City of Wadena
Regular City Council Minutes
Tuesday, October 12, 2021

1. Call to Order

The Wadena City Council held a regular meeting on Tuesday, October 12, 2021. Mayor Deiss called the meeting to order at 5:00 p.m.

A. Pledge of Allegiance

2. Roll Call

Comprising a quorum of the City Council, the following members were present: George Deiss, Jessie Gibbs, Mark Lunde, Wade Miller, and Bruce Uselman.

3. Consent Calendar

Notice to Public – All matters listed in the consent calendar are considered routine by the Council and will be enacted by one motion. There will be no separate discussion of these items unless good cause was shown prior to the time the Council votes on the motion to adopt the consent calendar.

A. Claims as Presented for Payment
B. City Administrator's Monthly Financial Report
C. Ordinance No. 237, 3rd Series: Adopting the City of Wadena 2022 Fee Schedule
D. Action Memorandum 21-109: Accept Class Action Lawsuit Settlement (Nelson Motor)
E. City Council Minutes
   1. September 14, 2021, Special Meeting

Mayor George Deiss expanded on an addition to the 2022 fee schedule of $20 fee for renting unused poles from the utilities department.

Main motion: Approve the Consent Calendar Items

Moved by:	Lunde
Seconded by:	Miller
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

A. Unfinished Business

B. New Business

Item A – Resolution No. 2021-39: Federal AIP Grant Agreement Airport Wind Cone Relocation Project

Utilities Superintendent David Evans expanded on wind cone relocation project.

Main motion: Adopt Resolution No. 2021-39

Moved by:	Uselman
Seconded by:	Lunde
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item B – Resolution No. 2021-40: Authorizing a 2-Year Tax Abatement of City Taxes for Tri-County Health Care, Inc.

Utilities Superintendent David Evans:
- Expanded on numerous Tax Abatement Committee meetings held to discuss possible tax abatement options for TCHC;
- Expanded on 2-year Tax Abatement option;
- Expanded on the purpose of the Tax Abatement Committee; and
- Expanded on TIF.

TCHC, Joel Beiswenger, President & CEO:
- Inquired about previous meetings held regarding tax abatement;
- Expanded on an alternate 15-year proposal; and
- Commented that he felt like the council wasn't supportive of the project.

Jolene Johannes spoke in favor of the 15-year Tax Abatement.

Mayor George Deiss:
- Expanded on negotiations throughout the process to date;
- Expanded on the City's future maintenance and other expenses of water & sewer line to the new location;
- Expanded on the taxes increasing in Wadena County as a result of making up for what Wadena is losing by not collecting taxes on TCHC's new location;
- Spoke of negotiations with getting TIF;
- Spoke of lack of interest for utilities from property owners along the new services installed for the hospital project;
- Expanded on impact of the Covid pandemic and the risks associated with it;
- Expanded on large purchases and projects going on with the City; and
- Voiced concern about Joel's comment about the City not being supportive.

Council Member/Tax Abatement Committee Bruce Uselman:
- Expanded on the process of the Tax Abatement Committee meetings;
- Expanded on taxes and taxpayers in Wadena;
- Expanded on numerous phone calls, texts, emails, and other forms of communication received from taxpayers opposed to the 15-year Tax Abatement as requested by TCHC;
- Spoke of other businesses in town would be grateful for the 2-year Tax Abatement; and
- Explained how being part of a community includes paying taxes.

TCHC, Steve Davis, M.D. expanded on request to resume paying the current tax amount they have been paying on the present location for the next 15 years verses paying the tax amount on the new location.

Council Member/Tax Abatement Committee Jessie Gibbs:

- Voiced his disagreement about the comment made by Joel Beiswenger about the City of Wadena not being supportive of the new hospital;
- Expanded on other medical facilities in Minnesota not receiving tax abatement; and
- Stated he is willing to meet one more time to find a solution for TCHC.

Council Member Mark Lunde:
- Expanded on taxpayers expressing their opposition to the tax abatement;
- Spoke of offense taken with Joel's comment about the City not being supportive;
- Stated he would like to see more of a shared risk to both the City and TCHC; and
- Stated the City policy only allows a maximum term of 10 years.

WDA Director Dean Uselman:
- Stated TCHC does not qualify for infrastructure grants through DEED; and
- Expanded on other sources of funding he is exploring to offset the cost of infrastructure in lieu of tax abatement.

TCHC, Kim Aagard, VP & Chief Financial Officer expanded on the USDA financing options previously looked into.

Main motion: Approve Resolution No. 2021-40

Moved by:	Uselman
Seconded by:	
Action:	Motion died for lack of second
Roll call vote:	
Opposed:	

TCHC, Joel Beiswenger, President & CEO made a second request for the committee to meet and re-evaluate their recommendation.

Mayor George Deiss polled the council regarding sending this back to the tax abatement committee for further consideration.

Council Member Bruce Uselman stated he didn't want to meet again but if another council member wanted to replace him, they could.

After discussion Mayor Deiss directed the committee to meet again to discuss the proposed abatement and indicated the committee may come back with no change or possibly even a lower recommendation.

Council Member Mark Lunde agreed to replace Bruce Uselman's place on the Tax Abatement Committee.

Item C – Action Memorandum 21-101: Renew Lease with DMV for Testing Site at the Maslowski Wellness & Research Center

Utilities Superintendent David Evans expanded on the current lease agreement.

Main motion: Approve Action Memorandum 21-101

Moved by:	Lunde
Seconded by:	Gibbs
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item D – Action Memorandum 21-102: Approve Hwy 10 Beautification Project Plans

Interim City Administrator David Evans expanded on project plans.

Public Works Director Dan Kovar expanded on request to submit application to MnDOT through Community Roadside Landscape Partnership Program to assist with the cost of the project.

Main motion: Adopt Action Memorandum 21-102

Moved by:	Lunde
Seconded by:	Uselman
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item E – Action Memorandum 21-103: Approve Developing an RFP for Selecting a New Auditing Firm

Utilities Superintendent David Evans expanded on developing an RFP to select a new auditing firm after receiving a letter from Eide Bailey, the city's current auditor, stating they will no longer be able to provide services to the city.

Main motion: Approve Action Memorandum 21-103

Moved by:	Gibbs
Seconded by:	Miller
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item F – Action Memorandum 21-104: Approve Entering into a Lease to Own Agreement for Road Grader in 2022

Public Works Director Dan Kovar:
- Expanded on the 2022 budget for replacing the grader that was supposed to be replaced in 2020;
- Expanded on lease to own details; and
- Recommended the 7-year lease to own option for $39,483.89 per year.

Main motion: Approve Action Memorandum 21-104

Moved by:	Lunde
Seconded by:	Miller
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item G – Action Memorandum 21-105: Approve Hiring Bolton & Menk for Professional Services for Reconditioning the Water Tower

Utilities Superintendent David Evans:

- Spoke of sending out the RFP to look for a firm to write a spec for refurbishing the water tower, solicit bids, assist in selecting a contractor, and provide inspection services during the project;
- Expanded on bids received; and
- Recommended hiring Bolton & Menk as low bidder.

Main motion: Approve Action Memorandum 21-105

Moved by:	Gibbs
Seconded by:	Uselman
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item H – Action Memorandum 21-107: Approve Planting Trees by the City Tennis Courts on 7th St SW

Utilities Superintendent David Evans expanded on a request sent to the Park Board from David & Julia Snyder to place 3-4 trees on the boulevard on 7th St SW on the West side of the tennis courts. The Snyders would like to purchase and plant the trees to provide shade for future tennis spectators. The Park Board recommended to accept this donation from the Snyders. The tree species will be from an approved boulevard tree list.

Main motion: Approve Action Memorandum 21-107

Moved by:	Uselman
Seconded by:	Miller
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

Item I – Approve Pay Request #3 for the Airport Crosswind Runway

Utilities Superintendent David Evans expanded on pay request #3.

Main motion: Approve Action Memorandum 21-107

Moved by:	Miller
Seconded by:	Lunde
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

C. Meeting Open to the Public

Mayor Deiss opened the meeting for public input at 6:30.

D. Department Reports

Item A - Public Works Department

1. September 13, 2021, Park Board Minutes
2. October 5, 2021, Park Board Minutes

Director Dan Kovar had nothing to report.

Item B – Utilities Department

Superintendent David Evans:

- Expanded on overwhelming number of locates with gas and communication companies digging;
- Spoke of progress with TCHC's project; and
- Spoke of finishing up several projects.

Item C - Wadena Development Authority & Planning and Zoning

WDA Director Dean Uselman:

- Spoke of working on several projects; and
- Stated the WDA meeting this month was cancelled.

P & Z Director Dean Uselman spoke of issuing several fence permits.

Item D - Police Department

Police Chief Naomi Plautz was not present.

Item E – Fire Department

1. September Activity Report
2. Monthly Calls for Service

Fire Chief Cody Yglesias was not present.

Item F - Wadena Liquor Store

1. September Liquor Revenue

Manager Tim Booth spoke of advertising for clerk position.

Item G - Maslowski Wellness and Research Center

1. September MWRC Revenue

Manager Eric Robb had nothing to report.

Item H – Whitetail Run Golf Course

Manager Kevin Ross was absent.

Item I – Interim City Administrator

David Evans stated the TCHC's utilities project was close to finalized inspection.

Item J – Council Reports

Bruce Uselman had nothing to report.

Wade Miller had nothing to report.

Mark Lunde had nothing to report.

Jessie Gibbs encouraged the public to voice their opinions both privately and publicly.

Item K - Mayor's Report

George Deiss:
- Spoke of great things the council has done in the past few years and all the support they have given to businesses; and
- Thanked Dave, Dean and office staff for all their efforts without having a city administrator hired.

Adjournment

Main motion: Adjourn at 6:45 p.m.

Moved by:	Lunde
Seconded by:	Uselman
Action:	Motion carried by unanimous voice vote
Roll call vote:	Gibbs, Lunde, Miller, Uselman, Deiss
Opposed:	None

David Evans, Interim City Administrator

George Deiss, Mayor