First Tax Increment Financing District (the "TIF District") (together the "Modifications"). The TIF District is a redevelopment tax increment financing district. Tax increments collected from the TIF District are proposed in two phases by Legacy Group Development, LLC. Phase I is the construction of an approximately 7,600 square foot structure designed for retail, office and restaurant as well as construction of a new access, parking improvements, lighting, utility extensions/relocations, soil correction, and stormwater controls. Phase II is the construction of an approximately 2,000 – 3,000 square foot structure designed for commercial use. Most of the project is already completed. The location of the TIF District is within Municipal Development District No. II and is indicated on the map in Appendix B of the attached TIF Plan. The project is located on the west-side of First Street, bordering Minnesota Avenue to the north, Monongalia Avenue to the south, and Second Avenue to the west.

As required by Minnesota Statutes, Section 469.175, Subd. 2 and 4, we are forwarding a draft of the Modification.

The City reserves the right to make changes to this draft document prior to the public hearing; however, the authorized costs will not increase.

We invite you to attend the public hearing to be held by the City Council at the City Council Chambers on July 15, 2019 beginning at approximately 7:00 PM. Please direct any comments or questions to David Ramstad at the City of Willmar at (320) 235-4913, or to me at (651) 697-8508.

Sincerely,  
EHLERS

A handwritten signature in black ink, appearing to read 'Todd Hagen', written over a white background.

Todd Hagen, Senior Municipal Advisor

Enc.



Acting for and on behalf of the City of Willmar, Minnesota

Enc.

cc: David Ramstad, City of Willmar  
Robert Scott, Flaherty & Hood, PA

**Modification to the Development Program  
for Municipal Development District No. II**

**and the**

**Modification to the Tax Increment Financing Plan**

**for**

**the Legacy on First Tax Increment Financing District  
(a redevelopment district)**

**within**

**Municipal Development District No. II**

City of Willmar  
Kandiyohi County  
State of Minnesota

Adopted: November 6, 2017  
Modification Public Hearing: July 15, 2019



Prepared by: EHLERS & ASSOCIATES, INC.  
3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105  
651-697-8500 fax: 651-697-8555 [www.ehlers-inc.com](http://www.ehlers-inc.com)

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## **Section 1 - Modification to the Development Program for Municipal Development District No. II**

### **Foreword**

The following text represents a Modification to the Development Program for Municipal Development District No. II. This modification represents a continuation of the goals and objectives set forth in the Development Program for Municipal Development District No. II. Generally, the substantive changes include the modification of Legacy Tax on First Increment Financing District and expand the boundaries of the Development District to be coterminous with the corporate boundaries of the City of Willmar.

For further information, a review of the Development Program for Municipal Development District No. II, is recommended. It is available from the Director of Planning and Development Services at the City of Willmar. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within Municipal Development District No. II.

**Section 2 - Tax Increment Financing Plan  
for the Legacy on First Tax Increment Financing District**

**Subsection 2-1. Foreword**

The City of Willmar (the "City"), staff and consultants have prepared the following information to expedite the modification of the Legacy on First Tax Increment Financing District (the "District"), a redevelopment tax increment financing district, located in Municipal Development District No. II.

**Subsection 2-2. Statutory Authority**

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.124 to 469.133, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Municipal Development District No. II.

**Subsection 2-3. Statement of Objectives**

The District currently consists of four parcel(s) of land and adjacent and internal rights-of-way. The District was created to facilitate the development of a 7,600 square foot restaurant/retail/facility in the City. Please see Appendix A for further District information. The City has entered into an agreement with Legacy Group Development, LLC as the developer. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Municipal Development District No. II.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Municipal Development District No. II and the District.

**Subsection 2-4. Development Program Overview**

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S.*, Chapter 117 and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

## **Subsection 2-5. Description of Property in the District and Property To Be Acquired**

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed in Appendix C of this TIF Plan. Please also see the map in Appendix B for further information on the location of the District.

The City currently does not own any parcels included in the District.

## **Subsection 2-6. Classification of the District**

The City, in reaffirming the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, as established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1)* as defined below:

- (a) *"Redevelopment district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one or more of the following conditions, reasonably distributed throughout the district, exists:*
- (1) *parcels consisting of 70 percent of the area in the district are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;*
  - (2) *The property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities or excessive or vacated railroad rights-of-way;*
  - (3) *tank facilities, or property whose immediately previous use was for tank facilities, as defined in Section 115C, Subd. 15, if the tank facility:*
    - (i) *have or had a capacity of more than one million gallons;*
    - (ii) *are located adjacent to rail facilities; or*
    - (iii) *have been removed, or are unused, underused, inappropriately used or infrequently used; or*
  - (4) *a qualifying disaster area, as defined in Subd. 10b.*
- (b) *For purposes of this subdivision, "structurally substandard" shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.*
- (c) *A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs or other similar reliable evidence. The municipality may not make such a determination without an interior inspection of the property, but need not have an independent, expert appraisal*



*prepared of the cost of repair and rehabilitation of the building. An interior inspection of the property is not required, if the municipality finds that (1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and (2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard.*

*(d) A parcel is deemed to be occupied by a structurally substandard building for purposes of the finding under paragraph (a) or by the improvement described in paragraph (e) if all of the following conditions are met:*

*(1) the parcel was occupied by a substandard building or met the requirements of paragraph (e), as the case may be, within three years of the filing of the request for certification of the parcel as part of the district with the county auditor;*

*(2) the substandard building or the improvements described in paragraph (e) were demolished or removed by the authority or the demolition or removal was financed by the authority or was done by a developer under a development agreement with the authority;*

*(3) the authority found by resolution before the demolition or removal that the parcel was occupied by a structurally substandard building or met the requirement of paragraph (e) and that after demolition and clearance the authority intended to include the parcel within a district; and*

*(4) upon filing the request for certification of the tax capacity of the parcel as part of a district, the authority notifies the county auditor that the original tax capacity of the parcel must be adjusted as provided by § 469.177, subdivision 1, paragraph (f).*

*(e) For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots or other similar structures.*

*(f) For districts consisting of two or more noncontiguous areas, each area must qualify as a redevelopment district under paragraph (a) to be included in the district, and the entire area of the district must satisfy paragraph (a).*

In meeting the statutory criteria the City continues to rely on the following facts and findings:

- The District is a redevelopment district consisting of four parcel(s).
- An inventory showed that parcels consisting of more than 70 percent of the area in the District were occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- An inspection of the buildings located within the District found that more than 50 percent of the buildings were structurally substandard as defined in the TIF Act. (See Appendix F).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District did not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

**Subsection 2-7. Duration and First Year of Tax Increment of the District**

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 15 years after receipt of the first increment by the City (a total of 16 years of tax increment). The City elects to receive the first tax increment in 2019, which is no later than four years following the year of approval of the District. Thus, the District, including any modifications of the TIF Plan for subsequent phases or other changes, will terminate after 2034, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

**Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements**

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District is based on the market values placed on the property by the assessor in 2016 for taxes payable in 2017.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2019) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District is the local tax rate for taxes payable 2017. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Municipal Development District No. II, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2019. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

<b>Project Estimated Tax Capacity upon Completion (PTC)</b>	<b>\$55,732</b>	
<b>Original Estimated Net Tax Capacity (ONTC)</b>	<b>\$29,518</b>	
<b>Estimated Captured Tax Capacity (CTC)</b>	<b>\$26,214</b>	
<b>Original Local Tax Rate</b>	<b>1.23735</b>	Pay 2017
<b>Estimated Annual Tax Increment (CTC x Local Tax Rate)</b>	<b>\$32,436</b>	
<b>Percent Retained by the City</b>	<b>100%</b>	

Tax capacity includes a 2.0% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 25.

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits had been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

**The City reviewed the area included in the District and found no parcels for which building permits had been issued during the 18 months immediately preceding approval of the TIF Plan by the City.**

**Subsection 2-9. Sources of Revenue/Bonds to be Issued**

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by a pay-as-you-go note and interfund loan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District are shown, as modified, in the table below:

<u>SOURCES OF FUNDS</u>	<u>TOTAL</u>
Tax Increment	\$336,455
<u>Interest</u>	<u>\$33,646</u>
<b>TOTAL</b>	<b>\$370,101</b>

The City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$254,905. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

**Subsection 2-10. Uses of Funds**

The City has entered into a Development Agreement with Legacy Group Development, LLC to facilitate the development of an approximately 7,600 square foot structure designed for retail, office, and restaurant. The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described. The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District, as modified, is outlined in the following table.

<u>USES OF TAX INCREMENT FUNDS</u>	<u>TOTAL</u>
Land/Building Acquisition	\$100,000
Site Improvements/Preparation	\$100,000
Utilities	\$20,000
Other Qualifying Improvements	\$1,259
<u>Administrative Costs (up to 10%)</u>	<u>\$33,646</u>
PROJECT COST TOTAL	\$254,905
<u>Interest</u>	<u>\$115,196</u>
<b>PROJECT AND INTEREST COSTS TOTAL</b>	<b>\$370,101</b>

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in Subsection 2-9.

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2*, no more than 25 percent of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of Municipal Development District No. II, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in this TIF Plan.

### **Subsection 2-11. Business Subsidies**

Pursuant to *M.S., Section 116J.993, Subd. 3*, the following forms of financial assistance are not considered a business subsidy:

- (1) A business subsidy of less than \$150,000;
- (2) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- (3) Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- (4) Redevelopment property polluted by contaminants as defined in *M.S., Section 116J.552, Subd. 3*;
- (5) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50% of the total cost;
- (6) Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services;
- (7) Assistance for housing;
- (8) Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under *M.S., Section 469.174, Subd. 23*;
- (9) Assistance for energy conservation;
- (10) Tax reductions resulting from conformity with federal tax law;
- (11) Workers' compensation and unemployment compensation;

- (12) Benefits derived from regulation;
- (13) Indirect benefits derived from assistance to educational institutions;
- (14) Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
- (15) Assistance for a collaboration between a Minnesota higher education institution and a business;
- (16) Assistance for a tax increment financing soils condition district as defined under *M.S., Section 469.174, Subd. 19*;
- (17) Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
- (18) General changes in tax increment financing law and other general tax law changes of a principally technical nature;
- (19) Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
- (20) Funds from dock and wharf bonds issued by a seaway port authority;
- (21) Business loans and loan guarantees of \$150,000 or less;
- (22) Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
- (23) Property tax abatements granted under *M.S., Section 469.1813* to property that is subject to valuation under Minnesota Rules, chapter 8100.

The City will comply with *M.S., Sections 116J.993 to 116J.995* to the extent the tax increment assistance under this TIF Plan does not fall under any of the above exemptions.

#### **Subsection 2-12. County Road Costs**

Pursuant to *M.S., Section 469.175, Subd. 1a*, the county board may require the City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the county, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or within five years under another county plan.

The county received a copy of the original TIF plan to elect to use increments to improve county roads. No comments were received.

#### **Subsection 2-13. Estimated Impact on Other Taxing Jurisdictions**

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City previously determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

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**IMPACT ON TAX BASE**

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	<u>2016/Pay 2017 Total Net Tax Capacity</u>	<u>Estimated Captured Tax Capacity (CTC) Upon Completion</u>	<u>Percent of CTC to Entity Total</u>
Kandiyohi County	54,746,934	26,214	<b>0.0479%</b>
City of Willmar	13,121,553	26,214	<b>0.1998%</b>
Willmar Public Schools ISD No. 347	23,656,648	26,214	<b>0.1108%</b>

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**IMPACT ON TAX RATES**

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	<u>Pay 2017 Extension Rates</u>	<u>Percent of Total</u>	<u>CTC</u>	<u>Potential Taxes</u>
Kandiyohi Co.	0.573290	46.33%	26,214	<b>15,028</b>
City of Willmar	0.368050	29.75%	26,214	<b>9,648</b>
Willmar Public Schools ISD No. 347	0.273660	22.12%	26,214	<b>7,174</b>
Other	<u>0.022350</u>	<u>1.81%</u>	<u>26,214</u>	<u>586</u>
<b>Total</b>	1.237350	100.00%		<b>32,436</b>

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the actual Pay 2017 rate. The total net capacity for the entities listed above are based on actual Pay 2017 figures. The District was certified under the actual Pay 2017 rates.

Pursuant to *M.S. Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$336,455;
- (2) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$74,413;
- (3) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$155,887;
- (4) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed

development for the District have been received.

#### **Subsection 2-14. Supporting Documentation**

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District. Following is a list of reports and studies on file at the City that support the City's findings:

- A list of applicable studies will be listed here prior to the public hearing.

#### **Subsection 2-15. Definition of Tax Increment Revenues**

Pursuant to *M.S., Section 469.174, Subd. 25*, tax increment revenues derived from a tax increment financing district include all of the following potential revenue sources:

1. Taxes paid by the captured net tax capacity, but excluding any excess taxes, as computed under *M.S., Section 469.177*;
2. The proceeds from the sale or lease of property, tangible or intangible, to the extent the property was purchased by the authority with tax increments;
3. Principal and interest received on loans or other advances made by the authority with tax increments;
4. Interest or other investment earnings on or from tax increments;
5. Repayments or return of tax increments made to the Authority under agreements for districts for which the request for certification was made after August 1, 1993; and
6. The market value homestead credit paid to the Authority under *M.S., Section 273.1384*.

#### **Subsection 2-16. Modifications to the District**

In accordance with *M.S., Section 469.175, Subd. 4*, any:

1. Reduction or enlargement of the geographic area of the District, if the reduction does not meet the requirements of *M.S., Section 469.175, Subd. 4(e)*;
2. Increase in amount of bonded indebtedness to be incurred;
3. A determination to capitalize interest on debt if that determination was not a part of the original TIF Plan;
4. Increase in the portion of the captured net tax capacity to be retained by the City;
5. Increase in the estimate of the cost of the District, including administrative expenses, that will be paid or financed with tax increment from the District; or
6. Designation of additional property to be acquired by the City,

shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original TIF Plan.

Pursuant to *M.S. Section 469.175 Subd. 4(f)*, the geographic area of the District may be reduced, but shall not be enlarged after five years following the date of certification of the original net tax capacity by the county auditor. If a redevelopment district is enlarged, the reasons and supporting facts for the determination that the addition to the district meets the criteria of *M.S., Section 469.174, Subd. 10*, must be documented in writing and retained. The requirements of this paragraph do not apply if (1) the only modification is elimination of parcel(s) from the District and (2)(A) the current net tax capacity of the parcel(s) eliminated from the District equals or exceeds the net tax capacity of those parcel(s) in the District's original net tax

capacity or (B) the City agrees that, notwithstanding *M.S., Section 469.177, Subd. 1*, the original net tax capacity will be reduced by no more than the current net tax capacity of the parcel(s) eliminated from the District.

The City must notify the County Auditor of any modification to the District. Modifications to the District in the form of a budget modification or an expansion of the boundaries will be recorded in the TIF Plan.

### **Subsection 2-17. Administrative Expenses**

In accordance with *M.S., Section 469.174, Subd. 14*, administrative expenses means all expenditures of the City, *other than*:

1. Amounts paid for the purchase of land;
2. Amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the District;
3. Relocation benefits paid to or services provided for persons residing or businesses located in the District;
4. Amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S., Section 469.178*; or
5. Amounts used to pay other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (3).

For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for District costs which exceed ten percent of total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined in *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

Pursuant to *M.S., Section 469.176, Subd. 4h*, tax increments may be used to pay for the County's actual administrative expenses incurred in connection with the District and are not subject to the percentage limits of *M.S., Section 469.176, Subd. 3*. The county may require payment of those expenses by February 15 of the year following the year the expenses were incurred.

Pursuant to *M.S., Section 469.177, Subd. 11*, the County Treasurer shall deduct an amount (currently .36 percent) of any increment distributed to the City and the County Treasurer shall pay the amount deducted to the State Commissioner of Management and Budget for deposit in an account in the special revenue fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

### **Subsection 2-18. Limitation of Increment**

The tax increment pledged to the payment of bonds and interest thereon may be discharged and the District may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or redemption date.

Pursuant to *M.S., Section 469.176, Subd. 6*:

*if, after four years from the date of certification of the original net tax capacity of the tax*



*increment financing district pursuant to M.S., Section 469.177, no demolition, rehabilitation or renovation of property or other site preparation, including qualified improvement of a street adjacent to a parcel but not installation of utility service including sewer or water systems, has been commenced on a parcel located within a tax increment financing district by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel, and the original net tax capacity of that parcel shall be excluded from the original net tax capacity of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including qualified improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced and the county auditor shall certify the net tax capacity thereof as most recently certified by the commissioner of revenue and add it to the original net tax capacity of the tax increment financing district. The county auditor must enforce the provisions of this subdivision. The authority must submit to the county auditor evidence that the required activity has taken place for each parcel in the district. The evidence for a parcel must be submitted by February 1 of the fifth year following the year in which the parcel was certified as included in the district. For purposes of this subdivision, qualified improvements of a street are limited to (1) construction or opening of a new street, (2) relocation of a street, and (3) substantial reconstruction or rebuilding of an existing street.*

The City or a property owner must improve parcels within the District by December 2021 and report such actions to the County Auditor.

#### **Subsection 2-19. Use of Tax Increment**

The City hereby determines that it will use 100 percent of the captured net tax capacity of taxable property located in the District for the following purposes:

1. To pay the principal of and interest on bonds issued to finance a project;
2. to finance, or otherwise pay the capital and administration costs of Municipal Development District No. II pursuant to *M.S., Sections 469.124 to 469.134*;
3. To pay for project costs as identified in the budget set forth in the TIF Plan;
4. To finance, or otherwise pay for other purposes as provided in *M.S., Section 469.176, Subd. 4*;
5. To pay principal and interest on any loans, advances or other payments made to or on behalf of the City or for the benefit of Municipal Development District No. II by a developer;
6. To finance or otherwise pay premiums and other costs for insurance or other security guaranteeing the payment when due of principal of and interest on bonds pursuant to the TIF Plan or pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*; and
7. To accumulate or maintain a reserve securing the payment when due of the principal and interest on the tax increment bonds or bonds issued pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*.

These revenues shall not be used to circumvent any levy limitations applicable to the City nor for other purposes prohibited by *M.S., Section 469.176, Subd. 4*.

Tax increments generated in the District will be paid by Kandiyohi County to the City for the Tax Increment Fund of said District. The City will pay to the developer(s) annually an amount not to exceed an amount as specified in a developer's agreement to reimburse the costs of land acquisition, public improvements, demolition and relocation, site preparation, and administration. Remaining increment funds will be used for

City administration (up to 10 percent) and for the costs of public improvement activities outside the District.

### **Subsection 2-20. Excess Increments**

Excess increments, as defined in *M.S., Section 469.176, Subd. 2*, shall be used only to do one or more of the following:

1. Prepay any outstanding bonds;
2. Discharge the pledge of tax increment for any outstanding bonds;
3. Pay into an escrow account dedicated to the payment of any outstanding bonds; or
4. Return the excess to the County Auditor for redistribution to the respective taxing jurisdictions in proportion to their local tax rates.

The City must spend or return the excess increments under paragraph (c) within nine months after the end of the year. In addition, the City may, subject to the limitations set forth herein, choose to modify the TIF Plan in order to finance additional public costs in Municipal Development District No. II or the District.

### **Subsection 2-21. Requirements for Agreements with the Developer**

The City will review any additional proposals for private development to determine conformance with the Development Program and with applicable municipal ordinances and codes. To facilitate this effort, the following documents may be requested for review and approval: site plan, construction, mechanical, and electrical system drawings, landscaping plan, grading and storm drainage plan, signage system plan, and any other drawings or narrative deemed necessary by the City to demonstrate the conformance of the development with City plans and ordinances. The City may also use the Agreements to address other issues related to the development.

Pursuant to *M.S., Section 469.176, Subd. 5*, no more than 25 percent, by acreage, of the property to be acquired in the project area as set forth in the TIF Plan shall at any time be owned by the City as a result of acquisition with the proceeds of bonds issued pursuant to *M.S., Section 469.178* to which tax increments from property acquired is pledged, unless prior to acquisition in excess of 25 percent of the acreage, the City concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the City should the development or redevelopment not be completed.

### **Subsection 2-22. Assessment Agreements**

Pursuant to *M.S., Section 469.177, Subd. 8*, the City may enter into a written assessment agreement in recordable form with the developer of property within the District which establishes a minimum market value of the land and completed improvements for the duration of the District. The assessment agreement shall be presented to the County Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, the County Assessor shall also certify the minimum market value agreement.

### **Subsection 2-23. Administration of the District**

Administration of the District will be handled by the Director of Planning and Development Services.

## **Subsection 2-24. Annual Disclosure Requirements**

Pursuant to *M.S., Section 469.175, Subds. 5, 6, and 6b* the City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before August 1 of each year. *M.S., Section 469.175, Subd. 5* also provides that an annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report containing the information required by *M.S., Section 469.175 Subd. 5 and Subd. 6*, the Office of the State Auditor will direct the County Auditor to withhold the distribution of tax increment from the District.

## **Subsection 2-25. Reasonable Expectations**

As required by the TIF Act, in modifying the District, this Plan reaffirms the determination that has previously been made that the anticipated development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan. In making said determination, reliance had been placed upon written representation made by the developer to such effects and upon City staff awareness of the feasibility of developing the project site within the District. A comparative analysis of estimated market values both with and without establishment of the District and the use of tax increments had been performed as described above. Such analysis is included with the cashflow in Appendix D, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

## **Subsection 2-26. Other Limitations on the Use of Tax Increment**

1. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan. The revenues shall be used to finance, or otherwise pay the capital and administration costs of Municipal Development District No. II pursuant to *M.S., Sections 469.124 to 469.134*. Tax increments may not be used to circumvent existing levy limit law. No tax increment may be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government. This provision does not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure.
2. Pooling Limitations. At least 75 percent of tax increments from the District must be expended on activities in the District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 25 percent of said tax increments may be expended, through a development fund or otherwise, on activities outside of the District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the District.
3. Five Year Limitation on Commitment of Tax Increments. Revenues derived from tax increments paid by properties in the District shall be deemed to have satisfied the 75 percent test set forth in paragraph (2) above only if the five year rule set forth in *M.S., Section 469.1763, Subd. 3*, has been satisfied; and beginning with the sixth year following certification of the District, 75 percent of said tax increments

that remain after expenditures permitted under said five year rule must be used only to pay previously committed expenditures or credit enhanced bonds as more fully set forth in *M.S., Section 469.1763, Subd. 5.*

4. Redevelopment District. At least 90 percent of the revenues derived from tax increment from a redevelopment district must be used to finance the cost of correcting conditions that allow designation of redevelopment and renewal and renovation districts under *M.S., Section 469.176 Subd. 4j.* These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary for development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the City, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

#### **Subsection 2-27. Summary**

The City of Willmar is modifying the District to preserve and enhance the tax base, redevelop substandard areas, and provide employment opportunities in the City. The TIF Plan for the District was prepared by Ehlers & Associates, Inc., 3060 Centre Pointe Drive, Roseville, Minnesota 55113, telephone (651) 697-8500.

## Appendix A

### Project Description

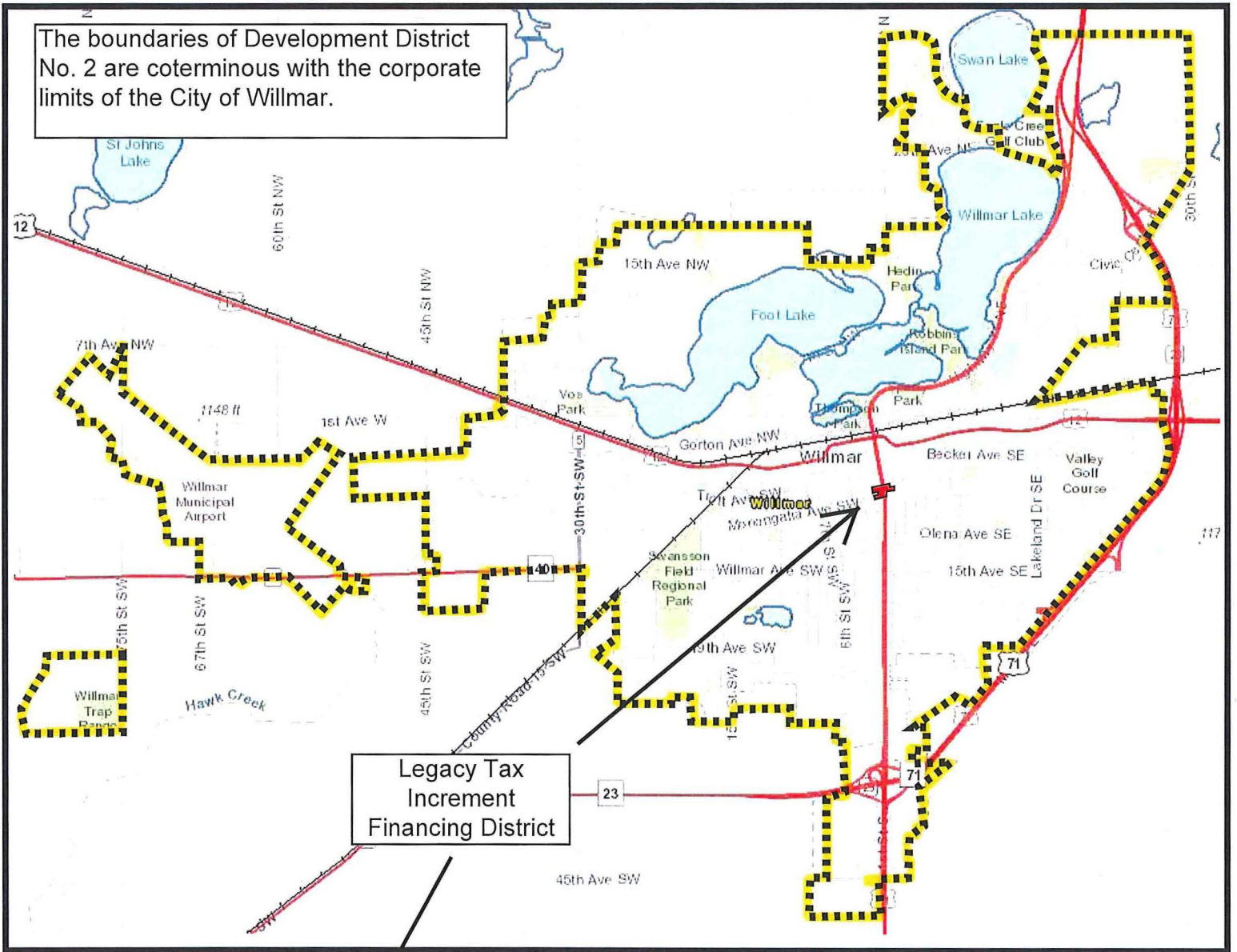
Tax increments collected from the TIF District are proposed in two phases by Legacy Group Development, LLC. Phase I is the construction of an approximately 7,600 square foot structure designed for retail, office and restaurant as well as construction of a new access, parking improvements, lighting, utility extensions/relocations, soil correction, and stormwater controls. Phase II is the construction of an approximately 2,000 – 3,000 square foot structure designed for commercial use. Most of the project is already completed. The project is located on the west-side of First Street, bordering Minnesota Avenue to the north, Monongalia Avenue to the south, and Second Avenue to the west.

Appendix B

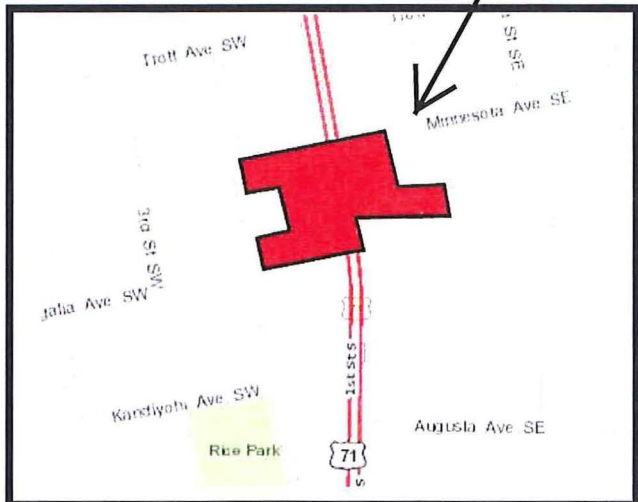
Map(s) of Municipal Development District No. II and the District



City of Willmar  
Kandiyohi County, Minnesota  
Development District No. 2  
Legacy Tax Increment Financing District

The boundaries of Development District No. 2 are coterminous with the corporate limits of the City of Willmar.



Legacy Tax Increment Financing District



-  Development District No. 2
-  Legacy Tax Increment Financing District

Appendix C

Description of Property to be Included in the District

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcel(s) listed below.

<u>Parcel Numbers</u>	<u>Address</u>	<u>Owner</u>
95.006.1580	601 2 <sup>nd</sup> Ave St. SW	Sherri Simons
95.006.1460 *	602 1 <sup>st</sup> Street S	Legacy Group Development, LLC
95.130.0160	605 1 <sup>st</sup> Street S	Aly & Mohamed Soliman
95.130.0140	620 2 <sup>nd</sup> Street SE	Karnak Inc.

**\*Note:** The following parcels have been combined into 95.006.1460 since the District was originally certified:

- 95.006.1470
- 95.006.1490
- 95.006.1500
- 95.006.1510
- 95.006.1520
- 95.006.1530
- 95.006.1540



Appendix D

Estimated Cash Flow for the District



**Modified TIF Plan - Legacy on First TIF District 4**

City of Willmar, Minnesota

7,588 SF Phase 1 and 3,000 SF Phase 2 Retail Center (Marcus Property)

**ASSUMPTIONS AND RATES**

DistrictType:	Redevelopment	<b>Tax Rates</b>	
District Name/Number:	Legacy TIF 4	Exempt Class Rate (Exempt)	0.00%
County District #:	TBD	Commercial Industrial Preferred Class Rate (C/I Pref.)	
First Year Construction or Inflation on Value	2017	First \$150,000	1.50%
Existing District - Specify No. Years Remaining	15	Over \$150,000	2.00%
Inflation Rate - Every Year:	2.00%	Commercial Industrial Class Rate (C/I)	2.00%
Interest Rate:	5.00%	Rental Housing Class Rate (Rental)	1.25%
Present Value Date:	1-Feb-18	Affordable Rental Housing Class Rate (Aff. Rental)	
First Period Ending	1-Aug-18	First \$150,000	0.75%
Tax Year District was Certified:	Pay 2018	Over \$150,000	0.25%
Cashflow Assumes First Tax Increment For Development:	2019	Non-Homestead Residential (Non-H Res. 1 Unit)	
Years of Tax Increment	15	First \$500,000	1.00%
Assumes Last Year of Tax Increment	2033	Over \$500,000	1.25%
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA	Homestead Residential Class Rate (Hmstd. Res.)	
Incremental or Total Fiscal Disparities		First \$500,000	1.00%
Fiscal Disparities Contribution Ratio	0.0000%	Over \$500,000	1.25%
Fiscal Disparities Metro-Wide Tax Rate	0.0000%	Pay 2017	
Maximum/Frozen Local Tax Rate:	123.735%	Pay 2017	
Current Local Tax Rate: (Use lesser of Current or Max.)	123.735%	Pay 2017	
State-wide Tax Rate (Comm./Ind. only used for total taxes)	45.8020%	Pay 2017	
Market Value Tax Rate (Used for total taxes)	0.14593%	Pay 2017	
		Agricultural Non-Homestead	1.00%

**BASE VALUE INFORMATION (Original Tax Capacity)**

Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
3	95-006-1580	Simons	2nd St SW	NA	NA	33,180	100%	33,180	Pay 2017	Hmstd. Res.	332	Hmstd. Res.	332	1
1	95-006-1460*	Marcus	1st Street S	NA	NA	232,000	100%	232,000	Pay 2017	C/I Pref.	3,890	C/I Pref.	3,890	
1	95-006-1470*	Marcus	1st Street S	NA	NA	56,900	100%	56,900	Pay 2017	Rental	711	C/I Pref.	854	
1	95-006-1490*	Marcus	1st Street S	NA	NA	98,500	100%	98,500	Pay 2017	C/I Pref.	1,478	C/I Pref.	1,478	
1	95-006-1500*	Marcus	1st Street S	NA	NA	99,300	100%	99,300	Pay 2017	C/I Pref.	1,490	C/I Pref.	1,490	
2	95-006-1510*	Marcus	1st Street S	NA	NA	100,000	100%	100,000	Pay 2017	C/I Pref.	1,500	C/I Pref.	1,500	
2	95-006-1520*	Marcus	1st Street S	NA	NA	100,000	100%	100,000	Pay 2017	C/I Pref.	1,500	C/I Pref.	1,500	
3	95-130-0160	Soliman	1st Street S	NA	NA	816,900	100%	816,900	Pay 2017	C/I Pref.	15,588	C/I Pref.	15,588	
3	95-130-0140	Karnak	2nd Street SE	NA	NA	52,500	100%	52,500	Pay 2017	Non-H Res. 1 Unit	525	Non-H Res. 1 Unit	525	
2	95-006-1530*	Okay	2nd Street SW	NA	NA	99,500	100%	99,500	Pay 2017	Rental	1,244	C/I Pref.	1,493	
2	95-006-1540*	Sjoberg	2nd Street SW	NA	NA	58,026	100%	58,026	Pay 2017	Hmstd. Res.	580	C/I Pref.	870	
						1,746,806		1,746,806			28,837		29,518	

**Note:**

1. Base values confirmed by County website referring to Estimated Market Value on June 2, 2017.
2. PIN's ending in 1460, 1470, 1490, 1500, 1510, 1530, and 1540 were all combined into PIN 95-006-1460 for taxes payable in 2018.



**Modified TIF Plan - Legacy on First TIF District 4**

City of Willmar, Minnesota

7,588 SF Phase 1 and 3,000 SF Phase 2 Retail Center (Marcus Property)

PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2017	Percentage Completed 2018	Percentage Completed 2019	Percentage Completed 2020	First Year Full Taxes Payable
1	New Retail	127	127	7,588	961,696	C/I Pref.	18,484	2	100%	100%	100%	100%	2019
2	New Retail	127	127	3,000	380,217	C/I	7,604	3	0%	0%	100%	100%	2021
3	Existing Hmstd	55,300	33,180	1	55,300	Hmstd. Res.	332	332	100%	100%	100%	100%	2019
3	Existing C/I	816,900	816,900	1	816,900	C/I Pref.	15,588	15,588	100%	100%	100%	100%	2019
3	Existing Non-H	52,500	52,500	1	52,500	Non-H Res. 1 Uni	525	525	100%	100%	100%	100%	2019
<b>TOTAL</b>					<b>2,266,614</b>		<b>42,533</b>						
Subtotal Residential				2	107,800		857						
Subtotal Commercial/Ind.				10,589	2,158,814		41,676						

**Note:**

1. Market values are based upon estimates from County Assessor on June 30, 2017.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
New Retail	18,484	0	18,484	22,871	0	7,779	1,403	32,053	4.22
New Retail	7,604	0	7,604	9,409	0	2,567	555	12,531	4.18
Existing Hmstd	332	0	332	411	0	0	81	491	491.25
Existing C/I	15,588	0	15,588	19,288	0	6,453	1,192	26,932	26,932.50
Existing Non-H	525	0	525	650	0	0	77	726	726.22
<b>TOTAL</b>	<b>42,533</b>	<b>0</b>	<b>42,533</b>	<b>52,628</b>	<b>0</b>	<b>16,798</b>	<b>3,308</b>	<b>72,734</b>	

**Note:**

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	72,734
less State-wide Taxes	(16,798)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(3,308)
less Base Value Taxes	(36,524)
<b>Annual Gross TIF</b>	<b>16,104</b>

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	1,746,806
New Market Value - Est.	2,266,614
Difference	519,808
Present Value of Tax Increment	209,213
Difference	310,595
Value likely to occur without Tax Increment is less than:	310,595



**Modified TIF Plan - Legacy on First TIF District 4**  
**City of Willmar, Minnesota**  
 7,588 SF Phase 1 and 3,000 SF Phase 2 Retail Center (Marcus Property)

**TAX INCREMENT CASH FLOW**

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities -	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-	-			08/01/18
							-	-	-	-	-			02/01/19
100%	34,929	(29,518)	-	5,411	123.735%	6,695	3,347	(12)	(334)	3,002	2,787	0.5	2019	08/01/19
							3,347	(12)	(334)	3,002	5,507	1	2019	02/01/20
100%	35,627	(29,518)	-	6,109	123.735%	7,559	3,780	(14)	(377)	3,389	8,503	1.5	2020	08/01/20
							3,780	(14)	(377)	3,389	11,425	2	2020	02/01/21
100%	43,944	(29,518)	-	14,426	123.735%	17,850	8,925	(32)	(889)	8,004	18,158	2.5	2021	08/01/21
							8,925	(32)	(889)	8,004	24,727	3	2021	02/01/22
100%	44,823	(29,518)	-	15,305	123.735%	18,938	9,469	(34)	(943)	8,491	31,526	3.5	2022	08/01/22
							9,469	(34)	(943)	8,491	38,160	4	2022	02/01/23
100%	45,720	(29,518)	-	16,201	123.735%	20,047	10,023	(36)	(999)	8,989	45,010	4.5	2023	08/01/23
							10,023	(36)	(999)	8,989	51,694	5	2023	02/01/24
100%	46,634	(29,518)	-	17,116	123.735%	21,178	10,589	(38)	(1,055)	9,496	58,582	5.5	2024	08/01/24
							10,589	(38)	(1,055)	9,496	65,303	6	2024	02/01/25
100%	47,567	(29,518)	-	18,048	123.735%	22,332	11,166	(40)	(1,113)	10,013	72,217	6.5	2025	08/01/25
							11,166	(40)	(1,113)	10,013	78,962	7	2025	02/01/26
100%	48,518	(29,518)	-	19,000	123.735%	23,509	11,755	(42)	(1,171)	10,541	85,889	7.5	2026	08/01/26
							11,755	(42)	(1,171)	10,541	92,648	8	2026	02/01/27
100%	49,488	(29,518)	-	19,970	123.735%	24,710	12,355	(44)	(1,231)	11,079	99,579	8.5	2027	08/01/27
							12,355	(44)	(1,231)	11,079	106,340	9	2027	02/01/28
100%	50,478	(29,518)	-	20,960	123.735%	25,935	12,967	(47)	(1,292)	11,629	113,264	9.5	2028	08/01/28
							12,967	(47)	(1,292)	11,629	120,018	10	2028	02/01/29
100%	51,488	(29,518)	-	21,969	123.735%	27,184	13,592	(49)	(1,354)	12,189	126,926	10.5	2029	08/01/29
							13,592	(49)	(1,354)	12,189	133,664	11	2029	02/01/30
100%	52,517	(29,518)	-	22,999	123.735%	28,458	14,229	(51)	(1,418)	12,760	140,547	11.5	2030	08/01/30
							14,229	(51)	(1,418)	12,760	147,262	12	2030	02/01/31
100%	53,568	(29,518)	-	24,050	123.735%	29,758	14,879	(54)	(1,483)	13,343	154,112	12.5	2031	08/01/31
							14,879	(54)	(1,483)	13,343	160,795	13	2031	02/01/32
100%	54,639	(29,518)	-	25,121	123.735%	31,083	15,542	(56)	(1,549)	13,937	167,606	13.5	2032	08/01/32
							15,542	(56)	(1,549)	13,937	174,250	14	2032	02/01/33
100%	55,732	(29,518)	-	26,214	123.735%	32,435	16,218	(58)	(1,616)	14,543	181,014	14.5	2033	08/01/33
							16,218	(58)	(1,616)	14,543	187,614	15	2033	02/01/34
<b>Total</b>							<b>337,671</b>	<b>(1,216)</b>	<b>(33,646)</b>	<b>302,810</b>				
	<b>Present Value From 02/01/2018</b>			<b>Present Value Rate</b>	<b>5.00%</b>		<b>209,213</b>	<b>(753)</b>	<b>(20,846)</b>	<b>187,614</b>				

## Appendix E

### Minnesota Business Assistance Form (Minnesota Department of Employment and Economic Development)

A Minnesota Business Assistance Form (MBAF) should be used to report and/or update each calendar year's activity by April 1 of the following year.

Please see the Minnesota Department of Employment and Economic Development (DEED) website at <http://www.deed.state.mn.us/Community/subsidies/MBAFForm.htm> for information and forms.

Appendix F

Redevelopment Qualifications for the District



## MEMORANDUM

TO: Bruce Peterson, Director of Planning and Development Services

FROM: Randy Kardell, Building Official *RK*

DATE: September 26, 2017

RE: Property Conditions Review for Legacy on First TIF District

The following properties were inspected on September 25th-26th.

Parcel number 95-130-0160 (vacant Handi Stop, Action Auto, and machine shop buildings). The masonry exterior around the Handi Stop/Action Auto building shows major structural deterioration from moisture intrusion through the walls. Several areas have missing face shells due to moisture. The north and east walls of the single story car wash/garage area have open head and bed masonry joints. These block walls indicate a masonry failure or movement at the top three courses. This area is where the roof line meets the walls. There are wood clad windows in the south wall that have damage to the sills to the extent that they are inoperable. There is a metal lintel over the car wash door that has deteriorated to the extent that it is questionable whether it is able to properly support the masonry walls that it carries. Several areas on the north wall have structural issues evidenced by cracking and settling. The roof has leaks throughout both levels as indicated by inside moisture/water damage. There is one roof bay in the garage area where the steel deck and supporting structural steel joist have been compromised by a corrosive chemical actions from the open car wash chemical systems. There were several open containers which carried a chemical hazard label of corrosive and irritants. The overall condition of the entire exterior is poor, due to several issues of lack of maintenance. Conclusion: This building is structurally substandard. The machine shop is a standalone, single-story structure. The exterior walls are deteriorating concrete masonry units. The occupant of the building has modified the roof with an exterior steel beam to provide supports for the chain hoist/lift installed inside. The actual location and condition of the bearing points, their size and condition, are unknown. Construction of the integral hoist system does not appear to meet code requirements. The roof appears to be reasonably sound. A major concern is the caustic degreasing machine that discharges into an open floor drain. This drain goes to a flammable waste receptor in the floor. As to whether this receptor has ever been serviced or maintained is unknown. Plumbing and electrical systems are marginally adequate. This building lacks accessible restrooms, parking, and proper access. Conclusion: This building is structurally substandard.

Parcel number 95-130-0140 includes a house that is currently operated as a rental unit. This two story wood structure is a single family unit. The last rental inspection was conducted July 12, 2016. The violations listed during the last rental inspection were for life safety and lack of maintenance (structural and mechanical systems) issues. There were also mechanical system safety issues cited. The property has been cited for exterior storage violations on numerous occasions. Throughout its

inspection history starting in 2006, this property has been marginally maintained at a level to meet the absolute minimum standards of the rental inspection program. This rental property is in poor condition. Conclusion: This building is structurally substandard.

Parcel number 95-006-1580 contains a two-story, wood balloon framed single-family residence. This property is currently owner occupied. An inspection was conducted of the exterior only due to past issues with the owners. This property has a new roof which was done in 2017, presumably to stop water intrusion and damage. The exterior foundation has numerous sections missing mortar head and bed joints, resulting from a lack of maintenance and indicative of structural issues. There is a shed roof bump-out addition that was added sometime after the original construction. Past contact with the residents has enabled inspectors to get a good feel for the overall condition of the house. The addition does not appear to meet code requirements, and the overall condition of the structure is poor. Also, this property has been cited many times in the past for exterior storage and miscellaneous code violations. Conclusion: This building is structurally substandard.

Parcel number 95-005-1530 is the site of a wood framed, side-by-side duplex with a full basement. Currently, the property is a rental. This unit was last inspected August 2015. The rental ordinance violations that were cited included life safety, plumbing, and maintenance issues. The exterior condition has been maintained. The foundation shows no indication of problems. In my opinion, the rental would be classified as an average or medium quality rental unit. This property has been cited for exterior storage violation in the past. Conclusion: This building is not structurally substandard.

Parcel number 95-006-1540 contains a two-story wood framed structure with a full basement. The home is owner occupied. Inspectors were unsuccessful in gaining access. The structure is the typical government style plan which has been constructed throughout the City. The exterior has been upgraded and is well maintained. If the interior is as good as the exterior, in my opinion this property is average to above average. Conclusion: This building is not structurally substandard.

Six (6) other buildings were removed from the District over the past 2-3 years. All were severely deteriorated and would have been found to meet the definition of structurally substandard. None of these buildings were included in the analysis performed in determining if the District qualified as a redevelopment district.



Appendix G

Findings Including But/For Qualifications

<b>But-For Analysis</b>
Original Market Value
New Market Value - Estimate
Difference
Present Value of Tax Increment
Difference
<b>Value Likely to Occur Without TIF is Less Than:</b>

Findings for the TIF Plan Modification

3.01 The Council hereby reaffirms the original findings for the TIF District, namely that it was established as a "redevelopment district".

3.02 The Modifications are being completed to allow for the enlargement of Development District Number 3, and to authorize the expenditure of tax increments from Tax Increment Financing District Number 3, to be spent within the boundaries of Development District Number 3, as enlarged, or additional project costs.

3.03 The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The fact supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.

3.04 The TIF Plan Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The facts supporting this finding are that the TIF Plan Modification will continue the redevelopment by private enterprise that has been stimulated under the original plan for the TIF District.

3.05 The Council further finds the future redevelopment, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

Appendix H  
Original TIF Plan

RESOLUTION NO. 17-129

APPROVING THE TAX INCREMENT PLAN AND THE USE OF TAX INCREMENT FINANCING

Motion By: Plowman                      Second By: Mueske

WHEREAS, the City Council of the City of Willmar (hereinafter the Municipality) pursuant to Minnesota Statutes, Chapter 472A (now Chapter 469), in 1981 adopted a Development Program for Municipal Development District Number II, encompassing the area which is more particularly described on Addendum A attached hereto and made a part hereof (which area is hereinafter called the Development District), and

WHEREAS, it is desirable and in the public interest that the Municipality undertake and carry out a tax increment financing plan for the Legacy on First redevelopment district pursuant to Minnesota Statutes, Sections 469.174-179, encompassing the area which is more particularly described on Addendum A attached hereto and made a part hereof (which area is herein called Tax Increment District, Redevelopment District, or District), and

WHEREAS, the City Council has reviewed the plan for the Legacy on First Tax Increment District of the Development District, dated September 2017 (herein called the Plan, and attached hereto as Addendum B), and which sets forth a tax increment financing plan for the Redevelopment District, and

WHEREAS, the Plan sets forth the Municipality's estimate of the fiscal and economic impacts of the tax increment financing on the tax capacities of all taxing jurisdictions in which the Redevelopment District is located, and the Municipality's estimate of the fiscal and economic implications of the District, and

WHEREAS, the Board of Commissioners of Kandiyohi County, Minnesota has been notified on the public hearing for the review of the Plan, and

WHEREAS, the School Board of Independent School District No. 347 has been notified of the public hearing for the review of the Plan, and

WHEREAS, the Commissioner representing the area included in the District has been notified of the public hearing for the review of the plan, and

WHEREAS, the City Council has received and considered the comments of the Board of Commissioners of Kandiyohi County, the School Board of the Willmar School District, and the Commissioner representing the area included in the District, relative to the contents of the Plan, and

WHEREAS, the City Council on October 16, 2017, after having published a notice of public hearing in the official newspaper of the Municipality, conducted a public hearing on the Plan and received public comments on the same.

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

FINDINGS:

1. That the proposed tax increment financing district is a redevelopment district and meets the criteria of 469.174 Subd. 10, Paragraph A.
2. That the proposed development, in the opinion of the Municipality, would not be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.
3. That the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value

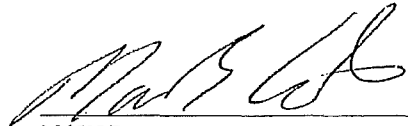
estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan.

4. That the tax increment financing plan would afford maximum opportunity, consistent with the sound needs of the Municipality as a whole, for the development of the District by private enterprise.
5. That it is hereby found and determined that the tax increment financing plan conforms to the general plan for the development of the Municipality as a whole.
6. That the reason and supporting facts for findings as set forth in the plan are by this reference confirmed and adopted.
7. That no persons or businesses will be displaced or relocated as a result of the approval of, and execution of, the tax increment financing plan set forth in the Plan.

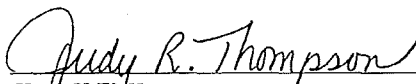
BE IT FURTHER RESOLVED by the City Council of the City of Willmar, that:

1. The Tax Increment Financing Plan for the Legacy on First Tax Increment District of Municipal Development District No II attached hereto as Addendum B is hereby approved, contingent on the City Council's final approval of a Development and Business Subsidy Agreement (s) as required and/or authorized by Minnesota Statutes, Section 116.994, subdivision 3 and Minnesota Statutes, Section 469.174 through 469.1794.
2. The City Clerk is hereby directed to file a copy of the resolution and a copy of the Plan with the Department of Employment and Economic Development, the Office of the State Auditor, and the Department of Revenue.
3. The City Clerk is hereby authorized and directed to request the Auditor of Kandiyohi County to certify the original tax capacity of the District established by this resolution.
4. The Municipality hereby states its intention to use all of the captured tax capacity for purposes of tax increment financing as per the conditions set forth in the Plan.

Adopted by the Willmar City Council this 6<sup>th</sup> day of November, 2017.

  
\_\_\_\_\_  
MAYOR

Attest:

  
\_\_\_\_\_  
CITY CLERK

## ADDENDUM A

### Amended legal description for Municipal Development District No. II

Beginning at the center point of the intersection of First Street Southwest and Minnesota Avenue Southwest; thence westerly to the center point of the intersection of Fifth Street Southwest and Minnesota Avenue Southwest; thence northerly to the center point of the intersection of Trott Avenue Southwest and Fifth Street Southwest; thence westerly to the center point of the intersection of Seventh Street Southwest and Trott Avenue Southwest; thence northerly to the center point of the intersection of Atlantic Avenue Northwest, as extended, and Seventh Street Northwest; thence easterly projecting Atlantic Avenue Northwest to the center line of U.S. No. 71; thence southerly along the center line of U.S. No. 71 and First Street Southwest to the point of beginning. Also, beginning at a point in the center line of Second Street Southeast 336' ± South of the center point of the intersection of Second Street Southeast and Minnesota Avenue Southeast; thence northerly to the center point of the intersection of Second Street Southeast and Minnesota Avenue Southeast; thence westerly to the center point of the intersection of Second Street Southwest and Minnesota Avenue Southwest; thence southerly to the center point of the intersection of Second Street Southwest and Monongalia Avenue Southwest; thence easterly to the center point of the intersection of First Street Southwest and Monongalia Avenue Southwest; thence northeasterly to the point of beginning.

### Legal description for Legacy on First TIF District:

Lots 1-9, North ½ of Lot 13, Lot 14, Block 67, First Addition to the Town (now City) of Willmar, and; Westerly 10' of Lot 3, Lot 4-6, Block 2, Carlson's Addition to the City of Willmar, and; Lots 1 and 2, Block 1, Johnson's Subdivision.

**ADDENDUM B**

Tax Increment Financing Plan for Legacy on First Tax Increment District of  
Municipal Development District No. II

**TAX INCREMENT FINANCING PLAN FOR LEGACY ON FIRST  
TAX INCREMENT DISTRICT OF MUNICIPAL DEVELOPMENT DISTRICT NO. II**

**(LEGACY GROUP DEVELOPMENT, LLC PROJECT)**

**September, 2017**

## **1. OBJECTIVE OF THE AUTHORITY (CITY)**

The City seeks to achieve the following objectives through the implementation of the Development Program for Municipal Development District No. II (M.D.D. II):

- a. To encourage planning and development of a desirable and unique character within M.D.D. II through quality land use alternatives and design quality in new buildings, in a manner consistent with the Comprehensive Plan of the City and with a minimum adverse impact on the environment.
- b. To acquire certain property within M.D.D. II which is not now in productive use or in its highest and best use, as the need arises, and to prepare the property for private development.
- c. To sell improved property to private developers to encourage redevelopment and increase the tax base of those taxing jurisdictions within which the District is located, thereby enabling such entities to better pay for governmental services and programs provided by them.
- d. To provide for financing and construction of public improvements and facilities within M.D.D. II in order to effectively service new development in and about the District.
- e. To provide a promotional sales effort which will encourage private investments within the District.
- f. To support the redevelopment of substandard and underutilized properties in the District.

## **2. PROPERTIES TO BE ACQUIRED BY CITY OF WILLMAR**

At this time, there is no property within M.D.D. II that is being considered by the City for acquisition.

## **3. DEVELOPMENT ACTIVITIES IN LEGACY ON FIRST TIF DISTRICT**

Legacy Group Development, LLC (Legacy on First) proposes to construct a 7,600 square foot restaurant/retail/facility on property it is acquiring in the District. In addition to the building construction, the project will include new access, parking improvements, lighting, utility extensions/relocation, soil correction, and storm water controls. Work on the project is anticipated to begin in October 2017, with completion in 2018. A second phase of 3,000 square feet of commercial space is anticipated.

The tax increment financing program will be formalized in a developer/business subsidy agreement detailing the rights and responsibilities of both the City and Legacy on First. Land use approvals are in process.

## **4. OTHER DEVELOPMENT**

Future development anticipated to occur in this TIF could include additional retail and professional services businesses.

## **5. FINANCIAL ESTIMATES**

- i. *Project Costs* – It is estimated that the total cost of the initial Legacy on First project will be about \$2.5 million. Using an estimated market value of \$1.34 million for the project improvements, it is estimated that an annual tax increment of \$16,104 will be generated (using payable 2017 tax rates). The increments, to the extent possible,



will be used to reimburse the developer, for land acquisition, site preparation, utility extensions, lighting, and storm water control, as well as to pay City costs to administer the tax increment financing program. If additional development occurs, the increased increment may be used to reimburse the developer for eligible project site improvement costs.

- ii. *Bonds* - There will be no bonds sold to finance the project. All eligible costs will be reimbursed with the tax increments as generated on a pay-as-you-go basis.
- iii. *Original net tax capacity* - The original net tax capacity for all parcels within the Tax Increment District totals \$29,518.
- iv. *Captured Tax Capacity* - The estimated, <sup>captured</sup> tax capacity of the Tax Increment District upon completion of the project is \$13,015.
- v. *Duration of District* - No tax increment shall in any event be paid to the City for redevelopment district after twenty five (25) years from the date of the receipt of the first increment. Modification of this tax increment financing plan shall not extend the durational limits of this provision.

#### 6. TAX INCREMENT FINANCING IMPACTS

The estimated impact of the tax increment financing program on the net tax capacities of each taxing jurisdiction is detailed below:

Captured Net Tax Capacity of Project Based on an Estimated Market Value of \$1.34 million = \$13,015

Payable 2017 Tax Capacities =  
County - \$53,542,933  
City - \$13,084,650  
School District - \$23,017,536

If the project is constructed without the use of tax increment financing and the entire net tax capacity from the project is made available to the taxing jurisdictions, the net tax capacity of each of the taxing jurisdictions would be increased by less than .01%.

If the project is constructed with the use of tax increment financing and none of the net tax capacity from the project is made available to the taxing jurisdictions, the net tax capacity of each of the taxing jurisdictions would remain unchanged.

#### 7. STUDIES/ANALYSES USED TO MAKE DETERMINATION IN M.S. CHAPTER 469.175 SUBD. 3, CLAUSE (2)

The Willmar City Council finds that:

- a. The proposed tax increment financing district is a redevelopment district and meets the criteria of 469.174 Subd. 10, Paragraph A.
- b. That in the opinion of the Municipality, the proposed development/redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future. The increased market value of the site that could reasonably occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed developments after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan.

- c. That the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole and is consistent with the City of Willmar Comprehensive Land Use Plan.
- d. That the tax increment financing plan will afford maximum opportunity consistent with the sound needs of the municipality as a whole for the development or redevelopment of the property by private enterprise.

These findings were made after consultation with the developer, reviewing financial projections, inspecting the properties, and analyzing current development trends. The developer balked at the idea of developing the subject property due to the cost of the land. As a redevelopment project, the site carries a higher price than other "greenfield" commercial properties. Tax increment financing will be used to reduce the cost disparity.

Without the use of tax increment financing to reduce the cost of acquiring the property and financing some site costs, it is doubtful that the property would be developed any time soon. If left undeveloped, any market value increase would be due to a basic, underlying land value assigned by the County Assessor. The proposed projects will create a market value for the parcels far in excess of any value they may carry in an undeveloped condition. This "as developed" value will exist for the life of the district and beyond.

Estimates of market value increases and the present value of projected increments are included as an attachment to the plan.

#### **8. PARCELS INCLUDED IN THE TIF DISTRICT**

The following parcels will comprise the TIF District and all program increment will be derived from the listed parcels (see attached map).

95-006-1460  
95-006-1470  
95-006-1490  
95-006-1500  
95-006-1510  
95-006-1520  
95-006-1530  
95-006-1540  
95-006-1580  
95-130-0140  
95-130-0160

September 2017

**TAX INCREMENT FINANCING PRELIMINARY WORKUP  
(LEGACY ON FIRST 2017 PROJECT)**

**1. Eligible Costs Could Include:**

- a. Land Acquisition
- b. Excavation/Soil Correction
- c. Parking Lot (Storm Water Control)
- d. Utility Relocation and Extensions
- e. Lighting
- f. Administration and Legal

**2. Increment Estimate:**

- a. It is estimated that the total increment generated by this project over a 15 year period will equal \$221,950.
- b. It is estimated that the total increment generated by this project over a 25 year period will equal \$398,464.

It is anticipated that the City will retain a maximum of 10% of the increment for administration of the district.

**3. Increment Attributable to Levies**

- a. Over a 15 year period, it is estimated that the amount of tax increments that would be attributable to School District levies, assuming the School District's share of the total local tax rate for all taxing jurisdictions remains the same, is \$49,095.
- b. For a 25 year district, the School District's share increases to \$88,140.
- c. Over a 15 year period, it is estimated that the amount of tax increments that would be attributable to County levies, assuming the County's share of the total local tax rate for all taxing jurisdictions remains the same, is \$120,829.
- d. For a 25 year district, the County's share increases to \$184,608.

**4. District Duration**

The tax increment district is anticipated to last 15 years for the original project, but could be extended to 25 years if additional development occurs within the district.

**5. Funding Mechanism**

The City will utilize a pay-as-you-go process, requiring the developer to front all costs and receive increment as reimbursement.

**6. Payment of current taxes**

Taxes will continue to be available to each taxing jurisdiction, paid on the original tax capacity.



# WILLMAR

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Dave Ramstad, Director of Planning and Development Services</b>	<b>Subject: Public Hearing of a Modification to GM/Magnum TIF Plan &amp; its Municipal Development District</b>

**AGENDA ITEM: A PUBLIC HEARING TO CONSIDER AND APPROVE THE MODIFICATION TO MUNICIPAL DEVELOPMENT DISTRICT NO. VI, AND THE MODIFICATION TO THE GM/MAGNUM TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 3, AN ECONOMIC DEVELOPMENT DISTRICT WITHIN MUNICIPAL DISTRICT NO. VI**

**INTRODUCTION/REQUEST:** The purpose of this agenda item is to conduct the required public hearing for modifications to tax increment financing plan for Tax Increment Financing District No. 3 (GM/Magnum) and Municipal Development District No. VI. The proposed modification of the Municipal Development District expands the boundaries to be coterminous with the corporate boundaries of the City of Willmar. The proposed modification of the TIF Plan will enable the City to meet the Office of the State Auditor’s requirements, incorporate current statutory language, increase the TIF budget, and allow the City to pay interest, if so desired. The TIF plan will not result in the establishment of a new tax increment financing district or increase the geographic size of the existing tax increment financing district.

**HISTORY:** The City of Willmar is considering a proposal to modify Municipal Development District No. VI and adopt a modification of the Tax Increment Financing Plan (TIF) for TIF District No. 3. The TIF District is an economic development district with a maximum term of 9-years of tax increment. Tax increments collected from the TIF District are being used to facilitate the construction of a 14,000 square foot LTL Terminal and office facility. The proposed modification is to increase the budget and incorporate the most current statutory language. A map of the TIF District is in Appendix A of the attached modified TIF Plan. The project is located on the westside of Willmar’s Industrial park, at the intersection of Willmar Avenue and 32<sup>nd</sup> Street W,

**CURRENT CIRCUMSTANCE:** As required by Minnesota Statutes, Section 469.175, Subd. 2 and 4, we are forwarding a draft of the Modification.

**RECOMMENDATION:** Staff recommends a motion to adopt the Resolution for the modifications to GM/Magnum TIF Plan & its Municipal Development District.

**ISSUES:** When the original TIF plans were submitted to the Office of the State Auditor (“OSA”), some discrepancies were noted that needed to be addressed to bring the TIF plan into compliance with the TIF Act (M.S., Sections 469.174 to 469.1974, inclusive, as amended). This included updating the duration language for an economic development district, an incomplete budget, and updating the original net tax capacities for the

exempt parcels to show what they are anticipated to be once they become taxable. The modification of the TIF Plan provides clarity of the intent of the City Council regarding both issues to satisfy the OSA. As part of this, staff recommends increasing the budget in the TIF Plan to account for inflation and allow for the payment of interest, should the City choose to do so in the future. The increase in the budget requires a public hearing.

The modification of Municipal Development District No. VI represents a continuation of the goals and objectives set for the in the development district programs. Generally, the substantive changes include the modification of the TIF District and to expand the boundaries of the Development District to be coterminous with the City's corporate boundaries.

**FINANCIAL IMPACT:** Authorize an increase in the TIF budget and the ability to pay interest, should the City choose to do so in the future. This does not obligate the City to modify any existing developer agreements, nor does it obligate the City to modify any existing developer agreements. Cost of modification is covered by TIF Administration fees.

**ALTERNATIVE:**

1. To approve the modifications to GM/Magnum's TIF Plan and Municipal Development District
2. To not approve the modifications and thereby not meet State TIF reporting requirements

**REVIEWED BY:** Dave Ramstad, Director of Planning and Development Services

**COMMUNITY DEVELOPMENT COMMITTEE DATE:** June 24, 2019

**COUNCIL MEETING DATE:**

July 1<sup>st</sup>, 2019 – Set Hearing

July 15, 2019 – Conduct Hearing

Consent Agenda     Agenda

**CITY OF WILLMAR  
KANDIYOHI COUNTY  
STATE OF MINNESOTA**

Council member \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION ADOPTING A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. VI AND A MODIFICATION TO THE TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 3.**

BE IT RESOLVED by the City Council ("Council") of the City of Willmar, Minnesota ("City"), as follows:

Section 1.    Recitals

1.01.    The Council has heretofore established Municipal Development District No. VI (the "Development District") and adopted a Development Program therefor. It has been proposed by the City that the City enlarge the Development District and adopt a Modification to the Development Program (the "Development Program Modification") for the Development District and adopt a Modification to the Tax Increment Financing Plan (the "TIF Plan Modification") for Tax Increment Financing District No. 3 (the "TIF District") which are referred to collectively herein as the "Modifications", all pursuant to and in conformity with applicable law, including Minnesota Statutes, Sections 469.124 to 469.133 and Sections 469.174 to 469.1794, all inclusive, as amended, (the "Act") all as reflected in the Modifications, and presented for the Council's consideration.

1.02.    The City has investigated the facts relating to the Modifications and have caused the Modifications to be prepared.

1.03.    The City has performed all actions required by law to be performed prior to the adoption and approval of the proposed Modifications, including, but not limited to, notification of Kandiyohi County and Independent School District No. 347, having taxing jurisdiction over the property in the TIF District, a review of and written comment on the Development Program Modification by the City Planning Commission, and the holding of a public hearing upon published notice as required by law.

1.04.    The City is modifying the boundaries of the Development District to be coterminous with the city limits of the City of Willmar.

1.05.    The City is extending the duration but is not modifying the boundaries of the TIF District.

Section 2.    Findings for the Development Program Modification

2.01.    The Council hereby finds that: (a) the land within the Development District would not

be available for development or redevelopment without the financial aid to be sought under the Development Program Modification; (b) the Development Program Modification will afford maximum opportunity, consistent with the needs of the City as a whole, for the development of the Development District by private enterprise; and (c) the Development Program Modification conforms to the general plan for the development of the City as a whole.

2.02. These findings are based on the facts and conditions described in the Development Program Modification, which is incorporated herein by reference.

### Section 3. Findings for the TIF Plan Modification

3.01 The Council hereby reaffirms the original findings for the TIF District, namely that it was established as an "economic development district".

3.02 The Modifications are being completed to allow for the enlargement of Development District Number 3, and to authorize the expenditure of tax increments from Tax Increment Financing District Number 3, to be spent within the boundaries of Development District Number 3, as enlarged, or additional project costs.

3.03 The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The fact supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.

3.04 The TIF Plan Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The facts supporting this finding are that the TIF Plan Modification will continue the redevelopment by private enterprise that has been stimulated under the original plan for the TIF District.

3.05 The Council further finds the future redevelopment, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

### Section 4. Public Purpose

4.01. The adoption of the Modifications conform in all respects to the requirements of the Act and will help fulfill a need to redevelop an area of the State which is already built up, to provide employment opportunities, to provide housing opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose.

### Section 5. Approval and Adoption of the Modifications

5.01. The Modifications, as presented to the Council on this date, are hereby approved, ratified, adopted and shall be placed on file in the office of the Director of Planning and Development Services.

5.02. The staff, the City's advisors and legal counsel are authorized and directed to proceed with the implementation of the Modifications and for this purpose to negotiate, draft, prepare and present to this Council for its consideration all further modifications, resolutions, documents and contracts necessary for this purpose. Approval of the Modifications does not

constitute approval of any project or a Development Agreement with any developer.

5.03. The Director of Planning and Development Services is authorized and directed to forward a copy of the Modifications to the Commissioner of the Minnesota Department of Revenue and the Office of the State Auditor pursuant to M.S., Section 469.175, Subd. 4a.

5.04. The Director of Planning and Development Services is further authorized and directed to file a copy of the Modifications with the Kandiyohi County Auditor.

The motion for the adoption of the foregoing resolution was duly seconded by Council member \_\_\_\_\_, and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

Dated: July 15, 2019

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

(Seal)





June 14, 2019

Mr. Mark Thompson, County Auditor  
Kandiyohi County  
Health & Human Services Building  
2200 – 23<sup>rd</sup> Street NE, Ste. 2020  
Willmar, MN 56201

Mr. Scott Thaden, School Board Clerk  
Willmar Public Schools ISD 347  
611 – 5<sup>th</sup> St. SW  
Willmar, MN 56201

**Re: The City of Willmar's proposed modification to the Tax Increment Financing Plan for Tax Increment Financing District No. 3**

Dear Mr. Thompson and Mr. Thaden:

The City of Willmar (the "City") is proposing to adopt a modification to the Tax Increment Financing Plan (the "Modification") for Tax Increment Financing District No. 3 (the "TIF District") located in Municipal Development District No. VI. The TIF District is an economic development district with a maximum term of 9 years of tax increment. Tax increments collected from the TIF District are being used to facilitate the construction of a 14,000 square foot LTL Terminal and office facility. The proposed modification is to increase the budget and incorporate the most current statutory language. A map of the TIF District is in Appendix A of the enclosed modification to the TIF Plan.

As required by Minnesota Statutes, Section 469.175, Subd. 2 and 4, we are forwarding a draft of the Modification.

The City reserves the right to make changes to this draft document prior to the public hearing; however, the authorized costs will not increase.

We invite you to attend the public hearing to be held by the City Council at the City Council Chambers on July 15, 2019 beginning at approximately 7:00 PM. Please direct any comments or questions to David Ramstad at the City of Willmar at (320) 235-4913, or to me at (651) 697-8508.

Sincerely,  
EHLERS

Todd Hagen, Senior Municipal Advisor

Acting for and on behalf of the City of Willmar, Minnesota

Enc.

cc: David Ramstad, City of Willmar  
Robert Scott, Flaherty & Hood, PA

**Modification to the Development Program  
for Municipal Development District No. VI**

**and the**

**Modification to the Tax Increment Financing Plan**

**for**

**Tax Increment Financing District No. 3  
(an economic development district)**

**within**

**Municipal Development District No. VI**

City of Willmar  
Kandiyohi County  
State of Minnesota

Adopted: May 1, 2017  
Modification Public Hearing: July 15, 2019



Prepared by: EHLERS & ASSOCIATES, INC.  
3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105  
651-697-8500 fax: 651-697-8555 www.ehlers-inc.com

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***Section 1 - Modification to the Development Program  
for Municipal Development District No. VI***

**Foreword**

The following text represents a Modification to the Development Program for Municipal Development District No. VI. This modification represents a continuation of the goals and objectives set forth in the Development Program for Municipal Development District No. VI. Generally, the substantive changes include the modification of Tax Increment Financing District No. 3 and to expand the boundaries of the Development District to be coterminous with the City's corporate boundaries

For further information, a review of the Development Program for Municipal Development District No. VI, is recommended. It is available from the Director of Planning and Development at the City of Willmar. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts located within Municipal Development District No. VI.

## **Section 2 - Tax Increment Financing Plan for Tax Increment Financing District No. 3**

### **Subsection 2-1. Foreword**

The City of Willmar (the "City"), staff and consultants have prepared the following information to expedite the modification of Tax Increment Financing District No. 3 (the "District"), an economic development tax increment financing district, located in Municipal Development District No. VI.

### **Subsection 2-2. Statutory Authority**

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections 469.124 to 469.133*, inclusive, as amended, and *M.S., Sections 469.174 to 469.1794*, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Municipal Development District No. VI.

### **Subsection 2-3. Statement of Objectives**

The District currently consists of two parcel(s) of land and adjacent and internal rights-of-way. The District was created to facilitate the construction of a 14,000 square foot LTL terminal and office facility in the City. Please see Appendix A for further District information. The City has entered into an agreement with GM Development as the developer. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Municipal Development District No. VI.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Municipal Development District No. VI and the District.

### **Subsection 2-4. Development Program Overview**

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.
5. The City proposes both public and private infrastructure within the District. The proposed reuse of private property within the District will be for a distribution/warehouse facility and there will be continued operation of Municipal Development District No. VI after the

capital improvements within Municipal Development District No. VI have been completed.

### **Subsection 2-5. Description of Property in the District and Property To Be Acquired**

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcels listed in Appendix C of this TIF Plan. Please also see the map in Appendix B for further information on the location of the District.

The City currently owns one parcel included in the District.

### **Subsection 2-6. Classification of the District**

The City, in reaffirming the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, as established, is an economic development district pursuant to *M.S., Section 469.174, Subd. 12* as defined below:

*"Economic development district" means a type of tax increment financing district which consists of any project, or portions of a project, which the authority finds to be in the public interest because:*

- (1) it will discourage commerce, industry, or manufacturing from moving their operations to another state or municipality; or*
- (2) it will result in increased employment in the state; or*
- (3) it will result in preservation and enhancement of the tax base of the state; or*
- (4) it satisfies the requirements of a workforce housing project under Section 469.176, Subdivision 4c, paragraph (d).*

The District is in the public interest because it will meet the statutory requirement from clause 2.

Pursuant to *M.S., Section 469.176, Subd. 4c*, revenue derived from tax increment from an economic development district may not be used to provide improvements, loans, subsidies, grants, interest rate subsidies, or assistance in any form to developments consisting of buildings and ancillary facilities, if more than 15 percent of the buildings and facilities (determined on the basis of square footage) are used for a purpose other than:

- (1) The manufacturing or production of tangible personal property, including processing resulting in the change in condition of the property;
- (2) Warehousing, storage, and distribution of tangible personal property, excluding retail sales;
- (3) Research and development related to the activities listed in items (1) or (2);
- (4) Telemarketing if that activity is the exclusive use of the property; or
- (5) Tourism facilities;
- (6) Space necessary for and related to the activities listed in items (1) to (5); or
- (7) A workforce housing project that satisfies the requirements of paragraph (d).

In meeting the statutory criteria the City relies on the following facts and findings:

The facilities in the District meet the conditions of Purposes 1, 2, and 6.

The District was created to assist in the construction of a manufacturing facility for GM Development. The proposed facility will be used for manufacturing, distribution and related activities.

Pursuant to *M.S., Section 469.176, Subd. 7*, the District did not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

**Subsection 2-7. Duration and First Year of Tax Increment of the District**

Pursuant to *M.S., Section 469.175, Subd. 1, and M.S., Section 469.176, Subd. 1*, the duration of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 8 years after receipt of the first increment by the City. The date of receipt by the City of the first tax increment is in 2019. Thus, the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2027, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

**Subsection 2-8. Original Tax Capacity, Tax Rate and Estimated Captured Net Tax Capacity Value/Increment and Notification of Prior Planned Improvements**

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District is based on the market values placed on the property by the assessor in 2016 for taxes payable in 2017.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2019) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the district;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District is the local tax rate for taxes payable 2017. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Municipal Development District No. VI, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2019. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.



<b>Project Estimated Tax Capacity upon Completion (PTC)</b>	<b>\$90,124</b>	
<b>Original Estimated Net Tax Capacity (ONTC)</b>	<b>\$4,768</b>	
<b>Estimated Captured Tax Capacity (CTC)</b>	<b>\$85,356</b>	
<b>Original Local Tax Rate</b>	<b>1.23735</b>	Pay 2017
<b>Estimated Annual Tax Increment (CTC x Local Tax Rate)</b>	<b>\$105,615</b>	
<b>Percent Retained by the City</b>	<b>100%</b>	

Tax capacity includes a 2.0% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 8.

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

**The City reviewed the area to be included in the District and found no parcels for which building permits were issued during the 18 months immediately preceding approval of the TIF Plan by the City.**

**Subsection 2-9. Sources of Revenue/Bonds to be Issued**

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by a interfund loan. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The total estimated tax increment revenues for the District, as modified, are shown in the table below:

<u>SOURCES OF FUNDS</u>	<u>TOTAL</u>
Tax Increment	\$728,550
Interest	\$72,855
<b>TOTAL</b>	<b>\$801,405</b>

The City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$621,698. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

**Subsection 2-10. Uses of Funds**

The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described. The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District, as modified, is outlined in the following table.

<u>USES OF TAX INCREMENT FUNDS</u>	<u>TOTAL</u>
Land/Building Acquisition	\$200,000
Site Improvements/Preparation	\$250,000
Utilities	\$70,000
Other Qualifying Improvements	\$28,843
<u>Administrative Costs (up to 10%)</u>	<u>\$72,855</u>
PROJECT COST TOTAL	\$621,698
<u>Interest</u>	<u>\$179,707</u>
<b>PROJECT AND INTEREST COSTS TOTAL</b>	<b>\$801,405</b>

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in Subsection 2-9.

Estimated capital and administrative costs listed above are subject to change among categories by modification of the TIF Plan without hearings and notices as required for approval of the initial TIF Plan, so long as the total capital and administrative costs combined do not exceed the total listed above. Further, the City may spend up to 20 percent of the tax increments from the District for activities (described in the table above) located outside the boundaries of the District but within the boundaries of the Project (including administrative costs, which are considered to be spend outside the District), subject to all other terms and conditions of this TIF Plan.

**Subsection 2-11. Business Subsidies**

Pursuant to *M.S., Section 116J.993, Subd. 3*, the following forms of financial assistance are not considered a business subsidy:

- (1) A business subsidy of less than \$150,000;
- (2) Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria;
- (3) Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made;
- (4) Redevelopment property polluted by contaminants as defined in *M.S., Section 116J.552, Subd. 3*;
- (5) Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50% of the total cost;
- (6) Assistance to provide job readiness and training services if the sole purpose of the assistance is to

- provide those services;
- (7) Assistance for housing;
  - (8) Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance subdistrict as defined under *M.S., Section 469.174, Subd. 23*;
  - (9) Assistance for energy conservation;
  - (10) Tax reductions resulting from conformity with federal tax law;
  - (11) Workers' compensation and unemployment compensation;
  - (12) Benefits derived from regulation;
  - (13) Indirect benefits derived from assistance to educational institutions;
  - (14) Funds from bonds allocated under chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501 (c) (3) of the Internal Revenue Code of 1986, as amended through December 31, 1999;
  - (15) Assistance for a collaboration between a Minnesota higher education institution and a business;
  - (16) Assistance for a tax increment financing soils condition district as defined under *M.S., Section 469.174, Subd. 19*;
  - (17) Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current year's estimated market value;
  - (18) General changes in tax increment financing law and other general tax law changes of a principally technical nature;
  - (19) Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency;
  - (20) Funds from dock and wharf bonds issued by a seaway port authority;
  - (21) Business loans and loan guarantees of \$150,000 or less;
  - (22) Federal loan funds provided through the United States Department of Commerce, Economic Development Administration; and
  - (23) Property tax abatements granted under *M.S., Section 469.1813* to property that is subject to valuation under Minnesota Rules, chapter 8100.

The City will comply with *M.S., Sections 116J.993 to 116J.995* to the extent the tax increment assistance under this TIF Plan does not fall under any of the above exemptions.

### **Subsection 2-12. County Road Costs**

Pursuant to *M.S., Section 469.175, Subd. 1a*, the county board may require the City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the county, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or within five years under another county plan.

The county received a copy of the original TIF plan to elect to use increments to improve county roads. No comments were received.

### **Subsection 2-13. Estimated Impact on Other Taxing Jurisdictions**

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

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**IMPACT ON TAX BASE**

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	<b>2016/Pay 2017 Total Net Tax Capacity</b>	<b>Estimated Captured Tax Capacity (CTC) Upon Completion</b>	<b>Percent of CTC to Entity Total</b>
Kandiyohi County	54,746,934	85,356	0.1559%
City of Willmar	13,121,553	85,356	0.6505%
Willmar Public Schools ISD No. 347	23,656,648	85,356	0.3608%

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**IMPACT ON TAX RATES**

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	<b>Pay 2017 Extension Rates</b>	<b>Percent of Total</b>	<b>CTC</b>	<b>Potential Taxes</b>
Kandiyohi County	0.573290	46.33%	85,356	48,934
City of Willmar	0.368050	29.75%	85,356	31,415
Willmar Public Schools ISD No. 347	0.273660	22.12%	85,356	23,359
Other	<u>0.022350</u>	<u>1.81%</u>	<u>85,356</u>	<u>1,908</u>
<b>Total</b>	1.237350	100.00%		<b>105,615</b>

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the actual Pay 2017 rate. The total net capacity for the entities listed above are based on actual Pay 2017 figures. The District was certified under the actual Pay 2017 rates.

Pursuant to *M.S. Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$728,550;
- (2) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$161,131;
- (3) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$337,552;
- (4) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

## **Subsection 2-14. Supporting Documentation**

Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District. Following is a list of reports and studies on file at the City that support the City's findings:

- A list of applicable studies will be listed here prior to the public hearing.

## **Subsection 2-15. Definition of Tax Increment Revenues**

Pursuant to *M.S., Section 469.174, Subd. 25*, tax increment revenues derived from a tax increment financing district include all of the following potential revenue sources:

1. Taxes paid by the captured net tax capacity, but excluding any excess taxes, as computed under *M.S., Section 469.177*;
2. The proceeds from the sale or lease of property, tangible or intangible, to the extent the property was purchased by the authority with tax increments;
3. Principal and interest received on loans or other advances made by the authority with tax increments;
4. Interest or other investment earnings on or from tax increments;
5. Repayments or return of tax increments made to the Authority under agreements for districts for which the request for certification was made after August 1, 1993; and
6. The market value homestead credit paid to the Authority under *M.S., Section 273.1384*.

## **Subsection 2-16. Modifications to the District**

In accordance with *M.S., Section 469.175, Subd. 4*, any:

1. Reduction or enlargement of the geographic area of the District, if the reduction does not meet the requirements of *M.S., Section 469.175, Subd. 4(e)*;
2. Increase in amount of bonded indebtedness to be incurred;
3. A determination to capitalize interest on debt if that determination was not a part of the original TIF Plan;
4. Increase in the portion of the captured net tax capacity to be retained by the City;
5. Increase in the estimate of the cost of the District, including administrative expenses, that will be paid or financed with tax increment from the District; or
6. Designation of additional property to be acquired by the City,

shall be approved upon the notice and after the discussion, public hearing and findings required for approval of the original TIF Plan.

Pursuant to *M.S., Section 469.175 Subd. 4(f)*, the geographic area of the District may be reduced, but shall not be enlarged after five years following the date of certification of the original net tax capacity by the county auditor. If an economic development district is enlarged, the reasons and supporting facts for the determination that the addition to the district meets the criteria of *M.S., Section 469.174, Subd. 12* must be documented in writing and retained. The requirements of this paragraph do not apply if (1) the only modification is elimination of parcel(s) from the District and (2) (A) the current net tax capacity of the parcel(s) eliminated from the District equals or exceeds the net tax capacity of those parcel(s) in the District's original net tax capacity or (B) the City agrees that, notwithstanding *M.S., Section 469.177, Subd. 1*, the original net tax capacity will be reduced by no more than the current net tax capacity of the parcel(s) eliminated from the District.

The City must notify the County Auditor of any modification to the District. Modifications to the District in the form of a budget modification or an expansion of the boundaries will be recorded in the TIF Plan.

### **Subsection 2-17. Administrative Expenses**

In accordance with *M.S., Section 469.174, Subd. 14*, administrative expenses means all expenditures of the City, *other than*:

1. Amounts paid for the purchase of land;
2. Amounts paid to contractors or others providing materials and services, including architectural and engineering services, directly connected with the physical development of the real property in the District;
3. Relocation benefits paid to or services provided for persons residing or businesses located in the District;
4. Amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S., Section 469.178*; or
5. Amounts used to pay other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (3).

For districts for which certification was requested after July 31, 2001, no tax increment may be used to pay any administrative expenses for District costs which exceed ten percent of total estimated tax increment expenditures authorized by the TIF Plan or the total tax increments, as defined in *M.S., Section 469.174, Subd. 25, clause (1)*, from the District, whichever is less.

Pursuant to *M.S., Section 469.176, Subd. 4h*, tax increments may be used to pay for the County's actual administrative expenses incurred in connection with the District and are not subject to the percentage limits of *M.S., Section 469.176, Subd. 3*. The county may require payment of those expenses by February 15 of the year following the year the expenses were incurred.

Pursuant to *M.S., Section 469.177, Subd. 11*, the County Treasurer shall deduct an amount (currently .36 percent) of any increment distributed to the City and the County Treasurer shall pay the amount deducted to the State Commissioner of Management and Budget for deposit in an account in the special revenue fund to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

### **Subsection 2-18. Limitation of Increment**

The tax increment pledged to the payment of bonds and interest thereon may be discharged and the District may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or redemption date.

Pursuant to *M.S., Section 469.176, Subd. 6*:

*if, after four years from the date of certification of the original net tax capacity of the tax increment financing district pursuant to M.S., Section 469.177, no demolition, rehabilitation or renovation of property or other site preparation, including qualified improvement of a street adjacent to a parcel but not installation of utility service including sewer or water systems, has been commenced on a parcel located within a tax increment financing district*

*by the authority or by the owner of the parcel in accordance with the tax increment financing plan, no additional tax increment may be taken from that parcel, and the original net tax capacity of that parcel shall be excluded from the original net tax capacity of the tax increment financing district. If the authority or the owner of the parcel subsequently commences demolition, rehabilitation or renovation or other site preparation on that parcel including qualified improvement of a street adjacent to that parcel, in accordance with the tax increment financing plan, the authority shall certify to the county auditor that the activity has commenced and the county auditor shall certify the net tax capacity thereof as most recently certified by the commissioner of revenue and add it to the original net tax capacity of the tax increment financing district. The county auditor must enforce the provisions of this subdivision. The authority must submit to the county auditor evidence that the required activity has taken place for each parcel in the district. The evidence for a parcel must be submitted by February 1 of the fifth year following the year in which the parcel was certified as included in the district. For purposes of this subdivision, qualified improvements of a street are limited to (1) construction or opening of a new street, (2) relocation of a street, and (3) substantial reconstruction or rebuilding of an existing street.*

The City or a property owner must improve parcels within the District by May 2021 and report such actions to the County Auditor.

#### **Subsection 2-19. Use of Tax Increment**

The City hereby determines that it will use 100 percent of the captured net tax capacity of taxable property located in the District for the following purposes:

1. To pay the principal of and interest on bonds issued to finance a project;
2. to finance, or otherwise pay the capital and administration costs of Municipal Development District No. VI pursuant to *M.S., Sections 469.124 to 469.134*;
3. To pay for project costs as identified in the budget set forth in the TIF Plan;
4. To finance, or otherwise pay for other purposes as provided in *M.S., Section 469.176, Subd. 4*;
5. To pay principal and interest on any loans, advances or other payments made to or on behalf of the City or for the benefit of Municipal Development District No. VI by a developer;
6. To finance or otherwise pay premiums and other costs for insurance or other security guaranteeing the payment when due of principal of and interest on bonds pursuant to the TIF Plan or pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*; and
7. To accumulate or maintain a reserve securing the payment when due of the principal and interest on the tax increment bonds or bonds issued pursuant to *M.S., Chapter 462C, M.S., Sections 469.152 through 469.165*, and/or *M.S., Sections 469.178*.

These revenues shall not be used to circumvent any levy limitations applicable to the City nor for other purposes prohibited by *M.S., Section 469.176, Subd. 4*.

Tax increments generated in the District will be paid by Kandiyohi County to the City for the Tax Increment Fund of said District. The City will pay to the developer(s) annually an amount not to exceed an amount as specified in a developer's agreement to reimburse the costs of land acquisition, public improvements, demolition and relocation, site preparation, and administration. Remaining increment funds will be used for City administration (up to 10 percent) and for the costs of public improvement activities outside the District.

### **Subsection 2-20. Excess Increments**

Excess increments, as defined in *M.S., Section 469.176, Subd. 2*, shall be used only to do one or more of the following:

1. Prepay any outstanding bonds;
2. Discharge the pledge of tax increment for any outstanding bonds;
3. Pay into an escrow account dedicated to the payment of any outstanding bonds; or
4. Return the excess to the County Auditor for redistribution to the respective taxing jurisdictions in proportion to their local tax rates.

The City must spend or return the excess increments under paragraph (c) within nine months after the end of the year. In addition, the City may, subject to the limitations set forth herein, choose to modify the TIF Plan in order to finance additional public costs in Municipal Development District No. VI or the District.

### **Subsection 2-21. Requirements for Agreements with the Developer**

The City will review any additional proposals for private development to determine its conformance with the Development Program and with applicable municipal ordinances and codes. To facilitate this effort, the following documents may be requested for review and approval: site plan, construction, mechanical, and electrical system drawings, landscaping plan, grading and storm drainage plan, signage system plan, and any other drawings or narrative deemed necessary by the City to demonstrate the conformance of the development with City plans and ordinances. The City may also use the Agreements to address other issues related to the development.

Pursuant to *M.S., Section 469.176, Subd. 5*, no more than 10 percent, by acreage, of the property to be acquired in the project area as set forth in the TIF Plan shall at any time be owned by the City as a result of acquisition with the proceeds of bonds issued pursuant to *M.S., Section 469.178* to which tax increments from property acquired is pledged, unless prior to acquisition in excess of 10 percent of the acreage, the City concluded an agreement for the development of the property acquired and which provides recourse for the City should the development not be completed.

### **Subsection 2-22. Assessment Agreements**

Pursuant to *M.S., Section 469.177, Subd. 8*, the City may enter into a written assessment agreement in recordable form with the developer of property within the District which establishes a minimum market value of the land and completed improvements for the duration of the District. The assessment agreement shall be presented to the County Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land upon which the improvements are to be constructed and, so long as the minimum market value contained in the assessment agreement appears, in the judgment of the assessor, to be a reasonable estimate, the County Assessor shall also certify the minimum market value agreement.

### **Subsection 2-23. Administration of the District**

Administration of the District will be handled by the Director of Planning and Development Services.

### **Subsection 2-24. Annual Disclosure Requirements**

Pursuant to *M.S., Section 469.175, Subds. 5, 6, and 6b* the City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before



August 1 of each year. *M.S., Section 469.175, Subd. 5* also provides that an annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report containing the information required by *M.S., Section 469.175 Subd. 5 and Subd. 6*, the Office of the State Auditor will direct the County Auditor to withhold the distribution of tax increment from the District.

### **Subsection 2-25. Reasonable Expectations**

As required by the TIF Act, in modifying the District, this Plan reaffirms the determination that has previously been made that the anticipated development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan. In making said determination, reliance has been placed upon written representation made by the developer to such effects and upon City staff awareness of the feasibility of developing the project site(s) within the District. A comparative analysis of estimated market values both with and without establishment of the District and the use of tax increments has been performed as described above. Such analysis is included with the cashflow in Appendix D, and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

### **Subsection 2-26. Other Limitations on the Use of Tax Increment**

1. General Limitations. All revenue derived from tax increment shall be used in accordance with the TIF Plan. The revenues shall be used to finance, or otherwise pay the capital and administration costs of Municipal Development District No. VI pursuant to *M.S., Sections 469.124 to 469.134*. Tax increments may not be used to circumvent existing levy limit law. No tax increment may be used for the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the state or federal government. This provision does not prohibit the use of revenues derived from tax increments for the construction or renovation of a parking structure.
2. Pooling Limitations. At least 80 percent of tax increments from the District must be expended on activities in the District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities within said district or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 20 percent of said tax increments may be expended, through a development fund or otherwise, on activities outside of the District except to pay, or secure payment of, debt service on credit enhanced bonds. For purposes of applying this restriction, all administrative expenses must be treated as if they were solely for activities outside of the District.
3. Five Year Limitation on Commitment of Tax Increments. Revenues derived from tax increments paid by properties in the District shall be deemed to have satisfied the 80 percent test set forth in paragraph (2) above only if the five year rule set forth in *M.S., Section 469.1763, Subd. 3*, has been satisfied; and beginning with the sixth year following certification of the District, 80 percent of said tax increments that remain after expenditures permitted under said five year rule must be used only to pay previously committed expenditures or credit enhanced bonds as more fully set forth in *M.S., Section 469.1763, Subd. 5*.

**Subsection 2-27. Summary**

The City of Willmar is modifying the District to preserve and enhance the tax base, and provide employment opportunities in the City. The TIF Plan for the District was prepared by Ehlers & Associates, Inc., 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, telephone (651) 697-8500.

## Appendix A

### Project Description

GM Development, LLC proposes to construct a 14,000 square foot LT terminal and office facility. In addition to the building construction, the project will include a new access, parking improvements, lighting, utility extensions/relocation, soil correction, and storm water controls. Work on the project was anticipated to begin in June 2017, with completion in late 2017.

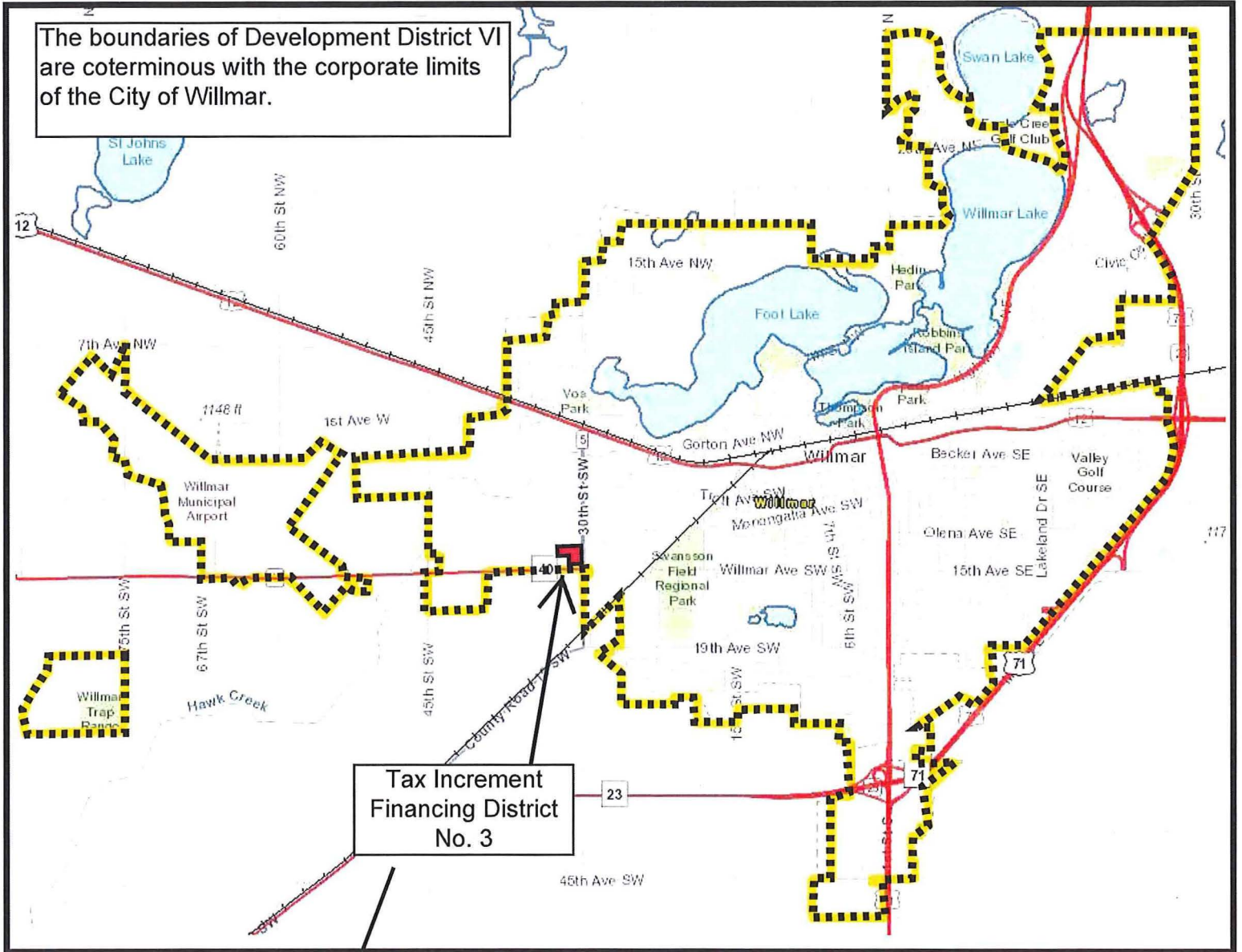
A purchase agreement for the sale of property to GM by the City has been executed. The city industrial land write-down policy was utilized to reduce the price of the land sold to GM from \$381,175 to \$270,545. The real estate transaction and tax increment financing program was formalized in developer agreements detailing the rights and responsibilities of both the City and GM.

Appendix B

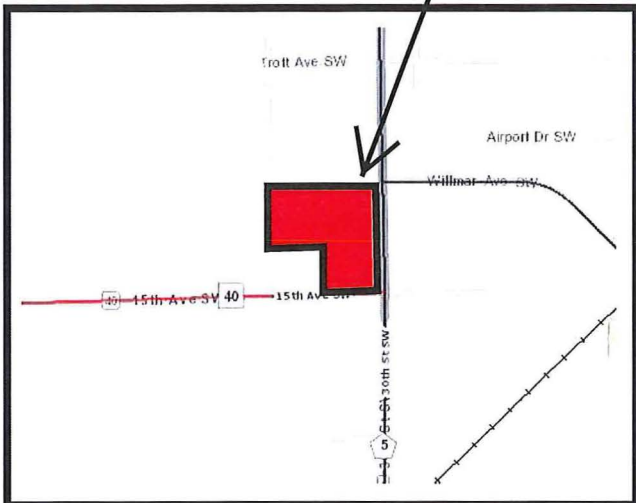
Map(s) of Municipal Development District No. VI and the District

# City of Willmar Kandiyohi County, Minnesota Development District VI Tax Increment Financing District No. 3

The boundaries of Development District VI are coterminous with the corporate limits of the City of Willmar.



Tax Increment Financing District No. 3



Development District VI

Tax Increment Financing District No. 3

Appendix C

Description of Property to be Included in the District

The District encompasses all property and adjacent rights-of-way and abutting roadways identified by the parcel(s) listed below.

<u>Parcel Numbers</u>	<u>Address</u>	<u>Owner</u>
95.872.2000	3201 Willmar Ave SW	GM Development, LLC
95.872.2010	3101 Willmar Ave SW and 1300 30 <sup>th</sup> Street SW	City of Willmar

Appendix D

Estimated Cash Flow for the District



**Modified TIF Plan - TIF District 3 - GM/Magnum**  
 City of Willmar, Minnesota  
 Phased-In Office/Warehouse and Distribution Facility

**ASSUMPTIONS AND RATES**

DistrictType:	Economic Development
District Name/Number:	TIF 3
County District #:	TBD
First Year Construction or Inflation on Value	2017
Existing District - Specify No. Years Remaining	9
Inflation Rate - Every Year:	2.00%
Interest Rate:	5.00%
Present Value Date:	1-Feb-18
First Period Ending	1-Aug-18
Tax Year District was Certified:	Pay 2018
Cashflow Assumes First Tax Increment For Development:	2019
Years of Tax Increment	9
Assumes Last Year of Tax Increment	2027
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA
Incremental or Total Fiscal Disparities	
Fiscal Disparities Contribution Ratio	0.0000% Pay 2017
Fiscal Disparities Metro-Wide Tax Rate	0.0000% Pay 2017
Maximum/Frozen Local Tax Rate:	123.735% Pay 2017
Current Local Tax Rate: (Use lesser of Current or Max.)	123.735% Pay 2017
State-wide Tax Rate (Comm./Ind. only used for total taxes)	45.8020% Pay 2017
Market Value Tax Rate (Used for total taxes)	0.14593% Pay 2017

Tax Rates	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.)	
First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	
First \$150,000	0.75%
Over \$150,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	
First \$500,000	1.00%
Over \$500,000	1.25%
Agricultural Non-Homestead	1.00%

BASE VALUE INFORMATION (Original Tax Capacity)														
Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/Phase
1	95-872-2010	City	Willmar Ind Park	237,400	0	237,400	100%	237,400	Pay 2017	Exempt	-	C/I Pref.	3,998	1
2	95-872-2000	3M Development	Willmar Ave	51,300	0	51,300	100%	51,300	Pay 2017	C/I Pref.	770	C/I Pref.	770	
				288,700	0	288,700		288,700			770		4,768	

**Note:**

1. Base values confirmed by County website referring to Estimated Market Value on June 13, 2019.





**Modified TIF Plan - TIF District 3 - GM/Magnum**  
 City of Willmar, Minnesota  
 Phased-In Office/Warehouse and Distribution Facility

PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2017	Percentage Completed 2018	Percentage Completed 2019	Percentage Completed 2020	First Year Full Taxes Payable
1	Office	1,000,000	1,000,000	1	1,000,000	C/I Pref.	19,250	19,250	100%	100%	100%	100%	2019
2	Industrial	3,000,000	3,000,000	1	3,000,000	C/I	60,000	60,000	0%	0%	100%	100%	2021
<b>TOTAL</b>					<b>4,000,000</b>		<b>79,250</b>						
Subtotal Residential				0	0		0						
Subtotal Commercial/Ind.				2	4,000,000		79,250						

**Note:**

1. Market values are based upon estimates from EDC on January 30, 2017 to be confirmed by County Assessor.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Office	19,250	0	19,250	23,819	0	8,130	1,459	33,408	33,408.14
Industrial	60,000	0	60,000	74,241	0	26,565	4,378	105,184	105,184.06
<b>TOTAL</b>	<b>79,250</b>	<b>0</b>	<b>79,250</b>	<b>98,060</b>	<b>0</b>	<b>34,695</b>	<b>5,837</b>	<b>138,592</b>	

**Note:**

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	138,592
less State-wide Taxes	(34,695)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(5,837)
less Base Value Taxes	(5,899)
<b>Annual Gross TIF</b>	<b>92,161</b>

MARKET VALUE BUT / FOR ANALYSIS	
Current Market Value - Est.	288,700
New Market Value - Est.	4,000,000
Difference	3,711,300
Present Value of Tax Increment	530,787
Difference	3,180,513
Value likely to occur without Tax Increment is less than:	3,180,513



**Modified TIF Plan - TIF District 3 - GM/Magnum**  
 City of Willmar, Minnesota  
 Phased-In Office/Warehouse and Distribution Facility

**TAX INCREMENT CASH FLOW**

% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities -	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
							-	-	-	-				08/01/18
100%	19,250	(4,768)	-	14,483	123.735%	17,920	8,960	(32)	(893)	8,035	7,461	0.5	2019	08/01/19
100%	19,635	(4,768)	-	14,868	123.735%	18,396	8,960	(32)	(893)	8,035	14,740	1	2019	02/01/20
100%	80,028	(4,768)	-	75,260	123.735%	93,123	9,198	(33)	(917)	8,249	22,031	1.5	2020	08/01/20
100%	81,628	(4,768)	-	76,861	123.735%	95,104	9,198	(33)	(917)	8,249	29,144	2	2020	02/01/21
100%	83,261	(4,768)	-	78,493	123.735%	97,124	46,562	(168)	(4,639)	41,755	64,270	2.5	2021	08/01/21
100%	84,926	(4,768)	-	80,159	123.735%	99,184	46,562	(168)	(4,639)	41,755	98,540	3	2021	02/01/22
100%	86,625	(4,768)	-	81,857	123.735%	101,286	47,552	(171)	(4,738)	42,643	132,685	3.5	2022	08/01/22
100%	88,357	(4,768)	-	83,590	123.735%	103,430	47,552	(171)	(4,738)	42,643	165,998	4	2022	02/01/23
100%	90,124	(4,768)	-	85,357	123.735%	105,616	48,562	(175)	(4,839)	43,548	199,188	4.5	2023	08/01/23
							48,562	(175)	(4,839)	43,548	231,568	5	2023	02/01/24
							49,592	(179)	(4,941)	44,472	263,830	5.5	2024	08/01/24
							49,592	(179)	(4,941)	44,472	295,304	6	2024	02/01/25
							50,643	(182)	(5,046)	45,415	326,661	6.5	2025	08/01/25
							50,643	(182)	(5,046)	45,415	357,253	7	2025	02/01/26
							51,715	(186)	(5,153)	46,376	387,731	7.5	2026	08/01/26
							51,715	(186)	(5,153)	46,376	417,466	8	2026	02/01/27
							52,808	(190)	(5,262)	47,356	447,088	8.5	2027	08/01/27
							52,808	(190)	(5,262)	47,356	475,988	9	2027	02/01/28
<b>Total</b>							731,182	(2,632)	(72,855)	655,695				
	<b>Present Value From 02/01/2018</b>			<b>Present Value Rate</b>	<b>5.00%</b>		<b>530,787</b>	<b>(1,911)</b>	<b>(52,888)</b>	<b>475,988</b>				

## Appendix E

### Minnesota Business Assistance Form (Minnesota Department of Employment and Economic Development)

A Minnesota Business Assistance Form (MBAF) should be used to report and/or update each calendar year's activity by April 1 of the following year.

Please see the Minnesota Department of Employment and Economic Development (DEED) website at <http://www.deed.state.mn.us/Community/subsidies/MBAFForm.htm> for information and forms.

Appendix F

Findings Including But/For Qualifications

<b>But-For Analysis</b>
Current Market Value
New Market Value - Estimate
Difference
Present Value of Tax Increment
Difference
<b>Value Likely to Occur Without TIF is Less Than:</b>

Findings for the TIF Plan Modification

3.01 The Council hereby reaffirms the original findings for the TIF District, namely that it was established as an "economic development district".

3.02 The Modifications are being completed to allow for the enlargement of Development District Number 3, and to authorize the expenditure of tax increments from Tax Increment Financing District Number 3, to be spent within the boundaries of Development District Number 3, as enlarged, or additional project costs.

3.03 The TIF Plan Modification conforms to the general plan for development or redevelopment of the City as a whole. The fact supporting this finding is that the TIF Plan Modification will generally complement and serve to implement policies adopted in the City's comprehensive plan.

3.04 The TIF Plan Modification will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of the Development District by private enterprise. The facts supporting this finding are that the TIF Plan Modification will continue the redevelopment by private enterprise that has been stimulated under the original plan for the TIF District.

3.05 The Council further finds the future redevelopment, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.

Appendix G  
Original TIF Plan

**RESOLUTION NO. 17-38  
APPROVING THE TAX INCREMENT PLAN AND THE USE OF  
TAX INCREMENT FINANCING**

Motion by Fagerlie Seconded: Christianson

WHEREAS, the City Council of the City of Willmar (hereinafter the Municipality) pursuant to Minnesota Statutes, Chapter 472A (now Chapter 469), on October 4, 1989 adopted a Development Program for Municipal Development District Number VI, encompassing the area which is more particularly described on Addendum A attached hereto and made a part hereof (which area is hereinafter called the Development District), and

WHEREAS, said Municipal Development District Number VI was amended by resolution of the City Council on May 5, 2014, and on May 1, 2017, and,

WHEREAS, it is desirable and in the public interest that the Municipality undertake and carry out a tax increment financing plan for an economic development district pursuant to Minnesota Statutes, Sections 469.174-179, encompassing the area which is more particularly described on Addendum A attachment hereto and made a part hereof (which area is herein called Tax Increment District No. 3, Economic Development District, or District), and

WHEREAS, the City Council has reviewed the plan for Tax Increment District No. 3 of the Development District, dated April 2017 (herein called the Plan, and attached hereto as Addendum B), and which sets forth a tax increment financing plan for the Economic Development District, and

WHEREAS, the Plan sets forth the Municipality's estimate of the fiscal and economic impacts of the tax increment financing on the tax capacities of all taxing jurisdictions in which the Economic Development District is located, and the Municipality's estimate of the fiscal and economic implications of the District, and

WHEREAS, the Board of Commissioners of Kandiyohi County, Minnesota has been notified on the public hearing for the review of the Plan, and

WHEREAS, the School Board of Independent School District No. 347 has been notified of the public hearing for the review of the Plan, and

WHEREAS, the City Council has received and considered the comments of the Board of Commissioners of Kandiyohi County, and the School Board of the Willmar School District, relative to the contents of the Plan, and

WHEREAS, the City Council on May 1, 2017, after having published a notice of public hearing in the official newspaper of the Municipality, conducted a public hearing on the Plan and received public comments on the same.

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

**FINDINGS**

1. That Tax Increment District No 3 is an Economic Development District because it will result in increased employment and enhancement of the tax base of the Municipality.
2. That increased employment and enhancement of the tax base are in the public interest of the Municipality and the expenditures of Tax Increment District No. 3 are for a public purpose.

3. That the proposed development, in the opinion of the Municipality, would not be expected to occur solely through private investment within the reasonably foreseeable future and therefore the use of tax increment financing is deemed necessary.
4. That the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the district permitted by the plan.
5. That the tax increment financing plan will afford maximum opportunity, consistent with the sound needs of the Municipality as a whole, for the development of the District by private enterprise.
6. That it is hereby found and determined that the tax increment financing plan conforms to the general plan for the development of the Municipality as a whole.
7. That no more than 15 percent of the buildings and facilities to be constructed within Tax Increment District No. 3 are or will be used for a purpose other than manufacturing, processing, warehousing, storage and distribution or uses ancillary and/or necessary thereto.
8. That the reasons and supporting facts for findings as set forth in the plan are by this reference confirmed and adopted.
9. That no persons or businesses will be displaced or relocated as a result of the approval of, and execution of, the tax increment financing plan set forth in the Plan.

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

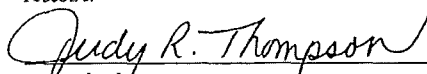
1. The Tax Increment Financing Plan for Tax Increment District No. 3 of Municipal Development District No. VI attached hereto as Addendum B is hereby approved, contingent on the City Council's final approval of a Development and Business Subsidy Agreement(s) as required and/or authorized by Minnesota Statutes, Section 116J.994, subdivision 3 and Minnesota Statutes, Sections 469.174 through 469.1794.
2. The City Clerk is hereby directed to file a copy of this resolution and a copy of the Plan with the Department of Employment and Economic Development, the Office of the State Auditor, and the Department of Revenue.
3. The City Clerk is hereby authorized and directed to request the Auditor of Kandiyohi County to certify the original tax capacity of the District established by this resolution.
4. The Municipality hereby states its intention to use all of the captured tax capacity for purposes of tax increment financing as per the conditions set forth in the Plan.

Adopted by the Willmar City Council this 1<sup>st</sup> day of May 2017.

Approved:

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

**TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT  
DISTRICT NO. 3 OF  
MUNICIPAL DEVELOPMENT DISTRICT NO. VI**

**(GM DEVELOPMENT, LLC PROJECT)**

**APRIL 2017**  
Amended January 2019



## **1. OBJECTIVES OF THE AUTHORITY (CITY)**

The City seeks to achieve the following objectives through the implementation of the Development Program for Municipal Development District No. VI (M.D.D.VI):

- a) To encourage planning and development of a desirable and unique character within M.D.D.VI through quality land use alternatives and design quality in new buildings, in a manner consistent with the Comprehensive Plan of the City and with a minimum adverse impact on the environment.
- b) To acquire certain property within M.D.D.VI which is not now in productive use or in its highest and best use, as the need arises, and to prepare the property for private development.
- c) To sell improved property to private developers to encourage redevelopment and increase the tax base of those taxing jurisdictions within which the District is located, thereby enabling such entities to better pay for governmental services and programs provided by them.
- d) To provide for financing and construction of public improvements and facilities within M.D.D.VI in order to effectively service new development in and about the District.
- e) To provide a promotional sales effort which will encourage private investment within the District.

## **2. PROPERTIES TO BE ACQUIRED BY CITY OF WILLMAR**

At this time, there is no property within M.D.D.VI that is being considered by the City for acquisition.

## **3. DEVELOPMENT ACTIVITIES IN TIF DISTRICT NO. 3**

GM Development, LLC (GM) proposes to construct a 14,000 square foot LTL terminal and office facility. In addition to the building construction, the project will include a new access, parking improvements, lighting, utility extensions/relocation, soil correction, and storm water controls. Work on the project is anticipated to begin in June 2017, with completion in late 2017.

A purchase agreement for the sale of property to GM by the City has been executed. The City industrial land write-down policy was utilized to reduce the price of the land sold to GM from \$381,175 to \$270,545. The real estate transaction and tax increment financing program will be formalized in developer agreements detailing the rights and responsibilities of both the City and GM.

## **4. OTHER DEVELOPMENT**

Future development anticipated to occur in TIF District No. 3 includes a distribution/warehouse facility. Construction of the warehouse is anticipated to occur within three years of district certification.

## **5. FINANCIAL ESTIMATES**

- i. Project Costs – It is estimated that the total cost of the Phase 1 project (LTL terminal) will be in the range of \$1.0-1.2 million. Using an estimated market value of \$650,000 (\$1.72 million if Phase II is built) for the project improvements, it is estimated that an annual tax increment of \$14,418 (\$37,515 if Phase II is built) will be generated (using payable 2017 tax rates). The increments, to the extent possible, will be used to reimburse the City for the land write-down as previously outlined in Section 3 above, as well as to pay City costs to administer the tax increment financing program. If the Phase II warehouse is constructed, the additional increment may be used to further write-down land costs or to reimburse the developer for eligible site improvement costs.
- ii. Bonds – There will be no bonds sold to finance the project. All eligible costs will be reimbursed with the tax increments as generated on a pay-as-you-go basis.
- iii. Original net tax capacity – The original net tax capacity for all parcels within Tax Increment District No. 3 totals \$0, broken down as follows:
 

95-872-2000*	\$0	
<u>95-872-2010*</u>	<u>\$0</u>	
	\$0	*currently tax exempt
- iv. Captured tax capacity – The estimated tax capacity of Tax Increment District No. 3 upon completion of the project is \$12,904 (\$33,630 if Phase II is built).
- v. Duration of District - No tax increment shall in any event be paid to the City from an economic development district after eight years from the date of the receipt of the first increment, or ten years from approval of the Tax Increment Plan, whichever is less. Modification of this tax increment finance plan shall not extend the durational limits of this provision.

**6. TAX INCREMENT FINANCING IMPACTS**

The estimated impact of the tax increment financing program on the net tax capacities of each taxing jurisdiction is detailed below:

Captured Net Tax Capacity of Phase I and Phase II Projects Based on an Estimated Market Value of \$1.72 million = \$33,630.

Payable 2017 Tax Capacities =  
 County - \$53,542,933  
 City - \$13,084,650  
 School District - \$23,017,536

If the project is constructed without the use of tax increment financing and the entire net tax capacity from the project is made available to the taxing jurisdictions, the net tax capacity of each of the taxing jurisdictions would be increased by less than .02% for the City, and less for the other jurisdictions.

If the project is constructed without the use of tax increment financing and none of the net tax capacity from the project is made available to the taxing jurisdictions, the net tax capacity of each of the taxing jurisdictions would remain unchanged.

**7. STUDIES/ANALYSES USED TO MAKE DETERMINATION IN M.S. CHAPTER 469.175  
SUBD. 3, CLAUSE (2)**

The Willmar City Council finds that:

- a) The proposed development or redevelopment would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future; and
- b) The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increment for the maximum duration of the district permitted by the plan.

Both findings were made after consultation with the company and analyzing current development trends. Representatives of GM balked at the idea of developing the subject property due to the cost of the land. As newly-serviced industrial property, the site carries a higher price than other industrial properties. Tax increment financing will be used to reduce the cost disparity.

Without the use of tax increment financing to reduce the cost of acquiring the property, it is doubtful that the property would be developed any time soon. The properties are currently tax-exempt and generate no tax dollars. If left undeveloped, any market value increase would be due to a basic, underlying land value assigned by the County Assessor. The proposed projects will create a market value for the parcels far in excess of any value they may carry in an undeveloped condition. This "as developed" value will exist for the life of the district and beyond.

**8. PARCELS INCLUDED IN THE TIF DISTRICT**

The following parcels will comprise the TIF District and all program increment will be derived from the two parcels (see attached map).

95-872-2000  
95-872-2010

**TAX INCREMENT FINANCING PRELIMINARY WORK-UP  
(GM DEVELOPMENT, LLC - 2017 PROJECT)**

**1. Eligible costs could include:**

## A. Initial

i. Land write-down reimbursement	\$103,976
ii. Admin and Legal	\$11,528

## B. Ultimate

- i. Excavation soil correction
- ii. Parking lots (Stormwater control)
- iii. Utility relocation
- iv. Utility extension
- v. Admin and legal

Total Eligible costs: \$115,504

**2. Increment Estimate**

## A. Initial

Total increment estimate for initial \$12,904 captured tax capacity

\$14,418

-\$1,441 (10% max admin)

\$12,977

X 8 (8 year max district)

\$103,976 (est. amount available to City for Phase I land reimbursement)

## B. Ultimate Increment Estimate

Total increment estimate for the ultimate \$33,630 captured tax capacity.

\$37,512

-\$3,751 (10% max admin)

\$33,761

X 5 (if Phase II is built in year three of the eight year maximum district)

\$168,805 Possible additional increment for Phase II

**3. Increment Payment by Taxing Jurisdiction (annual)**

## A. Initial

City - \$4,749

County - \$4,398

IDS - \$2,271

\$14,418

## B. Ultimate

City - \$12,378

County - \$19,279

ISD - \$5,855

\$37,512

**4. District Duration**

Estimated at 8 years of increment collection

**5. Funding Mechanism**

City to write down land costs to developer and receive interest-free increment as reimbursement

**6. Payment of Current Taxes**

The properties are currently tax exempt, as per County Auditor



**WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Sean Christensen, P.E. Public Works Director</b>	<b>Subject: Sale of City Owned Land Related to the Wye Project</b>

**AGENDA ITEM:** Public hearing to consider sale of City owned land related to the Wye Project.

**INTRODUCTION/REQUEST:** The City received an offer to purchase a portion of unplatted land at the intersection of County Roads 40 & 55. Hoffman Construction has supplied a legal description for the land sale.

**HISTORY:** This property has been crop land for quite some time.

**CURRENT CIRCUMSTANCE:** The interested party is Hoffman Construction. They would utilize the land for additional material to raise the road beds, as well as a potential additional Stormwater Pond for the Willmar Wye Project. Due to the Wye project relocation of the BNSF Rail Line, this piece of property would have limited access due to the new rail line on the East, and raised road on the North and West sides. The Public Works Committee reviewed the request on June 5, 2019 and Planning Commission reviewed and recommended the land sale on June 19, 2019. The land sale was introduced to City Council on July 1, 2019.

**RECOMMENDATION:** 1) Ordinance be adopted, assigned a number, and published.  
2) Adopt resolution to approve the vacant land purchase agreement with Hoffman Construction Company and authorize the Mayor and City Administrator to execute a version thereof in substantial conformance with the attached version.

**ISSUES:** No issues have been identified with the sale.

**FINANCIAL IMPACT:** Hoffman Construction has agreed to a purchase price of \$7,500/ac, subject to City Council approval.

**ALTERNATIVE:**

1. Hold the action for further information.
2. Deny the purchase.

**REVIEWED BY:** Brian Gramentz, Interim City Administrator

**COMMITTEE DATE:** June 5, 2019

**COUNCIL MEETING DATE:** July 1, 2019 (Introduction); July 15, 2019 (Public Hearing)

CONSENT AGENDA       AGENDA

**ORDINANCE NO.**

**AN ORDINANCE AUTHORIZING THE SALE OF REAL PROPERTY TO HOFFMAN CONSTRUCTION COMPANY**

The City Council of the City of Willmar hereby ordains as follows:

Section 1. AUTHORIZATION OF SALE. Finding it to be in the best interests of the City of Willmar, the Willmar City Council hereby authorizes the sale and conveyance of real property legally defined as

That part of the North 1320.00 feet of the Northwest Quarter of the Northwest Quarter of Section 20, Township 119 North, Range 35 West, 5th Principal Meridian, Kandiyohi County, Minnesota that lies southerly and easterly of Parcel 36, MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 34-46, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota and westerly of Parcel 3C KANDIYOHI COUNTY WILLMAR WYE PROJECT RIGHT OF WAY PLAT NO. 3, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota.

to Hoffman Construction Company by quit claim deed pursuant to the terms and conditions of sale set forth in a certain Vacant Land Purchase Agreement between the City and Hoffman Construction Company.

Section 2. EFFECTIVE DATE. This ordinance shall take effect after its adoption and second publication.

Passed by the City Council of the City of Willmar this \_\_\_ day of \_\_\_\_\_, 2019.

ATTEST:

\_\_\_\_\_  
Judy Thompson, City Clerk

\_\_\_\_\_  
Marvin Calvin, Mayor

VOTE:            \_\_\_ ALVARADO   \_\_\_ ASMUS \_\_\_ DAVIS \_\_\_ FAGERLIE \_\_\_ MUESKE \_\_\_ NELSEN  
\_\_\_ PLOWMAN \_\_\_ SCHWANTES

This Ordinance introduced by Council Member: Plowman

This Ordinance introduced on: July 1, 2019

This Ordinance published on: July 5, 2019

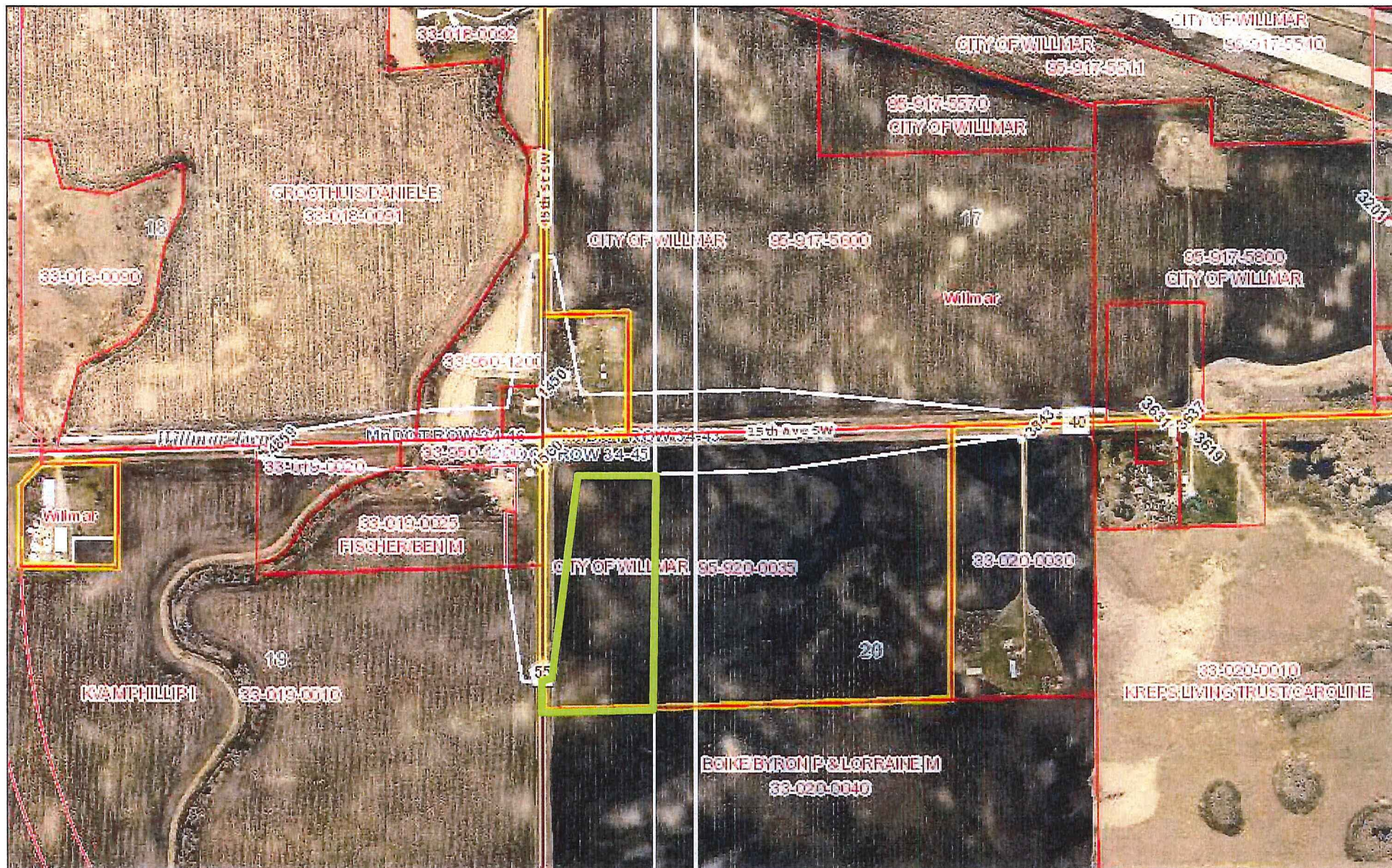
This Ordinance given a hearing on: \_\_\_\_\_

This Ordinance adopted on: \_\_\_\_\_

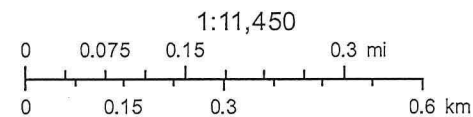
This Ordinance published on: \_\_\_\_\_



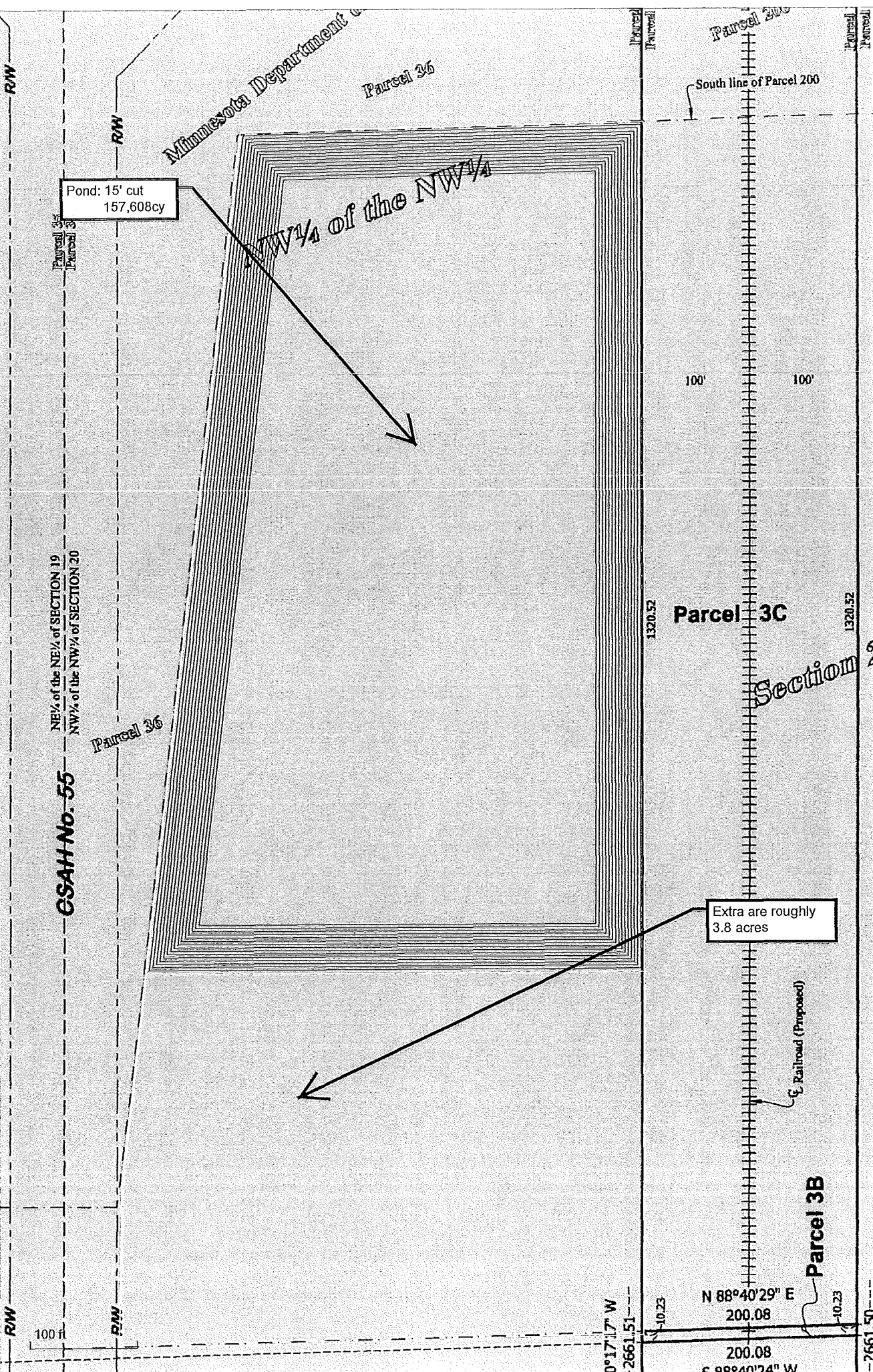
# WYE Project Land Sale



June 17, 2019







Pond: 15' cut  
157,608cy

Extra are roughly  
3.8 acres

NE 1/4 of the NE 1/4 of SECTION 19  
NW 1/4 of the NW 1/4 of SECTION 20

**GSAH No. 55**

Minnesota Department of

Parcel 36

Parcel 200

South line of Parcel 200

Parcel 3C

Section 2

Parcel 3B

⊕ Railroad (Proposed)

R/W

R/W

R/W

R/W

100 f

100'

100'

1320.52

1320.52

0°17'17" W  
-2661.51

N 88°40'29" E  
200.08

200.08  
S 88°40'24" W

-2661.50



**PROPOSED DESCRIPTION:**

That part of the North 1320.00 feet of the Northwest Quarter of the Northwest Quarter of Section 20, Township 119 North, Range 35 West, 5<sup>th</sup> Principal Meridian, Kandiyohi County, Minnesota that lies southerly and easterly of Parcel 36, MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 34-46, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota and westerly of Parcel 3C KANDIYOHI COUNTY WILLMAR WYE PROJECT RIGHT OF WAY PLAT NO. 3, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota.

Resolution No. \_\_\_\_\_

**A RESOLUTION ADOPTING THE LAND PURCHASE AGREEMENT WITH HOFFMAN CONSTRUCTION COMPANY.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota that the land purchase agreement with Hoffman Construction Company is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to execute a version thereof.

Dated this 15th day of July, 2019

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

## AGREEMENT

In consideration of the mutual covenants and agreements of the parties hereto contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. Offer/Acceptance. Buyer agrees to purchase, and Seller agrees to sell the Property under the terms and conditions set forth in this Agreement.
  
2. Purchase Price. The purchase price for the Property shall be Eighty-Six Thousand Ninety-Two Dollars and Fifty Cents (\$86,092.50) ("Purchase Price"), payable as follows:
  - a. One Thousand Dollars (\$1,000.00) as earnest money ("Earnest Money"), which Earnest Money shall be held by Seller, the receipt of which Seller hereby acknowledges; and
  - b. The balance, Eighty-Five Thousand Ninety-Two Dollars and Fifty Cents (\$85,092.50), or such other amount as calculated pursuant to Section 2.c below, by check or wire to be paid on the Closing Date.
  - c. Purchase Price Adjustment: In the event any update to the legal description of the Property made pursuant to Section 6.a or 6.b herein results in a material reduction in the total acreage of the Property, the Purchase Price shall be reduced by a proportionate amount. For the purposes of this paragraph, a material reduction means a reduction of at least five percent below the estimated 11.479 total acres expected to comprise the Property.
  
3. No Representations or Warranties. Seller agrees to quit claim the Property to Buyer on the Closing Date without making any representations or warranties about the condition of the Property, and Buyer agrees to accept the Property "as is", subject to the terms and conditions herein contained.
  
4. Seller's Reserved Interests; Restrictions and Covenants. Seller's conveyance of the Property to Buyer shall be subject to the following interests reserved to the Seller and restrictions and covenants:
  - a. Permanent Easement. Seller and its successors and assigns shall retain, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface to the Property. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Willmar Municipal Airport.

b. Restrictive Covenants.

- i. Buyer, on behalf of itself and its successors and assigns, shall not engage in any activities on the Property that would interfere with or be a hazard to the flight of aircraft over such land or to and from the Willmar Municipal Airport or interfere with air navigation and communication facilities serving such airport.
- ii. Buyer, on behalf of itself and its successors and assigns, shall not erect structures or allow natural objects to grow on the Property that would constitute an obstruction to air navigation as defined in Federal Aviation Regulations, Part 77.
- iii. Buyer, on behalf of itself and its successors and assigns, further agrees that they will not use or permit or suffer use of the premises herein conveyed in such a manner as to create a potential for attracting birds and other wildlife which may pose a hazard to aircraft.
- iv. Buyer, on behalf of itself and its successors and assigns, further agrees to comply with Notice requirements contained in Federal Aviation Regulations Part 77, Subpart B.
- v. Buyer, on behalf of its successors and assigns, further agrees not to conduct any grading or excavation on the Property or otherwise disturb the surface of the Property without first submitting detailed plans and specifications for any facilities to be constructed on the Property to Seller's City Engineer and receiving Seller's City Engineer's approval of the same.

5. Closing Date. The closing shall take place at Willmar City Hall, 333 Sixth Street Southwest, Willmar, Minnesota, 56201, or at such other place as may be agreed to mutually by the parties, on a date mutually agreed to by the parties, but no later than thirty (30) days after the later of (i) the date the Inspection/Due Diligence Period described in Section 12 expires or is waived in writing by Buyer, subject to extension for title curative matters pursuant to Section 11, or (ii) the earliest date on which all conditions precedent to closing set forth in Section 6 are satisfied (the "Closing Date"). Seller agrees to deliver possession of the Property to Buyer on the Closing Date.

6. Conditions Precedent to Closing. The following occurrences shall each be a condition precedent to Seller's obligation to proceed to closing:

- a. Seller shall have first completed its conveyance to MnDOT of those portions of the Parcel as needed for MnDOT's construction of right-of-way improvements to Minnesota Trunk Highway 40, and Kandiyohi County State Aid Highway 55 in connection with the Wye Project, as depicted on the schematics attached hereto as Exhibit B, and the legal description of the

Property set forth on Exhibit A hereto shall be updated as necessary to remove all lands and interests therein so conveyed to MnDOT by the City.

- b. Seller shall have first completed its conveyance to BNSF of those portions of the Parcel listed on Exhibit A attached hereto as needed for BNSF's construction of the Wye as depicted on the schematics attached hereto as Exhibit B, and the legal descriptions of the Property set forth on Exhibit A hereto shall be updated as necessary to remove all lands and interests therein so conveyed to BNSF by the City.

7. Seller's Closing Documents. On the Closing Date, Seller shall deliver to Buyer the following:

- a. Quit Claim Deed. A duly executed quit claim deed, conveying the entirety of Seller's interest in the Property, subject to Seller's reserved interests and the restrictions and covenants as listed in Section 4 herein, to Buyer.
- b. Seller's Affidavits. Seller shall provide a standard owner's affidavit and/or indemnity which may be reasonably required by the Title Company to issue an owner's policy of title insurance conforming to the requirements of Section 11 of this Agreement.
- c. Well Certificate. If there are wells on the Real Property, a Well Certificate in the form required by Minn. Stat. § 103I.
- d. Other Affidavits. Any other affidavits or certificates that may be required under Minn. Stat. § 116.48, Subd. 6, or Sect. 115B.16 or other provisions of law.
- e. Abstract. The abstract of title or the owner's duplicate certificate of title for the Real Property, if the same is in the Seller's possession.
- f. Other. Such other documents as may reasonably be required to transfer fee title to the Property to Buyer and to enable the Title Company to provide the Title Policy as required by this Agreement.

8. Buyer's Closing Obligations. On the Closing Date, Buyer will deliver to Seller the Purchase Price (less the Earnest Money previously paid to Seller), by check or wire.

9. Contingencies.

- a. Buyer's Contingencies. The obligation of the Buyer to perform under this Purchase Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions:

- i. On the Closing Date, title to the Property shall be acceptable to Buyer in accordance with the provisions of Section 11.
    - ii. The Inspection Period described in Section 12, shall have expired without Buyer's termination of the Purchase Agreement.
    - iii. Buyer has obtained financing or otherwise obtained funds sufficient to enable it to pay the Purchase Price.
    - iv. The contingencies in this section are solely for the benefit of, and may at any time be waived by, the Buyer. If any approval as provided herein is not obtained by the Closing Date, this Agreement shall be null and void, and in this event Seller may retain the earnest money paid by Buyer.
  - b. Seller's Contingencies. The obligation of the Seller to perform under this Purchase Agreement is contingent upon the timely occurrence or satisfaction of each of the following conditions:
    - i. The Willmar City Council shall pass an ordinance authorizing the sale of the Property to Buyer consistent with the terms of this Agreement as required by Section 2.12, subdivision 1(G) of the City's Home Rule Charter.
    - ii. Buyer shall have performed all of its obligations required to be performed by Buyer under this Agreement as and when required under this Agreement.
10. Prorations. Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement.
  - a. Title Insurance and Closing Fee. Buyer will pay all costs of the Title Commitment and all premiums required for the issuance of the Title Policy. Buyer will pay all costs relating to the title examination of the Property. Seller and Buyer will each pay half of any closing fee imposed by the Title Company. All other costs charged by the Title Company will be prorated as is normal and customary in the county in which the Property is located.
  - b. Deed Tax. Buyer shall pay the state deed tax as required in order to convey the Property to Buyer.
  - c. Real Estate Taxes and Special Assessments. General real estate taxes and installments of special assessments payable therewith payable in the year prior to the year of Closing and all prior years will be paid by Seller. General real estate taxes and installments for special assessments payable

in the year of closing shall be prorated such that Seller shall pay such portion of such taxes and assessments attributable to the period beginning on January 1 of the year in which the Closing Date takes place, and continuing through and including the Closing Date and Buyer shall pay such portion of such taxes attributable to the period beginning on the first day after the Closing Date takes place. If general real estate taxes due and payable during the year in which the Closing Date takes place have not yet been determined as of the Closing Date, Buyer and Seller shall prorate based on the last tax statement available.

- d. Recording Costs. Buyer will pay the cost of recording Seller's quit claim deed and Well Certificate, if any. Seller shall pay the cost of recording any documents necessary to perfect its own title or which release encumbrances other than Permitted Encumbrances.
- e. Professional Consultants' Fees. Buyer shall be responsible for payment of all real estate commissions, legal fees and/or other professional or administrative fees and expenses incurred by itself or by Seller in connection with the sale and conveyance of the Property to Buyer.
- f. Other Costs. All other operating costs of the Property will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs accruing on or before the Closing Date, and Buyer pays that part of such operating costs accruing after the Closing Date.

11. Title. Seller shall quit claim the entirety of its interest in the Property to Buyer, and Buyer shall have the opportunity to satisfy itself that Seller's interest in the Property is free of encumbrances other than Seller's reserved interests and the restrictions and covenants as listed in Section 4 herein, any easements and restrictions of record which do not materially interfere with Buyer's intended use of the Property, and Permitted Exceptions as provided herein.

- a. Title Commitment. Buyer may at any time during the Inspection Period, obtain at its sole cost and expense, a title commitment ("Title Commitment") covering the Property and binding the title company ("Title Company") to issue at closing a current form ALTA Owner's Policy of Title Insurance ("Title Policy") in the full amount of the purchase price hereunder. Within thirty (30) days of the effective date of this Agreement, Seller shall deliver to Buyer one or more Abstracts of Title, if the same are in Seller's possession, covering all parcels that make up the Property.
- b. Objections. Within fifteen (15) business days after delivery of the Title Commitment to Buyer from its Title Company, Buyer may deliver to Seller such written objections as Buyer may have to the form and content

contained therein. Seller shall make commercially reasonable efforts to satisfy such objections prior to the Closing Date.

- c. Buyer's Rights if Seller Fails to Cure Objections. If Seller delivers written notice to Buyer on or before the Closing Date that Seller is unable to satisfy any objection or if, for any reason, Seller is unable to convey title satisfactory to Buyer in accordance herewith, Buyer may, as Buyer's exclusive remedies, waive such objections and accept such title as Seller is able to convey or terminate this Agreement by written notice to Seller and receive a refund of the Earnest Money, provided that such termination notice must be delivered on or before the Closing Date.
- d. Permitted Exceptions. The following shall be deemed to be permitted exceptions:
  - (1) Building and zoning laws, ordinances, state and federal regulations; and
  - (2) The lien of real property taxes payable in the year of Closing which by the terms of this Agreement are to be paid or assumed by Buyer.
  - (3) Matters contained in any title commitment or survey which Buyer is in possession of and for which Buyer does not make any objection to or waives any objection to and proceeds to closing on the Property.

12. Inspection/Due Diligence Period. Buyer shall have sixty (60) days from the Effective Date, subject to a reasonable extension if necessary pursuant to Section 12.c. below (the "Inspection/Due Diligence Period"), to (i) conduct such surveys, reviews, inspections and tests of the Property as Buyer in its sole discretion deems necessary or advisable, (ii) conduct a Phase I environmental site assessment of the Property and, if a Recognized Environmental Condition is found or if recommended in the Phase I assessment, a Phase II environmental site assessment of the Property, and (iii) obtain such federal, state and local governmental approvals and permits as Buyer in its sole discretion deems necessary or advisable for Buyers proposed use of the Property. Such inspection/due diligence by Buyer shall include, but not necessarily be limited to, the following:

- a. Seller shall allow Buyer and its agents, upon 24 hours advance verbal or written notice from Buyer to Seller, the right of any ingress and egress over and through the Property for the purpose of inspecting and testing the same and making other observations as Buyer deems prudent, necessary or advisable, all however, at Buyer's expense. Buyer agrees to indemnify and hold Seller harmless from all expense, injury, death, or property damage or claims of any kind whatsoever arising out of or in any way



incidental to Buyer's presence on the Property for the purposes aforesaid, which indemnity and hold harmless obligation of Buyer shall survive termination of this Purchase Agreement for any reason. Buyer will return the Property to its original condition after any inspections and testing.

- b. If prior to the end of the Inspection/Due Diligence Period, Buyer finds any information or conditions relating to the Property or Buyer's proposed use thereof that are objectionable to Buyer in Buyer's sole discretion, Buyer shall have the right to terminate this Purchase Agreement by giving written notice of termination to Seller no later than the end of the Inspection/Due Diligence Period and in such case, any Earnest Money shall be promptly refunded to Buyer. For purposes of this Section, objectionable information or conditions means: (1) that the item or component being inspected is not fit for its intended purpose in Buyer's sole discretion, that it is in violation of a public law, code or regulation, that it needs replacement, cleaning, repairs or service, or that it is missing essential parts; or, (2) that a Recognized Environmental Condition (such as for example radon, mold, well water contamination, asbestos, soil contamination, noise or vibration) exists at levels that are unacceptable to Buyer. However, an item or component is not in objectionable condition if its only imperfections are cosmetic or signs of wear and tear or diminished effectiveness associated with an item or component of its age, or because it is not new or perfect, or because it is legally nonconforming under current law.
- c. In the event that the Phase I environmental site assessment of the property conducted by Buyer finds a Recognized Environmental Condition or recommends that a Phase II environmental site assessment of the Property be completed, the parties shall agree to extend of the Inspection/Due Diligence Period as reasonably necessary to allow such Phase II environmental site assessment to be completed, and any other applicable time periods established herein shall be extended by the same amount of time as the Inspection/Due Diligence Period extension.

13. Purchase "As-Is." Subject to Buyer's right to terminate this Agreement during the Inspection/Due Diligence Period (Section 12), Buyer agrees to accept the condition of the Property, including specifically without limitation, the environmental and geological condition of the Property, in an "AS-IS" and with "ALL FAULTS" condition. Buyer's acceptance of title to the Property shall represent Buyer's acknowledgment and agreement that, except as expressly set forth in this Agreement: (i) Seller has not made any written or oral representation or warranty of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose), (ii) Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property, (iii) Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation, any environmental testing,

and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing, and (iv) the condition of the Property is fit for Buyer's intended use. Buyer agrees to accept all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation, the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated or will migrate from or to the Property.

For purposes of this Section, the following terms have the following meanings:

"Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., and the Minnesota Environmental Response and Liability Act, all as amended from time to time, and any other federal, state, local or other governmental code, statute, regulation, rule, law, permit, consent, license, order or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and

"Hazardous Substance" means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

"Claim" or "Claims" means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

14. Notices. Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to a representative of Seller; or if it is directed to Buyer, by delivering to a representative of Buyer; or if mailed by United States registered or certified mail; return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice as above required, or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer: City Administrator  
City of Willmar  
333 Sixth Street Southwest  
Willmar, MN 56201

If to Seller: Hoffman Construction Company  
123 CTH A  
Black River Falls, WI 54615

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party shall commence to run two (2) business days after any such deposit. Any party may change its address for the service of notice by giving advance written notice of such change to the other party, in any manner above specified.

15. Entire Agreement; Amendments. This Agreement represents the complete and final agreement of the parties and supersedes any prior or contemporaneous oral or written understanding between the parties. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in a writing executed by the parties. This Agreement may be amended only in writing, signed by both parties.

16. Binding Effect; Assignment. This Agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. Each party agrees to give the other party notice prior to assigning its interest in the Property or this Agreement.

17. Controlling Law. The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

18. Remedies. If Buyer defaults under this Agreement and fails to cure such default within thirty (30) days after receipt of written notice from Seller identifying such default, then Seller has the right to immediately terminate this Agreement and retain the Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of this Agreement and retention of the Earnest Money will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages. If Seller defaults under this Agreement and fails to cure such default within thirty (30) days after receipt of written notice to from Buyer identifying such default, then

Buyer has the right to (a) immediately terminate this Agreement and have the Earnest Money returned to it, or (b) enforce the Seller's performance of this Agreement by specific performance.

19. Counterparts. This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed on the date above written.

**BUYERS:**

**HOFFMAN CONSTRUCTION COMPANY**

By: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

**SELLER:**

**CITY OF WILLMAR**

By: \_\_\_\_\_  
Marvin Calvin, Mayor

By: \_\_\_\_\_  
Brian Gramentz, City Administrator

**EXHIBIT A**  
**LEGAL DESCRIPTION**

That part of the North 1320.00 feet of the Northwest Quarter of the Northwest Quarter of Section 20, Township 119 North, Range 35 West, 5th Principal Meridian, Kandiyohi County, Minnesota that lies southerly and easterly of Parcel 36, MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 34-46, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota and westerly of Parcel 3C KANDIYOHI COUNTY WILLMAR WYE PROJECT RIGHT OF WAY PLAT NO. 3, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota.

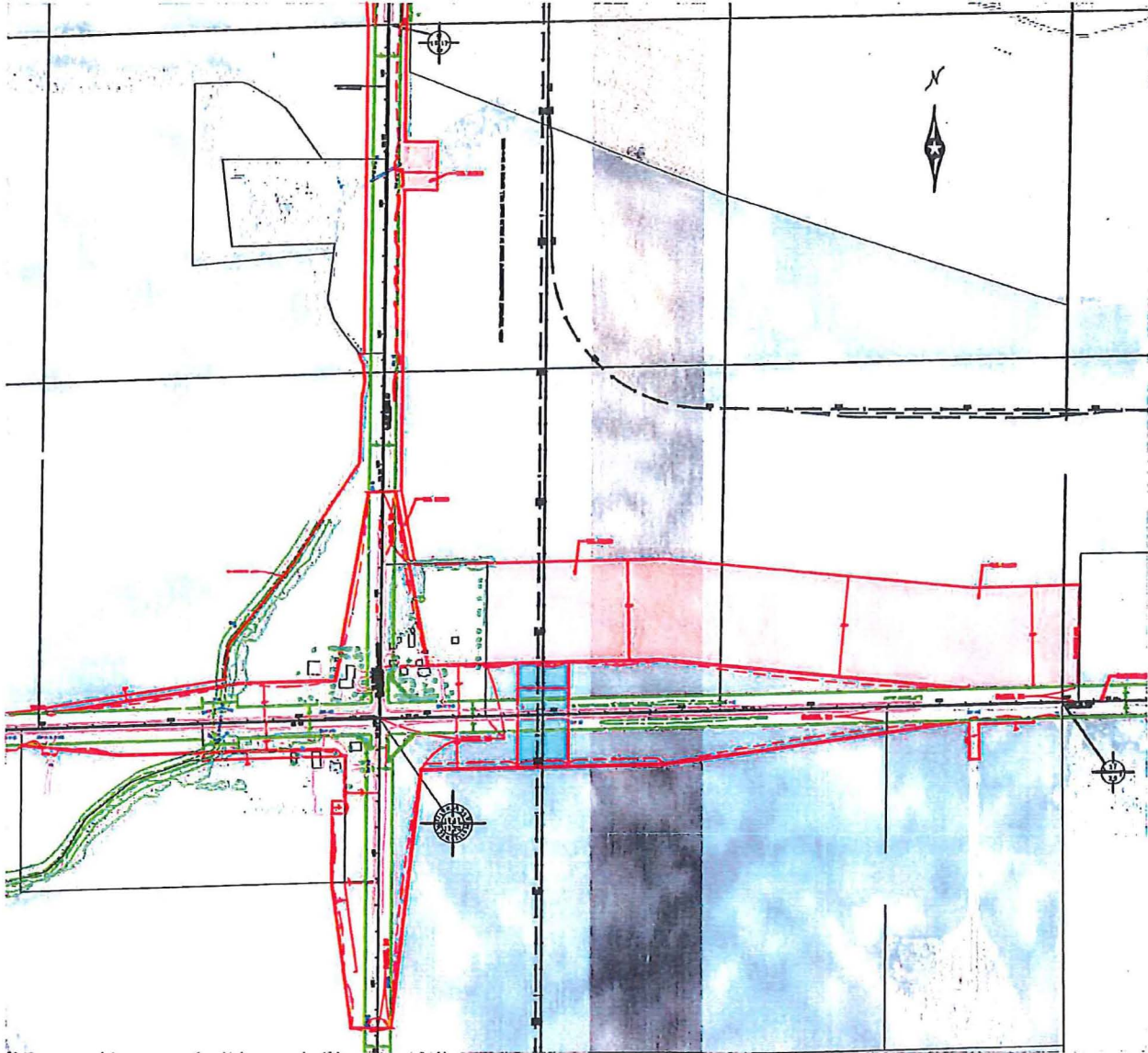
*[Subject to survey and revision as necessary to reflect interests needed for right-of-way improvements to Kandiyohi County State Aid Highway 55 and Minnesota Trunk Highway 40 to be conveyed to MnDOT and railroad corridor to be conveyed to BNSF]*

**EXHIBIT B**  
**MnDOT and BNSF CONVEYANCES**

Control Section: 3409 (40=145) 901  
 State Project: 3403-74RW  
 Owner: City Of Willmar

County: Kandiyohi

Parcel Number: 36  
 Sheet 1 of 1  
 Scale 1 inch = 650 ft.



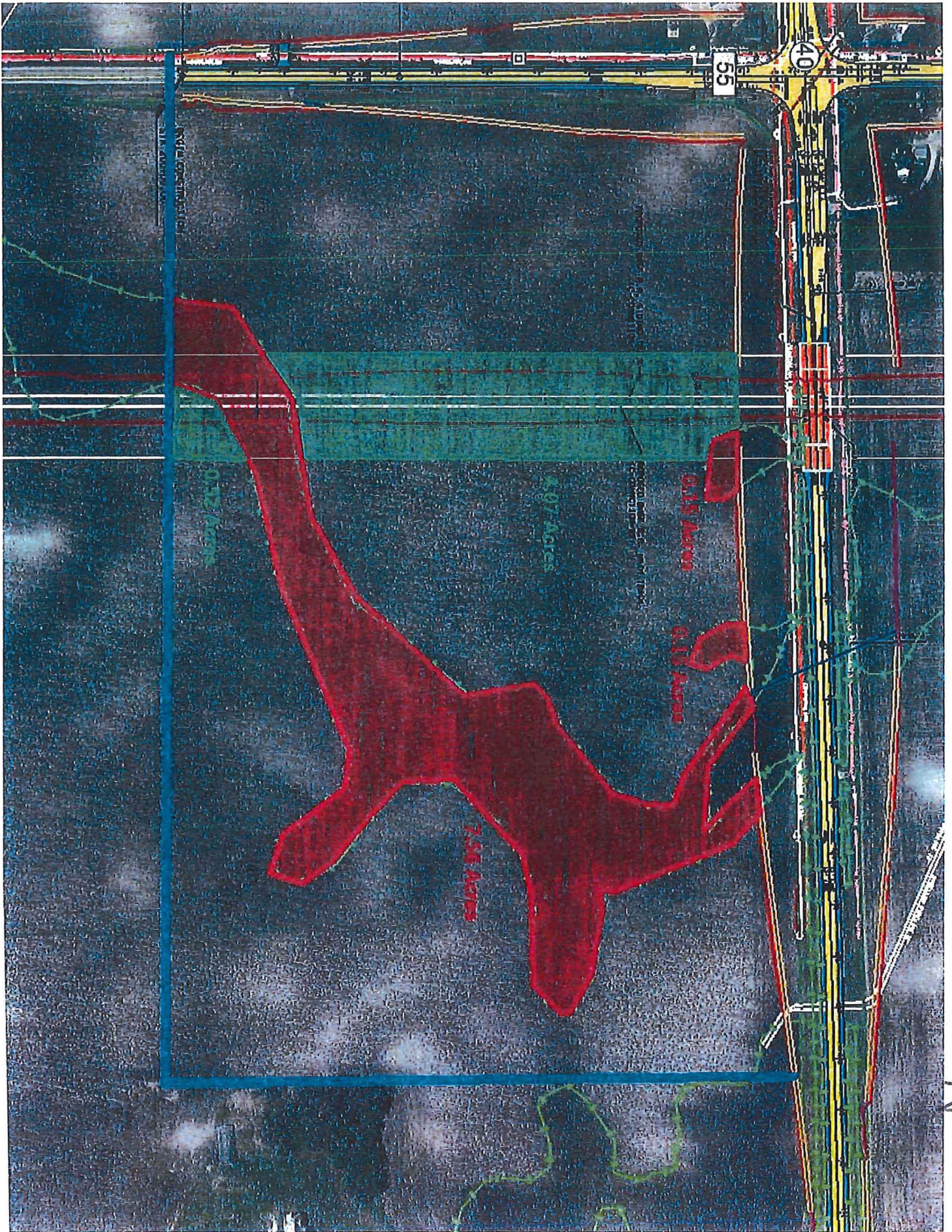
C.S. 3409 (40=145) 901

S.P. 3403-74RW

R/W IN S17, T119N, R35W											
PARCEL NUMBER	MN/DOT PLAT	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITH ROADS	OTHER ROADS IN NEW R/W	NEW T. H. R/W	BALANCE	PERMANENT EASEMENT	TEMPORARY EASEMENT		PERMANENT R/W INTEREST
				ACRES	ACRES	ACRES	ACRES	ACRES	ACRES	ACRES	
36	34-43	CITY OF WILLMAR	PT S 1/2 SW 1/4 PT SW 1/4 SE 1/4	112.61	3.22	3.69	104.78	0.92	22.49	12-01-2022	FEE

R/W IN S20, T119N, R35W											
PARCEL NUMBER	MN/DOT PLAT	OWNER	CONTIGUOUS PROPERTY	ENTIRE TRACT WITH ROADS	OTHER ROADS IN NEW R/W	NEW T. H. R/W	BALANCE	PERMANENT EASEMENT	TEMPORARY EASEMENT		PERMANENT R/W INTEREST
				ACRES	ACRES	ACRES	ACRES	ACRES	ACRES	ACRES	
36	34-43	CITY OF WILLMAR	PT NW 1/4 SW 1/4	60.00	3.83	5.75	49.50	0.92	22.49	12-01-2022	FEE
TOTAL				172.61	7.05	9.44	154.28	1.84	22.49		







(Top 3 inches reserved for recording data)

---

**QUIT CLAIM DEED**

DEED TAX DUE: \$284.11

DATE: \_\_\_\_\_, 2019

FOR VALUABLE CONSIDERATION, the City of Willmar, a Minnesota municipal corporation with its offices at 333 6<sup>th</sup> Street Southwest, Willmar, Minnesota 56201 ("**Grantor**"), hereby conveys and quitclaims to Hoffman Construction Company, a Wisconsin corporation, ("**Grantee**"), real property in Kandiyohi County, Minnesota, legally described on the attached Exhibit "A" (the "Property"), together with all hereditaments and appurtenances belonging thereto, subject to the following restrictions, covenants and interests reserved to the Grantor:

1. There is hereby reserved to the Grantor, its successors and assigns, for the use and benefit of the public, a permanent easement for the right of flight for the passage of aircraft in the airspace above the surface of the Property. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from, or operation on the Willmar Municipal Airport.
2. Grantee, its successors and assigns, shall not engage in any activities on the premises herein conveyed that would interfere with or be a hazard to the flight of aircraft over such land or to and from the Willmar Municipal Airport or interfere with air navigation and communication facilities serving such airport.
3. Grantee, its successors and assigns, shall not erect structures or allow natural objects to grow that would constitute an obstruction to air navigation as defined in Federal Aviation Regulations, Part 77.
4. Grantee, on behalf of itself and its successors and assigns, further agrees that they will not use or permit or suffer use of the Property in such a manner as to create a potential for attracting birds and other wildlife which may pose a hazard to aircraft.
5. Grantee, its successors and assigns, further agrees to comply with Notice requirements contained in Federal Aviation Regulations Part 77, Subpart B.

6. Grantee, its successors and assigns, further agrees not to conduct any grading or excavation on the Property or otherwise disturb the surface of the Property without first submitting detailed plans and specifications for any facilities to be constructed on the Property to Grantor's City Engineer and receiving Grantor's City Engineer's approval of the same.

Grantor certifies that the Grantor does not know of any wells on the described real property.

**City of Willmar, Minnesota, Grantor**

By: \_\_\_\_\_  
Marvin Calvin, Mayor

ATTEST:

\_\_\_\_\_  
Brian Gramentz, City Administrator

STATE OF MINNESOTA )  
  )ss.  
COUNTY OF KANDIYOHI )

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by Marvin Calvin, Mayor, of the City of Willmar, Minnesota.

(Stamp)

\_\_\_\_\_  
*Notary Public*

STATE OF MINNESOTA )  
  )ss.  
COUNTY OF KANDIYOHI )

This instrument was acknowledged before me on \_\_\_\_\_, 2019, by Brian Gramentz, City Administrator, of the City of Willmar, Minnesota.

(Stamp)

\_\_\_\_\_  
*Notary Public*

THIS INSTRUMENT WAS DRAFTED BY:

**Robert T. Scott, Attorney at Law  
Flaherty & Hood, P.A.  
525 Park Street, Suite 470  
St. Paul, MN 55103  
(651) 225-8840**

**EXHIBIT A**  
**LEGAL DESCRIPTION OF THE PROPERTY**

That part of the North 1320.00 feet of the Northwest Quarter of the Northwest Quarter of Section 20, Township 119 North, Range 35 West, 5th Principal Meridian, Kandiyohi County, Minnesota that lies southerly and easterly of Parcel 36, MINNESOTA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY PLAT NO. 34-46, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota and westerly of Parcel 3C KANDIYOHI COUNTY WILLMAR WYE PROJECT RIGHT OF WAY PLAT NO. 3, according to the plat thereof on file and of record in the Office of the County Recorder, Kandiyohi County, Minnesota.



**WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Sarah J. Swedburg, Planner</b>	<b>Subject: Ordinance Introduction to consider sale of City owned land</b>

**AGENDA ITEM:** Ordinance Introduction to consider sale of City owned land

**INTRODUCTION/REQUEST:** The City received an offer to purchase a small portion of old WWTP land from James Viaene (see attached map). This land is unplatted and a Certificate of Survey has been completed to create a legal description for the property.

**HISTORY:** Mr. Viaene has obtained an easement agreement for many years, granting ingress and egress across City property to certain real estate owned by Viaene.

**CURRENT CIRCUMSTANCE:** A legal description has been created for the property of interest. This land sale would be conditioned upon Mr. Viaene combining all parcels or platting the property. The Community Development Committee reviewed and recommended the request on February 11, 2019 and Planning Commission reviewed and recommended the land sale on February 20, 2019 (minutes attached).

**RECOMMENDATION:** Staff recommends a motion to introduce the Ordinance and set a public hearing for August 5, 2019.

**ISSUES:** No issues have been identified with the sale.

**FINANCIAL IMPACT:** The current easement agreement fee is \$150/year. The cost of a Certificate of Survey and metes and bounds description is approximately \$1,200-\$1,300. The price agreed upon by the buyer is \$15,500 (\$1.25/square foot, plus the cost of the Survey), subject to City Council approval.

**ALTERNATIVE:**

1. Proceed with the sale.
2. To hold onto the property and continue with the extension of easement agreement.

**REVIEWED BY:** Brian Gramentz, Interim City Administrator

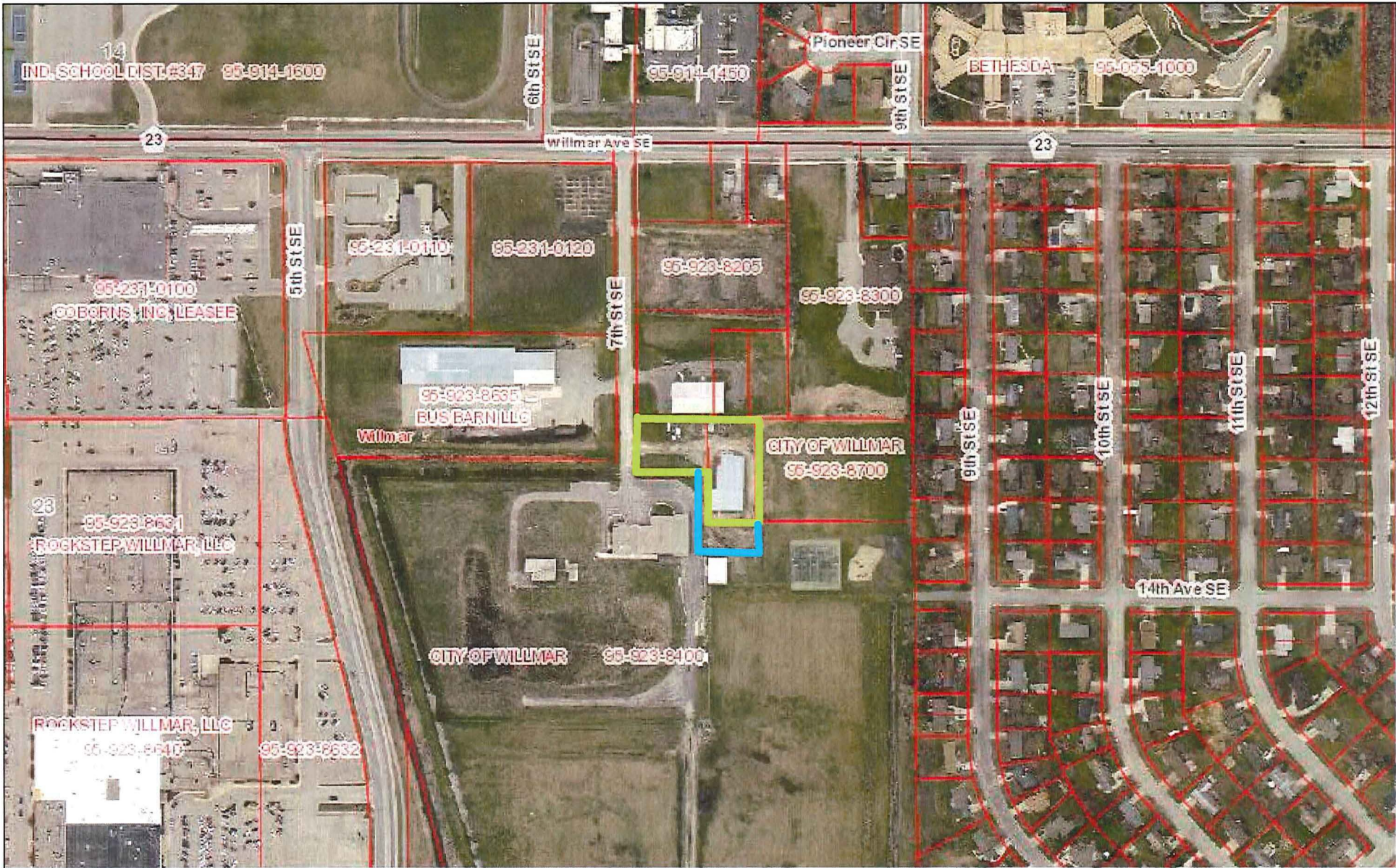
**WORK SESSION DATE:** February 11, 2019

**COUNCIL MEETING DATE:** July 15, 2019 (Intro) & August 5, 2019 (Public Hearing)

CONSENT AGENDA       AGENDA

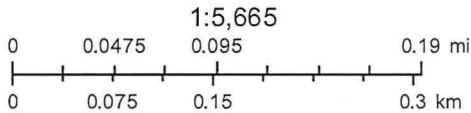


# Viaene Land Sale



July 5, 2019

Green - Currently Owned Property  
 Blue - Property of Interest (Location of current easement)





This is a survey of:  
 part of:  
**SE 1/4 of the NE 1/4 of the NW 1/4**  
 Located in:  
**Section 23, T119N-R35W, Willmar Township,  
 Kandiyohi County, Minnesota**



This drawing prepared by:

**Bonnema Runke Stern Inc.**

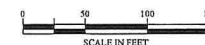
Professional Land Surveyors

4566 Hwy 71 NE - Suite 1

Willmar, MN 56201

Office (202) 231-2844 Fax (202) 231-2827

Requested by: City of Willmar - Vaanee Parcel  
 333 6th Street SW - P.O. Box 733  
 Willmar, MN 56201



**LEGEND**

- Found Iron Monument from former survey
- Bonnema Runke Stern Inc. Placed Open Iron Monument
- Cast Iron Monument
- ✕ Placed Monument on the property line at a position which is offset from the actual property corner
- Note: The above property boundary, distances are measured to the actual property corner
- Water Line (Approximate Location)
- Fence
- Hydrant

**Land Description - 10,320 Sq Ft**

That part of the Southeast Quarter of the Northeast Quarter of the Northwest Quarter of Section 23, Township 119 North, Range 35 West of the Fifth Principal Meridian, Kandiyohi County, Minnesota, described as follows:

- Commencing at the center of said Section 23;
- thence on an assumed bearing of North 00 degrees 19 minutes 46 seconds West, along the east line of the Northwest Quarter of said Section 23, a distance of 1736.80 feet;
- thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel to the north line of said Section 23, a distance of 375.00 feet to the point of beginning of the land to be described;
- thence continuing on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel to the north line of said Section 23, a distance of 120.00 feet;
- thence on a bearing of North 00 degrees 00 minutes 05 seconds East, along a line parallel to the west line of said Section 23, a distance of 145.00 feet to a line parallel with the north line of said Section 23, which runs through a point 181.80 feet south of the center of said Section 23, as measured along the east line of the Northwest Quarter of said Section 23;
- thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along the above said line, parallel to the north line of said Section 23, a distance of 8.84 feet to a point 99.00 feet west of the east line of the Northwest Quarter of said Section 23, as measured along the above said line;
- thence on a bearing of South 00 degrees 00 minutes 05 seconds West, along a line parallel with the west line of said Section 23, a distance of 25.00 feet;
- thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel with the north line of said Section 23, a distance of 9.16 feet;
- thence on a bearing of South 00 degrees 00 minutes 05 seconds West, along a line parallel with the west line of said Section 23, a distance of 190.00 feet;
- thence on a bearing of South 89 degrees 22 minutes 40 seconds East, along a line parallel with the north line of said Section 23, a distance of 130.00 feet to a point which bears South 00 degrees 00 minutes 05 seconds West from the point of beginning;
- thence on a bearing of South 89 degrees 22 minutes 40 seconds East, along a line parallel with the north line of said Section 23, a distance of 130.00 feet to a point which bears South 00 degrees 00 minutes 05 seconds West from the point of beginning;
- thence on a bearing of North 00 degrees 00 minutes 05 seconds East, along a line parallel with the west line of said Section 23, a distance of 70.01 feet to the point of beginning.

**Land Description - 20' Utility Easement**

A 20.00 foot utility easement over, under, and across that part of the Southeast Quarter of the Northeast Quarter of the Northwest Quarter of Section 23, Township 119 North, Range 35 West of the Fifth Principal Meridian, Kandiyohi County, Minnesota. The centerline of said easement is described as follows:

- Commencing at the center of said Section 23;
- thence on an assumed bearing of North 00 degrees 19 minutes 46 seconds West, along the east line of the Northwest Quarter of said Section 23, a distance of 1736.80 feet;
- thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel to the north line of said Section 23, a distance of 605.00 feet;
- thence on a bearing of South 00 degrees 14 minutes 14 seconds West a distance of 13.23 feet to the point of beginning of said easement centerline to be described;
- thence on a bearing of North 89 degrees 45 minutes 46 seconds West a distance of 21.00 feet to a point hereinafter referred to as "Point A";
- thence continuing on a bearing of North 89 degrees 45 minutes 46 seconds West a distance of 81.00 feet to a point where said center line terminates.

Together with a 20.00 utility easement over, under and across that part of the said Southeast Quarter of the Northeast Quarter of the Northwest Quarter. The center line of said easement is described as follows:

- Beginning at the aforementioned "Point A";
- thence on a bearing of South 1 degree 07 minutes 09 seconds East a distance of 61.00 feet to a point where said center line terminates.

All Documents referred to on this survey can be found on file in the office of the County Recorder

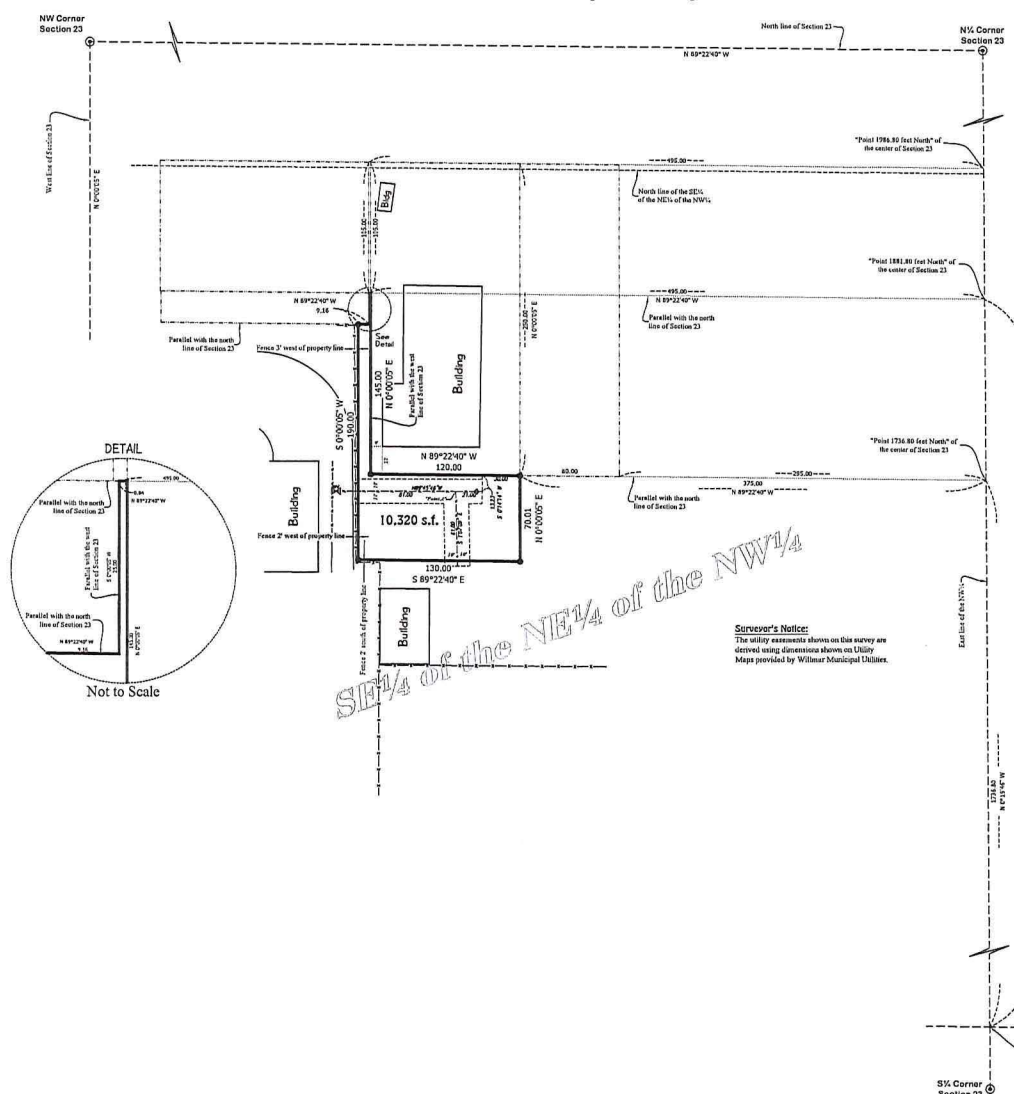
Bonnema Runke Stern Inc. is not giving a title opinion or abstract of this parcel. We suggest that you contact your attorney or a title insurance company for that purpose. Easements or neighboring deed interests may exist which affect this parcel and are not shown on this survey.

The distances shown from improvements to the property lines are shown for reference purposes only and are NOT intended for determining the property line location. Property corner monuments shall always be used when establishing the property line.

I HEREBY CERTIFY THAT THIS SURVEY, PLAN, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA. THE FIELD WORK WAS COMPLETED ON: JULY 1, 2010

*Matthew D. Runke*  
 Matthew D. Runke

Date: July 1, 2010 License No. 61171



SE 1/4 of the NE 1/4 of the NW 1/4



## COMMUNITY DEVELOPMENT COMMITTEE MINUTES

The Community Development Committee of the Willmar City Council met on Monday, February 11, 2019, in Conference Room No. 1 at the City Office Building.

Present:	Rick Fagerlie	Chair
	Vicki Davis	Co-Chair
	Shawn Mueske	Council Member
	Kathy Schwantes	Council Member

Others present: Sarah Swedburg – Interim Director of Planning and Development Services

Item No. 1      Call to Order

The meeting was called to order at 6:19 p.m.

Item No. 2      Public Comments (For Information Only)

There were no public comments.

Item No. 3      Elect Chair (Motion)

Council Member Mueske nominated Rick Fagerlie as chair the motion was seconded by Council Member Schwantes. Chair Fagerlie nominated Council Member Davis as Vice-Chair. Both motions passed unanimously.

Item No. 4      Sale of City Owned Land (For Information Only)

Staff explained that the current easement is for granting ingress and egress across City property to the south entrance of the building owned by James Viaene. There has been an easement agreement since 2004, and it is currently at \$150 per year. This particular piece of land keep require a surveyed prior to purchase. The approximate cost of survey, and metes and bounds description would be \$1,200-\$1,300. Those fees would be at the expense of the buyer. Staff is asking for permission to move forward with sale of land and moving the process forward to Planning Commission for their approval, with introduction of an Ordinance at the March 4<sup>th</sup> Council Meeting, and a public hearing to follow. The property would be sold with conditions that the buyer combine all of the parcels or plat the property. Chair Fagerlie inquired about the cost of the land as well as the combing of the parcels. Staff explained that it is calculated at \$1.25/square foot with the additional cost per the certificate of survey. The discussion with the buyer has been \$15,500. Staff also expressed the need for combining all three parcels for street access.

A motion was made by Council Member Schwantes, seconded by Council Member Davis to move forward with the sale of property. The motion carried.

5. The applicant shall work with MnDOT to properly permit controlled access along Hwy 12 to be realigned with 23<sup>rd</sup> St SE.

The motion carried.

4. VIAENE LAND SALE: Staff introduced the sale of City owned land to Mr. Viaene. Mr. Viaene has an easement agreement with the City granting ingress and egress to certain real estate land owned by Viaene. Currently, he pays \$150.00 a year for the easement. The City would sell it as a meets and bounds parcel with the conditions that Viaene combine all three parcels. Staff is working with public and private utilities to determine if any utility easements will be necessary.

Dr. Kjergaard made a motion, seconded by Mr. Standfuss, to recommend the land sale of City owned property to the City Council.

The motion carried.

5. AMENDMENT OF 2<sup>ND</sup> AVE SE STREET VACATION RESOLUTION: Staff presented a request on behalf of Marcus Real Estate and Investments, LLC and BPO Elks Lodge #952 to vacate a portion of 2<sup>nd</sup> Ave SE, West of 20<sup>th</sup> St SE. The petitioners are the sole property owners of the surrounding land and have future subdivision and development plans. No utilities exist in this portion of right-of-way. This resolution was approved by Planning Commission on January 2, 2019, however there was an error with the legal description. The Commission discussed that the previous public hearing was held and approvals made with the intention of vacating the entire portion of 2<sup>nd</sup> Ave SE, West of 20<sup>th</sup> St SE, although the legal description was incorrect.

A motion was made by Mr. Standfuss, seconded by Mr. Sieck to amend resolution #18-01, recommending the amendment of the legal description to vacate street right-of-way, striking Block Four and adding Block Five as intended.

The motion carried.

6. There being no further business to come before the Commission the meeting adjourned at 7:18 p.m.

Respectfully submitted,

Sarah Swedburg  
Planner

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING THE SALE OF REAL PROPERTY TO JAMES VIAENE

The City Council of the City of Willmar hereby ordains as follows:

Section 1. AUTHORIZATION OF SALE. Finding it to be in the best interests of the City of Willmar, the Willmar City Council hereby authorizes the sale and conveyance of real property legally defined as

That part of the Southeast Quarter of the Northeast Quarter of the Northwest Quarter of Section 23, Township 119 North, Range 35 West of the Fifth Principal Meridian, Kandiyohi County, Minnesota, described as follows:

Commencing at the center of said Section 23; thence on an assumed bearing of North 00 degrees 19 minutes 46 seconds West, along the east line of the Northwest Quarter of said Section 23, a distance of 1736.80 feet; thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel to the north line of said Section 23, a distance of 375.00 feet to the point of beginning of the land to be described; thence continuing on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel to the north line of said Section 23, a distance of 120.00 feet; thence on a bearing of North 00 degrees 00 minutes 05 seconds East, along a line parallel to the west line of said Section 23, a distance of 145.00 feet to a line parallel with the north line of said Section 23, which runs through a point 1881.80 feet north of the center of said Section 23, as measured along the east line of the Northwest Quarter of said Section 23; thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along the above said line, parallel to the north line of said Section 23, a distance of 0.84 feet to a point 495.00 feet west of the east line of the Northwest Quarter of said Section 23, as measured along the above said line; thence on a bearing of 00 degrees 00 minutes 05 seconds West, along a line parallel with the west line of said Section 23, a distance of 25.00 feet; thence on a bearing of North 89 degrees 22 minutes 40 seconds West, along a line parallel with the north line of said Section 23, a distance of 9.16 feet; thence on a bearing of South 00 degrees 00 minutes 05 seconds West, along a line parallel with the west line of said Section 23, a distance of 190.00 feet; thence on a bearing of South 89 degrees 22 seconds 40 minutes East, along a line parallel with the north line of said Section 23, a distance of 130.00 feet to a point which bears South 00 degrees 00 minutes 05 seconds West from the point of beginning; thence on a bearing of North 00 degrees 00 minutes 05 seconds East, along a line parallel

with the west line of said Section 23, a distance of 70.01 feet to the point of beginning.

to James Viaene by quit claim deed pursuant to the terms and conditions of sale set forth in a certain Vacant Land Purchase Agreement between the City and James Viaene.

Section 2. EFFECTIVE DATE. This ordinance shall take effect after its adoption and second publication.

Passed by the City Council of the City of Willmar this \_\_\_ day of \_\_\_\_\_, 2019.

ATTEST:

\_\_\_\_\_  
Judy Thompson, City Clerk

\_\_\_\_\_  
Marvin Calvin, Mayor

VOTE:        \_\_\_ ALVARADO    \_\_\_ ASMUS    \_\_\_ DAVIS    \_\_\_ FAGERLIE  
              \_\_\_ MUESKE    \_\_\_ NELSEN    \_\_\_ PLOWMAN    \_\_\_ SCHWANTES

This Ordinance introduced by Council Member: \_\_\_\_\_

This Ordinance introduced on: \_\_\_\_\_

This Ordinance published on: \_\_\_\_\_

This Ordinance given a hearing on: \_\_\_\_\_

This Ordinance adopted on: \_\_\_\_\_

This Ordinance published on: \_\_\_\_\_

**LABOR RELATIONS COMMITTEE**

**MINUTES**

The Labor Relations Committee met on Monday, July 8, 2019 at 6:15 p.m. in Conference Room No. 1 at the Willmar City Office Building.

Present: Shawn Mueske ..... Chair  
Fernando Alvarado ..... Vice Chair  
Vicki Davis ..... Council Member  
Kathy Schwantes ..... Council Member

Others present: Human Resource Director Samantha Beckman and Interim City Administrator Brian Gramentz.

Item No. 1      Call to Order

The meeting was called to order by Council Member Mueske at 6:15 p.m.

Item No. 2      Public Comment

There were no public comments.

Item No. 3      Wastewater Working Foreman Job Description Update (Motion)

Staff brought forth, for approval, updating the Wastewater Foreman job description to more accurately reflect the role now (last update was April 5, 2000). The Master Electrician License requirement was replaced with more Wastewater specific qualifications. The license requirement was only added in to the job description because the employee at the time already possessed the license. The electrical duties have not been required for the position for the last several years, would be an unusual requirement to maintain, and would make it extremely difficult to fill the job opening. A motion was made by Council Member Alvarado, seconded by Council Member Davis to approve the updated job description.

Item No. 4      Employee Personnel Policy – 5<sup>th</sup> Section (Motion)

Staff presented the fifth section of the updated employee personnel policy and the Exempt Employee Pay Policy obtained from the League of MN Cities. Text in black is League’s recommended language, text in green is language pulled from our existing Personnel Policy, and text highlighted in yellow is a new policy being implemented at the City. The requirement that overtime must be approved by a supervisor in advance is being added to our written policy officially (although it has been implemented in practice). A motion was made by Council Member Alvarado, seconded by Council Member Davis and passed to adopt the fifth section of the new Personnel Policy. The optional Tuition Reimbursement Policy was discussed and agreed to be presented at the Council Meeting on July 29<sup>th</sup> for consideration.

Item No. 5      Employee Personnel Policy – 6<sup>th</sup> Section (Information)

Staff presented the sixth section of the updated employee personnel policy, the Sick Leave Donation Policy, and the Sick Leave Upon Separation Policy. At the League’s recommendation, staff is utilizing their handbook template and customizing it to Willmar’s policies and procedures.

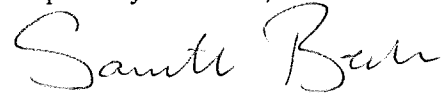
Item No. 6      Miscellaneous (Information)

Labor Chair Mueske asked the committee if we needed a moderator at the mini retreat on July 29<sup>th</sup> or if there were any other agenda items. The committee did not see a need for a moderator and the proposed

agenda has the Springsted presentation of the Compensation Study, Pay Equity, and the Tuition Reimbursement Policy.

There being no further business to come before the Committee, the meeting was adjourned at 7:31 p.m. by Chair Mueske.

Respectfully submitted,

A handwritten signature in cursive script that reads "Santi Beckman".

Samantha Beckman  
Human Resources Director



# WILLMAR

**Human Resource Director**  
City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Samantha Beckman, Human Resource Director</b>	<b>Subject: Consideration of Wastewater Working Foreman Job Description Update</b>

**AGENDA ITEM:** Wastewater Working Foreman Job Description Update.

**INTRODUCTION/REQUEST:** The Wastewater Working Foreman job description needs to be updated so we can post the opening and begin the hiring process.

**HISTORY:** The Wastewater Foreman job description has not been updated since April 5, 2000.

**CURRENT CIRCUMSTANCE:** The requirement of a Master Electrician License was only added in to the job description in 2000 because the employee at the time already possessed the license. It has been replaced with more Wastewater specific qualifications. The electrical duties have not been required for the position for the last several years, would be an unusual requirement to maintain, and would make it extremely difficult to fill the job opening.

**RECOMMENDATION:** Approve the Wastewater Working Foreman updated job description.

**ISSUES:** None

**FINANCIAL IMPACT:** None

**ALTERNATIVES:**

1. Not approve the updated Job Description

**RECOMMENDED MOTION:** Approve the job description as presented.

**REVIEWED BY:** Brian Gramentz, City Administrator

**LABOR COMMITTEE DATE:** July 8, 2019

**COUNCIL MEETING DATE:** July 15, 2019       Regular Agenda       Consent Agenda



## WASTEWATER WORKING FOREMAN

**Position Title:** Wastewater Working Foreman  
**Department:** Public Works  
**Department Head:** Public Works Director  
**Immediate Supervisor:** Wastewater Superintendent  
**Pay Range:** 8 **FLSA Status:** Non-exempt

APPROVED:	April 5, 2000
REVISED:	
REVISED:	
REVISED:	

### Purpose

Performs intermediate-level supervisory work to assist the Wastewater Superintendent in the daily operation and management of the treatment facility. Serves as acting plant supervisor in the Supervisor's absence. Assists in the supervision of employees and perform specific duties pertaining to the Wastewater Treatment Facility, Bio-Solids Program and in the Collection System as needed~~plants electrical and electronic systems and components. Also assists other departments, including MUC, with electrical needs.~~

### Organizational Relationships

Communicates with: *Internally* - All Wastewater and various City personnel, and Municipal Utilities staff; *Externally* ~~state electrical inspector~~, MPCA staff, various consultants, suppliers and vendors, industrial users, and residents.

Directs/Supervises: ~~All~~ Wastewater employees, personnel

### ESSENTIAL FUNCTIONS

Assist Superintendent with supervision of employees and assigning work tasks as needed.

Supervise maintenance and operational activities as needed.

Handle employee payroll and assists in coding invoices for payment; and participate in annual budget forecasting and budget requests.

Analyze data from plant activities and make recommendations to Superintendent.

Review plant operations and maintenance needs and make recommendations to Superintendent.

Participate in discussions with consultants, department directors and committees regarding future and present facility and capital needs; and occasionally attend public works meetings to provide information to committees.

Advise on-call personnel on courses of action and corrective measures.

Prepares and creates equipment specifications

Must fill-in for Operators in all aspects of the treatment process which includes working on weekend rotations and maintaining knowledge of laboratory work.

Receive callbacks due to equipment malfunction or rainstorm events; troubleshoot equipment and place into service or take alternative course of action as necessary.

~~Program, maintain and troubleshoot plant's processes using SCADA computer and PLCs. Oversee all electric and electronic devices and materials, all telemetry and SCADA system supplies; and other non-electrical equipment and supplies.~~

~~Carry out wiring of new and existing electrical equipment; plan for and purchase electrical equipment; make alterations to existing equipment and wiring; and request/obtain electrical inspections.~~

~~Maintain existing electrical equipment by cleaning, lubricating and changing old components; and visually inspect equipment and wiring using electrical and infra-red testing.~~



# WASTEWATER WORKING FOREMAN

~~Troubleshoot, repair and calibrate pressure transducers, ultrasonic devices and other control and measurement equipment.~~

Attend workshops, seminars and other training to keep current and maintain certifications.

Serves on standby for emergency and problem situations on a rotational basis

## **~~Other Duties and Responsibilities~~**

Troubleshoot and repair non-electrical equipment problems.

~~Adjust and assist in operation of large boilers.~~

Assist in contracting out for building maintenance and oversee projects.

Supervise part-time and seasonal employees.

Perform other related duties as assigned by supervisor or as apparent.

## **Required Knowledge, Skills and Abilities**

~~Knowledge of electrical design and wiring practices.~~

~~Knowledge of motor control designs.~~

Knowledge of all aspects of Wastewater and principals of supervision and training.

~~Knowledge of National Electric Code, Uniform Building Code and National Fire and Protection Authority.~~

Knowledge of Federal and State OSHA (safety requirements).

Knowledge of MPCA and EPA guidelines for reporting and operating a wastewater treatment facility.

~~Ability to plan for laying out, supervising and installing wiring, apparatus or equipment for electric light, heat and power.~~

Ability to understand blueprints, and to learn/have knowledge of programming ~~(pascal and ladder logic).~~

Skill in operating a variety of ~~electrical~~ test equipment and computer systems.

Skill in use of vehicle, hand tools, and power tools ~~electrical test equipment and current and voltage source units.~~

Skill in computerized SCADA systems and PLC (Programmable Logic Controllers) systems.

Skill in use of skid loader/trackless, bucket truck and gas detection equipment.

*Machines, tools and equipment used:* various vehicles and office equipment such as telephone, fax, computer and two-way radio.

## **MINIMUM QUALIFICATIONS**

High school degree or equivalent with ~~a background in electronics, safety and computer programming and~~ considerable experience in wastewater field with some supervisory experience. One year of post-secondary education in specialized treatment plant operator courses or two years' experience in waste water treatment plan operation and maintenance. Class B wastewater license, Special Engineer boiler license, Class A Commercial Driver's License with tanker endorsement, and Type IV Minnesota State Waste Disposal Certification. ~~Class A Master Electrician license and practical experience in electrical design and wiring and computer knowledge.~~

## **Working Conditions**

## WASTEWATER WORKING FOREMAN

Time is spent performing work in and around the WWTP buildings and grounds with some tasks carried out in confined spaces at various heights and depths. Regularly uses fine motors skills to coordinate eyes and hands to use, adjust, repair and maintain a variety of tools, machines or equipment. Operates some heavy and light equipment. Regularly uses large motor skills to exert moderate to considerable physical effort while performing a variety of movements such as bending, crouching, pushing/pulling, twisting/turning, digging and lifting. Operates a vehicle for regular transportation needs. Sits and stands/walks for extended periods of time. All vision abilities and senses, with the exception of taste, may be used depending on the particular task. Exposure to irritants/fumes, hazardous chemicals, temperature extremes, vibrations, infectious diseases, gases and strong odors and noise can be occasional to frequent/continual. Occasionally works during adverse weather conditions. ~~Regularly works with electricity.~~



# WILLMAR

**Human Resource Director**  
City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and Council</b>	<b>Date: July 15, 2019</b>
<b>From: Samantha Beckman, Human Resource Director</b>	<b>Subject: Approval of Personnel Policy Updates</b>

**AGENDA ITEM:** Approval of Personnel Policy Updates

**INTRODUCTION/REQUEST:** At the League of Minnesota Cities’ recommendation, staff is utilizing their handbook template and customizing it to Willmar’s policies and procedures.

**HISTORY:** The current Personnel Policy has not been updated in years and is over 100 pages long as it incorporates every single policy in full.

**CURRENT CIRCUMSTANCE:** The Personnel Policy should be condensed into a shorter handbook for employees to reference while still maintaining the policies in full for employees to access. The template provided by the League has been created by their HR team and reviewed by their attorney’s that Willmar will customize to fit our City.

**RECOMMENDATION:** Approve the next three pages and Exempt Employees Pay Policy as presented, replacing sections 3.1; 4.1; 4.2; 4.3; 5.3; 5.4; 5.5.1; 5.6; 5.10; 5.13; 2.7 and 6.5 of the current personnel policy.

**ISSUES:**

**FINANCIAL IMPACT:**

**ALTERNATIVES:**

1. Request additional changes
2. Leave the Personnel Policy as is

**RECOMMENDED MOTION:** Approve the next three pages and Exempt Employees Pay Policy as presented, replacing sections 3.1; 4.1; 4.2; 4.3; 5.3; 5.4; 5.5.1; 5.6; 5.10; 5.13; 2.7 and 6.5 of the current personnel policy.

**REVIEWED BY:** Brian Gramentz, City Administrator

**LABOR COMMITTEE DATE:** July 8, 2019

**COUNCIL MEETING DATE:** July 15, 2019     Regular Agenda     Consent Agenda



## Direct Deposit

As provided for in Minnesota law, all employees are required to participate in direct deposit. Employees shall be paid bi-weekly and when a pay day falls on a holiday, employees shall receive their pay the preceding work day. Employees are responsible for notifying human resources of any change in status, including changes in address, phone number, names of beneficiaries, marital status, etc.

## Time Reporting

Full-time, non-exempt employees are expected to work the number of hours per week as established for their position. In most cases, this will be 40 hours per workweek. They will be paid according to the time reported on their time sheets. To comply with the provisions of the federal and state Fair Labor Standards Acts, hours worked and any leave time used by non-exempt employees are to be recorded daily and submitted to payroll on a bi-weekly basis. Each time reporting form must include the signature of the employee and immediate supervisor. Reporting false information on a time sheet may be cause for immediate termination.

## Overtime / Compensatory Time

The City of Willmar has established this overtime policy to comply with applicable state and federal laws governing accrual and use of overtime. The city administrator will determine whether each employee is designated as “exempt” or “non-exempt” from earning overtime. In general, employees in executive, administrative, and professional job classes are exempt; all others are non-exempt.

### Non-Exempt (Overtime-Eligible) Employees

All overtime-eligible employees will be compensated at the rate of time-and-one-half for all hours worked over 40 in one workweek. Vacation, sick leave, and paid holidays do not count toward “hours worked.” Compensation will take the form of either time-and-one-half pay or compensatory time. Compensatory time is paid time off at the rate of one-and-one-half hours off for each hour of overtime worked.

For most employees the workweek begins at midnight on Sunday and runs until the following Saturday night at 11:59 p.m. Supervisors may establish a different workweek based on the needs of the department, subject to the approval of the city administrator.

The employee’s supervisor must approve overtime hours in advance. An employee who works overtime without prior approval may be subject to disciplinary action.

Overtime earned will be paid at the rate of time-and-one-half on the next regularly scheduled payroll date, unless the employee indicates on his/her timesheet that the overtime earned is to be recorded as compensatory time in lieu of payment.

The maximum compensatory time accumulation for any employee is 80 hours. Once an employee has earned 80 hours of compensatory time, no further compensatory time may accrue. All further overtime will be paid. Employees may request and use compensatory time off in the same manner as other leave requests.

All compensatory time will be marked as such on official time sheets, both when it is earned and when it is used. The Finance Department will maintain compensatory time records. All

compensatory time accrued will be paid when the employee leaves city employment at the hourly pay rate the employee is earning at that time.

All employees, in all departments, are required to work overtime as requested by their supervisors as a condition of continued employment. Refusal to work overtime may result in disciplinary action. Supervisors will make reasonable efforts to balance the personal needs of their employees when assigning overtime work.

### Exempt (Non-Overtime-Eligible) Employees

Exempt employees are expected to work the hours necessary to meet the performance expectations outlined by their supervisors.

Generally, to meet these expectations, and for reasons of public accountability, an exempt employee will need to work 40 or more hours per week. Exempt employees do not receive extra pay for the hours worked over 40 in one workweek. See full Exempt Employees Pay Policy for more information.

## PERFORMANCE REVIEWS

An objective performance review system will be established by the city administrator or designee for the purpose of periodically evaluating the performance of city employees. The quality of an employee's past performance will be considered in personnel decisions such as promotions, transfers, demotions, terminations and, where applicable, salary adjustments.

Performance reviews will be discussed with the employee. While certain components of a performance evaluation, such as disputed facts reported to be incomplete or inaccurate are challengeable using the city's grievance process, other performance evaluation data, including subjective assessments, are not. For those parts of the performance evaluation system deemed not challengeable, an employee may submit a written response, which will be attached to the performance review. Performance reviews are to be scheduled on a regular basis, at least annually. The form, with all required signatures, will be retained as part of the employee's personnel file.

During the training period, informal performance meetings should occur frequently between the supervisor and the employee. Conducting these informal performance meetings provides both the supervisor and the employee the opportunity to discuss what is expected, what is going well and what needs improvement.

Signing of the performance review document by the employee acknowledges the review has been discussed with the supervisor and does not necessarily constitute agreement. Failure to sign the document by the employee will not delay processing.

## BENEFITS

### Health, Long-Term Disability, Life Insurance

The city makes a competitive monthly contribution toward group health insurance benefits for each eligible employee and his/her dependents. Employees are encouraged to look closely at this contribution as part of their overall compensation package with the city. In addition, the city provides long-term disability and group term life insurance with accidental death and dismemberment for all eligible employees.

For information about coverage, eligibility requirements, and voluntary (employee sponsored benefits) employees should refer to the summary plan description or contact the human resources department.

### Retirement/PERA

The city participates in the Public Employees Retirement Association (PERA) to provide pension benefits for its eligible employees to help plan for a successful and secure retirement. Participation in PERA is mandatory for most employees, and contributions into PERA begin immediately. The city and the employee contribute to PERA each pay period as determined by state law. Most employees are also required to contribute a portion of each pay check for Social Security and Medicare (the city matches the employee's Social Security and Medicare withholding for many employees). For information about PERA eligibility and contribution requirements, contact the human resources department.

### HOLIDAYS

The city observes the following official holidays for all regular full-time and part-time employees:

New Year's Day	Labor Day
Martin Luther King, Jr. Day	Veterans Day
Presidents Day	Thanksgiving Day
Memorial Day	Friday after Thanksgiving
Independence Day	Christmas Day

Official holidays commence at the beginning of the first shift of the day on which the holiday is observed and continue for twenty-four (24) hours thereafter.

When a holiday falls on a Sunday, the following Monday will be the "observed" holiday and when a holiday falls on a Saturday, the preceding Friday will be the "observed" holiday for city operations/facilities that are closed on holidays.

Full-time employees will receive pay for official holidays at their normal straight time rates, provided they are on paid status on the last scheduled day prior to the holiday and first scheduled day immediately after the holiday. Part-time employees will receive prorated holiday pay based on the number of hours normally scheduled only if they would normally be scheduled to work on the day of the week designated as the holiday. Any employee on a leave of absence without pay from the city is not eligible for holiday pay.

Employees wanting to observe holidays other than those officially observed by the city may request either vacation leave or unpaid leave for such time off.

## Exempt Employees Pay Policy

Exempt employees are expected to work the hours necessary to meet the performance expectations outlined by their supervisors.

Generally, to meet these expectations, and for reasons of public accountability, an exempt employee will need to work 40 or more hours per week. Exempt employees do not receive extra pay for the hours worked over 40 in one workweek.

Exempt employees are paid on a salary basis. This means they receive a predetermined amount of pay each pay period and are not paid by the hour. Their pay does not vary based on the quality or quantity of work performed, and they receive their full weekly salary for any week in which any work is performed.

The City of Willmar will only make deductions from the weekly salary of an exempt employee in the following situations:

- The employee is in a position that does not earn vacation or personal leave and is absent for a day or more for personal reasons other than sickness or accident.
- The employee is in a position that earns sick leave, receives a short-term disability benefit or workers' compensation wage loss benefits, and is absent for a full day due to sickness or disability, but he/she is either not yet qualified to use the paid leave or he/she has exhausted all of his/her paid leave.
- The employee is absent for a full workweek and, for whatever reason, the absence is not charged to paid leave (for example, a situation where the employee has exhausted all of his/her paid leave or a situation where the employee does not earn paid leave).
- The very first workweek or the very last workweek of employment with the city in which the employee does not work a full week. In this case, the city will prorate the employee's salary based on the time actually worked.
- The employee is in a position that earns paid leave and is absent for a partial day due to personal reasons, illness, or injury, but:
  - Paid leave has not been requested or has been denied.
  - Paid leave is exhausted.
  - The employee has specifically requested unpaid leave.
- The employee is suspended without pay for a full day or more for disciplinary reasons for violations of any written policy that is applied to all employees.
- The employee takes unpaid leave under the FMLA.
- The City of Willmar may for budgetary reasons implement a voluntary or involuntary unpaid leave program and, under this program, make deductions from the weekly salary of an exempt employee. In this case, the employee will be treated as non-exempt for any workweek in which the budget-related deductions are made.

The City of Willmar will not make deductions from pay due to exempt employees being absent for jury duty or attendance as a witness but will require the employee to pay back to the city any amounts received by the employee as jury fees or witness fees.



If the city inadvertently makes an improper deduction to the weekly salary of an exempt employee, the city will reimburse the employee and make appropriate changes to comply in the future.

Exempt employees are required to work the number of hours necessary to fulfill their responsibilities including evening meetings and/or on-call hours. Exempt employees are allowed reasonable freedom in their hours and their schedule shall be such as to best supervise their employees or as directed by the City Administrator.

Exempt employees are required to use paid leave when on personal business or away from the office for four (4) hours or more, on a given day. Absences of less than four (4) hours do not require use of paid leave as it is presumed that the staff member regularly puts in work hours above and beyond the normal forty (40) hour workweek. Exempt employees must communicate their absence to the city administrator or his/her designee.

If one of the above employees is regularly absent from work under this policy and it is found that there is excessive time away from work that is not justified, the situation will be handled as a performance issue.

If it appears that less than forty (40) hours per week is needed to fulfill the position's responsibilities, the position will be reviewed to determine whether a part-time position will meet the needs of the city. Additional notification and approval requirements may be adopted by the city administrator for specific situations as determined necessary.

Exempt Employees receive two (2) personal days each year. Personal leave days accruing on an annual basis shall be prorated for new hires on an hourly basis per hours remaining in the calendar year. Personal leave days shall be available for immediate use and may be used in full as soon as a new year begins.

Personal leave days may be used in hourly increments but may not be carried over into a new calendar year. In no event shall an employee receive severance pay for unused personal leave days when an employee's services are terminated.



Extract from

3.1. Work Day/Hours, Work Week, Flexitime

...

The City Administrator, Department Directors certain titled officials, and other supervisory personnel who are exempt from the Fair Labor Standards Act are given reasonable freedom in their hours. They shall have no rigid work hours or work weeks except that their hours shall be such as to best supervise their employees or as directed by the City Council.

#### 4.1. Pay Period, Pay Days

Employees shall be paid every-other Thursday, for the period of the preceding two weeks ending on Saturday at 12:00 a.m. When a pay day falls on a holiday, employees shall receive their pay the preceding work day.

#### 4.2. Payroll Deductions

The City is required to deduct from all employees' checks Federal and State income tax and Social Security tax if applicable. The City serves as the collection agency and passes the money on to the State and Federal government. The City is also required to deduct contributions to the Public Employees Retirement Association (PERA).

There are other payroll deductions which may be taken into consideration on payroll checks. Some of these are as follows: union dues, deferred compensation, savings bonds, insurance premiums, and United Way contributions. Employees desiring to enroll in any of these programs should contact the Finance Department.

### 4.3. Overtime

Unless they are exempt under the Fair Labor Standards Act (FLSA), employees are entitled to overtime compensation at a rate of one and one-half hours for each hour of overtime worked in excess of eight (8) hours within a twenty-four (24) hour period or forty (40) hours in a work week. The compensation may be in cash or in compensatory time off. Arrangements for compensatory time off in lieu of overtime pay in cash shall be made part of the collective bargaining agreement governing the respective employee.

Overtime is due only for time actually worked over 40 hours in a work week. If an employee takes compensatory time off or paid vacation, personal leave or sick leave, those hours are not counted as part of the 40-hour work week for purposes of determining whether overtime is due, because those hours were not actually worked.

### 5.3. Holidays/Scheduled Days Off

Employees shall receive regular compensation for eight (8) hours of work for each of the holidays listed in their collective bargaining agreement. When a holiday falls on a Saturday, the previous day will be designated as a holiday. When on a Sunday, the following day will be a holiday.

When a holiday falls during a vacation period or when an employee is on sick leave, the employee will not be charged for vacation or sick leave for that day provided the holiday falls on a day they are normally scheduled to work. If an employee works on a holiday, they receive pay or compensatory time in lieu of pay as per the governing collective bargaining agreement of the employee.

Permanent part-time employees are entitled to pay on a holiday only if they would normally be scheduled to work on the day of the week designated as the holiday, and they shall be paid only for the number of hours they would have worked.

#### 5.4. Life Insurance/Supplemental Life Insurance

The City of Willmar provides group term life insurance with accidental death and dismemberment for all full-time employees and any permanent part-time employee that consistently works 20 hours per week all year long. The cost of the plan is paid by provisions of the employee's respective collective bargaining agreement.

5.5.1. The City of Willmar provides a standard medical and hospitalization health insurance plan for all full-time employees and any permanent part-time employee that consistently works twenty (20) hours per week all year long. The cost of the plan is paid by provisions of the employee's respective collective bargaining agreement. Permanent part-time employees eligible for medical and hospitalization health insurance shall pay a pro-rated share of a monthly premium based on the average hours worked per 40 hour work week.

## 5.6. Disability Insurance

The City of Willmar provides a long-term disability insurance policy for all full-time employees and any permanent part-time employee that consistently works thirty (30) hours per week all year long. Permanent part-time employees eligible for disability insurance shall pay a pro-rata share of the monthly premium based on the average hours worked per 40-hour work week.

An employee qualifying for the insurance (minimum consecutive months of disability must be met) will receive 60 percent of the employee's monthly basic wage or salary up to a maximum of \$4,000 per month.

Accrued sick leave shall be reduced during the qualifying period equal to the normal schedule of bi-weekly hours of the employee. Upon fulfilling the qualifying period, approved sick leave will be coordinated with the disability insurance payments on a pro-rata basis equal to, but not exceeding, the net compensation amount paid prior to the disability.

Long-term disability insurance payments may be offset by qualifying PERA disability payments to the minimum benefit leave of \$50 per month dependent upon existing PERA disability criteria.



#### 5.10. Retirement Program/PERA/FICA

The City of Willmar is a member of the State Public Employees Retirement Association and also participates in the Federal FICA program. Membership for full-time employees is mandatory at date of employment. The City and member employees contribute to the retirement plans and may be either a coordinated member or a basic member of PERA. Coordinated means an employee is eligible for both PERA and FICA benefits. A basic employee is eligible for PERA only (employed prior to 1966). If an employee separates from City employment before retirement, he/she may request a refund from PERA of employee contributions.

#### EMPLOYEES EXCLUDED FROM MEMBERSHIP IN PERA AND EXEMPTED FROM FICA TAX:

- A. Temporary Employees. Employees who hold positions of an essentially temporary or seasonal character are exempt provided such employment does not continue for a period in excess of one hundred twenty (120) working days in any calendar year.
- B. Full-time Students. Part-time employees are exempt if they are full-time students who are enrolled and regularly attending classes at an accredited school, college or university. Full-time students must provide proof of status in order to meet this exemption.
- C. Part-time Employees. An employee who earns less than \$325 per month is not eligible for membership. The \$3,900 per calendar year rule may be used only if annual earnings are stipulated in advance in writing. The document must be signed at the time the employee was hired or at the beginning of contract year.
- D. Medicare. An amount for Medicare coverage shall be withheld from wages of employees in the above classifications until such time as any one of the exclusions is no longer met. Withholdings shall be at full rates thereafter.

### 5.13. Personal Leave Days

Each employee desiring to take personal leave, and having leave with pay to his/her credit in accordance with the provisions of a collective bargaining agreement, shall make application for such leave to their supervisor. The application shall be approved if it will not seriously affect the services of the Department.

Personal leave days accruing on an annual basis shall be prorated for new hires on an hourly basis per hours remaining in the calendar year. Personal leave days shall be available for immediate use, specifically inclusive of probation, and may be used in full as soon as a new year begins.

Personal leave days may be used in hourly increments but may not be carried over into a new calendar year. In no event shall an employee receive severance pay for unused personal leave days when an employee's services are terminated.

2.7. Promotions/Transfers (replaced in 3<sup>rd</sup> Section of new policy)

The City of Willmar's policy is to promote existing employees where possible. A promotion shall be based on seniority, qualification, and ability to perform the duties of the new position and based on the recommendation of the respective Department Director. A transfer between Departments should be discussed and approved by both Department Directors and the City Administrator.

6.5. Pre-employment Physical (replaced in 3<sup>rd</sup> Section of new policy)

An employee may be required to submit to a medical examination before permanent and full-time employment is finalized. Such examination shall be conducted by a City-appointed physician and shall be at the expense of the City.

## Tuition Reimbursement

To be considered for tuition reimbursement, the employee must be in good standing and have been employed by the city for at least one year. All requests for tuition reimbursement will be considered on a case-by-case basis by the city administrator, with final approval/disapproval provided by the City Council.

Courses taken for credit at an approved educational institution must meet the following criteria to be approved for reimbursement:

- Courses must be directly related to the employee's present position (whether required for a degree program or not); OR
- Courses must be directly related to a reasonable promotional opportunity in the same field of work as present position (whether part of a degree program or not).

The city will pay the cost of tuition upon successful completion (C grade or better; "pass" in a pass/fail course) of the approved course. Reimbursements will be prorated for part-time employees. The maximum reimbursement per course will be based on an average course cost at the University of Minnesota. Employees may elect to attend a more costly school provided they pay the difference in cost. Employees must reimburse the city if they voluntarily leave employment within twelve (12) months of receiving tuition reimbursement from the city. Tuition reimbursement for an individual employee will not exceed \$ \_\_\_\_\_ per year.

## LEAVES OF ABSENCE

Depending upon an employee's situation, more than one form of leave may apply during the same period of time (e.g., the Family and Medical Leave Act is likely to apply during a worker's compensation absence). An employee will need to meet the requirements of each form of leave separately. Leave requests will be evaluated on a case-by-case basis.

Except as otherwise stated, all paid time off, taken under any of the city's leave programs, must be taken consecutively, with no intervening unpaid leave. The city will provide employees with time away from work as required by state or federal statutes, if there are requirements for such time off that are not described in the personnel policies.

### Sick Leave

Sick leave is authorized absence from work with pay, granted to qualified full-time and part-time employees. Sick leave is a privilege, not a right.

Employees are to use this paid leave only when they are unable to work for medical reasons and under the conditions explained below. Sick leave does not accrue during an unpaid leave of absence.

- Full-time employees will accumulate sick leave at a rate of one (1) day per month.
- Part-time employees regularly scheduled to work at least 30 hours per week will accrue sick leave on a pro-rated basis of the full time employee schedule.
- Part-time employees regularly scheduled to work fewer than 30 hours per week will not earn or accrue sick leave.
- Temporary and seasonal employees will not earn or accrue sick leave.
- Sick leave may be used only for days when the employee would otherwise have been at work. It cannot be used for scheduled days off.

### **Sick leave may be used as follows:**

- When an employee is unable to perform work duties due to illness or disability (including pregnancy).
- For medical, dental or other care provider appointments.
- When an employee has been exposed to a contagious disease of such a nature that his/her presence at the work place could endanger the health of others.
- To care for the employee's injured or ill children, including stepchildren or foster children, for such reasonable periods as the employee's attendance with the child may be necessary.
- To take children, or other family members to a medical, dental or other care provider appointment.
- To care for an ill spouse, father, father-in-law, mother, mother-in-law, stepparent, grandparent, grandchild, sister or brother.

Pursuant to Minn. Stat. §181.9413, eligible employees may use up to 160 hours of sick leave in any 12-month period for absences due to an illness or injury to the employee's adult child, spouse, sibling, parent, grandparent, stepparent, parent-in-law (mother-in-law and father-in-law), and grandchild (includes step-grandchild, biological, adopted, or foster grandchild).

*Safety leave:* Employees are authorized to use sick leave for reasonable absences for themselves or relatives (employee's adult child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent) who are providing or receiving assistance because they, or a relative, is a victim of sexual assault, domestic abuse, or stalking. Safety leave for those listed, other than the employee and the employee's child, is limited to 160 hours in any 12-month period.

After accrued sick leave has been exhausted, vacation leave may be used upon approval of the city administrator, to the extent the employee is entitled to such leave.

**To be eligible for sick leave pay, the employee will:**

- Communicate with his/her immediate supervisor, as soon as possible before the scheduled start of the work day, for each and every day absent;
- Keep his/her immediate supervisor informed of the status of the illness/injury or the condition of the ill family member;
- Submit a physician's statement upon request.

After an absence, a physician's statement may be required on the employee's first day back to work, indicating the nature of the illness or medical condition and attesting to the employee's ability to return to work and safely perform the essential functions of the job with or without reasonable accommodation.

Any work restrictions must be stated clearly on the return-to-work form. Employees who have been asked to provide such a statement may not be allowed to return to work until they comply with this provision. Sick leave may be denied for any employee required to provide a doctor's statement until such a statement is provided.

The city has the right to obtain a second medical opinion to determine the validity of an employee's workers' compensation or sick leave claim, or to obtain information related to restrictions or an employee's ability to work. The city will arrange and pay for an appropriate medical evaluation when it is required by the city.

Any employee who makes a false claim for sick leave will be subject to discipline up to and including termination.

Employees must normally use sick leave prior to using paid vacation, or compensatory time and prior to an unpaid leave of absence during a medical leave.

Sick leave will normally not be approved after an employee gives notice that he or she will be terminating employment. Exceptions must be approved by the city administrator.

Sick leave cannot be transferred from one employee to another except in the case of approved sick leave donations (see full Sick Leave Donation Policy). For employees with less than seven (7) years of continuous employment, earned sick leave has no cash value upon termination or retirement. For employees with seven (7) or more years of continuous employment, see full Sick Leave Upon Separation Policy. The maximum accumulation for sick leave is 840 hours.

Vacation Leave  
Vacation Leave Schedule

Years of Service	Annual Accrual
1-4 Years	10/15 Days
5-9 Years	15/18 Days
10-14 Years	20 Days
15+ Years	25 Days

**Eligibility**

Full-time employees will earn vacation leave in accordance with the above schedule. New hires may only be placed at a higher accrual rate with the approval of the City Administrator.

Part-time employees who work at least 30 hours per week on a regular basis will accrue vacation leave on a prorated basis of the full-time employee schedule.

Part-time employees who work less than 30 hours per week on a regular basis, temporary and seasonal employees will not earn or accrue vacation leave.

**Accrual Rate**

For the purpose of determining an employee’s vacation accrual rate, years of service will include all continuous time that the employee has worked at the city (including authorized unpaid leave). Employees who are rehired after terminating city employment will not receive credit for their prior service unless specifically negotiated at the time of hire.

**Earnings and Use**

Vacation leave may be used as it is earned, subject to approval by the employee’s supervisor.

Requests for vacation must be received at least forty-eight (48) hours in advance of the requested time off. This notice may be waived at the discretion of the supervisor and city administrator.

Vacation can be requested in increments as small as one hour up to the total amount of the accrued leave balance. Vacation leave is to be used only by the employee who accumulated it. It cannot be transferred to another employee.

Employees may accrue vacation leave up to a maximum of two (2) times the employee’s annual accrual rate. No vacation will be allowed to accrue in excess of this amount without the approval of the City Council.

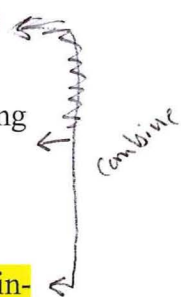
Employees who have accumulated at least 120 vacation hours may cash in 40 hours of vacation one time per calendar year when they have used at least 40 hours of vacation time in the past 12 months.

**Funeral Leave**

Employees will be permitted to use up to three (3) working days, with pay, as funeral leave upon the death of an immediate family member. This paid leave will not be deducted from the employee’s vacation or sick leave balance. Funeral Leave is only for days when the employee was regularly scheduled to work.

The funeral leave approval will be determined by the supervisor or city administrator depending on individual circumstances (such as the closeness of the relative, arrangements to be made, distance to the funeral, etc.).

Alternatively: The employee's immediate family is defined as father or father-in-law, grandfather, mother or mother-in-law, grandmother, sister or sister-in-law, brother or brother-in-





law, spouse, children, stepchildren, stepparents, or a member of the employee's own immediate household.

## Sick Leave Donation Policy

With the express written approval of the City Administrator, City employees having accrued sick leave will be allowed to donate a portion of such accrued sick leave to fellow employees experiencing a major life threatening disease or a health condition suffered by the employee, spouse, children or stepchildren of either husband or wife or stepparents, and a member of the employee's immediate household.

The donation of sick leave from one employee to another shall be subject to the following terms and conditions:

1. An Employee will be eligible to receive donated sick leave only after all accumulated sick leave, vacation leave, and compensatory time have been used by the employee. The donating employee may pledge sick leave hours before the receiving employee exhausts all of their paid leave. Then once (or if) the receiving employee has exhausted all paid leave, the hours will be added to their sick bank. If the receiving employee ~~does not~~never exhausts all of their paid leave within the calendar year, the sick hours will revert back to the donor.
2. No employee will be allowed to receive more than forty (40) days of donated sick leave for any single major life threatening disease or condition without the express written approval of the City Administrator.
3. An employee may donate leave only if the donor will have a remaining balance of at least forty (40) hours of sick leave after donation.
4. An employee may donate no more than forty (40) hours per calendar year to a single fellow employee. This shall not be construed to prohibit donating forty (40) hours per year to another fellow employee.
5. A written request to donate sick leave must be made to the City Administrator on forms designated by the City for this purpose.
6. The City Administrator shall have the right to deny use of donated sick leave or limit its use as shall be determined in the best interests of the City of Willmar.

## Sick Leave Upon Separation

Employees with seven (7) or more years of consecutive service with the Employer shall be granted, upon termination of employment with the Employer, the cash value of the accumulated total sick leave; computed at last current salary at time of severance, in accordance with the following schedule: seven (7) years, seventy (70%) percent; eight (8) years, eighty (80%) percent; nine (9) years, ninety (90%) percent; ten (10) years, one hundred (100%) percent. In the event an Employee with at least seven (7) years continuous service dies while so employed, his/her heirs as designated under the PERA plan shall be entitled to an amount equal to the percent of accrued sick leave benefits that said Employee would have earned under the termination clause (payable at the time of Employee's death). Termination and/or death benefits shall be limited to 840 hours

## 5.1. Vacation

Vacation with pay shall be granted to City employees except that no employee shall be allowed to use vacation leave until after the expiration of the employee's probationary period. The probationary restriction shall not apply to employee promotions and/or transfers.

Full-time employees shall accrue vacation leave according to the schedule of their collective bargaining agreement. Permanent part-time employees shall accrue vacation leave according to a rate equal to the average hours worked per week divisible by a forty (40) hour work week multiplied by the respective collective bargaining agreement vacation schedule.

Each employee desiring to take vacation leave and having vacation leave with pay to his/her credit in accordance with the foregoing provisions, shall make application for such leave to the immediate supervisor except when departmental rules require Department Director approval. The application shall be approved if it will not seriously affect the services of the Department.

The City of Willmar encourages all employees to take at least one week of vacation in a block. The balance of accrued vacation may be taken individually in a minimum of one (1) hour increments.

In case of sickness or accident not covered by Workers Compensation, an employee may request that all or part of the accrued vacation time be applied as sick leave and will be paid in the same manner as vacation time. Vacation may not be waived by an employee for the purpose of receiving extra pay for work during that period.

Vacation leave is accrued when vacation days, holidays, and sick days are taken. No vacation leave shall accrue during a leave of absence, except employees on the 15-day military leave with pay.

In the event an employee's services are terminated in good standing, they shall be compensated for the accumulated vacation hours at the rate of pay of the termination date. Employees who voluntarily terminate prior to completing the probationary period or who are dismissed at the end of the probationary period shall not be eligible for terminal vacation pay.

## 5.2. Sick Leave

Sick leave with pay shall be granted to City employees except that no employee shall be allowed to use sick leave until after the expiration of the employee's probationary period and City Administrator action granting full-time, year-round status. In cases of extreme emergency, and with the express approval of the Department Director, sick leave may be granted during the probationary period. Full-time, year-round employees shall accrue sick leave according to the schedule of their collective bargaining agreement. Permanent part-time employees shall accrue sick leave according to a rate equal to the average hours worked per week divisible by a forty (40) hour work week multiplied by the respective collective bargaining agreement sick leave schedule.

Employees may use sick leave for the following:

- A. Illness of the employee, causing absence from work.
- B. Injury to employee, causing absence from work.
- C. Need by employee for acute medical or dental care which cannot be obtained after working hours.
- D. Illness or injury to members of the immediate family - father or grandfather, mother or grandmother, sister or sister-in-law, brother or brother-in-law, spouse, children of either husband or wife, stepchildren or stepparents, and a member of the employee's immediate household.
- E. Pregnancy prior to delivery and up to four (4) months post-delivery.

When an employee is unable to report to work because of illness or injury, or because of illness in the immediate family, he/she shall report to the Department Director or First Line Supervisor, or cause to be reported, early enough so that arrangements may be made to carry on the employee's work. The Department Director may require a signed statement from the employee's physician or other evidence of the extent of the injury or condition of the employee or employee's family member during illness.

Sick leave is accrued when vacation days, holidays, and sick days are taken. No sick leave shall accrue during a leave of absence, except employees on military leave with pay.

Sick leave with pay shall not be granted to emergency or per diem employees. When incapacitating sickness or hospitalization occurs within a period of vacation leave, the period of illness may, upon presentation of a statement from the attending licensed physician, be charged as sick leave and the charge against vacation leave reduced accordingly.

The appointing authority may require the employee to produce medical certification from a registered, practicing physician attesting to the fact that the employee is fit to return to work.

Pregnancy is treated as a sickness. When the employee is unable to perform her job responsibilities, sick leave may be used prior to the maternity leave of absence within the following guidelines:

- A. Sick days may be used continuously until the employee has depleted the number of sick days accrued, after which the leave of absence would become effective.
- B. It is not required that all or any sick days be used for maternity leave, as it may be desired to save the sick days in case of illness or surgery. Maternity leave of absences are granted up to four (4) months after the date of delivery, regardless of the extent of sick days used.
- C. Sick days may only be used up to four months after the delivery.

Natural or adoptive parents may use sick leave for the following reasons:

- A. Pregnant employees requesting maternity leave may use paid sick leave prior to the birth of the child and up to four (4) months after the birth of the child unless all accumulated sick leave is exhausted at an earlier date.
- B. Male employees who become a natural or adoptive parent may use a maximum of three (3) sick days before or after the birth or arrival of the child.
- C. Female employees who become an adoptive parent may use a maximum of three (3) sick leave days before or after the arrival of the child.

Any employee sustaining an injury while on the job is eligible for Workers Compensation. Accumulated sick leave may be used in conjunction with the payment received from Workers Compensation so that the combined total will be equal to the employee's net salary (see Workers Compensation).

Donation of Sick Leave:

With the express written approval of the City Administrator, City employees having accrued sick leave will be allowed to donate a portion of such accrued sick leave to fellow employees experiencing a major life threatening disease or a health condition suffered by the employee, spouse, children or stepchildren of either husband or wife or stepparents, and a member of the employee's immediate household.

The donation of sick leave from one employee to another shall be subject to the following terms and conditions:

1. An Employee will be eligible to receive donated sick leave only after all accumulated sick leave, vacation leave, and compensatory time have been used by the employee. The donating employee may pledge sick leave hours before the receiving employee exhausts all of their paid leave. Then once (or if) the receiving employee has exhausted all paid leave, the hours will be added to their sick bank. If the receiving employee never exhausts all of their paid leave, the sick hours will revert back to the donor.
2. No employee will be allowed to receive more than forty (40) days of donated sick leave for any single major life threatening disease or condition without the express written approval of the City Administrator.
3. An employee may donate leave only if the donor will have a remaining balance of at least forty (40) hours of sick leave after donation.
4. An employee may donate no more than forty (40) hours per calendar year to a single fellow employee. This shall not be construed to prohibit donating forty (40) hours per year to another fellow employee.
5. A written request to donate sick leave must be made to the City Administrator on forms designated by the City for this purpose.

6. The City Administrator shall have the right to deny use of donated sick leave or limit its use as shall be determined in the best interests of the City of Willmar.



#### 5.14. Retirement/Termination Pay

Employees retiring or terminating in good standing that are eligible for vacation and/or sick leave compensation as described in their labor contract, shall be allowed to receive payment of their accrued vacation and/or sick leave in a lump-sum payment or carried over three (3) calendar years and not on a monthly basis. All requests for multiple year payments must be in written form, signed and dated by the employee, and submitted to the Finance Director in a timely manner prior to leaving the employment of the City.

## 5.8. Funeral Leave

Employees may be allowed up to three (3) working days paid leave at the employee's straight time rate in the event of death of a member of the employee's immediate family. Such funeral leave days will not be deducted from sick leave. The employee's immediate family is defined as father or father-in-law, grandfather, mother or mother-in-law, grandmother, sister or sister-in-law, brother or brother-in-law, spouse, children of either husband or wife, stepchildren or stepparents, or a member of the employee's own immediate household. It is understood that payment under the above provisions is only for a day or days when the employee was scheduled to work and would have worked except for the death of such relative.

**PUBLIC WORKS/SAFETY COMMITTEE  
MINUTES**

The Public Works/Safety Committee of the Willmar City Council met on Wednesday, July 10, 2019, in Conference Room No. 1 at the City Office Building.

Present:	Andrew Plowman	.....	Chair
	Julie Asmus	.....	Vice Chair
	Audrey Nelsen	.....	Member
	Fernando Alvarado	.....	Member

Others present: Public Works Director Sean Christensen; Fire Chief Frank Hanson; Police Captain Mike Anderson; Public Works Superintendent Gary Manzer; Shelby Lindrud "West Central Tribune."

Item No. 1      Call to Order

The meeting was called to order at 5:19 p.m.

Item No. 2      Public Safety Updates (Information)

Staff brought forth, for information, the Police and Fire Department statistics for the month of June.

Council Member Alvarado entered the meeting at 5:29 p.m.

Item No. 3      Receive Testimony for Liquor License Violations (Information)

Staff brought forth, for information, the testimony for first-time liquor license violations from American Legion 167 dba Austin F. Hanscom Post, BPOE Lodge 952 dba Willmar Elks Lodge, A&A Investment LLC dba West Side Liquor (West). Tapatio LLC dba El Tapatio Mexican Restaurant was not in attendance.

A second-time violation was issued to Foxhole Brewhouse Incorporated with a \$1,000 fine paid to the City on June 20, 2019.

Item No. 4      WPD Grant Participation (Resolution)

Staff brought forth, for approval, authorization to be named and potentially participate in a state grant through the Kandiyohi County Attorney's Office. The office had successfully wrote a grant in the past for human trafficking investigations which ran from 2017 to 2019. The Attorney's office has now offered to reapply for the grant for 2020 to 2022. The grant requires two separate departments to commit a full-time investigator for combatting human and sex trafficking in our area. The Upper Sioux Police Department has offered to have one officer assigned and Willmar PD would be listed as a second agency. If awarded, all wages, benefits, overtime costs and most equipment would be covered in the grant for a full-time officer assignment.

A motion was made by Council Member Nelsen, seconded by Council Member Asmus to approve the Willmar Police Department participation in the Sex Trafficking Investigation and Training grant through the Kandiyohi County Attorney's Office with reevaluation of involvement if successful. The motion carried.

Item No. 5      Sale of Fire Truck (Motion)

Staff brought forth, for approval, the recommendation to advertise the sale of the 1988 Luverne fire engine. This vehicle was on a 25-year replacement cycle but due to other circumstances, the unit was retained until 2017. A replacement was purchased last year and since October, this unit has been kept while staff researched the use of it as a backup truck to improve the City's ISO rating, but found it to have little impact.

A motion was made by Council Member Alvarado, seconded by Council Member Asmus to approve the recommendation to advertise the sale of the 1988 Luverne fire engine beginning August 1, 2019 with a starting

price of \$25,000. The motion carried.

Item No. 6      Sperry Tennis Court Project (Resolution)

Staff brought forth, for approval, consideration of bids for the Sperry Park Pickle Ball Courts project. Staff received one bid from a local vendor and the bid was higher than budgeted, so additional bids were solicited for each aspect of the project. Riley Brothers Construction, Inc. was the low bid received for the court resurfacing in the amount of \$40,345, AnDi's FenceAll for fencing in the amount of \$17,113.36 and Surface Pro for painting the surface in the amount of \$15,000.

A motion was made by Council Member Asmus, seconded by Council Member Nelsen to award the bids for the Sperry Pickle Ball Courts project and authorize signatures on the agreements. The motion carried.

Item No. 8      Project No. 1804 Change Order No. 1 and Final Acceptance (Resolutions)

The City entered into an agreement on June 18, 2018 with Duininck, Inc. for the path overlay along North Business 71 from Robbins Island to the Kandiyohi Power Cooperative lot on 13<sup>th</sup> Avenue NE in the amount of \$82,270. Change Order No. 1 in the amount of \$926.90 is a reconciliation of the final contract quantities. The final pay request is hereby submitted for consideration and staff is recommending final payment be made.

A motion was made by Council Member Asmus, seconded by Council Member Alvarado and passed to accept Change Order No. 1 in the amount of \$926.90.

A second motion followed made by Council Member Alvarado, seconded by Council Member Asmus, to accept the project and authorize final payment in the amount of \$10,588.49 to Duininck, Inc. for Project No. 1804. The motion carried.

There being no further business to come before the Committee, the meeting was adjourned at 7:18 p.m. by Chair Plowman.

Respectfully submitted,



Sean E. Christensen, P.E.  
Public Works Director

# Willmar Police Department

## *Monthly Calls for Service Statistics*

Title	June 2018	June 2019
911 Hang Up	16	16
Abandoned Vehicles	91	65
Agency Assist	72	57
Alarm	26	41
Alcohol Offense	3	9
Animal	69	103
Assault	13	15
Burglary	12	4
Child Custody Dispute	12	12
Crash	67	57
Criminal Damage To Property	40	41
Disorderly	38	21
Domestic	38	42
Drugs	10	8
Family Service	56	50
Fight	6	8
Fraud	17	19
Gun Permits	18	20
Harassment	26	30
Information	5	16
K-9 Assist	11	0
Lost And Found	75	58
Mental Issues	20	4
Missing Person	12	24
Motorists Assist	13	16
Neighborhood Disturbance	27	30
Public Assist	177	206
School Related Incidents	0	0
Sex Crimes	4	7
Sudden Death/Bodies Found	3	1
Suicidal Person	6	13
Suspicious	119	83
Theft	73	39
Traffic Complaint	48	69
Traffic Stop	532	263
Trespass	5	1
Warrant Service	27	26

Current Month CFS:

1545

YTD Calls for Service:

8944

2018 Month CFS:

1876

(Some minimal CFS categories not shown)

# WILLMAR FIRE DEPARTMENT

## *MONTHLY CALLS FOR SERVICE*

Title	June 2019	June 2018
Alarm Activations	3	5
Cooking Fires / Burnt Food	3	0
Building Fires-	1	0
Building / Trash Fires	1	1
Grass Fires	1	0
Smoke Scares	4	0
Sprinkler Activation	1	0
Natural Gas Leak	1	1
Vehicle Crashes	7	5
Elevator Rescue	1	2
Carbon Monoxide Alarms	0	1
Water Rescue	1	0
Hazardous Materials Investigation	0	2
Electrical Fires / Shorts	0	1
Severe Weather Watch	1	0
Water Leaks	1	0

Current Month CFS: 26

2019 YTD Calls for Service: 146

2018 Calls for service thru June: 143

### **June 2018 Training:**

June 6 – Confined Space Rescue -- Hands On

June 13 – Business Meeting

June 20 – Station Clean up and Water ball at the block party

June 22 – Pancake feed & Willmar Fests Parade

June 28 - Off



# WILLMAR

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: July 10, 2019</b>
<b>From: Judy R. Thompson City Clerk</b>	<b>Subject: Receive Testimony for Liquor License Violations</b>

**AGENDA ITEM:** Liquor License Violations

**INTRODUCTION/REQUEST:** Receive Testimony for Liquor License Violations

**HISTORY:** Pursuant to the Municipal Code Sec. 3-10 [Minimum penalties for violations of state or city ordinances resulting from the sale of alcoholic beverages] the last alcohol compliance check resulted in five (5) violations of On-Sale Liquor License, On-Sale Club Liquor License, Off-Sale Liquor License, and an On-Sale Brewer’s Taproom Liquor Licensed establishments.

- 1) A first violation for On-Sale Liquor License holders **American Legion 167 dba Austin F. Hanscom Post** and as such an appearance at a City Committee Meeting is required to explain measures being taken to eliminate future violations.
- 2) A first violation for On-Sale Liquor License holder **Tapatio LLC. dba El Tapatio Mexican Restaurant** and as such an appearance at a City Committee Meeting is required to explain measures being taken to eliminate future violations.
- 3) A first violation for On-Sale Club Liquor License holder **BPOE Lodge 952 dba Willmar Elks Lodge** and as such an appearance at a City Committee Meeting is required to explain measures being taken to eliminate future violations.
- 4) A first violation for Off-Sale Liquor License holder **A & A Investment LLC dba West Side Liquor (West)** and as such an appearance at a City Committee Meeting is required to explain measures being taken to eliminate future violations.

A second violation was given to the On-Sale Brewer’s Taproom Liquor License holder **Foxhole Brewhouse Incorporated dba Foxhole Brewhouse** and as such per Municipal Code Sec. 3-10 a penalty of one thousand dollars (\$1,000) was requested to be paid to the City of Willmar or an option to appeal this penalty. The penalty was paid to the City on June 20, 2019. On September 12, 2016, the first violation was heard per a City Committee Meeting.

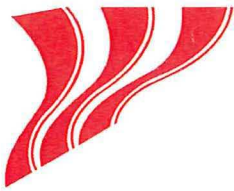
**CURRENT CIRCUMSTANCE:** N/A

**RECOMMENDATION:** Receive Testimony for Liquor License Violations

**REVIEWED BY:** Judy R. Thompson, City Clerk

**COUNCIL MEETING DATE:** July 15, 2019





**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: 07/02/2019</b>
<b>From: Chief Jim Felt</b>	<b>Subject: WPD Grant Participation</b>

**AGENDA ITEM:** *Authorization to be named and potentially participate in a state grant through the Kandiyohi County Attorney's Office*

**INTRODUCTION/REQUEST:** *The Kandiyohi County Attorney's Office is seeking participation in a Sex Trafficking Investigation and Training grant offered by the State of MN. Willmar PD was approached to be part of a potential multi-jurisdictional, multi-agency task force to combat human trafficking. Willmar PD requests authorization to be named as a participating agency and potentially have one officer assigned to that task force if the grant is successful.*

**HISTORY:** *The Kandiyohi County Attorney's Office successfully wrote a grant for human trafficking investigations that ran 2017 through 2019. Through the grant, WPD staff was trained in recognition and investigation of human trafficking along with providing resources for victims. A focused investigation period took place from October 2018 to April 2019 and 25 "buyers" were apprehended in Willmar and charged with gross misdemeanor offenses along with a recovery of one weapon, several narcotics charges and one arrest of a predatory offender. Two "sellers" were also arrested and interventions offered. Several other ongoing investigations are continuing as time allows from both complaints received and the evidence found from those arrested. Evidence and arrests show that this is an issue in Willmar and an area for law enforcement focus noting that it ties in with other crimes such as narcotics, gangs, fraud and sex offenders.*

**CURRENT CIRCUMSTANCE:** *At this time, WPD can only utilize one specially trained detective as time allows for investigations and proactive operations. A multi-agency, multi-jurisdictional task force would allow for a collaboration of resources to combat human / sex trafficking in our area. Many of the offenders arrested crossed over from other nearby jurisdictions and this would provide a more comprehensive enforcement effort.*

*The Kandiyohi County Attorney's Office has offered to write the grant and to be the grant administrator & fiscal agent. The grant requires at least two separate departments to commit a full time investigator in the event of a successful grant. The Upper Sioux Police Department has offered to have one officer assigned. Willmar PD would like to be named as a second agency. To date other agencies have offered part-time, but no other full-time. (Two agencies must offer full time for grant submission). If awarded, all wages, benefits, overtime costs and most equipment would be covered in the grant for a full time officer assignment. A tentative plan to operate a Human Trafficking Task Force like this would be on the CEE-VI Drug Task Force model for administration.*

*The grant deadline is mid-August, so WPD's potential participation is needed for the application process.*



**RECOMMENDATION:** *Recommend approval of including Willmar PD in the Kandiyohi County Attorney's Office grant request for the multi-agency task force.*

**ISSUES:** *In the event of a successful grant, the council will be consulted on options for acceptance with WPD involvement. Discussions will also take place regarding officer staffing. It would be our intent to assign an experienced officer and request an officer be hired for patrol. This grant period would coincide with an officer retirement so no long term increase in staffing would be requested at this time. If the grant continued long term, re-evaluation would be done. The grant sought is for a two year period (2020 through 2022).*

**FINANCIAL IMPACT:** *No costs to the city for the grant application. No matching funds. If successful, an officer's wages, benefits, overtime and some equipment would be reimbursed. All financial and administrative functions would be through the Kandiyohi County Attorney's Office.*

**ALTERNATIVES:**

1. *Decline participation*
- 2.

**RECOMMENDED MOTION:** *Recommend to approve WPD participation in the Sex Trafficking Investigation and Training grant through the Kandiyohi County Attorney's Office with re-evaluation of involvement if successful.*

**REVIEWED BY:** *Brian Gramentz, City Administrator*

**WORK SESSION DATE:** *PW/PS Committee Meeting 07/10/2019*

**COUNCIL MEETING DATE:** *07/15/2019*

Resolution No. \_\_\_\_\_

**AUTHORIZATION TO APPLY AND PARTICIPATE IN THE SEX TRAFFICKING INVESTIGATION AND TRAINING GRANT THROUGH THE KANDIYOHI COUNTY ATTORNEY'S OFFICE.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

**BE IT RESOLVED**, by the City Council of the City of Willmar to support submittal of a grant application on behalf of the Willmar Police Department by the Kandiyohi County Attorney's Office for, and the acceptance of, a grant for the Sex Trafficking, Investigation and Training program.

Dated this 15<sup>th</sup> day of July, 2019.

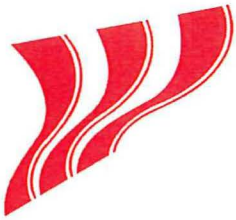
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Mayor

Attest:

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City Clerk



**WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Frank Hanson, Fire Chief</b>	<b>Subject: 1988 Luverne fire truck</b>

**AGENDA ITEM:** Selling the 1988 fire engine.

**INTRODUCTION/REQUEST:** I am requesting the City of Willmar sell the 1988 Luverne fire engine.

**HISTORY:**

This fire engine was purchased from General Safety in 1988. It has been an exceptional piece of equipment for the City. This vehicle was on a 25 year replacement cycle but due to other circumstances the vehicle was retained until 2017. We have purchased a “replacement” fire engine this year. In October I requested the City Council retain this vehicle while I researched if it would help improve the City’s ISO rating and to be used as a backup truck.

**CURRENT CIRCUMSTANCE:**

The fire department currently has two pumpers, one pumper/tanker combination truck, a Quint (pumper/ladder combination truck), a ladder truck, grass rig, and two support pickups. I have contacted several companies that sell used fire apparatus and they have told me if we sell this truck, we could list it for \$15,000 - \$25,000, depending on what equipment we sell with it. After doing further research about improving our ISO rating, retaining this truck would have little impact if any on achieving a better rating. We are also running out of space at the fire station, so selling this vehicle would help with that.

**RECOMMENDATION:**

I would recommend that we advertise the sale of this fire engine beginning August 1, 2019.

**FINANCIAL IMPACT:** Revenue of \$15,000-\$25,000

**ALTERNATIVES:** 1. To keep the truck for now.

**RECOMMENDED MOTION:** To sell the 1988 Luverne Fire Engine at a starting price of \$25,000.00

**REVIEWED BY:** Brian Gramentz, City Administrator

**COMMITTEE DATE:** Public Works / Public Safety 07-10-2019

**COUNCIL MEETING DATE:** 07-15-2019



# WILLMAR

City Office Building  
333 SW 6<sup>th</sup> Street  
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## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date:</b> <b>July 10<sup>th</sup>, 2019</b>
<b>From: Rob Baumgarn, Parks and Recreation Director</b>	<b>Subject:</b> <b>Sperry Tennis Court Project</b>

**AGENDA ITEM:** Sperry Pickle Ball Courts

**INTRODUCTION/REQUEST:** Transform the two tennis court at Sperry Park into 6 pickle ball courts.

**HISTORY:** The tennis courts at Sperry are unable play and the need for pickle ball courts are on the rise.

**CURRENT CIRCUMSTANCE:** Staff received one bid from a local vendor and the bid was higher then what is budgeted. Staff researched other vendors for each aspect of the project. (Re-surfacing, painting and fencing). By doing this, staff was able to keep the project in budget.

**RECOMMENDATIONS:** It is the recommendation to hire Riley Bros to resurface the courts for the amount of \$40,345.00, Andi Fence All for fencing for \$17,113.36 and Surface Pro for painting the surface for \$15,000.

**ISSUES:** None

**FINANCIAL IMPACT:** All of the work is inside the scope of the budget.

**ALTERNATIVES:**

1. Seek other vendors

**RECOMMENDED MOTION:** It is the recommendation to hire Riley Bros to resurface the courts for the amount of \$40,345.00, Andi's FenceAll for fencing for \$17, 113.36 and Surface Pro for painting the surface for \$15,000.

**REVIEWED BY:** Brian Gramentz, City Administrator

**COMMITTEE MEETING DATE:** July 10, 2019

**COUNCIL MEETING DATE:** July 15<sup>th</sup>, 2019

Resolution No. \_\_\_\_\_

**A RESOLUTION AWARDING THE BIDS FOR THE SPERRY PICKLE BALL COURTS PROJECT.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Riley Brothers Construction, Inc. of Morris, MN, AnDi's FenceAll of Glenwood, MN and Surface Pro of Anoka, MN for the Sperry Pickle Ball Courts project is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidders for the terms and consideration of the contract in the total amount of \$72,458.36.

Dated this 15th day of July, 2019

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Bid



RILEY BROS.

**Riley Bros. Construction, Inc.**

P.O. Box 535—Morris, MN 56267  
Ph. 320.589.2500—Morris  
Fax. 320.589.2545  
Ph. 320.634.3535—Glenwood, MN 56334  
Fax. 320.634.3838

- Sand & Gravel Products
- Parking Lots
- Driveways
- Streets & Roads
- Overlays & Patching

PROPOSAL SUBMITTED City of Willmar	PHONE Rob 320 491 1024 Curt 320 905 4130	5/28/2019
STREET 2707 Arena Drive	JOB NAME Pickle Ball Court	
CITY, STATE, ZIP CODE Willmar, MN 56201	JOB LOCATION North edge of Willmar at the southeast corner of the intersection of Business Highway 71 and Porto Rico Street	

We hereby submit specifications & estimates for: Paving the Pickle Ball Court

Items to be completed:

- Remove the existing tennis net pipes
- Reclaim the existing asphalt located on the area to be paved
- If the shaded area of the attached diagram is to be paved, remove 12 inches of the existing material to be left on site
- Place 12 inches of reclaimed material in the shaded area of the attached diagram
- Shape and compact the reclaimed material
- Supply and place 6 inches of class 5 gravel on the entire area to be paved
- Pave the entire area per the attached diagram with 3.5 inches of compacted bituminous asphalt
- The paving is to be completed in 2 lifts with a tack coat applied prior to paving the 2<sup>nd</sup> lift

Total estimate to complete the above listed items using an asphalt grade containing "B" oil - \$38,545.00  
 Total estimate to complete the above listed items using an asphalt grade containing "C" oil - \$40,345.00

- Note: If the shaded area of the attached diagram is not to be paved with asphalt, deduct \$4,000.00 from the above listed estimate if using "B" oil.
- Note: If the shaded area of the attached diagram is not to be paved with asphalt, deduct \$4,200.00 from the above listed estimate if using "C" oil.
- Note: The above listed estimate does not include the installation of pipes for the nets, painting of the lines on the new asphalt or placing black dirt along the outside of the paved area. All of these items can be arranged at a cost in addition to the above listed estimate.
- Note: This project would be completed in June or July if requested to do so.

Please let me know if there are any questions.

Thank you.

Greg Graves  
 Riley Bros. Construction  
 320 287 1917

We Propose hereby to furnish, material, and labor—complete it accordance with above specifications, for the sum of:

TOTAL	Dollars
<small>Payment to be made ON COMPLETION OF PROJECT          All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All payments contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire</small>	Authorized Greg Graves Signature Note: This proposal may be withdrawn if not accepted within 30 days.

Acceptance of Proposal The above prices, specifications, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature  
 Signature



17864 210 Ave.  
Glenwood, MN 56334

# Estimate

Date	Estimate #
6/11/2019	1475

Name / Address

Rob Baumgarn  
2707 Arena Dr,  
Willmar MN 56201

Item	Description	Qty	Cost	Total
055417	2x9 GA 6' Chain Link Fabric.	461	4.6256	2,132.40
055404	2 X 9 ga 4' KK C/L	458	3.0798	1,410.55
033005	1 5/8" X 21' PE DQ Pipe Top Rail	924	2.065	1,908.06
012602	1 5/8 x 6 Sleeves	43	1.52209	65.45
023499	7 GA Coil Spring 0.80 Zinc Coil, Tension Wire.	1	114.99	114.99
023601	12 1/2 GA Std Hog Ring Class 3 .	5	5.192	25.96
033049	1 7/8 X 10 ' DQ 40 Post	41	28.96902	1,187.73
033046	1 7/8" X 8' DQ 40 Line Post	48	23.16333	1,111.84
033056	2 3/8" X 8' DQ 40 Term Post	10	31.01	310.10
033059	2 3/8 X 10 ' DQ Post	12	38.78667	465.44
013705	3/16"x3/4"x70" Tension Bars.	20	3.434	68.68
013603	3/16 x 5/8 x 34 Tension Bars	20	1.758	35.16
010104	2-3/8" Pressed Steel Tension Bands.	160	0.472	75.52
012253	1 7/8 x 1 5/8 Std Eyetop	89	1.91157	170.13
011604	2 3/8 PS CAPS	22	0.96773	21.29
010304	2 3/8" Brace Bands.	80	0.60175	48.14
012506	1 5/8 PS Rail Ends	40	1.4395	57.58
010701	5/16"x1-1/4" Carriage Bolts.	300	0.1298	38.94
023552	1-7/8"x6-1/2" NO 13, 9 Gauge Aluminum Ties.	700	0.0826	57.82
023553	8 1/4 9 ga Alum Ties # 16	500	0.0826	41.30
025192	4'x4 SWG 1 5/8 DQ/FW	6	244.20167	1,465.21

We require \$11,597.11 down payment to order the materials and balance due when project is complete.

**Subtotal**

**Sales Tax (6.875%)**

**Total**

Phone #  
320-634-0809

E-mail  
andrew@fence-all.com



17864 210 Ave.  
Glenwood, MN 56334

# Estimate

Date	Estimate #
6/11/2019	1475

Name / Address
----------------

Rob Baumgarn 2707 Arena Dr, Willmar MN 56201
--

Item	Description	Qty	Cost	Total
015671	2 3/8"x1 5/8" Bulldog Hinge.	12	12.24833	146.98
016757	1 5/8"x2 3/8" PS Fork Latch HD.	6	4.87333	29.24
189-1111	Fast Set Concrete Mix 50 lb.	55	6.99	384.45T
HC01	Delivery Charge	1	185.00	185.00T
Labor 6' Comm D...	Install 6' X 461' Comm Chain Link Fence, with top rail tension wire on the bottom, all Term post to be set in concrete footings with Line posts to be driven.	461	6.75	3,111.75
Labor 4 ft Comm ...	Install 4' X 458' Comm Chain link with top rail and tension wire on bottom, all Term posts to be set in oncrete footings with Line posts to be driven.	458	5.25	2,404.50

We require \$11,597.11 down payment to order the materials and balance due when project is complete.

<b>Subtotal</b>	\$17,074.21
<b>Sales Tax (6.875%)</b>	\$39.15
<b>Total</b>	\$17,113.36

Phone #
320-634-0809

E-mail
andrew@fence-all.com



PROPOSAL

---



3731 Thurston Ave  
Suite 103  
Anoka MN 55303  
612-245-0750

[www.surfacepromn.com](http://www.surfacepromn.com)

Proposal  
Date: 5/29/2019

---

*Proposal Submitted To:*  
City of Willmar  
Rob Baumgarn  
320-235-1454

[rbaumgarn@willmarmn.gov](mailto:rbaumgarn@willmarmn.gov)

**We hereby bid to complete the following:  
Resurface 6 outdoor pickleball court**

- *Surface Inspection and Cleaning:*
  - Court will be cleaned thoroughly to remove all dirt and residue from the surface.
  - Clear entire court of debris.
  - Power wash all loose materials and debris from every part of the surface.  
*\*Note: this process will take an on site water supply*

*Court Inspection:*

- Chips, Cracks, Dings- These areas will be repaired with portland and binder filler, applying pressure with a tool, such as a putty knife or trowel. This is done to insure that material comes in contact with all surfaces of the crack or void. The filler will be allowed to set a minimum of one hour. If material shrinks below grade level, material will be reapplied in the same manner and allowed to set.

*Birdbaths (an area 1/8" under a 10' straight edge):*

- *NOTE: BIRDBATHS AND LOW AREAS ARE ADDRESSED AT TIME OF PROJECT WITH ON SITE VISIT BY JOB SUPERVISOR OR LEAD*
  - Birdbaths- These areas will be patched with Bond Coat mix. Areas to be repaired shall be dampened with water before spreading the mixture into the depression. After the mixture has attained an initial set, it will be troweled or broomed so that it is even and feathers into the adjacent surface.
- The mixture will then be allowed to dry prior to application of coatings. This process shall be repeated until the area is completely full and level. After material is cured, these areas shall be rubbed down to a rough finish with a rubbing brick.

*Surfacing/Resurfacing:*

- Apply one squeegee coats of Acrylic Resurfacer (ACR) will be applied in strict accordance with the SportMaster product specifications and guidelines. Surface coats will be applied at the manufacturer's recommended rates per square yard for each coat.
- Apply two squeegee coats of SportMaster Color-plus Acrylic Tennis Court Paint in strict accordance with the SportMaster product specifications and guidelines. Acrylic paint coats will be applied at the manufacturer's recommended rates per square yard for each coat.

*Line the courts using white USTA approved line paint.*

- **Colors to be chosen at a later date**

<ul style="list-style-type: none"><li>• <b>Total for surfacing 6 full size pickleball courts, price includes all materials and labor: \$15,000.00</b></li></ul>
---

### **Payment information**

Payment of 50% at start project (To be received by Surface Pro LLC before starting project)  
Final payment of 50% upon completion.

#### **WARRANTY AND NOTES:**

All workmanship is warranted for 2 years, this includes and is limited to issues of peeling or de-lamination due to improper installation. De-lamination can occur due to water penetration and sitting water in puddles or low corners of the court, this is not covered in the 2 year warranty.

#### **CRACKS:**

1. Crack-filling does not imply crack elimination. Cracks can and often will reappear. This is normal, it is called reflection.
2. Surface Pro LLC is Not responsible for existing grades and drainage or compacting existing base.
3. Cracks if not patched will continue to expand over a period of time and conventional repair methods may become unavailable.
4. Surface Pro LLC is not responsible for cracks returning after repair.
5. A monthly finance charge of 2% will be added to any payments past due.

\*This estimate is based solely on the contractor's observations at the time of entering into this contract. If additional concealed conditions are discovered once the work has commenced, which were not visible at the time of entering into this contract, Contractor will identify the unforeseen conditions and notify the Customer of any additional costs, if any.

\*Customer agrees to pay for all unexpected or unanticipated extra costs, including but not limited to, soil corrections, protection of the project from weather conditions and all other similar costs. Customer will be responsible for all additional costs and time for work due to concealed conditions. Such conditions may also extend the time for completion of the work under this contract.

\*Estimate does not include any allowance for hazardous waste removal. All hazardous waste removal will be treated as an unforeseen condition.

\*The construction site will be a dangerous area. Customer waives all claims against builder for injuries or damages that customer or any member of customers family, friends, or guests may suffer while on or around the property during construction due to these and other hazards.

\*All unforeseen conditions will be treated on a time and materials basis at the rate of \$65.00/ hour plus materials.

- We will remove all waste generated from our work.

- Contractor is not responsible for pets not properly restrained leaving the property.

-Direct contact with your job supervisor will be available to you at all times should you have any questions or concerns.

All material is guaranteed to be as specified, and the above work to be performed in a substantial workmanlike manner with payments made as follows.

**Pre -Lien Notice**

- a. Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- b. Under Minnesota law, you have the right to pay persons who supplied labor or materials for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or material for the improvement and who gave you timely notice.

Respectfully submitted

Mike Langmade

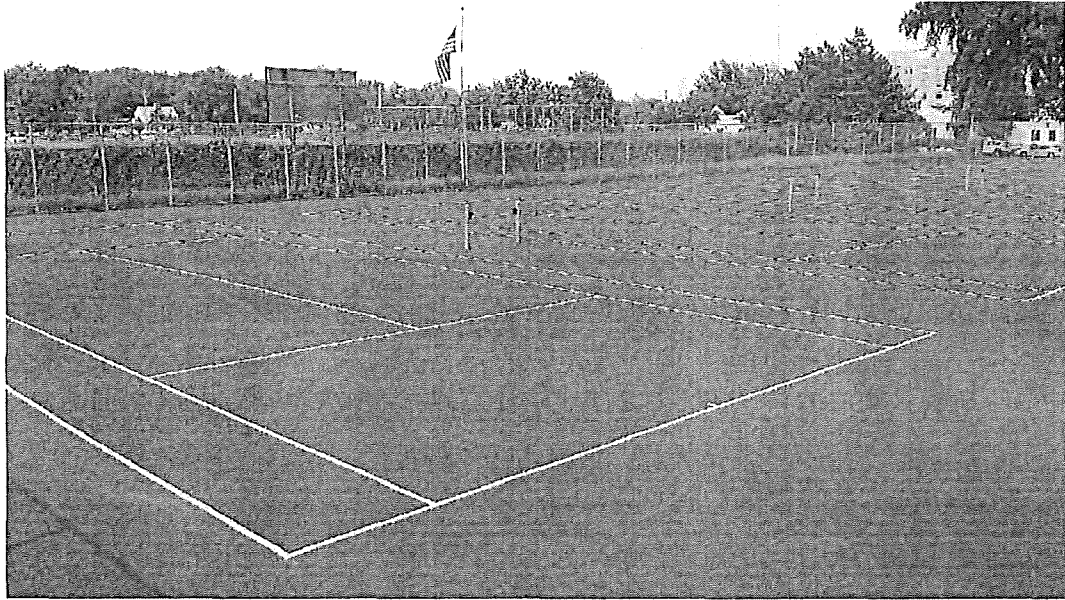
*This proposal may be withdrawn by us if not accepted within 30 days. Any alteration or deviation from above specifications involving extra costs will be executed only upon written order (minimum change order cost is \$100.00), and will become an extra charge over and above the proposal price. All agreements are contingent upon accidents, or delays beyond our control.*

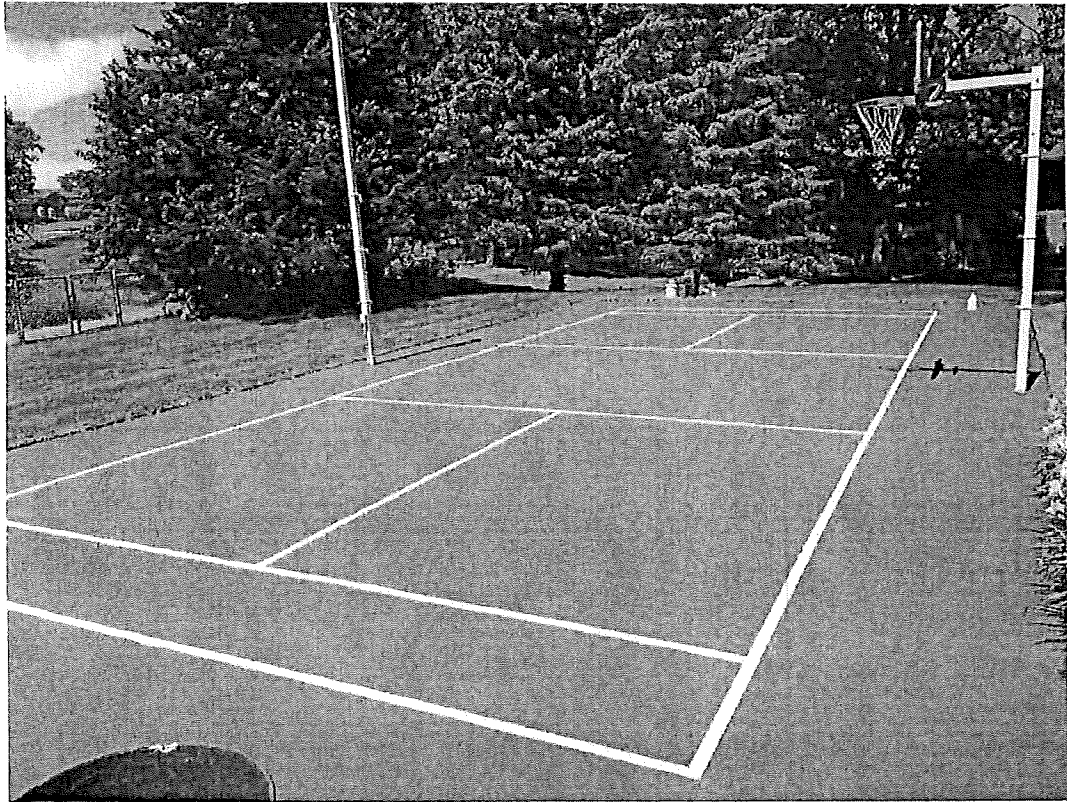
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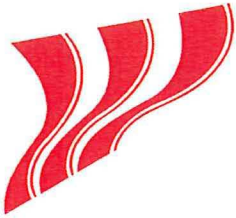
**Acceptance of Proposal**

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature \_\_\_\_\_ Date \_\_\_\_\_







**WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 10, 2019</b>
<b>From: Sean E. Christensen, P.E. Public Works Director</b> <i>SC</i>	<b>Subject: Project No. 1804 Final Payment</b>

**AGENDA ITEM:** Project No. 1804 Final Payment

**INTRODUCTION/REQUEST:**

Accept the project and authorize final payment for Project No. 1804.

**HISTORY:**

Project No. 1804 included the path overlay along North Business 71 from Robbins Island to the Kandiyohi Power Cooperative lot on 13<sup>th</sup> Avenue NE. The path was originally constructed in 2002 and crack sealed in 2011. There is edge deterioration along several sections of the path as well as cracking. The project was awarded at the June 18, 2018 Council Meeting to Duinick, Inc. in the amount of \$82,270.00. Change Order No. 1 in the amount of \$926.90 is a reconciliation of the final contract quantities.

**CURRENT CIRCUMSTANCE:**

Final quantities have been reviewed by staff and the recommendation is to authorize final payment to the contractor.

**RECOMMENDATIONS:**

Accept Change Order No. 1 in the amount of \$926.90 for Project No. 1804.

Accept Project No. 1804 and authorize final payment in the amount of \$10,588.49 to Duinick, Inc.

**FINANCIAL IMPACT:**

The final payment of \$10,588.49 to Duninck, Inc. brings the contract total to \$83,196.90.

**REVIEWED BY:**

Brian Gramentz, City Administrator

**COMMITTEE MEETING DATE:** July 10, 2019

**COUNCIL MEETING DATE:** July 15, 2019

Resolution No. \_\_\_\_

**A RESOLUTION ACCEPTING CHANGE ORDER NO. 1 FOR PROJECT NO. 1804.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

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. 1804 between the City of Willmar and Duininck, Inc. of Prinsburg, Minnesota by Change Order No. 1 in the increased amount of \$926.90.

Dated this 15th day of July, 2019

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Mayor

Attest:

---

City Clerk



**Resolution No.**

**A RESOLUTION ACCEPTING PROJECT NO. 1804 AND AUTHORIZING FINAL PAYMENT.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

IMPROVEMENT: Project No. 1804 – Path Overlay of North Business 71

CONTRACTOR: Duinick, Inc.  
DATE OF CONTRACT: June 18, 2018  
BEGIN WORK: August 21, 2018  
COMPLETE WORK: May 30, 2019  
APPROVE, ENGINEERING DEPT: May 30, 2019

**BE IT RESOLVED** by the City Council of the City of Willmar, Minnesota, that:

1. The said City of Willmar Project No. 1804 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$82,270.00
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$82,270.00
CHANGE ORDER NO. 1:	\$926.90
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$83,196.90
Less Previous Payments	\$72,608.41
<b>FINAL PAYMENT DUE CONTRACTOR:</b>	<b>\$10,588.49</b>

Dated this 15th day of July, 2019

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

CONTRACTOR'S ESTIMATE NO. 3 (FINAL)  
PROJECT NO. 1804

CONTRACTOR: DUININCK INC.  
P.O. BOX 208  
PRINSBURG, MN 56281

CONSTRUCTION OF: NORTH BUSINESS 71 PATH OVERLAY

LOCATION: NORTH BUSINESS 71

DATE: JUNE 20, 2019

HONORABLE MAYOR AND CITY COUNCIL  
CITY OF WILLMAR, MINNESOTA

IN ACCORDANCE WITH THE CONTRACT WITH DUNINCK INC.  
I HEREWITH PRESENT THE FOLLOWING ESTIMATE

**PROJECT NO. 1804**

ITEM NO.	ITEM	UNIT	QUANTITY	BID	TOTAL
2021.501	Mobilization	LS	1.00	\$7,700.00	\$7,700.00
2104.504	Remove Bituminous Pavement	SY	33	\$13.50	\$445.50
2104.518	Remove Concrete Sidewalk	SF	83	\$3.00	\$249.00
2105.507	Common Excavation	CY	15	\$125.00	\$1,875.00
2211.509	Aggregate Base Class 5	TON	61.10	\$70.00	\$4,277.00
2232.504	Mill Bituminous Surface (1.50")	SY	49	\$22.00	\$1,078.00
2360.509	Type SP 9.5 Wearing Course Mixture (2A)	TON	682.96	\$85.00	\$58,051.60
2574.507	Common Topsoil Borrow	CY	112.4	\$42.00	\$4,720.80
2574.508	Fertilizer Type 3	LB	151.00	\$4.00	\$604.00
2575.505	Seeding	AC	0.90	\$4,200.00	\$3,780.00
2575.508	Seed Mixture 25-151	LB	52.00	\$8.00	\$416.00
<b>TOTAL PROJECT 1804</b>					<b>\$83,196.90</b>
(Price includes all applicable sales and use taxes)					
LESS PREVIOUS ESTIMATE #1					\$62,313.45
LESS PREVIOUS ESTIMATE #2					\$10,294.96
<b>AMOUNT DUE CONTRACTOR THIS ESTIMATE:</b>					<b>\$10,588.49</b>

APPROVED:   
CONTRACTOR

APPROVED:   
CITY ENGINEER

CONTRACT AMOUNT: \$82,270.00  
BUDGET NO.: 418.48451.0336

Project No. 1804

## CHANGE ORDER NO. 1

CITY OF WILLMAR, MINNESOTA

PROJECT -1804 PATH IMPROVEMENT

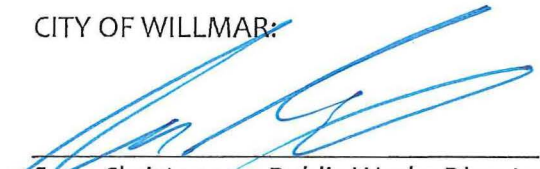
CONTRACTOR - DUININCK INC. BOX 208, PRINSBURG, MN 56281

The following changes in cost for the above project are herewith authorized:


<b><u>Cost Summary:</u></b>	Original Contract	\$82,270.00
	Change Order No. 1	\$926.90
	Contract Total	\$83,196.90

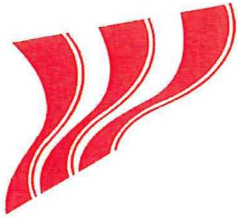
Date: July 1, 2019

CITY OF WILLMAR:

  
Sean Christensen, Public Works Director

DUININCK INC.

  
Contractor



**WILLMAR**

**Human Resource Director**  
City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Samantha Beckman, Human Resource Director</b>	<b>Subject: Consideration of International City/County Managers Association Contract</b>

**AGENDA ITEM:** Consideration of International City/County Managers Association (ICMA) Contract

**INTRODUCTION/REQUEST:** The City Council review and approve the ICMA contract that allows pension contributions to be deposited with ICMA instead of PERA for our Interim Administrator.

**HISTORY:** ICMA is an alternate pension administrator for City Managers/Administrators to participate in instead of PERA.

**CURRENT CIRCUMSTANCE:** Our Interim Administrator has requested his pension contributions go through ICMA instead of PERA. ICMA requires the attached contract and resolution from the City Council for us to participate. ICMA has the same contributions as PERA so there is no change to the cost/budget.

**RECOMMENDATION:** Approve proposed contract for ICMA participation.

**ISSUES:** None

**FINANCIAL IMPACT:** None

**ALTERNATIVES:**

1. Not approve ICMA participation

**RECOMMENDED MOTION:** Adopt resolutions for the following: 1) Approving City Administrator's choice, 2) Approving the Use of ICMA by the City and 3) Approving the contract for ICMA participation to be signed by the Mayor.

**REVIEWED BY:** Brian Gramentz, Interim City Administrator

**LABOR COMMITTEE DATE:** NA

**COUNCIL MEETING DATE:** July 15, 2019     Regular Agenda     Consent Agenda

**RESOLUTION NO.**

**APPROVING A CITY ADMINISTRATOR'S CHOICE TO BE EXCLUDED FROM PARTICIPATING IN  
THE PERA COORDINATED PLAN**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

**WHEREAS**, Brian Gramentz is the City Administrator of the City of Willmar having been duly appointed effective June 11, and

**WHEREAS**, acting under Minnesota Statutes §353.028, Brian Gramentz has chosen to be excluded from membership in the Coordinated Plan of the Public Employees Retirement Association (PERA) effective upon filing such election with the PERA office, and

**WHEREAS**, Brian Gramentz has provided this Council with a copy of such written election, and

**WHEREAS**, in making this election, Brian Gramentz has agreed that he will not at any time in the future seek any authorization to purchase service credit for any period of excluded service.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of Willmar that said election be excluded from membership in the Coordinated Plan of the Public Employees Retirement Association is hereby approved.

Dated this 19th day of July, 2019

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

**RESOLUTION NO.**

**AUTHORIZING THE CITY TO PARTICIPATE IN INTERNATIONAL CITY/COUNTY MANAGERS  
ASSOCIATION CONTRACT**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

BE IT RESOLVED by the City Council of the City of Willmar to participate in the International City/County Managers Association Contract for pension contributions and authorize the Mayor to sign on behalf of the City.

Dated this 15th of July, 2019

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

**ADMINISTRATIVE SERVICES AGREEMENT**

Between

**ICMA Retirement Corporation**

and

City of Willmar

Type: 457

Account #: 300566

## **ADMINISTRATIVE SERVICES AGREEMENT**

This Administrative Services Agreement (“Agreement”), made as of the      day of      , 20\_\_\_\_ between the International City Management Association Retirement Corporation (“ICMA-RC”), a nonprofit corporation organized and existing under the laws of the State of Delaware, and the City of Willmar (“Employer”), a city organized and existing under the laws of the State of Minnesota with an office at 333 6<sup>th</sup> Street, SW, Willmar, Minnesota 56201.

### **RECITALS**

Employer acts as public plan sponsor of a retirement plan (“Plan”), and in that capacity, has responsibility to obtain administrative services and investment alternatives for the Plan;

VantageTrust is a group trust established and maintained in accordance with New Hampshire Revised Statutes Annotated section 391:1 and Internal Revenue Service Revenue Ruling 81-100, 1981-1 C.B. 326, which provides for the commingled investment of retirement funds;

ICMA-RC, or its wholly owned subsidiary, acts as investment adviser to VantageTrust Company, LLC, the Trustee of VantageTrust;

ICMA-RC has designed, and VantageTrust offers, a series of separate funds (the “Funds”) for the investment of plan assets as referenced in VantageTrust’s principal disclosure documents, the VantageTrust Disclosure Memorandum and the Funds’ Fact Sheets (together, “VT Disclosures”); and

ICMA-RC provides a range of services to public employers for the operation of employee retirement plans including, but not limited to, communications concerning investment alternatives, account maintenance, account recordkeeping, investment and tax reporting, transaction processing, and benefit disbursement.



## AGREEMENTS

### 1. Appointment of ICMA-RC

Employer hereby appoints ICMA-RC as Administrator of the Plan to perform all nondiscretionary functions necessary for the administration of the Plan. The functions to be performed by ICMA-RC shall be those set forth in Exhibit A to this Agreement.

### 2. Adoption of Trust

Employer has adopted the Declaration of Trust of VantageTrust Company and agrees to the commingled investment of assets of the Plan within VantageTrust. Employer agrees that the investment, management, and distribution of amounts deposited in VantageTrust shall be subject to the Declaration of Trust, as it may be amended from time to time and shall also be subject to terms and conditions set forth in disclosure documents (such as the VT Disclosures or Employer Bulletins) as those terms and conditions may be adjusted from time to time.

### 3. Employer Duty to Furnish Information

Employer agrees to furnish to ICMA-RC on a timely basis such information as is necessary for ICMA-RC to carry out its responsibilities as Administrator of the Plan, including information needed to allocate individual participant accounts to Funds in VantageTrust, and information as to the employment status of participants, and participant ages, addresses, and other identifying information (including tax identification numbers). Employer also agrees that it will notify ICMA-RC in a timely manner regarding changes in staff as it relates to various roles. Such notification is to be completed through the online EZLink employer contact options. ICMA-RC shall be entitled to rely upon the accuracy of any information that is furnished to it by a responsible official of the Employer or any information relating to an individual participant or beneficiary that is furnished by such participant or beneficiary, and ICMA-RC shall not be responsible for any error arising from its reliance on such information. ICMA-RC will provide reports, statements and account information to the Employer through EZLink, the online plan administrative tool.

Employer is required to send in contributions through EZLink, the online plan administration tool provided by ICMA-RC. Alternative electronic methods may be allowed but must be approved by ICMA-RC for use. Contributions may not be sent through paper submittal documents.

To the extent Employer selects third-party funds that do not have fund profile information provided to ICMA-RC through our electronic data feeds from external sources (such as Morningstar) or third-party fund providers, the Employer is responsible for providing to ICMA-RC timely fund investment updates for disclosure to Plan participants. Such updates may be provided to ICMA-RC through the Employer's investment consultant or other designated representative.

4. ICMA-RC Representations and Warranties

ICMA-RC represents and warrants to Employer that:

- (a) ICMA-RC is a non-profit corporation with full power and authority to enter into this Agreement and to perform its obligations under this Agreement. The ability of ICMA-RC, or its wholly owned subsidiary, to serve as investment adviser to VantageTrust Company is dependent upon the continued willingness of VantageTrust Company for ICMA-RC, or its wholly owned subsidiary, to serve in that capacity.
- (b) ICMA-RC is an investment adviser registered as such with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.
- (c) ICMA-RC shall maintain and administer the Plan in accordance with the requirements for eligible deferred compensation plans under Section 457 of the Internal Revenue Code and other applicable federal law; provided, however, that ICMA-RC shall not be responsible for the eligible status of the Plan in the event that the Employer directs ICMA-RC to administer the Plan or disburse assets in a manner inconsistent with the requirements of Section 457 or otherwise causes the Plan not to be carried out in accordance with its terms. Further, in the event that the Employer uses its own customized plan document, ICMA-RC shall not be responsible for the eligible status of the Plan to the extent affected by terms in the Employer's plan document that differ from those in ICMA-RC's standard plan document. ICMA-RC shall not be responsible for monitoring state or local law applicable to retirement plans or for administering the Plan in compliance with local or state requirements regarding plan administration unless Employer notifies ICMA-RC of any such local or state requirements.

5. Employer Representations and Warranties

Employer represents and warrants to ICMA-RC that:

- (a) Employer is organized in the form and manner recited in the opening paragraph of this Agreement with full power and authority to enter into and perform its obligations under this Agreement and to act for the Plan and participants in the manner contemplated in this Agreement. Execution, delivery, and performance of this Agreement will not conflict with any law, rule, regulation or contract by which the Employer is bound or to which it is a party.
- (b) Employer understands and agrees that ICMA-RC's sole function under this Agreement is to act as recordkeeper and to provide administrative, investment or other services at the direction of Plan participants, the

Employer, its agents or designees in accordance with the terms of this Agreement. Under the terms of this Agreement, ICMA-RC does not render investment advice, is neither the “Plan Administrator” nor “Plan Sponsor” as those terms are defined under applicable federal, state, or local law, and does not provide legal, tax or accounting advice with respect to the creation, adoption or operation of the Plan and its related trust. ICMA-RC does not perform any service under this Agreement that might cause ICMA-RC to be treated as a “fiduciary” of the Plan under applicable law, except, and only, to the extent that ICMA-RC provides investment advisory services to individual participants enrolled in Guided Pathways Advisory Services.

- (c) Employer acknowledges and agrees that ICMA-RC does not assume any responsibility with respect to the selection or retention of the Plan’s investment options. Employer shall have exclusive responsibility for the Plan’s investment options, including the selection of the applicable mutual fund share class. Where applicable, Employer understands that the VT Retirement Income Advantage Fund is an investment option for the Plan and that the fund invests in a separate account available through a group variable annuity contract. By entering into this Agreement, Employer acknowledges that it has received the Important Considerations document and the VT Disclosures and that it has read the information therein concerning the VT Retirement Income Advantage Fund.
- (d) Employer acknowledges that certain such services to be performed by ICMA-RC under this Agreement may be performed by an affiliate or agent of ICMA-RC pursuant to one or more other contractual arrangements or relationships, and that ICMA-RC reserves the right to change vendors with which it has contracted to provide services in connection with this Agreement without prior notice to Employer.
- (e) Employer acknowledges that it has received ICMA-RC’s Fee Disclosure Statement, prepared in substantial conformance with ERISA regulations regarding the disclosure of fees to plan sponsors.
- (f) Employer approves the use of its Plan in ICMA-RC external media, publications and materials. Examples include press releases announcements and inclusion of the general plan information in request for proposal responses.

6. Participation in Certain Proceedings

The Employer hereby authorizes ICMA-RC to act as agent, to appear on its behalf, and to join the Employer as a necessary party in all legal proceedings involving the garnishment of benefits or the transfer of benefits pursuant to the divorce or separation of participants in the Plan. Unless Employer notifies ICMA-RC otherwise, Employer consents to the

disbursement by ICMA-RC of benefits that have been garnished or transferred to a former spouse, current spouse, or child pursuant to a domestic relations order or child support order.

7. Compensation and Payment

- (a) **Plan Administration Fee.** The amount to be paid for plan administration services under this Agreement shall be 0.55% per annum of the amount of Plan assets invested in VantageTrust. Such fee shall be computed based on average daily net Plan assets in VantageTrust.
  
- (b) **Compensation for Management Services to VantageTrust, Compensation for Advisory and other Services to the VT III Vantagepoint Funds and Payments from Third-Party Mutual Funds.** Employer acknowledges that, in addition to amounts payable under this Agreement, ICMA-RC, or its wholly owned subsidiary, receives fees from VantageTrust for investment advisory services and plan and participant services furnished to VantageTrust. Employer further acknowledges that ICMA-RC, including certain of its wholly owned subsidiaries, receives compensation for advisory and other services furnished to the VT III Vantagepoint Funds, which serve as the underlying portfolios of a number of Funds offered through VantageTrust. For a VantageTrust Fund that invests substantially all of its assets in a third-party mutual fund not affiliated with ICMA-RC, ICMA-RC or its wholly owned subsidiary receives payments from the third-party mutual fund families or their service providers in the form of 12b-1 fees, service fees, compensation for sub-accounting and other services provided based on assets in the underlying third-party mutual fund. These fees are described in the VT Disclosures and ICMA-RC's fee disclosure statement. In addition, to the extent that third party mutual funds are included in the investment line-up for the Plan, ICMA-RC receives administrative fees from its third party mutual fund settlement and clearing agent for providing administrative and other services based on assets invested in third party mutual funds; such administrative fees come from payments made by third party mutual funds to the settlement and clearing agent.
  
- (c) **Redemption Fees.** Redemption fees imposed by outside mutual funds in which Plan assets are invested are collected and paid to the mutual fund by ICMA-RC. ICMA-RC remits 100% of redemption fees back to the specific mutual fund to which redemption fees apply. These redemption fees and the individual mutual fund's policy with respect to redemption fees are specified in the prospectus for the individual mutual fund and referenced in the VT Disclosures.
  
- (d) **Payment Procedures.** All payments to ICMA-RC pursuant to this Section 7 shall be made from Plan assets held by VantageTrust or received from third-party mutual funds or their service providers in connection with Plan

assets invested in such third-party mutual funds, to the extent not paid by the Employer. The amount of Plan assets administered by ICMA-RC shall be adjusted as required to reflect any such payments as are made from the Plan. In the event that the Employer agrees to pay amounts owed pursuant to this Section 7 directly, any amounts unpaid and outstanding after 30 days of invoice to the Employer shall be withdrawn from Plan assets.

The compensation and payment set forth in this Section 7 are contingent upon the Employer's use of ICMA-RC's EZLink system for contribution processing and submitting contribution funds by ACH or wire transfer on a consistent basis over the term of this Agreement.

8. Contribution Remittance

Employer understands that amounts invested in the Plan are to be remitted directly to Vantagepoint Transfer Agents in accordance with instructions provided to Employer by ICMA-RC and are not to be remitted to ICMA-RC. In the event that any check or wire transfer is incorrectly labeled or transferred to ICMA-RC, ICMA-RC may return it to Employer with proper instructions.

9. Indemnification

ICMA-RC shall not be responsible for any acts or omissions of any person with respect to the Plan or its related trust, other than ICMA-RC in connection with the administration or operation of the Plan. Employer shall indemnify ICMA-RC against, and hold ICMA-RC harmless from, any and all loss, damage, penalty, liability, cost, and expense, including without limitation, reasonable attorney's fees, that may be incurred by, imposed upon, or asserted against ICMA-RC by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by any individual or person with respect to the Plan or its related trust, excepting only any and all loss, damage, penalty, liability, cost or expense resulting from ICMA-RC's negligence, bad faith, or willful misconduct.

10. Term

This Agreement shall be in effect and commence on the date all parties have signed and executed this Agreement ("Inception Date"). This Agreement may be terminated without penalty by either party on sixty days advance notice in writing to the other; provided however, that the Employer understands and acknowledges that, in the event the Employer terminates this Agreement (or replaces the Vantagepoint PLUS Fund, offered by VantageTrust, as an investment option in its investment line-up), ICMA-RC retains full discretion to release Plan assets invested in the Vantagepoint PLUS Fund in an orderly manner over a period of up to 12 months from the date ICMA-RC receives written notification from the Employer that it has made a final and binding selection of a replacement for ICMA-RC as administrator of the Plan (or a replacement investment option for the Vantagepoint PLUS Fund).

11. Amendments and Adjustments

- (a) This Agreement may be amended by written instrument signed by the parties.
- (b) ICMA-RC may modify this agreement by providing 60 days' advance written notice to the Employer prior to the effective date of such proposed modification. Such modification shall become effective unless, within the 60-day notice period, the Employer notifies ICMA-RC in writing that it objects to such modification.
- (c) The parties agree that enhancements may be made to administrative services under this Agreement. The Employer will be notified of enhancements through the Employer Bulletin, quarterly statements, electronic messages or special mailings. Likewise, if there are any reductions in fees, these will be announced through the Employer Bulletin, quarterly statement, electronic messages or special mailing.

12. Notices

Unless otherwise provided in this Agreement, all notices required to be delivered under this Agreement shall be in writing and shall be delivered, mailed, e-mailed or faxed to the location of the relevant party set forth below or to such other address or to the attention of such other persons as such party may hereafter specify by notice to the other party.

**ICMA-RC:** Legal Department, ICMA Retirement Corporation, 777 North Capitol Street, N.E., Suite 600, Washington, D.C., 20002-4240  
**Facsimile;** (202) 962-4601

**Employer:** at the office set forth in the first paragraph hereof, or to any other address, facsimile number or e-mail address designated by the Employer to receive the same by written notice similarly given.

Each such notice, request or other communication shall be effective: (i) if given by facsimile, when transmitted to the applicable facsimile number and there is appropriate confirmation of receipt; (ii) if given by mail or e-mail, upon transmission to the designated address with no indication that such address is invalid or incorrect; or (iii) if given by any other means, when actually delivered at the aforesaid address.

13. Complete Agreement

This Agreement shall constitute the complete and full understanding and sole agreement between ICMA-RC and Employer relating to the object of this Agreement and correctly sets forth the complete rights, duties and obligations of each party to the other as of its date. This Agreement supersedes all written and oral agreements, communications or negotiations among the parties. Any prior agreements, promises, negotiations or representations, verbal or otherwise, not expressly set forth in this Agreement are of no force and effect.

14. Titles

The headings of Sections of this Agreement and the headings for each of the attached schedules are for convenience only and do not define or limit the contents thereof.

15. Incorporation of Exhibits

All Exhibits (and any subsequent amendments thereto), attached hereto, and referenced herein, are hereby incorporated within this Agreement as if set forth fully herein.

16. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota, applicable to contracts made in that jurisdiction without reference to its conflicts of laws provisions.


In Witness Whereof, the parties hereto certify that they have read and understand this Agreement and all Schedules attached hereto and have caused this Agreement to be executed by their duly authorized officers as of the Inception Date first above written.

CITY OF WILLMAR

By \_\_\_\_\_  
Signature/Date

By \_\_\_\_\_  
Name and Title (Please Print)

INTERNATIONAL CITY MANAGEMENT  
ASSOCIATION RETIREMENT CORPORATION

By  \_\_\_\_\_  
Erica McFarquhar  
Assistant Secretary

Please return an executed copy of the Agreement to a Delivery Address, either:

- (a) Electronically to [PlanAdoptionServices@icmarc.org](mailto:PlanAdoptionServices@icmarc.org), or
- (b) In paper form to ICMA-RC  
ATTN: PLAN ADOPTION SERVICES  
777 North Capitol Street NE  
Suite 600  
Washington DC 20002-4240

## Exhibit A

### Administrative Services

The administrative services to be performed by ICMA-RC under this Agreement shall be as follows:

- (a) Participant enrollment services, including providing a welcome package and enrollment kit containing instructions and notices necessary to implement the Plan's administration. Employees will enroll online or through a paper form. Employer can also enroll employees through EZLink.
- (b) Establishment of participant accounts for each employee participating in the Plan for whom ICMA-RC receives appropriate enrollment instructions. ICMA-RC is not responsible for determining if such Plan participants are eligible under the terms of the Plan.
- (c) Allocation in accordance with participant directions received in good order of individual participant accounts to investment funds offered under the Plan.
- (d) Maintenance of individual accounts for participants reflecting amounts deferred, income, gain or loss credited, and amounts distributed as benefits.
- (e) Maintenance of records for all participants for whom participant accounts have been established. These files shall include enrollment instructions (provided to ICMA-RC through Account Access or EZLink), beneficiary designation instructions and all other documents concerning each participant's account.
- (f) Provision of periodic reports to the Employer through EZLink. Participants will have access to account information through Investor Services, Voice Response System, Account Access, TextAccess and through quarterly statements that can be delivered electronically through Account Access or by postal service.
- (g) Communication to participants of information regarding their rights and elections under the Plan.
- (h) Making available Investor Services Representatives through a toll-free telephone number from 8:30 a.m. to 9:00 p.m. Eastern Time, Monday through Friday (excluding holidays and days on which the securities markets or ICMA-RC are closed for business (including emergency closings)), to assist participants.
- (i) Making available access to ICMA-RC's web site, to allow participants to access certain account information and initiate certain plan transactions at any time. Account access is normally available 24 hours a day, seven days a week except during scheduled maintenance periods designed to ensure high-quality performance. The scheduled maintenance window is outlined at <https://harper1.icmarc.org/login.jsp>.
- (j) Maintaining the security and confidentiality of client information through a system of controls including but not limited to, as appropriate: restricting plan and participant information only to those who need it to provide services, software



and hardware security, access controls, data back-up and storage procedures, non-disclosure agreements, security incident response procedures, and audit reviews.

- (k) Making available access to ICMA-RC's plan sponsor EZLink web site to allow plan sponsors to access certain plan information and initiate plan transactions such as enrolling participants and managing contributions at any time. EZLink is normally available 24 hours a day, seven days a week except during scheduled maintenance periods designed to ensure high-quality performance. The scheduled maintenance window is outlined at <https://harper1.icmarc.org/login.jsp>.
- (l) Distribution of benefits as agent for the Employer in accordance with terms of the Plan. Participants who have separated from service can request distributions through Account Access or via form.
- (m) Upon approval by the Employer that a domestic relations order is an acceptable qualified domestic relations order under the terms of the Plan, ICMA-RC will establish a separate account record for the alternate payee and provide for the investment and distribution of assets held thereunder.
- (n) Loans may be made available on the terms specified in the Loan Guidelines, if loans are adopted by the Employer. Participants can request loans through Account Access.
- (o) Guided Pathways Advisory Services – ICMA-RC's participant advice service, "Fund Advice", and asset allocation service, "Asset Class Guidance" may be made available through a third-party vendor on the terms specified on ICMA-RC's website.
- (p) ICMA-RC will determine appropriate delivery method (electronic and/or print) for plan sponsor/participant communications and education based on a number of factors (audience, effectiveness, etc.).



# WILLMAR

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
Fax Number 320-235-4917

## CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: July 15, 2019</b>
<b>From: Judy R. Thompson City Clerk</b>	<b>Subject: Premise Permit-Green Mill</b>

**AGENDA ITEM:** Premise Permit for 100 Yard Club, Inc. at the Green Mill

**INTRODUCTION/REQUEST:** Adopt a Resolution to approve the Premise Permit and direct the City Clerk to forward same to the Gambling Control Board.

**HISTORY:** In July 2016, the 100 Yard Club, Inc. received Council authorization for a premise permit at Ruff's Wings & Sports Bar located at 2100 Hwy 12 SE, Suite 2.

**CURRENT CIRCUMSTANCE:** The 100 Yard Club, Inc. is making application to the Gambling Control Board to obtain a Premise Permit for a Gambling License at Green Mill located at 2100 Hwy 12 SE, Suite 1.

**RECOMMENDATION:** Adopt a Resolution to approve the Premise Permit and direct the City Clerk to forward same to the Gambling Control Board.

**ALTERNATIVE:** Deny the 100 Yard Club, Inc. Premise Permit

**REVIEWED BY:** Judy R. Thompson, City Clerk

**COUNCIL MEETING DATE:** July 15, 2019

RESOLUTION NO. \_\_\_\_\_

REQUESTING THAT THE MINNESOTA GAMBLING  
CONTROL BOARD APPROVE THE APPLICATION FOR A  
PREMISE PERMIT FOR THE 100 YARD CLUB, INC.

WHEREAS, the 100 Yard Club, Inc. has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at the Green Mill , 2100 Hwy 12 SE, Suite 1, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the 100 Yard Club, Inc. and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the 100 Yard Club, Inc.

Dated this 15<sup>th</sup> day of July, 2019.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK

**LG215 Lease for Lawful Gambling Activity**

**LEASE INFORMATION**

Organization: <u>100 yard Club</u>	License/Site Number: <u>93006/003</u>	Daytime Phone: <u>320 894 3362</u>
Address: <u>PO Box 570</u>	City: <u>Willmar</u>	State: Zip: <u>MN 56201</u>
Name of Leased Premises: <u>GREEN MILL</u>	Street Address: <u>2100 US HWY 12</u>	
City: <u>Willmar</u>	State: Zip: <u>MN 56201</u>	Daytime Phone: <u>320 231 2307</u>
Name of Legal Owner: <u>TPI Hospitality</u>	Business/Street Address: <u>103 15th Ave NW # 200</u>	
City: <u>Willmar</u>	State: Zip: <u>MN 56201</u>	Daytime Phone: <u>320 295 7207</u>
Name of Lessor (if same as legal owner, write "SAME"): <u>SAME</u>		
City:	State: Zip:	Daytime Phone:

Check applicable item:

**New or amended lease.** Effective date: 7-1-19. Submit changes at least ten days **before** the effective date of the change.

**New owner.** Effective date: \_\_\_\_\_. Submit new lease **within** ten days after new lessor assumes ownership.

**CHECK ALL ACTIVITY THAT WILL BE CONDUCTED (no lease required for raffles)**

<input type="checkbox"/> Pull-Tabs (paper)	<input checked="" type="checkbox"/> Electronic Pull-Tabs
<input checked="" type="checkbox"/> Pull-Tabs (paper) with dispensing device	<input type="checkbox"/> Electronic Linked Bingo
<input type="checkbox"/> Bar Bingo <input type="checkbox"/> Bingo	Electronic games may only be conducted:
<input type="checkbox"/> Tipboards	1. at a premises licensed for the on-sale of intoxicating liquor or the on-sale of 3.2% malt beverages; or
<input type="checkbox"/> Paddlewheel <input type="checkbox"/> Paddlewheel with table	2. at a premises where bingo is conducted as the primary business and has a seating capacity of at least 100.

**PULL-TAB, TIPBOARD, AND PADDLEWHEEL RENT (separate rent for booth and bar ops)**

**BOOTH OPERATION:** Some or all sales of gambling equipment are conducted by an employee/volunteer of a licensed organization at the leased premises.

**ALL GAMES, including electronic games:** Monthly rent to be paid: 20%, not to exceed **10%** of gross profits for that month.

- Total rent paid from all organizations for only booth operations at the leased premises **may not exceed \$1,750.**
- The rent cap does not include BAR OPERATION rent for electronic games conducted by the lessor.

**BAR OPERATION:** All sales of gambling equipment conducted by the lessor or lessor's employee.

**ELECTRONIC GAMES:** Monthly rent to be paid: 15%, not to exceed **15%** of the gross profits for that month from electronic pull-tab games and electronic linked bingo games.

**ALL OTHER GAMES:** Monthly rent to be paid: 0%, not to exceed **20%** of gross profits from all other forms of lawful gambling.

- If any booth sales conducted by a licensed organization at the premises, rent may not exceed **10%** of gross profits for that month and is subject to booth operation **\$1,750** cap.

**BINGO RENT (for leased premises where bingo is the primary business conducted, such as bingo hall)**

Bingo rent is limited to one of the following:

- Rent to be paid: 0%, not to exceed **10%** of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo.
- OR -**
- Rate to be paid: \$ \_\_\_\_\_ per square foot, not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.
  - ⇒ **Rent may not be paid for bar bingo.**
  - ⇒ Bar bingo does not include bingo games linked to other permitted premises.

**LEASE TERMINATION CLAUSE (must be completed)**

The lease may be terminated by either party with a written 30 day notice. Other terms:

**ACKNOWLEDGMENT BY LOCAL UNIT OF GOVERNMENT: APPROVAL BY RESOLUTION**

**CITY APPROVAL**  
for a gambling premises  
located within city limits

City Name: Willmar

Date Approved by City Council: \_\_\_\_\_

Resolution Number: \_\_\_\_\_  
(If none, attach meeting minutes.)

Signature of City Personnel: \_\_\_\_\_

---

Title: \_\_\_\_\_ Date Signed: \_\_\_\_\_

**Local unit of government  
must sign.**

**COUNTY APPROVAL**  
for a gambling premises  
located in a township

County Name: \_\_\_\_\_

Date Approved by County Board: \_\_\_\_\_

Resolution Number: \_\_\_\_\_  
(If none, attach meeting minutes.)

Signature of County Personnel: \_\_\_\_\_

---

Title: \_\_\_\_\_ Date Signed: \_\_\_\_\_

TOWNSHIP NAME: \_\_\_\_\_

**Complete below only if required by the county.**  
On behalf of the township, I acknowledge that the organization is applying to conduct gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.213, Subd. 2.)

Print Township Name: \_\_\_\_\_

Signature of Township Officer: \_\_\_\_\_

Title: \_\_\_\_\_ Date Signed: \_\_\_\_\_

**ACKNOWLEDGMENT AND OATH**

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. I hereby consent that local law enforcement officers, the Board or its agents, and the commissioners of revenue or public safety and their agents may enter and inspect the premises.</li> <li>2. The Board and its agents, and the commissioners of revenue and public safety and their agents, are authorized to inspect the bank records of the gambling account whenever necessary to fulfill requirements of current gambling rules and law.</li> <li>3. I have read this application and all information submitted to the Board is true, accurate, and complete.</li> <li>4. All required information has been fully disclosed.</li> <li>5. I am the chief executive officer of the organization.</li> </ol> | <ol style="list-style-type: none"> <li>6. I assume full responsibility for the fair and lawful operation of all activities to be conducted.</li> <li>7. I will familiarize myself with the laws of Minnesota governing lawful gambling and rules of the Board and agree, if licensed, to abide by those laws and rules, including amendments to them.</li> <li>8. Any changes in application information will be submitted to the Board no later than ten days after the change has taken effect.</li> <li>9. I understand that failure to provide required information or providing false or misleading information may result in the denial or revocation of the license.</li> <li>10. I understand the fee is non-refundable regardless of license approval/denial.</li> </ol> |
|--|---|

Signature of Chief Executive Officer (designee may not sign) \_\_\_\_\_ Date 6/19/19

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application. Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public. Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety, Attorney General, Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.