

**WILLMAR CITY COUNCIL PROCEEDINGS**  
**COUNCIL CHAMBERS**  
**WILLMAR MUNICIPAL UTILITIES BUILDING**  
**WILLMAR, MINNESOTA**

October 16, 2017  
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 Audrey Nelsen, Ron Christianson, Kathy Schwantes, Fernando Alvarado, Julie Asmus, Shawn Mueske, Andrew Plowman and Rick Fagerlie. Present 9, Absent 0.

Also present were City Administrator Ike Holland, Planning and Development Services Director Bruce Peterson, Police Chief Jim Felt, Public Works Director Sean Christensen, City Clerk Judy Thompson and City Attorney Robert Scott.

There were no proposed 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 October 2, 2017
- B. Willmar Municipal Utilities Minutes of October 9, 2017
- C. Planning Commission Minutes of October 4, 2017
- D. **Resolution No. 17-119 Approving Certification of Unpaid Utility Charges as Lien**
- E. **Resolution No. 17-120 Certifying Special Assessments for Unpaid Nuisances in General Removal Charges**
- F. **Resolution No. 17-121 Accepting Project No. 1603-B and Authorize Final Payment**
- G. **Resolution No. 17-122 Revising Procedures for City Council Work Sessions and Establishing a Labor Relations Committee of the Whole**
- H. Central Community Transit Operations Board Minutes of August 22, 2017
- I. Building Report for the Month of September, 2017
- J. Accounts Payable Report through October 10, 2017
- K. Fire Department Statistics for September, 2017

Council Member Fagerlie offered a motion to approve the Consent Agenda. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:07 p.m. Mayor Calvin opened the public hearing to consider Amending Municipal Development District No. II. Planning and Development Services Director Bruce Peterson stated the district boundary is being sized to allow the creation of a redevelopment district which will also provide for a possible third phase in the future.

John Burns, 317 Northwest 7<sup>th</sup> Street, addressed the Council with concerns of creating a TIF district for the proposed project.

Steve Cederstrom, 1424 Southwest 16<sup>th</sup> Street, addressed the Council with concerns of the City approving a tax break for the proposed project. He stated as a property owner and developer of a project in the area, he did not receive any break on his property at time of development. He also stated that there is retail rental space available at several sites in Willmar and shared his concerns that those property owners can't compete with a property receiving tax increment financing.

There being no others to speak for against the proposed amendment, Mayor Calvin closed the public hearing at 7:18 p.m. and opened it up for discussion by the Council.

Following discussion, **Resolution No. 17-123 Amending Municipal Development District No. II** was introduced by Council Member Nelsen. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 7, Noes 1. Council Member Christianson voted "no."

At 7:30 p.m. Mayor Calvin opened the public hearing to create a new tax increment financing (TIF) district. Planning and Development Services Director Bruce Peterson stated the City has received an application from B & B Properties of Minnesota, LLC for the creation of a redevelopment tax increment financing district on both sides of the 600 block of South 1<sup>st</sup> Street for the Legacy on First Project. The proposed project would initially include approximately 7,600 square feet of retail/office/restaurant development. Mr. Peterson stated that several structures on 1<sup>st</sup> Street were removed over the past few years at considerable expense and now offers a prime redevelopment site. The developer wishes to move forward with the project provided a reasonable level of tax increment financing assistance is provided.

Philip Schultz, Green Lake Properties, addressed the Council and stated he also owns property on 1<sup>st</sup> Street South and when he developed his property, he was told he was not eligible for tax increment financing. He, along with several others, has open space available for rent and feels it is unfair to those that are not receiving the tax increment financing.

There being no others to speak for or against the proposed TIF district, Mayor Calvin closed the hearing at 7:38 p.m. and opened it up for discussion by the Council.

Council Member Nelsen offered a motion to approve the proposed TIF district. Council Member Schwantes seconded the motion.

Aaron Backman, Economic Development Commission (EDC) Executive Director, addressed some of Council's concerns regarding the creation of the new TIF district and spoke in favor of the Legacy on First Project.

Following discussion, Council Member Mueske offered a motion to table this matter and allow staff to discuss other possible options with the developer. Council Member Plowman seconded the motion which carried.

No one appeared before the Council to speak during the Open Forum.

City Attorney Robert Scott was recommending the Council approve the **introduction of Ordinance Amending Chapter 17, Surface Water Management and Repealing Ordinance No. 1227, Stormwater Management Ordinance**, and set a public hearing for November 6, 2017 at 7:02 p.m. Mr. Scott stated the original Stormwater Management Ordinance No. 1227 was put into place in accordance with the MS4 (Municipal Separate Storm Sewer System) designation in 2005. The permit gives publicly-owned stormwater infrastructure approval to discharge stormwater to lakes, streams, rivers and wetlands in Minnesota. As the permit is renewed, more stringent rules are put in place by the Minnesota Pollution Control Agency (MPCA) with added requirements and definitions. By repealing the City's existing Stormwater Management Ordinance and replacing it with updated regulations to be included within Chapter 17 of the City Code, the City will regain compliance with its MS4 permit and satisfy its obligations under a stipulation it entered into with MPCA earlier this year. The ordinance changes need to be made prior to November 15<sup>th</sup> in order to meet the terms of the stipulation.

Following discussion, Council Member Christianson offered a motion to approve the City Attorney's recommendation. Council Member Nelsen seconded the motion which carried.

City Administrator Ike Holland made the following announcements: The Ad Hoc Advisory Committee will be meeting Tuesday, October 17<sup>th</sup> at 4:00 p.m. in Conference Room No. 1 at the City Office Building for a conference call with City's attorneys; The Ad Hoc Advisory Committee will meet Wednesday, October 18<sup>th</sup> with

the City's legal team, Rice Hospital's legal team and executive staff at 5:00 p.m. at Rice Hospital; the full Council will hold a special closed meeting on Thursday, October 19<sup>th</sup> at 5:00 p.m. at the City Office Building for process briefing; an email was sent to Council regarding the recent water leak over the weekend and the damage to City Hall.

Mayor Calvin wanted to commend City staff that came in on Sunday evening to deal with the water leak at the City Office Building, and the tremendous effort and cooperation amongst those in attendance.

Council Member Christianson urged everyone to enjoy the beautiful fall weather that is forecast for this week. He also mentioned the new sound system at the Willmar Civic Center is great, and urged everyone to attend a War Hawks game.

Council Member Schwantes noted that WeLEAD is kicking off their fall series on Wednesday, October 18<sup>th</sup> at 12:00 p.m. at the MinnWest Technology Campus and the featured speaker will be Council Member Julie Asmus.

Council Member Alvarado noted he had the opportunity to attend a Minnesota Wild Hockey game and one of the programs they are planning is to take three (3) ounces of water from all lakes and ponds, filter it and place it on their rink to make true Minnesota ice.

Council Member Plowman reminded everyone throughout the City to clean up their yards to ensure the leaves don't end up plugging the storm drains.

Mayor Calvin stated the next agenda item is the evaluation of the performance of City Administrator Ike Holland, pursuant to Minnesota Statutes, section 13D.05, subdivision 3(a). This portion of the regular meeting will be closed because the City Council will be evaluating the performance of an individual subject to the City's authority. Mr. Holland has received notice of this meeting. Minnesota Statutes, section 13D.05, subdivision 3(a) provides that any portion of a meeting may be closed for this reason, unless the individual who is the subject of the meeting requests that it be open. In this case, Mr. Holland did not make such a request. Only the officials and consultants of the City who reasonably require access to this data may be in attendance at any portion of the closed meeting for this agenda item.

Mayor Calvin also noted this will be the last agenda item for this evening. After the Council comes out of closed session the meeting will be immediately adjourned, and the telecast of the meeting will conclude when the Council goes into closed session. A summary of the conclusions reached in the evaluation will be given at the beginning of the November 6<sup>th</sup> Council meeting.

At 8:22 p.m. Council Member Nelsen offered a motion to close this portion of the regular Council meeting. Council Member Alvarado seconded the motion which carried.

At 9:17 p.m. the Council returned to Open Session. Council Member Alvarado offered a motion to adjourn the meeting with Council Member Nelsen seconding the motion, which carried. The meeting adjourned at 9:18 p.m.

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MAYOR

Attest:

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SECRETARY TO THE COUNCIL

**RESOLUTION NO. 17-119**

**RESOLUTION APPROVING UNPAID UTILITY CHARGES BE CERTIFIED  
AGAINST THE REAL PROPERTY**

Motion By: Fagerlie

Second By: Nelsen

WHEREAS, Section 16-127 of the Willmar City Code states that such unpaid utility bills represent a lien on the real property receiving utility services; and

WHEREAS, the Willmar Municipal Utilities Commission has offered the owner the right to request an appearance before the Commission to make objections to payment; and

WHEREAS, the Willmar Municipal Utilities Commission has adopted Resolution No. 33 on September 11, 2017, requesting the Willmar City Clerk to certify the unpaid utility charges as a lien on the real property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the amount of the unpaid utility charges totaling \$9,837.61 be certified to the County Auditor to be extended on the tax rolls of such real property in the same manner as other taxes for collecting in 2018 and collected by the County Treasurer, and paid to the City Clerk along with other taxes; and

BE IT FURTHER RESOLVED that the unpaid utility charges be certified against the real property as follows:

1. Parcel No. 95-820-0050  
Located at 814 Park Avenue NW \$1,446.40  
Described as Section 10, Township 119, Range 35, Block 1  
*THORPE & LIEN'S ADDITION TO THE CITY OF WILLMAR*  
*Lot 4 except Northerly 11 ½ feet and except part Commencing at*  
*Southwest Corner, Thence East 75 feet, North 100 feet, West 75 feet,*  
*South 100 feet.*
  
2. Parcel No. 95-006-3760 \$1,525.99  
Located at 722 4<sup>TH</sup> Street SW  
Described as Section 15, Township 119, Range 35, Lot 6, Block 83  
*FIRST ADDITION TO THE CITY OF WILLMAR*
  
3. Parcel No. 95-090-2110 \$583.97  
Located at 1121 7th Street SW  
Described as Section 15, Township 119, Range 35, Lot 11  
*BOOTH'S ADDITION TO WILLMAR*  
*BLOCK 0*
  
4. Parcel No. 95-590-0110 \$233.76  
Located at 916 Rice Avenue SW  
Described as Section 15, Township 119, Range 35, Block 1  
*NYQUIST'S NORTH ORCHARD ADDITION TO THE CITY OF WILLMAR*  
*All that part of Lots 11 and 12 lying Easterly of the following line: Beginning at a*  
*point 35 feet Easterly of Southwest Corner of Lot 11, Thence Northerly*  
*parallel to West line of Lot 11 to point of intersection of said line with North*

*line of Lot 12 except part of Lot 12 described as follows: Beginning at a Point on Northerly line of Lot 12, 64 feet Westerly from Northeast Corner, Thence Easterly 64 feet, Southerly to Southeast Corner, Thence 80 feet along South line, Thence North to beginning.*

- |     |  |            |
|-----|--|------------|
| 5.  | Parcel No. 95-540-0200<br>Located at 824 7 <sup>th</sup> Street NW<br>Described as Section 10, Township 119, Range 35, Block 2<br><i>ERIK NILSONS ADDITION TO THE VILLAGE OF WILLMAR (NELSON'S ADDITION TO THE VILLAGE OF WILLMAR)</i><br><i>North 100 feet of South 200 feet of Lot 7</i> | \$233.81   |
| 6.  | Parcel No. 95-006-6890<br>Located at 318 12 <sup>th</sup> Street SW<br>Described as Section 15, Township 119, Range 35, Lot 5, Block 109<br><i>FIRST ADDITION TO THE CITY OF WILLMAR</i>   | \$155.23   |
| 7.  | Parcel No. 95-250-1280<br>Located at 905 3 <sup>rd</sup> Street SE<br>Described as Section 14, Township 119, Range 35, Lot 18, Block 6<br><i>GLARUM'S ADDITION TO WILLMAR</i>  | \$229.20   |
| 8.  | Parcel No. 95-250-0430<br>Located at 808 6 <sup>th</sup> Street SE<br>Described as Section 14, Township 119, Range 35, Lot 3, Block 3<br><i>GLARUM'S ADDITION TO WILLMAR</i>   | \$2,229.10 |
| 9.  | Parcel No. 95-730-1130<br>Located at 213 Hawaii Street NE<br>Described as Section 11, Township 119, Range 35, Lot 3, Block 8<br><i>SPERRY'S ADDITION TO THE VILLAGE OF WILLMAR</i>   | \$1,026.14 |
| 10. | Parcel No. 95-672-0060<br>Located at 1300 12 <sup>th</sup> Street SE<br>Described as Section 23, Township 119, Range 35, Lot 6, Block 1<br><i>PLEASANT VIEW THIRD ADDITION</i>   | \$639.68   |
| 11. | Parcel No. 95-868-0530<br>Located at 1805 Richland Avenue SW<br>Described as Section 21, Township 119, Range 35, Lot 1, Block 5<br><i>WESTWIND ESTATES SECOND ADDITION</i>   | \$204.10   |
| 12. | Parcel No. 95-340-0310<br>Located at 1904 7 <sup>th</sup> Street SW<br>Described as Section 22, Township 119, Range 35, Lot 1, Block 3<br><i>HILLTOP PARK</i>  | \$229.89   |
| 13. | Parcel No. 95-683-0710<br>Located at 304 26 <sup>th</sup> Avenue SW<br>Described as Section 22, Township 119, Range 35, Lot 21, Block 5<br><i>PORTLAND ACRES THIRD ADDITION TO THE CITY OF WILLMAR</i>   | \$473.22   |
| 14. | Parcel No. 95-914-1120<br>Located at 1009 Highway 12 E<br>Described as Section 14, Township 119, Range 35  | \$627.12   |

*That part of the Northwest Quarter of Northeast Quarter: Beginning at a point in Southerly Right-of-Way line of Litchfield Avenue which point is 633 feet East and 55.43 feet South of North Quarter Corner, Thence South 179.37 feet, Thence West 95 feet, Thence North 131 feet more or less to point on Southerly Right-of-Way line of Litchfield Avenue, Thence Easterly to point of beginning.*

Dated this 16<sup>th</sup> day of October 2017.

s/s Marv Calvin  
Mayor

Attest:

s/s Judy Thompson  
City Clerk

**RESOLUTION NO. 17-120**

**A RESOLUTION CERTIFYING NUISANCES IN GENERAL SPECIAL ASSESSMENTS**

Motion By: Fagerlie Second By: Nelsen

WHEREAS, Chapter 9, Article I of the Willmar Municipal Code concerning the removal of a hazardous building by the City. The cost of such removal or remedial measures shall be assessed by action of the City Council against the property, under such terms and conditions as the City Council may require; and

WHEREAS, THE City Council of the City of Willmar has offered the owner his right to request an appearance before the Council to make objections to payment and said owners have waived said right;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the amount of unpaid nuisance charges totaling \$7,937.16 against said property be placed on the tax roll for collection over a five (5) year period with an interest rate of four (4.00) percent, and that the County Auditor be notified to extend this assessment on the tax roll of such real property payable in 2018 and thereafter and paid to the City Clerk along with other taxes;

BE IT FURTHER RESOLVED that the unpaid nuisance charges be certified against the real property as follows:

1. Parcel No. 95-820-0280 \$7,937.16

Located at 944 Olaf Avenue NW; and  
Described as Section 10, Township 119, Range 35, Block 2  
THORPE & LIEN'S ADDITION TO THE CITY OF WILLMAR  
PART OF LOT 9:BEG.190' W OF NE COR. OF LOT 9,TH. W. 60', S. 120', E.60',  
TH. N. 120' TO PT. OF BEG.

Dated this 16<sup>th</sup> day of October, 2017

s/s Marv Calvin  
Mayor

Attest:

s/s Judy Thompson  
City Clerk

**RESOLUTION NO. 17-121**

**A RESOLUTION ACCEPTING PROJECT NO. 1603-B AND AUTHORIZING FINAL PAYMENT.**

Motion By: Fagerlie Second By: Nelsen

IMPROVEMENT: Project No. 1603-B – Overlay: Minnesota Ave SW and Biosolids Driveway

CONTRACTOR: Duinick, Inc.  
DATE OF CONTRACT: May 16, 2016  
BEGIN WORK: July 12, 2016  
COMPLETE WORK: August 17, 2016  
APPROVE, ENGINEERING DEPT: October 6, 2016

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

1. The said City of Willmar Project No. 1603-B be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$548,407.75
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$548,407.75
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$492,328.00
Less Previous Payments	\$482,515.62
<b>FINAL PAYMENT DUE CONTRACTOR:</b>	<b>\$9,812.38</b>

Dated this 16th day of October, 2017.

s/s Marv Calvin  
Mayor

Attest:

s/s Judy Thompson  
City Clerk

**CITY OF WILLMAR  
RESOLUTION NO. 17-122**

**A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLMAR, MINNESOTA REVISING  
PROCEDURES FOR CITY COUNCIL WORK SESSIONS AND ESTABLISHING A LABOR RELATIONS  
COMMITTEE OF THE WHOLE**

Motion By: Fagerlie

Second By: Nelsen

**WHEREAS**, prior to 2017, the Willmar City Council (city council) had operated pursuant to a committee structure, in which four subcommittees (the Finance, Public Works/Public Safety, Labor Relations, and Community Development Committees) comprised of four council members and the appropriate city staff department head met as needed to consider issues relevant to the committee's subject area and bring forth recommendations for final action by the full city council;

**WHEREAS**, the city council adopted Resolution No. 17-04 on February 6, 2017, pursuant to which the city council discontinued its subcommittees for a period of six months and instituted work sessions of the full city council in the subcommittees' place, to be conducted immediately preceding regular city council meetings on the first and third Monday of every month; and

**WHEREAS**, after evaluating the effectiveness and shortcomings of the work sessions as compared to the city council's former subcommittee structure at several city council meetings and work sessions in September and October, the city council has decided to continue the work sessions and make the improvements to the rules and procedures governing its work sessions as detailed herein.

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

1. The full city council will continue to meet in work sessions in the city council chambers at the Willmar Municipal Utilities' offices at 700 Litchfield Ave SW, at 5:15 p.m. on each day on which a regular meeting of the city council is scheduled at 7:00 p.m., and beginning on October 30, 2017, shall additionally meet in in the same location at 5:15 p.m. on the fifth Monday of each month having five Mondays.
2. The city council hereby forms a committee of the whole to meet as needed, separate from the regularly scheduled work sessions provided for in Paragraph 1 above, to discuss labor relations issues concerning the City and its employees. The committee of the whole established in this paragraph shall be named the Labor Relations Committee, and shall generally consider the same types of issues and matters that the former Labor Relations subcommittee of the city council historically considered. Accordingly, such labor relations issues shall generally not be placed on agendas for the regularly scheduled work sessions provided for in Paragraph 1 above.
3. The Finance Director shall provide, or arrange for the provision of, regular updates to the full city council in a regularly scheduled work session provided for in Paragraph 1 above on matters of concern to the Finance Department, including the City's financial condition and ongoing administration of the budget, not less frequently than once each month. It is the intent of the city council that matters that historically would have been considered by the city council's Finance subcommittee will be included in the monthly Finance Department's monthly update provided for in this paragraph.
4. Wherever, in the City's charter, ordinances, or policies, references are made to the city council's former Labor Relations subcommittee, such references shall be deemed to refer to the Labor Relations Committee of the whole of the city council established in Paragraph 2 above. Wherever, in the City's charter, ordinances, or policies, references are made to one of the other former city council

subcommittees (i.e. Finance Committee, Public Works/Public Safety Committee, or Community Development Committee), and such committee has not been reinstated by resolution of the city council, such references shall be deemed to refer to a committee of the whole of the city council and may be considered by the full city council at a work session, regular or special meeting, as appropriate under the circumstances.

5. The city council shall continue to follow the rules and procedures for its work sessions adopted in Resolution No. 17-04, as updated below (restated in full here for ease of reference with added material underlined):
  - a. Except for routine approvals or uncontroversial matters that may be placed on a consent agenda at a regular meeting pursuant to subparagraph 3.d. below, it is the city council's expectation that all matters requiring city council action shall be first presented to the city council in a work session so that the city council may ask questions of city staff and, if necessary, interested persons, and identify and request any additional information it will need to make a final decision on the matter at a future regular meeting.
  - b. Matters presented to the city council at a work session shall not be placed on an agenda for final council action prior to the regular meeting following the next council work session (for example, a matter considered at the work session preceding the first regular meeting of a month will not be placed on an agenda for final action until the second regular meeting in that month at the earliest). Where circumstances exist, which in the city council's discretion, justify taking final action on a matter presented at a work session at the regular meeting immediately following such work session, the city council may dispense with this requirement for such matter by adding the matter to the agenda for such regular meeting by the affirmative vote of six of its members at such regular meeting.
  - c. The city council shall not take formal action (by motion and vote) in work sessions; matters presented at work sessions are presented for discussion/informational purposes only to facilitate city council members' understanding of the matters presented, allow for input and comment by council members, and identification of additional information needed for the city council to take final action thereon.
  - d. Routine approvals or noncontroversial matters that may be placed on a consent agenda for a regular meeting by the city administrator and which therefore are not required to be presented at a work session include but are not limited to: meeting minutes of previous city council meetings or of city boards and commissions, approval of routine expenditures, matters pertaining to the scheduling of future meetings, land use approvals previously considered and recommended for approval by the Planning Commission, the final approval of licenses and permits, and such other matters as the city administrator determines are routine or noncontroversial. An item on the consent agenda may be removed therefrom by the request of any one council member at the regular meeting at the time the consent agenda is considered by the city council, prior to the approval of the consent agenda. Items so removed from the consent agenda will be placed on the regular agenda for discussion and consideration, and may be referred to a future work session by a majority vote of the city council.
  - e. Work sessions shall be video recorded, and recordings of such work sessions shall be made available on the City's official website as soon after the meeting as practicable. To the extent possible, video recordings of work sessions will be cablecast on WRAC-8.
  - f. Though a distinction is made in this resolution between "work sessions" (referring to the meetings to be held at 5:15 p.m. at which no formal actions will be taken), and "regular meetings" (referring to the meetings to be held at 7:00 p.m. at which formal actions may be taken by the council on any item), upon adoption of this resolution, the schedule of the city

council's work sessions shall be kept on file at the City's primary offices together with the schedule of its regular meetings, and both the city council's work sessions at 5:15 p.m. (including on "fifth Mondays") and regular meetings at 7:00 p.m. shall be considered to be regular meetings for the purposes of compliance with the Minnesota Open Meeting Law, Minn. Stat. § 13D.04, subd. 1, such that individual meeting notices of the city council's work sessions will not be required as the same are not considered special meetings.

Adopted by the City Council of the City of Willmar on October 16, 2017.

Approved:

s/s Marv Calvin

Mayor

Attested:

s/s Judy Thompson

City Clerk

**RESOLUTION NO. 17-123**

**AMENDING MUNICIPAL DEVELOPMENT DISTRICT NO. II**

Motion By: Nelsen

Second By: Plowman

WHEREAS, The City of Willmar in 1981 designated Municipal Development District No. II to provide impetus for redevelopment and to increase the tax base; and

WHEREAS, Municipal Development District No. II was legally described as: 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.

WHEREAS, a development program has been formulated which state the objectives of the District and addresses activities expected within the District; and

WHEREAS, it is necessary to amend the geographic bounding of the District to facilitate the creation of a tax increment financing district.

NOW, THEREFORE, BE IT RESOLVED, that the legal description for Municipal Development District No. II be amended to include the area described as: 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.

Dated this 16<sup>th</sup> day of October, 2017

s/s Marv Calvin  
MAYOR

Attest:

s/s Judy Thompson  
CITY CLERK

**WILLMAR MUNICIPAL UTILITIES MINUTES**  
**MUNICIPAL UTILITIES AUDITORIUM**  
**OCTOBER 23, 2017**

The Municipal Utilities Commission met in its regular meeting on Monday, October 23, 2017 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Justin Mattern, Abdirizak Mahboub, Dan Holtz, Nathan Weber, and Bruce DeBlieck. Absent were Commissioners Carol Laumer and Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Customer Service Supervisor Stacy Stien, Line Supervisor Todd Graves, Power Production Supervisor Jon Folkedahl, Facilities & Purchasing Supervisor Kevin Marti, Power Resources Analyst Michelle Marotzke, Staff Electrical Engineer Jeron Smith, Water & Heating Supervisor Joel Braegelman, Compliance/HR/Safety Officer Janell Johnson, Energy Services & Marketing Rep Mary Kosbab, Administrative Secretary Beth Mattheisen, City Councilmember Shawn Mueske, City Attorney Robert Scott (via teleconference), and West Central Tribune Journalist Shelby Lindrud.

Due to the absence of Commissioner Laumer (President), Commissioner Mattern (Vice President) opened the meeting by requesting the Commission to offer a resolution to approve the Consent Agenda. Following review and discussion, Commissioner Holtz offered a resolution to approve the Consent Agenda as presented. Commissioner Mahboub seconded.

**RESOLUTION NO. 38**

“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 October 9, 2017 Commission meeting; and,
- ❖ Bills represented by vouchers No. 171773 to No. 171858 and associated wire transfers inclusive in the amount of \$1,917,070.51.

Dated this 23<sup>rd</sup> day of October, 2017.

\_\_\_\_\_  
Vice President

Attest:

\_\_\_\_\_  
Secretary

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

Commissioner Weber (LC Vice-Chair) reviewed with the Commission the minutes from the October 13<sup>th</sup> WMU Labor Committee meeting (see attached). Agenda items included: 1) pre-labor negotiations discussion; 2) decommissioning package approval; and, 3) consideration of legal representation during negotiations. Following review and discussion, Commissioner Holtz offered a motion to approve the minutes of the October 13<sup>th</sup> WMU Labor Committee meeting as presented. Commissioner DeBlieck seconded the motion which carried by a vote of five ayes and zero nays.

In conjunction with the minutes of the Labor Committee meeting, the Commission was requested to approve the Memorandum of Agreement (MOA) between WMU and IBEW Local Union #160 for acceptance of the decommissioning package being offered to WMU's Power Plant and District Heating employees. General Manager Harren reviewed with the Commission the components of the MOA which had been ratified by IBEW. The decommissioning package was created to assist in the retention of qualified employees throughout the District Heating decommissioning process and throughout the closing of the Power Plant, if a closing was to occur. Following discussion, Commissioner Mahboub offered a resolution that the Memorandum of Agreement between Willmar Municipal Utilities and IBEW Local #160 for the decommissioning package offered to the Utility's Power Plant and District Heating employees be approved as presented. Commissioner Holtz seconded.

#### **RESOLUTION NO. 39**

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

Commissioner Mattern (PC Chair) reviewed with the Commission the minutes from the October 16<sup>th</sup> WMU Planning Committee meeting (see attached). Topics of discussion included: 1) Priam Substation Wetland Mitigation update; 2) firm gas pricing contract; 3) property adjacent to WMU property; and, 4) rate adjustments. Following discussion, Commissioner Holtz offered a motion to approve the minutes of the October 16<sup>th</sup> WMU Planning Committee meeting as presented. Commissioner DeBlieck seconded the motion which carried by a vote of five ayes and zero nays.

Related to the discussion regarding the need for rate adjustments, General Manager Harren informed the Commission that a significant change in addressing the rate adjustments would be whether or not to line item the City's franchise fee on the monthly utility bills. The franchise fee is based on actual megawatt usage and would provide transparency for the Utility customers. Harren further reviewed five scenarios being presented for consideration (3 for electric rates and 2 for water rates). It was further noted that in order to proceed in a timely manner, the scheduling of a public hearing to present the proposed adjustment(s) would be required. Following review and discussion, Commissioner Mattern offered a motion to concur with the Planning Committee's recommendation to proceed with the rate adjustment process and to schedule a public hearing on November 13<sup>th</sup> at 11:50 a.m. (WMU Auditorium) to discuss the proposed rate adjustments. Commissioner Holtz seconded the motion which carried by a vote of five ayes and zero nays.

Facilities & Purchasing Supervisor Marti informed the Commission of an opportunity which had been presented to staff regarding property that was to be listed for sale in the near future. This property was adjacent to Utility's current facilities. The Planning Committee had requested staff to provide data to the Commission to assist in the development of a directive for the future WMU facility. Historic and current property information along with numerous site illustrations (including various utilities, permanent required infrastructure, setback requirements, property size constraints, etc.) were presented for discussion. Following discussion, Commissioner Mattern offered a motion to decline pursuing the option to acquire the property adjacent to WMU property. Commissioner Holtz seconded the motion which carried by a vote of five ayes and zero nays.

Power Resources Analyst Marotzke reviewed with the Commission the August 2017 Power Supply Report. Data presented included: 1) Power Supply comparisons; 2) Budget vs Actual; 3) Locational Marginal Pricing (LMP) comparisons; and, 4) gas prices.

Line Supervisor Graves presented the Commission with an update of the LED Street Lighting Replacement Project. Beginning in 2015, the Utility began switching out older street lights for the newly improvement LED lights. The LED's offer a reduction in glare by providing better directional lighting on streets and sidewalks, reduce maintenance cost through longer lamp life, and reduce

energy usage therefore reducing utility costs. To date, the Utility has replaced approximately 1,000 street lights with the new LED fixtures. New technology associated with the LED fixtures allow the ability to control the actual power usage of the fixtures at pre-determined intervals (i.e. 100% vs 50%). The Utility will continue to replace the outdated fixtures with the LEDs as needed.

Director of Finance Runge presented the Commission with a request to add Bremer Trust, N.A., to the Utility's list of financial providers. Approval of the *Notification To Broker and Certification By Broker* agreement is required to allow the financial institute to conduct investment transactions on behalf of the Utility. Following discussion, Commissioner DeBlieck offered a motion to approve the *Notification To Broker and Certification By Broker* agreement adding Bremer Trust, N.A. to the list of financial providers for the Willmar Municipal Utilities. Commissioner Holtz seconded the motion which carried by a vote of five ayes and zero nays.

General Manager Harren reminded the Commission that a joint-meeting of the Commission, City Council, Mayor Calvin, and management personnel has been scheduled for Tuesday, October 31<sup>st</sup> beginning at 12:00 p.m. at the Kandiyohi Co. Health & Human Services Building, Room #0030 (Multi-Purpose Room). Topics of discussion will include: 1) Intergovernmental Transfer; 2) rate adjustments; and, 3) capital improvements and the costs associated with them.

General Manager Harren informed the Commission that a meeting of the WMU Planning Committee has been scheduled for Friday, November 3<sup>rd</sup> at 12:00 p.m. Discussion items will include: 1) rates; 2) Priam Substation engineering services; 3) Operations Policies updates; and, 4) Commission self-evaluations. Harren also indicated that a meeting of the WMU Labor Committee would be forthcoming. An annual review of Personnel Policies will be conducted at that time.

For information: Upcoming meetings/events to note include:

- WMU Labor Committee Mtg. – today (Oct. 23<sup>rd</sup>) at 12:45 p.m. (WMU Conference Room)
- Labor Negotiations (1<sup>st</sup>) – Tues., Oct. 24<sup>th</sup> @ 9:00 a.m. (Willmar Conference Center)
- Joint MUC/City Council Mtg. – Tues., Oct. 31<sup>st</sup> @ 12:00 p.m. (Kandiyohi Co. Health & Human Services Bldg., Room #0030 (Multi-Purpose Room))
- WMU Planning Committee Mtg. – Friday, Nov. 3<sup>rd</sup> @ 12:00 p.m. (WMU Conference Room )
- Labor Negotiations (2<sup>nd</sup>) – Tues., Nov. 7<sup>th</sup> @ 9:00 a.m. (Willmar Conference Center)

There being no further business to come before the Commission, Commissioner Holtz offered a motion to adjourn the meeting. Commissioner Mahboub seconded the motion which carried, and the meeting was adjourned at 12:45 p.m. by a vote of five ayes and zero nays.

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  
Friday, October 13, 2017 – 12:00 p.m.**

Attendees: Commissioners Nathan Weber, Ross Magnuson & Dan Holtz, General Manager John Harren, Director of Finance Denise Runge, Compliance/HR & Safety Officer Janell Johnson, and Administrative Secretary Beth Mattheisen.

Committee Vice-Chair Weber called the meeting to order at 12:00 p.m.

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**AGENDA ITEMS:**

General Manager Harren opened the meeting by informing the Labor Committee that the proposed decommissioning package (offer) for Power Plant employees had been approved by IBEW Local Union #160.

➤ **Pre-labor negotiations discussion & strategies:**

General Manager Harren stated that two session dates have been secured to conduct the upcoming labor negotiating process between WMU/IBEW (Oct. 24<sup>th</sup> & Nov. 7<sup>th</sup>). To proceed in a timely manner, it has been proposed that both parties exchange their initial offers prior to the actual meeting date. This will provide an opportunity for both entities to address their questions and concerns related to the offers being initiated. Following discussion, it was the consensus of the Labor Committee to support this strategy and approve the submittal of WMU's initial offer to IBEW prior to the October 24<sup>th</sup> meeting (as well, WMU will receive IBEW's offer.)

General Manager Harren reviewed with the Committee the 2018 Labor Committee Negotiation Proposal. This proposed three-year agreement would conclude at the end of 2020. A step-by-step review of the items for consideration related to the negotiating process were reviewed. Reference items presented for review included a listing of labor settlements by comparable bargaining units and additional trending factors.

Director of Finance Runge informed the Labor Committee that notification from our current health care provider indicated 2018 would bring an 18% increase in health care premiums. Staff has been investigating various health insurance plans and compiling data for package options available to the Utility and its employees. Differences of the optional plans were touched on. Related to the employee's health insurance premiums, an adjustment is also being proposed to the number of pay periods for the health insurance payroll deduction (currently bi-weekly at 26).

**Action/Recommendation:**

Following discussion, it was the consensus of the WMU Labor Committee to direct staff to provide the IBEW with the Utility's initial proposal. Once the Union's offer has been received by the Utility, the Labor Committee will schedule a brief meeting prior to the October 24<sup>th</sup> negotiating session to review and discuss the proposal.

➤ **Decommissioning package approval:**

Compliance/HR/Safety Officer Johnson informed the Committee that negotiating efforts to establish an agreement for the decommissioning package (Power Plant employees) had been submitted by WMU and approved by the Union. Review of the MOA was presented which included definitions, severance package, performance incentive and other incentives. Staff worked with Labor Attorney Frank Madden's office to create a mutually acceptable MOA between WMU & IBEW. The decommissioning package presented assumes the total current number of Power Plant employees. Numbers will change depending on retention of current employees.

In conjunction with the acceptance of the decommissioning package offer, Johnson reviewed with the Committee a resolution which would be presented to the Commission for approval.

**Action/Recommendation:**

Following discussion, it was the consensus of the WMU Labor Committee to recommend approval of the presented MOA along with the coinciding resolution and to present them to the Commission for approval at the October 23<sup>rd</sup> MUC meeting.

SIDE NOTE: General Manager Harren will be meeting next week with WMU personnel who may be able to assist with the decommission process at the Power Plant (former Power Plant employees).

➤ **Consideration of need for legal representation (labor attorney) at negotiation sessions:**

General Manager Harren requested the Labor Committee to consider if they required legal representation at the Oct. 24<sup>th</sup> labor negotiating session. Following discussion, it was the consensus of the Committee to direct staff to contact Labor Attorney Madden's office so that Mr. Madden may be on "standby" for tentative attendance at the upcoming session(s) if needed.

➤ **Adjournment**

There being no further business to come before the WMU Labor Committee, Commissioner Weber offered a motion to adjourn the meeting. Commissioner Magnuson seconded the motion which carried by a vote of two ayes and zero nays at 1:02 p.m.

**RESOLUTION NO. 39**  
**APPROVING THE MEMORANDUM OF AGREEMENT BETWEEN THE**  
**WILLMAR MUNICIPAL UTILITIES AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL**  
**WORKERS LOCAL 160**

**WHEREAS**, on May 22, 2017, the Municipal Utilities Commission (“MUC”) approved Resolution No. 17-17, A Resolution to Discontinue the District Heating System Subject to City Council Approval, effective July 1, 2020; and

**WHEREAS**, on June 19, 2017, the Willmar City Council adopted Resolution No. 17-68, A Resolution by the Mayor and City Council of the City of Willmar, Minnesota Approving the Discontinuance of Willmar Municipal Utilities’ District Heating System, effective July 1, 2020; and

**WHEREAS**, the Willmar Municipal Utilities (hereafter “Utilities”) recognizes that the Power Plant may close at some point after the decommissioning of the District Heating System.

**WHEREAS**, it is necessary for the Utilities to retain a sufficient number of power plant employees from the present through the decommissioning of the District Heating System and through the possible closing of the Power Plant; and

**WHEREAS**, the International Brotherhood of Electrical Workers Local 160 ratified a Memorandum of Agreement approving a “Decommissioning Package” applicable solely to District Heating and Power Plant employees to provide an incentive to those employees to retain employment in the power plant through decommissioning of the District Heating System and through the closing of the Power Plant, to the extent a closing occurs.

**WHEREAS**, the Decommissioning Package is composed of four documents attached to the Memorandum of Agreement as Exhibits. These Exhibits are:

- a. Exhibit A – Definitions
- b. Exhibit B – Severance Package
- c. Exhibit C – Performance Incentive
- d. Exhibit D – Other Incentives

Based on the foregoing:

**BE IT RESOLVED**, by the MUC that the Memorandum of Agreement related to the Decommissioning Package is hereby approved.

**BE IT FURTHER RESOLVED** that this agreement will reach final approval upon the ratification of the MUC meeting minutes by the City Council of Willmar, MN.

Adopted by the MUC of the Willmar Municipal Utilities this 23<sup>rd</sup> day of October, 2017.

\_\_\_\_\_  
Vice President

ATTEST:

\_\_\_\_\_  
Secretary



**WILLMAR MUNICIPAL UTILITIES**  
**WMU PLANNING COMMITTEE MEETING MINUTES**  
**Monday, October 16, 2017 - 12:00 p.m.**

Present: Commissioners Justin Mattern & Bruce DeBlieck, General Manager John Harren, Director of Finance Denise Runge, Customer Service Supervisor Stay Stien, Facilities & Purchasing Supervisor Kevin Marti; Power Supply Supervisor Chris Carlson, Staff Electrical Engineer Jeron Smith, and Administrative Secretary Beth Mattheisen.

Commissioner Mattern (Chair) called the meeting to order at 12:01 p.m.

\*\*\*\*\*

**AGENDA ITEM(S):**

➤ **Priam Substation Wetland Mitigation Update:**

Staff Electrical Engineer Smith presented the Planning Committee with a Priam Substation project update. Smith stated that the required soil borings have been completed and anticipate receipt of the final report.

Staff Electrical Engineer Smith continued by reviewing with the Committee the Priam Substation Replacement Plan submitted by the engineering firm of Bolton & Menk, Inc. The study outlines the impact the Priam Sub project would have on the wetlands located on the property. The mitigation banking is a system of credits and debits devised to ensure that ecological loss is compensated for by the preservation and restoration of wetlands as a result of developmental actions (i.e. substation project). Total wetland impacts created by this project are 0.43 acres. A proposal to purchase the required credits from the wetland bank was reviewed along with illustrations depicting the affected area. Supporting documentation was reviewed.

It was the engineer's recommendation to purchase credits from the wetland bank to offset the ecological impact the Priam Substation would have on the surrounding wetlands (total cost for 0.86 acres would be \$56,192.40). It was further noted, that this cost is comparable and supported by recent projects conducted by the engineering firm.

This was item was for discussion only (project is already approved).

*Staff Electrical Engineer Smith departed the meeting at this time.*

➤ **Firm Gas Pricing Contract:**

Power Supply Manager Carlson informed the Committee that with impending decommissioning of the district heating system (July 2020), staff is looking for proposal to firm up future gas pricing. Carlson presented an explanation of the process involved to secure the needed firm gas pricing. The Utility is seeking to secure a three-year proposal (three seasons through Oct. 31, 2020). CenterPoint Energy has assisted in locating a third party to possibly provide the required future gas supply. Once the gas contract has been secured, it will be brought before the Commission for approval. Further discussions will follow.

*Power Supply Manager Carlson departed the meeting at this time.*

➤ **Property Adjacent to WMU Area:**

Facilities & Purchasing Supervisor Marti informed the Committee that he had been contacted by a local realtor regarding adjacent property that will be listed for sale in the near future. This property is a parcel located between the WMU Office and Service Center areas. Consideration was given to the possibility of this parcel as a component of a future facility site. Options related to this property and currently owned adjacent properties were reviewed. Staff indicated that, in their opinion, the area would not meet the future space needs of the Utility, and therefore was recommending to not pursue this option.

The Planning Committee requested staff to provide a recap of Utility-owned properties (WMU Office/Service Center/Plant area) for discussion at the Oct 23<sup>rd</sup> Commission meeting and to review the issues at hand related to the future WMU facility (i.e. size limitations including setback restrictions, infrastructure involved, full costs of acquiring additional parcels w/relocation fees, projections, etc.). This discussion will bring the Commission up to speed on the proposed facilities project and to request a recommendation on the possible purchase of the parcel for sale.

*Facilities & Purchasing Supervisor Marti departed the meeting at this time.*

➤ **Rate Adjustments:**

Discussion Objective: Set a public hearing regarding establishing the franchise fee as a rate and/or rate adjustment. Process needs to move forward to achieve the transition in place by January 1, 2018 (timeline). Must take into consideration the need to not deplete the Utility's cash reserves.

General Manager Harren and staff compiled data for consideration for the proposed rate adjustments (electric and/or water). A defining factor would be whether or not to line item the City's franchise fee on the monthly utility bills. By listing the franchise fee as a line item, this would provide Utility customers with consistent transparency and would be based on the consumer's actual megawatt usage (future ordinances would be required).

Director of Finance Runge reviewed with the Committee five rate adjustment scenarios for consideration (3 scenarios for electric rates and 2 scenarios for water rates). Statements of Cash Flows (both for electric and water) were presented with the scenarios for consideration and discussion while taking into effect the Energy Acquisition Adjustment. All five scenarios were presented with graphs depicting the total impact to the customers' utility bills (residential, commercial, and industrial billings).

Scenario #1(Electric): Utilize City Franchise Fee as line item: \$3,000,000 two-year approach; \$2 million (2018) and \$1 million (2019).

Scenario #2 (Electric): Utilize City Franchise Fee as line item: \$2,152,600 in 2018 (net differences taken into account);

Scenario #3 (Electric): Not utilizing City Franchise fee: 5% each year (2018 & 2019)

Scenario #4 (Water): Utilizing City Franchise Fee: 5% each year (2018 & 2019)

Scenario #5 (Water): Not utilizing City Franchise Fee: 10% each year (2018 & 2019)

Following discussion, it was the consensus of the Committee to select Scenarios #1 and #4 as the recommended rate adjustments option which would serve as the most beneficial to the Utility and its customers.

**Action/Recommendation:**

Following review and discussion, it was the consensus of the Planning Committee to concur with making a recommendation that a rate increase is necessary and to move forward with scheduling a public hearing for the purpose of rate adjustment(s) discussion. The tentative date to conduct the public hearing would be November 13<sup>th</sup>.

➤ **Strategic Planning/Organizational/Opportunities #3A - Investigate Opportunities to Increase WMU Portfolio:**

General Manager Harren presented the Committee with a potential business opportunity that may become available to expand WMU's portfolio. Options were discussed related to the possible prospect. WMU has been contacted by MMUA to explore the option and consider the possible need to provide mutual aid and/or assistance if warranted.

➤ **Miscellaneous:**

FYI: The next quarterly update of WMU's Strategic Plan is scheduled to be presented to the Commission on December 26<sup>th</sup>.

The Planning Committee initiated a concept for consideration to conduct annual Commissioner self-evaluations. This review would function as a learning tool to assist in understanding and performing the roles/responsibilities of the Commissioners. It was noted that APPA has established a template to use as a guideline for the self-evaluations. Further consideration of the self-evaluation will be addressed at the next Planning Committee meeting

➤ **Adjournment:**

There being no further discussion to come before the WMU Planning Committee, Commissioner Mattern declared the meeting adjourned at 1:24 p.m.

**Rice Memorial Hospital  
Board of Directors Meeting  
October 25, 2017**

**PRESENT:** Dr. Douglas Allen, President  
Dr. Lee Cafferty, Director  
Andrea Carruthers, Vice President  
Jon Saunders, Treasurer  
Peggy Sietsema, Director  
Eric Weiberg, Secretary

These RMH Board of Director minutes have not been officially approved by the RMH Board

**ABSENT:** Ken Behm, Director

**ADMINISTRATIVE STAFF:** Michael Schramm, CEO, Teri Beyer CQO, Kathy Dillon, Interim CNO, Bill Fenske, CFO, Dr. Ken Flowe, CMO

**GUESTS:** Shirley Carter, Rice Health Foundation; Audrey Nelsen, City Council Liason; Anne Polta, West Central Tribune; Dr. Tod Speer, Willmar Regional Cancer Center

**CALL TO ORDER/APPROVAL OF MINUTES:** President Allen called the meeting to order at 5:30 p.m. A motion was made by Director Sietsema and seconded by Director Weiberg to approve the consent agenda items as presented. Motion carried.

**MOTION TO CLOSE MEETING:** A motion was made by Director Saunders and seconded by Director Carruthers to close the meeting for strategic planning following conclusion of regular business per MN Statute Sec. 144.581. Motion carried.

**QUALITY REPORT:** Dr. Speer, Radiation Oncologist and Medical Director of Willmar Regional Cancer Center, provided an overview of the advances made in treatment technologies over the last few years. He thanked the Board for their financial support of WRCC and answered questions regarding specifics of the various types of treatment available. (See attached)

T. Beyer and K. Dillon reviewed the recent survey of Rice Memorial by the Joint Commission. Surveyors arrived on October 10<sup>th</sup> and completed their survey on October 13<sup>th</sup>. The survey process has changed somewhat in that all findings now required a corrective action and those findings corrected during survey (which previously were not included in the report) are now part of the official report and also require corrective action plans. Corrective action plans from this survey are due December 25<sup>th</sup>. Overall, the survey went well and the individual surveyors were very consultative as opposed to the previous punitive style.

**MEDICAL STAFF REPORT:** Dr. Hund noted that the attached article addressing abusive remarks from patients will be addressed at the upcoming Medical Executive Committee meeting. The following physicians/providers were recommended for appointment/reappointment to the Medical Staff at the Credentials Committee meeting on 10/3/17: Abigail Burris, LMFT, Telemedicine, Behavioral Health Providers. Reappointments to Active Staff: Stan Antkowiak, DO, OB/GYN, Steven Bell, MD, General Surgery, Kenneth Flowe, MD, Emergency Medicine, Daniel Fuglestad, MD, Family Medicine, Andrew Hoffmann, MD, Family Medicine, KerriAnn Mahon, MD, Pediatrics, Daniel Scott, MD, Psychiatry

and John Skretvedt, MD, Family Medicine. Reappointments to Affiliate Staff: Curt Behrns, MD, Radiology, Patricia Hoeft, MD, Pathology, David Monyak, MD, Radiation Oncology, Jay Traverse, MD, Cardiologist and Laura Willson, MD, Radiation Oncology. Reappointments to Allied Health: Holly Gibson, RN-CRNA, Anesthesia, Scooter Lippert, LICSW, Psychiatry and Catherine Miller, EdD, LP, Psychiatry. 6-month extension of Locum Tenens Privileges: John Horns, MD, Radiation Oncology and Heather Stefanski, MD, Pediatrics. Podiatry Resident – Temporary Privileges: Ali Malik, DPM.

**Action:** Motion made by Director Sietsema and seconded by Director Weiberg to approve the above-noted recommendations from the Medical Staff. Carried.

**CEO REPORT:** M. Schramm, CEO reported on the following:

- **WMS**
  1. The Surgery Center project continues to be on schedule and under budget.
  2. Work has begun at the new site for the Sleep Center. Following their move, the Cancer Center renovation will begin.
- A project revising the existing parking area for the Willmar Regional Cancer Center will be brought to the Board in coming months.
- Recruitment: Dr. Carlos Silva, Anesthesiologist, will be starting practice 1/1/18. A new CRNA will be joining the group later in 2017.
- Additional Culture Sessions are scheduled for 10/30 – 10/31 and 11/1 – 2 as well as 11/13-14 and 11/15-16.
- Several meetings have been held with the committee of the City Council addressing the legal documents surrounding the proposed integration.
- An Employee Engagement Committee has been formed with representatives from Rice, ACMC and WMS (4-each). Their purpose is to advise/recommend improved means of communication of the key messages related to the integration.
- Open enrollment for employee insurance benefits will be held 11/7 – 11/20.

**OTHER BUSINESS:**

- A. City Council Report:** A. Nelsen reported she had no additional information to report beyond what Mr. Schramm covered in his description of the activities related to reviewing the legal documents.

**CLOSED SESSION:** The Board entered a closed session for strategic planning at 6:34 p.m. Following the conclusion of discussion, a motion was made by Director Weiberg and seconded by Director Cafferty to conclude the closed session at 8:05 p.m.

**ADJOURNMENT** Unanimously agreed to adjourn the meeting at 8:06 p.m.

## FULL COUNCIL LABOR RELATIONS COMMITTEE

### MINUTES

A closed session of the full Council Labor Relations Committee was held on Thursday, October 26, 2017, in Conference Room No. 1 at the Willmar City Office Building.

Present:	Audrey Nelsen	Absent: Mayor Calvin
	Fernando Alvarado	Ron Christianson
	Kathy Schwantes	Rick Fagerlie
	Julie Asmus	Andrew Plowman
	Shawn Mueske	

Others present: City Administrator Ike Holland, Human Resource Director Bridget Buckingham, and Flexible Benefit Consultants Justin Kroeger and Mike Lynner.

Item No. 1      Call to Order

The meeting was called to order by Mayor Tempore Nelsen at 5:00 p.m.

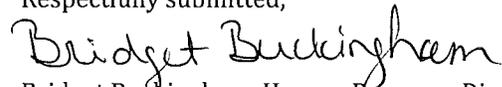
Item No. 2      Closed Session Pursuant to Minn. Stat. §13D.03

Council Member Mueske, seconded by Council Member Asmus to go into closed session. The meeting was closed at 5:01 p.m.

The meeting was reopened at 7:59 p.m. by motion of Council Member Mueske, seconded by Council Member Alvarado.

There being no further business, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,



Bridget Buckingham, Human Resource Director

**Rice Memorial Hospital  
Board of Directors Meeting  
October 30, 2017**

**PRESENT:** Dr. Douglas Allen, President  
Ken Behm, Director  
Dr. Lee Cafferty, Director  
Andrea Carruthers, Vice President  
Jon Saunders, Treasurer  
Peggy Sietsema, Director  
Eric Weiberg, Secretary

**ABSENT:** None

**ADMINISTRATIVE STAFF:** Michael Schramm, CEO, Teri Beyer CQO, Bill Fenske, CFO, Dr. Ken Flowe, CMO

**GUESTS:** Shirley Carter, Rice Health Foundation; Audrey Nelsen, City Council Liason; Anne Polta, West Central Tribune; Jill Radloff, Attorney, Stinson Leonard Street

**CALL TO ORDER:** President Allen called the meeting to order at 12:03 p.m.

**APPRECIATION/REMARKS:** President Allen expressed his appreciation to the members of the Board for taking time from their schedules to attend today's meeting. He also thanked the members of the Executive Committee of the Board for the time they have spent in extra meetings and reviewing documents. He thanked the former Board Chairman, David Anfinson, and former Director, Mike Gardner, for their work that allowed us to reach this point. Thanks were also expressed to the Executive Team and other members of the Rice staff who have worked to address the details of the proposed affiliation.

**OVERVIEW OF LEGAL DOCUMENTS:** Attorney Radloff reviewed four agreements for the members of the Board related to the affiliation between Rice, ACMC and CentraCare:

1. Operating Lease
2. Member Control Agreement
3. Affiliation Agreement
4. Guaranty from CentraCare

As part of her review, she answered questions posed by Board Members.

Following the overview and clarification provided, President Allen requested each Board Member state their position regarding the proposed affiliation.

**BOARD RESOLUTION:** The Resolution (attached) was reviewed by President Allen who then requested a motion. Motion to support the resolution as written, recommending the City Council approve and authorize the four documents noted above, was made by Director Saunders and seconded by Director Carruthers. Motion carried unanimously.

**ADJOURNMENT** – 12:47 p.m.

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

**A RESOLUTION APPROVING A LEASE OF RICE MEMORIAL HOSPITAL WITH  
CENTRACARE HEALTH SYSTEM AND CARRIS HEALTH, LLC**

**October 30, 2017**

**WHEREAS**, the Rice Memorial Hospital Board of Directors (the “Board”), working with its consultants and advisors, has determined that affiliation of the Rice Memorial Hospital (“RMH”) with a Minnesota, private, nonprofit, non-governmental corporation is desired in order to meet the ongoing healthcare needs of the residents of its community; and

**WHEREAS**, in order to meet these ongoing healthcare needs of the community, representatives of RMH and the City of Willmar (the “City”), together with legal counsel, have negotiated, pursuant to Minn. Stat. §447.47, a Operating Lease Agreement with Carris Health, LLC (“Carris”) and CentraCare Health System (“CentraCare”), a Minnesota nonprofit and tax-exempt corporation (the “Lease”) for the 136-bed acute care hospital located at 301 Becker Avenue SW, Willmar, Minnesota, known as Rice Memorial Hospital (the “Hospital”) and certain related health care facilities including Rice Care Center, Rice Home Medical, Rice Hospice (collectively, with the Hospital, referred to herein as the “Rice Facilities”); and

**WHEREAS**, following a thorough analysis, public input and consultation with legal counsel, the Board has concluded that it is in the best interests of the residents of the City of Willmar and the community served by the RMH to enter into an Affiliation Agreement by and among the City, the Rice Board, Carris and CentraCare (the “Affiliation Agreement”), in order to (i) provide more integrated and effective care to residents of the City and the surrounding area, (ii) more effectively recruit and retain physicians and other health professionals to serve the people in the area, (iii) enhance the competitive position of the Rice Facilities, (iv) strengthen the position of the Hospital as an independent provider of health care in the service area and (v) provide a source of payment for the obligations of the City under the bonds related to the Rice Facilities that is not dependent on the results of operation of the Rice Facilities; and

**WHEREAS**, Carris intends to acquire the assets, employees and operations of Affiliated Community Medical Centers, P.A., a Minnesota professional corporation which operates a multi-specialty physician group practice consisting of physicians and other providers who are members of the medical staff of the Hospital (“ACMC”) in order to facilitate achievement of the objectives set forth above; and

**WHEREAS**, the City, acting pursuant to its statutory authority under Minnesota Statutes § 447.47, will lease, and transfer the operations of, the Rice Facilities to Carris on the terms and conditions set forth herein and Carris will, during the term of this Agreement, maintain services at the Rice Facilities consistent with the terms of this Agreement, continue to make capital investments in the Rice Facilities, and operate the Rice Facilities in a manner consistent with Carris’ charitable purposes and tax-exempt status;

**WHEREAS**, the substance of the Lease has been presented to the Board for recommendation to the City Council for approval prior to its execution and copies of the Lease and related agreements have been made available for review and inspection by the Board;

**NOW, THEREFORE**, it is resolved:

1. The Board recommends that the City Council approve the Lease and the Affiliation Agreement and that the City Council authorize the City to enter into and execute the Lease and Affiliation substantially in the form of the Lease and Affiliation as presented to the Board as of this date.
2. The officers of RMH are each hereby authorized and directed to execute any additional documents and complete and schedules and exhibits necessary to effectuate the Lease and Affiliation Agreement.
3. The Board recommends that the City Council authorize the City to enter into and execute any additional documents necessary to effectuate the Lease and Affiliation Agreement.

**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 – Applications are kept on file for two years)*

- \_\_\_\_\_ Airport Commission (meets monthly)
- \_\_\_\_\_ Community Education & Recreation Advisory Board (meets monthly)
- \_\_\_\_\_ City/County Economic Development Operations Board (meets monthly)
- \_\_\_\_\_ Housing and Redevelopment Authority (meets monthly)
- \_\_\_\_\_ Municipal Utilities Commission (meets bi-monthly)
- \_\_\_\_\_ Pioneerland Library System Board (meets monthly)
- \_\_\_\_\_ Planning Commission (meets bi-monthly)
- x   Police Civil Service Commission (meets first Monday in February each year and on as-needed basis thereafter)
- \_\_\_\_\_ Rice Memorial Hospital (meets bi-monthly)
- \_\_\_\_\_ Zoning Appeals Board (meets monthly)
- \_\_\_\_\_ Ad hoc Task Forces (will be posted and will meet on an as-needed basis)

**Applicant Information**

Name: Earline Schulstad Date of Application: Oct. 15, 2017  
Address: 500 19<sup>th</sup> Street SE, Willmar Phone No. 651-216-6173  
(must be a resident of the City of Willmar)  
Email: earlineschulstad7866@gmail.com

What prompted you to make application for a citizen committee? Recommended by Jim Felt

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

Knowledge of the criminal justice system, strong moral ethic

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

Past employment as a Kandiyohi Co. Correctional Officer, 25 year employee of the Kandiyohi Court System (now retired).

List your educational background: Applied Science Degree from Willmar Community College & Bachelor's Degree-St. Cloud State University majoring in Law Enforcement, Sociology and Psychology

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

Elks, Bear Lake Sunshine Group in Hutchinson (send cards, gift baskets to sick), Chief Financial Officer of Lee's Tae Kwon Do Association, Secretary & Treasurer of Homeowner's Association.

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

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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 PLANNING COMMISSION  
CITY OF WILLMAR, MN  
WEDNESDAY, OCTOBER 18, 2017**

**MINUTES**

1. The Willmar Planning Commission met on Wednesday, October 18, 2017, at 7:00 p.m. at the Willmar City Offices Conference Room #1.

\*\* Members Present: Steve Gardner, Bob Poe, Terry VanVeldhuizen, Rolf Standfuss, and Margaret Fleck

\*\* Members Absent: Cletus Frank, Jonathan Marchand, Jeff Kimpling, and Terry Sieck.

\*\* Others Present: Myron Krupa, Shirley Hulst, Carol Gores, Sean Christensen- City Engineer, Jeanne Boller, Mike Boller, Clinton Rierson, and Megan DeSchepper- Planner.

2. MINUTES: The September 26, 2017 and October 4, 2017 minutes were approved as presented.

3. KRUPA COMMERCIAL PLANNED UNIT DEVELOPMENT CONDITIONAL USE PERMIT- FILE NO. 17-05: The public hearing opened at 7:02 p.m. Myron Krupa, presented a request for a commercial planned development conditional use permit on property legally described as follows: part of the NW ¼ of Section 13, Township 119, Range 35 (1706 Hwy. 12 E). The proposed three lot planned unit development will have a private drive (Outlot A) that will allow access to all the lots, two of which do not have direct access as MNDOT will not be allowing a second access. The outlot will have declarations and covenants protecting and designating ownership, access, maintenance etc.

Adjacent land owners spoke about an alleyway between the twin home development and the mini storage business that has grown over with weeds.

Staff stated there is no alleyway or buildable area it is a setback, but if it is overgrown with weeds that would be the property owner's responsibility. Mr. Krupa stated he would clean the weedy area up.

With no further comments from the public, the public hearing closed at 7:07 p.m.

Staff comments were reviewed and discussed (see Attachment A).

The Planning Commission reviewed and made affirmative findings of fact as per Zoning Ordinance Section 9.E.3.a.1-7.

Mr. Standfuss made a motion, seconded by Mr. VanVeldhuizen, to approve the conditional use permit for a commercial planned unit development with the following conditions:

- A. Declarations and articles shall be submitted for staff review regarding Outlot A, and shall be recorded with the plat.

B. The use shall meet all applicable local, state, and federal rules and regulations at all times.

The motion carried.

4. MIDWEST STORAGE ADDITION- PRELIMINARY PLAT FILE NO. 17-06: The public hearing opened at 7:15 p.m. Myron Krupa presented a three lot subdivision on property legally described as follows: NW ¼ Section 13, Township 119, Range 35 (1706 Hwy. 12 E). The three lot subdivision is zoned GB (General Business) and has one access point via Highway 12 E. The applicant proposes Outlot A (a private drive) to provide access to all three lots, one of which has no street frontage and another that has frontage but no direct access. The lots meet sq. ft. and width requirements.

The Planning Commission reviewed and discussed staff requirements (see Attachment A).

The Commission talked about the width of the private drive, 20' is rather narrow for two way traffic the Engineering Department recommended 25'. Staff also added that some of the private services such as the water line and sewer line would need to be protected by private easements. Mr. Krupa added that Lot 3 will not require sewer service as only additional cold storage facilities would be placed on that lot.

Mr. Poe made a motion, seconded by Ms. Fleck, to approve the preliminary plat with the following conditions:

- A. 6' utility easements shall be added to perimeter of all lots per MUC.
- B. Looped private water main shall be protected by a private easement, and be recorded concurrently with the plat for ease of tractability.
- C. Private sanitary sewer easements shall be added to extend into Lot 2 and 3 (20' wide permanent, 50' for construction), and be recorded concurrently with the plat for east of tractability.
- D. Declaration/covenants shall be submitted for staff review and recorded concurrently with plat for ease of tractability.

The motion carried.

5. KWIK TRIP 945 PRELIMINARY/FINAL PLAT FILE NO. 17-07: The public hearing opened at 7:25 p.m. Dean George presented the subdivision on behalf of Kwik Trip, Inc. for a one lot plat on property described as follows: NE ¼ of the SE ¼ Section 22, Township 119, Range 35; AND Lot 2, Block 1, First Addition. There are three parcels that are being combined into one lot for the development of a c-store/gas station/car wash. The property is accessed via 19<sup>th</sup> Ave. SW and 1<sup>st</sup> St. S.

Staff comments were reviewed and discussed (see attachment A).

Staff requested copies of all cross access easements with adjacent property owners once recorded, Mr. George stated they would supply them.

Mr. Poe made a motion, seconded by Ms. Fleck, to approve the preliminary/final plat with the following condition:

- A. The access easement to the land locked parcel shall be recorded concurrently with the plat for ease of tractability.

The motion carried.

6. KWIK TRIP EASEMENT VACATION (1<sup>ST</sup> ST. SITE) - FILE NO. 17-05: Dean George presented, on behalf of Quick Trip, Inc., a petition for a utility easement vacation of a 5' easement on property described as follows: the westerly 5' of Lot 2, Block 1, First Minnesota Addition. A portion of the easement is under the existing old Mills auto dealership and will not be needed for the new Kwik Trip building.

The Commission reviewed and discussed staff comments (see Attachment A).

Mr. Standfuss made a motion, seconded by Ms. Fleck, to approve the resolution for vacation of the easement and forward it onto the Council for a public hearing and resolution adoption.

The motion carried.

7. DRIVEWAY WIDTH DISCUSSION-CITY ENGINEER SEAN CHRISTENSEN: The Planning Commission and Sean Christensen, City Engineer, discussed the City of Willmar curb cut width policy. The standard has been 24' maximum width for residential and 32' maximum width for commercial accesses. The standard is in keeping with the MNDOT State Aid entrance standards which are based on safety and engineering best practices. The Commission talked about semi-truck traffic and jumping curbs etc. They talked about public streets that seem to be issues as well. Mr. Christensen said loads that are wider or longer than standard can have difficulties as well school buses whose axels are placed differently. He made the point that often times those street widths are less than driveway widths and are tighter turning radius's as the vehicles are up against the curb when making those ninety degree turns. They also talked about what other City's may require for curb cuts.

The Commission took the discussion as information and will wait for a fully attended meeting to discuss any further.

8. There being no further business to come before the Commission, the meeting adjourned at 8:08 p.m.

Respectfully submitted,



Megan M. DeSchepper, AICP  
Planner/Airport Manager

PLANNING COMMISSION-OCTOBER 18, 2017

STAFF COMMENTS

1. KRUPA COMMERCIAL PLANNED UNIT DEVELOPMENT CONDITIONAL USE PERMIT- FILE NO. 17-05:

- The applicant is Myron Krupa, Willmar, MN.
- He is requesting a commercial planned unit development with a private drive conditional use permit on property legally described as follows: part of the NW ¼ of Section 13, Township 119, Range 35 (1706 Hwy. 12 E).
- The applicant is proposing a private drive (outlot A) to provide access to three proposed lots on the property. This is the only way to ensure access to all three lots, one of which does not have street frontage, and another which does not abut an access nor will one be made available in the future from Highway 12.
- There shall be declarations and covenants regarding Outlot A covering access, maintenance, ownership etc.
- Will there be any regional or shared ponds?

RECOMMENDATION: Approve the conditional use permit with the following conditions:

- A. Declarations and articles shall be submitted for staff review regarding Outlot A, and shall be recorded with the plat.
- B. The use shall meet all applicable, local, state, and federal rules and regulations at all times.

2. MIDWEST STORAGE ADDITION-PRELIMINARY PLAT FILE NO. 17-06:

- The applicant is Myron Krupa, Willmar, MN.
- The applicant is requesting a three lot subdivision on property legally described as follows: NW ¼ Section 13, Township 119, Range 35 (1706 Hwy. 12 E).
- The property is zoned GB- General Business.
- It is currently two unplatted parcels.
- The proposed lots meet minimum lot width and sq. ft. requirements.
- There is one access off of Highway 12 E. to the westerly parcel. MNDOT is not likely to issue another access.
- Outlot A is a proposed private drive that would be a shared access point for all three proposed parcels.
- Wider access road? 20' narrow for two way traffic.
- Regional shared ponds?

**Fire Chief/Marshal Comments:** I have reviewed the Midwest Storage Addition plat. It appears that this area meets all current fire service needs. This may change when building plans are submitted.

**MUC Comments:** Single phase power would be available to all lots with the inclusion of standard 6' easement along property lines. No three phase power along these lots. There is a looped private water main that provides fire protection for the mini storage buildings.

**Engineering Comments:** Outlot A is only 20' wide and not centered on existing TH No. 12 entrance. Lot 1 has drainage to TH No. 12. Lot 2 has access to Branch 3 of Ditch 23-A. Lot 3 drainage is questionable as it does not have access to a drainage system. Municipal Sanitary sewer main ends in Lot 1. An easement for the extension of the sanitary sewer to Lot 2 and 3 should be added. Also, the elevation of the Lot 3 should be investigated as it might require a lift station. The existing private water main that crosses Lot 2 and serves Lot 3 should be protected by an easement.

RECOMMENDATION: Approve the preliminary plat with the following conditions:

- A. 6' utility easement shall be added to perimeter of all lots per MUC.
- B. Looped private water main shall be protected by a private easement, and be recorded concurrently with the plat for ease of tractability.
- C. Private sanitary sewer easement shall be added extension into Lot 2 and 3 (20' wide permanent, 50' for construction?), and be recorded concurrently with the plat for ease of tractability.
- D. Declaration/covenants shall be submitted for staff review and recorded concurrently with plat for ease of tractability.

3. KWIK TRIP 945 PRELIMINARY/FINAL PLAT- FILE NO. 17-07:

- The applicant is Kwik Trip, Inc., LaCrosse, WI.
- The applicant is requesting combining three parcels into one lot and block for commercial redevelopment of a c-store, gasoline sales, and car wash subdivision of land described as follows: NE ¼ of the SE ¼ Section 22, Township 119, Range 35; AND Lot 2, Block 1, First Addition.
- The property is zoned GB- General Business.
- The property is accessed via 1<sup>st</sup> St. S and 19<sup>th</sup> Ave. SW.
- The lot exceeds minimum lot width and sq. ft. minimums.
- The plat is cleaning up some messy old legal descriptions and parcels to create one lot for one development.

**Engineering Comments:** PID # 95-922-7655, address # 401 19<sup>th</sup> Ave. SW is labeled PID 95-923-8325. PID # 95-922-7690, address #409 19<sup>th</sup> Ave. SW, is not labeled. Land locked PID # 95-922-7655 shall be granted an ingress/egress easement (note on plat?).

**Fire Chief/Marshal Comments:** It appears that this area meets all current fire service needs. This may change when building plans are submitted.

**MUC Comments:** Two 8" PVC water lines in lot. The provided 10' perimeter utility easement shall be sufficient.

RECOMMENDATION: Approve the preliminary plat with the following conditions:

A. The access easement to the land locked parcel shall be recorded concurrently with the plat for ease of tractability.

4. KWIK TRIP EASEMENT VACATION (1<sup>ST</sup> ST. SITE) - FILE NO. 17-05:

- The petitioner is Kwik Trip, Inc., LaCrosse, WI.
- They are requesting vacation of a 5' utility easement described as follows: the westerly 5' of Lot 2, Block 1, First Minnesota Addition.
- A portion of the easement goes under the existing old Mills Auto Building, which is planned to be demolished for contraction of a new Kwik Trip c-store/gas station/car wash.

**Engineering Department Comments:** No concerns.

**Municipal Utilities Comments:** No conflicts.

**Century Link Comments:** Facilities that serve that building, but no objection to the vacation.

RECOMMENDATION: Approve the resolution for vacation of the easement and forward it onto the Council for a public hearing and resolution adoption.



**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: November 6, 2017</b>
<b>From: Judy R. Thompson City Clerk</b>	<b>Subject: Consideration of Deferred Special Assessments for Senior Citizens, Disabled, or Active Military</b>

**AGENDA ITEM:** Consideration of Deferred Special Assessments for Senior Citizens, Disabled, or Active Military

**INTRODUCTION/REQUEST:** Adopt the Resolution Deferring Special Assessments for Senior Citizens, Disabled, or Active Military.

**HISTORY:** Pursuant to Willmar Municipal Code, Chapter 5, Article V, Special Assessments and the City Comprehensive Assessment Policy which offers the option to defer special assessments to senior citizens, disabled, or active military deferrals meeting certain income guidelines. This year's project, the 2017 Street and Other Improvements, received one qualifying application.

**CURRENT CIRCUMSTANCE:** N/A

**RECOMMENDATION:** Adopt the Resolution Deferring Special Assessments for Senior Citizens, Disabled, or Active Military.

**ISSUES:** N/A

**FINANCIAL IMPACT:** \$4,600.00

**ALTERNATIVE:** N/A

**RECOMMENDED MOTION:** Adopt the Resolution Deferring Special Assessments for Senior Citizens, Disabled, or Active Military.

**REVIEWED BY:** Ike Holland, City Administrator

**WORK SESSION DATE:**

**COUNCIL MEETING DATE:** November 6, 2017     **CONSENT AGENDA**     **AGENDA**





**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Megan M. DeSchepper, Planner/Airport Manager</b>	<b>Subject: Change Order #1, Airport East Taxilanes Rehabilitation</b>

**AGENDA ITEM:** Change Order #1, Airport East Taxilanes Rehabilitation

**INTRODUCTION/REQUEST:** In order to deal with some surface drainage along the southeast quadrant of the project an inlet and 6’ PVC pipe drain was added in the northwest intersection of Taxilanes C and F shoulder and grade the area to drain into the inlet.

**HISTORY:** Drainage around the private t-hangars along the east taxilanes has always been an issue and this was an additional measure to get water away from one hangar with water infiltration issues.

**CURRENT CIRCUMSTANCE:** The surface drainage currently had no outlet, this will allow for the water to get to the ditch that is south of the taxilane.

**RECOMMENDATION:** Staff recommends adopting the resolution approving the work order #1 for the east taxilane rehabilitation project.

**ISSUES:** N/A

**FINANCIAL IMPACT:** \$7,782.00 but it will be covered by the grant so the split will be 90% Federal, 5% State, and 5% locally funded.

**ALTERNATIVES:**

1. Hold the matter for further information.
2. Deny the request and dig up the tile.

**RECOMMENDED MOTION:** Motion to adopt the resolution approving the work order #1 for the east taxilane rehabilitation project.

**REVIEWED BY:** Bruce D. Peterson, Planning Development Services Director

**WORK SESSION DATE:** N/A

**COUNCIL MEETING DATE:** November 6, 2017   X   **CONSENT AGENDA**    **AGENDA**

RESOLUTION NO. \_\_\_\_

**RESOLUTION AUTHORIZING CHANGE ORDER #1  
FOR AIRPORT EAST TAXILANE RECLAMATION 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 Mayor and City Administrator of the City of Willmar are hereby authorized to modify the contract No. FAA AIP No. 3-27-0115-11-17 SP # A3401-68 between the City of Willmar and Swenson and Sons Inc. in the amount of \$7,782.00 for the Airport East Taxilane Reclamation Project.

Dated this 6th day of November, 2017

\_\_\_\_\_  
MAYOR

Attest:

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

## CHANGE ORDER

No. 1

**EAST TAXILANES REHABILITATION  
WILLMAR MUNICIPAL AIRPORT – RICE FIELD (BDH)**

DATE OF ISSUANCE OCTOBER 24, 2017  
OWNER CITY OF WILLMAR, MN

EFFECTIVE DATE SEPTEMBER 19, 2017  
Contract No. FAA AIP NO. 3-27-0115-11-17  
SP NO. A3401-68

CONTRACTOR SWENSON & SONS, INC.

ENGINEER SILAS PARMAR, P.E.

You are directed to make the following changes in the Contract Documents.

Description: Install inline inlet and 6-inch PVC pipe drain in the northwest intersection of the Taxilanes C and F shoulder and grade the area to drain into the inlet.

Reason for Change Order: Currently the surface drainage in the area has no outlet and becomes saturated after rain. The drainage eventually either flows onto the Taxilanes or into the adjacent hangars. The existing Taxilanes are not crowned which results in standing water on the pavement. This change will facilitate the surface drainage to the ditch network south of Taxilane F.

Attachments: Change Order No.1 Layout  
Pre-Construction Photo  
Contractor Quote  
FAA Approval

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIMES:
Original Contract Price  \$ <u>297,359.04</u>	Original Contract Times  Working Days: <u>40</u>
Net changes from previous Change Orders No. __ to No. __  \$ <u>0.00</u>	Net changes from previous Change Orders No. __ to No. __  <u>0</u>
Contract Price Prior to this Change Order  \$ <u>297,359.04</u>	Contract Times prior to this Change Order  Working Days: <u>40</u>
Net Increase of this Change Order  \$ <u>7,782.00</u>	Net Increase (decrease) of this Change Order  <u>0</u>
Contract Price with all approved Change Orders  \$ <u>305,141.04</u>	Contract Times with all approved Change Orders  Working Days: <u>40</u>

RECOMMENDED:

APPROVED:

ACCEPTED:

By: *Silas Parmar*  
Silas Parmar, P.E.  
Bolton & Menk

By: \_\_\_\_\_  
Megan DeSchepper  
City of Willmar

By: *Kyle Swenson*  
Kyle Swenson  
Swenson & Sons

Date: OCTOBER 24, 2017

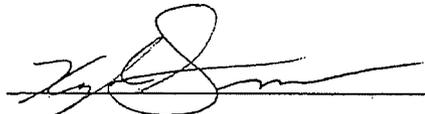
Date: \_\_\_\_\_

Date: 10-26-17

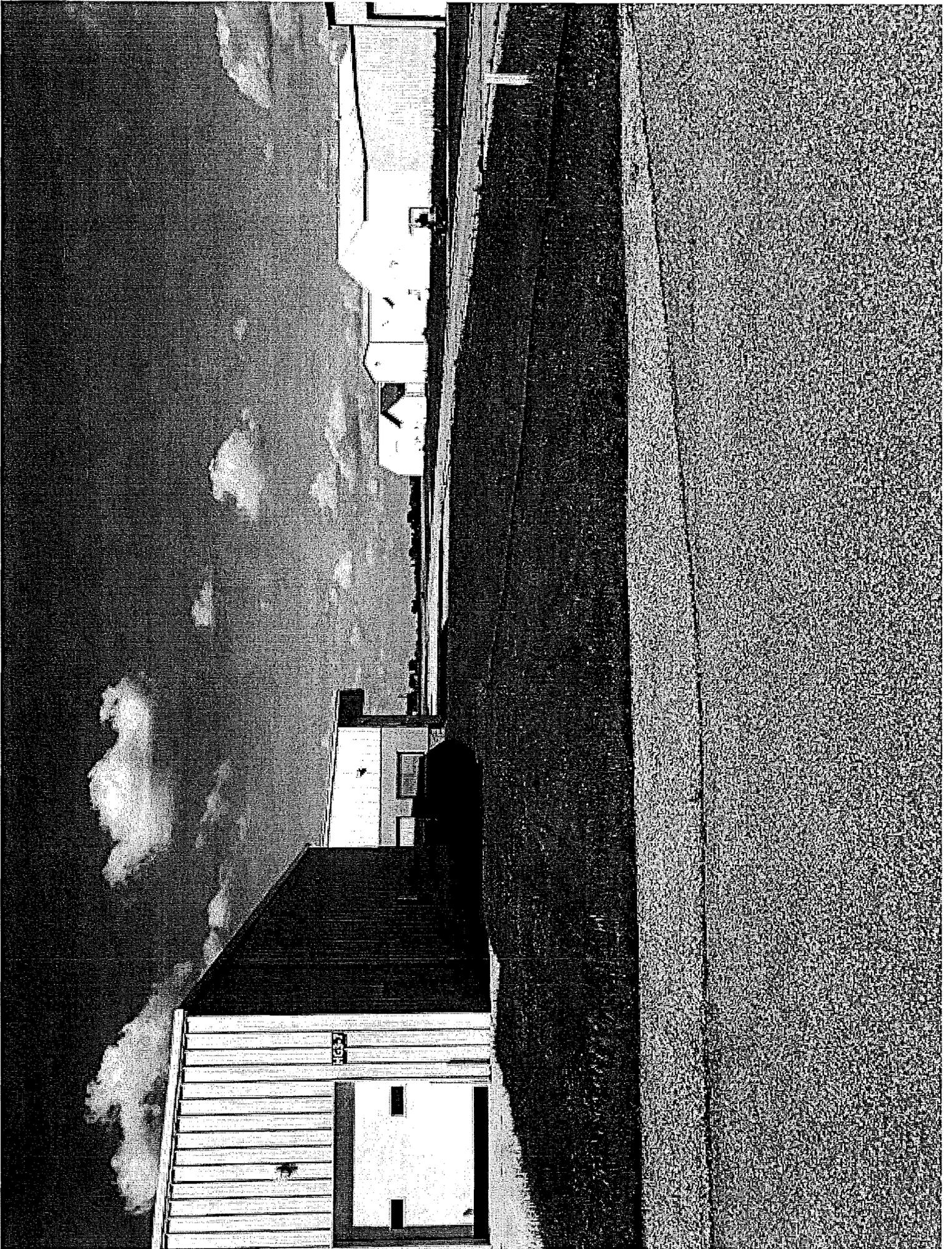
WILLMAR MUNICIPAL AIRPORT  
 EAST TAXILANES RECLAMATION  
 FAA AIP NO. 3-27-0115-11-17 / SP NO. A3401-67  
 CHANGE ORDER NO.1

CO NO.1 - INLINE STORM INLET AND PVC PIPE				SWENSON & SONS CONSTRUCTION QUOTE	
ITEM NO	DESCRIPTION	UNIT	QUANTITY	UNIT COST	TOTAL
2105.501	COMMON EXCAVATION (EV) P	253	CY	\$6.00	\$1,518.00
2105.535	SALVAGED TOPSOIL	0.20	AC	\$4,000.00	\$800.00
2411.507	INLINE DRAIN INLET, 12"	1	LS	\$1,156.00	\$1,156.00
2502.521	6" PVC PIPE DRAIN, SCHEDULE 40	142	LF	\$24.00	\$3,408.00
2574.508	FERTILIZER TYPE 3	0.20	AC	\$1,500.00	\$300.00
2575.502	SEED MIXTURE 25-131	0.20	AC	\$1,500.00	\$300.00
2575.562	HYDRAULIC MATRIX TYPE MULCH	0.20	AC	\$1,500.00	\$300.00
<b>CHANGE ORDER NO.1 TOTAL:</b>					<b>\$7,782.00</b>

NOTE: CONTRACTOR TO INDICATE UNIT COST FOR NEW ITEMS, TOTAL CHANGE ORDER NO.1 AMOUNT, SIGN AND EMAIL (silaspa@bolton-menk.com) TO BOLTON & MENK FOR PROCESSING.

SIGNED: 

DATE: 10-26-17



## Silas Parmar

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**From:** Simon.Schmitz@faa.gov  
**Sent:** Tuesday, September 19, 2017 9:27 AM  
**To:** Silas Parmar  
**Cc:** schristensen@willmarmn.gov; mdeschepper@willmarmn.gov; Jared Voge  
**Subject:** RE: BDH-Change Order Request

Silas,

The proposed change order is eligible for federal funding. Please submit your standard change order form for approval signature.

Thank you,

Simon Schmitz, PE (MN) | Program Manager  
FAA Dakota-Minnesota Airports District Office  
6020 28th Avenue S, Suite 102 | Minneapolis, MN 55450  
Direct: 612-253-4640 | Email: simon.schmitz@faa.gov

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**From:** Silas Parmar [mailto:silaspa@bolton-menk.com]  
**Sent:** Monday, September 11, 2017 11:03 AM  
**To:** Schmitz, Simon (FAA) <Simon.Schmitz@faa.gov>  
**Cc:** 'schristensen@willmarmn.gov' <schristensen@willmarmn.gov>; 'Megan DeSchepper' <mdeschepper@willmarmn.gov>; Jared Voge <jaredvo@bolton-menk.com>  
**Subject:** BDH-Change Order Request

Hi Simon,

For the East Taxilane Rehabilitation project at the Willmar Municipal Airport, the northwest intersection of Taxilanes C and F shoulder area requires grading correction to ensure proper surface drainage.

Currently the surface drainage has no outlet and the area becomes saturated after rain. The drainage eventually either flows onto the taxilanes or into the adjacent hangars. The existing taxilanes are not crowned which results in standing water on the taxilanes. The Rehabilitation project will construct inverted and crowned pavements to negate the standing water.

The proposed change order is to install an inline inlet and grade the shoulder area to drain to the inlet; which will outfall in the ditch network south of Taxilane F.

Please let us know if this extra would be an allowable cost for Federal funds. The total cost is \$6,532.00.

If you have any questions or shall require additional information, please let me know. Thanks.

**Silas Parmar P.E. (MN,IA)**  
Project Manager  
**Bolton & Menk, Inc.**  
7533 Sunwood Drive NW  
Suite 206  
Ramsey, MN 55303-5119

## Megan DeSchepper

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**From:** Silas Parmar <silaspa@bolton-menk.com>  
**Sent:** Thursday, October 26, 2017 9:52 AM  
**To:** Megan DeSchepper  
**Subject:** Airport Change Order No.1  
**Attachments:** BDH-Change\_Order\_No.1\_102417.pdf

Hi Megan,

Attached is Change Order No.1 for the East Taxilanes Rehab project.

This Change Order was to address drainage issues on the east side of the Nedrelow Hangar.

Please note final Change Order cost were \$1,250 higher than the original quote. This was due to Swenson required to make modifications to the inline drain structure and additional compaction around the PVC pipe due to the saturated subgrade soils.

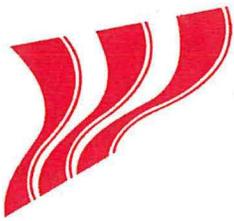
If you have any questions or comments please let me know. Thanks.

**Silas Parmar P.E. (MN,IA)**  
Project Manager  
**Bolton & Menk, Inc.**  
7533 Sunwood Drive NW  
Suite 206  
Ramsey, MN 55303-5119  
Phone: 763-433-2851 ext. 3010  
Mobile: 612-987-0138  
**Bolton-Menk.com**

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For more information please visit <http://www.symanteccloud.com>

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**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Sean E. Christensen, P.E. Public Works Director</b>	<b>Subject: Public Works Parallelogram Lift Purchase</b>

**AGENDA ITEM:** Public Works Parallelogram Lift Purchase

**INTRODUCTION/REQUEST:**

The purchase of a Parallelogram lift for the Public Works Maintenance Facility.

**HISTORY:**

Currently the Public Works Maintenance Facility has two lifts; one for light duty vehicles and one to lift moderately heavy trucks after attachments such as plows have been removed. Maintenance is performed on the large equipment too heavy for the lifts by using jacks.

**CURRENT CIRCUMSTANCE:**

Staff requested quotes to purchase a parallelogram lift for the Maintenance Facility in accordance with the 2017 Capital Outlay Program. This lift system is beneficial for the facility with a clear, unobstructed under-vehicle access to allow for a productive and safe work area. This lift will have the ability to lift the largest vehicles in the fleet such as the fire trucks and plow trucks, with a maximum capacity of 75,000 pounds. Installing the lift will require some concrete floor demolition and replacement. Three quotes were received for the concrete work, with the low quote from Peterson-Gregersen-Schaefer, LLC in the amount of \$5,500.00.

**RECOMMENDATION:**

Approve the purchase of the Parallelogram lift from Mohawk Resources, LTD in the amount of \$119,551.78.

**FINANCIAL IMPACT:**

The 2017 Capital Outlay Program includes \$130,000 for the purchase of the lift. The purchase is in accordance with the National Joint Powers Association Purchasing Cooperative Contract No. 061015-MRL. The \$5,500 for concrete demolition and replacement is also within the allotted budget.

**ALTERNATIVES:**

1. Do not purchase the parallelogram lift.

**REVIEWED BY:** Ike Holland, City Administrator

**COUNCIL MEETING DATE:** November 6, 2017

RESOLUTION NO. \_\_\_\_

**A RESOLUTION APPROVING THE PURCHASE OF A PARALLELOGRAM LIFT FOR THE PUBLIC WORKS GARAGE IN THE AMOUNT OF \$119,551.78.**

Motion By: \_\_\_\_\_ Second By: \_\_\_\_\_

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the purchase of a Parallelogram lift is accepted through the National Joint Powers Association purchasing cooperative Contract No. 061015-MRL, and be it further resolved the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with Mohawk Resources, LTD. for the terms and consideration of the contract in the amount of \$119,551.78.

Dated this 6th day of November, 2017

\_\_\_\_\_  
Mayor

Attest:

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

# PARALLELOGRAM LIFTS

36,000, 50,000, 75,000 & 100,000 LB. CAPACITIES

- 36,000 - 100,000 lb. Capacities
- Surface Mounted or Flush Mounted
- Runway Lengths from 26' - 48'



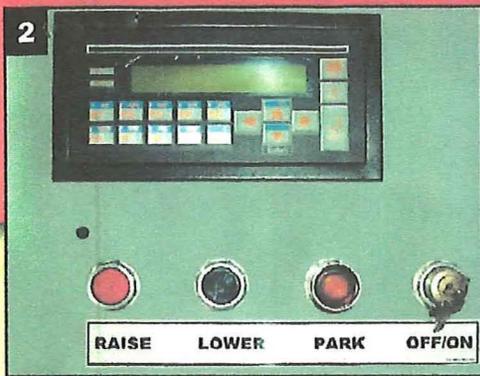
TO MEET THE ONE AND ONLY NATIONAL SAFETY STANDARD FOR VEHICLE LIFTS

**MOHAWK** 

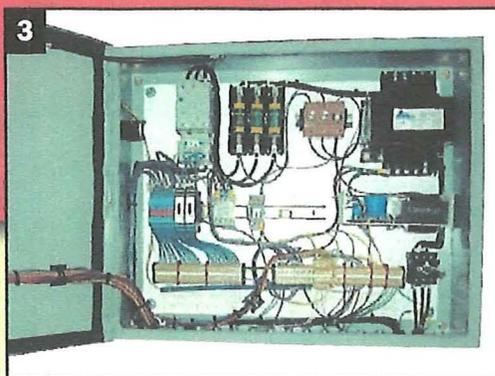
*Americas Best Lift Investment...*

Still proudly designed, welded and manufactured in the U.S.A.

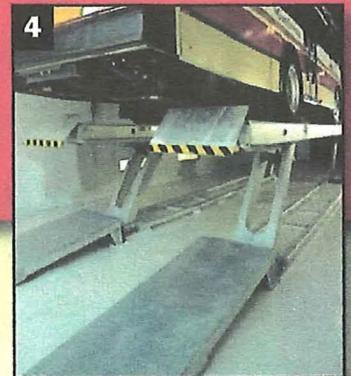




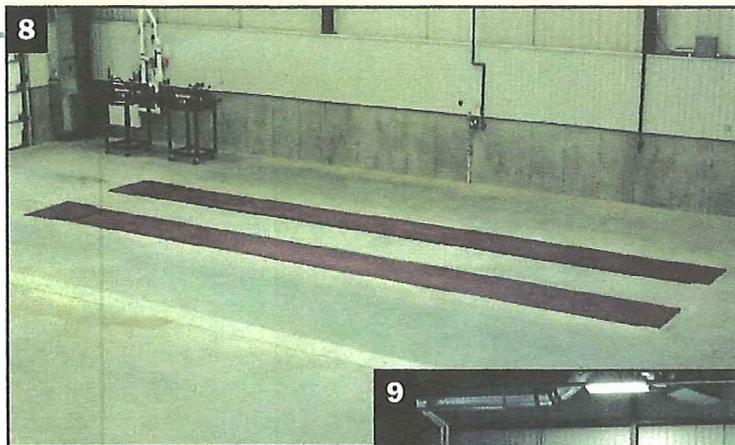
▲ Simple 3 button operation; Raise, Lower & Park (lock). 24 volt controls for operator safety, lockout standard, with easily programmed computer controls for fixed height jacks or used as a height limiter.



▲ U.S. made G.E. internal computer and U.S. control components means readily accessible parts.



▲ Available in fully galvanized steel construction for corrosive wash bay environments.



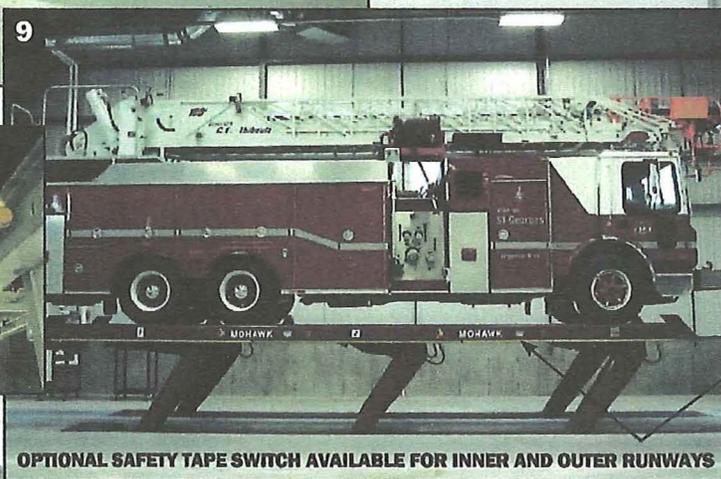
◀ For ultimate shop space savings, the flush mounted parallelogram is installed recessed in a pit, making the lift "invisible" when not in use to maintain maximum shop work flow.



▲ Counterbalanced air-hydraulic tire dolly makes removing heavy truck tires a simple & safe one man job.



▲ Optional track lighting



OPTIONAL SAFETY TAPE SWITCH AVAILABLE FOR INNER AND OUTER RUNWAYS



▲ Mohawk safety latch racks are made of laser cut, high strength T-1 steel, and assure safe smooth locking at all working heights.

## CONTROL SYSTEM

- Computer controlled platform synchronization is programmable for different lifting heights to accommodate various vehicles, low ceilings or different height technicians.
- Computer controlled high resolution, chain driven encoders monitor synchronous lifting and lowering 60 times per second.
- The computer's alpha-numeric LCD display performs self test on start-up, with information in plain english, with no flashing lights to be decoded.
- Control system user settings are input directly from the keypad or special settings are password protected. No outside computer is needed for reprogramming various settings.
- All platform switches and electrical sensors are located in the runway (not the shop floor). Continuous electrical runs from the lift's console eliminating splice connections in the shop floor (found on other lifts).
- 24 volt control circuit provides operator safety during control console operation.
- Manual pump and valving allow lowering in a no power situation.

## Rolling Wheel Free Jack

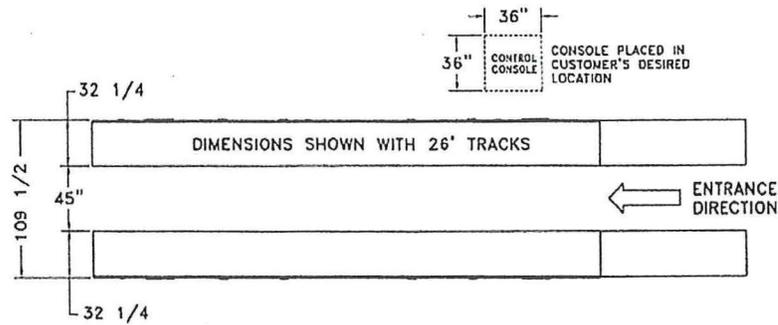
- Wheels free jack gives techs ability to service tires and brakes
- Wheels free jack can fully raise vehicle off the runways
- Optional runway lighting illuminates the vehicle undercarriage



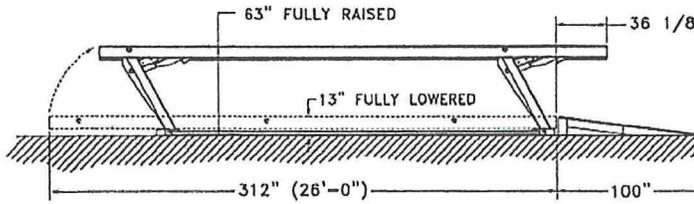
# PARALLELOGRAM SPECIFICATIONS



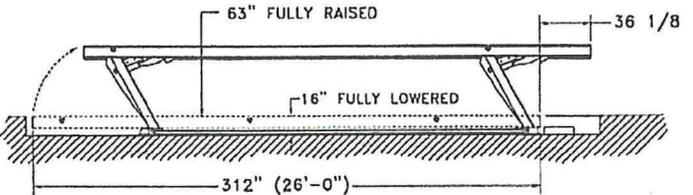
**AUTOCAD specs**  
available online at [www.mohawklifts.com/specs](http://www.mohawklifts.com/specs)



## SURFACE MOUNT STYLE



## FLUSH MOUNT STYLE



**SPECIFICATIONS SUBJECT TO CHANGE WITHOUT NOTICE. ABOVE EXAMPLE SHOWN WITH 26' LONG RUNWAYS.**

<b>Capacities</b>	36,000, 38,000, 40,000, 45,000, 50,000, 75,000 & 100,000 lbs
<b>Track Lengths</b>	26', 28', 30', 32', 35', 42' or 48' (lengths available dependent on capacity)
<b>Approach Ramp length</b>	100" (2.54m) - standard (shorter or longer or portable available)
<b>Overall Length (SM model)</b>	34'6" to 56'4" (10.52 to 17.17 meters)
<b>Lifting Height (stroke)</b>	63" SM or 79" FM (1.60m SM or 2.00m FM)
<b>Lowered Height</b>	13" (.33m) on SM or 16" (.41m) on FM
<b>Track Width</b>	32" (.81m)
<b>Overall Width</b>	109 1/2" (2.78m)
<b>Width Between Platforms</b>	44" (1.12m)
<b>Lifting Speed</b>	60 Seconds
<b>Power Requirements</b>	20 H.P. 220/440/575 volt 3 Phase motor
<b>Horizontal Movement</b>	36 1/8" (.92m) @ full stroke

### OPTIONAL EQUIPMENT

- Rolling Jack/Jacking Platforms
- Lighting
- Air/Hydraulic Tire Dolly
- Keyed Control Lock-Out
- Stainless Steel Bases
- Marine Paint (Rustoleum standard)
- Drive Thru Ramps
- Tape Switch-Shut Off
- Air Inflatable Movable Approach Ramps

**SM = Surface Mount Model**

**FM = Flush Mount Model**

THESE LIFTS CONFORM TO ANSI/ALI STANDARDS



Mohawk builds the best products with the finest materials, to the highest standards. Just compare our lifts. Our staff will assist you with a fleet evaluation, design assistance and answer any technical questions you have. We invite your calls.

Mohawk lifts are manufactured in compliance with the following standards: ALI, ANSI, ASME, AISI, ASTM, ASA, NEC, AWG, NEMA.

MEETS CURRENT NATIONAL ANSI CODE FOR LIFTS.



Mohawk Resources, LTD.  
P.O. Box 110  
65 Vrooman Ave  
Amsterdam, NY 12010  
(800) 833-2006  
(518) 842-1431  
FAX: (518) 842-1289  
[www.mohawklifts.com](http://www.mohawklifts.com)



AVAILABLE UNDER  
DISCOUNTED GOVERNMENT  
CONTRACT IN ALL 50  
STATES



**DISTRIBUTED BY:**

**For more detailed product information read this book at [www.mohawklifts.com](http://www.mohawklifts.com).**



[www.facebook.com/mohawklifts](http://www.facebook.com/mohawklifts)

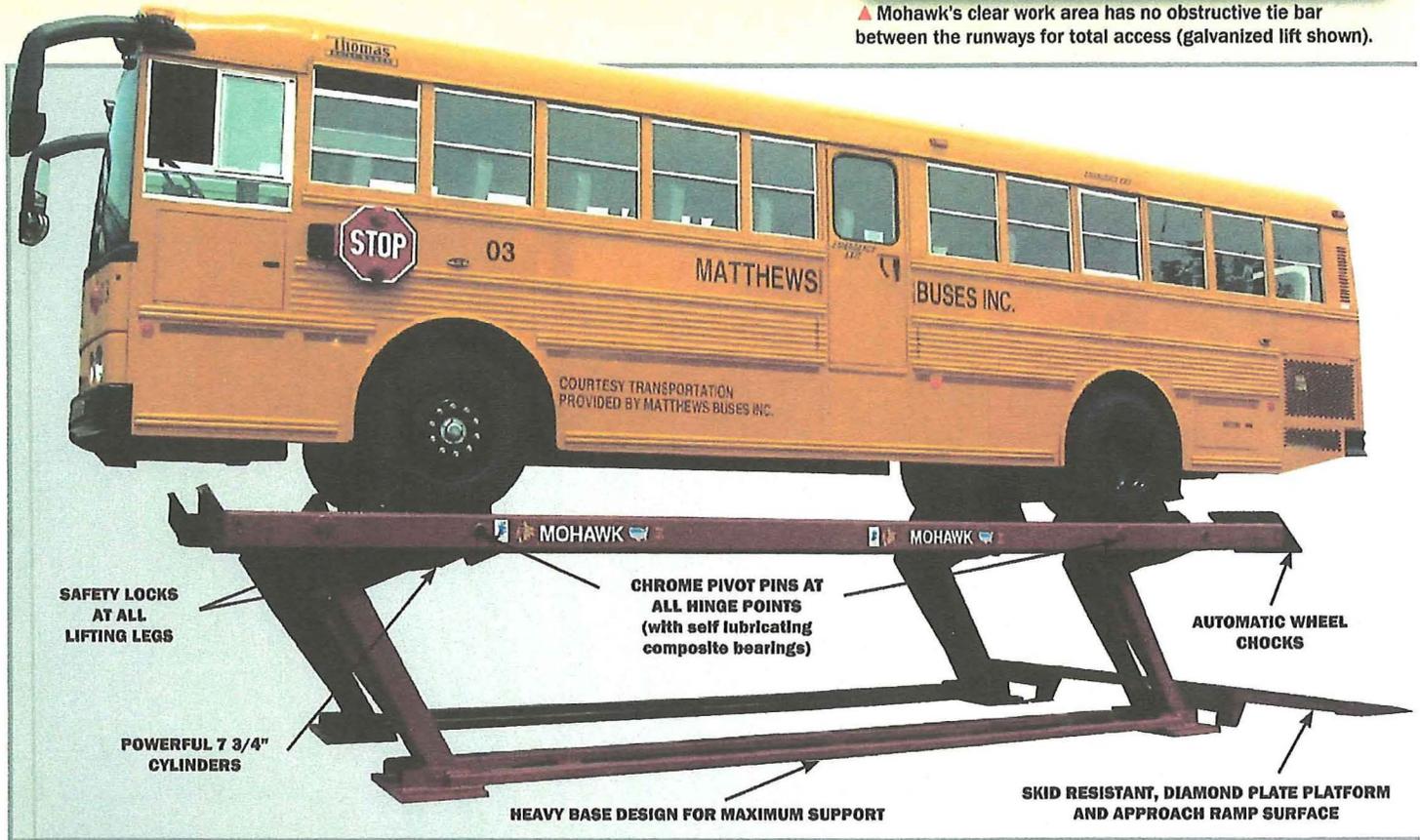
# MOHAWK PARALLELOGRAM



▲ Mohawk's clear work area has no obstructive tie bar between the runways for total access (galvanized lift shown).

**SAVING SPACE, SOLID, POWERFUL AND  
MAINTENANCE FREE. MOHAWK—THE NEXT  
GENERATION OF PARALLELOGRAM LIFTS.**

**BUILT TO LAST!**



## FEATURES

- A variety of track lengths from 26' to 48'.
- 36,000 through 100,000 lb. capacities.
- Surface mounted, recessed pit or flush mounted.
- Rolling jacks for wheels free service are available in 25,000 lb. to 50,000 lb. capacities.
- Full undervehicle access for all trucks, buses & heavy equipment.
- Full 63" lifting height on all surface mounted models.
- Full and clear, unobstructed under-the-vehicle access without structural cross brace, or torsion bar.
- 12 position mechanical safety locks in all legs starting at 24".
- All lifts are plumbed with air lines in the runways and wired for runway lighting without the need for separate 110V power supply required for added options.
- Available in a fully galvanized version for use in corrosive wash bay environments.

## DESIGN BENEFITS

- The heaviest built parallelgram in the world for your heavy duty lifting requirements.
- Large 7 3/4" cylinders equal more power, lower PSI and longer component life.
- Self lubricating composite bearings with chrome pins at all pivot points for maintenance free operation.
- Sturdy base design minimizes stress on the shop floor, allowing installation virtually anywhere.
- No structural cross brace (torsion bar) between the platforms; eliminates a trip hazard and the antiquated technology of a mechanical brace between the platforms.
- Hydraulic safeties throughout consisting of pressure compensated flow control valves and velocity fuses.
- Designed to eliminate wear, binding and service issues of other hinged lifts.



**Mohawk Resources Ltd**

"Americas best lift investment"

njpa Contract

PROPOSAL # RP-CW17HNa

Date: October 17 2017

Expiration Date **30 Days**

From: Mohawk Resources Ltd  
 PO Box 110  
 Amsterdam, NY 12010  
 Phone: 1-800-833-2006 ext.15  
 Fax (518) 842-1289

**Contract #061015-MRL**  
**7/21/2015-7/21/2019**

Quoted by: Ray Pedrick  
 Email [rpedrick@mohawklifts.com](mailto:rpedrick@mohawklifts.com)

NJPA Member ID 56166

Bill To: City of Willmar Public Works  
 801 Industrial Drive SW  
 Willmar, MN 56201  
 (320) 235-1251

Ship To: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Shipping Method	Shipping Terms	Delivery Date	Payment Terms
Best Way	FOB Destination, Amsterdam NY, Freight Prepaid	10 to 12 Weeks After Receipt of Completed Order	Net 30

QTY	Item Number	Description	LIST PRICE	Purchase Price	Total
1	P-000-A-019	Parallelogram 75,000lb x 35' - Flush Mount **ALI CERTIFIED**	\$ 132,575.00	\$ 103,676.65	\$ 103,676.65
		Optional Equipment			\$ -
1	P-500-A-018	RJ-50-AH-37500-P - AIR/HYD JACKING BEAM (37,500lb RATED FOR 75k-100k Parallelogram) **ALI CERTIFIED**	\$ 11,575.00	\$ 8,875.13	\$ 8,875.13
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -

Subtotal	\$ 112,551.78
Freight	\$ -
Installation (optional)	\$ 7,000.00
Tax (if applicable)	\$ -

Resale Certificate or Tax Exempt Form attached or Sales Tax (if applicable)

tax rate 0.00%

**Total**

Initial \_\_\_\_\_

This is a quotation for the equipment named, subject to the terms and conditions noted on the following pages

**Thank you for your business!**

**TERMS AND CONDITIONS OF THE SALE**

Visit [www.mohawklifts.com/warranty](http://www.mohawklifts.com/warranty) for complete warranty

**Delivery and Installation**

A fork truck must be supplied by customer at the offload site to unload the equipment from the freight carriers' trailer and if applicable for the installation

The Customer is responsible for inspecting all Products at the time of delivery and before signing the delivery receipt, freight bill, or bill of lading. Should the customer determine at the time of delivery that any items are damaged or missing the Customer must note the item, discrepancy, or condition on the delivery receipt, freight bill, or bill of lading.

Mohawk is not responsible for missing or damaged products when the customer has signed the delivery receipt, freight bill, or bill of lading in good condition.

Quoted Installation does not include electrical hook-up or any concrete work which may be required. Electrical and any concrete work that may be required must be preformed prior to installer's appointment date

Quoted Installation does not include any unforeseen circumstances such as plumbing, electrical, in floor heat, rebar, steel structures, drain, or drain slopes in the existing floor.

Quoted Installation Price is subject to change if the lift is unable to be installed at the time of scheduled appointment, if the shop condition is not ready for installation (lack of adequate concrete, no electrical service, etc..) Or any other condition which would require additional return trips by the installer.

Price does not include Sales tax (unless applicable), duties, brokerage, or any other fees.

Any and all permits, licenses, fees, etc. are the customers' responsibility

Acknowledged and Accepted by:

Signature: \_\_\_\_\_  
Name (printed): \_\_\_\_\_  
Phone : \_\_\_\_\_

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

**Mohawk Resources Ltd.**

PO Box 110 Amsterdam, NY 12010

Fax 518-842-1289

or via email

Thank you

Peterson-Gregersen-Schaefer, LLC

1900 17th ST NW  
Willmar MN 56201

# Estimate

Date	Estimate #
9/28/2017	17-33

Name / Address
Public Works Willmar Gary Manzer 801 Industrial Drive SW Willmar MN 56201

			Project
Description	Qty	Rate	Total
Estimate for concrete work to install new Mohawk Lift @ the Public Works Building Willmar includes:  Demo existing concrete floor approximately 16' x 38' - \$1000.00  New concrete base and floor as required includes: concrete rebar reinforcing forming labor Total - \$4550.00		5,550.00	5,550.00
Thanks for the opportunity to bid		<b>Total</b>	\$5,550.00

**LG220 Application for Exempt Permit**

An exempt permit may be issued to a nonprofit organization that: <ul style="list-style-type: none"> <li>• conducts lawful gambling on five or fewer days, and</li> <li>• awards less than \$50,000 in prizes during a calendar year.</li> </ul> If total prize value for the year will be \$1,500 or less, contact the Licensing Specialist assigned to your county.	<p><b>Application fee (nonrefundable)</b>                  If the application is postmarked or received 30 days or more before the event, the application fee is <b>\$50</b>; otherwise the fee is <b>\$100</b>.</p>
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**Organization Information**

Organization Name: <b>Pheasant's Forever Kandiyohi County #2</b>	Previous Gambling Permit Number: <b>x-03697-17-065</b>
Minnesota Tax ID Number, if any: <b>41-1429149</b>	Federal Employer ID Number (FEIN), if any:

**Type of Nonprofit Organization (check one):**

Fraternal     
  Religious     
  Veterans     
  Other Nonprofit Organization

Mailing Address: <b>Box 732</b>	City: <b>Willmar</b>	State and Zip: <b>MN 56201</b>	County: <b>Kandiyohi</b>
Name of Chief Executive Officer (CEO): <b>Kevin Ochsendorf</b>	Daytime Phone: <b>320-212-2412</b>	Email: <b>kjochs@yahoo.com</b>	

**Nonprofit Status**

**Attach a copy of ONE of the following for proof of nonprofit status:**

**Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.**  
 Don't have a copy? This certificate must be obtained each year from:  
 Minnesota Secretary of State  
 Business Services Division  
 60 Empire Drive, Suite 100  
 St. Paul, MN 55103  
 Phone: 651-296-2803

**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 at 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:  
 a. an IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and  
 b. 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):  
**Willmar Conference Center**

Address (do not use PO box): <b>East Highway 12</b>	City or Township: <b>Willmar</b>	Zip Code: <b>56201</b>	County: <b>Kandiyohi</b>
--	-------------------------------------	---------------------------	-----------------------------

Date(s) of activity (for raffles, indicate the date of the drawing):  
**4-7-2018**

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

Bingo\*     
  Paddlewheels\*     
  Pull-Tabs\*     
  Tipboards\*

Raffle (total value of raffle prizes awarded for the year: **\$26,000.00**)

**\*Gambling equipment** for bingo paper, paddlewheels, pull-tabs, and tipboards must be obtained from a distributor licensed by the Minnesota Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number 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**, or call 651-539-1900.

**Local Unit of Government Acknowledgment**

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

- The application is acknowledged with no waiting period.
- 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).
- The application is denied.

Print City Name: City of Willmar

Signature of City Personnel:  
Judy R. Thompson  
Title: City Clerk Date: 11-1-17

**Local unit of government must sign.**

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

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30-day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

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 exempted gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minn. Statutes, section 349.166.)

Print Township Name: \_\_\_\_\_  
Signature of Township Officer: \_\_\_\_\_  
Title: \_\_\_\_\_ Date: \_\_\_\_\_

**Chief Executive Officer's Signature**

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: Kevin L. Ochsendorf Date: 10/31/17  
Print Name: Kevin L. Ochsendorf

**Requirements**

**Complete a separate application for:**

- all gambling conducted on two or more consecutive days, or
- all gambling conducted on one day.

Only one application is required if one or more raffle drawings are conducted on the same day.

**Send application with:**

- \_\_\_\_\_ a copy of your proof of nonprofit status, and (on file)
- \_\_\_\_\_ application fee (nonrefundable). If the application is postmarked or received 30 days or more before the event, the application fee is \$50; otherwise the fee is \$100. Make check payable to **State of Minnesota**.

**To:** Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Financial report and recordkeeping required.**  
A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.mn.gov/gcb](http://www.mn.gov/gcb).

Within 30 days of the event date, complete and return the financial report form to the Gambling Control Board. Your organization must keep all exempt raffle records and reports for 3-1/2 years (Minn. Statutes, section 349.166, subd. 2(f)).

**Questions?**  
Call the Licensing Section of the Gambling Control Board at 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 Depart-

ment 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.

**Willmar Lakes Area CVB Board Meeting  
EBO Room of the CVB/Chamber  
Tuesday, September 19, 2017 @ 12:00 Noon**

**Members Present:** Jim Butterfield, Denny Baker, Ken Warner, Judy Thompson, Janet Demuth, Doug Kuehnast and Audrey Nelsen

**Members Excused:** Sue Steinert, David Feist, Craig Edwards, Dave Henle and Michelle Olson

**Members Absent:** Rob Baumgarn, Steve Ahmann, Aaron Backman and Art Benson

**Staff Present:** Beth Fischer and Tanya Rosenau

- I. **Call to Order:** Demuth called the meeting to order at 12:13pm.
  - a. **Additions or corrections to the agenda:** There were no additions or corrections.
- II. **Approve Minutes from the August 15, 2017 Meeting:** It was MSC (m/Kuehnast; s/Nelsen) to approve the minutes from the August 15, 2017 meeting.
- III. **Financial Report:** Thompson presented the financial report and reviewed the lodging tax revenues report. It was MSC (m/Warner, s/Baker) to approve the financial report as it was presented.
- IV. **Committee Reports & Updates:**
  - a. **Sports:** Fischer shared that ice is on in the Blue Line Arena, the Willmar WarHawks home opener is October 14<sup>th</sup> and there have been a lot of renovations done to the Civic Center this summer. Willmar Bikes has put up four signs with the Willmar bike map on them in Willmar. They continue hosting recreational rides around the community. We have received the proof of the new trails map that includes all three communities on it. Some sporting events coming up include: NL-S Community Color Run, Homefront Connection Veteran's Run and the Harvest Hike 3K. Both high schools have had many updates done to them as well, which could help in accommodating more tournaments in the area.
  - b. **Leisure Committee:** Butterfield shared that they met at Dickerson's Resort and talked about the sport show schedule for next year. In addition to the four regular sport shows, they plan to go with Tracker Boating Center to two of their shows to sell raffle tickets for the fishing opener. Prairie Woods Environmental Learning Center held their Under the Prairie Stars annual fundraiser and they will use the money to purchase Gear Island. They also hosted an impromptu kayaking event on the Mill Pond. Lone Tree Board & Paddle had a great year.
  - c. **Special Events Committee:** No new business to report.
  - d. **Meetings & Conventions Committee:** Fischer shared that it's really busy the next 30 days with conventions. They have been working on several bids and Varpness and Fischer will be attending the Associations North Fall Conference in October.
  - e. **Visitor Guide Committee:** Fischer shared that they were shown the cover and different sections of the guide. The new layout and new story ideas look great! A timeline was established and they hope to print the first week of November. Please get any events you have to Fischer.
- V. **Affiliated Partnership Updates/Reports:**
  - a. **Vision 2040 Update:** Warner shared that there will be a presentation from the SW MN Initiative Foundation called Grow Your Own on November 4<sup>th</sup> from 12:30-4:30pm at the Willmar Conference Center. There will be daycare available for those that need it. Everyone is welcome. Rosenau shared that the Movies in the Park Committee has decided to show their Winter Movie on Ice on February 17<sup>th</sup> and the movie is Cars 3.
  - b. **Spicer Commercial Club:** Fischer shared that planning is underway for Winterfest and it will only be two weekends this year. They plan to have ice golf, a kids fishing event, and a craft beer event. They are

working with the NL-S School District to come up with something more permanent as a focal point for the event since there won't be a castle again this year.

- c. **New London:** Fischer said last weekend was the New London Fall Festival, this weekend is the New London Arts, Crafts & Gift Show, Ladies Night Out will take place on October 19<sup>th</sup> and two new stores have opened up.

**VI. Executive Director Report:** Fischer handed out the report and went over some of the larger events that are coming up. Such as MNIAI Conference, MAPCED, Jennie-O Conference, Ag & Animal Science Conference, MCCE Fall Conference, AFSCME 65 Annual Convention and many more. She has submitted ads to MN Getaways, MN Snowmobiling Destinations and Midwest Meetings. She has contracted ad space in the Associations North Membership Directory and the January/February issue of Midwest Living. We were awarded the following bids: 2019 MN Airports Conference, 2018 MN DFL Conference and the 2018 Tour of Minnesota Bike Ride. She has assisted conventions such as the MAPCED Conference, 7-Lag Stevne Convention, MN Elks Convention, American Legion and many more. She shared that the MN Governor's Fishing Opener is doing well in the planning process. A complete copy of the Executive Director's Report is available upon request from the CVB office.

**VII. Other Business:**

- a. **Governor's Fishing Opener:** Fischer shared the 13 different committees and that there are chairs for each committee. However, they are still looking for volunteers to be on the committees. The fishing host site is live and the application process is now open to be a fishing host. Please share the CVB's post on Facebook. Sponsorships are coming in slowly. They hope to sell 10,000 raffle tickets at \$10 each and they are currently waiting for their gambling permit to come back from the state.
- b. **Word Around the Community:**
  - i. **Baker:** The boat ramp is still waiting for curb and gutter and they have installed new speakers in downtown. The Pirrotta Park dedication and celebration was well attended.
  - ii. **Warner:** The Destination Playground is closed through Friday due to some updates and addition of the last pickets. They are currently working with Bolten & Menk to create an App that will show someone where their picket is. Some updates include bird netting to keep the birds out of the peaks of the structures, solar accent lighting and two patios out front that people will be able to rent for parties.
  - iii. **Thompson:** At Rice Park the shelter is partially up and they are hoping to pour the splash pad soon. The Mayor would like to create a task force for future design of Robbins Island. New developments are coming on First Street including a new Dairy Queen and a Kwik Trip. Two more Kwik Trips will also be coming to Willmar as well. The Civic Center will be getting a new sound system hopefully before WarHawks home opener.
  - iv. **Butterfield:** County Attorney Stephen Wentzell has been promoted to 8<sup>th</sup> Judicial District Judge in Willmar and Jim Kroona of the ambulance department will be receiving an award for his hard work in Toward Zero Death.
  - v. **Kuehnast:** Kuehnast is amazed by how fast they are building the new Schwieters dealership and excited for the new Dairy Queen near Wells Fargo.
  - vi. **Demuth:** TPI was voted as one of the best places to work amongst large companies in Minnesota.
- c. **Other:**
- d. **Next Meeting Date:** October 17, 2017

**VIII. Adjournment:** Demuth adjourned the meeting at 12:50pm.

Respectfully Submitted by,

Tanya Rosenau, Administrative Assistant

Willmar Lakes Area Convention & Visitors Bureau



City of Willmar  
**CONVENTION & VISITORS BUREAU**  
**Balance Sheet as of September 30, 2017**  
(As of 10/06/17)

**Assets**

Cash	\$ 32,636.85
Petty Cash	50.00
Investments	206,405.30
Taxes Receivable	-
Accounts Receivable	-
Prepaid Expenses	4,168.42
Interest Receivable	-
<b>Total Assets</b>	<b>\$ 243,260.57</b>

**Liabilities**

Accounts Payable	\$ -
Due to General Fund	-
Due to Capital Improvements	-
<b>Total Liabilities</b>	<b>-</b>

**Fund Balance**

Restricted Fund Balance - Prepaid Expenses	7,495.58
Committed Fund Balance - CVB	30,544.27
Assigned Fund Balance - Petty Cash/CVB	50.00
Assigned Fund Balance - CVB	205,170.72
<b>Total Fund Balance</b>	<b>243,260.57</b>

**Total Liabilities & Fund Balance**      **\$ 243,260.57**



### Lodging Tax History

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
January	\$ 7,998.33	\$ 7,855.69	\$ 8,682.75	\$ 9,803.51	\$ 10,143.12	\$ 9,356.74	\$ 8,863.45	\$ 8,485.83	\$ 8,884.20	\$ 8,809.36	\$ 9,592.37	\$ 10,146.02	\$ 11,242.91	\$ 12,481.92	\$ 16,072.96	\$ 15,411.55
February	\$ 8,273.68	\$ 8,564.69	\$ 8,499.71	\$ 10,224.37	\$ 10,054.13	\$ 9,566.54	10,602.01	\$ 8,460.61	\$ 10,444.66	\$ 10,611.48	\$ 11,908.11	\$10,911.35	\$ 13,578.53	\$ 13,861.89	\$ 12,644.59	\$ 13,292.01
March	\$ 8,369.92	\$ 7,834.79	\$ 8,617.73	\$ 9,891.40	\$ 9,769.91	10,355.41	\$ 11,159.67	\$ 9,627.34	\$ 11,072.50	\$ 10,383.91	\$ 11,246.07	\$ 12,286.25	\$ 11,960.20	\$ 13,268.74	\$ 11,951.98	\$ 14,443.01
April	\$ 8,364.42	\$ 8,217.88	\$ 8,791.84	\$ 10,683.76	\$ 10,486.74	\$ 10,298.58	\$ 11,256.15	\$ 8,896.70	\$ 10,582.99	\$ 11,572.47	\$ 9,979.39	\$ 11,762.97	\$ 12,280.28	\$ 20,893.77	\$ 16,855.81	\$ 15,757.48
May	\$ 10,054.26	\$ 9,078.07	\$ 9,523.49	\$ 11,180.11	\$ 11,916.43	\$ 12,498.33	\$ 11,400.34	\$ 9,590.19	\$ 10,405.48	\$ 12,184.92	\$ 13,372.89	\$ 13,011.30	\$ 13,953.56	\$ 27,168.41	\$ 16,576.02	\$ 15,746.72
June	\$ 12,103.69	\$ 11,693.46	\$ 13,263.93	\$ 13,222.78	\$ 14,656.50	\$ 14,272.52	\$ 13,587.59	\$ 14,138.00	\$ 14,192.88	\$ 16,310.94	\$ 17,056.44	\$ 17,723.80	\$ 21,493.18	\$ 31,353.36	\$ 23,587.69	\$ 26,686.49
July	\$ 13,956.28	\$ 14,304.97	\$ 16,313.57	\$ 16,679.03	\$ 17,455.49	\$ 17,601.37	\$ 18,627.95	17,670.65	\$ 18,118.86	\$ 21,102.74	\$ 19,419.80	\$ 20,870.17	\$ 23,504.27	\$ 31,335.96	\$ 21,423.26	\$ 27,584.55
August	\$ 12,484.49	\$ 12,430.55	\$ 13,557.57	\$ 15,367.67	\$ 15,814.31	\$ 16,146.49	\$ 15,076.77	\$ 14,583.82	\$ 16,871.90	\$ 17,099.31	\$18,441.81	\$ 19,836.73	\$ 19,602.33	\$ 26,012.06	\$ 24,542.87	\$ 26,921.27
September	\$ 8,761.79	\$ 9,282.67	\$ 11,132.73	\$ 11,735.70	\$ 13,352.34	\$ 12,661.74	\$ 12,474.13	\$ 12,845.44	\$ 12,965.58	\$ 14,485.25	\$ 16,027.03	\$ 16,596.08	\$ 15,996.62	\$ 19,337.47	\$ 20,738.25	
October	\$ 10,165.02	\$ 10,461.69	\$ 10,748.60	\$ 12,588.44	\$ 12,889.49	\$ 11,976.87	\$ 12,486.39	\$ 10,180.03	\$ 12,657.71	\$ 13,417.43	\$ 13,824.00	\$ 15,507.78	\$ 16,011.42	\$ 17,588.17	\$ 19,325.13	
		\$ 12,994.55	\$ 12,147.50				\$14,931.70*	\$15,814.65*	\$14,889.20*							
November	\$ 6,602.76	\$ 6,430.63	\$ 8,898.66	\$ 10,188.40	\$ 10,176.16	\$ 9,264.87	\$ 9,444.09	\$ 8,785.56	\$ 9,312.75	\$ 11,366.74	\$ 11,414.80	\$ 12,603.31	\$ 12,749.26	\$ 13,727.63	\$15,342.87	
	\$ 10,746.10			\$ 12,061.86	12,886.81*	13,780.05*				\$ 14,625.30	\$ 14,728.80	\$ 14,885.55	\$14,858.75	\$14,785.45	\$15,497.95	
December	\$ 7,875.14	\$ 8,583.87	\$ 8,521.55	\$ 10,286.25	\$ 9,985.78	9,345.52	\$ 8,748.64	\$ 6,998.74	\$ 9,662.25	\$10,045.27	\$ 10,378.89	\$ 11,250.37	\$ 12,489.86	\$ 13,694.93	\$13,812.73	
Total Lodging tax	\$ 125,755.88	\$ 129,733.51	\$ 138,699.63	\$ 153,913.28	\$ 149,046.17	\$ 157,316.91	\$ 149,764.53	\$ 138,486.75	\$ 145,171.76	\$ 161,969.85	\$ 177,390.40	\$ 167,391.68	\$ 199,721.17	\$ 255,509.76	\$ 228,372.11	\$ 155,843.08

\*Kandiyohi County Camping Receipts

**HUMAN RIGHTS COMMISSION  
MINUTES**

Approved 10/17/17

The Human Rights Commission met on Tuesday, September 19, 2017 at 5:00 p.m. in the Multi-Purpose Room at the Kandiyohi County Historical Society.

Members present were: Shelly Huseby, Barbara Little, Marlin Breems, Ben Larson, Maria Larson, Jill Benson, Shawn Mueske, Osman Jibril and Janell Sommers, Administrative Assistant.

Item No. 1      Call to Order

The meeting was called to order by Chairperson Shelly Huseby at 5:00 p.m.

Item No. 2      Approve Minutes of Meeting

Chair Huseby presented the minutes of the August 15, 2017 meeting for discussion. It was suggested a slight change to the verbiage to reflect the meeting starting at 5:20 p.m. Commission Member Benson moved to approve the Human Rights Commission minutes of August 15, 2017 with the noted change. Commission Member Shawn Mueske seconded the motion, which carried.

Item No. 3      Public Comment

There were no members from the public present for comment. Commission Member Ben Larson handed out information from the ACLU website of model state and local law enforcement policies for future review.

Item No. 4      2017 Report for Diverse BRE Program:

Chair Huseby introduced Aaron Backman, Director of the Kandiyohi County Economic Development Commission who presented the Final Report for the Design and Implementation of a Business Retention & Expansion (BRE) Program for Diverse Businesses in the Willmar area. Mr. Backman stated there are about 70 diverse businesses in Willmar or about 12% of our total businesses in the community. In perspective, in 2012 there were about 48 and 18 years ago there were less than 10. Last fall the EDC was approved for a grant from the Southwest Initiative Foundation to design a BRE Program for diverse businesses in this area to do the survey. The deliverables included a Diverse BRE site visit form, a list of ethnic-owned businesses in Willmar by ethnicity and a geographic map.

Overall the businesses viewed Willmar favorably. They described it as quiet, safe and positive in its diverse population. Latino businesses were more likely to own the property and on average the Somali owners were more likely to lease. Mr. Backman identified 31 East African, 27 Latino and at least 8 Asian businesses. The old Latino businesses have been operating in Willmar for nearly 20 years. The Somali's have been creating businesses at a faster rate in the last five years. For Somali businesses, the most common type were food-related such as grocery or restaurant followed by transportation. For Latino businesses, most common was food related as well, and second was auto repair sales and service.

Geographic locations for all diverse businesses in Willmar tend to be located in the

downtown with a little over 50% and along US Highway 12 and Business 71-23 (First Street). The Asian businesses were located along First Street south of Willmar Avenue and primarily they were food-related or a nail salon of some fashion. The most frequent trade area for the Somali businesses was 11-15 miles and Latino businesses was 51-100 miles. He touched on the square footage of their businesses and their signage. Most of the businesses surveyed were not heavy users in technology such as websites. It was interesting that they have bypassed websites and are using social media such as Facebook.

Utilities were surveyed and overall water, sewer, and natural gas were rated highly by the business owners. For Somalis the lowest ranked services were telecommunications and garbage removal. For Latinos it was electricity cost and internet (access and speed). The views of the community were asked including likes and weaknesses. What they responded as most liked about Willmar was it is quiet, safe and they liked the diversity. The weaknesses were more parking in the downtown and lack of activities for youth. Only one business owner referenced any discrimination. For the most part they described people in Willmar as "good people."

They were surveyed on having signage in downtown in multiple languages to welcome customers into the area, of which most all were favorable. Mr. Backman then answered questions and commented on how the Human Rights Commission can assist him in the future. Members of the Commission thanked Mr. Backman for the report.

Chair Huseby introduced Osman Jibril and welcomed him as a new member to the Human Rights Commission. He has lived in Willmar for the last 12 years. All the Commissioner members gave a brief introduction to Commissioner Jibril and welcomed him.

Item No. 5      Follow-up Discussion to Session with Law Enforcement Officials:

Chair Huseby informed the Commission that on September 5<sup>th</sup> the question and answer session was successfully taped with the law enforcement officials. Commissioner Ben Larson was present and briefed the Commission on the outcome. The next task will be to have it translated.

Item No. 6      Other Business:

Commission Member Benson brought forward a "hate" note she received subsequent to her letter to the editor pertaining to the prior incident at the Farmers Market. She presented the note she found on her garage door attached to her letter to the editor. The Commission discussed the note and its focus.

The next meeting date of the Commission will be Tuesday, October 17, 2017 at 5:00 p.m. A motion was made, seconded and passed to adjourn. The meeting was adjourned at 6:00 p.m.

Respectfully submitted,

Janell Sommers  
Administrative Assistant

**WILLMAR MUNICIPAL AIRPORT COMMISSION  
CITY OF WILLMAR, MN  
WEDNESDAY, OCTOBER 25, 2017**

**MINUTES**

1. The Willmar Municipal Airport Commission met on Wednesday, October 25, 2017, at 4:30 p.m. at the Willmar Municipal Airport Conference Room.

\*\* Members Present: Pat Curry, Don Cole, David Little, Richard Kacher, and Dan O'Meara.

\*\* Members Absent: Dan Reigstad, and Sandy Gardner.

\*\* Others Present: Silas Parmar- Bolton & Menk, Steve NedreLOW, Melissa Underwood-Bolton and Menk, Jared Voge- Bolton and Menk, Cody Miller, Bill Fry, Andrew Plowman-City Councilperson, Frank Hanson-Fire Chief, Megan DeSchepper-Planner/Airport Manager.

2. MINUTES: The June 21, 2017 Airport Commission minutes were approved as presented.

3. AIRPORT EMERGENCY MANAGEMENT PLAN: Fire Chief/Marshal Frank Hanson, presented the Airport Emergency Management Plan. Chief Hanson explained the document will be laminated and placed in the Terminal Building along with a tote full of emergency items such as a first aid kit and yellow x's. It was based off a template from MNDOT Aeronautics that provides plans and suggestions for types of issues that could arise at an Airport.

Mr. Little made a motion, seconded by Dr. Kacher, to approve the Airport Emergency Management Plan as presented.

The motion carried.

4. NEDRELOW DRAINAGE REQUEST: Steve NedreLOW, a private hangar owner, made a request for tiling around his hangar to help with subsurface drainage (see Attachment A). The Commission talked about the issue and that some of it may be alleviated by the taxilane project. Andrew Plowman talked about coming up with a comprehensive plan for making drainage corrections. Dr. NedreLOW said he could wait until spring to move forward with tiling. The Commission talked about polling hangar owners about water drainage issues, or using Eric Rudningen as a resource knowing where the issues lay. Staff was advised to start working on a plan to be discussed at the next meeting.

5. MASTER PLAN UPDATE-BOLTON AND MENK: Melissa Underwood, with Bolton and Menk, presented the draft Airport Layout Plan (ALP) that has been part of the work

of the Master Plan Update. The ALP included items such as the imaginary surfaces, approaches, existing/ultimate building areas for hangars, land use & zoning, property inventory, and parcel information. Ms. Underwood also explained that the Master Plan Update draft is nearly completed, and that an open house will be scheduled in November. All Airport Commission members were encouraged to attend.

6. TAXILANE PROJECT UPDATE- BOLTON AND MENK: Silas Parmar, with Bolton and Menk, presented an update regarding the east taxilane project. The taxilane project walk through actually occurred just prior to the Airport Commission meeting and there are just a few minor corrections to make in the seeded areas. Overall the project was successful and drainage in the area should be greatly improved. Bill Fry, a private hangar owner, added a comment that the contractor, Swenson and Sons, was great to work with and very cordial and obliging throughout the project. Mr. Parmar added that the project has a one year warranty so any issues that come in the spring can be corrected.

Mr. Parmar also spoke to the Commission about the 20 year CIP and that the runway crack repair and sealing will be the next project to tackle, the apron expansion was pushed back as the runway maintenance is a more immediate and crucial item.

7. CAR SHOW PROPOSAL- STEVE MARTINS/HARLAN ROHNER: Harlan Rohner presented a proposal to have the annual Car Show put on by the Willmar Car Club at the Airport next year. Steve Martins was unable to attend the meeting, so Mr. Rohner was speaking on his behalf. Mr. Rohner explained that they've had the event at Kennedy Elementary School for years but that the site is not laid out the best and the Airport would be must more conducive for the event. Mr. Rohner said the idea would be to combine it with people displaying their airplanes and a breakfast of some sort put on by the boy scouts or some such organization. Mr. Rohner spoke of three possible dates for spring/summer of 2018.

The Commission discussed the idea and thought it'd be a great opportunity to get the community to come to the Airport. Other communities do similar events and they are very successful.

Mr. O'Meara made a motion, seconded by Mr. Little, to pursue the matter and have Mr. Martin come to the next meeting with a plan to move the matter forward.

The motion carried.

8. With no further matters to come before the Commission, the meeting adjourned at 5:35 p.m.

Respectfully submitted,



Megan M. DeSchepper, AICP  
Planner/Airport Manager

REQUEST FOR THE CITY TO TILE ON CITY PROPERTY NEAR HANGAR HG3-7

HISTORY:

1. The structure is built on land rented from the city.
2. There was standing water present on the site prior to construction.
3. The original exact elevation and proximity to nearby hangars was dictated by the city.
4. Since construction, water has been infiltrating up through the floor and secondly running into the building from the sides.
5. In the last few years the water infiltration issues have become more apparent and critical as water has been wicking up into the insulation. Significant mold issues have been battled.
6. Resolution of the water issues was temporarily deferred because of the potential for better surface drainage with taxilane reconstruction.
7. The city provided concrete to help drainage around hangars to the North with additional concrete to be added around hangars further to the south.

CURRENT STATUS:

It has become more evident during recent construction that we are dealing with two separate types of water infiltration.

- a. Surface drainage that we hope will be resolved on the East and West sides by reconstruction of the taxilanes and added surface drains from the east and west. This does not help any of the surface water infiltration along the North wall adjacent to the neighboring hangars.
- b. Subsoil hydrostatic pressure as a result of this hangar site being at the South low point of the entire row of hangars. It appears that the taxilane and clay to the South are effectively damming the subsoil water. (See letter emailed to me by the taxilane contractor Swenson and Sons)

REASON FOR TILE REQUEST:

1. The site was evaluated by Jeff Johnson Excavating. Jeff has wide area experience with tiling.
2. The tile request is to hopefully start the remedy for the surface water issues on the North side of the building and deal with the hydrostatic pressure issues on three sides and under the building. The tile lines will flow into existing surface drain tiles on the Southeast and Southwest corners of the site.
3. As the city has done prior we look forward to surface concrete on the North side between this site and the adjacent two hangars due to the small elevation changes going East and West. It is impossible for the small change in surface elevation to drain water on the existing sod surface between the hangars.
4. It is important to resolve the hydrostatic pressure by having tile under any future concrete on the North side as it is also impossible to seal out all surface water with concrete.

We look forward to resolving water issues so that this building remains a positive for the city, present and future owners. Respectfully Submitted by Steve NedreLOW, 320-894-4742, [snedreLOW@gmail.com](mailto:snedreLOW@gmail.com) Oct. 25, 2017

# WILLMAR MUNICIPAL AIRPORT EMERGENCY PLAN



# GENERAL AVIATION AIRPORT EMERGENCY PLAN

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## **Basic Plan**

### **Purpose**

The purpose of this plan is to ensure the safe and efficient handling of any emergency situation that may arise at Willmar Municipal Airport. It is intended to assist the Airport Manager, airport staff, and emergency organizations with carrying out their responsibilities efficiently in case of an airport emergency.

Note that, in addition to this document, a brief reference guide titled *Airport Emergency Procedures* is included in the emergency kit located at the airport, which provides additional guidance to specific emergency situations.

### **Introduction**

We recognize that all emergency situations cannot be anticipated. If an emergency situation arises that is not covered in this plan, the Airport Manager has the authority to direct such actions as he or she may deem necessary.

This plan was approved and adopted on \_\_\_\_\_.

### ***Airport Emergency Plan Coordinator***

The coordinator of this plan will be the Airport Manager or his or her designated representative, who will be responsible for the administration and review processes of this plan and who will ensure full implementation of these procedures during any emergency or disaster condition. Emergency response will vary depending on hazard-specific conditions as contained herein, and Incident Command will be established consistent with City of Willmar emergency response procedures and National Incident Management System (NIMS) guidelines.

### **Basic Assumptions**

In developing this plan, we considered the following:

- How best to work together as a team and use the resources of the city, county, and airport.
- How to manage communications at the airport during an emergency.
- How to hand off control as the availability of staff and the nature of the emergency changes.
- How to coordinate radio frequencies so that all emergency responders can communicate effectively with each other.
- Where to go during an emergency.
- How to inform tenants and other airport users about the emergency.
- How to restrict access and control bystanders during an emergency.

### **Organization and Assignment of Responsibility**

The individuals and agencies that have a role in an emergency at the Willmar Municipal Airport are listed in Table 1. This list is not meant to be all-inclusive in terms of the agencies or individuals involved, as others may be needed.

For Table 1, describe what each person or agency is responsible for during airport emergency situations. Who do these people report to? What are their responsibilities? Also list specific emergencies or hazards that may be encountered and how each will be addressed, providing name and contact information for each person(s) responsible for the initial and secondary responses. Note the sections on Hazard Identification included in this template.

**Table 1. Airport Emergency Responsibilities**

Position or Description	Responsibilities for Airport Emergency
Airport Manager Emergency Management Director	<ul style="list-style-type: none"> <li>• Serve as Emergency Coordinator.*</li> <li>• Assume Incident Command responsibility for all response and recovery operations, as appropriate.</li> <li>• Establish, promulgate, coordinate, maintain, and implement the Airport Emergency Plan (AEP).</li> <li>• Contact 911 and provide appropriate alerts and notifications.</li> <li>• Coordinate the closing of the airport when necessary and initiate the dissemination of relevant safety-related information to aviation users (NOTAMs).</li> </ul>
Air Carrier/Aircraft Operator	<ul style="list-style-type: none"> <li>• Provide full details of aircraft-related information, as appropriate, to include number of persons, fuel, and dangerous goods on board.</li> <li>• Coordinate transportation, accommodations, and other arrangements for uninjured passengers.</li> <li>• Coordinate use of air carrier/aircraft personnel and other supplies and equipment for all types of emergencies occurring at the airport.</li> </ul>
____ Willmar ____ City Administrator	<ul style="list-style-type: none"> <li>• Provide access to city resources.</li> </ul>
____ Willmar ____ Fire Chief/ Department	<ul style="list-style-type: none"> <li>• Manage and direct firefighting and rescue operations.</li> <li>• Direct search and rescue or hazardous materials response.</li> <li>• Coordinate mutual aid resources through Incident Command System.</li> <li>• Assist with search and rescue or evacuations.</li> <li>• Assume Incident Command as appropriate.</li> </ul>
____ Willmar ____ Police Chief/Department	<ul style="list-style-type: none"> <li>• Manage and direct police operations.</li> <li>• Assist with traffic control and scene security.</li> <li>• Assist with search and rescue or evacuations.</li> <li>• Respond as needed for activities involving crowds or assemblies of people.</li> <li>• Respond to bomb threats or acts of terrorism.</li> <li>• Assume Incident Command as appropriate.</li> </ul>
____ Kandiyohi ____ County Emergency Management Director	<ul style="list-style-type: none"> <li>• Assist airport with obtaining all resources offered by the state or federal governments.</li> <li>• Assist the county in obtaining any state or federal government resources that may be needed as a result of an emergency situation.</li> </ul>
____ Rice Memorial ____ Hospital	<ul style="list-style-type: none"> <li>• Provide emergency medical services to the airport during emergency conditions to include triage, stabilization, first aid, medical care, and transportation of the injured.</li> <li>• Coordinate planning, response, and recovery efforts with hospitals, fire and police departments, airport operator, etc.</li> <li>• Coordinate the hospital disaster plan with the airport and community Emergency Operations Plan (EOP).</li> </ul>

Tenants and FBOs	<ul style="list-style-type: none"> <li>• Coordinate the use of their available equipment and supplies.</li> <li>• Coordinate the use of their workers. The tenants usually have information about the airport, aircraft, and other technical knowledge.</li> </ul>
County Sheriff	<ul style="list-style-type: none"> <li>• Provide primary law enforcement for off-airport events.</li> <li>• Coordinate scene security.</li> <li>• Assist with investigations.</li> <li>• Assist with search and rescue efforts.</li> </ul>
Public Works Department	<ul style="list-style-type: none"> <li>• Coordinate use of resources for debris removal or building maintenance.</li> <li>• Coordinate restoration of utilities.</li> <li>• Provide equipment for emergency response and recovery.</li> </ul>

*\*Note: In the absence of the Airport Manager, an airport staff person will serve as the Emergency Coordinator until the Airport Manager is on-site.*

#### **Administration and Review**

The Airport Manager is responsible for reviewing this document every 12 months and making recommendations for updates and changes to the \_\_\_\_\_ Willmar \_\_\_\_\_ Airport Commission. As part of this review, local emergency and medical personnel will conduct a tabletop exercise to assist with identifying needed changes every 12 months. At least once every three years, the Airport Manager will conduct a full-scale emergency plan exercise. Emergency plan reviews and exercises will involve all of the agencies that have responsibilities in the execution of the emergency plan.

After the updated emergency plan has been submitted to the \_\_\_\_\_ Willmar \_\_\_\_\_ Airport Commission by the Airport Manager, the board will have final approval of the revised plan.

In the event of a major emergency or disaster that exceeds the resources and capabilities of the airport, and which requires immediate state and/or federal assistance, the Minnesota Duty Officer may be contacted at the following phone numbers:

- 800-422-0798 (outside the Minneapolis/St. Paul metro area)
- 651-649-5451 (within the Minneapolis/St. Paul metro area)

## **Functional Areas**

This section provides information on tasks and core responsibilities that may be applied to all airport emergencies. Detailed information particular to specific emergency situations is found in the standard operating procedures for hazard-specific areas.

Note: Many general aviation airports do not have enough staff to designate an individual to cover each function. FAA Advisory Circular 150/5200-31C recognizes this and states that in many instances these roles may need to be combined or may include off-airport expertise.

### **1. Command and Control**

Command and control of an airport emergency situation will vary depending on the type of emergency and the response required. The Incident Command System (ICS) will be utilized consistent with City of Willmar, Kandiyohi County emergency procedures.

In case of emergency, the Airport Manager will be the main point of contact for the duration of the incident with respect to the implementation of this plan in coordination with Incident Command.

The Emergency Operations Ctr., located 2201 23rd St. NE Willmar, will be the first choice for the Emergency Operations Center (EOC).

The Kandiyohi County Emergency Management Director will assist in providing resource coordination between government agencies and the private sector as needed per Incident Command.

### **2. Communication**

Primary communication for responding agencies will be through the use of communication radios using Kandiyohi County emergency frequencies.

In the event secondary communications are needed, equipment may include electronic communications, cell phones, amateur radio, or secondary Kandiyohi County communication equipment.

The Willmar Municipal Airport uses the following civil aviation band frequencies:  
122.8 mhz; Navigation 109.5 and 113.7 mhz.

### **3. Alert Notifications and Warning**

The airport manager, representative, or airport tenants will be responsible for initiating a 911 call in the event of an emergency.

Note: Notifications regarding airport emergencies may also be reported by the general public in some cases.

The Airport Manager will coordinate with Incident Command to notify the appropriate aviation agencies. Incident Command will be responsible for ensuring that notifications are made to protect the general public.

The Airport Manager will notify the appropriate key City of Willmar government and private organization officials.

Dispatch of emergency personnel will be the responsibility of Kandiyohi County dispatch after alert notification is received.

#### 4. Emergency Public Information

Airport management will coordinate with Incident Command to ensure actions are taken to protect the public in the event of an emergency. Instructions will be delivered to the public through the following methods:

Everbridge Alert System  
Radio

Incident Command may assign a public information officer (PIO) to work within the Incident Command System (ICS) and coordinate public information.

Media briefings will be coordinated through Incident Command and the PIO per implementation of the media plan on page 11.

#### 5. Protective Actions

The Airport Manager will coordinate with Incident Command to ensure actions are taken to protect the public in accordance with procedures for City of Willmar; Kandiyohi County emergency management.

Evacuation/protect-in-place procedures will be coordinated through Incident Command. The Airport Manager will work through the ICS to assist with evacuations of airport buildings. In the event of a tornado, the public will be directed to public restrooms.

#### 6. Law Enforcement

Law enforcement agencies, including Willmar Police Dept. and KCSO, will ensure the availability of sufficient numbers of qualified and trained law enforcement personnel to support an airport emergency. Law enforcement will coordinate multijurisdictional law enforcement response and any required mutual aid.

Law enforcement will establish security for all airport emergency scenes including the control of traffic control points and access. Law enforcement agencies will assume Incident Command for situations involving bomb threats or terrorism and coordinate with Incident Command for all other emergencies.

#### 7. Firefighting and Rescue

The Willmar Fire Department will ensure the availability of sufficient numbers of qualified and trained personnel to support an airport emergency. The Willmar Fire Department will coordinate appropriate response and recovery operations including any mutual aid needed.

Fire department personnel will assume Incident Command for all fire suppression, search and rescue, and hazardous materials operations or coordinate with Incident Command as required.

#### 8. Health and Medical Services

The Willmar Ambulance Service will provide emergency medical services to include triage, stabilization, first aid, medical care, and the transportation of the injured to the airport during an emergency.

Willmar Ambulance Service will be responsible for ensuring that the coordination of any other mutual aid agency is accomplished through Incident Command.

Hospital: Rice Memorial Hospital

(List addresses of participating hospitals and capabilities—e.g., level 2 trauma center, ER capacity.)

EMS: Willmar Ambulance Service; up to (5) ALS crews.

(List EMS services responsible for response and transport and their capabilities.)

The following are pre-determined areas that may be utilized at the discretion of Incident Command for uninjured, injured, and deceased:

As determined by triage officer

## 9. Resource Management

Incident Command will be responsible for ensuring that the appropriate resources are obtained for the emergency situation including response and recovery operations.

An airport emergency kit is located outside the flight planning door. The contents are:

- Laminated copy of Table 1
- Laminated copy of the airport map
- Copies of forms that address the hazards contained in this plan
- Blanket
- First aid kit
- List and contact information for all airport tenants
- Laminated copy of the "Immediate Action Guide"
- Caution tape
- Directions for where to find X's to close a runway, as well as the hazardous spill containment pads and other items used in responding to these hazards

Each agency, department, or service of City of Willmar & Kandiyohi County government will provide for the maintenance of records during an emergency. These records should include work hours, equipment hours, supplies and materials consumed, injuries to personnel, and damage to public facilities and equipment. This information will be provided to the finance section of the ICS when applicable.

## 10. Airport Operations and Maintenance

The Airport Manager or representative will be responsible for the control of the airport during an emergency. The Airport Manager will determine if the airport needs to be closed. If the airport is closed, he or she will ensure that yellow X's for runway closure are placed as appropriate.

The Airport Manager or representative will be responsible for issuing NOTAMs for airport conditions and closures as well as any required coordination with air traffic control facilities. The Airport Manager or representative will make the appropriate notifications to all airport tenants. A contact list of all tenants is included in the airport emergency kit.

The Airport Manager will coordinate airport operations with Incident Command as required and make available all necessary equipment and facilities.

## **Standard Operating Procedures and Checklists for Specific Hazards**

This section focuses on the special planning needs and hazards particular to airports. It addresses the essential operational actions needed to help successfully complete a specific response function. Some hazards that may require a response are:

- Aircraft incidents and accidents
- Natural disasters
- Bomb incidents
- Hazardous materials incidents
- Structural fires
- Failure of power
- Missing aircraft

This section also includes detailed instructions and checklist information for hazard-specific sections and the airport map.

Note: Hazard-specific sections should include response and recovery procedures particular to a specific type of emergency. Types of emergencies to include in this section are determined on a case-by-case airport hazard analysis for individual airports. This template includes examples of common types of emergencies to address in an AEP.

### **Airport Access**

The keys for the airport and the cards for accessing the gates will be kept in a lockbox located outside the airport terminal as shown in Figure 2. The following key staff will have access to the lockbox code:

<u>Willmar</u>	Airport Manager
<u>Willmar</u>	Chief of Police
<u>Willmar</u>	Fire Chief
<u>Kandiyohi</u>	County Sheriff
<u>Willmar</u>	City Manager

## Hazard 1: Aircraft Incidents and Accidents

### Definition and Classification of Incidents and Accidents

**Aircraft accident:** Any occurrence associated with the operation of an aircraft that takes place between the time a person boards the aircraft with the intention of flight and the time such person has disembarked, in which a person suffers death or serious injury as a result of the occurrence or in which the aircraft receives substantial damage.

**Aircraft incident:** Any occurrence associated with the operation of an aircraft that is not considered an "aircraft accident."

### Incident Classification System

**Level 1:** An accident *may* happen. For example, there is a landing gear problem, or a situation or emergency exists or is perceived to exist that may result in an incident or accident. This includes situations where it is unknown if an incident or accident emergency has actually occurred.

**Level 2:** An aircraft is known or suspected to have an operational defect that affects normal flight operations to the extent that there is danger of an accident.

**Level 3:** An aircraft accident has occurred on or in the vicinity of the airport.

### Emergency Contact Information

_____ Willmar _____ Fire/Police Departments:	911
Airport Manager: _____ Megan Deschepper _____	Dispatch: _____ 235-2244 _____
NOTAM:	1-877-487-6867
FAA Great Lakes Operations Center: (the FAA will contact NTSB)	847-294-8400
Other airport staff:	
_____ Eric Rudningen _____	Cell: _____ 320-894-1872 _____
_____ Paul Beck _____	Cell: _____ 320-295-1671 _____
_____ _____	Cell: _____
_____ Gary Manzer _____ Street Department:	_____ 320-491-1872 _____
City Administrator: _____ Ike Holland _____	Work: _____ 320-235-4913 _____

### **Alert Notification and Warning**

Once it has been determined that a potential or actual airport/aircraft emergency exists, all parties listed under Emergency Contact Information should be notified by the Airport Manager or, in his or her absence, the primary point of contact. After making phone calls in the order listed below, the Airport Manager or his or her representative should remain by the phone to direct responders and answer questions.

Note: The Airport Manager may have other response duties depending on level of training and/or local procedures and may not be able to remain by the phone.

### **Level 1 Classification Response**

The fire department personnel should be advised of the following information if known:

- Type of aircraft
- N-number
- Type and amount of fuel
- Number, or potential number, of passengers and crew
- Nature of emergency
- Type and/or amount and location of cargo
- Number of passengers on board
- Location of aircraft

### **Level 2 Classification Response**

Fire department personnel should be provided with the same information as above plus any additional details that will allow preparation for likely contingencies. Fire/police dispatch should advise airport staff of the applicable fire department radio talk group or provide a radio patch to facilitate efficient response coordination. A full response should be made with the emergency equipment operating and positioned with engines running and all emergency lights operating, enabling rapid response to the incident/accident site.

1. Standby locations on the Willmar Municipal Airport should be accessed through the gates by the arrival/departure building, and responding units should position themselves in such a manner as to have a clear view of the runway and taxiways. The person in charge of response equipment (fire department) should anticipate the aircraft's rollout and station emergency response vehicles some distance upwind from the rollout area.
2. Communication with the aircraft by airport staff should be made if possible (on Unicom frequency 122.8 MHZ or the emergency frequency 121.5 MHZ) and passed to the fire department. This provides a safety factor for rollout; should an emergency require it, the vehicle could be on the move to the aircraft stopping point from an upwind direction.
3. The fire department vehicle will move on a fast parallel course to the aircraft once it is apparent that the aircraft is going to pass the standby position.

### **Level 3 Classification Response**

Full fire department procedures should be put into effect. All pertinent updated information should be relayed by the airport staff and/or dispatching agency to responding emergency units and include the location of the accident using direction and distance from the arrival/departure building, thresholds, mid-field, street/road intersections, or landmarks.

When complete aircraft-related information is unavailable, the fire department personnel should anticipate the worst situation and prepare accordingly.

Notify the FAA Operations Center of conditions at the site, particularly if such conditions could interfere with flight operations. Airport staff should issue applicable NOTAMs and ensure appropriate Unicom advisories are communicated. Note that all NOTAMs should specify if the airport will remain open for emergency aircraft.

## **Recovery**

### ***Preservation of wreckage***

If the accident involves personal injury or death, the wreckage CANNOT BE MOVED OR DISTURBED except for emergency extrications, to protect the wreckage from further damage, or to protect the public from injury. Incident Command should ensure the preservation of wreckage until otherwise authorized by the FAA duty officer (see Emergency Contact List) or until the appropriate governing agency takes custody of or releases the wreckage.

Following FAA approval, the wreckage may be moved away from the runway/taxiways or accident scene to facilitate the timely reopening of the airport. The aircraft owner is responsible for removing or making arrangements to remove the damaged aircraft. The Willmar city public works may assist in this recovery process.

Following removal of the wreckage, the Airport Manager will inspect the runway/taxiway pavement and surrounding surfaces for damage and debris, and, if satisfactory, the airport may be reopened to air traffic. If the runway is closed, X's should be placed at each end.

The city will bill all costs for the recovery and removal of aircraft from the operational areas of the airport to the owner/operator of the involved aircraft.

## **Public Information**

Airport personnel or other city personnel should avoid making any statements to the news media during an emergency situation at the airport or aircraft accident scene unless previously directed. The Airport Manager and a representative from the FAA or NTSB will normally serve as the public information officer (PIO). Any city employee with questions about media inquiries will refer the media to the PIO.

## **Organizational Response and Responsibilities**

### ***Airport Staff***

- Locate the aircraft owner/operator if pilots or passengers are unable to communicate.
- Check with the FBO for any parties that might have been waiting for or associated with the aircraft.
- Check with the FAA operations center to determine if a flight plan exists for the aircraft and obtain related pilot and owner information.
- If the aircraft tail number is readable or known, use the Internet to quickly determine the owner/operator at [www.landings.com](http://www.landings.com):
  1. Click on "Databases" at top of screen.
  2. Click on "A/C Registration US" (if of U.S. registry, N-number database).
  3. Click on "Basic Search."
  4. Type in aircraft's tail number.
  5. Click on "Send Query."
- Complete airfield inspections and documentation.

- Issue appropriate NOTAMs.
- Cooperate with investigations.

The Airport Manager will notify appropriate officials, assist with the investigative process, and provide documentation, including the Airport Incident Report form.

***Airport Fixed-Base Operators (FBO)***

- Provide the specific or best estimate of location on or near the airport or closest intersection, landmark, etc., of the emergency.
- Call 911 (police/fire dispatch).
- State the “ALERT/Emergency Level.” Provide information from the description of Readiness Levels.
- Make a Unicom advisory call (123.0) if there’s a danger to other aircraft.
- Contact airport staff:

Eric Rudningen	320-894-1872 / 320-214-9669
Paul Beck	320-295-1671 / 320-214-9669

- Stand by to direct firefighters or EMS to the accident site.

***Fire Department***

Fire department personnel on the scene will assume Incident Command and will direct all efforts of fire suppression and rescue of individuals involved in the incident. The Incident Commander will assess the situation and ensure that adequate equipment is available for rapid fire suppression, rescue of victims, and transportation of victims to area hospitals. The scene Incident Commander will maintain contact with the Airport Manager.

Fire/police dispatch should advise airport staff of the applicable fire department radio talk group or provide a radio patch to facilitate efficient response and coordination (e.g., directions to the emergency site, recommended access gate).

***Police Department/Department of Public Safety***

- Secure the area and ensure the free flow of emergency equipment into the incident scene.
- Handle crowd control, site security, and control of ingress and egress to the incident scene by authorized personnel.
- Assist firefighters in the suppression of fire and rescue of victims if requested by the Incident Commander.
- Treat the accident/incident scene as a major crime scene and secure as such.

***Public Works Department***

The public works department will respond to any serious aircraft or airport incident as directed by Incident Command. The Director of Public Works will assist the Airport Manager in returning the airport to normal operations in an expeditious manner. The Director of Public Works will coordinate with Incident Command and assist in and supervise the recovery, removal, or salvage of property that creates a problem on the airport and restricts aircraft operations. This will include the removal of aircraft and hazardous debris on runways and taxiways. The public works department may respond with the initial equipment necessary to accomplish its mission, such as:

- Front-end loader
- Dump truck
- Flatbed trailer

- Sweeper
- Adequate cables and ropes to move an aircraft
- Support equipment (e.g., barricades, cones, and lighting systems for night recovery operations)

***Airport Tenants***

Airport tenants and their employees should be considered a prime source of readily available equipment and labor and may have an intimate knowledge of the airport and the aircraft. These individuals can be invaluable, especially if their background includes aircraft maintenance, medical training, or aircraft transportation. If utilized, on a voluntary basis only, it is imperative that these individuals be deployed under supervision and assigned specific functions to avoid duplication of efforts and the possibility of disrupting the other emergency operations.

***Emergency Medical Services (EMS)***

EMS will provide emergency medical services to include triage, patient care, and transport. EMS will coordinate with the Rice Memorial Hospital and Incident Command for any required mutual aid.

## **Hazard 2: Natural Disasters**

In the event of a natural disaster such as a tornado, hailstorm, flooding, severe thunderstorm, or high wind, the City of Willmar Emergency Management Plan and the Hazardous Weather Emergency Operations Plan will be followed.

### **Emergency Contact Information**

<u>Willmar</u> Fire/Police Departments:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
NOTAM:	<u>1-877-487-6867</u>
Public Works: Gary Manzer	<u>320-491-7366</u>

### **Alert Notifications and Warning**

All parties listed under Emergency Contact Information should be notified. The general public will be warned of severe weather through sirens, radio, etc.

### **Response**

If time allows:

1. Notify airport tenants of the threatening condition.
2. Advise aircraft owners and pilots so they can depart the airport ahead of the condition or secure their aircraft properly.
3. Survey the airport for unsecured objects that may become projectiles in high winds or be damaged by floodwaters.
4. Move aircraft to safe areas (hangars) or position and secure as best as time allows.
5. Stop fueling operations when lightning is observed in the vicinity.
6. Secure airfield lighting as necessary to protect from flood damage.
7. Lower or remove the windsock.
8. Issue a NOTAM advising of airport conditions.

The designated storm shelter area will be public restrooms.

If required:

- Have Incident Command activate the Emergency Operations Center (EOC), located 2201 23rd St NE Willmar to coordinate any airborne emergency relief.
- Coordinate with all military and relief flight operations for the orderly flow of air traffic.
- Designate unloading areas and the movement from the airport of relief supplies.
- Provide current weather and airport status information to the city manager, police chief, fire chief, emergency management staff, and utility departments.
- Depending on the severity of the situation, the EOC may be activated at the discretion of Incident Command. Fire Chief and Police Chief will assume Incident Command. Airport management will work within the ICS and procedures of COW & Kandiyohi County for severe weather events and staff the EOC as needed.

### **Recovery**

The Airport Manager or point of contact will call the local utility companies MUC 320-235-4422 and Willmar Public Works at 320-491-7366. The Airport Manager should use available equipment and labor, with assistance from the utility departments, to return the airport to an operational condition as soon as possible. This will ensure an additional avenue for emergency relief.

## **Organizational Response and Responsibilities**

### ***Airport Management***

- Provide alert information to responding agencies, airport tenants, users, and the general public at the airport.
- Conduct inspections and issue appropriate NOTAMs.
- Monitor the NOAA weather radio to ascertain conditions that will affect the airport. The airport may also obtain a tone alert monitor to watch weather or other relevant emergencies.
- Complete documentation regarding the event, including incident report, damage assessments, and financial impacts.

### ***Fire Department***

- Respond to protect persons and property.
- Coordinate search and rescue operations as needed.

### ***Police Department***

- Respond to protect persons and property.
- Participate in traffic control, evacuations, or sheltering of the general public.

### ***Public Works***

- Direct resources as necessary to assess damage, make repairs, and restore utilities.
- Provide equipment for shoring up public buildings or removing debris.

### **Hazard 3: Bomb Incidents/Terroristic Threats**

Criminal activities and disturbances may include bomb threats, terrorism, vandalism, or crowd control problems. In general, law enforcement will assume Incident Command for these situations.

#### **Emergency Contact Information**

_____ Willmar _____ Police Department:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
TSA:	866-907-8391
AOPA GA SECURE Hotline:	866-427-3287
City Manager: Ike Holland	<u>320-235-4913</u>

#### **Alert Notifications and Warning**

All parties listed under the Emergency Contact Information should be notified. It may not be necessary to contact the TSA or AOPA GA-SECURE Hotline for all criminal activities, such as for those not involving aircraft operations.

#### **Response**

Law enforcement will be the primary response agency and assume Incident Command. For bomb threats, airport management or personnel may be involved with gathering initial threat information and providing alert notifications and warnings.

#### **Recovery**

The Airport Manager will coordinate with law enforcement, conduct necessary inspections, issue appropriate NOTAMs, and return the airport to normal operations.

#### **Organizational Response and Responsibilities**

##### ***Airport Management***

- If a threat is phoned in to the airport, use the bomb threat form to get as much information as possible.
- For a suspicious package or parcel, leave it unopened where it was discovered.
- Establish an isolation zone on the airport and clear it of all personnel.
- Have all passengers leave baggage and cargo. All persons should be detained until cleared by the designated law enforcement personnel.
- Notify the police department by calling 911.
- Notify the TSA by calling 866-907-8391.
- If on an aircraft, notify the person(s) or firm that owns the aircraft.
- For threats on aircraft or hijacking situations, direct all aircraft to the pre-determined isolation area located different airport or west hangers.
- Notify the tenant of the building, if any, and direct all persons to be evacuated to a minimum of 500 feet from the threatened building; ensure a tenant familiar with the building will meet with authorities to help identify building contents during the bomb search.
- Ensure all personnel and vehicles are kept a minimum safe distance of 500 feet from around the building; divert flights away from any building with a suspicious package or device.

***Police Department***

- Respond to scene and assume Incident Command.
- Assist with crowd control, evacuations, and protection of the public.
- Establish scene security and isolation areas.
- Coordinate any required law enforcement mutual aid.

## **Hazard 4: Hazardous Materials Emergencies**

A hazardous materials emergency involves the possible spillage of hazardous material on a commercial, military, or private aircraft in flight or any hazardous materials incident on airport property.

### **Emergency Contact Information**

<u>Willmar</u> Fire/Police Departments:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
State Duty Officer:	800-422-0798

### **Alert Notifications and Warning**

Upon notification from the pilot or other responsible person(s), or observation of a hazardous material incident on airport property, notify the fire department by telephone (911).

### **Organizational Response and Recovery Responsibilities**

#### ***Airport Management***

- Provide alert notifications by calling 911.
- Notify any affected airport tenants or the general public at the airport and provide public information on evacuation or shelter-in-place procedures as coordinated with incident command.
- Issue appropriate NOTAMs closing isolation areas of the airport.
- If the incident is on an aircraft, upon landing, direct the pilot to the pre-determined isolation zone located west T hangers.

#### ***Fire Department***

- Assume incident command
- For a hazardous materials spill (gas, fuel oil, etc.) of more than five gallons, or for assistance in dealing with any hazardous materials incident, notify the Minnesota Spill Duty Officer at 800-422-0798.
- Establish a 1,500-foot perimeter around the area or adequate distance per the *Emergency Response Guide* published by the Department of Transportation for isolation distance from the aircraft.
- Protect persons and property and implement evacuation or sheltering-in-place procedures.
- Permit only rescue crews and authorized personnel within the perimeter if radioactive smoke-borne or wind-carried particles are present.
- Close doors and windows of buildings in the area where blowing smoke-borne or other particles are present. Evacuate area.
- Determine if an actual spill has occurred. If the hazardous material container is found to be unbroken, the alert will be canceled and the material will be held in custody until proper disposal instructions are received. If a spill has occurred, the fire department and the senior fire official on scene will take charge, and the official will become the incident commander. The fire department will direct all containment and cleanup operations.

#### ***Emergency Medical Services (EMS)***

- Provide any emergency medical services, patient care, or transport.

#### ***Public Works***

- Provide equipment and resources for containment if necessary and as directed by incident command.

## **Hazard 5: Structural Fires**

A structural fire emergency involves fires occurring at or in airport buildings such as terminals or hangars.

### **Emergency Contact Information**

<u>Willmar</u> Fire/Police Departments:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
Fire Chief: Frank Hanson	<u>320-295-9907</u>
Public Works: Gary Manzer	<u>320-491-7366</u>

### **Alert Notifications and Warning**

Airport management or a representative will contact all parties listed in the emergency contact information and notify affected tenants at the airport.

### **Response**

Willmar Fire Department will be the primary response agency and will assume Incident Command.

### **Recovery**

Airport management and the public works department will be responsible for returning the airport to normal operations and working with affected building owners to clean up and document actions taken.

### **Organizational Response and Responsibilities**

#### ***Airport Management***

- Call 911.
- Take protective actions for employees and the public.
- Evacuate area according to evacuation plan.
- Coordinate response activities.
- Control access to facility until it has been inspected and/or will not impede with emergency response organizations.
- Coordinate news releases with incident command, if necessary.

#### ***Airport Staff/Maintenance***

- Assist with critical services including utility support (activation/cutoff) as needed.
- Provide safety inspections.
- Assist in facility restoration.

#### ***Tenants***

- Provide assistance on voluntary basis or in accordance with established agreements.
- Provide specialized tools, equipment, and knowledge of building contents as needed.

#### ***Fire Department***

Fire department personnel on the scene will serve as Incident Command and will direct all efforts of fire suppression and rescue of individuals involved in the incident. The Incident Commander will assess the situation and ensure that adequate equipment is available for rapid fire suppression, rescue of victims, and transportation of victims to area hospitals. The scene Incident Commander will maintain contact with the Airport Manager.

***Police Department***

- Secure the area and ensure the free flow of emergency equipment into the incident scene.
- Handle crowd control, site security, and control of ingress and egress to the incident scene by authorized personnel.
- Assist firefighters in the suppression of fire and rescue/evacuation of victims if requested by the Incident Commander.

***Emergency Medical Services (EMS)***

- Provide emergency medical services for patient care and transport.

***Public Works***

- Direct clean-up operations of public buildings as necessary.

## **Hazard 6: Failure of Utilities**

A utility failure on the airport may require closing the airport due to lack of lighting for aircraft operations or the need to keep operating aircraft and people away from a gas leak. The failure of the water main may require stopping work in hangars and ceasing fueling operations if water is required for first aid, such as eye wash stations or cleanup from a fuel spill. The fire department should be consulted about its ability to fight a fire while the water is cut off.

### **Emergency Contact Information**

<u>Willmar</u> Fire/Police Departments:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
Public Works: Gary Manzer	<u>320-491-7366</u>

In case of electrical power failure:

- Call Willmar Municipal Utilities at 320-235-4422
- Stay clear of all downed power lines.

In case of gas line rupture:

- Clear the immediate area.
- Call Center Point at 800-296-9815.
- Notify the local fire department (if necessary) at 911.

In case of water main break:

- Call Willmar Municipal Utilities at 320-235-4422.

### **Alert Notification and Warning**

Airport management or a representative will notify the responsible utility company of the failure as well as the public works department.

### **Organizational Response and Recovery Responsibilities**

#### ***Airport Management***

- Notify staff and repair personnel of the outage.
- Issue NOTAM, if required.
- Notify the appropriate FAA air traffic control facility by contacting 651-463-5450 \_\_\_\_\_ regarding a failure that may affect the safety of flight.
- Notify tenants.
- Coordinate and disseminate public information to address public safety and impacts of utility failures in public buildings or parking lots.
- Inspect airport facilities to ensure proper working conditions before returning to service and normal operations. The critical facilities prioritized for return to service and inspections include:

Runway lights, ILS System, VOR, & Terminal Area & Hangers

***Public Works***

- Coordinate any repairs necessary with the utility companies and restore services to priority areas of the airport.

## **Hazard 7: Missing Aircraft**

### **Emergency Contact Information**

<u>Willmar</u> Fire/Police/Sheriff's Departments:	911
Airport Manager: Megan Deschepper	<u>320-235-2244</u>
FAA Flight Services:	<u>800-992-7433</u>

### **Alert Notifications and Warning**

The Airport Manager or representative may be notified by the FAA or the general public in cases of missing or overdue aircraft. It is possible that the pilot of a missing or overdue aircraft may have landed and not cancelled a flight plan. In these cases, the missing aircraft and pilot may be found somewhere on the airport facilities, and so notification to all responding agencies may not be required.

### **Organizational Response and Recovery Responsibilities**

#### ***Airport Management***

- Search airport facilities and check with tenants for missing or overdue aircraft.
- Alert local response agencies as appropriate for possible search and rescue operations.
- Obtain information regarding missing or overdue aircraft (see Missing/Overdue Aircraft Information Form).
- Coordinate with the FAA.

#### ***Fire Department***

- Assist with any search and rescue operations.
- Coordinate any required mutual aid assistance.
- Consider activation of the EOC.

#### ***Police/Sheriff's Department***

- Assist with any search and rescue operations.

## Post-Incident Procedures

### ***Implement Responders and Family/Victim Assistance Plan***

- Designate secure facilities for victims' families and friends that are easily accessible and are removed from areas involved with the emergency response or designated for the media.
- Provide areas for the care of emergency responders.
- Provide the basic needs to accommodate both responders and the victims' family members. Emergency services and provisions for responders and family/victims may include food, water, and medical attention.
- Identify a process for responding to requests for information concerning the emergency event to victims' families and coordinate this activity with the public information officer (PIO).
- Consult with local emergency management officials to review options for providing mental health assistance. These services may be made available to both the families in crisis and the responders.
- Identify potential resources for helping responders cope with these situations, including the use of Critical Incident Stress Debriefings (CISD).

### ***Implement Media Plan***

- Implement an effective media plan that covers all phases of an airport emergency.
- Designate an area for media to gather and set up to cover the situation.
- Designate a PIO with responsibility to interface with the media. This designated individual will disseminate information consistent with inputs from all involved agencies and approved by Incident Command or Unified Command.
- Designate only one PIO for each emergency incident.
- Control and coordinate the media briefing with the PIO and other responding or investigative agencies such as the National Transportation Safety Board (NTSB).
- Conduct media briefings in a designated location and according to a designated schedule if the scale or duration of the airport emergency incident warrants it.
- Consider additional resources for dealing with large volumes of media inquiries during a major airport emergency incident.

### ***Establish Safe Airport Operations***

Airport management is responsible for ensuring that all appropriate actions are taken, regardless of the type of emergency, to establish safe airport operations after an incident.

- As with other phases of an emergency, identify assignments and organizational responsibilities, command and control, and other required functional areas.
- If an airport has been closed due to an emergency situation, do not re-open it until the assigned personnel have ensured that:
  - Aircraft operating areas are safe and secure;
  - Aircraft movement areas to be reopened have been inspected;
  - Adequate aircraft rescue and firefighting protection is available (if applicable);
  - Public safety is assured.
- Ensure that responsibility is assigned for documenting all actions taken, including the writing of an incident report. This report should include all pertinent information regarding the incident such as type of incident, time and date of occurrence, names and addresses of persons involved, witnesses, reporting party, response actions, and recommendations for further actions.

***Work Through Investigations***

An investigation will begin in the event of an aircraft accident, possibly during the response and recovery phase. The NTSB is responsible for accident investigations involving civil aircraft within the United States, but it is not uncommon for that responsibility to be delegated to the FAA.

- Establish scene security prior to the NTSB or investigative authority arriving on the scene of an aircraft emergency incident.
- Establish a perimeter around an accident scene to protect property and preserve evidence.
- Accommodate the NTSB or FAA and cooperate with the investigation.

The FBI and TSA may be involved in investigating criminal activities or terrorist threats.

## **Attachments**

- Bomb Threat Form
- Aircraft Incident Report
- Missing Aircraft Form
- Airport and Terminal Maps

## Bomb Threat Form

1. When is the bomb going to explode? \_\_\_\_\_
  2. Where is it right now? \_\_\_\_\_
  3. What does it look like? \_\_\_\_\_
  4. What kind of bomb is it? \_\_\_\_\_
  5. What will cause it to explode? \_\_\_\_\_
  6. Did you place the bomb? \_\_\_\_\_
  7. What is your name? \_\_\_\_\_
  8. What is your phone number? \_\_\_\_\_
  9. Note the exact wording of the threat (write on back).
  10. What are the sex, race, and age of the caller? \_\_\_\_\_
  11. What was the length of the call? \_\_\_\_\_
  12. Number at which the call was received: \_\_\_\_\_
  13. Time and date received: \_\_\_\_\_
  14. Was the caller's voice familiar? If so, whom did it sound like:  
\_\_\_\_\_
  15. Was the caller's voice calm, angry, excited, slow, rapid, soft, loud, laughing, crying, normal, distinct, slurred, nasal, stuttering, lisping, raspy, deep, ragged, clearing throat, breathing deeply, cracking, disguised, have an accent, familiar, or whispered? \_\_\_\_\_
  16. Did you hear any background sounds? \_\_\_\_\_
  17. Was the threat language well spoken, foul, irrational, incoherent, taped, or read like a rehearsed message? \_\_\_\_\_
- **Call 911.**
  - **Evacuate the building/aircraft to a safe distance.**
  - **Contact the FBO at 320-214-9669.**

## Aircraft Incident Report

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

Time: \_\_\_\_\_

Type of Incident (check one)

Aircraft Accident/Incident: \_\_\_\_\_

Natural Disaster: \_\_\_\_\_

Property Damage: \_\_\_\_\_

Bomb Threat: \_\_\_\_\_

Other: \_\_\_\_\_

Reported by

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Location: \_\_\_\_\_

Weather conditions: \_\_\_\_\_

\_\_\_\_\_

Nature of incident: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Aircraft type and tail number: \_\_\_\_\_

Name(s) of pilot(s): \_\_\_\_\_

Pilot(s) contact information: \_\_\_\_\_

Units that responded to incident: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Action taken: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Missing Aircraft Form

The FBO and staff will assist in locating aircraft on or near the airport by taking the following information and actions:

Notified of a missing aircraft (N-number): \_\_\_\_\_

By (name): \_\_\_\_\_

Of (organization): \_\_\_\_\_

Contact number: \_\_\_\_\_

Estimated time of arrival: \_\_\_\_\_ at (airport): \_\_\_\_\_

Aircraft type: \_\_\_\_\_

Aircraft color: \_\_\_\_\_

Pilot name: \_\_\_\_\_ number: \_\_\_\_\_

Local contact (name): \_\_\_\_\_ number: \_\_\_\_\_

People on board: \_\_\_\_\_

Last contact (time): \_\_\_\_\_ location: \_\_\_\_\_

1. Check to see if the aircraft is on the ramp.
2. Check the hangar list to see if the pilot or a local contact have a hangar on the field.
3. Call the hangar owner to ask if the aircraft is in hangar.
4. Visit the hangar if unable to contact hangar owner.
5. Contact police to find out if an aircraft crash has been reported in the area.
6. Physically tour the airport property, looking off the ends of runways and any low spots where an aircraft would not be easily seen.
7. Report back to the person who reported the aircraft missing.
8. If the initial report came from the pilot's family or friends, contact Flight Services at 800-992-7433 or the FAA at 847-294-8400.
9. If the aircraft is not initially located, contact the FBO at 320-214-9669.

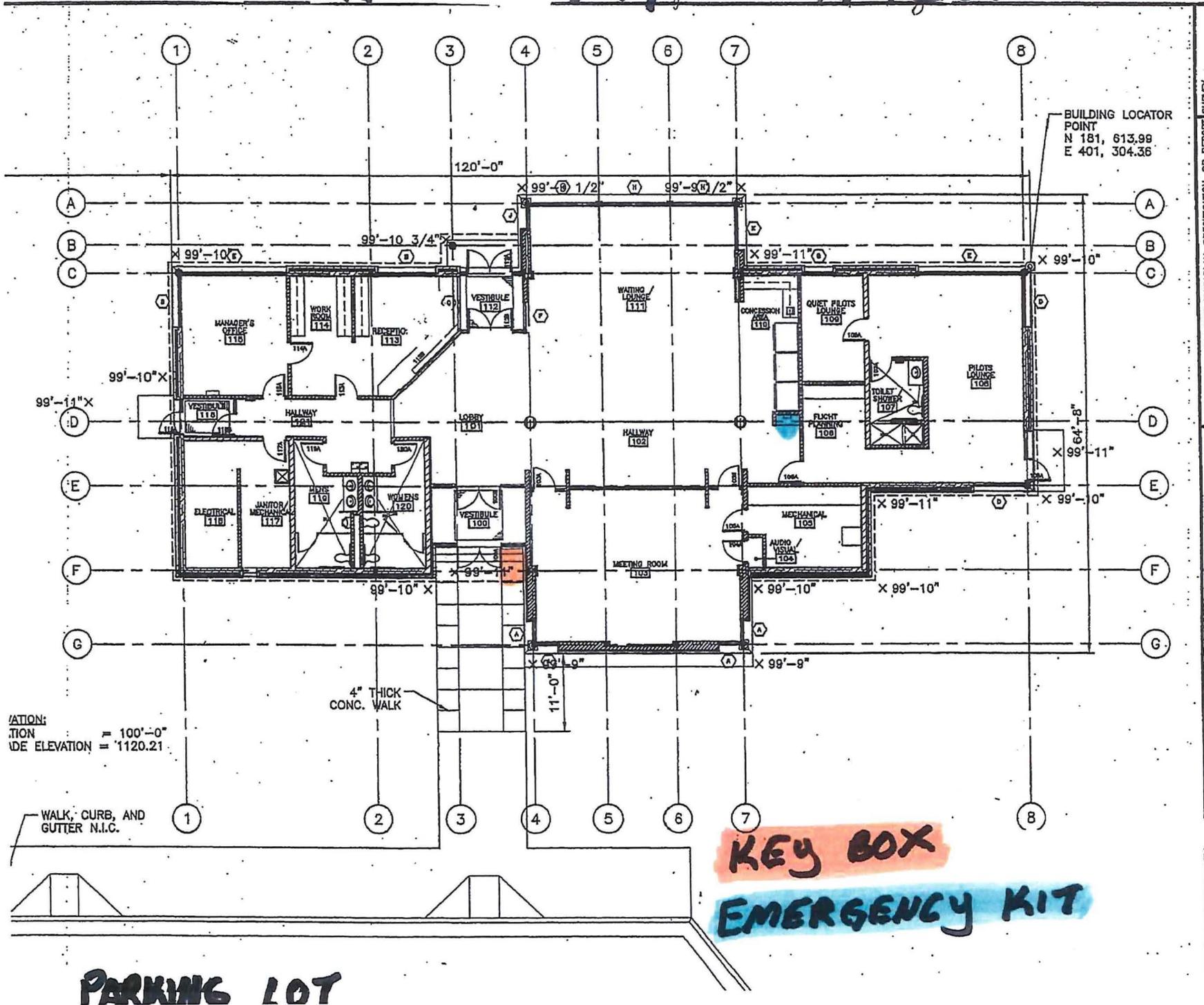
# AIRPORT ACCESS MAP - Figure 1



- X - North Access
- X - Main Entrance
- X - Ag Access
- X - Ramp entrance
- X - East Taxi Lanes (Private Hangars)
- X - West Taxi Lanes (City Owned)

N ↗

# TERMINAL MAP - FIGURE 2



**Willmar Community Ed & Rec  
Joint Powers Board  
October 27, 2017**

**Members Present:** Bill Borth, Matt Dawson, Maria Garcia, Allen Huselid, Carol Laumer, Ross Magnuson, Linda Mathiasen, Audrey Nelsen, Pablo Obregon, Rachel Skretvedt, Darin Strand

**Staff Present:** Steve Brisendine, Rob Baumgarn, Justin DeLeeuw, Ryan Harper, Gary Manzer, Tom Moore, Becky Sorenson

**Guests Present:** Dr. Jeff Holm, Willmar School Superintendent  
Ike Holland, City Administrator

1. Chairman Darin Strand called the meeting to order and asked everyone to introduce themselves.
2. Steve Brisendine showed the PowerPoint presentation regarding the early years of the Rec Department and Community Ed and the merger into Community Ed & Rec leading into a discussion of the Joint Powers Board agreement. The agreement was last approved three years ago and called for an October 2017 renewal. The District and City have both given notice to each other as per the agreement that they have activated the 12 month notice of non-renewal. With the pending retirement of the Director this is a good time for both entities to explore all options related to the merged programming model.
3. Dr. Holm and Mr. Holland each talked about their thoughts regarding the merger. Dr. Holm spoke first and expressed his feelings that there are some things that work well and others that don't. He stated that there are three options for the policy making boards to consider; continue with the current arrangement, go back to providing their own services, or revise the current agreement. He personally believes that the joint programming piece makes the most sense but that some changes could be considered especially around the CER Advisory Board and their role. He also believes that the focus of the collaboration could be better defined and that would give the advisory committee better understanding of their role. Dr. Holm plans to present the agreement for consideration in November with a decision to be made in December.

Mr. Holland stated the City has the same time line as the School District in regards to acting on this agreement. He is pleased with this type of collaborative arrangement. He definitely feels the need to keep the agreement in place.

**JOINT POWERS BOARD**  
**OCTOBER 27, 2017, page 2**

He thinks there needs to be some revision in the language of the agreement but otherwise is in favor of keeping the agreement in force.

Darin Strand asked if there were any missing information that need to be cleared up. Dr. Holm stated he did not see any.

Pablo Obregon asked if the fine tuning of the agreement would be done by the City and School or would the Joint Powers Board have a part in the conversation. The City Council and School Board will make the final decisions on this agreement. With the current plan of presenting the information to the City Council and School Board about the same time and without decisions being made at the same meeting Steve mentioned he would send the agreement out to the CER Board members to review and provide feedback to the policy body that appointed them.

Darin Strand said that the Joint Powers Board has struggled with their function so clarity is beneficial. It was stated the Joint Powers Board is not a governing board but gives input into Youth Enrichment, Adult Enrichment, Youth Recreation, Adult Recreation, Wellness programs, Facilities Management and most recently the park plan/development

Dr. Holm stated that the process of hiring Steve's replacement is Administration's job that he would lead and seek input from Mr. Holland.

Matt Dawson talked about Steve's success in getting different people involved in the Board – Matt and Darin for hockey, Dave Baumgart for baseball, etc. and will that be a focus in the future. It seems reasonable that this practice continues.

Ross Magnuson asked if the Joint Powers Board should be changed to an Advisory Board. Dr. Holm said that is something that has been talked about. Ross then asked what the Advisory Board would be advising. Dr. Holm responded that the program areas that are a part of the joint powers agreement is where most of the energy of this committee should be focused. Going forward changes and potentially additions of other committees might be necessary. Steve mentioned that he feels a Park Board could be one committee the City Council might consider.

Other comments around the Director's position, finances and the role of the board were discussed. Dr. Holm stated that, while he feels this group needs change, he did want everyone to know they are valued for the role they play for CER.

**JOINT POWERS BOARD**  
**OCTOBER 27, 2017, page 3**

Mr. Holland said the City Council is mostly new along with himself and there is a lot of enthusiasm towards projects. He feels that will continue with new management.

Ross Magnuson hopes that the task group formed to look into Robbins Island does not forget about all the other parks.

4. Playground Equipment: Justin DeLeeuw showed his PowerPoint presentation on the playground inspections that he had completed in 2015 after attending a workshop on playground safety in March of 2015. The oldest equipment dated back to 1971 with the newest in 2009. He stated that 85% of the equipment was over 20 years old.

After his inspection, 43 were classified as Hazard Priority 1 (life threatening), 22 were Priority 2 (severe injury), 50 were Priority 3, 60 were Priority 4 and 55 were Priority 5 (no hazard). All Priority 1 were removed and Priority 2 were either removed for modified. New playground equipment was installed in 2016 at Cardinal, Collegeview, Hedin, Ramblewood and Gesch.

There is still work to be done:

- Vos – Three units date to 1978, one to 1988
- Valleybrook – Three units – 1985, one-1999
- Northside – Three units – 1975, one-1974
- Rainbow – Three units – 1983, one-1991
- Sunrise – Three units-1989, one-1986, one-1990
- Welshire – Three units-1982

Other considerations:

- Miller – new playground equipment
- Robbins Island – keep or remove existing playground by Green Shelter?
- Hilltop – some pieces are 30 years old
- Bjorsel – some equipment has been modified twice already
- Sperry - new playground equipment

These are just thoughts that staff have and no final decisions have been made regarding the placement of any new equipment.

Audrey Nelsen asked about East Willmar Park which does not have an access road into the park.

**JOINT POWERS BOARD**  
**OCTOBER 27, 2017, page 4**

Rachel Skretvedt mentioned that GameTime Playground Equipment has a dollar for dollar match for orders over \$85,000. Dead-line to place the order is Nov. 15.

Steve mentioned that the bid opening for Miller is scheduled for Nov. 8. We want to add playground equipment in addition to the tennis courts at that park. Approximately \$130,000 is available for playground equipment. The installation cost is approximately 25% of the cost of the equipment.

Allen Huselid asked about shelters and restrooms being open. Gary Manzer responded that the shelters have been closed for the season and water shut off will take place next week.

Audrey Nelsen stated that time is running out to order and we need to prioritize which parks are most in need of new equipment. Staff with some community input will order the equipment with the council providing feedback on where new equipment will be place in the spring/summer of 2018.

As there was no further business, the meeting adjourned. The next meeting will be Friday, December 1.





Vendor Payments 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
BUSINESSWARE SOLUTIONS				002776											
	50720	10/31/17	HP LASERJET PRINTER	2,118.00			279372		D	N				SMALL TOOLS	101.41409.0221
	50720	10/31/17	PRINT/PAGE COUNT	14.84			279631		D	N				OFFICE SUPPLIES	101.41400.0220
	50720	10/31/17	PRINT/PAGE COUNT	54.71			279631		D	N				OFFICE SUPPLIES	101.41402.0220
	50720	10/31/17	PRINT/PAGE COUNT	26.72			279631		D	N				OFFICE SUPPLIES	101.41403.0220
	50720	10/31/17	PRINT/PAGE COUNT	118.07			279631		D	N				OFFICE SUPPLIES	101.41405.0220
	50720	10/31/17	PRINT/PAGE COUNT	9.23			279631		D	N				OFFICE SUPPLIES	101.41409.0220
	50720	10/31/17	PRINT/PAGE COUNT	234.36			279631		D	N				OFFICE SUPPLIES	101.42411.0220
	50720	10/31/17	PRINT/PAGE COUNT	20.04			279631		D	N				OFFICE SUPPLIES	101.43417.0220
	50720	10/31/17	PRINT/PAGE COUNT	96.61			279631		D	N				OFFICE SUPPLIES	101.43425.0220
	50720	10/31/17	PRINT/PAGE COUNT	39.00			279631		D	N				OFFICE SUPPLIES	101.45001.0220
	50720	10/31/17	PRINT/PAGE COUNT	18.32			279631		D	N				OFFICE SUPPLIES	101.45433.0220
	50720	10/31/17	PRINT/PAGE COUNT	0.72			279631		D	N				OFFICE SUPPLIES	101.45435.0220
	50720	10/31/17	PRINT/PAGE COUNT	39.00			279631		D	N				OFFICE SUPPLIES	651.48484.0220
			VENDOR TOTAL	2,789.62			*CHECK TOTAL								
				2,789.62											
CARD SERVICES				002552											
	50721	10/31/17	COOKIES-09-05 CNCL MTG	13.23			090513		D	N				SUBSISTENCE OF P	101.41401.0227
	50721	10/31/17	COOKIES-09/12 BDGT MTG	16.35			091213		D	N				SUBSISTENCE OF P	101.41401.0227
	50721	10/31/17	NAPKINS/PAPER CUPS	17.35			091213		D	N				GENERAL SUPPLIES	101.41401.0229
	50721	10/31/17	SUPPLIES-P.W. GRILLOUT	133.95			091919		D	N				OTHER SERVICES	101.41401.0339
	50721	10/31/17	SUPPLIES-P.W. GRILLOUT	11.88			092007		D	N				OTHER SERVICES	101.41401.0339
	50721	10/31/17	CONCESSION SUPPLIES	53.12			092813		D	N				GENERAL SUPPLIES	101.45433.0229
			VENDOR TOTAL	245.88			*CHECK TOTAL								
				245.88											
CARDMEMBER SERVICE				002365											
	50679	10/13/17	KARDELL-SEMINAR REGIS.	85.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.41402.0333
	50679	10/13/17	ROSEMEIER-SEMINAR REGIS.	85.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.41402.0333
			VENDOR TOTAL	170.00			*CHECK TOTAL								
	50682	10/18/17	EXTRA LOUD MEGAPHONE	189.00			STMT/9-17		D	N				SMALL TOOLS	101.42411.0221
	50682	10/18/17	POP UP CANOPY/CARRY BAG	64.94			STMT/9-17		D	N				SMALL TOOLS	101.42411.0221
	50682	10/18/17	RANGE/DISTANCE SCOPE	143.90			STMT/9-17		D	N				SMALL TOOLS	101.42411.0221
	50682	10/18/17	EXPLORER MEETING-MEALS	40.61			STMT/9-17		D	N				SUBSISTENCE OF P	101.42411.0227
	50682	10/18/17	WE LEAD CONF REGIS.	60.00			STMT/9-17		D	N				SUBSISTENCE OF P	101.42411.0227
	50682	10/18/17	BATTERIES	34.24			STMT/9-17		D	N				GENERAL SUPPLIES	101.42411.0229
	50682	10/18/17	6' CENTER FOLDING TABLE	76.43			STMT/9-17		D	N				GENERAL SUPPLIES	101.42411.0229
	50682	10/18/17	LTS/BATTERIES FOR DRONE	54.70			STMT/9-17		D	N				GENERAL SUPPLIES	101.42411.0229
	50682	10/18/17	CANCELLED SEMINAR REGIS.	70.00CR			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	ANDERSON-CONF REGIS.	25.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	WOSMEK-CONF REGIS.	25.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	HOLME-TRAINING REGIS.	625.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	WOSMEK-TRAINING REGIS.	625.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	AIRBORNE LAW TRNG REGIS.	150.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50682	10/18/17	UNIFORM PANTS	37.46			STMT/9-17		D	N				SUBSISTENCE OF P	101.42412.0227
	50682	10/18/17	CANCELLED SEMINAR REGIS.	150.00CR			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42412.0333
	50682	10/18/17	FF RECERTIFICATIONS	375.00			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42412.0333
	50682	10/18/17	HANSON-HSEM TRAINING	12.81			STMT/9-17		D	N				TRAVEL-CONF.-SCH	101.42412.0333





Vendor Payments 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
CROW CHEMICAL & LIGHTING			000186											
	50734	10/31/17	RUBBER GLOVES	184.50		9782		D	N				GENERAL SUPPLIES	651.48484.0229
	50734	10/31/17	CLEANING SUPPLIES	49.85		9832		D	N				CLEANING AND WAS	101.43425.0228
			VENDOR TOTAL	234.35										
				234.35										
DELBOSQUE/KELSI			003079											
	50735	10/31/17	CERTIFIED ADMIN EXAM	135.89		092717		D	N				TRAVEL-CONF.-SCH	101.43417.0333
DELTA DENTAL OF MINNESOT			002867											
	50701	10/25/17	DENTAL INSURANCE-NOV	299.80		7070189		D	N				COBRA INS PREMIU	101.120001
DOOLEY'S PETROLEUM INC			000212											
	50691	10/20/17	3,999 GALLONS DIESEL	8,402.82		790712		D	N				INVENTORIES-MDSE	101.125000
	50691	10/20/17	3,999 GALLONS UNLEADED	9,005.46		790712		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	17,408.28										
				17,408.28										
	50695	10/24/17	96 GALLONS DIESEL	226.76		WW10202017		D	N				MOTOR FUELS AND	651.48486.0222
	50736	10/31/17	564.6 GALLONS DIESEL	1,305.35		22935		D	N				MOTOR FUELS AND	651.48486.0222
	50736	10/31/17	140.3 GALLONS UNLEADED	339.54		22936		D	N				MOTOR FUELS AND	651.48486.0222
	50736	10/31/17	138.2 GALLONS DIESEL	322.29		22966		D	N				MOTOR FUELS AND	651.48486.0222
			VENDOR TOTAL	1,967.18										
				19,602.22										
DUININCK CONCRETE			000151											
	50737	10/31/17	CONCRETE FOR CURBING	62.43		87082		D	N				MTCE. OF OTHER I	101.43425.0226
DUININCK CONCRETE CONST			003245											
	50738	10/31/17	RE-CRETE CURB REPAIR	87.54		1710-614118		D	N				MTCE. OF OTHER I	101.43425.0226
DUININCK INC			000222											
	50694	10/23/17	CURB/GUTTER/SIDEWALK	9,812.38		1603-B/EST. 4		D	N				MTCE. OF OTHER I	416.48451.0336
	50694	10/23/17	STREET RECONSTRUCTIO	308,262.93		1701-B/EST. 2		D	N				MTCE. OF OTHER I	497.48451.0336
	50694	10/23/17	LAKELAND DR IMPROVEME	18,907.09		1703-A/EST. 3		D	N				MTCE. OF OTHER I	497.48452.0336
			VENDOR TOTAL	336,982.40										
				336,982.40										
	50697	10/25/17	PLAYGROUND MATERIALS	28,472.00		109556		D	N				MTCE. OF OTHER I	854.45432.0226
	50697	10/25/17	PLAYGROUND LABOR	7,031.00		109556		D	N				MTCE. OF OTHER I	854.45432.0336
			VENDOR TOTAL	35,503.00										
				35,503.00										
	50739	10/31/17	1ST STREET IMPROVEMEN	13,219.34		1703-B/EST. 3		D	N				MTCE. OF OTHER I	497.48453.0336
			VENDOR TOTAL	385,704.74										
				385,704.74										
DYNA SYSTEMS			000223											
	50740	10/31/17	GRINDING DISKS	232.34		23201141		D	N				SMALL TOOLS	651.48484.0221
ELECTRIC MOTOR COMPANY			003288											
	50741	10/31/17	BELT FOR SCREW PUMPS	58.65		2381		D	N				MTCE. OF EQUIPME	651.48484.0224

Vendor Payments 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
ENGINEERING AMERICA INC			002940											
	50742	10/31/17	JOINT SEALER-STORAGE TNK	220.00		13251		D	N				MTCE. OF OTHER I	651.48486.0226
ERICKSON/SCOTT			002176											
	50743	10/31/17	DRONE TRNG-MEALS	11.00		101817		D	N				TRAVEL-CONF.-SCH	101.42411.0333
ETTERMAN ENTERPRISES			001567											
	50744	10/31/17	NUTS/BOLTS	74.72		261552		D	M	07			MTCE. OF EQUIPME	651.48484.0224
	50744	10/31/17	ELECTRONIC DUAL CHARGER	175.99		261619		D	M	07			SMALL TOOLS	651.48484.0221
	50744	10/31/17	BUG KILLER	271.20		261619		D	M	07			GENERAL SUPPLIES	651.48484.0229
	50744	10/31/17	2 BATTERY CHARGERS	256.08		261620		D	M	07			SMALL TOOLS	651.48484.0221
	50744	10/31/17	INDUSTRIAL PRY BAR SET	173.79		261620		D	M	07			SMALL TOOLS	651.48484.0221
	50744	10/31/17	L.S. PUMP CHAINS	496.50		261713		D	M	07			MTCE. OF EQUIPME	651.48485.0224
	50744	10/31/17	INDUSTRIAL PRY BAR SET	173.79		261961		D	M	07			SMALL TOOLS	651.48486.0221
	50744	10/31/17	HSS TAP	21.57		261961		D	M	07			SMALL TOOLS	651.48486.0221
			VENDOR TOTAL	1,643.64										
				1,643.64										
													*CHECK TOTAL	
EVANS/JASON			002177											
	50745	10/31/17	USE OF FORCE TRNG	10.19		101617		D	N				TRAVEL-CONF.-SCH	101.42411.0333
FANCY COATS			002172											
	50746	10/31/17	K-9 BOARDING 10/01-10/08	179.56		26692		D	N				PROFESSIONAL SER	101.42411.0446
	50746	10/31/17	K-9 BOARDING 10/19-10/23	102.61		26969		D	N				PROFESSIONAL SER	101.42411.0446
			VENDOR TOTAL	282.17										
				282.17										
													*CHECK TOTAL	
FARM-RITE EQUIPMENT			003002											
	50747	10/31/17	#142781-FITTING	29.39		P13358		D	N				MTCE. OF EQUIPME	101.43425.0224
	50747	10/31/17	TRENCHER RENTAL	168.00		R03468		D	N				RENTS	101.43425.0440
			VENDOR TOTAL	197.39										
				197.39										
													*CHECK TOTAL	
FASTENAL COMPANY			001188											
	50748	10/31/17	L.S. PARTS	5.26		MNWIL162075		D	N				MTCE. OF STRUCTU	651.48485.0225
FERGUSON ENTERPRISES INC			000810											
	50749	10/31/17	PARTS TO WINTERIZE PUMPS	293.81		5142307		D	N				MTCE. OF EQUIPME	101.45437.0224
FISCHER LASER EYE CENTER			000244											
	50750	10/31/17	KARDELL-SAFETY GLASSES	167.28		31610		D	N				SUBSISTENCE OF P	101.41402.0227
FISHER SCIENTIFIC			000269											
	50751	10/31/17	TRAY RINSE ARM FOR LAB	153.65		5582766		D	N				SMALL TOOLS	651.48484.0221
	50751	10/31/17	BASE WASHER ARM FOR LAB	19.47		5743255		D	N				SMALL TOOLS	651.48484.0221
			VENDOR TOTAL	173.12										
				173.12										
													*CHECK TOTAL	

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
FIVE-STAR PUMPING			000234											
	50752	10/31/17	BIOSOLIDS LAND APPLIC.	2,834.65		3714		D	N				OTHER SERVICES	651.48486.0339
FLAHERTY & HOOD P.A.			001449											
	50753	10/31/17	LEGAL SERVICES-SEP	9,692.08		10571		D	M	07			PROFESSIONAL SER	101.41406.0446
FORUM COMMUNICATIONS COM			002269											
	50754	10/31/17	HRNG-SUBDIVIDE PROPERTY	68.25		C-03008203		D	N				PRINTING AND PUB	101.41402.0331
	50754	10/31/17	HRNG-COND'L USE PERMIT	71.50		C-03008204		D	N				PRINTING AND PUB	101.41402.0331
	50754	10/31/17	HRNG-SUBDIVIDE PROPERTY	68.25		C-03008205		D	N				PRINTING AND PUB	101.41402.0331
	50754	10/31/17	AMENDED ZONING ORDINANCE	87.75		C-03008307		D	N				PRINTING AND PUB	101.41402.0331
	50754	10/31/17	ORD AMENDING CITY CHRTR	611.00		C-03008315		D	N				PRINTING AND PUB	101.41401.0331
	50754	10/31/17	STORMWATER ORDINANCE	672.75		D-03044337		D	N				ADVERTISING	101.43417.0447
	50754	10/31/17	STORMWATER ORDINANCE	2,369.25		D-03044338		D	N				ADVERTISING	101.43417.0447
	50754	10/31/17	STORMWATER ORDINANCE	2,369.25		D-03044339		D	N				ADVERTISING	101.43417.0447
	50754	10/31/17	55 AND BEYOND AD	117.00		36787/9-17		D	N				ADVERTISING	101.45435.0447
			VENDOR TOTAL	6,435.00		*CHECK TOTAL								
				6,435.00										
FRANCOTYP-POSTALIA INC			001791											
	50755	10/31/17	POSTAGE MTR RENT-4TH QTR	174.21		RI103393835		D	N				RENTS	101.42411.0440
GAUER/JIM			000989											
	50756	10/31/17	ELEC SAFETY WORKSHOP	378.77		101017		D	N				TRAVEL-CONF.-SCH	651.48484.0333
	50756	10/31/17	MILEAGE-MPCA MEETING	120.91		101817		D	N				TRAVEL-CONF.-SCH	651.48484.0333
			VENDOR TOTAL	499.68		*CHECK TOTAL								
				499.68										
GENERAL MAILING SERVICES			000293											
	50757	10/31/17	POSTAGE 09/18-09/22/17	0.59		38318		D	N				POSTAGE	101.41400.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	1.77		38318		D	N				POSTAGE	101.41401.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	75.57		38318		D	N				POSTAGE	101.41402.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	1.18		38318		D	N				POSTAGE	101.41403.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	59.85		38318		D	N				POSTAGE	101.41405.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	15.00		38318		D	N				POSTAGE	101.41408.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	0.59		38318		D	N				POSTAGE	101.42411.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	7.34		38318		D	N				POSTAGE	101.42412.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	0.59		38318		D	N				POSTAGE	101.43417.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	1.18		38318		D	N				POSTAGE	101.43425.0223
	50757	10/31/17	POSTAGE 09/18-09/22/17	3.54		38318		D	N				POSTAGE	651.48484.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	2.56		38329		D	N				POSTAGE	101.41400.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	8.85		38329		D	N				POSTAGE	101.41402.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	10.50		38329		D	N				POSTAGE	101.41403.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	6.49		38329		D	N				POSTAGE	101.41405.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	15.00		38329		D	N				POSTAGE	101.41408.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	0.59		38329		D	N				POSTAGE	101.42411.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	4.13		38329		D	N				POSTAGE	101.42412.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	11.53		38329		D	N				POSTAGE	101.43425.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	1.18		38329		D	N				POSTAGE	101.45001.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	0.59		38329		D	N				POSTAGE	101.45432.0223

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
GENERAL MAILING SERVICES 000293														
	50757	10/31/17	POSTAGE 09/25-09/29/17	1.77		38329		D	N				POSTAGE	101.45433.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	4.72		38329		D	N				POSTAGE	230.43430.0223
	50757	10/31/17	POSTAGE 09/25-09/29/17	3.54		38329		D	N				POSTAGE	651.48484.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	8.18		38401		D	N				POSTAGE	101.41400.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	0.59		38401		D	N				POSTAGE	101.41401.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	88.45		38401		D	N				POSTAGE	101.41402.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	5.63		38401		D	N				POSTAGE	101.41403.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	59.00		38401		D	N				POSTAGE	101.41405.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	15.00		38401		D	N				POSTAGE	101.41408.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	0.59		38401		D	N				POSTAGE	101.42411.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	6.49		38401		D	N				POSTAGE	101.42412.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	44.58		38401		D	N				POSTAGE	101.43425.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	0.59		38401		D	N				POSTAGE	101.45432.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	2.36		38401		D	N				POSTAGE	101.45433.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	5.90		38401		D	N				POSTAGE	208.45005.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	10.03		38401		D	N				POSTAGE	230.43430.0223
	50757	10/31/17	POSTAGE 10/02-10/06/17	2.50		38401		D	N				POSTAGE	651.48484.0223
	50757	10/31/17	UPS CHARGES	31.28		38576		D	N				POSTAGE	101.42411.0223
	50757	10/31/17	POSTAGE	72.26		38577		D	N				POSTAGE	208.45006.0223
			VENDOR TOTAL	592.08										
				592.08									*CHECK TOTAL	
GRAINGER INC 000786														
	50758	10/31/17	LOCK OUT TAG OUT TAGS	49.30		9578212566		D	N				GENERAL SUPPLIES	651.48484.0229
HANNEMAN/BENJAMIN J 003042														
	50759	10/31/17	DRONE TRNG-MEALS	11.00		101817		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50759	10/31/17	DRONE CERTIF. TEST	150.00		101817		D	N				TRAVEL-CONF.-SCH	101.42411.0333
			VENDOR TOTAL	161.00										
				161.00									*CHECK TOTAL	
HANSEN ADVERTISING SPECI 000321														
	50760	10/31/17	WELLNESS PRGRM CLOTHING	462.00		091117		D	N				SUBSISTENCE OF P	101.42411.0227
	50760	10/31/17	WELLNESS PRGRM INCENTIVE	764.32		37736		D	N				GENERAL SUPPLIES	101.42411.0229
			VENDOR TOTAL	1,226.32										
				1,226.32									*CHECK TOTAL	
HAUG IMPLEMENT CO - JOHN 000324														
	50761	10/31/17	#130813-SENSOR	154.93		270706		D	N				MTCE. OF EQUIPME	101.43425.0224
	50761	10/31/17	#058039-HINGE FOR WNDW	20.87		270707		D	N				MTCE. OF EQUIPME	101.43425.0224
			VENDOR TOTAL	175.80										
				175.80									*CHECK TOTAL	
HAWKINS INC 000325														
	50762	10/31/17	FERRIC CHLORIDE	4,637.89		4161703 RI		D	N				GENERAL SUPPLIES	651.48484.0229
	50762	10/31/17	FERRIC CHLORIDE	4,639.83		4166163 RI		D	N				GENERAL SUPPLIES	651.48484.0229
			VENDOR TOTAL	9,277.72										
				9,277.72									*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
KANDIYOHI CO & CITY OF W			001465											
	50774	10/31/17	PETERSON-TRANSP. RALLY	15.00		102017		D	N				SUBSISTENCE OF P	101.41402.0227
KANDIYOHI CO-OP ELECTRIC			000375											
	50775	10/31/17	WELCOME TO WILLMAR SIGN	64.39		STMT/10-17		D	N				UTILITIES	101.43425.0332
	50775	10/31/17	CO RD 23/HWY 71 BYPASS	150.00		STMT/10-17		D	N				UTILITIES	101.43425.0332
	50775	10/31/17	ELEC SERV-LIFT STATIONS	914.00		STMT/10-17		D	N				UTILITIES	651.48485.0332
	50775	10/31/17	ELEC SERV-SECURITY LIGHT	38.00		STMT/10-17		D	N				UTILITIES	651.48486.0332
			VENDOR TOTAL	1,166.39		*CHECK TOTAL								
KING'S ELECTRIC LLC			003138											
	50776	10/31/17	REPL. BALLAST-PARTS	26.80		603		D	M	07			MTCE. OF STRUCTU	101.45435.0225
	50776	10/31/17	REPL. BALLAST-LABOR	60.00		603		D	M	07			MTCE. OF STRUCTU	101.45435.0335
			VENDOR TOTAL	86.80		*CHECK TOTAL								
KOOISTRA/GAWIN			001027											
	50777	10/31/17	COUNTY CHIEFS MTG	10.00		101717		D	N				TRAVEL-CONF.-SCH	101.42412.0333
KRIS ENGINEERING INC			002498											
	50778	10/31/17	PLOW CUTTING EDGES	3,036.43		29051		D	N				MTCE. OF EQUIPME	101.43425.0224
LEAGUE OF MN CITIES INS			001189											
	50692	10/20/17	WORKER'S COMP PREMIUM	49,948.24		110117		D	N				EMPLOYER INSUR.	101.41428.0114
LOCAL GOV'T INFORMATION			003226											
	50779	10/31/17	MONTHLY SUBSCRIP.-SEP	1,512.00		44286		D	N				SUBSCRIPTIONS AN	101.41409.0443
LOCATORS & SUPPLIES INC			002162											
	50780	10/31/17	HEARING PROTECTION	99.24		0260859		D	N				SUBSISTENCE OF P	101.43425.0227
LOPEZ/BRITTNEY			.02729											
	50683	10/18/17	REPL. PAYROLL CK 39242	86.34		101717		D	N				SALARIES-TEMP. E	101.45433.0112
LUTHERAN SOCIAL SERVICE			003167											
	50781	10/31/17	MEALS-DINING PROMOTION	106.00		101117		D	N				GENERAL SUPPLIES	101.45435.0229
M-R SIGN CO INC			000424											
	50782	10/31/17	STREET SIGNS	428.98		197733		D	N				MTCE. OF OTHER I	101.43425.0226
MADISON NATIONAL LIFE			003237											
	50680	10/13/17	LIFE INSURANCE-OCT	30.45		M315		D	N				COBRA INS PREMIU	101.120001
	50680	10/13/17	LIFE INSURANCE-OCT	31.05		M315		D	N				EMPLOYER INSUR.	101.41400.0114
	50680	10/13/17	LIFE INSURANCE-OCT	51.75		M315		D	N				EMPLOYER INSUR.	101.41402.0114
	50680	10/13/17	LIFE INSURANCE-OCT	18.11		M315		D	N				EMPLOYER INSUR.	101.41403.0114
	50680	10/13/17	LIFE INSURANCE-OCT	41.40		M315		D	N				EMPLOYER INSUR.	101.41405.0114
	50680	10/13/17	LIFE INSURANCE-OCT	10.35		M315		D	N				EMPLOYER INSUR.	101.41408.0114
	50680	10/13/17	LIFE INSURANCE-OCT	20.70		M315		D	N				EMPLOYER INSUR.	101.41409.0114
	50680	10/13/17	LIFE INSURANCE-OCT	2.59		M315		D	N				EMPLOYER INSUR.	101.41424.0114

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
MADISON NATIONAL LIFE			003237											
	50680	10/13/17	LIFE INSURANCE-OCT	1,433.73		M315		D	N				INS. PASS THROUGH	101.41428.0819
	50680	10/13/17	LIFE INSURANCE-OCT	382.95		M315		D	N				EMPLOYER INSUR.	101.42411.0114
	50680	10/13/17	LIFE INSURANCE-OCT	31.05		M315		D	N				EMPLOYER INSUR.	101.42412.0114
	50680	10/13/17	LIFE INSURANCE-OCT	46.57		M315		D	N				EMPLOYER INSUR.	101.43417.0114
	50680	10/13/17	LIFE INSURANCE-OCT	219.42		M315		D	N				EMPLOYER INSUR.	101.43425.0114
	50680	10/13/17	LIFE INSURANCE-OCT	20.70		M315		D	N				EMPLOYER INSUR.	101.45001.0114
	50680	10/13/17	LIFE INSURANCE-OCT	10.35		M315		D	N				EMPLOYER INSUR.	101.45432.0114
	50680	10/13/17	LIFE INSURANCE-OCT	31.05		M315		D	N				EMPLOYER INSUR.	101.45433.0114
	50680	10/13/17	LIFE INSURANCE-OCT	6.21		M315		D	N				EMPLOYER INSUR.	101.45435.0114
	50680	10/13/17	LIFE INSURANCE-OCT	5.18		M315		D	N				EMPLOYER INSUR.	101.45437.0114
	50680	10/13/17	LIFE INSURANCE-OCT	84.87		M315		D	N				EMPLOYER INSUR.	651.48484.0114
	50680	10/13/17	LIFE INSURANCE-OCT	10.35		M315		D	N				EMPLOYER INSUR.	651.48485.0114
	50680	10/13/17	LIFE INSURANCE-OCT	10.35		M315		D	N				EMPLOYER INSUR.	651.48486.0114
			VENDOR TOTAL	2,499.18										
				2,499.18										
													*CHECK TOTAL	
MARCUS CONSTRUCTION CO I			000438											
	50698	10/25/17	PLAYGROUND MATERIALS	4,922.10			11804	D	N				MTCE. OF OTHER I	854.45432.0226
	50698	10/25/17	PLAYGROUND LABOR	30,000.00			11804	D	N				MTCE. OF OTHER I	854.45432.0336
			VENDOR TOTAL	34,922.10										
				34,922.10										
													*CHECK TOTAL	
MARTIN/RANDALL			003298											
	50783	10/31/17	CIVIL 3D BASICS TRNG	35.17			100617	D	N				TRAVEL-CONF.-SCH	101.43417.0333
MASTER GRAPHICS			003015											
	50784	10/31/17	CK PLOTTERS FOR DAMAGE	695.00			INV128174	D	N				INSURANCE DEDUCT	101.41428.0822
MATHESON TRI-GAS INC			002898											
	50785	10/31/17	WELDING GAS	74.80			16244093	D	N				GENERAL SUPPLIES	101.45433.0229
MBPTA			001749											
	50684	10/18/17	FEIKEMA-SEMINAR REGIS.	100.00			101717	D	N				TRAVEL-CONF.-SCH	101.41402.0333
MCKALE'S CATERING			002208											
	50786	10/31/17	WORK SESSION MTG-MEALS	290.66			7895	D	N				SUBSISTENCE OF P	101.41401.0227
MENARDS			000449											
	50787	10/31/17	DOOR HANDLE	25.99			37479	D	N				MTCE. OF STRUCTU	101.45435.0225
	50787	10/31/17	GBT EQUIPMENT SUPPLIES	18.48			39653	D	N				GENERAL SUPPLIES	651.48486.0229
	50787	10/31/17	VINYL TUBING/PLANT SUPPL	10.85			39782	D	N				GENERAL SUPPLIES	651.48484.0229
	50787	10/31/17	FITTINGS-LOADING SHUTE	64.71			39810	D	N				MTCE. OF EQUIPME	651.48486.0224
	50787	10/31/17	COPPER TUBE CUTTER	13.99			40390	D	N				SMALL TOOLS	651.48484.0221
	50787	10/31/17	WATER FITTINGS	3.74			40390	D	N				MTCE. OF STRUCTU	651.48484.0225
	50787	10/31/17	DRAIN CLEANER	15.73			40783	D	N				CLEANING AND WAS	101.45427.0228
	50787	10/31/17	MINI DRAIN SNAKE	2.17			40783	D	N				GENERAL SUPPLIES	101.45427.0229
	50787	10/31/17	RUST REMOVER/GLOVES	27.75			40796	D	N				GENERAL SUPPLIES	651.48484.0229
	50787	10/31/17	DRILL HOLDER/PAIL LID	10.25			40796	D	N				GENERAL SUPPLIES	651.48484.0229

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VENDOR NAME AND NUMBER												
CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M ACCOUNT NAME	ACCOUNT
MENARDS		000449										
50787	10/31/17	LIGHT REPAIR-PARTS	17.81		40847		D	N			MTCE. OF STRUCTU	101.43425.0225
50787	10/31/17	LIGHT SWITCH	5.96		40853		D	N			MTCE. OF STRUCTU	101.43425.0225
50787	10/31/17	LAB SUPPLIES	32.82		40923		D	N			GENERAL SUPPLIES	651.48484.0229
50787	10/31/17	BATTERIES/SUPPLIES	156.48		41104		D	N			GENERAL SUPPLIES	651.48484.0229
50787	10/31/17	GESCH PARK DRAIN TILE	51.44		41189		D	N			MTCE. OF OTHER I	101.43425.0226
50787	10/31/17	GESCH PARK DRAIN TILE	5.28		41210		D	N			MTCE. OF OTHER I	101.43425.0226
50787	10/31/17	RAMBLEWOOD DRAIN TILE	57.60		41283		D	N			MTCE. OF OTHER I	101.43425.0226
50787	10/31/17	ELEC PARTS FOR BLDG	83.76		41289		D	N			MTCE. OF STRUCTU	101.45433.0225
		VENDOR TOTAL	604.81		*CHECK TOTAL							
METRO SALES INC		003016										
50788	10/31/17	CNTRCT USAGE 07/24-10/23	279.47		INV916029		D	N			MTCE. OF EQUIPME	101.42411.0334
50788	10/31/17	COPIER LEASE	575.00		INV920076		D	N			RENTS	101.42411.0440
		VENDOR TOTAL	854.47		*CHECK TOTAL							
MID STATES AUDIO INC		003349										
50789	10/31/17	ICE ARENA SOUND SYSTE	29,043.00		29051		D	N			PREPAID EXPENSES	450.128000
MIKE'S SMALL ENGINE CENT		002699										
50790	10/31/17	STIHL CHAIN SAW	309.95		111199		D	N			SMALL TOOLS	101.43425.0221
50790	10/31/17	APRON CHAPS	99.95		8086		D	N			SUBSISTENCE OF P	101.43425.0227
50790	10/31/17	TRIMMER LINE	12.95		8231		D	N			GENERAL SUPPLIES	101.43425.0229
50790	10/31/17	TRIMMER LINE	19.95		8255		D	N			GENERAL SUPPLIES	101.43425.0229
50790	10/31/17	MOWER PARTS	31.90		8359		D	N			MTCE. OF EQUIPME	101.43425.0224
50790	10/31/17	PUSH MOWER BEARING	9.95		8361		D	N			MTCE. OF EQUIPME	101.43425.0224
50790	10/31/17	CHAIN SAW OIL	101.67		8388		D	N			MOTOR FUELS AND	101.43425.0222
		VENDOR TOTAL	586.32		*CHECK TOTAL							
MILLS AUTOMOTIVE GROUP		000432										
50791	10/31/17	CORE FOR WIPER MOTOR	35.00CR		4112026		D	N			INVENTORIES-MDSE	101.125000
50791	10/31/17	LICENSE PLATE BRACKET	12.81		4112882		D	N			MTCE. OF EQUIPME	101.43425.0224
50791	10/31/17	#067795-LENS	52.75		4130354		D	N			MTCE. OF EQUIPME	101.43425.0224
		VENDOR TOTAL	30.56		*CHECK TOTAL							
MIMECAST NORTH AMERICA I		003311										
50792	10/31/17	EMAIL MGMT SERV-NOV	442.55		INVUS412454		D	N			SUBSCRIPTIONS AN	101.41409.0443
MINI BIFF LLC		001805										
50793	10/31/17	TOILET RENTALS-SEP	77.52		A-90987		D	N			RENTS	101.43425.0440
50793	10/31/17	TOILET RENTALS-OCT	51.00		A-91204		D	N			RENTS	101.43425.0440
50793	10/31/17	TOILET RENTALS-SEP	77.52		A-91317		D	N			RENTS	101.43425.0440
50793	10/31/17	TOILET RENTALS-OCT	77.52		A-91602		D	N			RENTS	101.43425.0440
50793	10/31/17	TOILET RENTALS-OCT	77.52		A-91603		D	N			RENTS	101.43425.0440



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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
MN UC FUND			000524											
	50799	10/31/17	UNEMPLOYMENT BENEFITS	76.68		07977283/10-17		D	N				RE-EMPLOYMENT IN	101.41428.0815
MONSON LANDSCAPING & EXC			003351											
	50702	10/25/17	PLAYGROUND PLAZA PATIO	9,900.00		102017		D	N				MTCE. OF OTHER I	854.45432.0336
MOSS & BARNETT			001655											
	50800	10/31/17	CATV LEGAL SERV-SEP	5,205.00		676170		D	M	07			PROFESSIONAL SER	101.41406.0446
MOTOR SPORTS OF WILLMAR			000873											
	50801	10/31/17	OIL CHANGE KIT/PARTS	215.93		1719822		D	N				MTCE. OF EQUIPME	651.48486.0224
MSCIC			.02217											
	50802	10/31/17	TRAINING REGISTRATIONS	200.00		101917		D	N				TRAVEL-CONF.-SCH	101.42411.0333
MUNICIPAL UTILITIES			000541											
	50803	10/31/17	UTILITIES FOR OCT	661.31		10/17		D	N				UTILITIES	101.42412.0332
	50803	10/31/17	UTILITIES FOR OCT	1,379.09		10/17		D	N				UTILITIES	101.43425.0332
	50803	10/31/17	UTILITIES FOR OCT	2,693.08		10/17		D	N				UTILITIES	230.43430.0332
	50803	10/31/17	UTILITIES FOR OCT	49,732.87		10/17		D	N				UTILITIES	651.48484.0332
	50803	10/31/17	UTILITIES FOR OCT	3,199.17		10/17		D	N				UTILITIES	651.48485.0332
			VENDOR TOTAL	57,665.52		*CHECK TOTAL								
MUNICIPAL UTILITIES			002393											
	50686	10/18/17	2017 PERA STATE AID	7,604.00		101617		D	N				REFUNDS AND REIM	101.41428.0882
MVTL LABORATORIES INC			000544											
	50804	10/31/17	LAB TESTING	232.00		887895		D	N				PROFESSIONAL SER	651.48484.0446
	50804	10/31/17	LAB TESTING	694.25		889476		D	N				PROFESSIONAL SER	651.48484.0446
	50804	10/31/17	LAB TESTING	151.00		889498		D	N				PROFESSIONAL SER	651.48484.0446
	50804	10/31/17	LAB TESTING	100.00		889551		D	N				PROFESSIONAL SER	651.48486.0446
			VENDOR TOTAL	1,177.25		*CHECK TOTAL								
NEW LIFE COMMUNICATIONS			000574											
	50805	10/31/17	CNCL CHMBRS A/V REPAIR	394.08		106020		D	N				MTCE. OF EQUIPME	101.41409.0224
	50805	10/31/17	CNCL CHMBRS A/V REPAIR	347.00		106020		D	N				MTCE. OF EQUIPME	101.41409.0334
			VENDOR TOTAL	741.08		*CHECK TOTAL								
O'REILLY AUTOMOTIVE INC			000650											
	50806	10/31/17	GREASE FOR TRUCKS	240.00		1528-109785		D	N				MOTOR FUELS AND	101.42412.0222
	50806	10/31/17	2 BATTERIES	211.24		1528-110643		D	N				INVENTORIES-MDSE	101.125000
	50806	10/31/17	CORE RETURN	36.00CR		1528-110653		D	N				INVENTORIES-MDSE	101.125000
	50806	10/31/17	#100666-FILTER	6.01		1528-112292		D	N				MTCE. OF EQUIPME	101.43425.0224
	50806	10/31/17	BRAKE PADS/ROTORS	109.99		1528-112892		D	N				INVENTORIES-MDSE	101.125000
	50806	10/31/17	TAIL LIGHT	89.46		1528-113427		D	N				INVENTORIES-MDSE	101.125000

Vendor Payments 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
O'REILLY AUTOMOTIVE INC			000650											
	50806	10/31/17	HEATER DOOR ACTIVATOR	33.65		1528-114112		D	N				INVENTORIES-MDSE	101.125000
	50806	10/31/17	LIGHT BULB	4.19		1528-114516		D	N				INVENTORIES-MDSE	101.125000
			VENDOR TOTAL	658.54	*CHECK	TOTAL								
				658.54										
PAPER & THREADS LLC			002895											
	50807	10/31/17	PATCHES-CHAPLAIN JKT	54.00		101917		D	N				SUBSISTENCE OF P	101.42411.0227
PETERSON SHOE STORE			000608											
	50808	10/31/17	HATZINGER-SAFETY BOOTS	169.99		182692		D	N				SUBSISTENCE OF P	651.48484.0227
	50808	10/31/17	NIEMEYER-SAFETY BOOTS	161.49		182828		D	N				SUBSISTENCE OF P	101.43425.0227
	50808	10/31/17	LARSON-SAFETY BOOTS	175.00		182954		D	N				SUBSISTENCE OF P	101.43425.0227
	50808	10/31/17	TEMPLER-SAFETY BOOTS	175.00		183394		D	N				SUBSISTENCE OF P	651.48485.0227
	50808	10/31/17	CARRUTHERS-SFTY BOOTS	152.99		185084		D	N				SUBSISTENCE OF P	101.43425.0227
			VENDOR TOTAL	834.47	*CHECK	TOTAL								
				834.47										
PLEAA			.01978											
	50809	10/31/17	EDWARDS-SEMINAR REGIS.	55.00		103117		D	N				TRAVEL-CONF.-SCH	101.42411.0333
	50809	10/31/17	LAUGHLIN-SEMINAR REGIS.	55.00		103117		D	N				TRAVEL-CONF.-SCH	101.42411.0333
			VENDOR TOTAL	110.00	*CHECK	TOTAL								
				110.00										
POMP'S TIRE SERVICE INC			003170											
	50810	10/31/17	#066413-TIRES	435.56		210309617		D	N				MTCE. OF EQUIPME	101.42412.0224
PRO ACTION			001782											
	50811	10/31/17	CLIP TIES	44.95		14490		D	N				SUBSISTENCE OF P	101.42412.0227
QUAM CONSTRUCTION CO INC			000634											
	50812	10/31/17	HIGH AVE CURB REPAIR	9,565.00		1702001-10		D	N				MTCE. OF OTHER I	101.43425.0336
QUICK SIGNS			001093											
	50813	10/31/17	UPDATE BRUSH SITE SIGN	15.00		174102		D	N				MTCE. OF OTHER I	101.43425.0226
RICE HOSPITAL			001166											
	50687	10/18/17	2017 PERA STATE AID	70,326.00		101617		D	N				REFUNDS AND REIM	101.41428.0882
RULE TIRE SHOP			000665											
	50814	10/31/17	#066413-INST. TIRES	80.00		1-24129		D	N				MTCE. OF EQUIPME	101.42412.0334
SCHWANKE TRACTOR & TRUCK			000681											
	50815	10/31/17	#147037-HYD. MOTOR	165.00		4755		D	N				MTCE. OF EQUIPME	101.43425.0224
SCOTT SWANSON'S EQUIPMEN			000683											
	50816	10/31/17	PRESSURE WASHER PARTS	39.00		41682		D	N				MTCE. OF EQUIPME	101.43425.0224

Vendor Payments 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
SERVICE CENTER/CITY OF W			000685											
	50817	10/31/17	GAS-74.81 GALLONS	167.57		STMT/10-17		D	N				MOTOR FUELS AND	101.41402.0222
	50817	10/31/17	GAS-11.60 GALLONS	25.98		STMT/10-17		D	N				MOTOR FUELS AND	101.41408.0222
	50817	10/31/17	GAS-2080.59 GALLONS	4,612.58		STMT/10-17		D	N				MOTOR FUELS AND	101.42411.0222
	50817	10/31/17	DIESEL-168.25 GALLONS	346.60		STMT/10-17		D	N				MOTOR FUELS AND	101.42412.0222
	50817	10/31/17	GAS-131.16 GALLONS	291.42		STMT/10-17		D	N				MOTOR FUELS AND	101.42412.0222
	50817	10/31/17	GAS-90.65 GALLONS	200.33		STMT/10-17		D	N				MOTOR FUELS AND	101.43417.0222
	50817	10/31/17	DIESEL-2178.56 GALLONS	4,440.48		STMT/10-17		D	N				MOTOR FUELS AND	101.43425.0222
	50817	10/31/17	GAS-725.92 GALLONS	1,616.19		STMT/10-17		D	N				MOTOR FUELS AND	101.43425.0222
	50817	10/31/17	GAS-53.59 GALLONS	120.04		STMT/10-17		D	N				MOTOR FUELS AND	101.45433.0222
	50817	10/31/17	DIESEL-80.19 GALLONS	165.19		STMT/10-17		D	N				MOTOR FUELS AND	651.48485.0222
	50817	10/31/17	EQUIPMENT REPAIR-OIL	146.06		STMT/10-17		D	N				MOTOR FUELS AND	101.42412.0222
	50817	10/31/17	EQUIPMENT REPAIR-PARTS	311.58		STMT/10-17		D	N				MTCE. OF EQUIPME	101.42412.0224
			VENDOR TOTAL	12,444.02		*CHECK TOTAL								
SHERWIN WILLIAMS CO			000690											
	50818	10/31/17	TRAFFIC LIGHT PAINT	12.78		3733-6		D	N				MTCE. OF OTHER I	101.43425.0226
	50818	10/31/17	TRAFFIC LIGHT PAINT	86.43		4062-9		D	N				MTCE. OF OTHER I	101.43425.0226
	50818	10/31/17	TRAFFIC LIGHT PAINT	11.97		7689-6		D	N				MTCE. OF OTHER I	101.43425.0226
	50818	10/31/17	TRAFFIC LIGHT PAINT	2.39CR		7690-4		D	N				MTCE. OF OTHER I	101.43425.0226
	50818	10/31/17	PAINT FOR BLDG	12.00		7869-4		D	N				MTCE. OF STRUCTU	101.43425.0225
			VENDOR TOTAL	120.79		*CHECK TOTAL								
SPRINGSTED INCORPORATED			000705											
	50819	10/31/17	ARBITRAGE CALCULATIONS	3,100.00		000862.999-16		D	N				OTHER CHARGES	312.47100.0449
SRF CONSULTING GROUP INC			003049											
	50820	10/31/17	MILLER PARK DESIGN/CON	2,235.36		10357.00-6		D	N				OTHER IMPROVEMEN	450.45439.0554
SURPLUS WAREHOUSE INC			000728											
	50821	10/31/17	GLOVES	108.00		102717		D	N				SUBSISTENCE OF P	651.48486.0227
	50821	10/31/17	IMPACT SOCKET SET	105.98		1704		D	N				SMALL TOOLS	651.48484.0221
			VENDOR TOTAL	213.98		*CHECK TOTAL								
SW - WEST CNTRL SERVICES			000892											
	50681	10/13/17	HEALTH INSURANCE-NOV	5,822.00		C315		D	N				COBRA INS PREMIU	101.120001
	50681	10/13/17	HEALTH INSURANCE-NOV	3,417.02		C315		D	N				EMPLOYER INSUR.	101.41400.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	5,378.28		C315		D	N				EMPLOYER INSUR.	101.41402.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	2,547.58		C315		D	N				EMPLOYER INSUR.	101.41403.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	4,872.78		C315		D	N				EMPLOYER INSUR.	101.41405.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	1,455.76		C315		D	N				EMPLOYER INSUR.	101.41408.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	2,911.52		C315		D	N				EMPLOYER INSUR.	101.41409.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	363.94		C315		D	N				EMPLOYER INSUR.	101.41424.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	7,282.00		C315		D	N				RETIRED EMPLOYEE	101.41428.0818
	50681	10/13/17	HEALTH INSURANCE-NOV	21,440.32		C315		D	N				INS. PASS THROUG	101.41428.0819
	50681	10/13/17	HEALTH INSURANCE-NOV	43,910.52		C315		D	N				EMPLOYER INSUR.	101.42411.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	2,911.52		C315		D	N				EMPLOYER INSUR.	101.42412.0114

Vendor Payments 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
SW - WEST CNTRL SERVICES			000892											
	50681	10/13/17	HEALTH INSURANCE-NOV	6,550.92		C315		D	N				EMPLOYER INSUR.	101.43417.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	21,255.33		C315		D	N				EMPLOYER INSUR.	101.43425.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	2,054.76		C315		D	N				EMPLOYER INSUR.	101.45001.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	505.50		C315		D	N				EMPLOYER INSUR.	101.45432.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	3,417.02		C315		D	N				EMPLOYER INSUR.	101.45433.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	303.30		C315		D	N				EMPLOYER INSUR.	101.45435.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	252.75		C315		D	N				EMPLOYER INSUR.	101.45437.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	9,940.16		C315		D	N				EMPLOYER INSUR.	651.48484.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	1,455.76		C315		D	N				EMPLOYER INSUR.	651.48485.0114
	50681	10/13/17	HEALTH INSURANCE-NOV	1,455.76		C315		D	N				EMPLOYER INSUR.	651.48486.0114
			VENDOR TOTAL	149,504.50										
				149,504.50										
													*CHECK TOTAL	
SWENSON & SONS CONST. IN			003123											
	50696	10/24/17	RECLAIM TAXILANE	280,714.44			EST. 1	D	N				MTCE. OF OTHER I	430.43430.0336
THOMPSON/MARK			001005											
	50688	10/18/17	P.W. APPREC. BREAKFAST	42.38			091117	D	N				TRAVEL-CONF.-SCH	101.42412.0333
TORKELSON'S LOCK SERVICE			002583											
	50822	10/31/17	LOCK REPAIR-PARTS	39.50			7333331	D	N				MTCE. OF STRUCTU	101.41408.0225
	50822	10/31/17	LOCK REPAIR-LABOR	70.00			7333331	D	N				MTCE. OF STRUCTU	101.41408.0335
	50822	10/31/17	KEYS	195.50			7333351	D	N				MTCE. OF STRUCTU	101.45433.0225
	50822	10/31/17	REKEYED LOCKS-LABOR	40.00			7333351	D	N				MTCE. OF STRUCTU	101.45433.0335
			VENDOR TOTAL	345.00										
				345.00										
													*CHECK TOTAL	
TRADEHOME SHOES			000253											
	50823	10/31/17	SCHUELER-SAFETY BOOTS	144.99			101117	D	N				SUBSISTENCE OF P	651.48484.0227
UL LLC			003106											
	50824	10/31/17	AERIAL/GRND LADDER TST	2,680.00			72020220427	D	N				PROFESSIONAL SER	101.42412.0446
US BANK EQUIPMENT FINANC			003143											
	50825	10/31/17	COPIER SCANNING SOFTWARE	105.00			341220846	D	N				SUBSCRIPTIONS AN	101.41410.0443
	50825	10/31/17	COPIER METER OVERAGES	1,089.51			341643542	D	N				REFUNDS AND REIM	101.41428.0882
			VENDOR TOTAL	1,194.51										
				1,194.51										
													*CHECK TOTAL	
VERIZON WIRELESS			002915											
	50826	10/31/17	CELL PHONE	32.05			9794166496	D	N				SMALL TOOLS	101.41409.0221
	50826	10/31/17	CELL PHONE USAGE-SEP	1,644.62			9794166496	D	N				COMMUNICATIONS	101.41409.0330
			VENDOR TOTAL	1,676.67										
				1,676.67										
													*CHECK TOTAL	
VIKING COCA-COLA BOTTLIN			000777											
	50827	10/31/17	COFFEE	120.00			731089	D	N				GENERAL SUPPLIES	101.45435.0229

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
WAL-MART COMMUNITY 000789														
	50828	10/31/17	OFFICE SUPPLIES	36.39		092017		D	N				OFFICE SUPPLIES	101.45432.0220
	50828	10/31/17	GAMES/SUPPLIES	119.56		092017		D	N				GENERAL SUPPLIES	101.45432.0229
	50828	10/31/17	TIMER	8.91		092017		D	N				GENERAL SUPPLIES	101.45432.0229
	50828	10/31/17	COFFEE	29.92		092817		D	N				SUBSISTENCE OF P	101.42411.0227
				194.78										
			VENDOR TOTAL	194.78										
WEST CENTRAL COMMUNICATI 000796														
	50829	10/31/17	SIREN MTCE-LABOR	500.00		084597S		D	N				CIVIL DEFENSE	101.42428.0809
	50829	10/31/17	SIREN MTCE-LABOR	125.00		084738S		D	N				CIVIL DEFENSE	101.42428.0809
	50829	10/31/17	RADIO REPAIR-PARTS	39.05		084864S		D	N				MTCE. OF EQUIPME	101.42411.0224
	50829	10/31/17	RADIO REPAIR-LABOR	93.75		084864S		D	N				MTCE. OF EQUIPME	101.42411.0334
				757.80										
			VENDOR TOTAL	757.80										
WEST CENTRAL INDUSTRIES 000801														
	50830	10/31/17	CLEAN PARKS 9/1-9/8	806.76			1944	D	N				CLEANING AND WAS	101.43425.0338
WEST CENTRAL SHREDDING 003252														
	50831	10/31/17	SHREDDING SERVICE	267.00		7450		D	N				INSURANCE DEDUCT	101.41428.0822
	50831	10/31/17	SHREDDING SERVICE	314.00		7508		D	N				INSURANCE DEDUCT	101.41428.0822
				581.00										
			VENDOR TOTAL	581.00										
WESTBERG, EISCHEMS PLLP 000809														
	50832	10/31/17	AUDIT AT 12/31/16	25,000.00			34693	D	N				PROFESSIONAL SER	101.41405.0446
WILLMAR AUTO VALUE 002689														
	50833	10/31/17	#151914-BELT	44.99		22236729		D	N				MTCE. OF EQUIPME	101.43425.0224
	50833	10/31/17	#151914-BELT	13.99		22236748		D	N				MTCE. OF EQUIPME	101.43425.0224
	50833	10/31/17	ALTERNATOR	266.32		22236987		D	N				INVENTORIES-MDSE	101.125000
	50833	10/31/17	ALTERNATOR CORE RETURN	73.33CR		22237019		D	N				INVENTORIES-MDSE	101.125000
	50833	10/31/17	HOSE CLAMP	12.99		22239569		D	N				MTCE. OF EQUIPME	101.43425.0224
	50833	10/31/17	HOSE CLAMP	12.99		22239570		D	N				MTCE. OF EQUIPME	101.43425.0224
	50833	10/31/17	BRAKE PADS	43.98		22239714		D	N				INVENTORIES-MDSE	101.125000
	50833	10/31/17	RETURNED BRAKE PADS	21.99CR		22239785		D	N				MTCE. OF EQUIPME	101.43425.0224
	50833	10/31/17	CABIN AIR FILTER	14.67		22239799		D	N				INVENTORIES-MDSE	101.125000
				314.61										
			VENDOR TOTAL	314.61										
WILLMAR CHAMBER OF COMME 000812														
	50834	10/31/17	PHONE SERV 09/16-10/15	284.45		CC STMT/9-17		D	N				COMMUNICATIONS	208.45005.0330
	50834	10/31/17	BOAT SPONSORSHIP MTG	39.25		CC STMT/9-17		D	N				OTHER CHARGES	208.45008.0449
	50834	10/31/17	MAPCED CONF. ITEMS	20.07		CC STMT/9-17		D	N				OTHER CHARGES	208.45008.0449
	50834	10/31/17	FISCHER-ASSN NORTH CONF.	404.00		CC STMT/9-17		D	N				OTHER CHARGES	208.45008.0449
	50834	10/31/17	CHOCOLATES/BUS CARD HLD	48.00		CC STMT/9-17		D	N				OTHER CHARGES	208.45008.0449
	50834	10/31/17	RETURN BATTERY CHARGER	53.43CR		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	GOOGLE AD WORDS MKTG	146.79		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	WINTERFEST MTG-SPICER	12.69		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449

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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
WILLMAR CHAMBER OF COMME			000812											
	50834	10/31/17	HIKE MN SWEEPSTAKES SUPL	47.99		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	GO PRO VIDEO SUPPLIES	171.48		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	FACEBOOK ADVERTISING	30.16		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	LEISURE COMMITTEE MTG	21.62		CC STMT/9-17		D	N				OTHER CHARGES	208.45010.0449
	50834	10/31/17	BIKE SHARE MEETING	8.64		CC STMT/9-17		D	N				OTHER CHARGES	208.45011.0449
	50834	10/31/17	BIKE SHARE MEETING	5.22		CC STMT/9-17		D	N				OTHER CHARGES	208.45011.0449
	50834	10/31/17	BIKE SHARE MEETING	8.59		CC STMT/9-17		D	N				OTHER CHARGES	208.45011.0449
			VENDOR TOTAL	1,195.52		*CHECK TOTAL								
				1,195.52										
WINDSTREAM			002100											
	50835	10/31/17	PHONE SERV-OCT	61.55		STMT/10-17		D	N				COMMUNICATIONS	101.45433.0330
WODASH/SYLVIA			.00963											
	50689	10/18/17	REPL. PAYROLL CK 39248	86.34		101717		D	N				SALARIES-TEMP. E	101.45433.0112
WOLFE COMMUNICATIONS			003051											
	50836	10/31/17	PAGER BELT CLIPS	52.45		8799		D	N				SMALL TOOLS	101.42412.0221
WONDERWARE MIDWEST			003352											
	50837	10/31/17	PCN SOFTWARE	85,033.00		14984		D	N				OTHER IMPROVEMEN	651.48484.0554
	50837	10/31/17	PCN SOFTWARE	6,900.00		14988		D	N				OTHER IMPROVEMEN	651.48484.0554
			VENDOR TOTAL	91,933.00		*CHECK TOTAL								
				91,933.00										
71 AGGREGATE			002040											
	50838	10/31/17	MIX FOR STREET PATCHIN	1,574.56				D	N				MTCE. OF OTHER I	101.43425.0226

ACS FINANCIAL SYSTEM  
10/31/2017 11:32:00

Vendor Payments History Report  
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CITY OF WILLMAR  
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VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F	S	9	BX	M	ACCOUNT NAME	ACCOUNT
REPORT TOTALS:				1,726,962.71										

RECORDS PRINTED - 000509

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10/31/2017 11:32:00

Vendor Payments History Report

CITY OF WILLMAR  
GL060S-V08.05 RECAPPAGE  
GL540R

FUND RECAP:

FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	453,209.16
208	CONVENTION & VISITORS BUREAU	1,773.68
230	WILLMAR MUNICIPAL AIRPORT	3,118.60
312	D.S. - 2012 BOND	3,100.00
414	S.A.B.F. - #2014	292.50
416	S.A.B.F. - #2016	9,812.38
430	C.P. - AIRPORT DEVELOPMENT	354,700.18
450	CAPITAL IMPROVEMENT FUND	179,227.42
497	S.A.B.F. - #2017	448,497.47
651	WASTE TREATMENT	181,830.64
854	DESTINATION PLAYGROUND	91,400.68
TOTAL ALL FUNDS		1,726,962.71

BANK RECAP:

BANK	NAME	DISBURSEMENTS
HERT	HERITAGE BANK	1,726,962.71
TOTAL ALL BANKS		1,726,962.71



★ **WILLMAR**

City Office Building  
333 SW 6<sup>th</sup> Street  
Willmar, MN 56201  
Main Number 320-235-4913  
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### CITY COUNCIL AGENDA REPORT

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Judy R. Thompson City Clerk</b>	<b>Subject: Public Hearing for City Charter Amending Ordinance 7.05</b>

**AGENDA ITEM:** Public Hearing for City Charter Amending Ordinance 7.05

**INTRODUCTION/REQUEST:** Amend Ordinance 7.05 the Recall Section of Willmar City Charter

**HISTORY:** Pursuant to the October 2, 2017, City Council meeting, testimony can be taken regarding the Amendment of Ordinance 7.05. The Charter Commission has recommended an amendment to the Willmar City Charter. City Attorney Scott has drafted an Ordinance amending Section 7.05.

**CURRENT CIRCUMSTANCE:** N/A

**RECOMMENDATION:** Amend Ordinance 7.05 the Recall Section of Willmar City Charter

**ISSUES:** N/A

**FINANCIAL IMPACT:** N/A

**ALTERNATIVE:** Not recommend changes to Section 7.05 the Recall Section and the Ordinance stays the same.

**RECOMMENDED MOTION:** Amend Ordinance 7.05 the Recall Section of Willmar City Charter

**REVIEWED BY:** Ike Holland, City Administrator

**WORK SESSION DATE:** N/A

**COUNCIL MEETING DATE:** November 6, 2017       **CONSENT AGENDA**      X   **AGENDA**

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING THE CHARTER OF THE CITY OF WILLMAR

Pursuant to Minn. Stat. § 410.12, subd. 7, the City Council of the City of Willmar hereby ordains as follows:

Section 1. AMENDMENT OF CHARTER SECTION 7.05. Article VII, Section 7.05(a) of the Willmar Charter, is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**Section 7.05(a). – Filing certificate of intent.**

Before any petition for recall is circulated, the committee, or the committee's legal representative, shall file with the City Clerk a certificate of intent, which certificate shall contain a true copy of the measure proposed to be circulated, ~~the names and addresses of the members of the committee, the names and addresses of circulators other than committee members, a statement that the members of the committee and the circulators are registered voters of the City at the time the certificate is filed, and that the petition has not been circulated.~~ Each member of the committee shall verify under oath that the statements in the certificate are true and that the petition has not been circulated prior to the filing of the certificate. ~~If any statement in the certificate is found to be false, the petition shall be void and of no effect. The committee may, subsequent to the filing of the certificate, file an addendum thereto certifying additional circulators and the fact that they are registered voters of the City at the time of the filing of the addendum, which addendum must be verified in the manner of the certificate. The City Clerk shall forthwith check whether the committee members and the circulators are registered voters and endorse his/her findings on the certificate or the addendum, as the case may be.~~

Section 2. AMENDMENT OF CHARTER SECTION 7.05(b). Article VII of the Willmar Charter is hereby amended to add a new Section 7.05(b) as follows (new material is underlined):

**Section 7.05(b). – Certifying the eligibility of the recall committee and circulators.**

The committee shall also file with the City Clerk the names and addresses of the recall committee members and of the circulators who are not committee members and a statement that the members of the committee and the circulators are registered voters of the City at the time the certificate is filed. The City Clerk shall forthwith check whether the committee members and the circulators are registered voters and endorse his or her findings on the certificate of intent and on each petition to be circulated. The committee may, subsequent to the filing of the certificate, file an addendum thereto certifying additional circulators and the fact that they are registered voters of the City at the time of the filing of the addendum, which addendum must be verified in the manner of the original certificate. Any committee member or circulator listed on the certificate, petition or the addendum found not to be a registered voter in the city shall be rejected and shall be ineligible to participate in the recall process.

*Existing Sections 7.05(b) through 7.05(j) in Article VII of the Willmar Charter shall be renumbered accordingly.*

Section 3. AMENDMENT OF CHARTER SECTION 7.05(b). Article VII, (existing) Section 7.05(b) of the Willmar Charter, is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**Section 7.05(bc). – The recall measure.**

Before any petition for recall seeking the recall of any official elected under the provisions of this Charter is circulated, the committee, or the committee's legal representative, seeking the recall of any official elected under the provisions of this Charter shall formulate in clear and concise language shall submit to the City Clerk a statement, of not more than two hundred fifty (250) words, identifying the official the committee intends to recall and stating the committee's of its reasons for proposing the recall, which statement shall be known as the recall measure and which shall state that it intends to bring about his/her recall. The statement must clearly set out the alleged malfeasance or nonfeasance of the officeholder being proposed for recall. Upon the proper filing of the certificate of intent and recall measure with the City Clerk and the City Clerk's certification of the eligibility of the members of the recall committee and circulators, the recall measure shall be forwarded to the City Attorney. The City Attorney shall examine the recall measure and report on its legality, including the sufficiency of the allegations of malfeasance and/or nonfeasance contained therein, within fourteen (14) calendar days of the City Attorney's receipt thereof. If the City Attorney finds any part of the recall measure to be false or otherwise invalid, the recall measure shall be declared void.

Section 4. AMENDMENT OF CHARTER SECTION 7.05(c). Article VII, (existing) Section 7.05(c) of the Willmar Charter, is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**Section 7.05(ed). - The petition.**

The petition in each instance shall consist of the title of office and name of the officeholder being proposed for recall, appropriate spaces for the signature, printed name and the street address of the person signing the same, an affidavit of the circulator that each signature thereon is genuine, was affixed by the person whose signature it purports to be, and that it was signed in the presence of the circulator verifying the same. The signatures verified by any circulator whose name does not appear on the certificate of intent or on an addendum thereto shall not be counted. Each signature page on the petition shall contain on the top thereof in prominent letters the words: I HAVE READ THE MEASURE ATTACHED HERETO AND KNOW THE IMPORT THEREOF. It shall be permissible for more than one set to be circulated, but each set shall contain all of the above required elements. To ensure the authenticity of each petition sheet used in the

recall process, the front and back of each petition sheet shall contain the original signature of the City Clerk and the date the sheet was signed. and ~~b~~Before filing, all sets shall be combined and filed as one document.

Section 5. AMENDMENT OF CHARTER SECTION 7.05(e). Article VII, (existing) Section 7.05(e) of the Willmar Charter, is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**Section 7.05(ef). - Filing of petition, determination of validity.**

The petition for recall must be filed within a period of ninety (90) days of receipt of the City Attorney's determination of validity or the petition shall be conclusively deemed to have been abandoned and shall not be valid for any purpose. Upon the filing of the petition, the City Clerk shall endorse thereon the date and hour of filing and shall thereupon freeze the registered voters' register, which shall not have the names of registered voters removed from, nor added thereto, until the determination shall have been made that the number of valid signatures thereon are sufficient or insufficient as provided herein. ~~Thereupon, the petition shall forthwith be referred to the City Attorney, who shall examine the same for form and validity, but without considering any questions of sufficiency of signatures, nor the validity of the signatures thereon. The City Attorney shall within five (5) days return the petition with his findings with respect thereto and his conclusion that it is or is not a valid and legal petition, without reference to the question of the required number of signatures and to the validity of signatures on the petition. If the City Attorney determines that the petition is invalid, that shall end the matter unless the committee shall appeal to the District Court as hereinafter provided. If the City Attorney determines the petition to be valid,~~ ~~†~~The City Clerk, a registered voter appointed by the Mayor, and a registered voter appointed by the committee shall inspect the petition and make a determination thereon as to the sufficiency of the number of signatures thereon and the validity of each signature. The findings of a majority of the City Clerk and the registered voters so appointed shall be conclusive, subject only to appeal to the District Court as hereinafter provided.

Section 6. AMENDMENT OF CHARTER SECTION 7.05(j). Article VII of the Willmar Charter is hereby amended by deleting (existing) Section 7.05(j) in its entirety.

Section 7. EFFECTIVE DATE. Pursuant to Minn. Stat. § 410.12, subd. 7, this ordinance shall be effective 90 days after its adoption and second publication.

Passed by the City Council of the City of Willmar this \_\_\_ day of \_\_\_\_\_, 2017.

ATTEST:

\_\_\_\_\_  
Judy Thompson, City Clerk

\_\_\_\_\_  
Marvin Calvin, Mayor

This Ordinance introduced by Council Member: Fagerlie

This Ordinance introduced on: October 2, 2017

This Ordinance published on: October 10, 2017

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

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

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



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Sean E. Christensen, P.E. Public Works Director</b>	<b>Subject: Stormwater Management Ordinance</b>

**AGENDA ITEM:** Consideration of Ordinance Amending City Code Chapter 17, Surface Water Management and Repealing Ordinance No. 1227, Stormwater Management.

**INTRODUCTION/REQUEST:**

Repeal the City’s existing Stormwater Management Ordinance No. 1227 to be replaced with new stormwater management ordinance contained in Chapter 17 of the City’s Code.

**HISTORY:**

The original Stormwater Management Ordinance No. 1227 was put into place in accordance with the MS4 (Municipal Separate Storm Sewer System) designation in 2005. This permit gives publicly-owned stormwater infrastructure approval to discharge stormwater to lakes, streams, rivers and wetlands in Minnesota.

**CURRENT CIRCUMSTANCE:**

As the MS4 permit is renewed, more stringent rules are put in place by the Minnesota Pollution Control Agency (MPCA) with added requirements and definitions, as well as updates to the MPCA’s General Construction Activities Stormwater permit, portions of which are incorporated into the MS4 permit. By repealing the City’s existing Stormwater Management Ordinance (Ordinance No. 1227) and replacing it with updated regulations to be included within Chapter 17 of the City Code, the City will regain compliance with its MS4 permit and satisfy its obligations under a stipulation it entered into with MPCA earlier this year. The ordinance changes need to be made prior to November 15<sup>th</sup> in order to meet the terms of the stipulation. MPCA reviewed the ordinance as introduced at the October 16, 2017 meeting and identified two minor amendments necessary, which are detailed on a separate attachment.

**RECOMMENDATION:**

Make the two noted amendments to the Ordinance, and then pass a motion that the ordinance as amended be adopted, assigned a number, and published by summary.

**FINANCIAL IMPACT:** N/A

**ALTERNATIVES:** N/A

**REVIEWED BY:** Ike Holland, City Administrator

**WORK SESSION DATE:** October 2, 2017

**COUNCIL MEETING DATE:** November 6, 2017       CONSENT AGENDA      x   AGENDA

# MEMORANDUM

To: Mayor Calvin and Willmar City Council

VIA EMAIL ONLY

From: Robert T. Scott

Date: November 1, 2017

Re: Stormwater Management Ordinance  
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MPCA has reviewed the amendments to the stormwater (MS4) management ordinance introduced at the October 16, 2017 City Council meeting, and approved the same with two minor amendments as follows:

1. Sec. 17-9(b)(3) (page 11 of ordinance):

**Sec. 17-9. – Stormwater Management Plans and Permits.**

\* \* \* \*

- (b) *Exceptions.* A stormwater management plan (SWPPP) is not required for the following:

\* \* \* \*

(3) — ~~Where there is no net increase in impervious area (e.g., converting existing pavement to building footprint). In such cases, no stormwater availability charge (SWAC) will be required.~~

2. Sec. 17-16(c)(3)(f) (page 21 of ordinance):

**Sec. 17-16. - Post-construction performance standards for stormwater management.**

\* \* \* \*

- (c) *Runoff volume control criteria.*

\* \* \* \*

- (3) Pretreatment of stormwater is required prior to discharge to an infiltration system. This pretreatment shall collect sediment and be easily accessed for inspection and maintenance. The infiltration/filtration system selected must meet the following criteria:

\* \* \* \*

- f. The infiltration practice shall not be used for runoff from fueling and vehicle maintenance areas and industrial areas with exposed materials posing contamination risk, ~~unless the infiltration practice is designed to allow for spill containment.~~

**SUMMARY PUBLICATION OF CITY OF WILLMAR ORDINANCE NO. \_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 17, SURFACE WATER MANAGEMENT AND  
REPEALING ORDINANCE NO. 1227, STORMWATER MANAGEMENT**

**Summary:** Ordinance No. \_\_\_\_ updates and amends Willmar City Code, Chapter 17 – Surface Water Management, by adding new Articles I (In General) and II (Stormwater Management), and repealing Ordinance No. 1227, Stormwater Management, all in order to update the City’s technical stormwater management regulations to comply with its National Pollutant Discharge Elimination System (NPDES) Municipal Separate Stormwater (MS4) Permit issued by the Minnesota Pollution Control Agency (MPCA). The technical regulations as amended will apply to all construction activity that disturbs one acre or more of land and impose requirements on such activity including the submission of stormwater management plans for erosion and sediment control at construction sites prior to the start of construction; procedures for site inspections and enforcement; best management practices to reduce stormwater runoff during construction; and post-construction performance standards for permanent stormwater management.

The complete text of Ordinance No. \_\_\_\_ may be obtained at no charge at City Hall (333 6<sup>th</sup> Street Southwest, Willmar, MN 56201), or from the City’s website at [www.willmarmn.gov](http://www.willmarmn.gov).

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF WILLMAR, MINNESOTA AMENDING CHAPTER 17, SURFACE WATER MANAGEMENT AND REPEALING ORDINANCE NO. 1227, STORMWATER MANAGEMENT ORDINANCE

The City Council of the City of Willmar hereby ordains as follows:

Section 1. ADOPTION OF NEW ARTICLE I, CHAPTER 17. The City hereby adopts a new Article I, In General, within Chapter 17, Surface Water Management, as follows:

**Sec. 17-1. – Statutory Authorization and General Policy.**

This Ordinance is adopted pursuant to the authorization and policies contained in Minnesota Statutes Chapters 103B, 105, and 462, Minnesota Rules, Parts 6120.2500-6120.3900, and Minnesota Rules Chapters 8410 and 8420 and goals and policies contained in the most recent Comprehensive Stormwater Management Plan for the City of Willmar.

**Sec. 17-2. – Findings.**

The City of Willmar hereby finds that uncontrolled and inadequately planned use of wetlands, woodlands, natural habitat areas, areas subject to soil erosion and areas containing restrictive soils adversely affects the public health, safety and general welfare by impacting water quality and contributing to other environmental problems, creating nuisances, impairing other beneficial uses of environmental resources and hindering the ability of the City of Willmar to provide adequate water, sewage, flood control, and other community services. In addition, extraordinary public expenditures may be required for the protection of persons and property in such areas and in areas which may be affected by unplanned land usage.

**Sec. 17-3. – Purpose.**

The purpose of this chapter is to set forth the minimum requirements for stormwater management that will diminish threats to public health, safety, public and private property and natural resources of the city by establishing performance standards including:

- (a) Protect life and property from dangers and damages associated with flooding.
- (b) Protect public and private property from damage resulting from runoff or erosion.
- (c) Control the annual runoff rates from post development site conditions to match the annual runoff rates from predevelopment site conditions.
- (d) Promote site design that minimizes the generation of stormwater and maximizes pervious areas for stormwater treatment.

- (e) Promote regional stormwater management by watershed.
- (f) Provide a single, consistent set of performance standards that apply to all developments.
- (g) Protect water quality from nutrients, pathogens, toxics, debris and thermal stress.
- (h) Promote infiltration and groundwater recharge.
- (i) Provide a vegetated corridor (buffer) to protect water resources from development.
- (j) Protect or improve the water quality of local lakes, wetlands and water bodies.
- (k) Protect and enhance fish, wildlife and habitat and recreational opportunities.
- (l) Control runoff volumes resulting from development within designated sub-watersheds through appropriate infiltration practices.

**Sec. 17-4. – Definitions.**

The following words and phrases, when used in this chapter, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.

*Accidental discharge* means a discharge prohibited by this chapter which occurs by chance and without planning or thought prior to occurrence.

*Applicant* means any person or group that applies for a stormwater management plan, building permit, subdivision approval, site plan review or other permit to allow land disturbing activities or who conducts activities pursuant to such permit. Applicant also means that person's agents, employees, and others acting under this person's or group's direction. The term "applicant" also refers to the permit holder or holders and the permit holder's agents, employees, and others acting under this person's or group's direction.

*Best management practice (BMP)* means a technique or series of techniques [*that will be operational after the construction phase of a project and that is designed to become a permanent part of the site*] which are proven to be effective in controlling runoff, erosion and sedimentation, and includes schedules of activities, prohibitions of practices, general good housekeeping practices, pollution prevention and educational practices, maintenance procedures, and other management practices to prevent or reduce the discharge of pollutants directly or indirectly to stormwater, receiving waters, or stormwater conveyance systems. BMPs also include treatment practices, operating procedures, and practices to control site runoff, spillage or leaks, sludge or water disposal, or drainage from raw materials storage. Examples of BMPs can be found in; Protecting Water Quality in Urban Areas, Minnesota Pollution Control Agency 2000; Minnesota Urban Small Sites BMP Manual, Metropolitan Council 2001; State of Minnesota Stormwater Manual, MPCA 2005.

*Buffer* means a regulated area of land at or near a streambank, wetland, or waterbody that has intrinsic water quality value due to the ecological and biological processes it performs or is otherwise sensitive to changes which may result in significant degradation to water quality and where natural vegetation must be maintained.

*Clean Water Act* means the Water Pollution Control Act (33 U.S.C. § 1251 et seq.), as amended from time to time.

*Common plan of development or sale* means a contiguous area where multiple separate and distinct land disturbing activities may be taking place at different times, or on different schedules, but under one proposed plan. This item is broadly defined to include design, permit application, advertisement or physical demarcation indicating that land disturbing activities may occur.

*Construction activity* means activities subject to NPDES construction permits, generally consisting of construction projects resulting in land disturbance of one (1) acre or more, and including but not limited to such activities as clearing and grubbing, grading, excavating, and demolition.

*Dedication* means the deliberate appropriation of property by its owner for general public use.

*Department* means the City of Willmar Public Works Department or any other part, division, bureau, sub-unit, or branch of the city authorized by the city council to carry out or enforce any provision of a city ordinance.

*Detention* means the temporary storage of stormwater runoff in a stormwater BMP with the goals of controlling peak discharge rates and providing gravity settling of pollutants.

*Developer* means any person, group, firm, corporation, sole proprietorship, partnership, state agency, or political subdivision thereof engaged in a land disturbance activity.

*Development* means any land disturbance activity that changes the site's runoff characteristics in conjunction with residential, commercial, industrial or institutional construction or alteration.

*Dewatering* means the removal of water for construction activity. It can be a discharge of appropriated surface or groundwater to dry and/or solidify a construction site. It may require Minnesota Department of Natural Resources permits to be appropriated and if contaminated may require other Minnesota Pollution Control Agency (MPCA) permits to be discharged.

*Discharge* means the release, conveyance, channeling, runoff, or drainage, of stormwater including snowmelt, from a construction site.

*Drainageway* means a natural or artificial watercourse with a definite bed and banks that conducts continuously or periodically flowing water.

*Easement* means a legal right granted by an owner to a grantee allowing the use of private land for conveyance or treatment of stormwater runoff and access to stormwater practices.

*EPA* means the United States Environmental Protection Agency.

*Erosion* means any process that wears away the surface of the land by the action of water, wind, ice, or gravity. Erosion can be accelerated by the activities of people and nature.

*Erosion control* means methods employed to prevent erosion. Examples include soil stabilization practices, horizontal slope grading, temporary cover, final stabilization, and construction phasing.

*Exposed soil areas* means all areas of the construction site where the vegetation (trees, shrubs, brush, grasses, etc.) or impervious surface has been removed, thus rendering the soil more prone to erosion. This includes topsoil stockpile areas, borrow areas and disposal areas within the construction site. It does not include temporary stockpiles or surcharge areas of clean sand, gravel, concrete or bituminous, which have less stringent protection. Once soil is exposed, it is considered “exposed soil,” until it meets the definition of “final stabilization.”

*Final stabilization* means that all soil disturbing activities at the site have been completed, and that a uniform (evenly distributed, e.g., without large bare areas) perennial vegetative cover with a density of seventy percent (70 %) of the cover for unpaved areas and areas not covered by permanent structures has been established, or equivalent permanent stabilization measures have been employed. Simply sowing grass seed is not considered final stabilization. For individual lots in residential construction, final stabilization means either: (a) the homebuilder completing final stabilization as specified above; or (b) the homebuilder establishing temporary stabilization including perimeter controls for an individual lot prior to occupation of the home by the homeowner and informing the homeowner of the need for, and benefits of, final stabilization. Where agricultural land is involved, such as when pipelines are built on crop or range land, final stabilization constitutes returning the land to its preconstruction agricultural use. Areas disturbed that were not previously used for agricultural activities, such as buffer strips immediately adjacent to surface waters and drainage systems, and areas which are not being returned to their preconstruction agricultural use must meet the final stabilization criteria in (a) or (b) above.

*Hazardous materials* means any material, including any substance, waste, or combination thereof, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause, or significantly contribute to, a substantial present or potential hazard to human health, safety, property, or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

*Illegal connection* means either of the following:

a. Any pipe, open channel, drain or conveyance, whether on the surface or subsurface, that allows an illicit discharge to enter the storm drain system including but not limited to any conveyances that allow any non-stormwater discharge including sewage, process wastewater, or wash water to enter the storm drain system or any connections to the storm drain system, regardless of whether such pipe, open channel,

drain or conveyance has been previously allowed, permitted, or approved by an authorized agency; or

b. Any pipe, open channel, drain or conveyance connected from a commercial or industrial land use to the storm drain system that has not been documented in plans, maps, or equivalent records and approved by the department.

*Illicit discharge* means any direct or indirect non-stormwater discharge to the storm drain system, except as exempted in section 17-32 of this article.

*Impaired waters* mean those streams, rivers, and lakes that currently do not meet their designated use classification and associated water quality standards under the Clean Water Act.

*Impervious cover* means those surfaces that cannot effectively infiltrate rainfall (e.g., building rooftops, pavement, sidewalks, driveways, etc.).

*Impervious surface* means a constructed hard surface that either prevents or retards the entry of water into the soil and causes water to run off the surface in greater quantities and at an increased rate of flow than existed prior to development. Examples include rooftops, sidewalks, patios, driveways, parking lots, storage areas, and concrete, asphalt, or gravel roads.

*Infiltration* means the process of percolating stormwater into the subsoil.

*Industrial activity* means any activity subject to NPDES permits as defined in 40 CFR Section 122.26(b)(14).

*Land disturbance activity* means any land change that may result in soil erosion from water or wind and the movement of sediments into or upon waters or lands within the city's jurisdiction, including construction, clearing and grubbing, grading, excavating, transporting and filling of land, and similar activities. Land disturbance activity does not include:

a. Minor land disturbance activities such as home gardens and home landscaping, or home repairs and maintenance work, unless such activity exceeds one (1) acre in exposed soil.

b. Construction, installation, and maintenance of fences, signs, posts, poles, and electric, telephone, cable television, utility lines or individual service connections to these utilities.

c. Tilling, planting, or harvesting of agricultural, horticultural, or silvicultural (forestry) crops.

d. Emergency work to protect life, limb, or property and emergency repairs. If, apart from the emergency, the land disturbance activity requires a permit under this chapter,

the property owner shall submit a SWPPP and obtain a permit, and shape and stabilize the disturbed land area, as soon as possible following the emergency work.

*Land locked basin* means a low area such as a lake, pond, or wetland entirely surrounded by land with no regularly active outlet channel.

*Maintenance agreement* means a legally recorded document that acts as a property deed restriction, and that provides for long-term maintenance of stormwater BMPs or practices.

*Maximum extent practicable* means a standard for water quality that applies to all MS4 operators regulated under the NPDES program.

*MPCA* means the Minnesota Pollution Control Agency.

*Municipal separate storm sewer system (MS4)* means facilities owned and operated by city by which stormwater is collected and/or conveyed, including but not limited to any roads with drainage systems, municipal streets, gutters, ditches, curbs, catch basins, inlets, piped storm drains, pumping facilities, retention and detention basins, natural and human-made or altered drainageways, reservoirs, and other drainage structures, and that is not used for collecting or conveying sewage.

*National Pollutant Discharge Elimination System (NPDES)* means the program for issuing, modifying, revoking, reissuing, terminating, monitoring, and enforcing permits under the Clean Water Act (Sections 301, 318, 402, and 405) and United States Code of Federal Regulations Title 33, Sections 1317, 1328, 1342, and 1345.

*NPDES MS4 permit* means the MPCA's NPDES General Permit authorizing discharge of stormwater associated with small MS4 systems, Permit Number MNR040000, as the same may be amended or supplemented.

*NPDES stormwater discharge permit (NPDES construction stormwater permit)* means the MPCA's NPDES General Stormwater Permit for Construction Activity, Permit Number MN R100001, that authorizes and regulates the discharge of stormwater associated with construction activity, as the same may be amended or supplemented.

*Native vegetation* means the presettlement (already existing in Minnesota at the time of statehood in 1858) group of plant species native to the local region, that were not introduced as a result of European settlement or subsequent human introduction.

*New development* means any land development that occurs on previously undeveloped land or land used for agricultural uses.

*Non-stormwater discharge* means any discharge to the storm drain system that is not composed entirely of stormwater.

*Non-structural practice* means a stormwater control and treatment BMP that uses natural processes, restoration, or enhancement of natural systems, or design approaches to control runoff and/or reduce pollutants levels. Such measures are used instead of, or to

supplement, structural practices on a land development site. Non-structural measures include, but are not limited to: minimization and/or disconnection of impervious surfaces; development design that reduces the rate and volume of runoff; restoration or enhancement of natural areas such as riparian area, wetlands, and forest; and on-lot practices such as rain barrels, cisterns, and vegetated area that intercept roof and driveway runoff.

*Off-site facility* means a stormwater BMP located outside the subject property boundary described in the stormwater management plan.

*On-site facility* means a stormwater BMP located within the subject property boundary described in the stormwater management plan.

*Owner* means the fee owner, contract purchaser, and lessee for whom land disturbance activities are being undertaken.

*Permit* means a written warrant or license granted to allow land disturbance activities and includes, without limitation, a building permit, subdivision approval, site plan approval or other permit to allow land disturbing activities.

*Person* means any human being, any municipality or other governmental or political subdivision or other public agency, any public or private corporation, partnership, firm, association, or other organization, any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, or any other legal entity.

*Pollutant* means any substance which, when discharged has potential to or does any of the following:

- a. Interferes with state designated water uses;
- b. Obstructs or causes damage to waters of the state;
- c. Changes water color, odor, or usability as a drinking water source through causes not attributable to natural stream processes affecting surface water or subsurface processes affecting groundwater;
- d. Adds an unnatural surface film on the water;
- e. Adversely changes other chemical, biological, thermal, or physical condition, in any surface water or stream channel;
- f. Degrades the quality of groundwater; or
- g. Harms human life, aquatic life, or terrestrial plant and wildlife.

Examples include, without limitation, dredged soil, solid waste, incinerator residue, garbage, wastewater sludge, chemical waste, biological materials, radioactive materials, rock, sand, dust, paints, varnishes and solvents, cooking grease, detergents, degreasers,

industrial waste, sediment, nutrients, toxic substances, pesticides, herbicides, trace metals, automotive fluids, petroleum-based substances, and oxygen-demanding materials.

*Pollute* means the discharge of pollutants into waters of the state.

*Pollution* means the direct or indirect distribution of pollutants into waters of the state.

*Premises* means any building, lot, parcel of land, or portion of land whether improved or unimproved including adjacent sidewalks and parking strips.

*Prohibited discharge* the discharge of any pollutant into the waters of the state.

*Redevelopment/expansion* means land development that occurs within designated areas based on local land use where the surrounding area is generally developed, and where the site is either vacant or has previously been used or developed.

*Responsible party* means any person that is named on a stormwater maintenance agreement as responsible for long-term operation and maintenance of one or more stormwater BMPS.

*Saturated soil* means the highest seasonal elevation in the soil that is in a reduced chemical state because of soil voids being filled with water. Saturated soil is evidenced by the presence of redoximorphic features or other information.

*Sediment* means the product of an erosion process; solid material both mineral and organic, that is in suspension, is being transported, or has been moved by water, wind, or ice, and has come to rest on the earth's surface either above or below water level.

*Sedimentation* means the process or action of depositing sediment.

*Sediment control* means the methods employed to prevent sediment from leaving a development site. Examples of sediment control practices are silt fences, sediment traps, earth dikes, drainage swales, check dams, subsurface drains, pipe slope drains, storm drain inlet protection, and temporary or permanent sedimentation basins.

*Soil* means the unconsolidated mineral and organic material on the immediate surface of the earth. For purposes of this chapter, temporary stockpiles of clean sand, gravel, aggregate, concrete or bituminous materials are not considered "soil" stockpiles.

*Stabilized* means the exposed ground surface after it has been covered by suitable vegetation, erosion control blanket, riprap, pavement or other material that prevents erosion. Simply sowing grass seed is not considered stabilization.

*Steep slope* means any slope steeper than twelve percent (12%) (Twelve (12) feet of rise for every one hundred (100) feet horizontal run).

*Stop work order* means an order issued by the city that requires that all construction activity on a site be stopped.

*Storm drain system* means the city-owned facilities by which stormwater is collected or conveyed, including, but not limited to, any roads with drainage systems,

municipal streets, gutters, curbs, inlets, piped storm drains, pumping facilities, retention and detention basins, natural and human-made or altered drainage channels, reservoirs, and other drainage structures.

*Stormwater* means any precipitation runoff, stormwater runoff, snowmelt runoff, and any other surface runoff and drainage. Stormwater does not include construction site dewatering.

*Stormwater availability charge (SWAC)* means a payment of money in place of meeting all or part of the stormwater performance standards required by this chapter.

*Stormwater management* means the use of structural or non-structural BMPs that are designed to reduce stormwater runoff pollutant loads, discharge volumes, peak flow discharge rates and detrimental exchanges in stream temperature that affect water quality and habitat.

*Stormwater management plan* (also referred to as *Stormwater Pollution Prevention Plan SWPPP*) means a joint stormwater and erosion and sediment control plan that is a document containing the requirements of the Minnesota NPDES General Stormwater Permit for Construction Activity, Permit Number MN R100001 and this chapter, and all subsequent revisions which describes the BMPs and activities to be implemented by a person or business to identify sources of pollution or contamination at a site and the actions to eliminate or reduce pollutant discharges to stormwater, stormwater conveyance systems, and/or receiving waters to the maximum extent practicable. It may involve both temporary and permanent controls.

*Stormwater Manual* means the most recent version of the MPCA Minnesota Stormwater Manual. This manual is the compilation of design, performance, and review criteria approved by the city for stormwater management practices.

*Stormwater runoff* means flow on the surface of the ground, resulting from precipitation.

*Structural practice* means an engineered physical device designed and constructed to trap or filter pollutants from runoff, or reduce runoff velocities.

*Structure* means anything manufactured, constructed or erected which is normally attached to or positioned on land, including portable structures, earthen structures, roads, parking lots, and paved storage areas.

*Subdivision* means any tract of land divided into lots for private, public, commercial, industrial, or other development purposes.

*Surface water* means all streams, lakes, ponds, marshes, wetlands, reservoirs, springs, rivers, drainage systems, waterways, watercourses and irrigation systems whether natural or artificial public or private.

*Vegetated or grassy swale* means a vegetated earthen channel that conveys stormwater, while treating the stormwater by biofiltration. Such swales remove pollutants by both filtration and infiltration.

*Wastewater* means any water or other liquid, other than uncontaminated stormwater, discharged from a facility.

*Water resources* includes groundwater, surface water bodies (rivers, creeks, wetlands) and their riparian buffers, and stormwater management facilities and their established vegetative buffers.

*Waters of the state* means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, reservoirs, aquifers, irrigation systems, drainage systems and all other bodies or accumulations of water, surface or underground, natural or artificial, public or private, which are contained within, flow through, or border upon the State of Minnesota or any portion thereof.

*Wet detention facility* means depressions constructed by excavation and embankment procedures to store excess runoff temporarily on a site. After a runoff event, overflow from the pond is released at a controlled rate by an outlet device designed to release flows at various peak rates and elevations until the design elevation of the pool is reached. Wet detention facilities maintain a permanent pool of water between storm events. Wet detention facilities are located to collect stormwater inflows from adjacent drainage areas and are usually designed to control peak discharges from relatively large design storms.

*Wetland* means those areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Constructed wetlands designed for wastewater treatment are not waters of the state.

**Sec. 17-5—17-7. – Reserved.**

Section 2. ADOPTION OF NEW ARTICLE II, CHAPTER 17. The City hereby adopts a new Article II, Stormwater Management, within Chapter 17, Surface Water Management, as follows:

**Sec. 17-8. – Purpose and scope.**

- (a) *Purpose.* The purpose of this article is to minimize negative impacts of stormwater runoff pollution on the city's water resources by regulating development activities and by assuring long-term effectiveness of existing and future stormwater management facilities on public and private property. This article sets forth rules and regulations to manage the stormwater runoff and establishes procedures for the development and approval of a stormwater management plan. This article is adopted

pursuant to the authorization contained in Minn. Stat. ch. 103B and 462, and Minnesota Rules Chapter 7090.

- (b) *Applicability.* This article shall apply to all land disturbance activities conducted on any developed and undeveloped lands in the city unless explicitly exempted by section 17-9(b) of this article.

**Sec. 17-9. – Stormwater Management Plans and Permits.**

- (a) *Stormwater Management Plan Required.* Every applicant for a permit that will authorize the disturbance of one (1) acre or more of land, or a common plan of development or sale that will result in the disturbance of one (1) acre or more of land, or the disturbance of land within a shoreland area as defined by the city's shoreland management ordinance to which section 17-18 applies, must submit a stormwater management plan to the city . No land shall be disturbed nor shall any permit to allow land disturbing activities be issued until approval of this plan.
- (b) *Exceptions.* A stormwater management plan (SWPPP) is not required for the following:
  - (1) Any development or expansion/redevelopment project which results in disturbance of less than one (1) acre of land, unless the development is located in a shoreland area, in which case a plan sufficient to demonstrate compliance with section 17-18 shall be submitted.
  - (2) Emergency work to preserve life, limb, or property, provided that if, apart from the emergency, the land disturbance activity requires a SWPPP under this article, the property owner shall submit a SWPPP and obtain a NPDES construction stormwater permit, and shape and stabilize the disturbed land area, as soon as possible following the emergency work.
  - (3) Where there is no net increase in impervious area (e.g., converting existing pavement to building footprint). In such cases, no stormwater availability charge (SWAC) will be required.
- (c) *NPDES Construction Stormwater Permit.* All SWPPPs and stormwater mitigation and management technologies must comply with the most recent NPDES permit requirements as administered by MPCA under the NPDES stormwater construction permit, and the Minnesota Stormwater Manual, except where more specific requirements are contained herein.
- (d) *TMDL allocation plans.* All stormwater management plans must be in compliance with TMDL allocation plans, and other special plans as shall be adopted and amended from time to time.
- (e) *Compliance with city plans and permits.* All stormwater management plans must be prepared in accordance with the city's stormwater pollution prevention program and the city's current NPDES MS4 Permit.

**Sec. 17-10. – Stormwater Management Plan Submittal Requirements.**

- (a) *Application.* A stormwater management plan application shall be made on a form provided by the city and shall be submitted with an application for a permit that will disturb one (1) acre or more, or a common plan of development or sale that will result in the disturbance of one (1) acre or more, and shall include the following:
- (1) *Stormwater management plan.* The plan shall be prepared by a licensed professional engineer or other professional acceptable to the city and satisfy the requirements of the NPDES construction stormwater permit.
  - (2) Project narrative describing stormwater management objectives, site conditions and how the proposed practices will address objectives and the requirements of this article.
  - (3) Plans showing existing and post development conditions.
  - (4) All calculations demonstrating compliance with the requirements of this article.
  - (5) All other data, plans, and figures required by the city.
- (b) *Application fee.* A fee shall be paid by the applicant. The fee shall cover application review and all routine inspections for monitoring compliance and enforcement. Any inspections and administration of the application triggered by a correction notice are not included in this fee. The amount of the fee shall be set by city council resolution from time to time.
- (c) *Escrow deposit or financial security.* The city shall require financial security in such form and amounts as deemed necessary to assure that the work, if not completed in accordance with the reviewed plans and specifications, will be corrected to eliminate conditions posing a danger to public health, safety and welfare, adjacent property and the environment. The security shall be in the form of a surety bond, cash bond, or an irrevocable letter of credit. The financial security must be in place prior to any work. The amount of financial security required will be calculated based on the work detailed in the plans and specifications. The city may require a portion of the security to be provided as a cash escrow based on the proposed work. The applicant may be required to maintain the escrow at a minimum amount set by the city.

**Sec. 17-11. – Stormwater Management Plan Review Procedures.**

- (a) *Application, review and approval process.* Unless exempted under section 17-09(b), no permit or approval that authorizes disturbing one (1) acre or more of land shall be issued until the city has approved a required stormwater management plan (SWPPP). Approval of a stormwater management plan does not exempt the applicant from the requirements and permitting authority of other agencies having jurisdiction over the work performed nor from other permitting processes required by the city.

- (b) *City review.* The Department shall review the SWPPP application for completeness and compliance with standards. If needed, staff shall return the application to the applicant to make changes or supply additional information. Land disturbing activities may begin only upon approval of the application and issuance of the permit.
- (c) *Reviewed plans.* If the plans meet the performance standards and requirements of this article, the city shall endorse in writing or stamp on the plans "Reviewed." However, construction activities may begin only upon approval of the site plan review application. Such reviewed plans shall not be changed or deviated from by the applicant without authorization from the city. One set of reviewed plans shall be returned to the applicant, and that set shall be kept on the project site at all times during which the authorized work is in progress.
- (d) *SWPPP approval.* If the city determines that the SWPPP meets the requirements of this article, the city shall issue a permit valid for a specified period of time that authorizes the land disturbance activity contingent on the implementation and completion of the SWPPP.
- (e) *SWPPP denial.* If the city determines that the SWPPP does not meet the requirements of this article, the city shall not issue a permit for the land disturbance activity. The SWPPP must be resubmitted for approval before the land disturbance activity begins. All permit applications shall be suspended until the developer has an approved SWPPP.
- (f) *Amendments.* The applicant must amend the SWPPP as necessary to include additional requirements such as additional or modified BMPs designed to correct problems identified or address situations whenever:
  - (1) A change in design, construction, operation, maintenance, weather, or seasonal conditions occurs that has a significant effect on the discharge of pollutants to surface waters or underground waters.
  - (2) Inspections indicate the plan is not effective in eliminating or significantly minimizing the discharge of pollutants to surface waters or underground waters or that the discharges are causing violations of applicable water quality standards.
  - (3) The plan is not achieving the general objectives of controlling pollutants or is not consistent with the terms and conditions of the NPDES construction stormwater permit.
- (g) *Permit Transfer.* A permit runs with the property it covers, until the permitted activities are completed, and is transferable to new owners in its entirety or by parcel, with each parcel being subject to the permit and any conditions that apply to that parcel. In the event land under such a permit is transferred or conveyed in fee, such transfer or conveyance must be reported in writing to the city and the new owner within seven (7) days of the transfer. This section refers to city-issued permits

and does not release the permittee or owner from transfer requirements of a NPDES permit.

**Sec. 17-12. – Waivers.**

The city council, upon recommendation of the City Engineer, may waive requirements of this article upon making a finding that compliance with the requirements will involve an unnecessary hardship and the waiver of such requirements will not adversely affect the standards and requirements set forth in this article. The city may require, as a condition of the waiver, such dedication (e.g. land, easement, etc.), construction, or fee in lieu of construction as a contribution to off-site facilities, as may be necessary to adequately meet the standards and requirements of this article.

**Sec. 17-13. – Stormwater Management Plan Inspections and Enforcement.**

(a) *Inspections.* The city will conduct inspections on a regular basis to ensure that the plan is properly installed and maintained. In all cases the inspectors will attempt to work with the builder or developer to maintain proper erosion and sediment control at all sites. In cases where cooperation is withheld, the city shall issue construction stop work orders, until erosion and sediment control measures meet the requirements of this Ordinance. An inspection must follow before work can commence.

Inspections are required as follows:

- (1) Before any land disturbing activity begins.
- (2) For residential construction, at the time of footing, framing and final inspections.
- (3) At the completion of the project.
- (4) Prior to the release of any financial securities, if applicable.
- (5) Random inspections during the course of the project to ensure compliance with the SWPPP, including after a storm event greater than one-half (½) inch over twenty-four (24) hours.

(b) *Notification of Failure of the SWPPP.* The city shall notify the permit holder of the failure of the SWPPP's measures.

- (1) *Initial contact.* The initial contact will be to the party or parties listed on the application and/or the plan as contacts. Except during an emergency action, forty-eight (48) hours after notification by the city or seventy-two (72) hours after the failure of erosion control measures, whichever is less, the city at its discretion, may begin corrective work. Such notification should be in writing, but if it is verbal, a written notification should follow as quickly as practical. If after making a good faith effort to notify the responsible party or parties, the city has been unable to establish contact, the city may proceed with corrective work. There are conditions when time is of the essence in controlling erosion. During

such a condition the city may take immediate action, and then notify the applicant as soon as possible.

- (2) *Erosion off-site.* If erosion breaches the perimeter of the site, the applicant shall immediately develop a cleanup and restoration plan, obtain the right-of entry from the adjoining property owner, and implement the cleanup and restoration plan within forty-eight (48) hours of obtaining the adjoining property owner's permission. In no case, unless written approval is received from the city, may more than seven (7) calendar days go by without corrective action being taken. If in the discretion of the city, the permit holder does not repair the damage caused by the erosion, the city may do the remedial work required. When restoration to wetlands and other resources are required, the applicant shall be required to work with the appropriate agency to ensure that the work is done properly.
- (3) *Erosion into streets, wetlands or water bodies.* If eroded soils (including tracked soils from construction activities) enters streets, wetlands, or other water bodies, cleanup and repair shall be immediate. The applicant shall provide all traffic control and flagging required to protect the traveling public during the cleanup operations.
- (c) *Failure to do Corrective Work.* When an applicant fails to conform to any provision of this policy within the time stipulated, the city may take the following actions.
  - (1) Issue a stop work order, withhold the scheduling of inspections and/or the issuance of a Certificate of Occupancy.
  - (2) Revoke any permit issued by the city to the applicant for the site in question or any other of the applicant's sites within the city's jurisdiction.
  - (3) Correct the deficiency or hire a contractor to correct the deficiency. The issuance of a permit constitutes a right-of-entry for the city or its contractor to enter upon the construction site for the purpose of correcting deficiencies in erosion control.
  - (4) Require reimbursement to the city for all costs incurred in correcting stormwater pollution control deficiencies. If payment is not made within thirty (30) days after the city incurs costs, the city will halt all work on the project site and assess any reimbursement costs to the property. As a condition of the permit, the owner shall waive notice of any assessment hearing to be conducted by the city, concur that the benefit to the property exceeds the amount of the proposed assessment, and waive all rights by virtue of Minnesota Statute 429.081 to challenge the amount or validity of assessment.
- (d) *Right of Entry and Inspection.*
  - (1) Powers. The applicant shall allow the city and its authorized representatives, upon presentation of credentials, to:

- a. Enter upon the permitted site for the purpose of obtaining information, examination of records, conducting investigations or surveys.
- b. Bring such equipment upon the permitted development as is necessary to conduct such surveys and investigations.
- c. Examine and copy any books, papers, records, or memoranda pertaining to activities or records required to be kept under the terms and conditions of this permitted site.
- d. Inspect the stormwater pollution control measures.
- e. Sample and monitor any items or activities pertaining to stormwater pollution control measures.

**Sec. 17-14. – Development Agreement.**

A development agreement regarding stormwater management may be required for any project that requires a stormwater management plan. The agreement shall guarantee the performance of the work described and delineated on the approved plan. In addition, the agreement will describe the city’s inspection policy. Should the applicant fail to meet any of the terms of the development agreement, the city may proceed with any of the actions listed in section 17-13.

**Sec. 17-15. – Construction Activities.**

Construction activities must at a minimum comply with the NPDES construction stormwater permit and the SWPPP in addition to the following best management practices:

- (a) *Site Dewatering.* Water pumped from the site shall be treated by temporary sedimentation basins, grit chambers, sand filters, upflow chambers, hydrocyclones, soil concentrators or other appropriate controls as deemed necessary. Water may not be discharged in a manner that causes erosion, sedimentation, or flooding on the site, on downstream properties, in the receiving channels, or in any wetland.
- (b) *Waste and Material Disposal.* All waste and unused building materials (including garbage, debris, cleaning wastes, wastewater, petroleum based products, paints, toxic materials, or other hazardous materials) shall be properly disposed of off-site and shall not be allowed to be carried by runoff into a receiving channel, storm sewer system, or wetland.
- (c) *Tracking Management.* Each site shall have roads, access drives and parking areas of sufficient width, length and surfacing to minimize sediment from being tracked onto public or private roadways. Any material deposited by vehicles or other construction equipment onto a public or private road shall be removed (not by flushing) before the end of each working day.
- (d) *Water Quality Protection.* The construction contractor, including the general contractor and all subcontractors, shall be required to control oil and fuel spills and

chemical discharges to prevent such spills or discharges from entering any watercourse, sump, sewer system, water body, or wetland.

- (e) *Site Erosion and Sedimentation Control.* Construction operations must include erosion and sedimentation control measures meeting accepted design criteria, standards and specifications contained in the Minnesota Stormwater Manual or other standards determined acceptable by the city.
- (f) *Concrete Washout Area.* All liquids and solid waste generated by concrete washout operations must be contained in a leak-proof containment facility or impermeable liner. A compacted clay liner that does not allow washout liquids to enter ground water is considered an impermeable liner. A sign must be installed adjacent to each washout facility to inform concrete equipment operators to utilize the proper facilities.
- (g) *Storm Drain Protection.* All storm drain inlets shall be protected during construction with control measures as contained in the SWPPP. These devices shall remain in place until final stabilization of the site. A regular inspection and maintenance plan shall be developed in implemented to assure these devices are operational at all times. Storm drain protection must conform to the protection alternatives pre-approved by city staff and available at City Hall and on the city's Website.
- (h) *Soil Stockpiling.* All exposed soil areas must be stabilized as soon as possible to limit soil erosion but in no case later than 14 days after the construction activity in that portion of the site has temporarily or permanently ceased. Temporary clean aggregate stockpiles, demolition concrete stockpiles, sand stockpiles and the constructed base components of roads are exempt from this requirement.

**Sec. 17-16. - Post-construction performance standards for stormwater management.**

- (a) *Water quality criteria.*
  - (1) Best management practices shall be implemented that reduce the total suspended solids load by 80 percent, and the phosphorus load by 60 percent from the runoff generated by the two-year, 24-hour event for the developed site as a whole, as compared to no runoff management controls. These standards may be met through the runoff volume reduction criteria below (subsection (c) of this section). If the criteria are met through ponding, the following guidelines for the design of wet detention facilities shall be followed:
    - a. A permanent pool ("dead storage") volume below the principal spillway (normal outlet) which shall be greater than or equal to the runoff from a two and one-half (2½) inch storm over the entire contributing drainage area assuming full development.
    - b. A permanent pool average depth (basin volume/basin area) which shall be greater than or equal to three feet, with a maximum depth of less than or equal to ten feet.

- c. Basin side slopes above the normal water level should be no steeper than 3:1, and preferably flatter. A basin shelf with a minimum width of ten feet and one-foot deep below the normal water level is recommended to enhance wildlife habitat, reduce potential safety hazards, and improve access for long-term maintenance.
  - d. The pond should be wedge shaped with the inlet at the narrowest end and the outlet at the widest end. A length to width ration of 3:1 or greater shall be used whenever possible. Distance between outfalls and outlets should be maximized.
  - e. Skimmers or other similar devices are required on pond outlets. Designs shall provide for skimmers that extend a minimum of four inches below the water surface and minimize the velocities of water passing under the skimmer to less than one-half foot per second for the one (1) year twenty-four (24) hour event.
  - f. Side slopes shall be seeded with native vegetation appropriate to the site conditions. Upland buffers on side slopes are required. Buffers shall include a mixture of deciduous and coniferous shrubs and include access for pond maintenance. Trees are encouraged as part of the upland buffer. Buffers shall be designed to provide maintenance access to the facility.
  - g. The applicant shall provide the city with a two-year warranty on all vegetation to ensure plant establishment and survival.
  - h. Pond designs that incorporate filtered bottom withdrawal, vegetated swale discharges, or constructed wetland treatment cells to limit temperature increases are encouraged.
  - i. Pond designs that incorporate tree shading to limit future temperature increases are encouraged.
- (2) Infiltration/filtration methods, described under runoff volume control are the preferred approach to satisfying the water quality treatment requirements in all areas of the city where practical and subject to the limitations of section 17-6(c)(3).
- (3) For all projects, street catch basins must have a three-foot sump.
- (4) Where TSS and/or TP reduction requirements cannot be met on the site of the original construction, the applicant will be required to locate alternative sites where TSS and/or TP treatment standards can be achieved. Mitigation project locations are chosen in the following order of preference:
- a. Locations that yield benefits to the same receiving water that receives runoff from the original construction activity.
  - b. Locations within the same Department of Natural Resource (DNR) catchment area as the original construction activity.
  - c. Locations in the next adjacent DNR catchment area up- stream.
  - d. Locations anywhere within the City of Willmar.

Mitigation projects shall involve the establishment of new structural stormwater BMPs or the retrofit of existing structural stormwater BMPs, or the use of a properly designed regional structural stormwater BMP. Previously required routine maintenance of structural stormwater BMPs cannot be considered mitigation. Mitigation projects must be finished within 24 months after the original construction activity begins. A maintenance agreement specifying the responsible party for long-term maintenance shall be identified. Payments will not be accepted in lieu of the construction project meeting the TSS and TP treatment standards.

(b) *Runoff rate control criteria.*

- (1) Future discharge rates from new development and redevelopment will not exceed existing discharge rates for the two-year (50 percent), ten-year (ten percent), and 100-year (one percent) 24-hour critical storm events and the 100-year (one percent) 10 day snowmelt, in accordance with the most recent Atlas14 data, as supplemented and amended from time to time. In any area where downstream flooding is a concern the city may require additional rate control. Design calculations for the two-year (50 percent), ten-year (ten percent), and 100-year (one percent) 24-hour critical storm events and the 100-year (one percent) 10 day snowmelt must be submitted to the city for review and approval. For a regional detention or stormwater management system, the city engineer shall recommend a proposed system charge to be administered by the city council based upon an approved watershed master plan and an analysis of required drainage systems, projected costs and flood protection benefits provided to those properties directly or indirectly impacted by the regional detention or stormwater management system.
- (2) The stormwater system must be designed to provide discharge capacity or level of service for the following system components. The city may allow variance to these standards if regional ponding systems are located downstream.  
Local storm sewer—Ten (10) year (10 percent) event.  
Trunk storm sewer—100 (100) year (1 percent) event.  
Storm ponds, pipe and drainageways connecting ponds, and open channels—100-year event.
- (3) For stormwater collection systems not designed to meet rate control standards (e.g. catch basins), a clogging factor of fifty (50) percent will be used to size intake structures
- (4) No orifice having a diameter less than eight (8) inches is allowed in the design of rate control structures within the city. If a structure having an opening less than eight inches is required to meet rate control requirements, the required rate

control for a site will be increased to allow a rate consistent with an opening of this size.

- (5) An emergency spillway or outlet from ponding areas shall be installed at a minimum of one foot below the lowest building opening and shall be designed to have a capacity to overflow water at an elevation below the lowest building opening at a rate not less than three times the one hundred (100) year (1 percent) peak discharge rate from the basin or the anticipated 100) year (1 percent) peak inflow rate to the basin, whichever is higher. A narrative shall be submitted describing the secondary flow paths for events larger than the 100) year (1 percent) event.

(c) *Runoff volume control criteria.*

- (1) Volume control measures are required on projects to meet the water quality criteria of the city and to meet the requirements of the city's NPDES MS4 Permit obligations. Except where conditions listed below are not met, stormwater runoff abstraction via infiltration, evapotranspiration, capture, and/or reuse of stormwater runoff is required to treat the water quality volume of one (1) inch (or one (1) inch minus the volume of stormwater treated by another system on the site) of runoff from the new impervious surfaces created by a development project. For new development projects, stormwater discharge volume shall result in no net increase from pre-project conditions. For redevelopment projects, stormwater discharge volume shall result in a net reduction from pre-project conditions. Runoff must be infiltrated within 48 hours or less. To simplify the review process, no runoff will be assumed from pervious surfaces from a one inch rainfall event.

- (2) Infiltration will not be required nor allowed in areas where:

- a. there are known groundwater contaminants;
- b. the soils are not suitable for infiltration (Hydrologic Soil Group D);
- c. the area is within a Drinking Water Supply Management Areas are present, as defined by Minn. R. 4720.51000, subp.13;
- d. Soil infiltration rates are more than 8.3 inches per hour, unless soils are amended to flow the infiltration rate below 8.3 inches per hour; or
- e. there is less than three feet of separation between the bottom of the infiltration system and the groundwater.

Percolation tests shall be required to verify the infiltration rates of on-site soils following the construction of infiltration BMP's.

- (3) Pretreatment of stormwater is required prior to discharge to an infiltration system. This pretreatment shall collect sediment and be easily accessed for inspection and maintenance. The infiltration/filtration system selected must meet the following criteria:
  - a. Remove settleable solids, floating materials, and oils and grease to the maximum extent practicable before runoff enters the system.

- b. Filtration must be designed to remove 80 percent of total suspended solids.
  - c. Consider the impact of construction and infiltration practices on existing hydrologic features (e.g. existing wetlands) and maintain pre-existing conditions.
  - d. Consider potential hotspots, groundwater warning, design measures, maintenance considerations or other retention, detention, and treatment devices as specified in the Stormwater Manual.
  - e. The infiltration practice shall not be used within fifty feet of a municipal, community or private well, unless specifically allowed by an approved wellhead protection plan.
  - f. The infiltration practice shall not be used for runoff from fueling and vehicle maintenance areas and industrial areas with exposed materials posing contamination risk, unless the infiltration practice is designed to allow for spill containment.
  - g. Ensure the area is not compacted while the site is under construction.
  - h. The infiltration/filtration area shall be staked and marked so heavy construction vehicles do not compact the soil.
  - i. To prevent clogging the system shall have a pretreatment device such as a vegetated filter strip, small sedimentation basin, or water quality inlet (e.g. grit chamber) to settle particulates before stormwater discharges into the system.
  - j. Ensure appropriate on-site testing consistent with the Stormwater Manual is conducted to verify soil type and to ensure a minimum of three (3) feet of separation from the seasonally saturated soils (or bedrock) and the bottom of the proposed system is maintained.
  - k. Ensure filtration systems with less than three (3) feet of separation from seasonally saturated soils or from bedrock are constructed with an impermeable liner.
  - l. The infiltration practice shall not be used in Hydrologic Soil Group (HSG) D soils without soil corrections.
  - m. Provide an eight foot wide maintenance access.
- (4) The city may authorize reduced volume control for the following situations:
- a. If the project meets one of the limitations outlined above.

- b. If the applicant implements to the maximum extent possible other volume reduction practices, besides infiltration, on the site but may not meet the requirements for post-construction stormwater management.
- (d) *General performance standards.*
- (1) For development proposals having more than one acre of new impervious area, all stormwater treatment must be designed to address the actual amount of impervious surface or the following impervious surface coverage amounts for the entire development site, whichever is higher.
    - a. Residential lots (one or two dwelling units)—forty percent (40%).
    - b. Commercial and industrial lots—eighty-five percent (85%).
  - (2) Unless superseded by the city's requirements, stormwater management practices shall be designed according to the most current technology as reflected in the Stormwater Manual.
  - (3) The natural surface water drainage system shall be used as far as is feasible for storage and flow of runoff. All stormwater diversion discharged to natural waterways must meet the performance standards in this section 17-16.
  - (4) All structural or engineered stormwater treatment facilities shall be located in an outlot or in a drainage and utility easement dedicated to the city. Facilities may be located within the right of way at the city's discretion. Access of sufficient size shall be provided to each treatment facility to perform maintenance activities identified in the maintenance plan.
  - (5) Subdivision design shall be consistent with limitations presented by steep slopes. Subdivisions shall be designed so that no construction or grading will be conducted on slopes steeper than 12 percent in grade unless it can be demonstrated through satisfactory design that the area can be built upon without problems with soil erosion or danger from slides.
  - (6) All applicants shall submit as-built plans for all structural or engineered facilities at project completion. The plans must show the final design specifications for all facilities. Plans must certify that the facilities meet the performance standards and be signed by a registered professional engineer.
  - (7) Stormwater management plans must show construction staging and specifically address measures to preserve the infiltration capacity of proposed infiltration facilities to ensure that the performance of such facilities are not impaired at the conclusion of construction. Plans shall also demonstrate methods of staging construction to minimize soil compaction of landscaped areas during construction. Soil testing and decompaction may be required if site construction activities negatively impact soil permeability.
  - (8) A planted vegetated buffer width of 50 feet shall be established and maintained around all wetlands, stormwater ponds and infiltration/filtration facilities. Buffers shall be measured perpendicular from the high water level of a constructed facility or the delineated wetland edge, and shall be provided and maintained at all times. Monuments/signs shall be located to delineate the

buffer. The monuments/signs should be placed at an interval of approximately 100 feet and at locations where the buffer line deviates by more than 30 degrees. The signs should conform to local standards and be at least four feet high, made of non-degradable material, and minimally contain the words: Buffer—Do Not Mow or Fill. Contact City of Willmar for Further Information.

- (9) No fences, structures or other impediments shall be constructed across the natural or constructed waterway that will reduce or restrict the flow of water. Fences, structures or other impediments or other structures built within drainage easements are placed at the owner's risk.

**Sec. 17-17. - Flood control.**

- (a) The lowest floor elevation of any structure shall be at least two feet above the elevation of the highest known historic high groundwater elevations.
- (b) The lowest floor elevation of any structure shall be at least two feet above the 100-year surface water flood elevation for the area
- (c) Delineation of the 100-year flood is required in all areas mapped as "A" on the FEMA Flood Insurance Rate Map.

**Sec. 17-18. - Shoreland areas.**

The following standards apply to development in shoreland areas as defined by the city's shoreland management ordinance:

- (a) For any project, runoff from parking areas with ten or more spaces or in excess of three thousand (3,000) square feet must meet the water quality criteria of section 17-16 subsection (a). Treatment of runoff through volume reduction and infiltration practices is encouraged.
- (b) For any new development or redevelopment/expansion project an undisturbed vegetative buffer of not less than fifty (50) feet from the water body shall be maintained. Buffers shall be measured perpendicular from the edge of water on each side of the water body and shall be provided and maintained at all times for all permitted activities adjacent to the water body. Within the undisturbed buffer, vegetation shall not be cultivated, cropped, pastured, mowed, fertilized, subject to the placement of mulch or yard waste, or otherwise disturbed, except for periodic cutting or burning that promotes the health of the buffer, actions to address disease or invasive species, mowing for purposes of public safety, temporary disturbance for placement or repair of buried utilities, or other actions to maintain or improve buffer quality, each as approved by the city or when implemented pursuant to a written agreement executed with the city. No new private structure or impervious surface shall be placed within a buffer. No fill, debris or other material shall be excavated from or placed within a buffer. Exceptions for areas such as water crossings, limited water access and restoration of the buffer are allowed if the exceptions are

documented in the stormwater management plan application. Replacement of existing impervious surface within the buffer is allowed.

**Sec. 17-19. - Low impact development.**

(a) Low impact development (LID) practices are preferred for all projects to the greatest extent reasonable, subject to the limitations described in section 17-18 subsection (c)(3). The city encourages the following LID or better site design practices as described in the Stormwater Manual where they do not conflict with the requirements of this article.

(1) Better site design practices:

- a. Natural area conservation;
- b. Site restoration to prairie or forest;
- c. Stream and shoreline buffers;
- d. Disconnection of impervious cover;
- e. Roof top disconnection;
- f. Use of grass channels for conveyance;
- g. Reduction of impervious surfaces;
- h. Use of trees to shade impervious surfaces.

(2) Engineered or structural practices:

- a. Bioretention;
- b. Infiltration;
- c. Filtration.

**Sec. 17-20. - Maintenance agreement and maintenance plan for private stormwater management facilities.**

(a) During the application process, the applicant and the city shall determine which party will be responsible for stormwater facility ownership and long term maintenance responsibilities.

(b) If the applicant is determined to have ownership and maintenance responsibilities, the applicant and city shall enter into an agreement that documents all responsibilities for operation and maintenance of all stormwater practices. Such responsibility shall be documented in a maintenance plan and executed through an agreement. The agreement shall be executed and recorded with the parcel.

(c) The stormwater maintenance agreement shall be in a form approved by the city, and shall, at a minimum:

- (1) Designate the owner or other responsible party which shall be permanently responsible for maintenance of the structural or nonstructural measures.
- (2) Pass responsibility for such maintenance to successors in title.

- (3) Grant the city and its representatives the right of entry for the purposes of inspecting all stormwater measures at reasonable times and in a reasonable manner. This includes the right to enter a property when the city has a reasonable basis to believe that a violation of this article or maintenance agreement is occurring or has occurred and to enter when necessary for abatement of a public nuisance or correction and enforcement of a violation of this article or agreement.
- (4) Allow the city to repair and maintain the facility, if after proper and reasonable notice by the city to the owner of the facility. The agreement shall permit the city to certify the costs of the maintenance/correction to the taxes for the subject property.
- (5) Include a maintenance plan that contains, but is not limited to the following:
  - a. Identification of all structural stormwater practices.
  - b. A schedule for regular inspection, monitoring, and maintenance for each practice. Monitoring shall verify whether or not the practice is functioning as designed and may include, but is not limited to quality, temperature, and quantity of runoff.
  - c. Identification of the responsible party for conducting the inspection, monitoring and maintenance for each practice.
- (6) Identify a schedule and format for reporting compliance with the maintenance plan to the city.

**Sec. 17-21. - Enforcement by legal or administrative action.**

- (a) Any action or inaction which violates the provisions of the ordinance, the requirements of an approved stormwater management plan, and/or the requirements of a development agreement shall be a misdemeanor, and each day during which any violation is committed, continued or permitted, shall constitute a separate offense.
- (b) Violation of any provisions of this article may be enforced by civil action including an action for injunctive relief and by any administrative penalties approved by the city.

**Sec. 17-22. - Appeal.**

- (a) Administrative decisions and enforcement actions by city staff may be appealed by the applicant to the city administrator as follows:
  - (1) The appeal must be filed in writing with the city clerk within ten business days of the decision or enforcement action.
  - (2) The written appeal shall specify in detail the action appealed from, the errors allegedly made by the enforcement officer giving rise to the appeal, a written summary of all oral and written testimony the applicant intends to introduce at the hearing, including the names and addresses of all witnesses the applicant intends to call, copies of all documents the applicant intends to introduce at the hearing, and the relief requested.

- (3) The enforcement officer shall specify in writing the reasons for the enforcement action, a written summary of all oral and written testimony the enforcement officer intends to introduce at the hearing, including the names and addresses of all witnesses the enforcement officer intends to call, and copies of all documents the enforcement officer intends to introduce at the hearing.
  - (4) The city clerk shall notify the applicant and the enforcement officer by ordinary mail, of the date, time and place for the hearing. The hearing shall be scheduled for a date not less than four nor more than 20 days after the filing of the appeal.
  - (5) The city administrator shall hear and render a decision on the appeal after the hearing. The decision shall be in writing and shall state the reasons for the decision. The city clerk shall notify the applicant and the enforcement officer by mail of the decision.
- (b) The applicant may appeal a decision of the city administrator to the city council, by written notice of appeal filed with the city clerk. Such appeal shall be filed within ten business days of the date of the administrator's decision. The decision of the city administrator shall remain in effect pending appeal to the city council, unless otherwise directed by the city council. The city council, in its sole discretion, may agree to hear the appeal and make a final decision or may decline to hear the appeal, in which case the decision of the city administrator shall be final.

**Secs. 17-23—17-27. - Reserved.**

Section 3. REPEAL OF MUNICIPAL CODE SECTIONS 17-27 and 17-28. Chapter 17, Article II (renumbered Article III herein), Sections 17-27 and 17-28 of the Willmar Municipal Code are hereby repealed in their entirety.

Section 4. AMENDMENT OF MUNICIPAL CODE SECTION 17-26. Chapter 17, Article II, and Section 17-26 of the Willmar Municipal Code is hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**ARTICLE ~~III~~. - ILLICIT DISCHARGE AND ILLEGAL CONNECTION**

**Sec. 17-~~26~~28. - Purpose.**

*(a) Purpose.*

The general purpose of this ~~chapter article~~ is to provide for the health, safety, and general welfare of the public through the regulation of ~~non-storm water~~ non-stormwater discharges to the storm drainage system to the maximum extent practicable as required by federal and state law. This ~~chapter article~~ establishes methods for controlling the introduction of pollutants into the municipal separate storm sewer system (MS4) in order to comply with requirements of the MS4 permit issued to the city by the Minnesota

Pollution Control Agency (MPCA) under the National Pollutant Discharge Elimination System (NPDES) permit process. The ~~objections-objectives~~ of this ~~chapter-article~~ are:

- (1) To regulate the contribution of pollutants to the MS4 by ~~storm-water~~ stormwater discharges by any user;
- (2) To prohibit illicit and illegal connections and discharges to the storm drainage system; and
- (3) To establish legal authority to carry out all inspection, surveillance, monitoring, and enforcement procedures necessary to ensure compliance with this ~~chapter-article~~.

(b) Applicability.

This article shall apply to all water directly or indirectly entering the storm drainage system generated on any developed and undeveloped lands unless explicitly exempted by section 17-32 (a)(1)(a)—(d) of this article.

Section 5. AMENDMENT OF MUNICIPAL CODE SECTIONS 17-29 THROUGH 17-38. Chapter 17, Article II (renumbered Article III herein), Sections 17-29—17-38 of the Willmar Municipal Code are hereby amended as follows (deleted material is crossed out; new material is underlined; sections and subsections not being amended are omitted):

**Sec. 17-29. - Administration.**

The city shall administer, implement, and enforce the provisions of this ~~chapter-article~~. Any powers granted or duties imposed upon the city may be delegated in writing by the city administrator to persons or entities acting in the beneficial interest of or in the employ of the city.

**Sec. 17-30. - Compatibility with other regulations.**

This ~~chapter-article~~ is not intended to modify or repeal any other ordinance, rule, regulation, or other provision of law. The requirements of this ~~chapter-article~~ are in addition to the requirements of any other ordinance, rule, regulation, or other provision of law, and where any provision of this ~~chapter-article~~ imposes restrictions different from those imposed by any other ordinance, rule, regulation, or other provision of law, whichever provision is more restrictive or imposes higher protective standards for human health or the environment shall control.

**Sec. 17-31. - Ultimate responsibility.**

The standards set forth herein and promulgated pursuant to this ~~chapter-article~~ are minimum standards; therefore, this ~~chapter-article~~ does not intend or imply that compliance by any person will ensue that there will be no contamination, pollution, or unauthorized discharge of pollutants.

**Sec. 17-32. - Discharge prohibitions.**

(a) *Prohibition of illicit discharges.*

(1) No person shall cause an illicit discharge or otherwise allow an illicit discharge into the storm drainage system, and no person shall throw, drain, or otherwise discharge, cause or allow others under its control to throw, drain or otherwise discharge into the storm drainage system any pollutants or waters containing any pollutants, other than ~~storm water~~stormwater, except as follows:

a. The following discharges are exempt from discharge prohibitions established by this ~~chapter~~article: water line flushing, landscape irrigation, diverted stream flows, rising groundwater, uncontaminated groundwater infiltration, uncontaminated pumped groundwater, discharges from potable water sources, foundation drains, air conditioning condensation, irrigation water, springs, water from crawl space pumps, footing drains, lawn watering, individual residential car washing, flows from riparian habitats and wetlands, street wash water, de-chlorinated swimming pool water, and any other water source not containing a pollutant.

\* \* \* \*

2. Discharge of swimming pools, crawl spaces, sump pumps, footing drains and other sources that may be determined to contain sediment or other forms or pollutants may not be discharged directly to a gutter or storm sewer. This discharge must be allowed to flow over a vegetated area to allow filtering of pollutants, evaporation of chemicals and infiltration of water consistent with the ~~storm water~~stormwater requirements of the city.

\* \* \* \*

d. The prohibition shall not apply to any ~~non-storm water~~non-stormwater discharge permitted under an NPDES permit, waiver, or waste discharge order issued to the discharger and administered under the authority of the MPCA, provided that the discharger is in full compliance with all requirements of the permit, waiver, or order and other applicable laws and regulations, and provided that written approval has been granted for any discharge to the storm drain system.

\* \* \* \*

(b) *Prohibition of illegal connections.*

\* \* \* \*

(3) A person is considered to be in violation of this ~~chapter article~~ if the person connects a line conveying sewage to the storm drainage system, or allows such a connection to continue.

(4) Improper connections in violation of this ~~chapter article~~ must be disconnected and redirected, if necessary, to an approved onsite wastewater management system or the sanitary sewer system upon approval of the city.

\* \* \* \*

**Sec. 17-34. - Industrial or construction activity discharges.**

(a) Submission of notice of intent (NOI) to the city.

(1) Any person subject to an industrial or construction activity NPDES ~~storm water~~ stormwater discharge permit shall comply with all provisions of such permit. Proof of compliance with said permit is required in a form acceptable to the city prior to the allowing of discharges to the storm drainage system.

a. Industrial activity includes activities subject to NPDES industrial ~~storm water~~ stormwater permits as defined in 40 CFR Section 122.26(b)(14).

\* \* \* \*

(2) The operator of a facility, including construction sites, required to have an NPDES permit to discharge ~~storm water~~ stormwater associated with industrial activity shall submit a copy of the NOI to the city at the same time the operator submits the original NOI to the EPA as applicable.

(3) The copy of the NOI must be delivered to the city either in person or by mailing it to: Notice of Intent to Discharge ~~Storm Water~~ Stormwater, City of Willmar Public Works Director, 333 SW 6th Street, Willmar, MN 56201.

(4) A person commits an offense if the person operates a facility that is discharging ~~storm water~~ stormwater associated with industrial activity without having submitted a copy of the NOI to do so to the city.

**Sec. 17-35. - Prevention, control and reduction of ~~storm water~~ stormwater pollutants.**

The city will adopt requirements identifying best management practices for any activity, operation, or facility which may cause or contribute to pollution or contamination of ~~storm water~~ stormwater, the storm drain system, or waters of the United States. The owner or operator of such activity, operation, or facility shall provide, at their own expense, reasonable protection from accidental discharge of prohibited materials or other wastes into the municipal storm drain system or watercourses through the use of these

structural and non-structural BMPs. Further, any person responsible for a property or premise that is, or may be, the source of an illicit discharge, may be required to implement, at said person's expense, additional structural and non-structural BMPs to prevent the further discharge of pollutants to the storm drainage system. Compliance with all terms and conditions of a valid NPDES permit authorizing the discharge of ~~storm water~~ stormwater associated with industrial activity, to the extent practicable, shall be deemed compliance with the provisions of this ~~chapter~~ article. These BMPs shall be part of a ~~storm water~~ stormwater management plan (SWMP) as necessary for compliance with requirements of the NPDES permit.

**Sec. 17-36. - Accidental discharges and spills.**

Notwithstanding other requirements of law, as soon as any person responsible for a facility or operation, or responsible for emergency response for a facility or operation has information of any known or suspected release of materials which are resulting or may result in illegal discharges or pollutants discharging into ~~storm water~~ stormwater, the storm drain system, or waters of the United States, said person shall take all necessary steps to ensure the discovery, containment, and cleanup of such release so as to minimize the effects of the discharge. In the event of such a release of hazardous materials said person shall immediately notify emergency response agencies of the occurrence via emergency dispatch services. In the event of a release of non-hazardous materials, said person shall notify the city in person or by phone no later than the next business day. If the discharge of prohibited materials emanates from a commercial or industrial establishment, the owner or operator of such establishment shall also retain an on-site written record of the discharge and the actions taken to prevent its recurrence. Failure to provide notification of a release as provided above is a violation of this ~~chapter~~ article.

**Sec. 17-37. - Right of entry.**

(a) The city, through its public works director or his or her designee, shall be entitled and permitted to enter and inspect properties and facilities at reasonable times subject to regulation under this ~~chapter~~ article as often as may be necessary to determine compliance with this ~~chapter~~ article. If a property or facility has security measures in force which require proper identification and clearance before entry into its premises, the owner or operator shall make the necessary arrangements to allow access to representatives of the city. Any temporary or permanent obstruction to safe and easy access to the area to be inspected or sampled shall be promptly removed by the discharger at the request of the public works director or other designee and shall not be replaced.

(b) The owner or operator shall allow the city ready access to all parts of the premises for the purposes of inspection, sampling, visual recording, examination and copying of any records needed to determine compliance with this ~~chapter~~ article that must be maintained in accordance with the ordinance, permit or required by state or federal law.

(c) Unreasonable delays in allowing the city access to a facility is a violation of this ~~chapter~~ article.

(d) The public works director or his or her designee may require the discharger to install monitoring equipment or other such devices as are necessary to conduct monitoring and/or sampling of the premises' ~~storm water~~ stormwater discharge. The monitoring equipment must be maintained by the discharger in a safe and proper operating condition at all times. All devices used to measure ~~storm water~~ stormwater flow and quality must be calibrated in order to ensure their accuracy.

(e) *Administrative search warrant.* If the public works director or his or her designee has been refused access to any part of the premises from which ~~storm water~~ stormwater is being discharged, and he or she is able to demonstrate probable cause to believe there may be a violation of this article, or that there is a need to inspect, test, examine or sample as part of a routine program designed to verify compliance with this section or any order issued hereunder, or to protect the overall public health, safety and welfare, then the city may seek issuance of an administrative search warrant from any court of competent jurisdiction.

**Sec. 17-38. - Enforcement.**

(a) *Notice of violation.* Whenever the city, through its public works director or his or her designee ("enforcement officer") finds that a violation of this ~~chapter~~ article has occurred, the city may order compliance by providing written notice of violation to the responsible person. Such notice must include the following information:

\* \* \* \*

(b) *Remedial measures.* The city may order remedial measures including without limitation:

\* \* \* \*

(4) The abatement or remediation of ~~storm water~~ stormwater pollution or contamination hazards and the restoration of any affected property; and

\* \* \* \*

(d) *Emergency cease and desist orders.* When the city finds that any person has violated, or continues to violate, any provision of this ~~chapter~~ article, or any order issued hereunder, or that the person's past violations are likely to recur, and that the person's violation(s) has (have) caused or contributed to an actual or threatened discharge to the storm drainage system or waters of the state which reasonably appears to present an imminent or substantial endangerment to the health or welfare of persons or to the environment, the city may issue an order to the violator directing it immediately to cease

and desist all such violations in lieu of a notice of violation to the violator or other action directing the violator to:

\* \* \* \*

(3) Immediately comply with all requirements of this ~~chapter~~ article and other applicable laws and regulations.

\* \* \* \*

(e) *Suspension of storm drainage system access.*

\* \* \* \*

(2) Any person discharging to the storm drainage system in violation of this ~~chapter~~ article may have their storm drainage system access terminated if such termination would abate or reduce an illicit discharge. Such suspension may also be imposed if it is necessary to stop an actual or threatened discharge which presents or may present imminent and substantial danger.

\* \* \* \*

(g) Violation of any provision of this article may be enforced by civil action including an action for injunctive relief and by any administrative penalties approved by the city. In addition to the enforcement processes and penalties provided, any condition caused or permitted to exist in violation of any of the provisions of this ~~chapter~~ article is a threat to public health, safety and welfare, and is declared and deemed a nuisance, and may be summarily abated or restored at the violator's expense or a civil action to abate, enjoin or otherwise compel the cessation of such nuisance may be taken.

(h) Any person, firm or corporation failing to comply with or violating any of the provisions of this ~~chapter~~ article, shall be deemed guilty of a misdemeanor, and each day during which any violation of any of the provisions of this ~~chapter~~ article is committed, continued or permitted, shall constitute a separate offense.

(i) In addition to the enforcement processes and penalties provided, any condition caused or permitted to exist in violation of any of the provisions of this ~~chapter~~ article is a threat to public health, safety, and welfare, and is declared and deemed a nuisance, and may be summarily abated or restored at the violator's expense; and/or a civil action to abate, enjoin, or otherwise compel the cessation of such nuisance may be taken.

Section 6. REPEAL OF ORDINANCE NO. 1227. City of Willmar Ordinance No. 1227, Stormwater Management, shall be repealed in its entirety.

Section 7. EFFECTIVE DATE. This ordinance shall be effective from and after its adoption and second publication.

Passed by the City Council of the City of Willmar this \_\_\_ day of \_\_\_\_\_, 2017.

ATTEST:

\_\_\_\_\_  
Judy Thompson, City Clerk

\_\_\_\_\_  
Marvin Calvin, Mayor

VOTE:        \_\_\_ ALVARADO    \_\_\_ ASMUS    \_\_\_ CHRISTIANSON  
      \_\_\_ 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: \_\_\_\_\_

Chapter 17 - SURFACE WATER MANAGEMENT

ARTICLE I. - IN GENERAL

Sec. 17-1. – Statutory Authorization and General Policy.

This Ordinance is adopted pursuant to the authorization and policies contained in Minnesota Statutes Chapters 103B, 105, and 462, Minnesota Rules, Parts 6120.2500-6120.3900, and Minnesota Rules Chapters 8410 and 8420 and goals and policies contained in the most recent Comprehensive Stormwater Management Plan for the City of Willmar.

Sec. 17-2. – Findings.

The City of Willmar hereby finds that uncontrolled and inadequately planned use of wetlands, woodlands, natural habitat areas, areas subject to soil erosion and areas containing restrictive soils adversely affects the public health, safety and general welfare by impacting water quality and contributing to other environmental problems, creating nuisances, impairing other beneficial uses of environmental resources and hindering the ability of the City of Willmar to provide adequate water, sewage, flood control, and other community services. In addition, extraordinary public expenditures may be required for the protection of persons and property in such areas and in areas which may be affected by unplanned land usage.

Sec. 17-3. – Purpose.

The purpose of this chapter is to set forth the minimum requirements for stormwater management that will diminish threats to public health, safety, public and private property and natural resources of the City by establishing performance standards including:

- (a) Protect life and property from dangers and damages associated with flooding.
- (b) Protect public and private property from damage resulting from runoff or erosion.
- (c) Control the annual runoff rates from post development site conditions to match the annual runoff rates from predevelopment site conditions.
- (d) Promote site design that minimizes the generation of stormwater and maximizes pervious areas for stormwater treatment.
- (e) Promote regional stormwater management by watershed.
- (f) Provide a single, consistent set of performance standards that apply to all developments.
- (g) Protect water quality from nutrients, pathogens, toxics, debris and thermal stress.
- (h) Promote infiltration and groundwater recharge.
- (i) Provide a vegetated corridor (buffer) to protect water resources from development.
- (j) Protect or improve the water quality of local lakes, wetlands and water bodies.
- (k) Protect and enhance fish, wildlife and habitat and recreational opportunities.

(l) Control runoff volumes resulting from development within designated sub-watersheds through appropriate infiltration practices.

Sec. 17-4. – Definitions.

The following words and phrases, when used in this chapter, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.

*Accidental discharge* means a discharge prohibited by this chapter which occurs by chance and without planning or thought prior to occurrence.

*Applicant* means any person or group that applies for a stormwater management plan, building permit, subdivision approval, site plan review or other permit to allow land disturbing activities or who conducts activities pursuant to such permit. Applicant also means that person's agents, employees, and others acting under this person's or group's direction. The term "applicant" also refers to the permit holder or holders and the permit holder's agents, employees, and others acting under this person's or group's direction.

*Best management practice (BMP)* means a technique or series of techniques [that will be operational after the construction phase of a project and that is designed to become a permanent part of the site] which are proven to be effective in controlling runoff, erosion and sedimentation, and includes schedules of activities, prohibitions of practices, general good housekeeping practices, pollution prevention and educational practices, maintenance procedures, and other management practices to prevent or reduce the discharge of pollutants directly or indirectly to stormwater, receiving waters, or stormwater conveyance systems. BMPs also include treatment practices, operating procedures, and practices to control site runoff, spillage or leaks, sludge or water disposal, or drainage from raw materials storage. Examples of BMPs can be found in; Protecting Water Quality in Urban Areas, Minnesota Pollution Control Agency 2000; Minnesota Urban Small Sites BMP Manual, Metropolitan Council 2001; State of Minnesota Stormwater Manual, MPCA 2005.

*Buffer* means a regulated area of land at or near a streambank, wetland, or waterbody that has intrinsic water quality value due to the ecological and biological processes it performs or is otherwise sensitive to changes which may result in significant degradation to water quality and where natural vegetation must be maintained.

*Clean Water Act* means the Water Pollution Control Act (33 U.S.C. § 1251 et seq.), as amended from time to time.

*Common plan of development or sale* means a contiguous area where multiple separate and distinct land disturbing activities may be taking place at different times, or on different schedules, but under one proposed plan. This item is broadly defined to include design, permit application, advertisement or physical demarcation indicating that land disturbing activities may occur.

Construction activity means activities subject to NPDES construction permits, generally consisting of construction projects resulting in land disturbance of one (1) acre or more, and including but not limited to such activities as clearing and grubbing, grading, excavating, and demolition.

Dedication means the deliberate appropriation of property by its owner for general public use.

Department means the City of Willmar Public Works Department or any other part, division, bureau, sub-unit, or branch of the city authorized by the city council to carry out or enforce any provision of a city ordinance.

Detention means the temporary storage of stormwater runoff in a stormwater BMP with the goals of controlling peak discharge rates and providing gravity settling of pollutants.

Developer means any person, group, firm, corporation, sole proprietorship, partnership, state agency, or political subdivision thereof engaged in a land disturbance activity.

Development means any land disturbance activity that changes the site's runoff characteristics in conjunction with residential, commercial, industrial or institutional construction or alteration.

Dewatering means the removal of water for construction activity. It can be a discharge of appropriated surface or groundwater to dry and/or solidify a construction site. It may require Minnesota Department of Natural Resources permits to be appropriated and if contaminated may require other Minnesota Pollution Control Agency (MPCA) permits to be discharged.

Discharge means the release, conveyance, channeling, runoff, or drainage, of stormwater including snowmelt, from a construction site.

Drainageway means a natural or artificial watercourse with a definite bed and banks that conducts continuously or periodically flowing water.

Easement means a legal right granted by an owner to a grantee allowing the use of private land for conveyance or treatment of stormwater runoff and access to stormwater practices.

EPA means the United States Environmental Protection Agency.

Erosion means any process that wears away the surface of the land by the action of water, wind, ice, or gravity. Erosion can be accelerated by the activities of people and nature.

Erosion control means methods employed to prevent erosion. Examples include soil stabilization practices, horizontal slope grading, temporary cover, final stabilization, and construction phasing.

Exposed soil areas means all areas of the construction site where the vegetation (trees, shrubs, brush, grasses, etc.) or impervious surface has been removed, thus rendering the soil

more prone to erosion. This includes topsoil stockpile areas, borrow areas and disposal areas within the construction site. It does not include temporary stockpiles or surcharge areas of clean sand, gravel, concrete or bituminous, which have less stringent protection. Once soil is exposed, it is considered "exposed soil," until it meets the definition of "final stabilization."

*Final stabilization* means that all soil disturbing activities at the site have been completed, and that a uniform (evenly distributed, e.g., without large bare areas) perennial vegetative cover with a density of seventy percent (70 %) of the cover for unpaved areas and areas not covered by permanent structures has been established, or equivalent permanent stabilization measures have been employed. Simply sowing grass seed is not considered final stabilization. For individual lots in residential construction, final stabilization means either: (a) the homebuilder completing final stabilization as specified above; or (b) the homebuilder establishing temporary stabilization including perimeter controls for an individual lot prior to occupation of the home by the homeowner and informing the homeowner of the need for, and benefits of, final stabilization. Where agricultural land is involved, such as when pipelines are built on crop or range land, final stabilization constitutes returning the land to its preconstruction agricultural use. Areas disturbed that were not previously used for agricultural activities, such as buffer strips immediately adjacent to surface waters and drainage systems, and areas which are not being returned to their preconstruction agricultural use must meet the final stabilization criteria in (a) or (b) above.

*Hazardous materials* means any material, including any substance, waste, or combination thereof, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause, or significantly contribute to, a substantial present or potential hazard to human health, safety, property, or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

*Illegal connection* means either of the following:

- a. Any pipe, open channel, drain or conveyance, whether on the surface or subsurface, that allows an illicit discharge to enter the storm drain system including but not limited to any conveyances that allow any non-stormwater discharge including sewage, process wastewater, or wash water to enter the storm drain system or any connections to the storm drain system, regardless of whether such pipe, open channel, drain or conveyance has been previously allowed, permitted, or approved by an authorized agency; or
- b. Any pipe, open channel, drain or conveyance connected from a commercial or industrial land use to the storm drain system that has not been documented in plans, maps, or equivalent records and approved by the department.

*Illicit discharge* means any direct or indirect non-stormwater discharge to the storm drain system, except as exempted in section 17-32 of this article.

*Impaired waters* mean those streams, rivers, and lakes that currently do not meet their designated use classification and associated water quality standards under the Clean Water Act.

Impervious cover means those surfaces that cannot effectively infiltrate rainfall (e.g., building rooftops, pavement, sidewalks, driveways, etc.).

Impervious surface means a constructed hard surface that either prevents or retards the entry of water into the soil and causes water to run off the surface in greater quantities and at an increased rate of flow than existed prior to development. Examples include rooftops, sidewalks, patios, driveways, parking lots, storage areas, and concrete, asphalt, or gravel roads.

Infiltration means the process of percolating stormwater into the subsoil.

Industrial activity means any activity subject to NPDES permits as defined in 40 CFR Section 122.26(b)(14).

Land disturbance activity means any land change that may result in soil erosion from water or wind and the movement of sediments into or upon waters or lands within the city's jurisdiction, including construction, clearing and grubbing, grading, excavating, transporting and filling of land, and similar activities. Land disturbance activity does not include:

a. Minor land disturbance activities such as home gardens and home landscaping, or home repairs and maintenance work, unless such activity exceeds one (1) acre in exposed soil.

b. Construction, installation, and maintenance of fences, signs, posts, poles, and electric, telephone, cable television, utility lines or individual service connections to these utilities.

c. Tilling, planting, or harvesting of agricultural, horticultural, or silvicultural (forestry) crops.

d. Emergency work to protect life, limb, or property and emergency repairs. If, apart from the emergency, the land disturbance activity requires a permit under this chapter, the property owner shall submit a SWPPP and obtain a permit, and shape and stabilize the disturbed land area, as soon as possible following the emergency work.

Land locked basin means a low area such as a lake, pond, or wetland entirely surrounded by land with no regularly active outlet channel.

Maintenance agreement means a legally recorded document that acts as a property deed restriction, and that provides for long-term maintenance of stormwater BMPs or practices.

Maximum extent practicable means a standard for water quality that applies to all MS4 operators regulated under the NPDES program.

MPCA means the Minnesota Pollution Control Agency.

Municipal separate storm sewer system (MS4) means facilities owned and operated by city by which stormwater is collected and/or conveyed, including but not limited to any roads with drainage systems, municipal streets, gutters, ditches, curbs, catch basins, inlets, piped storm drains, pumping facilities, retention and detention basins, natural and human-made or

altered drainageways, reservoirs, and other drainage structures, and that is not used for collecting or conveying sewage.

*National Pollutant Discharge Elimination System (NPDES)* means the program for issuing, modifying, revoking, reissuing, terminating, monitoring, and enforcing permits under the Clean Water Act (Sections 301, 318, 402, and 405) and United States Code of Federal Regulations Title 33, Sections 1317, 1328, 1342, and 1345.

*NPDES MS4 permit* means the MPCA's NPDES General Permit authorizing discharge of stormwater associated with small MS4 systems, Permit Number MNR040000, as the same may be amended or supplemented.

*NPDES stormwater discharge permit (NPDES construction stormwater permit)* means the MPCA's NPDES General Stormwater Permit for Construction Activity, Permit Number MN R100001, that authorizes and regulates the discharge of stormwater associated with construction activity, as the same may be amended or supplemented.

*Native vegetation* means the presettlement (already existing in Minnesota at the time of statehood in 1858) group of plant species native to the local region, that were not introduced as a result of European settlement or subsequent human introduction.

*New development* means any land development that occurs on previously undeveloped land or land used for agricultural uses.

*Non-stormwater discharge* means any discharge to the storm drain system that is not composed entirely of stormwater.

*Non-structural practice* means a stormwater control and treatment BMP that uses natural processes, restoration, or enhancement of natural systems, or design approaches to control runoff and/or reduce pollutants levels. Such measures are used instead of, or to supplement, structural practices on a land development site. Non-structural measures include, but are not limited to: minimization and/or disconnection of impervious surfaces; development design that reduces the rate and volume of runoff; restoration or enhancement of natural areas such as riparian area, wetlands, and forest; and on-lot practices such as rain barrels, cisterns, and vegetated area that intercept roof and driveway runoff.

*Off-site facility* means a stormwater BMP located outside the subject property boundary described in the stormwater management plan.

*On-site facility* means a stormwater BMP located within the subject property boundary described in the stormwater management plan.

*Owner* means the fee owner, contract purchaser, and lessee for whom land disturbance activities are being undertaken.

Permit means a written warrant or license granted to allow land disturbance activities and includes, without limitation, a building permit, subdivision approval, site plan approval or other permit to allow land disturbing activities.

Person means any human being, any municipality or other governmental or political subdivision or other public agency, any public or private corporation, partnership, firm, association, or other organization, any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, or any other legal entity.

Pollutant means any substance which, when discharged has potential to or does any of the following:

- a. Interferes with state designated water uses;
- b. Obstructs or causes damage to waters of the state;
- c. Changes water color, odor, or usability as a drinking water source through causes not attributable to natural stream processes affecting surface water or subsurface processes affecting groundwater;
- d. Adds an unnatural surface film on the water;
- e. Adversely changes other chemical, biological, thermal, or physical condition, in any surface water or stream channel;
- f. Degrades the quality of groundwater; or
- g. Harms human life, aquatic life, or terrestrial plant and wildlife.

Examples include, without limitation, dredged soil, solid waste, incinerator residue, garbage, wastewater sludge, chemical waste, biological materials, radioactive materials, rock, sand, dust, paints, varnishes and solvents, cooking grease, detergents, degreasers, industrial waste, sediment, nutrients, toxic substances, pesticides, herbicides, trace metals, automotive fluids, petroleum-based substances, and oxygen-demanding materials.

Pollute means the discharge of pollutants into waters of the state.

Pollution means the direct or indirect distribution of pollutants into waters of the state.

Premises means any building, lot, parcel of land, or portion of land whether improved or unimproved including adjacent sidewalks and parking strips.

Prohibited discharge the discharge of any pollutant into the waters of the state.

Redevelopment/expansion means land development that occurs within designated areas based on local land use where the surrounding area is generally developed, and where the site is either vacant or has previously been used or developed.

Responsible party means any person that is named on a stormwater maintenance agreement as responsible for long-term operation and maintenance of one or more stormwater BMPS.

Saturated soil means the highest seasonal elevation in the soil that is in a reduced chemical state because of soil voids being filled with water. Saturated soil is evidenced by the presence of redoximorphic features or other information.

Sediment means the product of an erosion process; solid material both mineral and organic, that is in suspension, is being transported, or has been moved by water, wind, or ice, and has come to rest on the earth's surface either above or below water level.

Sedimentation means the process or action of depositing sediment.

Sediment control means the methods employed to prevent sediment from leaving a development site. Examples of sediment control practices are silt fences, sediment traps, earth dikes, drainage swales, check dams, subsurface drains, pipe slope drains, storm drain inlet protection, and temporary or permanent sedimentation basins.

Soil means the unconsolidated mineral and organic material on the immediate surface of the earth. For purposes of this chapter, temporary stockpiles of clean sand, gravel, aggregate, concrete or bituminous materials are not considered "soil" stockpiles.

Stabilized means the exposed ground surface after it has been covered by suitable vegetation, erosion control blanket, riprap, pavement or other material that prevents erosion. Simply sowing grass seed is not considered stabilization.

Steep slope means any slope steeper than twelve percent (12%) (Twelve (12) feet of rise for every one hundred (100) feet horizontal run).

Stop work order means an order issued by the city that requires that all construction activity on a site be stopped.

Storm drain system means the city-owned facilities by which stormwater is collected or conveyed, including, but not limited to, any roads with drainage systems, municipal streets, gutters, curbs, inlets, piped storm drains, pumping facilities, retention and detention basins, natural and human-made or altered drainage channels, reservoirs, and other drainage structures.

Stormwater means any precipitation runoff, stormwater runoff, snowmelt runoff, and any other surface runoff and drainage. Stormwater does not include construction site dewatering.

Stormwater availability charge (SWAC) means a payment of money in place of meeting all or part of the stormwater performance standards required by this chapter.

Stormwater management means the use of structural or non-structural BMPs that are designed to reduce stormwater runoff pollutant loads, discharge volumes, peak flow discharge rates and detrimental exchanges in stream temperature that affect water quality and habitat.

Stormwater management plan (also referred to as Stormwater Pollution Prevention Plan SWPPP) means a joint stormwater and erosion and sediment control plan that is a document containing the requirements of the Minnesota NPDES General Stormwater Permit for Construction Activity, Permit Number MN R100001 and this chapter, and all subsequent revisions which describes the BMPs and activities to be implemented by a person or business to identify sources of pollution or contamination at a site and the actions to eliminate or reduce pollutant discharges to stormwater, stormwater conveyance systems, and/or receiving waters to the maximum extent practicable. It may involve both temporary and permanent controls.

Stormwater Manual means the most recent version of the MPCA Minnesota Stormwater Manual. This manual is the compilation of design, performance, and review criteria approved by the city for stormwater management practices.

Stormwater runoff means flow on the surface of the ground, resulting from precipitation.

Structural practice means an engineered physical device designed and constructed to trap or filter pollutants from runoff, or reduce runoff velocities.

Structure means anything manufactured, constructed or erected which is normally attached to or positioned on land, including portable structures, earthen structures, roads, parking lots, and paved storage areas.

Subdivision means any tract of land divided into lots for private, public, commercial, industrial, or other development purposes.

Surface water means all streams, lakes, ponds, marshes, wetlands, reservoirs, springs, rivers, drainage systems, waterways, watercourses and irrigation systems whether natural or artificial public or private.

Vegetated or grassy swale means a vegetated earthen channel that conveys stormwater, while treating the stormwater by biofiltration. Such swales remove pollutants by both filtration and infiltration.

Wastewater means any water or other liquid, other than uncontaminated stormwater, discharged from a facility.

Water resources includes groundwater, surface water bodies (rivers, creeks, wetlands) and their riparian buffers, and stormwater management facilities and their established vegetative buffers.

Waters of the state means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, reservoirs, aquifers, irrigation systems, drainage systems and all other bodies or accumulations of water, surface or underground, natural or artificial, public or private, which are contained within, flow through, or border upon the State of Minnesota or any portion thereof.

Wet detention facility means depressions constructed by excavation and embankment procedures to store excess runoff temporarily on a site. After a runoff event, overflow from the pond is released at a controlled rate by an outlet device designed to release flows at various peak rates and elevations until the design elevation of the pool is reached. Wet detention facilities maintain a permanent pool of water between storm events. Wet detention facilities are located to collect stormwater inflows from adjacent drainage areas and are usually designed to control peak discharges from relatively large design storms.

Wetland means those areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Constructed wetlands designed for wastewater treatment are not waters of the state.

Sec. 17-5—17-7. – Reserved.

## ARTICLE II. – STORMWATER MANAGEMENT

Sec. 17-8. – Purpose and scope.

(a) Purpose. The purpose of this article is to minimize negative impacts of stormwater runoff pollution on the city's water resources by regulating development activities and by assuring long-term effectiveness of existing and future stormwater management facilities on public and private property. This article sets forth rules and regulations to manage the stormwater runoff and establishes procedures for the development and approval of a stormwater management plan. This article is adopted pursuant to the authorization contained in Minn. Stat. ch. 103B and 462, and Minnesota Rules Chapter 7090.

(b) Applicability. This article shall apply to all land disturbance activities conducted on any developed and undeveloped lands in the city unless explicitly exempted by section 17-9(b) of this article.

Sec. 17-9. – Stormwater Management Plans and Permits.

(a) Stormwater Management Plan Required. Every applicant for a permit that will authorize the disturbance of one (1) acre or more of land, or a common plan of development or sale that will result in the disturbance of one (1) acre or more of land, or the disturbance of land within a shoreland area as defined by the City's shoreland management ordinance to which section 17-18 applies, must submit a stormwater management plan to the city. No land shall be disturbed nor shall any permit to allow land disturbing activities be issued until approval of this plan.

**Comment [RS1]:** Required by Pt. III.D.4 of MS4 permit; Pt. I.A.1 of NPDES construction stormwater permit

**Comment [RS2]:** Required by Pt. III.D.4 of MS4 permit

(b) Exceptions. A stormwater management plan (SWPPP) is not required for the following:

(1) Any development or expansion/redevelopment project which results in disturbance of less than one (1) acre of land, unless the development is located in a shoreland area, in which case a plan sufficient to demonstrate compliance with section 17-18 shall be submitted.

(2) Emergency work to preserve life, limb, or property, provided that if, apart from the emergency, the land disturbance activity requires a SWPPP under this article, the property owner shall submit a SWPPP and obtain a NPDES construction stormwater permit, and shape and stabilize the disturbed land area, as soon as possible following the emergency work.

(c) NPDES Construction Stormwater Permit. All SWPPPs and stormwater mitigation and management technologies must comply with the most recent NPDES permit requirements as administered by MPCA under the NPDES stormwater construction permit, and the Minnesota Stormwater Manual, except where more specific requirements are contained herein.

Comment [RS3]: Required by Pt. III.D.4.b of MS4 permit

(d) TMDL allocation plans. All stormwater management plans must be in compliance with TMDL allocation plans, and other special plans as shall be adopted and amended from time to time.

Comment [RS4]: Consistent with Pt. I.B.6 of NPDES construction stormwater permit

(e) Compliance with city plans and permits. All stormwater management plans must be prepared in accordance with the city's stormwater pollution prevention program and the city's current NPDES MS4 Permit.

Sec. 17-10. – Stormwater Management Plan Submittal Requirements.

(a) Application. A stormwater management plan application shall be made on a form provided by the city and shall be submitted with an application for a permit that will disturb one (1) acre or more, or a common plan of development or sale that will result in the disturbance of one (1) acre or more, and shall include the following:

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(1) Stormwater management plan. The plan shall be prepared by a licensed professional engineer or other professional acceptable to the city and satisfy the requirements of the NPDES construction stormwater permit.

Comment [RS5]: Pt. III.D.5 of MS4 permit

(2) Project narrative describing stormwater management objectives, site conditions and how the proposed practices will address objectives and the requirements of this article.

(3) Plans showing existing and post development conditions.

Comment [RS6]: Required by Pt. III.D.5 of MS4 permit

(4) All calculations demonstrating compliance with the requirements of this article.

(5) All other data, plans, and figures required by the city.

(b) Application fee. A fee shall be paid by the applicant. The fee shall cover application review and all routine inspections for monitoring compliance and enforcement. Any inspections and administration of the application triggered by a correction notice are not

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included in this fee. The amount of the fee shall be set by city council resolution from time to time.

- (c) Escrow deposit or financial security. The city shall require financial security in such form and amounts as deemed necessary to assure that the work, if not completed in accordance with the reviewed plans and specifications, will be corrected to eliminate conditions posing a danger to public health, safety and welfare, adjacent property and the environment. The security shall be in the form of a surety bond, cash bond, or an irrevocable letter of credit. The financial security must be in place prior to any work. The amount of financial security required will be calculated based on the work detailed in the plans and specifications. The city may require a portion of the security to be provided as a cash escrow based on the proposed work. The applicant may be required to maintain the escrow at a minimum amount set by the city.

Sec. 17-11. – Stormwater Management Plan Review Procedures.

- (a) Application, review and approval process. Unless exempted under section 17-09(b), no permit or approval that authorizes disturbing one (1) acre or more of land shall be issued until the city has approved a required stormwater management plan (SWPPP). Approval of a stormwater management plan does not exempt the applicant from the requirements and permitting authority of other agencies having jurisdiction over the work performed nor from other permitting processes required by the city.

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Comment [RS7]: Required by Pt. III.D.4 of MS4 permit

- (b) City review. The Department shall review the SWPPP application for completeness and compliance with standards. If needed, staff shall return the application to the applicant to make changes or supply additional information. Land disturbing activities may begin only upon approval of the application and issuance of the permit.

Comment [RS8]: Required by Pt. III.D.4 of MS4 permit

- (c) Reviewed plans. If the plans meet the performance standards and requirements of this article, the city shall endorse in writing or stamp on the plans "Reviewed." However, construction activities may begin only upon approval of the site plan review application. Such reviewed plans shall not be changed or deviated from by the applicant without authorization from the city. One set of reviewed plans shall be returned to the applicant, and that set shall be kept on the project site at all times during which the authorized work is in progress.

Comment [RS9]: Required by Pt. III.D.5.a.1 of MS4 permit

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- (d) SWPPP approval. If the city determines that the SWPPP meets the requirements of this article, the city shall issue a permit valid for a specified period of time that authorizes the land disturbance activity contingent on the implementation and completion of the SWPPP.

Comment [RS10]: Required by Pt. III.D.4 of MS4 permit

- (e) SWPPP denial. If the city determines that the SWPPP does not meet the requirements of this article, the city shall not issue a permit for the land disturbance activity. The SWPPP must be resubmitted for approval before the land disturbance activity begins. All permit applications shall be suspended until the developer has an approved SWPPP.

Comment [RS11]: Required by Pt. III.D.4 of MS4 permit

(f) Amendments. The applicant must amend the SWPPP as necessary to include additional requirements such as additional or modified BMPs designed to correct problems identified or address situations whenever:

- (1) A change in design, construction, operation, maintenance, weather, or seasonal conditions occurs that has a significant effect on the discharge of pollutants to surface waters or underground waters.
- (2) Inspections indicate the plan is not effective in eliminating or significantly minimizing the discharge of pollutants to surface waters or underground waters or that the discharges are causing violations of applicable water quality standards.
- (3) The plan is not achieving the general objectives of controlling pollutants or is not consistent with the terms and conditions of the NPDES construction stormwater permit.

**Comment [RS12]:** Satisfies requirements of Pt. III.B of NPDES construction stormwater permit

(g) Permit Transfer. A permit runs with the property it covers, until the permitted activities are completed, and is transferable to new owners in its entirety or by parcel, with each parcel being subject to the permit and any conditions that apply to that parcel. In the event land under such a permit is transferred or conveyed in fee, such transfer or conveyance must be reported in writing to the city and the new owner within seven (7) days of the transfer. This section refers to city-issued permits and does not release the permittee or owner from transfer requirements of a NPDES permit.

#### Sec. 17-12. – Waivers.

The city council, upon recommendation of the City Engineer, may waive requirements of this article upon making a finding that compliance with the requirements will involve an unnecessary hardship and the waiver of such requirements will not adversely affect the standards and requirements set forth in this article. The city may require, as a condition of the waiver, such dedication (e.g. land, easement, etc.), construction, or fee in lieu of construction as a contribution to off-site facilities, as may be necessary to adequately meet the standards and requirements of this article.

#### Sec. 17-13. – Stormwater Management Plan Inspections and Enforcement.

(a) Inspections. The city will conduct inspections on a regular basis to ensure that the plan is properly installed and maintained. In all cases the inspectors will attempt to work with the builder or developer to maintain proper erosion and sediment control at all sites. In cases where cooperation is withheld, the city shall issue construction stop work orders, until erosion and sediment control measures meet the requirements of this Ordinance. An inspection must follow before work can commence. Inspections are required as follows:

- (1) Before any land disturbing activity begins.

- (2) For residential construction, at the time of footing, framing and final inspections.
- (3) At the completion of the project.
- (4) Prior to the release of any financial securities, if applicable.
- (5) Random inspections during the course of the project to ensure compliance with the SWPPP, including after a storm event greater than one-half (½) inch over twenty-four (24) hours.

**Comment [RS13]:** Required by Pt. III.D.4.a. of MS4 permit

(b) Notification of Failure of the SWPPP. The City shall notify the permit holder of the failure of the SWPPP's measures.

- (1) Initial contact. The initial contact will be to the party or parties listed on the application and/or the plan as contacts. Except during an emergency action, forty-eight (48) hours after notification by the City or seventy-two (72) hours after the failure of erosion control measures, whichever is less, the City at its discretion, may begin corrective work. Such notification should be in writing, but if it is verbal, a written notification should follow as quickly as practical. If after making a good faith effort to notify the responsible party or parties, the City has been unable to establish contact, the City may proceed with corrective work. There are conditions when time is of the essence in controlling erosion. During such a condition the City may take immediate action, and then notify the applicant as soon as possible.
- (2) Erosion off-site. If erosion breaches the perimeter of the site, the applicant shall immediately develop a cleanup and restoration plan, obtain the right-of entry from the adjoining property owner, and implement the cleanup and restoration plan within forty-eight (48) hours of obtaining the adjoining property owner's permission. In no case, unless written approval is received from the City, may more than seven (7) calendar days go by without corrective action being taken. If in the discretion of the City, the permit holder does not repair the damage caused by the erosion, the City may do the remedial work required. When restoration to wetlands and other resources are required, the applicant shall be required to work with the appropriate agency to ensure that the work is done properly.
- (3) Erosion into streets, wetlands or water bodies. If eroded soils (including tracked soils from construction activities) enters streets, wetlands, or other water bodies, cleanup and repair shall be immediate. The applicant shall provide all traffic control and flagging required to protect the traveling public during the cleanup operations.

**Comment [RS14]:** Consistent with Pt. IV.C of NPDES construction stormwater permit

(c) Failure to do Corrective Work. When an applicant fails to conform to any provision of this policy within the time stipulated, the City may take the following actions.

- (1) Issue a stop work order, withhold the scheduling of inspections and/or the issuance of a Certificate of Occupancy.
- (2) Revoke any permit issued by the City to the applicant for the site in question or any other of the applicant's sites within the City's jurisdiction.

(3) Correct the deficiency or hire a contractor to correct the deficiency. The issuance of a permit constitutes a right-of-entry for the City or its contractor to enter upon the construction site for the purpose of correcting deficiencies in erosion control.

(4) Require reimbursement to the City for all costs incurred in correcting stormwater pollution control deficiencies. If payment is not made within thirty (30) days after the City incurs costs, the City will halt all work on the project site and assess any reimbursement costs to the property. As a condition of the permit, the owner shall waive notice of any assessment hearing to be conducted by the City, concur that the benefit to the property exceeds the amount of the proposed assessment, and waive all rights by virtue of Minnesota Statute 429.081 to challenge the amount or validity of assessment.

(d) *Right of Entry and Inspection.*

(1) Powers. The applicant shall allow the City and its authorized representatives, upon presentation of credentials, to:

- a. Enter upon the permitted site for the purpose of obtaining information, examination of records, conducting investigations or surveys.
- b. Bring such equipment upon the permitted development as is necessary to conduct such surveys and investigations.
- c. Examine and copy any books, papers, records, or memoranda pertaining to activities or records required to be kept under the terms and conditions of this permitted site.
- d. Inspect the stormwater pollution control measures.
- e. Sample and monitor any items or activities pertaining to stormwater pollution control measures.

**Comment [RS15]:** Satisfies requirements of Pt. III.D.3, 4, and 5. A of City's MS4 permit

Sec. 17-14. – Development Agreement.

A development agreement regarding stormwater management may be required for any project that requires a stormwater management plan. The agreement shall guarantee the performance of the work described and delineated on the approved plan. In addition, the agreement will describe the City's inspection policy. Should the applicant fail to meet any of the terms of the development agreement, the City may proceed with any of the actions listed in section 17-13.

Sec. 17-15. – Construction Activities.

Construction activities must at a minimum comply with the NPDES construction stormwater permit and the SWPPP in addition to the following best management practices:

(a) *Site Dewatering.* Water pumped from the site shall be treated by temporary sedimentation basins, grit chambers, sand filters, upflow chambers, hydrocyclones, soil

concentrators or other appropriate controls as deemed necessary. Water may not be discharged in a manner that causes erosion, sedimentation, or flooding on the site, on downstream properties, in the receiving channels, or in any wetland.

- (b) *Waste and Material Disposal.* All waste and unused building materials (including garbage, debris, cleaning wastes, wastewater, petroleum based products, paints, toxic materials, or other hazardous materials) shall be properly disposed of off-site and shall not be allowed to be carried by runoff into a receiving channel, storm sewer system, or wetland.
- (c) *Tracking Management.* Each site shall have roads, access drives and parking areas of sufficient width, length and surfacing to minimize sediment from being tracked onto public or private roadways. Any material deposited by vehicles or other construction equipment onto a public or private road shall be removed (not by flushing) before the end of each working day.
- (d) *Water Quality Protection.* The construction contractor, including the general contractor and all subcontractors, shall be required to control oil and fuel spills and chemical discharges to prevent such spills or discharges from entering any watercourse, sump, sewer system, water body, or wetland.
- (e) *Site Erosion and Sedimentation Control.* Construction operations must include erosion and sedimentation control measures meeting accepted design criteria, standards and specifications contained in the Minnesota Stormwater Manual or other standards determined acceptable by the City.
- (f) *Concrete Washout Area.* All liquids and solid waste generated by concrete washout operations must be contained in a leak-proof containment facility or impermeable liner. A compacted clay liner that does not allow washout liquids to enter ground water is considered an impermeable liner. A sign must be installed adjacent to each washout facility to inform concrete equipment operators to utilize the proper facilities.
- (g) *Storm Drain Protection.* All storm drain inlets shall be protected during construction with control measures as contained in the SWPPP. These devices shall remain in place until final stabilization of the site. A regular inspection and maintenance plan shall be developed in implemented to assure these devices are operational at all times. Storm drain protection must conform to the protection alternatives pre-approved by City Staff and available at City Hall and on the City Website.
- (h) *Soil Stockpiling.* All exposed soil areas must be stabilized as soon as possible to limit soil erosion but in no case later than 14 days after the construction activity in that portion of the site has temporarily or permanently ceased. Temporary clean aggregate stockpiles, demolition concrete stockpiles, sand stockpiles and the constructed base components of roads are exempt from this requirement.

**Comment [RS16]:** Satisfies requirements of Pt. IV.D.4.a of City's Pt. IV of NPDES construction stormwater permit

Sec. 17-16. - Post-construction performance standards for stormwater management.

(a) Water quality criteria.

(1) Best management practices shall be implemented that reduce the total suspended solids load by 80 percent, and the phosphorus load by 60 percent from the runoff generated by the two-year, 24-hour event for the developed site as a whole, as compared to no runoff management controls. These standards may be met through the runoff volume reduction criteria below (subsection (c) of this section). If the criteria are met through ponding, the following guidelines for the design of wet detention facilities shall be followed:

**Comment [RS17]:** Required by Pt. III.D.1.a of NPDES construction stormwater permit

a. A permanent pool ("dead storage") volume below the principal spillway (normal outlet) which shall be greater than or equal to the runoff from a two and one-half (2½) inch storm over the entire contributing drainage area assuming full development.

b. A permanent pool average depth (basin volume/basin area) which shall be greater than or equal to three feet, with a maximum depth of less than or equal to ten feet.

**Comment [RS18]:** Required by Pt. III.D.2.a of NPDES construction stormwater permit

c. Basin side slopes above the normal water level should be no steeper than 3:1, and preferably flatter. A basin shelf with a minimum width of ten feet and one-foot deep below the normal water level is recommended to enhance wildlife habitat, reduce potential safety hazards, and improve access for long-term maintenance.

d. The pond should be wedge shaped with the inlet at the narrowest end and the outlet at the widest end. A length to width ration of 3:1 or greater shall be used whenever possible. Distance between outfalls and outlets should be maximized.

e. Skimmers or other similar devices are required on pond outlets. Designs shall provide for skimmers that extend a minimum of four inches below the water surface and minimize the velocities of water passing under the skimmer to less than one-half foot per second for the one (1) year twenty-four (24) hour event.

f. Side slopes shall be seeded with native vegetation appropriate to the site conditions. Upland buffers on side slopes are required. Buffers shall include a mixture of deciduous and coniferous shrubs and include access for pond maintenance. Trees are encouraged as part of the upland buffer. Buffers shall be designed to provide maintenance access to the facility.

g. The applicant shall provide the city with a two-year warranty on all vegetation to ensure plant establishment and survival.

h. Pond designs that incorporate filtered bottom withdrawal, vegetated swale discharges, or constructed wetland treatment cells to limit temperature increases are encouraged.

i. Pond designs that incorporate tree shading to limit future temperature increases are encouraged.

**Comment [RS19]:** Satisfies requirements of Pt. III.D.2.a of NPDES construction stormwater permit

(2) Infiltration/filtration methods, described under runoff volume control are the preferred approach to satisfying the water quality treatment requirements in all areas of the city where practical and subject to the limitations of section 17-6(c)(3).

(3) For all projects, street catch basins must have a three-foot sump.

(4) Where TSS and/or TP reduction requirements cannot be met on the site of the original construction, the applicant will be required to locate alternative sites where TSS and/or TP treatment standards can be achieved. Mitigation project locations are chosen in the following order of preference:

a. Locations that yield benefits to the same receiving water that receives runoff from the original construction activity.

b. Locations within the same Department of Natural Resource (DNR) catchment area as the original construction activity.

c. Locations in the next adjacent DNR catchment area up- stream.

d. Locations anywhere within the City of Willmar.

Mitigation projects shall involve the establishment of new structural stormwater BMPs or the retrofit of existing structural stormwater BMPs, or the use of a properly designed regional structural stormwater BMP. Previously required routine maintenance of structural stormwater BMPs cannot be considered mitigation. Mitigation projects must be finished within 24 months after the original construction activity begins. A maintenance agreement specifying the responsible party for long-term maintenance shall be identified. Payments will not be accepted in lieu of the construction project meeting the TSS and TP treatment standards.

**Comment [RS20]:** Consistent with Pt. III.D.5.b.4 of MS4 permit

(b) Runoff rate control criteria.

(1) Future discharge rates from new development and redevelopment will not exceed existing discharge rates for the two-year (50 percent), ten-year (ten percent), and 100-year (one percent) 24-hour critical storm events and the 100-year (one percent) 10 day snowmelt, in accordance with the most recent Atlas14 data, as supplemented and amended from time to time. In any area where downstream flooding is a concern the city may require additional rate control. Design calculations for the two-year (50 percent), ten-year (ten percent), and 100-year (one percent) 24-hour critical storm events and the 100-year (one percent) 10 day snowmelt must be submitted to the City for review and approval. For a regional detention or stormwater management system, the city engineer shall recommend a proposed system charge to be administered by the City Council based upon an approved watershed master plan and an analysis of required drainage systems, projected costs and flood protection benefits provided to those properties directly or indirectly impacted by the regional detention or stormwater management system.

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(2) The stormwater system must be designed to provide discharge capacity or level of service for the following system components. The city may allow variance to these standards if regional ponding systems are located downstream.

Local storm sewer—Ten (10) year (10 percent) event.

Trunk storm sewer—100 (100) year (1 percent) event.

Storm ponds, pipe and drainageways connecting ponds, and open channels—100-year event.

(3) For stormwater collection systems not designed to meet rate control standards (e.g. catch basins), a clogging factor of fifty (50) percent will be used to size intake structures

(4) No orifice having a diameter less than eight (8) inches is allowed in the design of rate control structures within the city. If a structure having an opening less than eight inches is required to meet rate control requirements, the required rate control for a site will be increased to allow a rate consistent with an opening of this size.

(5) An emergency spillway or outlet from ponding areas shall be installed at a minimum of one foot below the lowest building opening and shall be designed to have a capacity to overflow water at an elevation below the lowest building opening at a rate not less than three times the one hundred (100) year (1 percent) peak discharge rate from the basin or the anticipated 100) year (1 percent) peak inflow rate to the basin, whichever is higher. A narrative shall be submitted describing the secondary flow paths for events larger than the 100) year (1 percent) event.

(c) *Runoff volume control criteria.*

(1) Volume control measures are required on projects to meet the water quality criteria of the City and to meet the requirements of the City's NPDES MS4 Permit obligations. Except where conditions listed below are not met, stormwater runoff abstraction via infiltration, evapotranspiration, capture, and/or reuse of stormwater runoff is required to treat the water quality volume of one (1) inch (or one (1) inch minus the volume of stormwater treated by another system on the site) of runoff from the new impervious surfaces created by a development project. For new development projects, stormwater discharge volume shall result in no net increase from pre-project conditions. For redevelopment projects, stormwater discharge volume shall result in a net reduction from pre-project conditions. Runoff must be infiltrated within 48 hours or less. To simplify the review process, no runoff will be assumed from pervious surfaces from a one inch rainfall event.

(2) Infiltration will not be required nor allowed in areas where:

a. there are known groundwater contaminants;

b. the soils are not suitable for infiltration (Hydrologic Soil Group D);

**Comment [RS21]:** Consistent with Pt. III.D.2.b of NPDES construction stormwater permit

**Comment [RS22]:** Required by Pt. III.D.5.a.2(a) of MS4 permit

**Comment [RS23]:** Required by Pt. III.D.5.a.2.b of MS4 permit

**Comment [RS24]:** Required by Pt. III.D.1.f of of NPDES construction stormwater permit

c. the area is within a Drinking Water Supply Management Areas are present, as defined by Minn. R. 4720.51000, subp.13;

d. Soil infiltration rates are more than 8.3 inches per hour, unless soils are amended to flow the infiltration rate below 8.3 inches per hour; or

e. there is less than three feet of separation between the bottom of the infiltration system and the groundwater.

Percolation tests shall be required to verify the infiltration rates of on-site soils following the construction of infiltration BMP's.

(3) Pretreatment of stormwater is required prior to discharge to an infiltration system. This pretreatment shall collect sediment and be easily accessed for inspection and maintenance. The infiltration/filtration system selected must meet the following criteria:

a. Remove settleable solids, floating materials, and oils and grease to the maximum extent practicable before runoff enters the system.

b. Filtration must be designed to remove 80 percent of total suspended solids.

c. Consider the impact of construction and infiltration practices on existing hydrologic features (e.g. existing wetlands) and maintain pre-existing conditions.

d. Consider potential hotspots, groundwater warning, design measures, maintenance considerations or other retention, detention, and treatment devices as specified in the Stormwater Manual.

e. The infiltration practice shall not be used within fifty feet of a municipal, community or private well, unless specifically allowed by an approved wellhead protection plan.

f. The infiltration practice shall not be used for runoff from fueling and vehicle maintenance areas and industrial areas with exposed materials posing contamination risk.

g. Ensure the area is not compacted while the site is under construction.

h. The infiltration/filtration area shall be staked and marked so heavy construction vehicles do not compact the soil.

i. To prevent clogging the system shall have a pretreatment device such as a vegetated filter strip, small sedimentation basin, or water quality inlet (e.g. grit chamber) to settle particulates before stormwater discharges into the system.

j. Ensure appropriate on-site testing consistent with the Stormwater Manual is conducted to verify soil type and to ensure a minimum of three (3) feet of separation from the seasonally saturated soils (or bedrock) and the bottom of the proposed system is maintained.

**Comment [RS25]:** Required by Pt. III.D.5.a.3.a.1 and by Pt. III.D.5.a.3.a.2 of MS4 permit

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**Comment [RS26]:** Required by Pt. III.D.1.d of NPDES construction stormwater permit

**Comment [RS27]:** Required by Pt. III.D.1.a of NPDES construction stormwater permit

**Comment [RS28]:** Consistent with Pt. III.D.6.b of MS4 permit

**Comment [RS29]:** Required by Pt. III.D.5.a.3.a.2 of MS4 permit

**Comment [RS30]:** Consistent with Pt. IV.C.8 of NPDES construction stormwater permit

**Comment [RS31]:** Required by Pt. III.D.1.d of NPDES construction stormwater permit

**Comment [RS32]:** Required by Pt. III.D.5.a.3.a.1 of MS4 permit

k. Ensure filtration systems with less than three (3) feet of separation from seasonally saturated soils or from bedrock are constructed with an impermeable liner.

**Comment [RS33]:** Required by Pt. III.D.1.h of NPDES construction stormwater permit

l. The infiltration practice shall not be used in Hydrologic Soil Group (HSG) D soils without soil corrections.

**Comment [RS34]:** Required by Pt. III.D.5.a.3.a.2 of MS4 permit

m. Provide an eight foot wide maintenance access.

**Comment [RS35]:** Required by Pt. III.D.1.i of NPDES construction stormwater permit

(4) The City may authorize reduced volume control for the following situations:

a. If the project meets one of the limitations outlined above.

b. If the applicant implements to the maximum extent possible other volume reduction practices, besides infiltration, on the site but may not meet the requirements for post-construction stormwater management.

**Comment [RS36]:** Consistent with Pt. III.D.5.a.3.b of MS4 permit

(d) General performance standards.

(1) For development proposals having more than one acre of new impervious area, all stormwater treatment must be designed to address the actual amount of impervious surface or the following impervious surface coverage amounts for the entire development site, whichever is higher.

a. Residential lots (one or two dwelling units)—forty percent (40%).

b. Commercial and industrial lots—eighty-five percent (85%).

(2) Unless superseded by the city's requirements, stormwater management practices shall be designed according to the most current technology as reflected in the Stormwater Manual.

(3) The natural surface water drainage system shall be used as far as is feasible for storage and flow of runoff. All stormwater diversion discharged to natural waterways must meet the performance standards in this section 17-16.

(4) All structural or engineered stormwater treatment facilities shall be located in an outlot or in a drainage and utility easement dedicated to the city. Facilities may be located within the right of way at the city's discretion. Access of sufficient size shall be provided to each treatment facility to perform maintenance activities identified in the maintenance plan.

(5) Subdivision design shall be consistent with limitations presented by steep slopes. Subdivisions shall be designed so that no construction or grading will be conducted on slopes steeper than 12 percent in grade unless it can be demonstrated through satisfactory design that the area can be built upon without problems with soil erosion or danger from slides.

**Comment [RS37]:** Consistent with Pt. IV.AB.1 of NPDES construction stormwater permit

(6) All applicants shall submit as-built plans for all structural or engineered facilities at project completion. The plans must show the final design specifications for all facilities. Plans must certify that the facilities meet the performance standards and be signed by a registered professional engineer.

(7) Stormwater management plans must show construction staging and specifically address measures to preserve the infiltration capacity of proposed infiltration facilities to ensure that the performance of such facilities are not impaired at the conclusion of construction. Plans shall also demonstrate methods of staging construction to minimize soil compaction of landscaped areas during construction. Soil testing and decompaction may be required if site construction activities negatively impact soil permeability.

(8) A planted vegetated buffer width of 50 feet shall be established and maintained around all wetlands, stormwater ponds and infiltration/filtration facilities. Buffers shall be measured perpendicular from the high water level of a constructed facility or the delineated wetland edge, and shall be provided and maintained at all times. Monuments/signs shall be located to delineate the buffer. The monuments/signs should be placed at an interval of approximately 100 feet and at locations where the buffer line deviates by more than 30 degrees. The signs should conform to local standards and be at least four feet high, made of non-degradable material, and minimally contain the words: Buffer—Do Not Mow or Fill. Contact City of Willmar for Further Information.

**Comment [RS38]:** Required by Pt. IV.C.10 of NPDES construction stormwater permit

(9) No fences, structures or other impediments shall be constructed across the natural or constructed waterway that will reduce or restrict the flow of water. Fences, structures or other impediments or other structures built within drainage easements are placed at the owner's risk.

Sec. 17-17. - Flood control.

(a) The lowest floor elevation of any structure shall be at least two feet above the elevation of the highest known historic high groundwater elevations.

(b) The lowest floor elevation of any structure shall be at least two feet above the 100-year surface water flood elevation for the area

(c) Delineation of the 100-year flood is required in all areas mapped as "A" on the FEMA Flood Insurance Rate Map.

Sec. 17-18. - Shoreland areas.

The following standards apply to development in shoreland areas as defined by the city's shoreland management ordinance:

(a) For any project, runoff from parking areas with ten or more spaces or in excess of three thousand (3,000) square feet must meet the water quality criteria of section 17-16 subsection (a). Treatment of runoff through volume reduction and infiltration practices is encouraged.

(b) For any new development or redevelopment/expansion project an undisturbed vegetative buffer of not less than fifty (50) feet from the water body shall be maintained. Buffers shall be measured perpendicular from the edge of water on each side of the water

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body and shall be provided and maintained at all times for all permitted activities adjacent to the water body. Within the undisturbed buffer, vegetation shall not be cultivated, cropped, pastured, mowed, fertilized, subject to the placement of mulch or yard waste, or otherwise disturbed, except for periodic cutting or burning that promotes the health of the buffer, actions to address disease or invasive species, mowing for purposes of public safety, temporary disturbance for placement or repair of buried utilities, or other actions to maintain or improve buffer quality, each as approved by the city or when implemented pursuant to a written agreement executed with the city. No new private structure or impervious surface shall be placed within a buffer. No fill, debris or other material shall be excavated from or placed within a buffer. Exceptions for areas such as water crossings, limited water access and restoration of the buffer are allowed if the exceptions are documented in the stormwater management plan application. Replacement of existing impervious surface within the buffer is allowed.

Sec. 17-19. - Low impact development.

(a) Low impact development (LID) practices are preferred for all projects to the greatest extent reasonable, subject to the limitations described in section 17-18 subsection (c)(3). The city encourages the following LID or better site design practices as described in the Stormwater Manual where they do not conflict with the requirements of this article.

(1) Better site design practices:

- a. Natural area conservation;
- b. Site restoration to prairie or forest;
- c. Stream and shoreline buffers;
- d. Disconnection of impervious cover;
- e. Roof top disconnection;
- f. Use of grass channels for conveyance;
- g. Reduction of impervious surfaces;
- h. Use of trees to shade impervious surfaces.

(2) Engineered or structural practices:

- a. Bioretention;
- b. Infiltration;
- c. Filtration.

**Comment [RS39]:** Satisfies requirements of Pt. III.D.5.a.2 of MS4 permit

Sec. 17-20. - Maintenance agreement and maintenance plan for private stormwater management facilities.

(a) During the application process, the applicant and the city shall determine which party will be responsible for stormwater facility ownership and long term maintenance responsibilities.

(b) If the applicant is determined to have ownership and maintenance responsibilities, the applicant and city shall enter into an agreement that documents all responsibilities for operation and maintenance of all stormwater practices. Such responsibility shall be documented in a maintenance plan and executed through an agreement. The agreement shall be executed and recorded with the parcel.

(c) The stormwater maintenance agreement shall be in a form approved by the city, and shall, at a minimum:

(1) Designate the owner or other responsible party which shall be permanently responsible for maintenance of the structural or nonstructural measures.

(2) Pass responsibility for such maintenance to successors in title.

(3) Grant the city and its representatives the right of entry for the purposes of inspecting all stormwater measures at reasonable times and in a reasonable manner. This includes the right to enter a property when the city has a reasonable basis to believe that a violation of this article or maintenance agreement is occurring or has occurred and to enter when necessary for abatement of a public nuisance or correction and enforcement of a violation of this article or agreement.

(4) Allow the city to repair and maintain the facility, if after proper and reasonable notice by the city to the owner of the facility. The agreement shall permit the city to certify the costs of the maintenance/correction to the taxes for the subject property.

(5) Include a maintenance plan that contains, but is not limited to the following:

a. Identification of all structural stormwater practices.

b. A schedule for regular inspection, monitoring, and maintenance for each practice. Monitoring shall verify whether or not the practice is functioning as designed and may include, but is not limited to quality, temperature, and quantity of runoff.

c. Identification of the responsible party for conducting the inspection, monitoring and maintenance for each practice.

(6) Identify a schedule and format for reporting compliance with the maintenance plan to the city.

Comment [RS40]: Satisfies the requirements of Required by Pt. III.D.5.b.5 of MS4 permit

Sec. 17-21. - Enforcement by legal or administrative action.

(a) Any action or inaction which violates the provisions of the ordinance, the requirements of an approved stormwater management plan, and/or the requirements of a development agreement shall be a misdemeanor, and each day during which any violation is committed, continued or permitted, shall constitute a separate offense.

(b) Violation of any provisions of this article may be enforced by civil action including an action for injunctive relief and by any administrative penalties approved by the city.

Sec. 17-22. - Appeal.

(a) Administrative decisions and enforcement actions by city staff may be appealed by the applicant to the city administrator as follows:

(1) The appeal must be filed in writing with the city clerk within ten business days of the decision or enforcement action.

(2) The written appeal shall specify in detail the action appealed from, the errors allegedly made by the enforcement officer giving rise to the appeal, a written summary of all oral and written testimony the applicant intends to introduce at the hearing, including the names and addresses of all witnesses the applicant intends to call, copies of all documents the applicant intends to introduce at the hearing, and the relief requested.

(3) The enforcement officer shall specify in writing the reasons for the enforcement action, a written summary of all oral and written testimony the enforcement officer intends to introduce at the hearing, including the names and addresses of all witnesses the enforcement officer intends to call, and copies of all documents the enforcement officer intends to introduce at the hearing.

(4) The city clerk shall notify the applicant and the enforcement officer by ordinary mail, of the date, time and place for the hearing. The hearing shall be scheduled for a date not less than four nor more than 20 days after the filing of the appeal.

(5) The city administrator shall hear and render a decision on the appeal after the hearing. The decision shall be in writing and shall state the reasons for the decision. The city clerk shall notify the applicant and the enforcement officer by mail of the decision.

(b) The applicant may appeal a decision of the city administrator to the city council, by written notice of appeal filed with the city clerk. Such appeal shall be filed within ten business days of the date of the administrator's decision. The decision of the city administrator shall remain in effect pending appeal to the city council, unless otherwise directed by the city council. The city council, in its sole discretion, may agree to hear the appeal and make a final decision or may decline to hear the appeal, in which case the decision of the city administrator shall be final.

Secs. 17-23—17-27. - Reserved.

ARTICLE III. - ILLICIT DISCHARGE AND ILLEGAL CONNECTION

**Comment [RS41]:** This article already exists in Chapter 17 and is not being substantively changed

Sec. 17-~~26~~28. -- Purpose and scope.

(a) Purpose.

The general purpose of this ~~chapter article~~ is to provide for the health, safety, and general welfare of the public through the regulation of non-~~storm water~~stormwater discharges to the storm drainage system to the maximum extent practicable as required by federal and state law.

This ~~chapter article~~ establishes methods for controlling the introduction of pollutants into the municipal separate storm sewer system (MS4) in order to comply with requirements of the MS4 permit issued to the city by the Minnesota Pollution Control Agency (MPCA) under the National Pollutant Discharge Elimination System (NPDES) permit process. The ~~objections objectives~~ of this ~~chapter article~~ are:

- (1) To regulate the contribution of pollutants to the MS4 by ~~storm water~~stormwater discharges by any user;
- (2) To prohibit illicit and illegal connections and discharges to the storm drainage system; and
- (3) To establish legal authority to carry out all inspection, surveillance, monitoring, and enforcement procedures necessary to ensure compliance with this ~~chapter article~~.

(b) Applicability.

This article shall apply to all water directly or indirectly entering the storm drainage system generated on any developed and undeveloped lands unless explicitly exempted by section 17-32 (a)(1)(a)–(d) of this article.

(Ord. No. 1334, § 1, 10-1-12)

~~Sec. 17-27. Applicability.~~

~~This chapter shall apply to all water directly or indirectly entering the storm drainage system generated on any developed and undeveloped lands unless explicitly exempted by section 17-32 (a)(1)(a)–(d) of this chapter.~~

(Ord. No. 1334, § 1, 10-1-12)

~~Sec. 17-28. Definitions.~~

~~The following words and phrases, when used in this ~~chapter article~~, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section.~~

~~*Accidental discharge* means a discharge prohibited by this ~~chapter article~~ which occurs by chance and without planning or thought prior to occurrence.~~

~~*Best management practices ("BMPs")* means schedules of activities, prohibitions of practices, general good housekeeping practices, pollution prevention and educational practices, maintenance procedures, and other management practices to prevent or reduce the discharge~~

Comment [RS42]: Merged into new definition section at beginning of Chapter 17 (sec. 17-4)

of pollutants directly or indirectly to ~~storm water~~stormwater, receiving waters, or ~~storm water~~stormwater conveyance systems. BMPs also include treatment practices, operating procedures, and practices to control site runoff, spillage or leaks, sludge or water disposal, or drainage from raw materials storage.

*Clean Water Act* means the Water Pollution Control Act (33 U.S.C. § 1251 et seq.), as amended from time to time.

*Construction activity* means activities subject to NPDES construction permits, generally consisting of construction projects resulting in land disturbance of one (1) acre or more, and including but not limited to such activities as clearing and grubbing, grading, excavating, and demolition.

*Department* means the City of Willmar Public Works Department or any other part, division, bureau, sub-unit, or branch of the city authorized by the city council to carry out or enforce any provision of a city ordinance.

*EPA* means the United States Environmental Protection Agency.

*Hazardous materials* means any material, including any substance, waste, or combination thereof, which because of its quantity, concentration, or physical, chemical, or infectious characteristics may cause, or significantly contribute to, a substantial present or potential hazard to human health, safety, property, or the environment when improperly treated, stored, transported, disposed of, or otherwise managed.

*Illicit discharge* means any direct or indirect non-~~storm water~~stormwater discharge to the storm drain system, except as exempted in section 17-32 of this ~~chapter~~article.

*Illegal connection* means either of the following:

- (1) Any pipe, open channel, drain or conveyance, whether on the surface or subsurface, that allows an illicit discharge to enter the storm drain system including but not limited to any conveyances that allow any non-~~storm water~~stormwater discharge including sewage, process wastewater, or wash water to enter the storm drain system or any connections to the storm drain system, regardless of whether such pipe, open channel, drain or conveyance has been previously allowed, permitted, or approved by an authorized agency; or
- (2) Any pipe, open channel, drain or conveyance connected from a commercial or industrial land use to the storm drain system that has not been documented in plans, maps, or equivalent records and approved by the department.

*Industrial activity* means any activity subject to NPDES permits as defined in 40 CFR Section 122.26(b)(14).

*MPCA* means the Minnesota Pollution Control Agency.

*Maximum extent practicable* means a standard for water quality that applies to all MS4 operators regulated under the NPDES program.

~~Municipal separate storm sewer system (MS4) means the system of conveyances (including sidewalks, roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, manmade channels, or storm drains) owned and operated by city and designed or used for collecting or conveying storm waterstormwater, and that is not used for collecting or conveying sewage.~~

~~National Pollutant Discharge Elimination System (NPDES) storm waterstormwater discharge permit (NPDES permit) means a permit issued by EPA or the MPCA that regulates the discharge of pollutants to waters of the United States, whether the permit is applicable on an individual, group, or general area-wide basis.~~

~~Non-storm waterstormwater discharge means any discharge to the storm drain system that is not composed entirely of storm waterstormwater.~~

~~Person means any human being, any municipality or other governmental or political subdivision or other public agency, any public or private corporation, partnership, firm, association, or other organization, any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, or any other legal entity.~~

~~Pollutant means any substance which, when discharged has potential to or does any of the following:~~

- ~~(1) Interferes with state designated water uses;~~
- ~~(2) Obstructs or causes damage to waters of the state;~~
- ~~(3) Changes water color, odor, or usability as a drinking water source through causes not attributable to natural stream processes affecting surface water or subsurface processes affecting groundwater;~~
- ~~(4) Adds an unnatural surface film on the water;~~
- ~~(5) Adversely changes other chemical, biological, thermal, or physical condition, in any surface water or stream channel;~~
- ~~(6) Degrades the quality of ground water; or~~
- ~~(7) Harms human life, aquatic life, or terrestrial plant and wildlife.~~

~~Pollutant includes but is not limited to dredged soil, solid waste, incinerator residue, garbage, wastewater sludge, chemical waste, biological materials, radioactive materials, rock, sand, dust, paints, varnishes and solvents, cooking grease, detergents, degreasers, industrial waste, sediment, nutrients, toxic substances, pesticides, herbicides, trace metals, automotive fluids, petroleum-based substances, and oxygen-demanding materials.~~

~~Pollute means the discharge of pollutants into waters of the state.~~

~~Pollution means the direct or indirect distribution of pollutants into waters of the state.~~

~~Premises means any building, lot, parcel of land, or portion of land whether improved or unimproved including adjacent sidewalks and parking strips.~~

~~Storm drainage system~~ means publicly-owned facilities by which ~~storm water~~~~stormwater~~ is collected and/or conveyed, including but not limited to any roads with drainage systems, municipal streets, gutters, curbs, inlets, piped storm drains, pumping facilities, retention and detention basins, natural and human-made or altered drainage channels, reservoirs, and other drainage structures.

~~Storm water~~~~Stormwater~~ means any surface flow, runoff, and drainage consisting entirely of water from any form of natural precipitation, and resulting from such precipitation.

~~Storm water~~~~Stormwater~~ ~~pollution prevention plan (SWPPP)~~ means a document which describes the best management practices and activities to be implemented by a person or business to identify sources of pollution or contamination at a site and the actions to eliminate or reduce pollutant discharges to ~~storm water~~~~stormwater~~, ~~storm water~~~~stormwater~~ conveyance systems, and/or receiving waters to the maximum extent practicable.

~~Wastewater~~ means any water or other liquid, other than uncontaminated ~~storm water~~~~stormwater~~, discharged from a facility.

~~Waters of the state~~ means all streams, lakes, ponds, marshes, watercourses, waterways, wells, springs, reservoirs, aquifers, irrigation systems, drainage systems and all other bodies or accumulations of water, surface or underground, natural or artificial, public or private, which are contained within, flow through, or border upon the State of Minnesota or any portion thereof.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-29. - Administration.

The city shall administer, implement, and enforce the provisions of this ~~chapter~~~~article~~. Any powers granted or duties imposed upon the city may be delegated in writing by the city administrator to persons or entities acting in the beneficial interest of or in the employ of the city.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-30. - Compatibility with other regulations.

This ~~chapter~~~~article~~ is not intended to modify or repeal any other ordinance, rule, regulation, or other provision of law. The requirements of this ~~chapter~~~~article~~ are in addition to the requirements of any other ordinance, rule, regulation, or other provision of law, and where any provision of this ~~chapter~~~~article~~ imposes restrictions different from those imposed by any other ordinance, rule, regulation, or other provision of law, whichever provision is more restrictive or imposes higher protective standards for human health or the environment shall control.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-31. - Ultimate responsibility.

The standards set forth herein and promulgated pursuant to this ~~chapter~~ article are minimum standards; therefore, this ~~chapter~~ article does not intend or imply that compliance by any person will ensue that there will be no contamination, pollution, or unauthorized discharge of pollutants.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-32. - Discharge prohibitions.

(a) *Prohibition of illicit discharges.*

(1) No person shall cause an illicit discharge or otherwise allow an illicit discharge into the storm drainage system, and no person shall throw, drain, or otherwise discharge, cause or allow others under its control to throw, drain or otherwise discharge into the storm drainage system any pollutants or waters containing any pollutants, other than ~~storm water~~ stormwater, except as follows:

- a. The following discharges are exempt from discharge prohibitions established by this ~~chapter~~ article: water line flushing, landscape irrigation, diverted stream flows, rising groundwater, uncontaminated groundwater infiltration, uncontaminated pumped groundwater, discharges from potable water sources, foundation drains, air conditioning condensation, irrigation water, springs, water from crawl space pumps, footing drains, lawn watering, individual residential car washing, flows from riparian habitats and wetlands, street wash water, de-chlorinated swimming pool water, and any other water source not containing a pollutant.
  1. For swimming pool discharges, water shall sit seven (7) days without the addition of chlorine to allow for chlorine to evaporate before discharge.
  2. Discharge of swimming pools, crawl spaces, sump pumps, footing drains and other sources that may be determined to contain sediment or other forms or pollutants may not be discharged directly to a gutter or storm sewer. This discharge must be allowed to flow over a vegetated area to allow filtering of pollutants, evaporation of chemicals and infiltration of water consistent with the ~~storm water~~ stormwater requirements of the city.
- b. Discharges or flow from firefighting, and other discharges specified in writing by the city as being necessary to protect public health and safety.
- c. Discharges associated with dye testing; however this activity requires a written notification to the city prior to the time of the test.
- d. The prohibition shall not apply to any non-~~storm water~~ stormwater discharge permitted under an NPDES permit, waiver, or waste discharge order issued to the discharger and administered under the authority of the MPCA, provided that the discharger is in full compliance with all requirements of the permit, waiver, or

order and other applicable laws and regulations, and provided that written approval has been granted for any discharge to the storm drain system.

- (2) No person shall throw, deposit, leave, maintain, keep or permit to be thrown, deposited, left, or maintained, in or upon any public or private property, driveway, parking area, street, alley, sidewalk, component of the storm drainage system, or water of the state, any refuse, rubbish, garbage, litter, or other discarded or abandoned objects, articles, and accumulations, so that the same may cause or contribute to pollution. Waste deposited in streets in proper receptacles for the purposes of collection are exempted from this prohibition.

(b) *Prohibition of illegal connections.*

- (1) The construction, use, maintenance or continued existence of illegal connections to the storm drain system is prohibited.
- (2) This prohibition expressly includes, without limitation, illegal connections made in the past, regardless of whether the connection was permissible under law or practices applicable or prevailing at the time of connection.
- (3) A person is considered to be in violation of this ~~chapter-article~~ if the person connects a line conveying sewage to the storm drainage system, or allows such a connection to continue.
- (4) Improper connections in violation of this ~~chapter-article~~ must be disconnected and redirected, if necessary, to an approved onsite wastewater management system or the sanitary sewer system upon approval of the city.
- (5) Any drain or conveyance that has not been documented in plans, maps or equivalent, and which may be connected to the storm sewer system, shall be located by the owner or occupant of that property upon receipt of written notice of violation from the city requiring that such locating be completed. Such notice will specify a reasonable time period within which the location of the drain or conveyance is to be determined, that the drain or conveyance be identified as storm sewer, sanitary sewer or other, and that the outfall location or point of connection to the storm sewer system, sanitary sewer system or other discharge point be identified. Results of these investigations are to be documented and provided to the city.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-33. - Watercourse protection.

Every person owning property through which a watercourse passes, or such person's lessee, shall keep and maintain that part of the watercourse within the property free of trash, debris, yard waste, excessive vegetation, and other obstacles that would pollute, contaminate, or significantly retard the flow of water through the watercourse. In addition, the owner or lessee shall maintain existing privately owned structures within or adjacent to a watercourse,

so that such structures will not become a hazard to the use, function, or physical integrity of the watercourse.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-34. - Industrial or construction activity discharges.

Submission of notice of intent (NOI) to the city.

- (1) Any person subject to an industrial or construction activity NPDES ~~storm water~~stormwater discharge permit shall comply with all provisions of such permit. Proof of compliance with said permit is required in a form acceptable to the city prior to the allowing of discharges to the storm drainage system.
  - a. Industrial activity includes activities subject to NPDES industrial ~~storm water~~stormwater permits as defined in 40 CFR Section 122.26(b)(14).
  - b. Construction activity includes activities subject to NPDES construction permits. These include construction projects resulting in land disturbance of one (1) acre or more. Such activities include but are not limited to clearing and grubbing, grading, excavating, and demolition.
- (2) The operator of a facility, including construction sites, required to have an NPDES permit to discharge ~~storm water~~stormwater associated with industrial activity shall submit a copy of the NOI to the city at the same time the operator submits the original NOI to the EPA as applicable.
- (3) The copy of the NOI must be delivered to the city either in person or by mailing it to: Notice of Intent to Discharge ~~Storm Water~~Stormwater, City of Willmar Public Works Director, 333 SW 6th Street, Willmar, MN 56201
- (4) A person commits an offense if the person operates a facility that is discharging ~~storm water~~stormwater associated with industrial activity without having submitted a copy of the NOI to do so to the city.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-35. - Prevention, control and reduction of ~~storm water~~stormwater pollutants.

The city will adopt requirements identifying best management practices for any activity, operation, or facility which may cause or contribute to pollution or contamination of ~~storm water~~stormwater, the storm drain system, or waters of the United States. The owner or operator of such activity, operation, or facility shall provide, at their own expense, reasonable protection from accidental discharge of prohibited materials or other wastes into the municipal storm drain system or watercourses through the use of these structural and non-structural BMPs. Further, any person responsible for a property or premise that is, or may be, the source of an illicit discharge, may be required to implement, at said person's expense, additional

structural and non-structural BMPs to prevent the further discharge of pollutants to the storm drainage system. Compliance with all terms and conditions of a valid NPDES permit authorizing the discharge of ~~storm-water~~stormwater associated with industrial activity, to the extent practicable, shall be deemed compliance with the provisions of this ~~chapter~~article. These BMPs shall be part of a ~~storm-water~~stormwater management plan (SWMP) as necessary for compliance with requirements of the NPDES permit.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-36. - Accidental discharges and spills.

Notwithstanding other requirements of law, as soon as any person responsible for a facility or operation, or responsible for emergency response for a facility or operation has information of any known or suspected release of materials which are resulting or may result in illegal discharges or pollutants discharging into ~~storm-water~~stormwater, the storm drain system, or waters of the United States, said person shall take all necessary steps to ensure the discovery, containment, and cleanup of such release so as to minimize the effects of the discharge. In the event of such a release of hazardous materials said person shall immediately notify emergency response agencies of the occurrence via emergency dispatch services. In the event of a release of non-hazardous materials, said person shall notify the city in person or by phone no later than the next business day. If the discharge of prohibited materials emanates from a commercial or industrial establishment, the owner or operator of such establishment shall also retain an on-site written record of the discharge and the actions taken to prevent its recurrence. Failure to provide notification of a release as provided above is a violation of this ~~chapter~~article.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-37. - Right of entry.

- (a) The city, through its public works director or his or her designee, shall be entitled and permitted to enter and inspect properties and facilities at reasonable times subject to regulation under this ~~chapter~~article as often as may be necessary to determine compliance with this ~~chapter~~article. If a property or facility has security measures in force which require proper identification and clearance before entry into its premises, the owner or operator shall make the necessary arrangements to allow access to representatives of the city. Any temporary or permanent obstruction to safe and easy access to the area to be inspected or sampled shall be promptly removed by the discharger at the request of the public works director or other designee and shall not be replaced.
- (b) The owner or operator shall allow the city ready access to all parts of the premises for the purposes of inspection, sampling, visual recording, examination and copying of any records needed to determine compliance with this ~~chapter~~article that must be maintained in accordance with the ordinance, permit or required by state or federal law.

- (c) Unreasonable delays in allowing the city access to a facility is a violation of this [chapterarticle](#).
- (d) The public works director or his or her designee may require the discharger to install monitoring equipment or other such devices as are necessary to conduct monitoring and/or sampling of the premises' [storm-waterstormwater](#) discharge. The monitoring equipment must be maintained by the discharger in a safe and proper operating condition at all times. All devices used to measure [storm-waterstormwater](#) flow and quality must be calibrated in order to ensure their accuracy.
- (e) *Administrative search warrant.* If the public works director or his or her designee has been refused access to any part of the premises from which [storm-waterstormwater](#) is being discharged, and he or she is able to demonstrate probable cause to believe there may be a violation of this article, or that there is a need to inspect, test, examine or sample as part of a routine program designed to verify compliance with this section or any order issued hereunder, or to protect the overall public health, safety and welfare, then the city may seek issuance of an administrative search warrant from any court of competent jurisdiction.

(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-38. - Enforcement.

- (a) *Notice of violation.* Whenever the city, through its public works director or his or her designee ("enforcement officer") finds that a violation of this [chapterarticle](#) has occurred, the city may order compliance by providing written notice of violation to the responsible person. Such notice must include the following information:
  - (1) The name and address of the alleged violator;
  - (2) The address when available or a description of the building, structure or land upon which the violation is occurring, or has occurred;
  - (3) A statement specifying the nature of the violation;
  - (4) A description of the remedial measures necessary to restore compliance with this article and a time schedule for the completion of such remedial action; and
  - (5) A statement of the actions that will be taken by the city if there is no compliance with the order.
- (b) *Remedial measures.* The city may order remedial measures including without limitation:
  - (1) The performance of monitoring, analyses and reporting;
  - (2) The elimination of illegal connections or illicit discharges;
  - (3) Discharges, practices, or operations in violation of this section to cease and desist;
  - (4) The abatement or remediation of [storm-waterstormwater](#) pollution or contamination hazards and the restoration of any affected property; and

(5) The implementation of source control or treatment BMPs.

(c) If abatement of a violation or restoration of affected property is required, the order or notice shall set forth a deadline within which such remediation or restoration must be completed. Said order or notice shall further advise that, should the offending party fail to remediate or restore within the established deadline, the work will be done by a designated governmental agency or a contractor and the expense thereof may be charged to the violator.

(d) *Emergency cease and desist orders.* When the city finds that any person has violated, or continues to violate, any provision of this [chapter article](#), or any order issued hereunder, or that the person's past violations are likely to recur, and that the person's violation(s) has (have) caused or contributed to an actual or threatened discharge to the storm drainage system or waters of the state which reasonably appears to present an imminent or substantial endangerment to the health or welfare of persons or to the environment, the city may issue an order to the violator directing it immediately to cease and desist all such violations in lieu of a notice of violation to the violator or other action directing the violator to:

(1) Immediately comply and stop or eliminate the endangering discharge;

(2) Take such appropriate preventative action as may be needed to properly address a continuing or threatened violation, including, but not limited to, immediately halting operations or terminating the discharge; and

(3) Immediately comply with all requirements of this [chapter article](#) and other applicable laws and regulations.

In the event of a person's failure to immediately comply with the emergency cease and desist order, the city may take such steps as deemed necessary to prevent or minimize harm to the storm drain system or waters of the state, or endangerment to persons or to the environment, including immediately terminating the facility's water supply, sewer connection, or other municipal utility services. The city may allow the person to recommence the discharge activities when he or she has demonstrated to the satisfaction of the city that the period of endangerment has passed, unless further termination proceedings are initiated against the person under this article. A person that is found by the city to be responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement, describing the causes of the harmful discharge and the measures taken to prevent any future occurrence to the MPCA within thirty (30) days of receipt of the emergency cease and desist order. Issuance of an emergency cease and desist order shall not be a bar against, or a prerequisite for, the city taking any other action against the violator.

In the event that a violation or suspected violation occurs which constitutes an immediate danger to public health and safety, the city is authorized to, in lieu of an emergency cease and desist order or notice of violation, enter upon the subject property without giving prior notice, to take any and all measures necessary to abate the violation and preserve public health and safety.

(e) *Suspension of storm drainage system access.*

- (1) The city may, without prior notice, suspend storm drainage system access to a person when such suspension is necessary to stop an actual or threatened discharge which presents or may present imminent and substantial danger to the environment, or to the health or welfare of persons, or to the storm drainage system or waters of the state. If the violator fails to comply with a suspension order issued in an emergency, the city may take such steps as necessary to prevent or minimize damage to the storm sewer system or waters of the state, or to minimize danger to persons.
  - (2) Any person discharging to the storm drainage system in violation of this [chapterarticle](#) may have their storm drainage system access terminated if such termination would abate or reduce an illicit discharge. Such suspension may also be imposed if it is necessary to stop an actual or threatened discharge which presents or may present imminent and substantial danger.
- (f) In the event that the abatement or restoration work is performed by the city, the city may charge the violator for its costs and expenses associated with the work. If the bill received for abatement or restoration is not paid within thirty (30) days, the city may draw the amount of the bill from any financial guarantees or security that the city may be holding or may certify the amount to the county for collection with the property taxes.
- (g) Violation of any provision of this article may be enforced by civil action including an action for injunctive relief and by any administrative penalties approved by the city. In addition to the enforcement processes and penalties provided, any condition caused or permitted to exist in violation of any of the provisions of this [chapterarticle](#) is a threat to public health, safety and welfare, and is declared and deemed a nuisance, and may be summarily abated or restored at the violator's expense or a civil action to abate, enjoin or otherwise compel the cessation of such nuisance may be taken.
- (h) Any person, firm or corporation failing to comply with or violating any of the provisions of this [chapterarticle](#), shall be deemed guilty of a misdemeanor, and each day during which any violation of any of the provisions of this [chapterarticle](#) is committed, continued or permitted, shall constitute a separate offense.
- (i) In addition to the enforcement processes and penalties provided, any condition caused or permitted to exist in violation of any of the provisions of this [chapterarticle](#) is a threat to public health, safety, and welfare, and is declared and deemed a nuisance, and may be summarily abated or restored at the violator's expense; and/or a civil action to abate, enjoin, or otherwise compel the cessation of such nuisance may be taken.

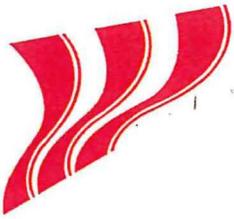
(Ord. No. 1334, § 1, 10-1-12)

Sec. 17-39. - Appeal.

- (a) Administrative decisions and enforcement actions by city staff may be appealed by the applicant to the city administrator as follows:

- (1) The appeal must be filed in writing with the city clerk within ten (10) business days of the date of the decision or enforcement action.
  - (2) The written appeal shall specify in detail the action appealed from, the errors allegedly made by the enforcement officer giving rise to the appeal, a written summary of all oral and written testimony the applicant intends to introduce at the hearing, including the names and addresses of all witnesses the applicant intends to call, copies of all documents the applicant intends to introduce at the hearing, and the relief requested.
  - (3) The enforcement officer shall specify in writing the reasons for the enforcement action, a written summary of all oral and written testimony the enforcement officer intends to introduce at the hearing, including the names and addresses of all witnesses the enforcement officer intends to call, and copies of all documents the enforcement officer intends to introduce at the hearing.
  - (4) The city clerk shall notify the applicant and the enforcement officer by ordinary mail, of the date, time and place for the hearing. The hearing shall be scheduled for a date not less than four (4) or more than twenty (20) days after the filing of the appeal.
  - (5) The city administrator shall hear and render a decision on the appeal after the hearing. The decision shall be in writing and shall state the reasons for the decision. The city clerk shall notify the applicant and the enforcement officer by mail of the decision.
- (b) The applicant may appeal a decision of the city administrator to the city council, by written notice of appeal filed with the city clerk. Such appeal shall be filed within ten (10) business days of the date of the administrator's decision. The decision of the city administrator shall remain in effect pending appeal to the city council, unless otherwise directed by the city council. The city council, in its sole discretion, may agree to hear the appeal and make a final decision or may decline to hear the appeal, in which case the decision of the city administrator shall be final.

(Ord. No. 1334, § 1, 10-1-12)



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Jill Bengtson, Kandiyohi County Housing and Redevelopment Authority</b>	<b>Subject: Small Cities Development Program Pre-Application</b>

**AGENDA ITEM: HRA request to submit a Pre-Application on behalf of the City to Minnesota DEED for 2018 Small Cities Development Program funding.**

**INTRODUCTION/REQUEST:**

The HRA would like to submit a Pre-Application to Minnesota DEED requesting \$ 1,214,145 in grant funds to administer a Small Cities Development Program that would include funds for Commercial Rehab, Homeowner Rehab and a Rental Housing Acquisition/Rehab Project. The City would be the applicant and grantee if awarded funds. The HRA would administer the funds on the City’s behalf.

DEED has a two-step application process to request funds. The first-step is to submit a “Pre-application” to DEED on November 9, 2017. DEED reviews pre-applications received from all cities and selects a smaller number of cities to move to the second step of submitting a full application on February 22, 2018. DEED will announce funding awards in June 2018.

The Commercial Rehab activity would provide approximately 13 downtown business owners 0%, 7-yr deferred loans not to exceed \$40,000.

The Homeowner Rehab Program would provide approximately 13 northside homeowners with 0%, 10-yr deferred loans not to exceed \$25,000.

The commercial and homeowner target areas selected (maps attached) coincide with the majority of businesses and homeowners also impacted by the district heating system shutdown. This program could assist with the customers’ cost to move to an alternative heat source. The HRA has held several meetings with business owners and homeowners in the targeted areas to discuss the rehab programs and determine level of interest in receiving SCDP funds. As of this memo date, there are 25 businesses and 22 homeowners interested in the program. Fifteen of the business owners and 13 homeowners are on the district heat system.

The Rental Housing Acquisition/Rehab activity would provide the Southwest Minnesota Housing Partnership a \$600,000, 0%, 30-year deferred forgivable loan to assist in acquiring and rehabbing the Hanson Apartments located at 401, 405, 409, and 413 Lakeland Drive SE. The primary purpose of the project is to ensure the preservation and rehabilitation of the 56-unit property as affordable housing. Gross rent for 1-bedroom units will range between \$521-\$546. Gross rent for 2-bedroom units will be \$724. The Southwest Minnesota Housing Partnership was selected by Minnesota Housing in October 2017 to receive funds for the approximately \$6.5 million acquisition/rehab project. The \$600,000 request

to DEED would fill the gap needed to complete the project and receive Minnesota Housing financing.

**HISTORY:** The HRA has administered SCDP funding for the City in the past with the most recent grants in 2012 and 2009. The 2012 funds were used for commercial, homeowner and rental rehab. The 2009 funds were used for commercial and homeowner rehab.

**CURRENT CIRCUMSTANCE:** The northside is one of the city's oldest neighborhoods. As stated in the 2015 Kandiyohi County Housing Study, "Investment in owner-occupied housing rehabilitation activities will be critical to offering affordable housing opportunities". There is continued need to invest in the city's housing stock to maintain or increase property values and attract future homeowners. Discontinuing the district heating system provides an extra reason to seek funding for northside homeowners and downtown business owners. The Southwest Minnesota Housing Partnership's award of funding from Minnesota Housing will benefit 56 Willmar households with the preservation of affordable rental housing. Including this activity in the SCDP application will solidify the funding package and move the project to implementation.

**RECOMMENDATION:** Allow the Kandiyohi County Housing and Redevelopment Authority to submit a pre-application to the Minnesota Department of Employment and Economic Development requesting Small Cities Development Program funds for commercial, homeowner and rental rehab.

**FINANCIAL IMPACT:**

\$253,837 for commercial loans
\$286,000 for homeowner loans
\$600,000 for rental rehab loan
<u>\$74,308</u> for HRA administration costs
\$1,214,145 TOTAL

**ALTERNATIVES:**

1. Do not submit the pre-application. Under this alternative, funds will not be available to businesses, homeowners and the Southwest Minnesota Housing Partnership.

**RECOMMENDED MOTION:** Submit a \$1,214,145 Small Cities Development Program pre-application (signed by Mayor Calvin) to the Minnesota Department of Employment and Economic Development for commercial, homeowner and rental rehab activities.

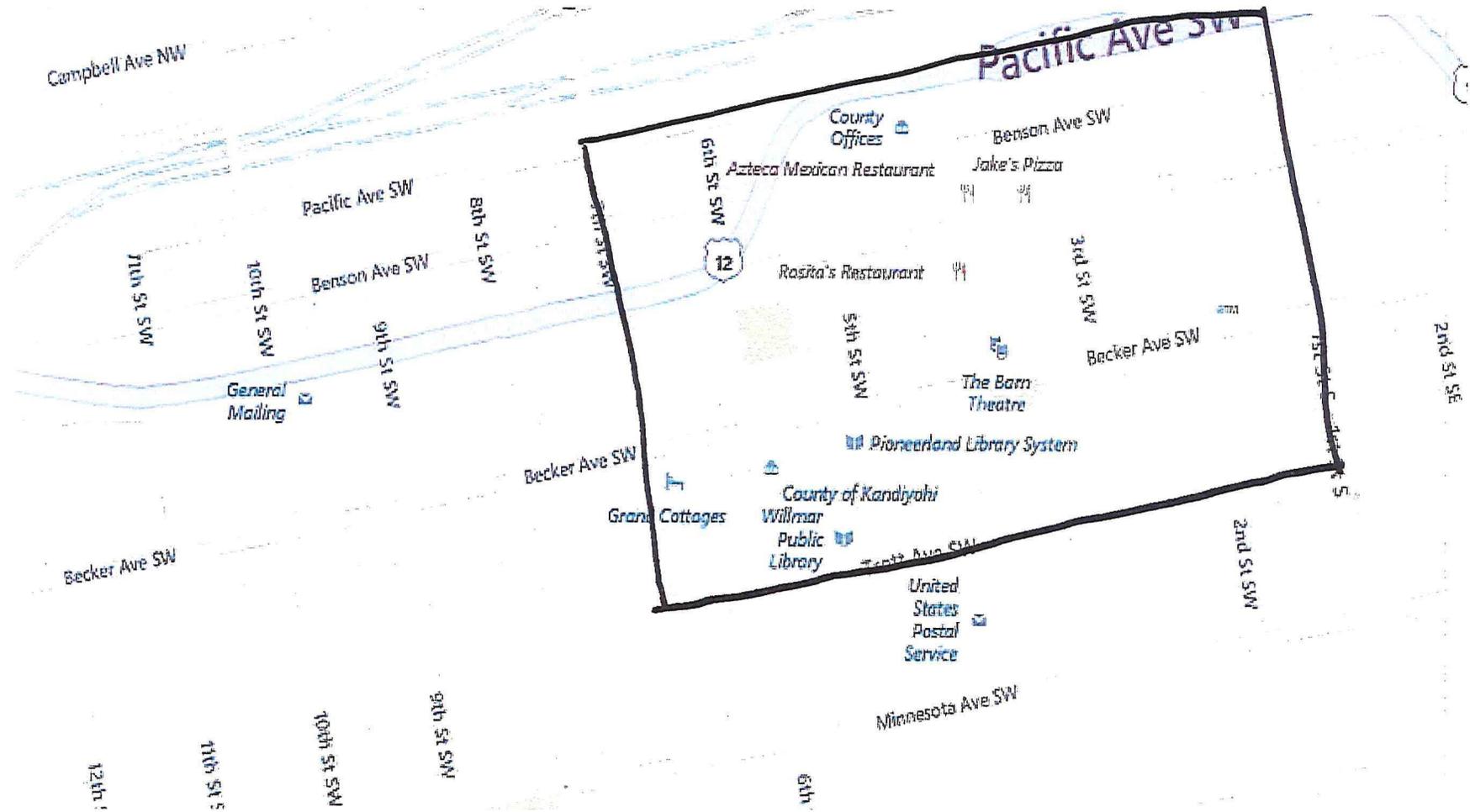
*Note:* A resolution for the project will need to be passed by the City prior to a final application being submitted to DEED if invited to do so for the February 22, 2018 deadline.

**REVIEWED BY:** Jill Bengtson

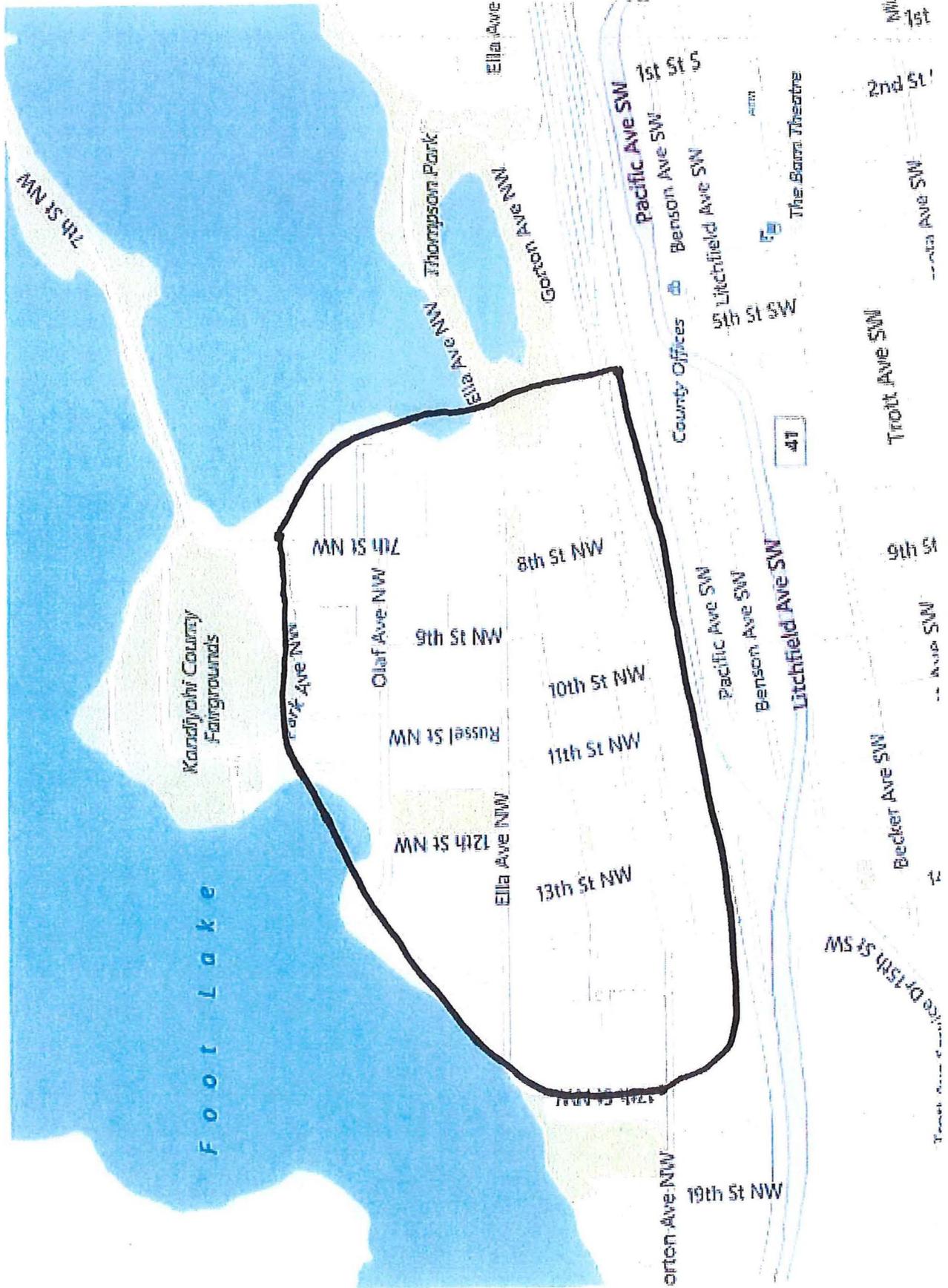
**WORK SESSION DATE:** November 6, 2017

**COUNCIL MEETING DATE:** November 6, 2017

# 2018 Willmar SCDP Commercial Target Area



# 2018 Willmar SCDP Homeowner Target Area





**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Steve Okins, Finance Director</b>	<b>Subject: 2017 General Obligation Street Improvement Financing Series 2017A</b>

**AGENDA ITEM: 2017 General Obligation Street Improvement Series 2017A**

**INTRODUCTION/REQUEST:** To consider the following:

1. Hold a public hearing to take testimony on the ordinance authorizing issuance of \$1,100,000 General Obligation Improvement Bonds, Series 2017A and the levying of taxes to secure payment.
2. Adopt a resolution authorizing the sale of General Obligation Improvement Bonds, Series 2017A.

**HISTORY:** Previous City Council action has approved the 2017 General Obligation Improvement Bonds, Series 2017A, in the amount of \$1,100,000.

**CURRENT CIRCUMSTANCE:** Set a public hearing and adopt a resolution authorizing the sale of bonds.

**RECOMMENDATION:** To set a public hearing to take testimony on the ordinance authorizing issuance of \$1,100,000 General Obligation Improvement Bonds, Series 2017A and the levying of taxes to secure payment.

**ISSUES:** None.

**FINANCIAL IMPACT:** Issuing of \$1,100,000 of General Obligation Improvement Bonded Indebtedness to help finance the 2017 Street Improvements.

**ALTERNATIVES:** Not issue bonds and seek other financing.

**RECOMMENDED MOTIONS:** 1) To set a public hearing to take testimony on the ordinance authorizing issuance of \$1,100,000 General Obligation Improvement Bonds, Series 2017A, and the levying of taxes to secure payment; and 2) To adopt a resolution authorizing the sale of General Obligation Improvement Bonds, Series 2017A.

**REVIEWED BY:** Finance Director Steve Okins/City Administrator Ike Holland

**WORK SESSION DATE:** November 6, 2017

**COUNCIL MEETING DATE:** November 6, 2017

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,100,000  
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2017A  
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>
2017 Improvement Project	\$2,410,237	\$1,100,000	\$693,808

2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of \$1,100,000.

3. For the purposes of complying with Minnesota Statutes, Section 475.61, there is hereby 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 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 Councilmember \_\_\_\_\_  
This Ordinance introduced on November 6, 2017  
Hearing notice published on \_\_\_\_\_  
This Ordinance given a hearing on November 20, 2017  
This Ordinance adopted on November 20, 2017  
This Ordinance published on \_\_\_\_\_

EXTRACT OF MINUTES OF A MEETING OF THE  
CITY COUNCIL OF THE  
CITY OF WILLMAR, MINNESOTA

HELD: November 6, 2017

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Willmar, Minnesota, was duly held at the Municipal Utilities Building in said City on the 6th day of November, 2017, at 7:00 o'clock P.M.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION NO. \_\_\_\_\_  
RESOLUTION CALLING FOR PUBLIC HEARING ON AN  
ORDINANCE AUTHORIZING THE ISSUANCE  
OF \$1,100,000 GENERAL OBLIGATION IMPROVEMENT  
BONDS, SERIES 2017A AND LEVYING TAXES FOR  
THE PAYMENT THEREOF

WHEREAS:

A. The City of Willmar has heretofore undertaken to construct certain improvements pursuant to Minnesota Statutes, Chapter 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 in the principal amount of \$1,100,000 to finance 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 \_\_\_\_\_ introduced an Ordinance entitled "An Ordinance Authorizing the Issuance of \$1,100,000 General Obligation Improvement Bonds, Series 2017A".

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 Municipal Utilities Building in the City of Willmar, Minnesota, at 7:00 o'clock p.m. on the 20<sup>th</sup> day of November, 2017 said proposed Ordinance is as follows:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF \$1,100,000  
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2017A  
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>
2017 Improvement Project	\$2,410,237	\$1,100,000	\$693,808

2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of \$1,100,000.

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 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 2018 and ending in or about the year 2027 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 \_\_\_\_\_ and upon a 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.

STATE OF MINNESOTA )  
COUNTY OF KANDIYOHI) ss.  
CITY OF WILLMAR )

I, the undersigned, being the duly qualified and acting Clerk of the City of Willmar, Minnesota, DO HEREBY CERTIFY that I have carefully compared the attached and foregoing extract of minutes with the original minutes of a meeting of the City Council held on the date therein indicated, which are on file and of record in my office, and the same is a full, true and complete transcript therefrom insofar as the same relates to resolution calling for public hearing on an Ordinance Authorizing Issuance of \$1,100,000 General Obligation Improvement Bonds, Series 2017A.

WITNESS my hand as such Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
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: November 6, 2017</b>
<b>From: Robert Scott, City Attorney</b>	<b>Subject: Set Public Hearing to Consider Hospital Operating Lease</b>

**AGENDA ITEM:** Public hearing to consider the proposed Operating Lease Agreement with Carris Health, LLC( Carris) and CentraCare Health Systems (CCH) related to the City’s Rice Memorial Hospital.

**INTRODUCTION/REQUEST:** The City Council will be asked to set a public hearing, to consider the proposed Operating Lease Agreement with Carris and CCH.

**HISTORY:** The proposed Operating Lease, among other terms, will provide that the rental payments to be made by Carris to the City will equal or exceed the amount required to pay the principal of and interest when due on the (i) General Obligation Hospital Revenue Refunding Bonds, Series 2012A (Rice Memorial Hospital Project) originally issued in the principal amount of \$40,910,000 and (ii) Hospital Revenue Notes, Series 2013 (Rice Care Center Project) originally issued in the principal amount of \$9,100,000 (collectively, the “Hospital Bonds”), of the City. The principal of and interest on the Hospital Bonds are expected to be paid from the rental payments to be made by Carris under the Lease. A public hearing is required before the Hospital Bonds may be converted to qualified 501(c)(3) bonds in connection with the proposed operating lease.

**CURRENT CIRCUMSTANCE:** Rice Memorial Hospital is operated by the City, through the Rice Memorial Hospital Board.

**RECOMMENDATIONS:** Set the required public hearing for the November 20, 2017 regular meeting.

**ISSUES:**

**FINANCIAL IMPACT:** None.

**ALTERNATIVES:** N/A

**RECOMMENDED MOTION:** Set a Public Hearing to consider the proposed Operating Lease Agreement with Carris and CCH for November 20, 2017 at 7:00 p.m. during the City Council’s regular meeting at the Council Chambers at the Municipal Utilities Building, 700 Litchfield Avenue Southwest.

**REVIEWED BY:** Ike Holland, City Administrator

**WORK SESSION DATE:**

**COUNCIL MEETING DATE:** November 6, 2017

Regular Agenda     Consent Agenda

## **NOTICE OF PUBLIC HEARING**

### **CITY OF WILLMAR, MINNESOTA**

NOTICE IS HEREBY GIVEN that the City Council of the City of Willmar, Minnesota (the "City") will conduct a public hearing on November 20, 2017 commencing at 7:00 p.m. or as soon thereafter as the matter may be heard at the Municipal Utilities Building in the City. The purpose of the hearing will be to hear testimony, orally or in writing, on a proposal that the City enter into a Lease (the "Lease") with Carris Health, LLC, a Minnesota nonprofit limited liability company ("Carris") and CentraCare Health System, a Minnesota nonprofit corporation and the sole member of Carris ("CentraCare"). Under the terms of the Lease, Carris will lease and operate Rice Memorial Hospital, a 136-bed acute care hospital with services facility located at 301 Becker Avenue SW in the City and certain related health care facilities including Rice Hospice; Rice Care Center located at 1801 Willmar Ave. SW in the City; and Rice Home Medical facilities located at 1033 19th Avenue SW, Willmar, Minnesota; 115 18th Avenue W, Alexandria, Minnesota; 105 6th Avenue, Madison, Minnesota; and 1020 E Bridge Street, Redwood Falls, Minnesota (collectively, the "Facilities").

The Lease, among other terms, will provide that the rental payments to be made by Carris will equal or exceed the amount required to pay the principal of and interest when due on the (i) General Obligation Hospital Revenue Refunding Bonds, Series 2012A (Rice Memorial Hospital Project) originally issued in the principal amount of \$40,910,000 and (ii) Hospital Revenue Notes, Series 2013 (Rice Care Center Project) originally issued in the principal amount of \$9,100,000 (collectively, the "Hospital Bonds"), of the City. The principal of and interest on the Hospital Bonds are expected to be paid from the rental payments to be made by the Carris under the Lease.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may file written comments respecting the proposal with the City Clerk at or prior to the public hearing.

**OPERATING LEASE AGREEMENT  
BY AND AMONG  
CITY OF WILLMAR, MINNESOTA,  
CENTRACARE HEALTH SYSTEM,  
AND  
CARRIS HEALTH, LLC**

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## OPERATING LEASE AGREEMENT

**THIS OPERATING LEASE AGREEMENT** (the “**Agreement**”), has been entered into as of this \_\_\_ day of \_\_\_\_\_, 2017, by and among the **City of Willmar, Minnesota**, a Minnesota home rule charter city of the third class (the “**City**”), CentraCare Health System, a Minnesota nonprofit corporation (“**CentraCare**”) and Carris Health, LLC, a Minnesota nonprofit limited liability company (“**Carris**”).

### PREAMBLE

**WHEREAS**, the City owns a 136-bed acute care hospital located at 301 Becker Avenue SW, Willmar, Minnesota, known as Rice Memorial Hospital (the “**Hospital**”), which has been established pursuant to Minnesota Statutes § 447.05 and is operated under the authority of a board of directors appointed in accordance with Minnesota Statutes § 447.07 (the “**Rice Board**”) and certain related health care facilities including Rice Care Center, Rice Home Medical, Rice Hospice (collectively, with the Hospital, referred to herein as the “**Rice Facilities**”); and

**WHEREAS**, the City has issued (i) \$40,910,000 General Obligation Hospital Revenue Refunding Bonds, Series 2012A (Rice Memorial Hospital Project) and (ii) \$9,100,000 Hospital Revenue Notes, Series 2013 (Rice Care Center Project) (collectively, the “**Hospital Bonds**”), the proceeds of which have been used to finance improvements at the Rice Facilities; and

**WHEREAS**, Carris is a wholly-owned subsidiary of CentraCare, which operates a health care system providing services in multiple locations throughout Central Minnesota, including six acute care hospitals. Carris has been established by CentraCare to, among other things, assume the day-to-day operations of the Rice Facilities and, in connection therewith, to acquire certain operating assets, employees and operations of the Rice Facilities; and

**WHEREAS**, the City, upon the recommendation of the Rice Board, and following a thorough analysis, public input and consultation with legal counsel, has concluded that it is in the best interests of the residents of the City and the community served by the Rice Facilities to enter into an Affiliation Agreement by and among the City, the Rice Board, Carris and CentraCare, dated as of the date hereof (the “**Affiliation Agreement**”), in order to (i) provide more integrated and effective care to residents of the City and the surrounding area, (ii) more effectively recruit and retain physicians and other health professionals to serve the people in the area, (iii) enhance the competitive position of the Rice Facilities, (iv) strengthen the position of the Hospital as an independent provider of health care in the service area and (v) provide a source of payment for the obligations of the City under the Hospital Bonds that is not dependent on the results of operation of the Rice Facilities; and

**WHEREAS**, Carris intends to acquire the assets, employees and operations of the Rice Facilities along with the assets, employees and operations of **Affiliated Community Medical Centers, P.A.**, a Minnesota professional corporation which operates a multi-specialty physician group practice consisting of physicians and other providers who are members of the medical staff of the Hospital (“**ACMC**”) in order to facilitate achievement of the objectives set forth above; and

**WHEREAS**, the City, acting pursuant to its statutory authority under Minnesota Statutes § 447.47, will lease, and transfer the operations of, the Rice Facilities to Carris on the terms and

conditions set forth herein and Carris will, during the term of this Agreement, maintain services at the Rice Facilities consistent with the terms of this Agreement, continue to make capital investments in the Rice Facilities, and operate the Rice Facilities in a manner consistent with Carris' charitable purposes and tax-exempt status;

**NOW, THEREFORE**, in consideration of the premises, covenants and agreements set forth in this Agreement, the parties hereto agree as follows:

**ARTICLE I**  
**DEFINITIONS**

The following words, terms or phrases, when used in this Agreement, shall have the following meanings, unless the context clearly indicates a different meaning:

1.1 "ACMC" has the meaning set forth set forth the Recitals hereto.

1.2 "Affiliation Agreement" has the meaning set forth the Recitals hereto.

1.3 "Assigned Contracts" means the agreements entered into in connection with Rice Operations before the Possession Date, including, but not limited to, those real property leases listed on the attached Exhibit 1.3(a) and those other contracts listed on the attached Exhibit 1.3(b).

1.4 "Assumed Liabilities" means any and all liabilities, indebtedness, commitments, or obligations of any nature, of the City, the Rice Facilities relating to, or arising out of, Rice Operations, whether known or unknown, fixed or contingent, recorded or unrecorded, currently existing or hereafter arising, other than the Excluded Liabilities, including, but not limited to the following:

(a) All payment obligations, other obligations and liabilities arising under the Assigned Contracts listed on the attached Exhibits 1.3(a) and 1.3(b);

(b) Any materialmen, mechanics or other liens against the Leased Assets or the Transferred Assets;

(c) All accounts payable, trade payables and similar liabilities arising out of Rice Operations;

(d) All payment obligations, other obligations and other liabilities arising in connection with the license agreements listed on the attached Exhibit 1.4(d)

(e) All payment obligations, other obligations and other liabilities arising in connection with the easements listed on the attached Exhibit 1.4(e);

(f) All liabilities and obligations relating to or arising under the terms of any Health Plan Contract;

(g) All claims or potential claims for medical malpractice or general liability relating to acts or omissions asserted to have occurred in connection with Rice Operations;

(h) All federal, state or local tax liabilities or obligations arising from Rice Operations including, without limitation, any withholding tax, franchise tax, tax recapture, sales and/or use tax, FICA, FUTA, and workers' compensation taxes;

(i) All employee liabilities arising from Rice Operations, including, but not limited to, liabilities associated with any employee benefit plan maintained for persons employed at the Rice Facilities, whether arising before or after the Possession Date, or for any and all claims by or on behalf of such employees relating to periods prior to the Possession Date including, without limitation, liability for any compensation-related payments, deferred compensation, incentive compensation, fringe benefit, tuition reimbursement, severance, termination pay, change in control or retention payments, bonuses or any other employee benefit plan of whatever kind or nature or any employee health and welfare benefit plans, liability for any EEOC claim, ADA claim, FMLA claim, wage and hour claim, unemployment compensation claim, or workers' compensation claim, and any liabilities or obligations to former employees under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended; any obligation or liability accruing, arising out of, or relating to any collective bargaining agreements relating to employees at the Rice Facilities;

(j) All civil or criminal obligations or liabilities arising in connection with Rice Operations accruing, arising out of, or relating to any federal, state or local investigations of, or claims or actions against, the City, the Rice Facilities or any of officer, employee, medical staff, or other agent thereof;

(k) All liabilities or obligations arising as a result of any breach by the City, Rice Facilities of any contract or commitment in connection with Rice Operations;

(l) All liabilities arising from, or relating to, any violation or claim of a violation by Rice Facilities of any obligation or claim of an obligation against any Rice Facility to investigate, assess, mitigate, conduct a removal action or remediate under any law or regulation relating to the protection of the environment including liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986;

(m) Any fines, penalties or other payments, or repayments, required to be made to any governmental entity (including, but not limited to, return of overpayments made by Medicare) under the federal Anti-Kickback Law, federal Physician Self-Referral Law, federal False Claims Act, federal Civil Monetary Penalties Law and other similar federal and state laws in connection with the operation and use of Rice prior to the Possession Date; and

(n) All liabilities incurred by the City for acts or omissions attributable to its elected officials, employees or agents pertaining to the ownership or operation of the Rice Facilities, or to any member of the Rice Board or the officers, employees or agents of Rice Facilities, in either case on or before the Possession Date, together with the benefit of (i) all of the defenses, privileges and immunities afforded by applicable law (including,

without limitation, Minnesota Statutes, Chapter 466) and (ii) insurance with respect to such liabilities maintained by the City.

1.5 “Base Rent” has the meaning set forth in Section 3.1(a) below.

1.6 “Bond Reserves” means all funds (including, but not limited to, debt service reserve funds) held or otherwise required to be maintained under the Bond Documents.

1.7 “Bond Documents” means such resolutions as were adopted by the City Council on January 17, 2012 and December 2, 2013 governing the issuance of the Hospital Bonds; the Security and Covenant Agreement, dated December 31, 2013, between the City and the Banks party thereto; the Security and Covenant Agreement, dated March 4, 2014, between the City and the Banks party thereto; and the Security Agreement, dated December 31, 2013, between Rice Home Medical, LLC and the Banks party thereto.

1.8 “Breach Notice” has the meaning set forth in Section 11.6(a) below.

1.9 “Carris” has the meaning set forth in the introductory paragraph of this Agreement.

1.10 “Carris Board” means the Board of Governors of Carris as established under the terms of the Carris Operating Agreement.

1.11 “Carris Operating Agreement” has the meaning set forth in Section 5.1 below.

1.12 “City” has the meaning set forth in the introductory paragraph of this Agreement.

1.13 “City Council” means the City Council of the City.

1.14 “City Indemnified Parties” has the meaning set forth in Section 3.3 below.

1.15 “Code” means the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Law.

1.16 “Enforcement Action” has the meaning set forth in Section 11.6(a) below.

1.17 “Excluded Liabilities” means all of the obligations of the City with respect to

(a) The Hospital Bonds, provided, however, that the Leased Assets or Transferred Assets shall remain subject to all liens, security interests and other encumbrances, if any, created with respect thereto under the terms of the Hospital Bonds or the Bond Documents. Although the City shall continue to be solely responsible for the Excluded Liabilities, Carris and CentraCare shall be responsible for funding the payment of principal and interest on the Hospital Bonds as and when due through its payment of Base Rent as provided in Section 3.1(a); and

(b) Any liabilities relating to Rice employees’ pension through the Public Employees Retirement Association of Minnesota.

1.18 “Guarantee Agreement” has the meaning set forth in Section 3.1(c) below.

1.19 “Health Plan Contracts” means all health plan participation, provider, and/or reimbursement agreements of the Rice Facilities listed on attached Exhibit 1.19.<sup>1</sup>

1.20 “Hospital” has the meaning set forth in the Recitals hereto.

1.21 “Hospital Bonds” has the meaning set forth in the Recitals hereto.

1.22 “Hospital Medical Staff” means all medical, dental and mid-level health professionals holding appointment to the Medical Staff of the Hospital as of the Possession Date.

1.23 “Improved Transferred Assets” has the meaning set forth in Section 4.3 below.

1.24 “Improvements to Leased Assets” has the meaning set forth in Section 7.3 below.

1.25 “Initial Term” has the meaning set forth in Section 2.2 below.

1.26 “Intergovernmental Transfer” has the meaning set forth in Section 3.1(b) below.

1.27 “Inventories of Supplies” means all items of consumable personal property located at, or used exclusively in connection with the Rice Operations that are owned by the City or any Rice Facility as of the Possession Date.

1.28 “Investment Fund” means the investments in fixed income securities reflected under the heading “Other Assets” on the Rice balance sheet.

1.29 “IP License” has the meaning set forth in Section 2.4 below.

1.30 “IRS” means the Internal Revenue Service.

1.31 “Leased Assets” means the City’s interest in all of the following, subject to the rights of third parties pursuant to any Assigned Contracts: the real property comprising of the Rice Facilities, which is more specifically described on the attached Exhibit 1.31, including all buildings and surrounding parking areas, improvements, fixtures, furnishings or other types of personal property incorporated into or affixed to any part of such buildings located as of the Possession Date, and any other property or equipment financed or re-financed with the proceeds of the Hospital Bonds. Further, for purposes of this Agreement, the term “Leased Assets” shall include all additions, alterations, improvements, changes and deletions in and to all or any part of the Leased Assets either before or after the Possession Date.

1.32 “Material Adverse Change” means any event, occurrence, fact, condition or change that is individually, or in the aggregate, materially adverse to the business, results of operations condition (financial or otherwise) or assets of the Rice Facilities.

1.33 “New Property” has the meaning set forth in Section 4.3 below.

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<sup>1</sup> Exhibit will list the Medicare, Medicaid, CHAMPUS/TRICARE, or other government or any commercial payor programs in connection with Rice Operations.

1.34 “Possession Date” means the date on which possession of the Leased Assets and ownership of the Transferred Assets are conveyed to Carris subject to the terms and conditions set forth in Article XII hereof, which the parties anticipate will occur as of January 1, 2018.

1.35 “Possession Date Working Capital” means \$9,000,000; provided, however, that in the event this Agreement is terminated pursuant to Section 11.2 (uncured breach by the City), Section 11.3(c) (failure of Rice Board to approve proposed improvements to the Rice Facilities) or pursuant to Section 11.3(a) or (b)(expiration of Term), then Possession Date Working Capital means \$9,000,000 less any amounts that Carris was required to pay during the first three (3) years of the Term relating to the Assumed Liabilities under Section 1.5(g) through Section 1.5(n) that were not accrued as of the Possession Date.

1.36 “Prepayment Election” has the meaning set forth in Section 3.1(d) below.

1.37 “Renewal Term” has the meaning set forth in Section 2.2 below.

1.38 “Rice Accounts Receivable” means all amounts owed to the City, the Hospital or any other Rice Facility in connection with Rice Operations as of the Possession Date whether actually billed as of the Possession Date or whether work in progress remaining to be billed.

1.39 “Rice Assets” collectively means the Leased Assets, the Transferred Assets and all other property acquired by Carris or any of its affiliates or subsidiaries after the Possession Date relating to Rice Operations.

1.40 “Rice Funds” means all of the City’s right, title and interest in or to all cash, bank accounts, savings and loan accounts, certificates of deposit, money market accounts, treasury bills, investments (whether debt or equity, liquid or illiquid), reserves, or other cash items held in the name of, or on behalf of, the City as of the Possession Date in connection with Rice Operations, including the Investment Fund but excluding any Bond Reserves.

1.41 “Rice Intellectual Property” means all copyrights, copyright applications, trade names, assumed or corporate names, trademarks or service marks, software licenses and related applications listed on the attached Exhibit 1.41 and any other intellectual property rights used in connection with Rice Operations existing as of the Possession Date,

1.42 “Rice Operating Expenses” means all costs and expenses, of any nature, associated the operation of the Rice Facilities, including, but not limited to, all Assumed Liabilities and all costs of maintenance and repair of Leased Assets, Transferred Assets, Improved Transferred Assets and New Property, utilities, equipment rental, professional fees, salaries, wages, employee benefits, permit fees, license fees, taxes, assessments and governmental charges and penalties that may be lawfully assessed or levied against or otherwise attributable to the business operations of the Rice Facilities during the Term.

1.43 “Rice Operations” means all health care, administrative and related or ancillary activities conducted in connection with the operation of the Rice Facilities either prior to the Possession Date or during the Term.

1.44 “Renewal Term” has the meaning set forth in Section 2.2 below.

- 1.45 “Rice Board” means the Board of Directors of Rice Memorial Hospital.
- 1.46 “Rice Facilities” has the meaning set forth in the Recitals hereto.
- 1.47 “Section 501(c)(3) Organization” has the meaning set forth in Section 5.3(a) below.
- 1.48 “Taking” has the meaning set forth in Section 8.2 below.
- 1.49 “Term” has the meaning set forth in Section 2.2 below.
- 1.50 “Transfer” has the meaning set forth in Section 11.5(a) below.
- 1.51 “Transferred Assets” means the following assets:

(a) All right, title, control and interest (whether held in the name of the City, the Hospital or any other Rice Facility) in the tangible and intangible personal property used in Rice Operations, including machinery, furniture and equipment, movable medical and office equipment, but specifically excluding any personal property incorporated into or affixed to the real property that is included in the Leased Assets;

(b) All interests of the City or the Rice Facilities, third party entities, joint ventures or partnerships relating to Rice Operations, including without limitation, the 50% partnership interest held by the Hospital in WMS (including real property owned by WMS or a subsidiary of WMS);

(c) The Rice Accounts Receivable;

(d) The gifts, bequests, donations or other endowments specifically given for the benefit of or restricted to the use of Rice or any part thereof, provided, however, that Carris will observe all conditions applicable to such gifts;

(e) All rights to receive goods or services, to use and occupy personal and leased real property or to receive payment for goods or services rendered, or other benefits arising under the Assigned Contracts;

(f) All Inventories of Supplies;

(g) All trade secrets and other confidential information concerning the operation or use of Rice not in the public domain and in existence on the Possession Date;

(h) All books and records and other documents and information relating to the Rice Assets and/or used in the operation of Rice, including, without limitation, all patient medical records, hospital charts, patient lists, literature, inventory records, purchase orders and invoices, sales orders and sales order log books, patient information, patient and payor correspondence, employee payroll and personnel records, and educational and promotional literature of every kind and nature, provided, however, all existing records shall be preserved pursuant to the City’s retention schedule;

- (i) Rice's current telephone listings and the right to use the telephone numbers currently being used at Rice;
- (j) All Rice Funds;
- (k) Any prepaid expenses arising from the operation or use of Rice in existence on the Possession Date;
- (l) The right to any and all recovery from all collection cases in progress on the Possession Date for goods furnished or services rendered by Rice;
- (m) All rights under the license agreements listed on the attached Exhibit 1.4(d);  
and
- (n) All Health Plan Contracts.

1.52 "Transferred Employees" has the meaning set forth in Section 5.10(a) below.

1.53 "WMS" means Willmar Medical Services, LLP, a Minnesota limited liability partnership of which the Hospital and ACMC is each a 50% partner.

1.54 "Working Capital Reconciliation" has the meaning set forth in Section 11.4(a)(i) below.

## ARTICLE II LEASE OF ASSETS

2.1 Lease of Leased Assets. In consideration of the agreements set forth in this Agreement, effective as of the Possession Date, the City shall lease and demise the Leased Assets to Carris on the terms and conditions set forth in this Agreement, and Carris shall lease the Leased Assets from the City on such terms and conditions, to have and to hold for the Term, as defined in Section 2.2 below.

2.2 Lease Term and Renewal. Subject to the further provisions of this Agreement, the initial term (the "**Initial Term**") of the lease shall commence on the Possession Date and expire at 11:59 p.m. on the day immediately prior to the thirtieth (30th) anniversary of the Possession Date. If Carris is then in material compliance with all of the terms and conditions of this Agreement for which the City has not waived any noncompliance, then this Agreement shall automatically renew upon the same terms and conditions, for one additional term beginning on the 30th anniversary of the Possession Date and continuing, unless earlier terminated, until 11:59 p.m. on the day immediately prior to the sixtieth (60th) anniversary of the Possession Date (the "**Renewal Term**"). The Initial Term and the Renewal Term, if any, are collectively referred to in this Agreement as the "**Term**." If Carris does not desire to renew this Agreement after the Initial Term, Carris shall provide written notice to the City of such non-renewal on or before the twenty-eighth (28th) anniversary of the Possession Date, and this Agreement shall be terminated under Section 11.3.

2.3 Transfer of Transferred Assets. In consideration of the covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the City shall, or shall

cause, all of the Transferred Assets to be transferred, assigned and conveyed to Carris as of the Possession Date, subject to the terms and conditions set forth in this Agreement. To the extent accounts receivable from governmental payors are not assignable to Carris under law or otherwise, such accounts receivable will be collected by Carris acting as the agent for the Hospital or the respective Rice Facility pursuant to the terms of a Billing Agent Agreement in substantially the form attached hereto as Exhibit 2.3.

**2.4 Rice Intellectual Property.** During the term of the Lease, the City shall grant Carris an exclusive, royalty-free, nontransferable, non-sublicenseable, and non-assignable license to use the Rice Intellectual Property pursuant to the terms of a Licensing Agreement in substantially the form attached hereto as Exhibit 2.4 (the “**IP License**”).

**2.5 Carris Profits.** All rents, profits, gains, and other income derived from the Leased Assets and the Transferred Assets and the proceeds of accounts receivable and other assets generated in connection with Rice Operations during the Term shall be the sole property of Carris and will inure to and for the exclusive benefit of Carris. The profits realized by Carris, whether before, during or after the Term, shall not be subject to return to City upon termination of this Agreement or any other provision of this Agreement; provided, however, that this sentence is not intended to limit Carris’ liability for its specific obligations to make payments to the City, or for any event of default by it, under this Agreement.

### ARTICLE III CONSIDERATION

In consideration of the City’s lease of the Leased Assets to Carris, the transfer of the Transferred Assets and income earned on such Transferred Assets to Carris, and all other promises and responsibilities of the City set forth in this Agreement, Carris agrees as follows:

**3.1 Rent.**

(a) Carris shall pay rent to the City in the amounts as set forth on attached Exhibit 3.1(a), which amounts are equal to the principal and interest payments on the Hospital Bonds (“**Base Rent**”). Base Rent shall be due and payable on the dates set forth in Exhibit 3.1(a) and the obligation of Carris to make payments of Base Rent shall be unconditional. The City shall apply all payments of Base Rent to make principal and interest payments on the Hospital Bonds as and when due.

(b) Carris shall make additional payments to the City during the Term, or until the thirtieth anniversary of the Possession Date in the event of a Transfer, in an initial amount of \$300,000 per annum (the “**Intergovernmental Transfer**”), payable in equal monthly installments. Intergovernmental Transfer shall be due and payable by the 25th day of each calendar month (or the next succeeding business day). The amount of annual Intergovernmental Transfer shall be increased with respect to any year by the same percentage as the tax levy increase of the City for such year, but in no event more than 3% of the amount of the prior year’s Intergovernmental Transfer Amount.

(c) All payments of Base Rent and Intergovernmental Transfer shall be made by wire transfer or other mutually agreed upon means of immediately available funds to

the bank account of the City specified in Exhibit 3.1(a) or in subsequent wiring instructions delivered by the City to Carris; provided, however, that the City may require that payments of Base Rent be remitted by Carris directly to the respective bond trustees or other paying agents for the Hospital Bonds to make the payment of principal and interest then due on the Hospital Bonds. Pursuant to a Guarantee Agreement attached as Exhibit 3.1(c) (the “**Guarantee Agreement**”), CentraCare shall guarantee Carris’ obligations to make all payments of Base Rent and Intergovernmental Transfer.

(d) At any time during the Term, Carris may elect to pay an amount to the City equal to the amount (including principal, accrued interest and prepayment premiums or penalties) necessary to allow the City to pay off the Hospital Bonds to the extent allowed under the terms of the Hospital Bonds (a “**Prepayment Election**”). Carris shall provide the City with not less than 90 days’ prior written notice of a Prepayment Election. Upon its remittance of cash equal to the entire amount necessary to prepay the Hospital Bonds (which, at the election of the City may be remitted directly to the respective bond trustees or other paying agents for the Hospital Bonds), (i) the City will apply such cash to the repayment of the Hospital Bonds and take such steps as necessary to release Leased Assets and Transferred Assets from any lien, security interest or other encumbrance thereon securing the City’s obligations under the Hospital Bonds, (ii) the obligation of Carris to make further payments of Base Rent shall terminate and (iii) any amounts remaining in the Bond Reserves shall be remitted by the City to Carris.

(e) The City acknowledges that the amounts held in the debt reserve account are dedicated to the Existing Bonds, and in the event that there is a reduction in the amount of the required debt reserve or Carris elects to pay off the Existing Bonds, then the amounts held in the debt reserve account shall be used to pay off the Existing Bonds.

**3.2** Payment of Operating Expenses and Taxes. During the Term, Carris shall pay, or otherwise cause to be paid, satisfied or discharged all Rice Operating Expenses as and when due; provided, however, that with respect to taxes, assessments or governmental charges and penalties that may lawfully be paid in installments, Carris shall be obligated to pay only such installments as are due and payable during the Term. Carris may, at its expense and in its own name and behalf (or, to the extent lawful and pertaining to Assumed Liabilities, in the name and behalf of the City), contest in good faith any such Rice Operating Expenses provided that such proceedings have the effect of preventing the forfeiture of the Leased Assets. The City will cooperate reasonably with Carris, at Carris’ expense, in any such contest. Any settlement by Carris of any claim that could potentially involve Assumed Liabilities shall require sixty (60) days prior written notice to the City.

**3.3** Indemnification by Carris

. Anything in this Agreement to the contrary notwithstanding, Carris hereby agrees to pay, protect, indemnify, defend and hold harmless, the City and each of its current or former elected officials, employees, officers, agents and contractors and each current or former member of the Rice Board (“City Indemnified Parties”) from and against any and all claims, losses, liabilities, damages, expenses and costs, including attorneys’ fees, incurred by any City Indemnified Party relating to, arising out of or otherwise associated with the Assumed Liabilities, the conduct of

Carris' business operations (including, but not limited to Rice Operations by Carris during the Term) or any challenges to the transactions contemplated under this Agreement. Carris shall procure and maintain director and officer liability insurance coverage with respect to the performance or nonperformance of the duties of the City officers and directors and Rice Board prior to the Possession Date. Carris shall also indemnify and hold the City Indemnified Parties harmless from any and all claims, losses, liabilities, damages, expenses and costs, including attorneys' fees, including those relating to an inquiry or adverse determination by the IRS related to the Hospital Bonds arising out of Rice Operations by Carris during the Term. The terms of this Section 3.3 shall survive expiration or any earlier termination of this Agreement.

**3.4 Indemnification by City.** Anything in this Agreement to the contrary notwithstanding, the City shall, at its own cost and expense, pay, protect, indemnify, and defend Carris, and hold Carris harmless, from and against all claims, causes of action, suits, demands, liabilities, damages, penalties, judgments, and expenses, including reasonable attorneys' fees, which may be imposed upon, incurred by, or asserted against Carris arising from or by reason of any of the Excluded Liabilities (other than resulting from a breach by Carris of its obligations under this Agreement) or any breach by the City of its obligations under this Agreement.

**3.5 Third Party Claims.** In the event of any action or proceeding involving a claim for which a party seeks to be indemnified under Section 3.3 or Section 3.4, the party providing such indemnity may, to the full extent permitted by law, assume the defense of such third party action or proceeding at its own cost and expense and upon written notice to the indemnified party; provided, however, that in the event of any inquiry or proceeding by the IRS with respect to the Hospital Bonds, Carris shall not have any right to respond to or assume the defense thereof. In all cases, the indemnified party shall reasonably cooperate in the defense of any such action or proceeding; provided that any expense incurred by the indemnified party as the result of that cooperation shall be paid for by the indemnifying party.

#### **ARTICLE IV** **OPERATION, MAINTENANCE, EXPENSES, TAXES AND INSURANCE**

**4.1 Operation and Maintenance of Rice.** Carris shall have sole responsibility for the management, operation, administration and maintenance of the Leased Assets, and shall (i) maintain, preserve and keep the Leased Assets in good condition, repair and working order and free and clear of all liens, security interests or other encumbrances other than those imposed under the terms of the Hospital Bonds, (ii) purchase, repair or replace any and all equipment necessary to meet then-current state licensure and Medicare certification requirements of the Hospital and the other Rice Facilities. The City acknowledges and agrees that Carris may, at its own expense, make or cause to be made any and all additions, alterations, changes and deletions in and to all or any part of the Leased Assets as Carris, in its sole discretion, deems necessary or appropriate, including without limitation additional fixed or movable equipment or other personal property, except as may otherwise be provided in this Agreement or the Bond Documents. If Carris is required to repair any of the Leased Assets, and the repair is attributable to conditions for which the City is the holder of a manufacturer's, supplier's, or contractor's warranty or guaranty, the City shall, upon written notice from Carris, undertake all reasonable steps, including legal action, to exercise the City's rights under and recover upon such warranty or guaranty; provided, however, that all expenses and costs, including legal fees, incurred in connection with the exercise of those

rights shall be borne by Carris. In the event of recovery by the City, the City agrees to promptly remit all proceeds from the recovery, whether in cash or in kind, to Carris.

**4.2 Insurance.** Carris will, at its expense, carry such type and amount of insurance concerning the Leased Assets as is required to satisfy the Bond Documents and related documents governing the Hospital Bonds. Such insurance shall include, without limitation, “all-risk” property insurance, insuring both the City and Carris each as their interests may appear. In addition, Carris will, at its expense, carry comprehensive general liability insurance, worker’s compensation insurance and professional liability insurance, in amounts determined by the Carris Board and consistent with policy limits for CentraCare hospitals of a similar size and nature. Subject to the requirements of Section 3.2, the Bond Documents and related documents governing the Hospital Bonds, Carris may elect to obtain such insurance as is required by this Section 4.2 by means of policies issued by insurance companies, or, at Carris’ election, partially by means of self-insurance in conjunction with other companies through an insurance trust or other arrangement, or wholly by means of self-insurance. All liability insurance policies maintained pursuant to this Section 4.2 will name the City as an additional insured party. The proceeds of any property insurance on any Leased Asset will be applied as required by the Bond Documents, as long as the Hospital Bonds remain outstanding, and then as provided in Article VIII of this Agreement.

**4.3 New Machinery and Equipment.** Subject to the terms of the Bond Documents or associated covenants under the Hospital Bonds, during the Term, in its discretion and at its cost, Carris may (a) install replacement or additional items of fixed or movable machinery, equipment or other types of personal property (“**New Property**”), in or at the Hospital or any other Rice Facility included in the Leased Assets, and (b) improve, replace or enhance the Transferred Assets (“**Improved Transferred Assets**”). Subject to the terms of the Bond Documents or associated covenants under the Hospital Bonds, all New Property and Improved Transferred Assets shall be considered the property of Carris.

## ARTICLE V GENERAL COVENANTS OF CARRIS

Except as otherwise provided in this Article V, Carris hereby agrees and covenants with the City to take the following actions during the Term (or such other period as may be specified below):

**5.1 Execution of Carris Operating Agreement.** Prior to the Possession Date, but effective thereon, Carris and CentraCare shall have entered into that certain Member Control and Operating Agreement in substantially the form attached hereto as Exhibit 5.1 (the “**Carris Operating Agreement**”).

**5.2 Status.** Carris shall maintain its existence as a Minnesota nonprofit limited liability company. Carris has not entered into and shall not enter into any lease, management contract, service contract, or similar arrangement which would give rise to any “private business use” of the Leased Assets as defined in the Code in an amount which would cause the Hospital Bonds to lose their tax-exempt status under the Code.

**5.3 Tax-Exempt Status; Tax Covenants.** Carris will not use, or permit the use of, the Leased Assets, directly or indirectly, in a manner that would adversely affect the exclusion from gross income of interest on the Hospital Bonds. To that end, Carris covenants that during the time any of the Hospital Bonds remain outstanding:

(a) None of the Leased Assets financed with proceeds of the Hospital Bonds will be used in any activity which constitutes: (i) an unrelated trade or business activity of Carris or any other Section 501(c)(3) Organization (as defined below), determined by applying Section 513(a) of the Code; or (ii) a trade or business of a person other than a Section 501(c)(3) Organization or a State of the United States or a political subdivision of a State of the United States, to the extent that such use would adversely affect the exclusion from gross income of interest on the Hospital Bonds. As used in this Section 5.3, "Section 501(c)(3) Organization" means an organization that is exempt from federal income taxation pursuant to Section 501(a) of the Code as a result of the application of Section 501(c)(3) of the Code.

(b) Carris shall not cause the Hospital Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code. For purposes of this Section 5.3, the Hospital Bonds are "federally guaranteed" if the payment of principal or interest with respect to the Hospital Bonds is guaranteed, directly or indirectly, in whole or in part, by the United States (or any agency or instrumentality thereof).

(c) Carris has no present intention to sell or otherwise dispose of any substantial portion of the property acquired, financed, or refinanced with the proceeds of the Hospital Bonds, in whole or in part, before the final maturity date of the Hospital Bonds except such portions of the moveable equipment as may, pursuant to the express terms of this Agreement, be disposed of in the ordinary course of business because of normal wear and tear or obsolescence. Carris has not been an obligor with respect to state or municipal obligations issued within thirty (30) days prior to the date hereof which were sold pursuant to a common plan of financing with the Hospital Bonds, and Carris does not expect to become an obligor with respect to any such obligations within thirty (30) days after the date hereof.

(d) While any portion of the Hospital Bonds remains outstanding, from and after the Possession Date, no portion of the proceeds of the Hospital Bonds will be used to provide any airplane, skybox, or other private luxury box, any facility primarily used for gambling, or a store, the principal business of which is the sale of alcoholic beverages for consumption off premises.

(e) Carris shall not cause the payment of the principal of, or interest on, more than five percent of the proceeds of the Hospital Bonds to be directly or indirectly: (i) secured by any interest in (A) property used or to be used for a private business use or (B) payments in respect of such property; or (ii) to be derived from payments in respect of property, or borrowed money, used or to be used for a private business use as defined in Section 141 of the Code (except for by a Section 501(c)(3) Organization).

(f) Carris will promptly provide City with full information as to any use of the Leased Assets financed with proceeds of the Hospital Bonds for which the City was not aware of prior to the Possession Date by anyone other than a Section 501(c)(3) Organization, including the revenues and square footage involved. Nothing in this paragraph is intended to give Carris rights to assign this Agreement or sublease any portion of the Leased Assets not granted in Section 7.2 (except for by a Section 501(c)(3) Organization) for a use that is not an unrelated trade or business.

(g) From and after the Possession Date, no portion of the proceeds of the Hospital Bonds is to be used directly or indirectly to provide residential rental property for family units.

(h) Carris has not leased, sold, assigned, granted, or conveyed and will not lease, sell, assign, grant, or convey all or any portion of the Leased Assets or any interest therein to the United States or any agency or instrumentality thereof within the meaning of Section 149(b) of the Code.

(i) Carris is, and throughout the term of the Hospital Bonds will remain, a nonprofit organization described and qualified under Section 501(c)(3) of the Code, that is not a "private foundation" as defined in Section 509(a) of the Code.

(j) There is no action, proceeding, or investigation pending or threatened on any basis therefor by the IRS or authorities of the State of Minnesota which, if adversely determined, might result in a modification of the status of Carris as a nonprofit organization described and qualified under Section 501(c)(3) of the Code.

(k) From and after the Possession Date, no part of the Leased Assets will be subject to a contract for management services except for contracts for management services which will not adversely affect the exclusion from gross income of interest on the Hospital Bonds. Carris will not enter into any research contracts that currently or in the future result in (i) another entity having an ownership interest in the Leased Assets; (ii) actual or beneficial use of the Leased Assets by another entity pursuant to a lease; or (iii) another party using the Leased Assets pursuant to a management or incentive payment contract.

(l) Carris shall operate the Leased Assets in a manner that complies with the requirements of Minnesota Statutes, Section 447.47(a), as amended from time to time.

(m) Any Improvements to the Leased Assets made by Carris during the term of this Agreement shall comply with the terms of the then outstanding Bonds to which the Leased Assets are subject.

**5.4 Bond Covenants.** As long as the Hospital Bonds remain outstanding, notwithstanding any other provision of this Agreement, Carris shall be subject to the agreements and covenants set forth in the Bond Documents, including the following.

**5.5 Licenses and Approvals.** At all times during the Term, Carris shall maintain such licenses and obtain such approvals as are deemed necessary by Carris to comply with statutes, regulations or codes applicable to the Rice Operations.

**5.6 Medicare Certification.** At all times during the Term, Carris shall maintain Medicare certification of the Hospital and the other Rice Facilities. As of the Possession Date, the City shall assign to Carris the National Provider Identifier for the Hospital the other Rice Facilities, and Carris shall assume all liabilities associated therewith.

**5.7 Medical Staff.** On or before the Possession Date, Carris shall adopt the Bylaws, Rules and Regulations of Rice's Medical Staff in effect as of the Possession Date for purposes of the Hospital and shall extend privileges to all members of Rice's Medical Staff then in compliance with such Bylaws, Rules and Regulations on identical terms as in effect as of the Possession Date. Carris shall maintain an open Medical Staff, in compliance with the conditions to the bequest of real and personal property to the City by Cushman Albert Rice for purposes of establishing the Hospital, unless it determines otherwise based on the best interests of the community it serves.

**5.8 Consents, Licenses and Approvals.** Carris shall take all actions it deems necessary or appropriate to obtain and maintain in full force and effect any consents, licenses, permits and approvals necessary in connection with this Agreement, Rice Operations, or the furtherance of Carris' purposes.

**5.9 Commitments to Serve the Community.**

(a) The Hospital and the other Rice Facilities shall be open to all residents of the communities they serve on equal terms. Carris agrees that it will not discriminate against any person in admission, treatment or participation in its programs, services or activities or deny any person the full and equal enjoyment of its facilities, accommodations, goods, advantages or privileges based on race, color, national origin, ethnicity, culture, language, disability, age, creed, religion, sex, marital status, sexual orientation, gender identity or expression, socioeconomic status or other protected class status as provided by applicable law.

(b) Carris will operate the Hospital and the other Rice Facilities as a charitable health care organization in accordance with the "community benefit standards" as they apply to 501(c)(3) hospital nonprofit corporations, including the (i) acceptance of all Medicare and Medicaid patients, (ii) acceptance of all emergency patients without regard to ability to pay, (iii) maintenance of an open medical staff, (iv) provision of public health programs of educational benefit to the community, and (v) general promotion of public health, wellness, and welfare to the community through the provision of health care at a reasonable cost.

**5.10 Transfer of City Employees.**

(a) Each employee of Rice who is actively employed or on a leave of absence from such active employment on the Possession Date will be offered employment by Carris, as applicable, with comparable position, hours and benefits, and at the wage or salary provided as of the Possession Date, subject only to the following pre-employment screening requirements: (i) professional licensure that is presently required for the position at Rice; (ii) criminal and professional background check; (iii) immigration law compliance; and (iv) any other legally mandated requirements. Employees hired under this Section 5.10

are referred to as “**Transferred Employees.**” Continued employment of Transferred Employees by Carris will be subject to Carris’ policies and procedures.

(b) Eligibility for benefits for Transferred Employees will begin on the first day of employment at Carris. Carris shall treat employee service with Rice prior to the Possession Date as having been service with Carris and will waive, to the extent permitted by law, any length of service requirements, waiting periods, vesting periods or differential benefits based on length of service in any such employee benefit plans and defined contribution plans for which Transferred Employees may be eligible after the Possession Date.

(c) Carris will grant credit for all unused paid time off (PTO) accrued by Transferred Employees before the Possession Date, provided that such PTO credit effectively eliminates any claim for a payout of accrued PTO by such Transferred Employees. If a Transferred Employee does not consent to such credit, then the City will pay out all such accrued PTO as of the Possession Date, and the Transferred Employee will not be granted PTO credit.

(d) Carris will assume all collective bargaining agreements relating to the Transferred Employees in place on the Possession Date subject to adjustment to reflect the National Labor Relations Act.

**5.11 Reports.** Carris will provide a report to the City Council and the Rice Board within one hundred eighty (180) days of the end of each year and on a more frequent basis as requested by the Rice Board (a) with respect to the fulfillment of by Carris of its obligations and covenants under Sections 5.12 and 5.13 hereof and such other information as the City or the Rice Board may reasonably request in order to understand and confirm Carris’ fulfillment of such obligations and covenants, (b) audited financial statements of CentraCare within one hundred eighty (180) days of the end of each fiscal year of CentraCare, and (c) audited financial statements of Carris within one hundred eighty (180) days of the end of each fiscal year of Carris. Carris shall also timely provide any reports and information as necessary to meet the requirements and covenants of the Bond Documents.

**5.12 Service Commitments.**

(a) Carris agrees that it will continue to operate the Hospital in the City of Willmar as a licensed general acute care hospital and at minimum a Level 3 or such appropriate status trauma center and furnish such health care services as are deemed necessary and appropriate by the Carris Board, which services in the City of Willmar shall include inpatient beds, emergency department, surgery services, therapy services, ambulance services, and obstetrical services and will not materially limit, reduce or eliminate such core services without the prior approval of the Rice Board. Nothing herein shall limit in any manner the right and ability of Carris to perform any health care service at the Hospital that it may otherwise lawfully perform.

(b) Carris shall work collaboratively with the Rice Board to maintain and expand physician specialty services at the Hospital, which may include cardiology, gastroenterology, orthopedics, kidney care or specialties.

(c) Amounts in the Investment Fund shall be used solely for purposes of making capital investments in, or otherwise supporting the operations of, Carris in providing services in the geographic areas served by Rice Facilities as of the Possession Date.

### **5.13 Capital Investments.**

(a) Carris will make such capital expenditures as are determined by the Carris Board to be necessary and appropriate for the provision of the scope of healthcare services at the Hospital and as are consistent with the service commitments referred to in Section 5.12 above. During the initial ten years of the Term, Carris shall invest at least \$32 million in aggregate in capital expenditures at the Hospital. Additional capital expenditures by Carris may also be evaluated and funded if determined to be advisable by the Carris Board and CentraCare.

(b) The capital commitment set forth in this Section 5.13 shall be unconditional and is specifically not subject to any financial performance or profitability parameters of, or applicable to, Carris or CentraCare. The capital commitments are anticipated to be funded primarily through cash flow of Carris and Carris' cash and investment balances, including amounts in the Investment Fund. To the extent those sources are not adequate to fund the capital commitments, Carris may borrow funds to finance such capital expenditures or CentraCare will fund the additional amounts necessary to fully fund such capital commitments out of its own net cash flow and cash balances and, if necessary, from funds borrowed by CentraCare under its borrowing arrangements.

(c) CentraCare and Carris shall provide to the Rice Board written annual reports that identify the capital expenditures made during the relevant period and cumulative since the Possession Date. Carris shall provide such additional information as reasonably requested by the Rice Board in order to understand and confirm CentraCare's and Carris' fulfillment of its obligations under this Section 5.13.

**5.14 Corporate Support.** At the request of Carris, CentraCare shall provide requested corporate functions and services, including back office services, physician recruitment assistance, operational support services, and quality and patient safety programs to Carris on the same cost basis as such functions and services are provided to other hospitals owned and operated by CentraCare or its affiliates reflecting the proportional amount of services that CentraCare provides to Carris.

**5.15 Branding.** During the Term, Carris will operate the Hospital under the name "Rice Memorial Hospital." The name and logo of the Hospital may include references to CentraCare or Carris following the Possession Date and the Hospital's logo may be modified by Carris from time to time.

**5.16 Rice Health Foundation.** During the Term, Carris will (a) allow the Rice Health Foundation to continue to use space in the Leased Assets for its community programming efforts and meetings, without charge and on a schedule and level consistent with such efforts and meetings that occurred prior to entering into this Agreement; and (b) ensure that Rice Health Foundation receives administrative support commensurate with such support given by Hospital prior to entering into this Agreement. At its discretion, but subject to prior approval of the Rice Board and the Rice Health Foundation Board, Carris may consolidate the Rice Health Foundation with the CentraCare Health Foundation; provided, however, that in the event of such consolidation, all funds held by the Rice Health Foundation at the time of the consolidation will be dedicated exclusively for use in, and the benefit of, the Willmar area.

**5.17 Rice Portraits.** At all times during the Term, Carris will continue to display the three life-sized oil paintings of Lt Gov. Albert E. Rice, Sophia L. Rice, and Cushman Albert Rice in their current location at the Hospital or in such other locations in the Hospital as shall be approved in advance by the Rice Board.

#### **GENERAL COVENANTS OF CITY**

The City hereby agrees and covenants with Carris to take the following actions during the Term (or such other period as may be specified below):

**6.1 Operation in Ordinary Course.** The City shall conduct Rice Operations from the date of this Agreement until the Possession Date in the ordinary course of business.

**6.2 Consents and Notices.** The City, prior to the Possession Date, shall obtain such consents and give such notices as may be required in connection with the assignment to Carris of the Assigned Contracts and the assumption by Carris of the Assumed Liabilities. The City shall provide Carris satisfactory evidence on or before the Possession Date that the City has obtained all such consents and given such notices.

**6.3 Cooperation with Carris.** The City shall cooperate reasonably with Carris in any manner necessary to enable Carris to fulfill its obligations and exercise its rights under this Agreement.

**6.4 Update to Exhibits, Accounts Receivable, Accounts Payable Reports.** No later than three (3) business days prior to the Possession Date, the City shall deliver to Carris (i) updated Exhibits to reflect any changes occurring since the date of this Agreement and (ii) updated accounts receivable and accounts payable reports.

**6.5 Liens and Encumbrances.** The City shall not suffer or permit any liens or encumbrances (other than any liens or encumbrances which may exist on the Possession Date) to be filed or exist against the Leased Assets except with the consent of Carris.

**6.6 Sole and Exclusive Possession.** Subject to satisfaction by Carris of its obligations under this Agreement, the City shall deliver to Carris sole and exclusive possession of the Leased Assets, and shall allow Carris to take and enjoy peaceful, quiet and undisputed possession of the Leased Assets, subject to the rights of third parties in such assets.

6.7 No Transfer. So long as Carris is not in default hereunder, the City shall not transfer its interest in the Leased Assets, except with the consent of Carris.

6.8 Eminent Domain. The City shall take no action to exercise the power of eminent domain or to cause any other governmental authority or person, firm or corporation acting under governmental authority to exercise such power over any of the Leased Assets.

**ARTICLE VII**  
**SALE, AFFILIATION, ASSIGNMENT, SUBLETTING AND IMPROVEMENTS**

7.1 Restrictions on Sale of Leased Assets.

(a) During the Term, and so long as Carris is not in default hereunder, the City shall not, without first obtaining the prior affirmative consent of Carris, authorize any transaction providing for the sale or other disposition of any of the Leased Assets.

(b) During the Term, without the prior affirmative consent of the City, (i) Carris will not sell, convey or otherwise transfer any of the Leased Assets, other than for the disposition of obsolete or non-functional equipment, furnishings or other types of personal property that are replaced pursuant to Section 4.3 hereof in the normal course of business, and (ii) CentraCare will remain the sole member of Carris and will not sell, convey or otherwise transfer any of its membership in Carris or admit any other party as a member of Carris; provided, however that CentraCare may transfer its membership interests in Carris to an affiliate of CentraCare; provided that such transfer shall not relieve CentraCare from any of its obligations under this Agreement.

7.2 Assignment and Subletting. Except as otherwise provided in this Agreement, neither Carris nor CentraCare shall assign this Agreement or its rights, duties and obligations hereunder to a third party without the prior written consent of the City, and the City shall not assign this Agreement or its rights, duties and obligations hereunder to a third party without the prior written consent of CentraCare. Notwithstanding the foregoing, Carris may (i) sublet any portion of the Leased Assets or (ii) enter into a contract for the management of one or more departments of the Leased Assets, such as radiology or emergency room, in each instance to healthcare professionals or business entities having expertise in the operation of such departments, so long as such sublease or management contract is consistent with state and federal laws and regulations and the terms of the Hospital Bonds; provided, however, Carris shall not enter into a sublease, management contract, service contract, or similar arrangement that would give rise to “private business use” of the Leased Assets as defined in Section 141(b)(6) of the Code in an amount that would cause the Hospital Bonds to lose their tax-exempt status under the Code.

7.3 Improvements to the Leased Assets. From time to time Carris, at its cost and expense, may make improvements to the Leased Assets (“**Improvements to the Leased Assets**”) and such changes in and additions and alterations, structural or otherwise, to the Leased Assets which Carris deems necessary or desirable for Rice Operations, provided that:

(a) The design, specification and estimated cost of any material Improvements to the Leased Assets, shall be approved by the Rice Board (including submission of the Rice Board minutes to the City Council for approval) prior to the implementation of such

Improvements to the Leased Assets; provided, however, that in the event the Rice Board does not approve any such Improvements to the Leased Assets within sixty (60) days after a written proposal with respect thereto is submitted by Carris to the Rice Board (which period may be extended by the number of days needed for Carris to provide the Rice Board with additional information relating to such proposal that the Rice Board reasonably requests), then Carris, at its option, may terminate this Agreement pursuant to Section 11.3(c).

(b) The work is performed in a good and workmanlike manner and in accordance with all applicable laws, ordinances, rules, and regulations;

(c) No improvement, change, alteration, modification or addition shall be made which impairs the structural soundness or diminishes the value of the Leased Assets;

(d) No construction, change, alteration, modification, or addition shall be undertaken until Carris has first procured and paid for all required municipal and other governmental permits and authorizations required by municipal departments and governmental subdivisions that have jurisdiction thereof;

(e) At all times during which any construction, change, alteration, modification, or addition is in process, there shall be maintained, at Carris' expense, builder's risk insurance, in an amount reasonably acceptable to the City, and worker's compensation insurance in accordance with laws governing all persons employed in connection with the construction, change, alternation, modification, or addition; and Carris shall likewise, at its own expense, maintain general public liability insurance for the mutual benefit of both Carris and the City, expressly covering the additional hazards due to the construction, change, alternation, modification, or addition; and

(f) All such Improvements to the Leased Assets shall be treated as Leased Assets for all purposes hereunder, provided, however, that in connection with the termination of this Agreement, the book value of the Improvements to the Leased Assets shall be treated as set forth in Section 11.4 of this Agreement.

## **ARTICLE VIII** **DAMAGE, DESTRUCTION AND EMINENT DOMAIN**

**8.1** Damage and Destruction. Subject to the requirements of the Hospital Bonds or other permitted indebtedness then in effect, in the case of damage or destruction by fire or other casualty of the Leased Assets, the following terms shall apply. In the event that the Leased Assets, or any portion thereof, is damaged or destroyed by any casualty, then to the extent of the proceeds of the property insurance maintained by Carris pursuant to Section 4.2, Carris shall rebuild and restore the Leased Assets to substantially their condition immediately prior to the damage or destruction, including, without limitation: (1) all mechanical, electrical, and plumbing systems serving the Leased Assets; (2) the heating, ventilation, and air conditioning systems serving the Leased Assets; (3) the roof, foundation, and interior and exterior windows and walls of the Leased Assets; and (4) all tenant improvements to the Leased Assets constructed prior to the date of such damage or destruction. The City shall have no obligation to repair any damage to, or to replace

the Leased Assets or any of Carris' personal property, furnishings, fixtures, equipment, or other such property or effects of Carris, unless said damages are caused by the City's negligence or intentional wrongdoing. Carris shall commence the repairs required of it under this Section 8.1 within three hundred sixty five (365) days of the date of any damage or destruction, and the repairs shall be completed within two (2) years of commencement of repairs. In the event Carris is delayed in the commencement or completion of repairs by events beyond Carris' reasonable control, Carris' delay for commencement or completion of repairs shall be extended one day for each such day of delay. Notwithstanding anything to the contrary in this Section 8.1, in the event that the Leased Assets, or any portion thereof, is damaged or destroyed when less than twelve (12) months remain of the term of this Agreement, then Carris may, at its option, either (1) rebuild or restore the Leased Assets and repair the damaged portions thereof at its own expense as required above; or (2) terminate this Agreement effective as of the date the damage or destruction occurred, in which event all insurance proceeds shall be paid to the City, and the terms set forth in Section 11.4 shall apply to such termination. If Carris does not provide the City with written notice of Carris' exercise of its option to terminate this Agreement in accordance with this Section 8.1 within one hundred eighty (180) days after the damage or destruction, Carris shall have waived its option to terminate this Agreement. If material damage or destruction occurs to the Leased Assets such that they cannot be fully and completely repaired and/or reconstructed for any reason within two (2) years of the casualty, or such that they are not fully and completely repaired and/or reconstructed for any reason within two (2) years of the casualty, and Carris has not exercised its option to terminate the Lease in accordance with this Section 8.1, then the City may terminate this Agreement upon one hundred eighty (180) days prior written notice to Carris, in which event all insurance proceeds shall be paid to the City, and the terms set forth in Section 11.4 shall apply to such termination.

**8.2** Eminent Domain. Subject to the requirements of the Hospital Bonds or other permitted indebtedness then in effect, in the case that title to or the temporary use of any portion of the Leased Assets shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority (each, a "**Taking**"), the following terms shall apply. The City shall receive all Taking awards attributable to the Leased Assets with no discount for the value of the leasehold interest created by this Agreement. In the event that the Leased Assets, or any portion thereof, is subject to any Taking, then Carris shall, at the City's sole option and using proceeds of the Taking received by and controlled by the City, rebuild and restore the Leased Assets to substantially their condition immediately prior to the Taking to the extent reasonably practical; provided, however, that any activity taken pursuant to this Section 8.2 to rebuild or restore Leased Assets shall be paid for solely by the Taking awards received by the City, and Carris shall have no additional or further obligations with respect to rebuilding or restoring the applicable Leased Assets. Carris shall commence the repairs required of it under this Section 8.2 within three hundred sixty five (365) days of the date of any Taking, and the repairs shall be completed within two (2) years of commencement of repairs. In the event Carris is delayed in the commencement or completion of repairs by events beyond Carris' reasonable control, Carris' delay for commencement or completion of repairs shall be extended one day for each such day of delay. Notwithstanding anything to the contrary in this Section 8.2, in the event that the Leased Assets, or any portion thereof, is subject to any Taking when less than twelve (12) months remain of the term of this Agreement, then Carris may, at its option, either (1) restore the Leased Assets and repair the damaged portions thereof as required above using the City's Taking proceeds; or (2) terminate this

Agreement effective as of the date the damage or destruction occurred, in which event all Taking proceeds shall be paid to the City, as set forth in this Section 8.2. If Carris does not provide the City with written notice of Carris' exercise of its option to terminate this Agreement in accordance with this Section 8.2 within one hundred eighty (180) days after the Taking, Carris shall have waived its option to terminate this Agreement. If a Taking affects the Leased Assets such that they cannot be fully and completely repaired for any reason within two (2) years of the Taking, or such that they are not fully and completely repaired and/or reconstructed for any reason within two (2) years of the Taking, and Carris has not exercised its option to terminate the Lease in accordance with this Section 8.2, then the City may terminate this Agreement upon thirty (30) days prior written notice to Carris, in which event all Taking proceeds shall be paid to the City, and the terms set forth in Section 11.4 shall apply to such termination.

## **ARTICLE IX** **REPRESENTATIONS AND WARRANTIES OF CITY**

Except as otherwise noted in the City Disclosure Schedule, attached hereto as Exhibit 9, which is subject to updating by the City as of the Possession Date, the City hereby represents and warrants to Carris that the following representations and warranties are true and accurate as of the date hereof and as of the Possession Date:

**9.1** Authority. The City has power and authority to execute and deliver this Agreement, and to carry out the transactions contemplated hereby and therein, respectively. The City Council, acting on behalf of the City in connection with this Agreement, is the properly appointed, acting, and duly authorized governing body of the City, and is acting in accordance with the provisions of the Act, or any successor or similar statute.

**9.2** No Conflicts. The Agreement is duly executed and delivered and is a valid and legally binding obligation of the City enforceable in accordance with its respective terms. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, result in the creation of any lien, charge or encumbrance or the acceleration of any indebtedness or other obligation of the City, and are not prohibited by, in violation of or in conflict with any provisions of, and will not result in a default under or a breach of (i) any constitutional provision affecting the City, (ii) any ordinance, law or regulation, or (iii) any order, decree or judgment of any court or governmental agency to which the City or Rice is a party or is bound.

**9.3** Bonds. The Hospital Bonds are the only bonds authorized and issued by the City which are outstanding as of the Possession Date and applicable to the Leased Assets.

**9.4** Condition. Except as expressly stated in this Agreement, the City does not make any representations or warranties regarding the Leased Assets or the Transferred Assets, including any warranty as to merchantability or fitness for a particular purpose. Carris acknowledges that it is accepting the Transferred Assets and leasing the Leased Assets on an "AS IS," "WHERE IS" and "WITH ALL FAULTS" basis, based upon its own judgment.

## **REPRESENTATIONS AND WARRANTIES OF CARRIS AND CENTRACARE**

Carris and CentraCare hereby represent and warrant to the City that the following representations and warranties are true and accurate as of the date hereof and as of the Possession Date:

**10.1 Organization.**

(a) CentraCare is a nonprofit corporation duly organized and in good standing under the laws of the State of Minnesota. CentraCare is an organization qualified under Section 501(c)(3) of the Code.

(b) Carris is a nonprofit limited liability company duly organized and in good standing under the laws of the State of Minnesota. As a single-member limited liability company of which the sole member is CentraCare, an organization qualified under Section 501(c)(3) of the Code, Carris is a disregarded entity that takes on the tax-exempt status of CentraCare, its sole owner. Carris has the power to lease and to own assets and to carry on its business as contemplated under this Agreement.

**10.2 Authority.** CentraCare and Carris each has the power to execute and deliver this Agreement and to carry out the transactions contemplated hereby. All actions required to be taken by CentraCare and Carris to authorize the execution, delivery and performance of this Agreement and all transactions contemplated hereby have been duly and properly taken.

**10.3 No Conflicts.** This Agreement is duly executed and delivered and is a valid and legally binding obligation of CentraCare and Carris and is enforceable against them in accordance with its respective terms. The execution and delivery of this Agreement does not, and the consummation of the transactions contemplated hereby will not, result in the creation of any lien, charge or encumbrance, or the acceleration of any indebtedness or other obligation of CentraCare or Carris, and are not prohibited by, in violation of or in conflict with any provision of, and will not result in a default under or a breach of (i) the articles of incorporation and bylaws of CentraCare, articles of organization or Operating Agreement of Carris, or any contract, agreement or other instrument to which CentraCare or Carris is a party or is bound, (ii) any ordinance, law or regulation applicable to CentraCare or Carris, or (iii) any order, decree or judgment of any court or governmental agency to which CentraCare or Carris is a party or is bound.

**ARTICLE XI**  
**DEFAULT, TERMINATION AND TRANSFER**

**11.1 Effect of Default by Carris or CentraCare.** If (i) Carris or CentraCare fails to pay any Base Rent, Intergovernmental Transfer or other sum due under this Agreement and such failure continues for five (5) calendar days after written notice of such default from the City, (ii) Carris fails to perform any of its other material obligations under the terms of this Agreement and such failure continues for thirty (30) days after written notice of such default from the City (provided, however, that if the nature of the default is such that more than thirty (30) days are reasonably required for its cure, then Carris shall not be deemed to be in default if Carris commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion, and provided, further, if the default involves a hazardous condition Carris shall immediately after written notice commence and with diligence thereafter prosecute a cure to such default); (iii) Carris

or CentraCare adopts a plan of dissolution or files for bankruptcy, liquidation or receivership, (iv) CentraCare or Carris breaches the provisions set forth in Article III or Section 5.1 of the Carris Operating Agreement, then the City shall have the right to (a) terminate this Agreement upon written notice to the Carris at any time after expiration of the applicable cure period, if any, or (b) enforce the terms of this Agreement or the foregoing provisions of the Carris Operating Agreement by invoking any other right or remedy allowed at law or in equity, including without limitation an action for specific performance. If an event of default, as defined in this Section 11.1, shall occur, CentraCare shall pay to the City, on demand, all expenses incurred by the City as a result thereof, including reasonable attorneys' fees, court costs and expenses actually incurred.

**11.2** Effect of Default by the City. If the City fails to perform or pay, in a full and timely manner, any of its obligations under the terms of this Agreement and such failure continues for thirty (30) days after written notice of such default from Carris provided, however, that if the nature of the default is such that more than thirty (30) days are reasonably required for its cure, then the City shall not be deemed to be in default if the City commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion, and provided, further, if the default involves a hazardous condition the City shall immediately after written notice commence and with diligence thereafter prosecute a cure to such default), then Carris shall have the right either to (a) terminate this Agreement upon written notice to the City at any time after expiration of the applicable cure period, if any, or (b) enforce the terms of this Agreement by invoking any other right or remedy allowed at law or in equity, including without limitation an action for specific performance.

**11.3** Other Events of Termination. In addition to termination under Section 11.1 and 11.2 hereof, this Agreement will terminate:

- (a) At the expiration of the Initial Term, in the event Carris notifies the City that it does not intend to renew this Agreement by the time period set forth in Section 2.2;
- (b) At the expiration of the Renewal Term;
- (c) In the event Carris elects to terminate this Agreement pursuant to Section 7.3(a);
- (d) By either Carris or the City as provided in Sections 8.1 or 8.2; or
- (e) The Leased Assets are transferred to Carris pursuant to Section 11.5.

**11.4** Effect of Termination.

(a) Upon the termination of this Agreement for any reason other than a transfer by the City to Carris of the Leased Assets pursuant to Section 11.5, in which case the provisions of Section 11.5 shall govern the termination process, the parties shall take all steps reasonably necessary to allow the City (or such other party as the City shall designate as a successor lessee and operator of the Rice Facilities) to immediately assume operations of the Rice Facilities so that there are no disruptions of services at the Rice Facilities, including, but not necessarily limited to, the following:

(i) At soon as reasonably practicable, Carris shall surrender possession of all Rice Assets, including any improvements and additions thereto made pursuant to Sections 4.3 and 7.3, and, in the case of the Transferred Assets (including any Improved Transferred Assets and an amount of working capital equal to the Possession Date Working Capital (the “**Working Capital Reconciliation**”) and the New Property, shall take all such steps as are necessary to convey title thereto, to the City or its designee, free and clear of all liens, security interests and encumbrances, other than those relating to the liabilities assumed by the City (or its designee) pursuant to paragraph (ii) below; provided however, that nothing in this Section 11.4(a)(i) shall be interpreted to require Carris to return any Transferred Assets in amounts, value, or condition, consistent with the amounts, value, or condition of the Transferred Assets as of the Possession Date, including without limitation, the Rice Funds, except for the Working Capital Reconciliation.

(ii) The City (or its designee) will assume such contracts, leases, subleases, and other agreements to which Carris is a party relating to Rice Operations, and the liabilities of Carris thereunder, that the City (or such designee) consents to assume and, from and after the termination date the City (or its designee) shall resume responsibility for Rice Operations and maintenance of the Rice Assets;

(iii) The City (or its designee) will have the right to offer employment to all Carris employees who are employed at the Rice Facilities in substantially the same manner as described in Section 5.10 hereof and, in connection therewith, Carris will waive any non-competes or other restrictions imposed on its employees; and

(iv) The IP License shall expire.

(b) If this Agreement is terminated by Carris under Section 11.2 (uncured default by the City), then at the time the actions in Section 11.4(a) are consummated, the City shall pay Carris an amount equal to the book value of all capital investments made by Carris in the Rice Facilities pursuant to Section 4.3 and Section 7.3 hereof prior to the termination of the Agreement.

(c) If this Agreement is terminated by Carris under Section 11.3(c) hereof (failure of Rice Board to approve proposed Improvements to the Rice Facilities), or if this Agreement terminates under either Section 11.3(a) or (b) hereof due to the nonrenewal or expiration of the Term, then at the time the actions in Section 11.4(a) are consummated, the City shall pay Carris an amount equal to the book value of all capital investments made by Carris and CentraCare in the Rice Facilities pursuant to Section 4.3 and Section 7.3 hereof prior to the termination of the Agreement; provided, however, that any such payment shall be offset (but not below zero) by the amount by which the Investment Fund on such date is less than the amount of the Investment Fund on the Possession Date.

(d) For the purposes of Section 11.4(b) and (c), the book value of Carris’ capital investments shall be the amounts recorded as such on Carris’ books as the date of

termination of this Agreement using Carris' historical methods of cost depreciation consistently applied.

(e) At City's request, CentraCare will provide transition services to the City (or its designee) on a fair market value basis for a period of one (1) year after termination of this Agreement to assist in the transition of Rice's Operations to the City or such designee. The terms of such transition services will be mutually agreed upon at the time of termination.

(f) Any proposed termination of this Agreement by the City only shall be effective upon the satisfaction of all obligations of the City set forth in this Section 11.4.

#### **11.5 Potential Transfer of Leased Assets to Carris.**

(a) Notwithstanding any other provision in this Agreement to the contrary, at any time after the tenth (10th) anniversary of the Possession Date, Carris may propose a transfer (the "**Transfer**") of the Leased Assets from the City to Carris, by delivering a written proposal with respect thereto to the City. Any such Transfer shall be made, if at all, on terms and conditions mutually agreed to by Carris and the City, provided, however, in any such case Carris shall agree to:

(i) Pay all remaining principal, interest and other obligations of the City under the Hospital Bonds pursuant to Section 3.1(d) hereof on or before the effective date of the Transfer; and

(ii) Continue its commitments under Section 5.12 (Service Commitments) and Section 5.13 (Capital Investments) for an additional ten (10) years after the effective date of the Transfer.

Notwithstanding the foregoing, the terms of any Transfer under this Section 11.5 will not require the payment of any amounts by Carris to the City.

(b) Any such Transfer will be subject to the prior satisfaction of all then-applicable procedural requirements, including requirements set forth in the City charter or ordinances.

(c) In the event Carris and the City agree to the terms of a Transfer, the title to the Leased Assets will be conveyed by the City to Carris, free and clear of all liens and encumbrances (other than those associated with Assumed Liabilities, all of which will be retained by Carris), at a closing to be held at a date and time determined by agreement of Carris and the City. As of the effective time of such Transfer, this Agreement shall terminate; provided, however that the obligation of Carris to indemnify the City pursuant to Section 3.3 of this Agreement (and CentraCare's guarantee of such obligation under the Guaranty) shall survive the effective date of the Transfer.

(d) In the event Carris and the City are unable to agree to the terms of a Transfer, then this Agreement will continue to remain in effect in accordance with its terms.

## 11.6 Enforcement of Carris and CentraCare Obligations by Rice Board.

(a) If, at any time after the Possession Date, the Rice Board makes a good faith determination that either Carris or CentraCare is in breach of its obligations hereunder, including but not limited to Sections 5.12 (Service Commitments) and 5.13 (Capital Commitments), then the Rice Board shall provide written notice thereof to Carris and CentraCare describing in reasonable detail the nature of the alleged breach and other information pertinent thereto (a “Breach Notice”). Upon receipt of a Breach Notice, representatives of CentraCare, Carris, and the Rice Board (along with their respective advisors) shall meet on a regular basis to discuss and resolve the alleged breach identified in the Breach Notice. If Carris, CentraCare and the Rice Board are unable to resolve the alleged breach by Carris or CentraCare identified in the Breach Notice to the reasonable satisfaction of the Rice Board within sixty (60) days of the delivery of the Breach Notice, then the Rice Board may bring and pursue an Enforcement Action on behalf of, and in the name of, the City with respect thereto. The Rice Board shall have the exclusive right and authority to make any and all decisions with respect to the prosecution of such Enforcement Action, including the decision to engage or dismiss legal counsel representing the Rice Board and the City in connection therewith and decisions to enter into settlement negotiations and to make and accept settlement offers with respect thereto. CentraCare and Carris acknowledge and agree that the Rice Board has standing to assert and bring an Enforcement Action on behalf of the City; provided, however, that the Rice Board shall only be authorized to seek equitable relief on behalf of in the form of an injunction or specific performance and shall not be authorized to seek money damages from CentraCare or Carris (other than specific performance of an obligation involving the payment of money) with respect thereto. “Enforcement Action” means any lawsuit, alternative dispute resolution process or similar proceeding brought on behalf of the City by, and at the election of, the Rice Board pursuant to this Section 11.6 in order to enforce one or more of CentraCare’s or Carris’ commitments contained herein.

(b) In the event the Rice Board incurs expenses following the submission of a Breach Notice to enforce the covenants of this Agreement that results in the City prevailing in an Enforcement Action, CentraCare shall be fully responsible for the reasonable expenses incurred by the Rice Board in connection therewith. The Rice Board shall provide CentraCare with invoices and other written documentation evidencing the expenses incurred by it in connection with an Enforcement Action to the extent the City prevails in an Enforcement Action against CentraCare or Carris.

(c) Access to Information. The Rice Board shall be afforded reasonable access to all information that is reasonably necessary for it to carry out its duties and responsibilities under this Section 11.6, and the Rice Board and CentraCare shall provide or make available such information to the Rice Board as is reasonably requested by it for such purposes and will respond to all inquiries submitted by the Rice Board relating to compliance with the covenants set forth herein. Neither Carris nor CentraCare or their respective directors, officers, or other agents will be deemed in violation of any agreement protecting the confidentiality of information as a result of providing information to the Rice Board for proper purposes under this Section 11.6. All restrictions on the use and disclosure of Carris confidential information applicable to persons serving on the Carris

Board, whether under Carris' governing documents, contract or applicable law, will be applicable to the use and disclosure of information provided to the Rice Board pursuant to this Section 11.6.

**11.7 No Termination.** Neither Carris nor the City shall have the unilateral right to terminate this Agreement prior to the expiration of the Term, other than as set forth in this Article XI.

**ARTICLE XII**  
**CONDITIONS PRECEDENT TO CLOSING**

The obligations of the parties under this Agreement are subject to the satisfaction, on or prior to the Possession Date, of the following conditions:

**12.1** There shall have been no material breach by any party in the performance of any of their respective covenants in this Agreement, each of the representations and warranties of each of them contained or referred to in this Agreement shall be true and correct in all material respects on the Possession Date as though made on the Possession Date, and there shall have been delivered to each party their respective deliveries as described in Article XIII below;

**12.2** No order shall have been entered in any action or proceeding before any court or governmental agency, and no preliminary or permanent injunction by any court shall have been issued which would have the effect of (i) making the transactions contemplated by this Agreement illegal; or (ii) otherwise preventing consummation of such transactions; and there shall have been no federal or state statute, rule or regulation enacted or promulgated that could reasonably, directly or indirectly, result in any of the consequences referred to in clauses (a) or (b) of this Section 12.2;

**12.3** All necessary federal, state and local governmental approvals and consents, including the approval of the City of Willmar Planning Commission and City Council, shall have been obtained, without the imposition of any material conditions or restrictions and without the loss of any existing material waivers arising out of the closing of the transactions contemplated hereby;

**12.4** If any governmental agency seeks to preliminary enjoin the transactions contemplated hereby, either party may decide not to proceed further with the transactions; provided, however, that if both of the parties agree to contest such preliminary injunction, each party shall bear its own costs and expenses associated therewith;

**12.5** All third party consents or waivers required to be obtained with respect to the proposed transactions shall have been obtained or waived;

**12.6** The City shall have received consent of the bondholders of the \$9,100,000 Hospital Revenue Notes, Series 2013 (Rice Care Center Project);

**12.7** The City shall have received an opinion of Kennedy & Graven LLP, as bond counsel.

**12.8** The City Council and Rice Board shall have approved this Agreement.

12.9 No Material Adverse Change shall have occurred.

12.10 All Exhibits and Schedules in this Agreement provided for shall be complete in form and substance. The parties agree that the Exhibits hereto may be amended by the parties up to and including the Possession Date to reflect current information as of the Possession Date.

12.11 Consummation on or before the Possession Date of a transaction between Carris or CentraCare and ACMC pursuant to which Carris or CentraCare acquires the stock of ACMC, and the ACMC physicians and other providers become fully integrated with Carris or CentraCare.

Upon satisfaction or waiver of the foregoing conditions, the parties shall promptly execute a certificate acknowledging that each said condition has been either satisfied or waived.

**ARTICLE XIII**  
**POSSESSION DATE DELIVERIES**

13.1 CentraCare and Carris Deliveries to the City. Carris shall deliver the following to the City on or before the Possession Date:

(a) Certificate of Good Standing of both CentraCare and Carris from the Minnesota Secretary of State.

(b) A certificate executed by the President of CentraCare, dated as of the Possession Date, stating that, to the best of his knowledge, all representations and warranties of CentraCare and Carris set forth in this Agreement are accurate and true as of the Possession Date.

(c) A certified copy of resolutions adopted by the Board of Directors of CentraCare, authorizing and approving the execution and performance of this Agreement by CentraCare and Carris.

CentraCare Carris also shall take any and all additional actions which may be reasonably necessary in order to complete the transaction on the Possession Date.

13.2 City Deliveries to CentraCare and Carris. The City shall deliver the following to CentraCare and Carris on or before the Possession Date:

(a) A certificate executed by the Mayor of the City, dated as of the Possession Date, stating that, to the best of his knowledge, all representations and warranties of the City set forth in this Agreement are accurate and true as of the Possession Date.

(b) A Bill of Sale, in a form mutually agreed upon by the parties, transferring the Transferred Assets to Carris as of the Possession Date.

(c) The updated Exhibits and accounts receivable and accounts payable reports described in Section 6.4.

(d) Evidence of all consents and notices required by Section 6.2.

(e) A certified copy of resolutions adopted by the City Council authorizing and approving the execution and delivery of this Agreement.

(f) An opinion of Kennedy & Graven LLP.

(g) Consent of the bondholders of the \$9,100,000 Hospital Revenue Notes, Series 2013 (Rice Care Center Project).

The City also shall take any and all additional actions which may be reasonably necessary in order to complete the transaction on the Possession Date.

**13.3** Failure to Deliver. In the event that either party hereto fails to make any delivery required under this Article, the non-defaulting party may, at its option, declare this Agreement to be null and void as of the Possession Date, in which case all deliveries shall immediately be returned to the party making the delivery. Any failure not objected to shall be deemed waived immediately after the Possession Date.

**ARTICLE XIV**  
**MISCELLANEOUS**

**14.1** Notices and Payments. All notices, requests, demands, payments and other communications to be made hereunder shall be in writing and shall be deemed to have been duly given if either mailed by certified mail, return receipt requested, postage prepaid, or hand delivered and with such delivery evidenced by a signed receipt or sworn affidavit of the deliverer, as follows:

If to the City: City of Willmar  
333 Sixth Street SW  
P.O. Box 755  
Willmar, MN 56201  
Attention: City Administrator

If to Carris: Carris Health, LLC  
301 Becker Ave SW  
Willmar, MN 56201  
Attention: Chief Executive Officers

If to CentraCare: CentraCare Health System  
1406 Sixth Avenue N  
St. Cloud, MN 56303  
Attention: President  
With a copy to: General Counsel

or to such other address as either party hereto may request by such written notice. Any notice given in accordance with this Article shall be deemed to have been received either three (3) days after it was mailed or upon delivery, whichever first occurs.

**14.2** Severability. If any provision of this Agreement or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provisions or application, and to this end the provisions of this Agreement are declared to be severable.

**14.3** Entire Agreement. This Agreement, the Affiliation Agreement and the Exhibits attached hereto and thereto (including documents contained in Exhibits that are fully executed and in accordance herewith), contains the entire understanding of the City and of Carris with respect to the transactions contemplated hereby and supersedes all other agreements and understandings among the City, Carris.

**14.4** Amendment. This Agreement may be amended only by a written agreement authorized by the affirmative vote of the governing body of both CentraCare and the City and executed by the authorized representatives of both parties.

**14.5** Governing Law and Venue. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Minnesota. Venue shall lie exclusively in Stearns County, Minnesota.

**14.6** Counterparts. This Agreement may be executed simultaneously in two (2) or more counterparts, all of which together shall constitute one and the same Agreement.

**14.7** Accounting Determinations. All accounting determinations required to be made under this Agreement shall be made in accordance with generally accepted accounting principles.

**14.8** Successors and Assigns. All the terms, conditions, covenants, agreements and provisions of this Agreement shall inure to the benefit of and be binding upon the City, CentraCare and Carris and upon their respective personal representatives, heirs, successors and permitted assigns. All of the terms, conditions, covenants, agreements and provisions of this Agreement pertaining to the Leased Assets shall also be construed as covenants running with the land.

**14.9** Authorization of Carris to Act. Notwithstanding any other provisions of this Agreement, the City hereby authorizes Carris, at its sole discretion, to obtain any and all zoning and/or building permits, tax divisions and certifications of tax exempt status, filing plats of subdivision, negotiated agreements with public and private utilities, and any and all other documents and/or approvals required by or from any governmental authority exercising jurisdiction over all or any part of the Leased Assets, as Carris, in its sole discretion, shall from time to time deem necessary or appropriate in order to carry out the health care purposes of Carris. Nothing in this Article shall be deemed or construed as in any way limiting or amending the obligations of the City under Section 6.3 to cooperate with Carris in any way necessary in order to enable Carris to exercise their rights hereunder, including without limitation, the obligation to sign any and all documents and to take any and all other steps necessary to accomplish any of the actions set forth in this Article.

**14.10** Impossibility. Except for Carris' obligations under Section 3.1 and Carris' obligations under Article VIII, no party hereto shall be liable for any delay in performance or failure to perform when fire, flood, explosion, accident, unavailability of equipment, supplies, parts or materials, energy shortage, war, weather, casualty, act of God, sabotage, law or

government regulation, or any other cause reasonably beyond such party's control makes performance impossible despite the best efforts to perform by the party from whom performance is required.

**14.11 No Third-Party Beneficiary.** This Agreement is for the benefit solely of the City, CentraCare and Carris and their respective successors and permitted assigns (which shall include the City Indemnified Parties with respect to Section 3.3 hereof), and it shall give rise to no third party rights and shall not be enforceable by any other party (as a third party beneficiary or otherwise), including without limitation, rights related to (a) service commitments under Section 5.12 and (b) the Carris medical staff under Section 5.9(b).

**14.12 Accounts Receivable.** Some of the accounts receivable being or to be assigned and transferred are or may be due from governmental authorities or agencies, or intermediaries/agents thereof, under the programs commonly known as Medicare and Medicaid/Medical Assistance. To the extent those accounts receivable are not transferable or assignable, the assigning party shall collect those receivables and remit or endorse the receipts to the other promptly. Further, the assigning party hereby appoints the other as its attorney-in-fact to collect and endorse for payment of all the receivables being assigned and transferred in any way that the assigning party could collect them and endorse payment. This appointment is irrevocable, special and coupled with an interest.

**14.13 Recordation.** The parties agree to execute and file of record, on or before the Possession Date, either this Agreement or a memorandum of lease evidencing the existence of this Agreement, the Term, and the Leased Assets in this Agreement leased.

**14.14 Non-Delegation.** No provision of this Agreement shall be construed to permit or require the delegation by the City of any governmental function of the City.

**14.15 Payment of City Expenses.** Whether or not the transaction contemplated hereby closes, the parties hereby agree that the City shall be reimbursed for the reasonable legal fees and disbursements of Kutak Rock LLP in connection with its representation of the City out of the Rice Funds prior to the transfer thereof to Carris pursuant to this Agreement.

**IN WITNESS WHEREOF,** the parties hereto have caused their authorized representatives to execute this Agreement in their respective names effective as of the day and year first above written.

[Signature pages follow]

[Signature page 1 of 3]

**CITY OF WILLMAR, MINNESOTA**

By: \_\_\_\_\_  
Mayor, City of Willmar

**NOTARY**

STATE OF MINNESOTA        )  
  :  
COUNTY OF KANDIYOHI     )

The foregoing instrument was acknowledged before me this \_\_\_\_ of \_\_\_\_\_, 2017, by \_\_\_\_\_, who is the Mayor of the Willmar City Council, on behalf of the City.

\_\_\_\_\_  
Notary Public

[Signature Page 2 of 3]

**CARRIS HEALTH, LLC**

By: \_\_\_\_\_  
\_\_\_\_\_

**NOTARY**

STATE OF MINNESOTA     )  
  :  
COUNTY OF KANDIYOHI    )

The foregoing instrument was acknowledged before me this \_\_\_\_ of \_\_\_\_\_,  
2017, by \_\_\_\_\_, who is the \_\_\_\_\_ of Carris Health, LLC.

\_\_\_\_\_  
Notary Public

Signature Pages to Operating Lease Agreement

**CENTRACARE HEALTH**

By: \_\_\_\_\_  
\_\_\_\_\_

**NOTARY**

STATE OF MINNESOTA        )  
  :  
COUNTY OF KANDIYOHI     )

The foregoing instrument was acknowledged before me this \_\_\_\_ of \_\_\_\_\_,  
2017, by \_\_\_\_\_, who is the \_\_\_\_\_ of CentraCare Health.

\_\_\_\_\_  
Notary Public

**CARRIS HEALTH, LLC**

**MEMBER CONTROL AND OPERATING AGREEMENT**

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THIS MEMBER CONTROL AND OPERATING AGREEMENT (the “**Operating Agreement**”) is made effective \_\_\_\_\_, 2018, by and between Carris Health, LLC, a Minnesota limited liability company (the “**Company**”), and the Member (as defined below) (collectively, the “**Parties**”).

**BACKGROUND**

A. The Parties have acted through their legal representatives as organizers of a limited liability company (“**LLC**”) under the laws of the State of Minnesota by filing the Articles of Organization (the “**Articles**”) for the Company pursuant to the Minnesota Revised Uniform Limited Liability Company Act, Chapter 322C of the Minnesota Statutes (the “**Act**”) on October 11, 2017 with the Secretary of State of the State of Minnesota;

B. Section 322C.0110 of the Act authorizes use of an operating agreement by the members of an LLC;

C. The Member is the sole member of the Company and wishes to enter into this Operating Agreement, which will constitute the Operating Agreement and a member control agreement under the Act; and

D. As of the date hereof, the Company is party to an Operating Lease Agreement (the “**Lease Agreement**”) with the City of Willmar regarding Rice Memorial Hospital (the “**Hospital**”).

**NOW, THEREFORE**, the Member and Company adopt the Operating Agreement and Member Control Agreement of the Company:

**ARTICLE I**  
**NAME, LOCATION, AND PURPOSE**

**1.1** Name. The name of the limited liability company shall be Carris Health, LLC.

**1.2** Registered Office. The principal executive office and the registered office of the Company is 301 Becker Avenue SW, Willmar, MN 56201.

**1.3** Purpose. The Company is organized and shall be operated exclusively for educational and charitable purposes, as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and as a nonprofit limited liability company under Minnesota Statutes, Section 322C.1101. Within the framework and limitations of the foregoing, the purposes for which the Company is formed, and the business and the objects to be carried on by it, are as follows:

(a) To establish and maintain an institution or institutions with permanent facilities to provide medical care and treatment.

(b) To carry on related educational activities as may be justified, desirable, and appropriate.

(c) To engage in any activities to promote the general health of all members of the community and improve the delivery of health care services.

(d) To promote and further the provision of health and medical care services to individuals with limited or no financial ability to pay for such services.

(e) To promote health and medical research and medical and allied health education.

(f) To establish and maintain permanent facilities to provide medical, nursing, spiritual, physical, social, or psychological care and services, including housing and outreach services, for the elderly and other persons who do not require acute hospital care.

(g) To provide such other services and programs as may, from time to time, be appropriate to accomplish the Company's charitable purpose.

**1.4** Board-Managed. The Company shall be a "board-managed" limited liability company for purposes of the Act.

**1.5** Restricted Activities. In carrying out the purposes stated in Section 1.3, the Company is restricted as follows:

(a) No part of the assets or income of the Company shall be used for objects or purposes which are not exclusively educational or charitable under Section 501(c)(3) of the Internal Revenue Code and the laws of the State of Minnesota. The Company shall not carry on propaganda or otherwise attempt to influence legislation to such extent as would result in the loss of exemption under Section 501(c)(3) of the Internal Revenue Code. The Company shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

(b) No compensation or payment shall be made or paid to any officer or member of the Board of Governors (each, a "**Governor**") of the Company, except as reimbursement for actual expenditures made on behalf of the Company or for reasonable compensation for services actually rendered. No part of the net earnings, nor assets of the Company, shall inure to the benefit of any private individual.

**ARTICLE II**  
**MEMBERSHIP**

2.1 Member. The Company has no units and is organized on a membership basis. The sole member (the “**Member**”) of the Company is CentraCare Health System, a Minnesota nonprofit corporation.

2.2 Meetings. An annual meeting of the Member is not required. A regular meeting of the Member shall be held when requested by a majority of the Board of Governors, or by the Chair of the Board of Governors.

2.3 Special Meeting. A special meeting of the Member may be called at any time by the Chair and in the Chair’s absence, by any officer.

2.4 Time and Place. All regular and special meetings shall be held at the principal executive office of the Company at such date and time as is set by the Chair.

2.5 Action by Member. Any action required to be taken at any regular or special meeting of the Member may be taken by way of a resolution adopted at any regular or special meeting of the Board of Directors of the Member.

2.6 Limitation on Liability. The Member shall not be liable under a judgment, decree, or order of the court, or in any other manner, for a debt, obligation or liability of the Company, except as provided by law.

**ARTICLE III**  
**BOARD OF GOVERNORS**

3.1 Number and Appointment.

(a) In accordance with Section 322C.0407, Subd. 4(1) of the Act , the activities and affairs of the Company shall be managed by a board of ten (10) governors (the “**Board of Governors**”) elected by the Member, as follows:

(i) Four (4) individuals, including two (2) individual residents of the City of Willmar, nominated by the Hospital Board of Directors (such four (4) Governors shall be referred to as the “**Rice Facilities Governors**”); provided, however, that prior to appointment to the Board of Governors, any individual nominated by the Hospital Board of Directors must first be approved by the Member;

(ii) Four (4) individuals, including one (1) individual who is an active member of the Hospital medical staff, nominated in the manner set forth in Section 3.1(g) (such four (4) Governors shall be referred to as the “**Aligned Physician Governors**”); provided, however, that prior to appointment to the Board of Governors, any individual nominated by ACMC must first be approved by the Member; and

(iii) Two (2) individuals nominated by the Member.

(iv) In addition, the Company Chief Executive Officers shall serve on the Board of Governors as *ex-officio*, non-voting members.

(b) A majority of the Governors shall be independent community Governors who are not members of the Hospital's Medical Staff or officers or employees of the Company.

(c) Upon the affirmative vote of at least seven (7) of the Board of Governors, which affirmative vote must include at least three (3) Aligned Physician Governors and three (3) Rice Facilities Governors (a "**Supermajority**"), and subject to the approval of the Member, the Board of Governors may be changed in number or composition, including without limitation expansion of the Board of Governors for purposes of facilitating appropriate consideration of the perspective and interests of new participants in Company, such as additional medical groups or community hospitals.

(d) The sale or lease of all or substantially all of the assets of the Company, any merger or consolidation of the Company, any dissolution or discontinuation of the business of the Company, any change in the Member of the Company or the addition of other members to the Company, or any other affiliation or consolidation of the Company with another organization where the Board of Governors ceases to have responsibility for managing the business and affairs of the Company shall require the affirmative vote of a Supermajority.

(e) With the exception of the Company Chief Executive Officers, who shall automatically become members of the Board of Governors upon assuming such position with Company, Governors shall be elected by the Member.

(f) The Rice Facilities Governors shall be nominated by the Hospital Board of Directors; provided, however, that any nominated candidate shall be subject to the approval of the Member, and election by the Member. Any vacancy in the Rice Facilities Governors, whether due to removal, resignation, death or disability, or failure to satisfy the residency requirement, shall be filled by nomination of the Hospital Board of Directors. A Rice Facilities Governor may fulfill the existing term that he or she is serving even if he or she ceases to meet the City of Willmar residency requirement under Section 3.1(a)(i) if he or she continues to be a resident of Kandiyohi County, Minnesota.

(g) The Aligned Physician Governors shall be nominated by a nominating committee composed of the then-current Aligned Physician Governors, two (2) members of the Board of Governors and six (6) at-large physician employees of Affiliated Community Medical Centers, P.A. ("**ACMC**") or this Company as its successor, who have completed at least two years of employment with ACMC or this Company; provided, however, that any nominated candidate shall be subject to the approval of the Member, and election by the Member.

(h) In the event the Member does not approve a candidate nominated by the Hospital Board of Directors under Section 3.1(f) or the nominating committee under

Section 3.1(g), the party(ies) making the initial recommendation will make an additional nomination in the manner set forth in Section 3.1(f) or Section 3.1(g), as applicable, until such time as a nominee is approved by the Member to become a Governor.

**3.2** Quorum and Voting Requirements. A quorum for the transaction of business at any meetings of the Board of Governors shall consist of a majority of the Governors, including at least one (1) Rice Facilities Governor and one (1) Aligned Physician Governor. The affirmative vote of a majority of the Governors present in person or by telephone at a meeting at which a quorum is present shall be the action of the Governors.

**3.3** Matters Reserved to Member. The following matters are reserved for action by the Member:

(a) Adoption of amendments to the Articles of Organization or the Operating Agreement, subject to the provisions of Section 5.1 of this Operating Agreement.

(b) Election and removal of Governors and executive management employees of the Company.

(c) Appointment, removal and periodic review of the Chief Executive Officers of the Company.

(d) Subject to satisfaction of the commitments of the Company contained in the Lease Agreement, approval of the Company's annual operating and capital budgets.

(e) Approval of the Company's strategic plans.

(f) Subject to satisfaction of the commitments of the Company contained in the Lease Agreement, approval of changes in clinical services to be furnished by or through the Company in its service area, provided that the Member will take into consideration guidance offered by the Hospital Board of Directors.

(g) Approval of the incurrence or guarantee of any form of indebtedness by the Company, including without limitation operating and capital leases, in excess of limits established from time to time by the Member.

(h) Approval of capital expenditures, whether budgeted or unbudgeted, as recommended by the Board of Governors, in excess of limits established from time to time by the Member.

(i) Approval of any plans of merger or consolidation of the Company with any third-party entity, or the sale, lease, mortgage, encumbering, or transfer of any Company assets in excess of limits established from time to time by the Member; provided, however, that the Member shall not approve any such transaction in violation of the Lease Agreement.

(j) Approval of any transaction which may affect the Company's status as an organization exempt from federal income taxation

(k) Subject to the terms of the Lease Agreement, approval of the discontinuation of the business, or the dissolution, of the Company.

**3.4** Authority of Board of Governors. Subject to matters reserved to the Member pursuant to Section 3.3 of this Operating Agreement, the Board of Governors shall have responsibility for managing the business and affairs of the Company.

**3.5** Terms and Term Limits. With the exception of the Chief Executive Officers of Company, the term of each Governor shall be for a period of three (3) years from the date of his or her election; provided, however, that the Member shall set the initial term of three (3) of the Governors at one (1) year and the initial term of three (3) Governors at two (2) years so that the terms of the Governors of than the Chief Executive Officers shall be staggered such that the terms of approximately one-third (1/3) of such Governors expire each year, and such that the terms of no more than two (2) Rice Facilities Governors and two (2) Aligned Physician Governors expire in any year. The term of the Chief Executive Officers shall run concurrently with such individual's or individuals' term as Chief Executive Officers of Company and shall terminate upon his or her termination from such position. With the exception of the Chief Executive Officers, a Governor may not serve more than four (4) terms (excluding partial terms served).

**3.6** Resignation. A Governor may resign at any time by giving written notice to the Chair. The resignation is effective without acceptance when the notice is given unless a later effective time is specified in the notice. If a resignation is made effective at a later date, the vacancy may be filled before the effective date provided that the successor does not take office until the effective date.

**3.7** Removal. A Governor may be removed without cause at any time by the Member.

**3.8** Vacancy. A vacancy in a position of a Governor shall be filled by appointment made by the Member, subject to the nomination process in Section 3.1. The succeeding Governor shall serve the remaining term of the preceded Governor.

**3.9** Place of Meeting. Meetings of the Board of Governors, regular or special, shall be held at the registered office of the Company, unless otherwise designated.

**3.10** Meetings. The Board of Governor shall hold regular meetings not less often than once per calendar quarter. The Board of Governors shall determine a place, date, and time for regular meetings which shall be held at the registered office of the Company. Minutes of each meeting shall be taken.

**3.11** Special Meetings. Meetings of the Board of Governors, other than the regular meetings, are referred to as "special" meetings and may be held upon notice given at least three days preceding the day for such meeting. Special meetings may be called by the Chair or by any two Governors.

**3.12** Waiver of Notice. Notice of any meeting may be waived in writing by the person or persons entitled to such notice, whether before or after the time of such meeting, and shall be equivalent to the giving of such notice. Attendance of a Governor at such meeting shall

constitute a waiver of notice thereof, except where a Governor attends a meeting for the express purpose of objecting to the transaction of any business because such meeting is not properly convened. The business to be transacted at and the purpose of any meeting of the Board of Governors shall be specified in the notice, unless all Governors waive such notice.

**3.13 Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Governors may be taken without a meeting by a written action signed by all of the Governors. The written action is effective when it has been signed by all of the Governors, unless a different effective time is provided in the written action.

**3.14 Action by Remote Communication.** A conference among Governors by a means of one or more remote communication through which all persons may participate is a meeting of the Governors, if the same notice is given of the conference as would be required for a meeting and if the number of persons participating in the conference is a quorum. Participation in a meeting by this means is personal presence at the meeting. A Governor may participate in a meeting of the Board of Governors by a means of conference telephone, or, if authorized by the Board of Governors, by such other means of remote communication, in each case through which the Governor, other persons participating, and all persons physically present at the meeting may participate with each other during the meeting. Participation in a meeting by this means is personal presence at the meeting.

**3.15 Standard of Conduct.** A Governor shall discharge the duties of the position of Governor in good faith, in a manner the Governor reasonably believes to be in the best interests of the Company, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. A person who so performs those duties is not liable to the Company or the Member by reason of being or having been a Governor of the Company.

A Governor is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by: (i) one or more officers or employees of the Company whom the Governor reasonably believes to be reliable and competent in the matters presented; (ii) counsel, public accountants, or other persons as to matters that the Governor reasonably believes are within the person's professional or expert competence; or (iii) a committee of the Board of Governors upon which the Governor does not serve, duly established, as to matters within its designated authority, if the Governor reasonably believes the committee to merit confidence.

**3.16 Duty of Loyalty.** It is agreed that all Governors shall exercise their responsibility and duties to the Company with the highest level of fiduciary duty of care and loyalty to the Company, in a prudent business manner, and will take all actions and make all votes in good faith consistent with such duties. Subject solely to the foregoing, all Governors shall act on behalf of the Company in a manner consistent with their fiduciary duties of care and loyalty.

**3.17 Presumption of Assent.** A Governor who is present at a meeting of the Board of Governors when an action is approved by the Board of Governors is presumed to have assented to the action approved unless the Governor:

(a) Objects at the beginning of the meeting to the transaction of the business because the meeting was not properly called or convened and does not participate in the meeting, in which case the Governor is not considered to be present at the meeting;

(b) Votes against the action at the meeting; or

(c) Is unable to vote because the Governor has a material financial interest in the matter which is not disclosed of and approved of in accordance with Minnesota Statutes Section 317A.255 or a conflict of interest policy adopted by the Board of Governors.

**3.18 Governors' Liability for Damage.** To the extent provided by Minnesota Statutes Section 317A.257, any person who serves as a Governor, officer, member, or agent of the Company, without compensation, is not liable for an act or omission if the act or omission was in good faith, was within the scope of the person's responsibilities, and did not constitute willful or reckless conduct.

**3.19 Committees.** The Board of Governors may establish and appoint such standing or special committees as it deems necessary from time to time. If the Board of Governors appoints an Executive Committee, such committee shall include at least one (1) Rice Facilities Governor and one (1) Aligned Physician Governor. The charge to each standing or special committee shall be as determined by the Board of Governors in accordance with the strategic and operational objectives and requirements of the Company. No committee shall have authority to take any action outside the scope of its authorization or to exercise any power required to be exercised by the Board of Governors or the Member under the Act, the Articles, or this Operating Agreement unless that power is expressly delegated by the Board of Governors or the Member, as the case may be.

(b) The chair of each standing committee shall be a Governor. The chair of each special committee need not be a Governor.

(c) A majority of any committee shall constitute a quorum, and a majority of committee members present and voting at a meeting at which a quorum is present is necessary for committee action. A committee may act by unanimous consent in writing without a meeting.

## **ARTICLE IV** **OFFICERS**

**4.1 Officers.** The officers shall consist of a Chair, Vice Chair Chief Executive Officer(s) and treasurer and, if the Governors deem necessary, one or more vice presidents, and such other officers and agents as it deems necessary for the operation and management of the Company who shall have the duties, powers, rights, and responsibilities as provided in the Operating Agreement or determined by the Board of Governors. There shall be two chief executive officers, one of whom shall be a physician and the other a non-physician, both employed by the Company, who shall perform their duties in a dyad relationship. The Board of Governors shall appoint the individuals serving, respectively, as the Hospital Chief Executive

Officer and the ACMC Chief Executive Officer immediately prior to the Possession Date as defined under the Lease Agreement.

**4.2** Chair. The Chair shall:

- (a) Chair the meetings of the Board of Governors;
- (b) Maintain records of and, when necessary, certify proceedings of the Board of Governors and the Member; and
- (c) Perform other duties prescribed by the Board of Governors.

**4.3** Vice Chair. The Vice Chair shall:

- (a) Preside as chair at the meetings of the Board of Governors when the Chair is absent;
- (b) Perform other duties as prescribed by the Board of Governors.

**4.4** Chief Executive Officers. The chief executive officers shall:

- (a) Have general active management of the business of the Company;
- (b) See that all orders and resolutions of the Board of Governors are carried into effect;
- (c) Sign and deliver in the name of the Company contracts or other instruments pertaining to the business of the Company, except in cases in which the authority to sign and deliver is required by law to be exercised by another person or is expressly delegated in the articles or Operating Agreement or by the Board of Governors to another officer or agent of the Company; and
- (d) Perform other duties prescribed by the Board of Governors.

**4.5** Treasurer. The treasurer shall:

- (a) Keep accurate financial records for the Company;
- (b) Deposit money, drafts, and checks in the name of and to the credit of the Company in the banks and depositories designated by the Board of Governors;
- (c) Endorse for deposit notes, checks, and drafts received by the Company as ordered by the Board of Governors, making proper vouchers for the deposit;
- (d) Disburse corporate funds and issue checks and drafts in the name of the Company, as ordered by the Board of Governors;
- (e) Upon request, provide the Chair and the Board of Governors an account of transactions and of the financial condition of the Company; and

(f) Perform other duties prescribed by the Board of Governors.

**ARTICLE V**  
**MISCELLANEOUS**

**5.1** Amendment to Articles and Operating Agreement. Amendment to the Articles of Organization and to this Operating Agreement shall be made with the approval of the Member the Board of Governors; provided, that and in the case of any amendment to Sections 3.1, 3.2, 3.3, 3.4, 3.19, and 5.1, and any amendment relating to a transaction described in Section 3.1(d), only upon the affirmative vote of Supermajority.

**5.2** Indemnification. The Company shall indemnify its Governors, officers, and employees made or threatened to be made a party to a proceeding in such manner and to such extent as provided by Minnesota Statutes Section 322C.0408.

**5.3** Overhead Allocations. During the term of the Lease, the Company agrees that any overhead or related charges of the Member in connection with services requested by the Board of Governors shall be mutually agreed to by the Board of Governors and the Member.

**COMPANY:**

Carris Health, LLC

By: \_\_\_\_\_

Its: Co-Chief Executive Officer

By: \_\_\_\_\_

Its: Co-Chief Executive Officer

**MEMBER:**

CentraCare Health System

By: \_\_\_\_\_

Its: \_\_\_\_\_

## AFFILIATION AGREEMENT

THIS AFFILIATION AGREEMENT (the “**Affiliation Agreement**”) made effective as of [\_\_\_\_], 2017, among the **City of Willmar, Minnesota**, a Minnesota home rule charter city of the third class (the “**City**”), **Rice Memorial Board of Directors** (the “**Rice Board**”), **Carris Health, LLC**, a Minnesota nonprofit limited liability company (“**Carris**”), and **CentraCare Health System** (“**CentraCare**”), a Minnesota nonprofit corporation (collectively referred to herein as the “**Parties**”).

### PREAMBLE

**WHEREAS**, City owns the real and personal property used to operate Rice Memorial Hospital, Rice Care Center, Rice Home Medical, Rice Hospice, referred to in this Affiliation Agreement as the “**Rice Facilities**.”

**WHEREAS**, CentraCare operates an integrated health delivery system consisting of The Saint Cloud Hospital and its operating division, St. Benedict’s Senior Community, CentraCare Health System - Melrose, CentraCare Health System - Long Prairie, CentraCare Health System - Sauk Centre, CentraCare Health - Monticello, CentraCare Health - Paynesville, and CentraCare Clinic, in this Affiliation Agreement referred to as the “**System**.”

**WHEREAS**, CentraCare has established a subsidiary limited liability company known as Carris Health, LLC, a Minnesota non-profit limited liability company. Carris will operate as a wholly-owned tax-exempt subsidiary of CentraCare, for purposes of coordinating and delivering high-quality and locally-focused inpatient, outpatient and professional healthcare services in west central Minnesota. Carris filed its Articles of Organization with the Minnesota Secretary of State on October 11, 2017, which are attached as Exhibit A.

**WHEREAS**, City wishes to engage CentraCare, through Carris, to operate the Rice Facilities as a part of the System.

**WHEREAS**, Carris shall oversee the operations of Rice Facilities in accordance with its Operating Agreement, this Affiliation Agreement, and the Lease referred to herein.

**NOW, THEREFORE**, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

### ARTICLE I ACTIONS AFTER EXECUTION

Promptly following the execution of this Affiliation Agreement, the Parties agree as follows:

**1.1** Carris Member Control and Operating Agreement; Carris Tax-Exempt Status. Carris shall adopt and approve its Member Control and Operating Agreement, in form and substance substantially similar to Exhibit B. Carris shall be an organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), based on the tax-exempt status of CentraCare, its sole member.

## 1.2 Certificates.

(a) Each of CentraCare and Carris shall execute and deliver to the Rice Board and the City an Officer and Incumbency Certificate in form and substance reasonably satisfactory to the Rice Board, certifying as to, among other things as the Rice Board may reasonably require, (i) attached copies of organizational documents, certificates of good standing and resolutions authorizing the transactions contemplated herein, and (ii) the then-current officers of the applicable company, including the genuineness of their signatures.

(b) CentraCare shall execute and deliver to the Rice Board and the City a tax certificate in form and substance reasonably satisfactory to the Rice Board and the City, certifying as the matters set forth in Section 5.3 of the Lease and to such additional matters as, in the reasonable opinion of bond counsel, may be necessary to assure the continuing exemption from income tax of the interest on the Bonds.

1.3 Lease. Carris, CentraCare, and the City shall enter into an operating lease (the “**Lease**”) in the form attached as Exhibit D, by which Carris will lease the Leased Assets (as defined in the Lease) from the City and the City will transfer the Transferred Assets (as defined in the Lease), to Carris and CentraCare shall execute and deliver to City a Guarantee Agreement in the form attached as Exhibit E. The effective date of the Lease (the “**Possession Date**”) shall be January 1, 2018, or such earlier date as described in the Lease. Prior to the Possession Date, the City and Carris will update the Exhibits attached to the Lease.

## ARTICLE II ACTIONS ON THE POSSESSION DATE

Beginning on the Possession Date:

2.1 Operation of Rice Facilities. Subject to the conditions set forth in Article IV, on the Possession Date, the parties agree to transfer operation of the Rice Facilities to Carris in accordance with the terms of the Lease, and Carris agrees to operate the Rice Facilities pursuant to the terms of the Lease. All Rice Facilities’ assets leased pursuant to the terms of the Lease will be used in the fulfillment of the charitable missions of Carris, including the advancement of healthcare services in the Rice service area. Carris will observe all restrictions applicable to the Rice Facilities’ assets, including without limitation, continued use of the Rice name.

2.2 Rice Governance. The Rice Board will adopt the Amended and Restated Bylaws of Rice Memorial Hospital, which will remain in effect at all times during which Carris operates the Rice Facilities under the terms of the Lease, which Bylaws will reflect that the Rice Board will continue to have seven (7) voting members. CentraCare will have the right to appoint two (2) non-voting observers to the Rice Board, and the Carris Co-Chief Executive Officers each will be non-voting, *ex-officio* members of the Rice Board. The Rice Board will continue to conform to Minnesota state statutes, including the Minnesota open meeting laws.

2.3 Transfer of Rice Assets. The City will transfer to Carris certain operating assets and working capital with respect to the Rice Facilities pursuant to the terms of the Lease. On or prior to the Possession Date, the City will [**specify bond-related actions to be taken.**]

**2.4 Carris Governance.** Carris governance shall be as provided for in Carris' Member Control and Operating Agreement; specifically, the Board of Governors of Carris ("**Carris Board**") shall include ten (10) members, as follows: four (4) individuals, including two (2) individual residents of the City, nominated by the Rice Board of Directors (such four (4) members shall be referred to as the "**Rice Governors**"); four (4) individuals, including one (1) individual who is an active member of the Rice Memorial Hospital medical staff, nominated by Affiliated Community Medical Centers, P.A. ("**ACMC**") (such four (4) members shall be referred to as the "**Aligned Physician Governors**"); two (2) individuals appointed by CentraCare; and the Carris Chief Executive Officers as *ex-officio*, non-voting members; provided, however, that prior to appointment to the Carris Board, any individual nominated by the Rice Board or ACMC must first be approved by CentraCare. The majority of the Carris Governors shall be independent community members who are not members of Rice Memorial Hospital's Medical Staff or officers or employees of Carris. The names and terms of the initial Carris Board shall be as specified in Exhibit C, attached to and incorporated in this Affiliation Agreement by reference.

**2.5 CentraCare Board.** Two (2) Carris Board members proposed by the Carris Board, subject to approval by CentraCare and appointment by the CentraCare Board, will sit on the CentraCare Board; one (1) of these individuals will be a member of the Rice Board of Directors or other representative of the Willmar community approved by the Rice Board of Directors and one (1) of these individuals will be an Aligned Physician Governor approved by the Aligned Physician Governors of Carris.

**2.6 Carris Executive Leadership.** The Carris Board shall appoint the individuals serving, respectively, as the Rice Memorial Hospital Chief Executive Officer and the ACMC Chief Executive Officer immediately prior to the Possession Date to serve as the Co-Chief Executive Officers of Carris.

**2.7 Commitment to Delivery of Services at Rice.** During the term of the Lease, Carris agrees that it will continue to operate the Hospital in the City of Willmar as a licensed general acute care hospital and at minimum a Level 3 or such appropriate status trauma center and furnish such health care services as are deemed necessary and appropriate by the Carris Board of Governors (the "**Carris Board**") which services shall include inpatient beds, emergency department, surgery services, therapy services, ambulance services, and obstetrical services and will not materially limit, reduce or eliminate such core services without the prior approval of the Rice Board. Nothing herein shall limit in any manner the right and ability of Carris to perform any health care service at the Hospital that it may otherwise lawfully perform. During the term of the Lease, Carris and CentraCare shall work collaboratively to maintain and expand physician specialty services at Rice, which may include cardiology, gastroenterology, orthopedics, kidney care or specialties.

### ARTICLE III TREATMENT OF EMPLOYEES

**3.1 Carris Employment.** The City and Carris intend that all Rice Facilities-dedicated City employees ("**Rice Facilities Employees**") will have the opportunity to transition from City

employment to Carris employment as of the Possession Date, subject to the process set forth in this Article III.

**3.2** Process for Transition of Employment. Each employee of Rice who is actively employed or on a leave of absence from such active employment on the Possession Date will be offered employment by Carris, as applicable, with comparable position, hours and benefits, and at the wage or salary provided as of the Possession Date, subject only to the following pre-employment screening requirements: (i) professional licensure that is presently required for the position at Rice; (ii) criminal background check; (iii) immigration law compliance; and (iv) any other legally mandated requirements. Employees hired under this Article III are referred to as “**Transferred Employees.**” Continued employment of Transferred Employees by Carris will be subject to Carris’ policies and procedures.

**3.3** Service Credit. Eligibility for benefits for Transferred Employees will begin on the first day of employment Carris. Carris shall treat employee service with Rice prior to the Possession Date as having been service with Carris and will waive, to the extent permitted by law, any length of service requirements, waiting periods, vesting periods or differential benefits based on length of service in any such employee benefit plans and defined contribution plans for which Transferred Employees may be eligible after the Possession Date.

**3.4** PTO Credit. Carris will grant credit for all unused paid time off (“**PTO**”) accrued by Transferred Employees before the Possession Date, provided that such PTO credit effectively eliminates any claim for a payout of accrued PTO by such Transferred Employees. If a Transferred Employee does not consent to such credit, then the City will pay out all such accrued PTO as of the Possession Date, and the Transferred Employee will not be granted PTO credit.

**3.5** Communication with Rice Facilities Employees. The City will cooperate in the distribution of communications from Carris to the Rice Facilities Employees. The City is not authorized to make any representations to the City’s employees as to the plans or intentions of Carris with respect to possible employment opportunities with Carris, the terms and conditions of employment that may be provided by Carris, or other factors related to any employment relationship with Carris. Nothing in this Affiliation Agreement shall create any rights in favor of any person not a party to this Affiliation Agreement, including the Rice Facilities Employees, or constitute an employment agreement or condition of employment for any employee of the City.

**3.6** Assumption of Collective Bargaining Agreements. Carris will assume all collective bargaining agreements related to the Transferred Employees in place on the Possession Date, subject to adjustment to reflect the National Labor Relations Act (“**NLRA**”), and will fully comply with the NLRA.

**3.7** WARN Notices. The City shall provide such notices as are required under the Federal WARN Act or under any similar state law.

## ARTICLE IV CONDITIONS TO AFFILIATION

The obligations of the Parties are contingent upon the satisfaction of the following as of the Possession Date:

4.1 No Actions. There are no actions, suits, or proceedings, pending or threatened, against or affecting either party, at law or in equity, which, if adversely determined, would materially affect this Affiliation Agreement, the Lease, or the transactions completed by this Affiliation Agreement.

4.2 No Material Change. There has been no material change to the financial condition of the Rice Facilities and the bond financing relating to the Rice Facilities or a change to the physical condition of the Rice Facilities that will adversely affect the ability of the Rice Facilities to continue as a licensed hospital or skilled nursing facility.

## ARTICLE V CITY COVENANTS

From the date of this Affiliation Agreement to the Possession Date of the Lease, the City agrees:

5.1 Provision of Information. To provide CentraCare with all financial and operation information and data relating to the Rice Facilities as CentraCare may reasonable request.

5.2 Satisfaction of Bond-Related Obligations. To make all principal and interest payments on all bonds that provided funding for the Rice Facilities and comply with all terms on provisions of such bonds so that no defaults shall occur. In addition, on or prior to the Possession Date, [**bond-related actions to be taken by the City**].

## ARTICLE VI MISCELLANEOUS

6.1 Re-Transfer of Rice Facilities. It is the intent of the parties that Carris shall operate the Rice Facilities during the term of the Lease and return the Rice Facilities to the City in a manner which permits and facilitates the City's operation of the Rice Facilities upon termination of the Lease.

6.2 Annual Report to City. Carris will provide a report to the City Council and the Rice Board within one hundred eighty (180) days of the end of each year and on a more frequent basis as requested by the Rice Board (a) with respect to the fulfillment of by Carris of its obligations and covenants under Sections 5.12 and 5.13 of the Lease and such other information as the City or the Rice Board may reasonably request in order to understand and confirm Carris' fulfillment of such obligations and covenants, (b) audited financial statements of CentraCare within one hundred eighty (180) days of the end of each fiscal year of CentraCare, and (c) audited financial statements of Carris within one hundred eighty (180) days of the end of each fiscal year of Carris. Carris shall also timely provide any reports and information as necessary to meet the requirements and covenants of the Bond Documents.

6.3 No Amendment. Neither this Affiliation Agreement, nor any exhibit to this Affiliation Agreement, nor any of the covenants, provisions, terms, or conditions of this Affiliation Agreement to be kept or performed by either party shall be in any manner modified, amended, waived, or abandoned except by written instrument duly signed and delivered by the City and CentraCare.

**6.4** Notices. Any notice or other communication or payment herein required or permitted to be given shall be deemed given if and when personally delivered in writing or if and when mailed in a sealed wrapper by United States registered or certified mail, postage prepaid, properly addressed to the address specified in Section 14.1 of the Lease.

**6.5** Severability. If any term, condition, or provision of this Affiliation Agreement, or the application thereof to any person or circumstance, shall to any extent be held to be invalid or unenforceable, the remainder hereof, and any application of that term, provision, or condition other than that held invalid or unenforceable, shall not be affected thereby, and this Affiliation Agreement and all the terms, provisions, conditions, and applications thereof shall in all other respects continue to be effective and to be complied with to the full extent permitted by law.

**6.6** Successors and Assigns. All of the covenants, provisions, terms, and conditions of this Affiliation Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the parties to this Affiliation Agreement and their respective successors and assigns. This Affiliation Agreement may only be assigned by CentraCare if there is an assignment of the Lease, and then only pursuant to the terms of the Lease.

**6.7** Independent Covenants. Each covenant, agreement, obligation, term, condition, or other provision contained in this Affiliation Agreement shall be deemed and construed as a separate and independent covenant of the party bound by, undertaking or making the same, and not dependent on any other provision of this Affiliation Agreement unless otherwise expressly provided.

**6.8** Authorization. The City and CentraCare jointly represent to each other that this Affiliation Agreement has been authorized by all appropriate actions of their respective governing bodies or boards.

**6.9** Counterparts. This Affiliation Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument.

**6.10** Governing Law. This Affiliation Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota.

**6.11** Assumed Name. After the Possession Date, the Rice Facilities may file with the secretary of state for the State of Minnesota an assumed name filing to reflect the name of Carris and its affiliation with the System. Such name shall be consistent with regulatory requirements.

**6.12** No Third-Party Beneficiary. Nothing in this Affiliation Agreement shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature under or by reason of this Affiliation Agreement.

*[The remainder of this page is intentionally blank. Signature page follows.]*

**CITY:**

**CITY OF WILLMAR, MINNESOTA**

By: \_\_\_\_\_  
Its: Mayor

By: \_\_\_\_\_  
Ike Holland  
Its: City Administrator

**RICE BOARD:**

**RICE MEMORIAL HOSPITAL BOARD OF DIRECTORS**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**CENTRACARE:**

**CENTRACARE HEALTH SYSTEM**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**CARRIS:**

**CARRIS HEALTH, LLC**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

## LIST OF EXHIBITS

- Exhibit A Carris Articles of Organization
- Exhibit B Carris Member Control and Operating Agreement
- Exhibit C Carris Board of Governors
- Exhibit D Lease
- Exhibit E Guarantee Agreement

## GUARANTEE AGREEMENT

**THIS GUARANTEE AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by CentraCare Health, a Minnesota non-profit corporation (“**Guarantor**”).

### RECITALS

- A. Carris Health, LLC, a Minnesota non-profit limited liability company (“**Lessee**”), the City of Willmar, Minnesota, a home rule charter city of the third class (“**Lessor**”), and Guarantor are parties to that certain Operating Lease Agreement, dated \_\_\_\_\_, 2018 (the “**Lease**”), for that certain property commonly known as Rice Memorial Hospital, as more particularly described in the Lease.
- B. Guarantor is the sole member of Lessee and will realize a substantial benefit in such capacity as a result of the Lease.
- C. Lessee and Guarantor acknowledge that Lessee will rely entirely on the payments made to it under the Lease in order to satisfy its obligation to make debt service payments on certain long-term debt financing used by Lessor to finance improvement to the property being leased to Lessee under the Lease;
- D. Because Lessee is a newly formed entity, the parties to the Lease have required Guarantor to provide this Guaranty pursuant to Section 3.1(c) of the Lease.
- E. Unless the context clearly indicates the contrary, capitalized terms used but not defined in this Guaranty have the meanings assigned to them in the Lease.

### AGREEMENT

Guarantor irrevocably and unconditionally agrees with the City as follows:

- 1. Guarantor guarantees, without the necessity of prior notice, the full and prompt payment of all rent and other sums and charges payable by Lessee under the Lease (including, without limitation, payment of all amounts payable under Section 3.1(a) and Section 3.1(b) of the Lease and all payment obligations that survive the expiration or earlier termination of the Lease).
- 2. Guarantor guarantees, without the necessity of prior notice, the due and punctual payment in full of any and all losses, damages and expenses incurred by Lessor and arising out of any default by Lessee in performing any of its obligations under the Lease.
- 3. Lessor may, in its sole discretion, without notice to or consent of Guarantor and without in any way affecting or terminating any of Guarantor’s obligations and liabilities hereunder, from time to time, (a) waive compliance with the terms of the Lease or any default thereunder; (b) grant any extension or renewal of the terms of the Lease; or (c) effect any release, compromise or settlement in connection therewith.

4. Guarantor's obligations under this Guaranty (a) shall be unconditional, without regard to the enforceability of the Lease or any other circumstance which might otherwise constitute a discharge of a guarantor or Lessee at law or in equity; (b) shall not be conditioned upon Lessor's pursuit of any remedy which it has against Lessee or any other person; and (c) shall survive and shall not be diminished, impaired or delayed in connection with (i) any bankruptcy, insolvency, reorganization, liquidation or similar proceeding relating to Lessee, its properties or creditors, (ii) any transfer, assignment, sublease or termination of Lessee's interest under the Lease, or (iii) expiration or termination of the Lease, to the extent that the applicable liability or obligation under the Lease accrued prior to the date of expiration or termination of the Lease or otherwise survives the termination or expiration of the Lease, provided that in the event Lessee's obligations under the Lease terminate due to Lessor's breach of the Lease then Guarantor shall have no ongoing obligations under this Guaranty.

5. All rights and remedies of Lessor under this Guaranty, the Lease, or at law or in equity, are separate and cumulative, and the exercise of one shall not limit or prejudice the exercise of any other such rights or remedies. Any waivers or consents by Guarantor as set forth in this Guaranty shall not be deemed exclusive of any additional waivers or consents by Guarantor which may exist in law or equity.

6. The obligations of the Guarantor under this Guarantee may not be assigned, including by operation of law, without the prior consent of the Lessor. This Guaranty shall be binding upon Guarantor, and Guarantor's successors and permitted assigns, and shall inure to the benefit of Lessor and its successors and assigns.

7. If any provision of this Guaranty is held to be invalid or unenforceable by a court of competent jurisdiction, the other provisions of this Guaranty shall remain in full force and effect and shall be liberally construed in favor of Lessor in order to effect the provisions of this Guaranty.

8. Guarantor agrees that this Guaranty shall be governed by and construed according to the laws of the State of Minnesota and that Guarantor is subject to the jurisdiction of the courts of Stearns County, Minnesota.

9. Guarantor hereby represents and warrants to the City that:

(a) Guarantor is a nonprofit corporation duly organized and in good standing under the laws of the State of Minnesota and has the power to execute and deliver this Guaranty and to fulfill all of its obligations hereunder;

(b) All actions required to be taken by Guarantor to authorize the execution, delivery and performance of this Guaranty have been duly and properly taken and this Guaranty has been duly executed and delivered and is a valid and legally binding obligation of Guarantor enforceable in accordance with its terms; and

(c) The execution and delivery of this Guaranty does not, and the performance by Guarantor of its obligations hereunder will not, violate, conflict with, or result in a default under or a breach of (i) the articles of incorporation or bylaws of Guarantor or any contract, agreement

or other instrument to which Guarantor is a party or is bound, (ii) any ordinance, law or regulation to which Guarantor is subject, or (iii) any order, decree or judgment of any court or governmental agency to which Guarantor is a party or is bound.

*Signature on Next Page*

**IN WITNESS WHEREOF**, Guarantor has caused this Guaranty to be duly executed and delivered as of the day and year first above written.

**CentraCare Health,**  
a Minnesota non-profit corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: City Administrator Ike Holland</b>	<b>Subject: 2018-2019 Health Insurance</b>

**AGENDA ITEM:** Approve the 2018 and 2019 Health Insurance Plan as presented.

**INTRODUCTION/REQUEST:** Several health plan quotes were obtained for the purpose of ensuring the City has the best health plan, rates, and coverage for the employees. In a closed labor relations committee meeting a presentation was given to the Council Members. The committee acknowledged its intention to approve at the next Council meeting, the State workers insurance administrator PEIP (Public Employee Insurance Program) and the Health Savings Account with Blue Cross Blue Shield plan as the health insurance for 2018 and 2019.

**HISTORY:** The City has for several decades maintained the employee’s health insurance plan with the Southwest West Central Cooperative (SWWC) with very little increase in premium rates from year to year, until now.

**CURRENT CIRCUMSTANCE:** The total premium increase going through SWWC for 2018 is 18.99%. It was because of this increase that staff obtained quotes from other programs/insurance administrators. The Cooperative provided a second quote of a 13.90% increase contingent on the removal of the Double Gold plan.

**RECOMMENDATION:** Approve the Public Employee Insurance Program (PEIP) Health Care Savings Plan, the premium costs and the City Contribution amounts to the employee health savings accounts for 2018 and 2019.

**ISSUES:** N/A

**FINANCIAL IMPACT:**

- SWWC 18.99% increase offer, the annual cost would be \$2,168,634.
- SWWC 13.90% increase offer, (eliminates the Double Gold plan), annual cost would be \$2,075,706.
- PEIP plan annual cost, \$1,698,840.88, (this amount includes the City’s contribution into the employee’s Health Savings Account for single plans \$3,000.00 and family plans \$6,000.00) – 8% increase.
- Current 2017 annual cost to City is \$1,563,024.

**ALTERNATIVES:**

1. Approve the SWWC plan with the 13.90% increase with the listed premium costs for employees and the City, and the City’s contribution amounts of \$2,600/single plan and \$5,200/family plan for the Health Savings Account plan

**RECOMMENDED MOTION:** Formally approve the PEIP 2018 and 2019 Health Insurance Plan.

**REVIEWED BY:** Ike Holland, City Administrator

**COUNCIL MEETING DATE:** November 6, 2017     Regular Agenda     Consent Agenda

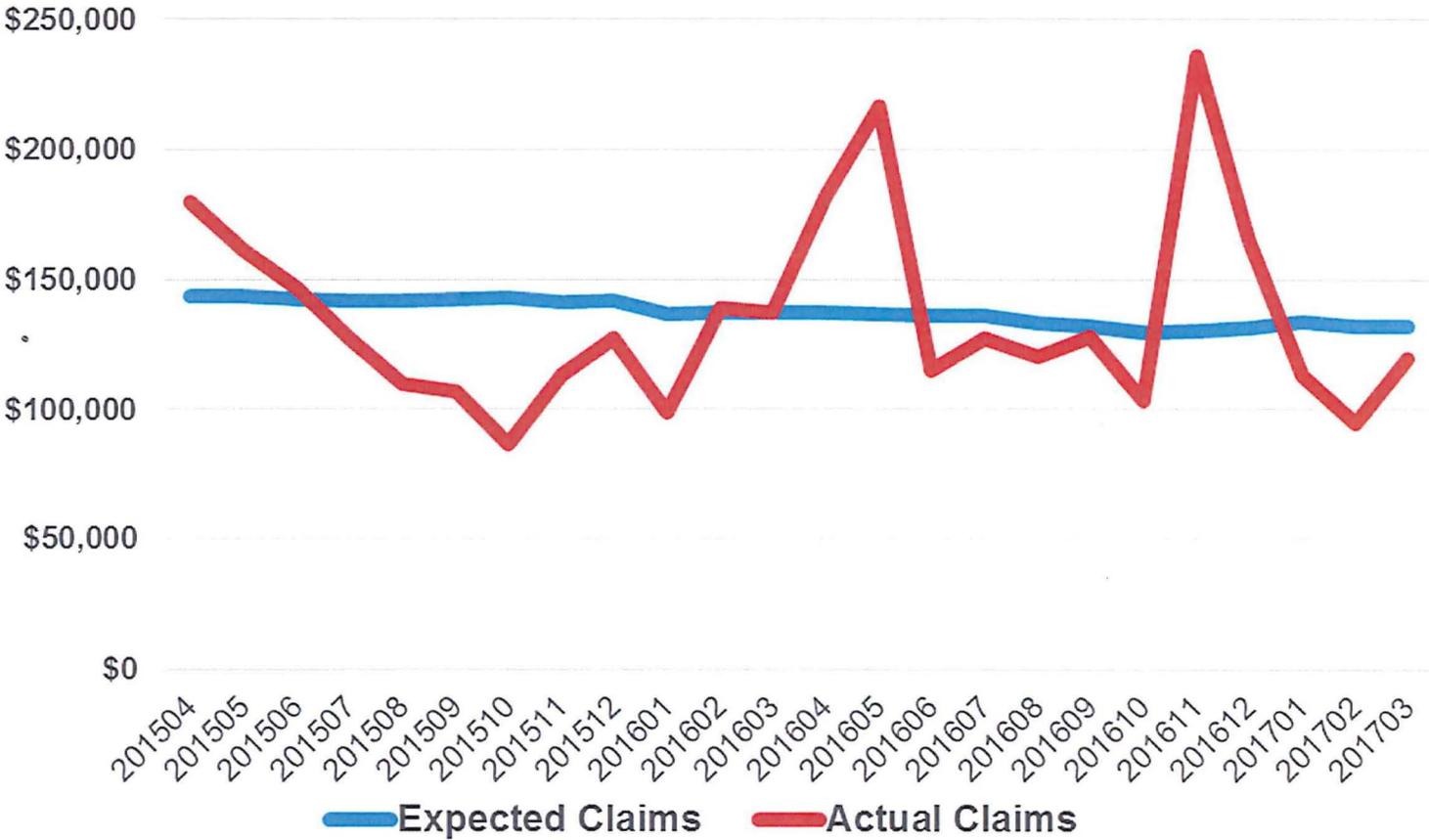
# City of Willmar

## 2018 Health Insurance Presentation

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# CITY OF WILLMAR CLAIMS ANALYSIS



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# Health Plan Utilization Statistics

## April 2015 – March 2016

- \$1.53 Million in Claims

## April 2016 - March 2017

- 13% Increase in claims from 2015-16
- \$1.72 Million Actual Claims
- **108% Actual Vs. Expected Ratio**

Current Plan Options & Enrollment				SW/WC Cooperative	SW/WC Cooperative (Renewal)
				Current Rates	January 1st Rates
<b>1</b>	\$100 Deductible	17	Single	\$599.00	\$713.00
		55	Family	\$1,680.00	\$1,999.00
<b>2</b>	Double Gold	11	Single	\$738.00	\$878.00
		17	Family	\$2,065.00	\$2,457.50
<b>3</b>	\$2600 HSA	12	Single	\$505.50	\$601.50
		0	Family	\$1,410.00	\$1,678.00

Total Annual Cost	\$1,822,464.00	\$2,168,634.00
Percentage Increase		18.99%

Health Insurance Premium Rate Analysis

Current Plan Options & Enrollment				SW/WC Cooperative	SW/WC Cooperative (Renewal)	SW/WC Cooperative <b>Alternative*</b>	Health Partners	PreferredOne	Public Employee Insurance Program
				Current Rates	January 1st Rates	January 1st Rates	January 1st Rates	January 1st Rates	January 1st Rates
<b>1</b>	\$100 Deductible	17	Single	\$599.00	\$713.00	\$683.00	<b>\$681.72</b>	<b>\$694.72</b>	\$470.88
		55	Family	\$1,680.00	\$1,999.00	\$1,915.00	<b>\$1,910.48</b>	<b>\$1,948.47</b>	\$1,232.16
<b>2</b>	Double Gold	11	Single	\$738.00	\$878.00	\$841.50	<b>\$776.45</b>	<b>\$855.93</b>	\$470.88
		17	Family	\$2,065.00	\$2,457.50	\$2,345.00	<b>\$2,175.90</b>	<b>\$2,395.00</b>	\$1,232.16
<b>3</b>	\$2600 HSA	12	Single	\$505.50	\$601.50	\$576.50	<b>\$561.50</b>	<b>\$586.28</b>	\$470.88
		0	Family	\$1,410.00	\$1,678.00	\$1,607.50	<b>\$1,573.60</b>	<b>\$1,635.32</b>	\$1,232.16

Total Annual Cost	\$1,822,464.00	\$2,168,634.00	\$2,075,706.00	\$2,027,218.68	\$2,113,700.45	<b>\$1,290,608.64</b>
Percentage Increase		18.99%	13.90%	11.24%	15.98%	-29.18%

\*Service Cooperative Alternative Plan Mandates the **REMOVAL** of the Double Gold Plan Design for 2018

<b>Option #1</b>				SW/WC Cooperative	SW/WC Cooperative <b>Alternative #1</b>	City Contribution	Employee Cost
				Current Rates	January 1st Rates		
<b>1</b>	\$100 Deductible	17	Single	\$599.00	\$683.00	\$641.00	\$42.00
		55	Family	\$1,680.00	\$1,915.00	\$1,656.48	\$258.52
<b>2</b>	<del>Double Gold</del>	11	Single	\$738.00	<del>\$841.50</del>	N/A	N/A
		17	Family	\$2,065.00	<del>\$2,345.00</del>	N/A	N/A
<b>3</b>	\$2700 HSA	12	Single	\$505.50	\$576.50	\$576.50	\$0.00
		0	Family	\$1,410.00	\$1,607.50	\$1,390.49	\$217.01

**\*Plan Mandates the REMOVAL of the Double Gold Plan Design for 2018**

<b>Option #2</b>				<b>SW/WC Cooperative</b>	<b>*SW/WC Cooperative Alternative #2</b>	<b>City Contribution</b>	<b>Employee Cost</b>
				Current Rates	January 1st Rates		
<b>1</b>	<del>\$100 Deductible</del>	17	Single	\$599.00	<del>\$683.00</del>	N/A	N/A
		55	Family	\$1,680.00	<del>\$1,915.00</del>	N/A	N/A
<b>2</b>	<del>Double Gold</del>	11	Single	\$738.00	<del>\$841.50</del>	N/A	N/A
		17	Family	\$2,065.00	<del>\$2,345.00</del>	N/A	N/A
<b>3</b>	\$2700 HSA	12	Single	\$505.50	\$560.50	\$560.50	\$0.00
		0	Family	\$1,410.00	\$1,559.50	\$1,390.49	\$169.01

**\*Mandates the REMOVAL of the Double Gold AND \$100 CMM plans for 2018**

**\*Removes 4th Quarter Carryover and uses GenRx Formulary**

<b>Option #3</b>				<b>SW/WC Cooperative</b>	<b>Public Employee Insurance Program PEIP*</b>		
				<b>Current Rates</b>	<b>January 1st Rates</b>	<b>City Contribution</b>	<b>Employee Cost</b>
<b>1</b>	\$100 Deductible	17	Single	\$599.00	\$470.88	\$470.88	\$0.00
		55	Family	\$1,680.00	\$1,232.16	\$1,065.82	\$166.34
<b>2</b>	Double Gold	11	Single	\$738.00	\$470.88	\$470.88	\$0.00
		17	Family	\$2,065.00	\$1,232.16	\$1,065.82	\$166.34
<b>3</b>	\$2600 HSA	12	Single	\$505.50	\$470.88	\$470.88	\$0.00
		0	Family	\$1,410.00	\$1,232.16	\$1,065.82	\$166.34

\*Rates Illustrated for the PEIP alternative are for the 2018 Advantage HSA plan only

Health Insurance Premium Rate Analysis

			SW/WC Cooperative	Public Employee Insurance Program (PEIP)**				
			Alternative #2*	Cost Level #2	Cost Level #3			
Single Deductible			\$2,700	\$2,000	\$3,000.00	<b>PEIP Vs. SW/WC Coop 2018 Comparison</b>		
Family Deductible			\$5,400	\$4,000	\$6,000.00			
Coinsurance (after deductible)			100%	75%	70%			
Single Out of Pocket Maximum			\$2,700	\$3,000	\$4,000.00			
Family Out of Pocket Maximum			\$5,400	\$6,000	\$8,000.00			
Projected Enrollment	40	Single	\$560.50	\$470.88		-15.99%	\$1,075.44	\$325,839.36
	72	Family	\$1,559.50	\$1,232.16		-20.99%	\$3,928.08	

\*Removes 4th Quarter Carryover and uses GenRx Formulary

\*\*2018 PEIP Advantage HSA Plan

# City of Willmar

## 2018 PEIP Plan Funding Model

		2017 Rates and Contributions					
Current Plans and Rates (2017)	Current Enrollment	Current Rates	Annual VEBA/HSA Funding	City Premium Contribution	Employee Premium Costs	Net Employee Out of Pocket Maximum	Total Max Employee Spend (Premium + O/O/P - VEBA)
\$100 Deductible	17 Single	\$599.00	\$0.00	\$599.00	\$0.00	\$1,000.00	\$1,000.00
	55 Family	\$1,680.00	\$0.00	\$1,455.75	\$224.25	\$3,000.00	\$5,691.00
Double Gold	11 Single	\$738.00	\$0.00	\$599.00	\$139.00	minimal	\$1,668.00
	17 Family	\$2,065.00	\$0.00	\$1,455.75	\$609.25	minimal	\$7,311.00
\$2600-100% HSA	12 Single	\$505.50	\$2,600.00	\$505.50	\$0.00	\$0.00	\$0.00
	0 Family	\$1,410.00	\$5,200.00	\$904.50	\$505.50	\$0.00	\$6,066.00

<b>Total Annual City Cost</b>	<b>\$1,563,024.00</b>
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2018 PEIP Plan Alternative		2018 PEIP Plan with Hypothetical Premium Contributions					
Assumes Cost Level Two	Current Enrollment	Premium	HSA/VEBA Funding	City Premium Contribution	Employee Premium Costs	Net Employee Out of Pocket	Total Max Employee Spend (Premium + O/O/P - VEBA)
\$2000-80% HSA/VEBA	40 Single	\$470.88	\$3,000.00	\$470.88	\$0.00	\$0.00	\$0.00
	72 Family	\$1,232.16	\$6,000.00	\$1,065.82	\$166.34	\$0.00	\$1,996.08

<b>Total Annual City Cost</b>	<b>\$1,698,890.88</b>	<b>8.69%</b>
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# Public Employee Insurance Plan PEIP

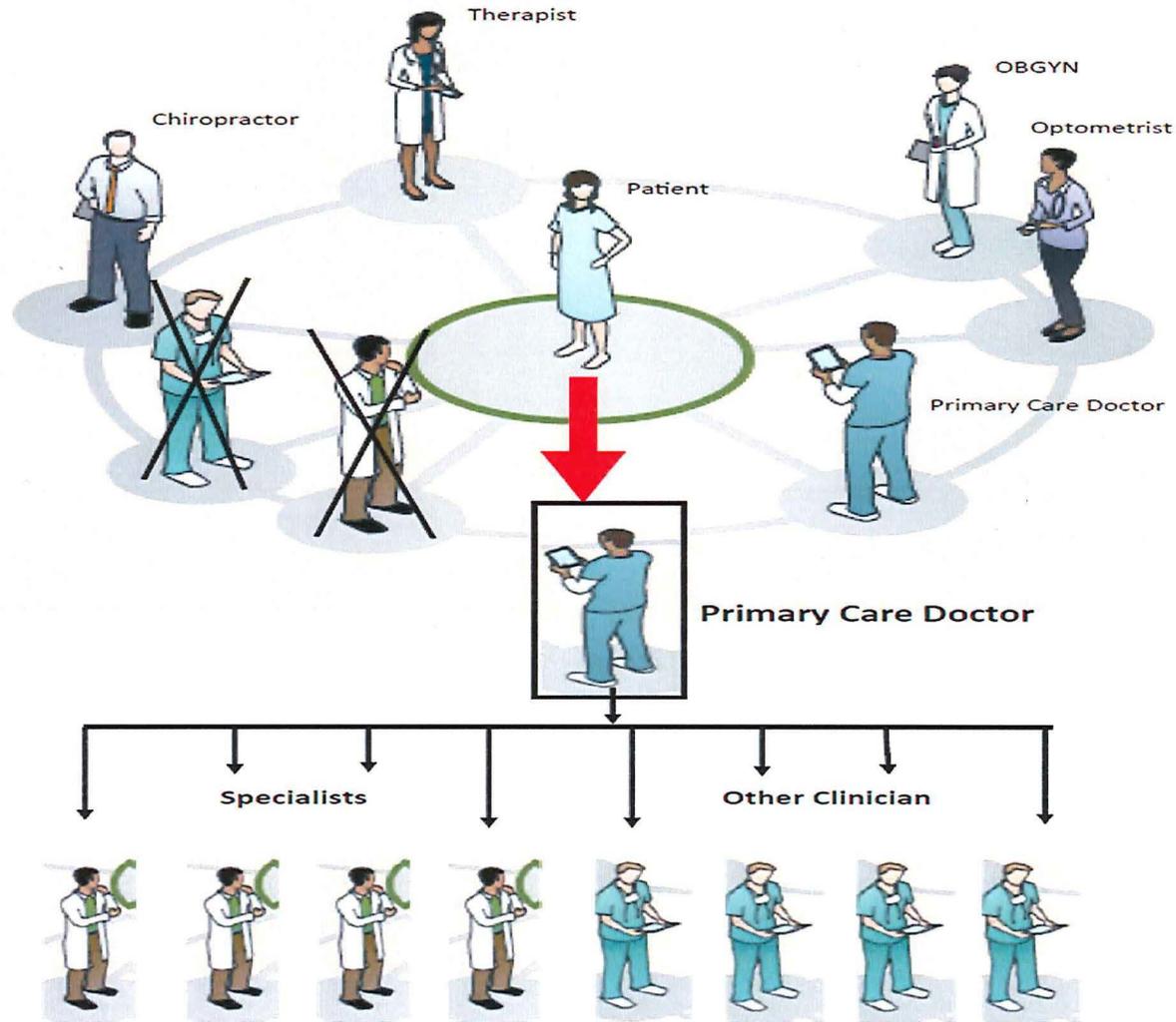
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<b>PEIP HSA Plan</b>	<b>Cost Level 1- You Pav</b>	<b>Cost Level 2- You Pav</b>	<b>Cost Level 3- You Pav</b>	<b>Cost Level 4- You Pav</b>
<b>Deductible (single)</b>	\$1,500	\$2,000	\$3,000	\$4,000
<b>Deductible (EE+1 &amp; family)</b>	\$2600 per member	\$3200 per member	\$4800 per member	\$6400 per member
	\$3000 per family	\$4000 per family	\$6000 per family	\$8000 per family
<b>Preventive Care Services</b>	NOTHING	NOTHING	NOTHING	NOTHING
<b>Office visits for Illness/Injury, Outpatient Therapy &amp; Urgent Care</b>	\$40 Co-pay AFTER DEDUCTIBLE	\$50 Co-pay AFTER DEDUCTIBLE	\$100 Co-pay AFTER DEDUCTIBLE	\$120 Co-pay AFTER DEDUCTIBLE
<b>Convenience Clinics</b>	\$20 Co-pay AFTER DEDUCTIBLE	\$20 Co-pay AFTER DEDUCTIBLE	\$20 Co-pay AFTER DEDUCTIBLE	\$20 Co-pay AFTER DEDUCTIBLE
<b>Emergency Care</b>	\$150 Co-pay AFTER DEDUCTIBLE	\$150 Co-pay AFTER DEDUCTIBLE	\$150 Co-pay AFTER DEDUCTIBLE	50% Co-insurance AFTER DEDUCTIBLE
<b>Inpatient Hospital Copay</b>	\$400 Co-pay AFTER DEDUCTIBLE	\$650 Co-pay AFTER DEDUCTIBLE	\$1500 Co-pay AFTER DEDUCTIBLE	50% Co-insurance AFTER DEDUCTIBLE
<b>Outpatient Surgery Copay</b>	\$250 Co-pay AFTER DEDUCTIBLE	\$400 Co-pay AFTER DEDUCTIBLE	\$800 Co-pay AFTER DEDUCTIBLE	50% Co-insurance AFTER DEDUCTIBLE
<b>Prosthetics and Durable Medical Equipment</b>	20% Co-insurance AFTER DEDUCTIBLE	25% Co-insurance AFTER DEDUCTIBLE	30% Co-insurance AFTER DEDUCTIBLE	50% Co-insurance AFTER DEDUCTIBLE
<b>Outpatient Hospital Services</b>	20% Co-insurance AFTER DEDUCTIBLE	25% Co-insurance AFTER DEDUCTIBLE	30% Co-insurance AFTER DEDUCTIBLE	50% Co-insurance AFTER DEDUCTIBLE
<b>Prescription Drugs</b>	\$25/\$40/\$65 AFTER DEDUCTIBLE	\$25/\$40/\$65 AFTER DEDUCTIBLE	\$25/\$40/\$65 AFTER DEDUCTIBLE	\$25/\$40/\$65 AFTER DEDUCTIBLE
<b>Max Annual Out of Pocket (Single)</b>	\$3,000	\$3,000	\$4,000	\$5,000
<b>Max Annual Out of Pocket (EE+1 &amp; Family)</b>	\$5000 Per Person	\$5000 Per Person	\$6850 Per Person	\$6850 Per Person
	\$6000 Per Family	\$6000 Per Family	\$8000 Per Family	\$10,000 Per Family

# Local Primary Care Facilities

- ACMC – Willmar/Litchfield/New London.....Cost Level 2
- Family Practice Medical Center – Willmar.....Cost Level 3
- Swift, Chippewa, & Renville County Medical.....Cost Level 2
- St. Cloud Medical Group.....Cost Level 2
- CentraCare – All Locations.....Cost Level 3
- Cold Spring Medical.....Cost Level 2
- Clara City, Brooten, Milan Clinics.....Cost Level 2
- Appleton Medical Clinic.....Cost Level 3

# Primary Care Model



# PEIP Insurance Trust:

- Better benefit opportunities for folks using a “tier 2” primary care clinic
- Network access is virtually the same as BCBS (via referral only)
- Includes coverage for infertility, bariatric, and fitness discount
- 2018 Renewals averaged .3% for groups in the pool
- Average 2.6% pool increase over the last SEVEN years

## PEIP Insurance Trust: Cons

- Required Primary Care delivery model
- Coverage levels can change for better or worse each year
- Central region is a mix of Level 2 & 3 providers. Therefore, employees can have different benefit levels
- Providers can change benefit tier each year
- No 4<sup>th</sup> Quarter Carryover & No Preventive Rx
- Two-year commitment required



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Megan M. DeSchepper, Planner/Airport Manager</b>	<b>Subject: Kwik Trip utility easement vacation</b>

**AGENDA ITEM:** Petition for a utility easement vacation Kwik Trip.

**INTRODUCTION/REQUEST:** Kwik Trip, Inc., LaCrosse, WI, petitioned for a vacation of a utility easement on property described as follows: the westerly 5' of Lot 2, Block 1, First Minnesota Addition.

**HISTORY:** A portion of the easement goes under the existing old mills auto building. Kwik trip plans on demolishing the building and rebuilding in a new location, the easement is no longer needed.

**CURRENT CIRCUMSTANCE:** Municipal Utilities and the private utility providers were contacted about the request, there were no issues with removal of the easement or relocation of services. Planning Commission reviewed the request and adopted a resolution recommending vacation

**RECOMMENDATION:** Staff recommends adoption of a resolution setting a public hearing for the November 20, 2017 City Council meeting for the petition of a utility easement vacation.

**ISSUES:** N/A

**FINANCIAL IMPACT:** Any utility relocation costs would be borne by the developer.

**ALTERNATIVES:**

1. Hold the matter for further information.
2. Not adopt the resolution for a hearing on the petition.

**RECOMMENDED MOTION:** Motion to adopt the resolution setting a public hearing for the November 20, 2017 City Council Meeting for the petition of a utility easement vacation.

**REVIEWED BY:** Bruce D. Peterson, Director of Planning and Development Services

**WORK SESSION DATE:** N/A

**COUNCIL MEETING DATE:** Introduction November 6, 2017, Public Hearing November 20, 2017.

**RESOLUTION NO. 17-**

**RESOLUTION SETTING A PUBLIC HEARING TO CONSIDER A  
PETITION TO VACATE A UTILITY EASMENT (FIRE MINNESOTA ADDITION)**

BE IT RESOLVED by the City Council of the City of Willmar that the Council conduct a public hearing at 7:0 p.m. on Monday, November 20, 2017, in the Council Chambers at the Municipal Utilities Commission Building, 700 Litchfield Ave. SW, Willmar, MN.

BE IT FURTHER RESOLVED that the purpose of the hearing will be to consider a utility easement vacation initiated by City of Willmar described as follows:

The westerly 5' of Lot 2, Block 1, First Minnesota Addition

BE IT FURTHER RESOLVED that any person having an interest in said matter is invited to appear in person or be represented by counsel to be heard on this matter.

Dated this 6th day of November, 2017.

Marvin Calvin\_\_\_\_\_

MAYOR

Attest:

Judy Thompson\_\_\_\_\_

CITY CLERK



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: 11/6/2017</b>
<b>From: Megan M. DeSchepper, Planner/Airport Manager</b>	<b>Subject: Kwik Trip 945 Preliminary/Final Plat</b>

**AGENDA ITEM:** Kwik Trip 945 Preliminary/Final Plat

**INTRODUCTION/REQUEST:** Kwik Trip, Inc., La Crosse WI, submitted a one lot plat which combines three parcels into one clean lot for development of a c-store/gas station/ car wash on 1<sup>st</sup> St. S.

**HISTORY:** One of the three parcels is already platted and cannot be combined with the two unplatted parcels.

**CURRENT CIRCUMSTANCE:** There will be some shared private easements and ponds with the property owner to the south, the City will receive copies of all easements which will be recorded concurrently with the plat.

**RECOMMENDATION:** Staff recommends approval of the preliminary/final plat.

**ISSUES:** N/A

**FINANCIAL IMPACT:** N/A

**ALTERNATIVES:**

1. Hold the matter for further information.
2. Deny the preliminary plat.

**RECOMMENDED MOTION:** Motion to approve the preliminary/final plat.

**REVIEWED BY:** Bruce D. Peterson, Director of Planning & Development Services

**WORK SESSION DATE:** N/A

**COUNCIL MEETING DATE:** November 6, 2017

# KWIK TRIP 945

## - PRELIMINARY PLAT

~for~ Kwik Trip, Inc.

### EXISTING ZONING:

CB (GENERAL BUSINESS DISTRICT)  
 SETBACKS:  
 FRONT - 25 FEET (50 FEET ON STATE/FEDERAL HIGHWAYS)  
 SIDE - 10 FEET (INTERIOR), 25 (ADJACENT TO STREET R/W)  
 REAR - 10 FEET

MINIMUM LOT AREA: 15,000 SQ. FT.  
 MINIMUM LOT WIDTH: 100 FEET

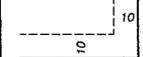
### DEVELOPMENT INFORMATION

PARCEL AREA = 268,828 S.F./6.17 Acres  
 RIGHT OF WAY DEDICATION = 20,625 S.F./0.47 Acres

EASEMENTS TO BE VACATED:  
 Utility easement on Lot 2, FIRST MINNESOTA ADDITION

### PROPOSED EASEMENT DETAIL:

Drainage and Utility Easements are shown thus:  
 (Not to Scale)



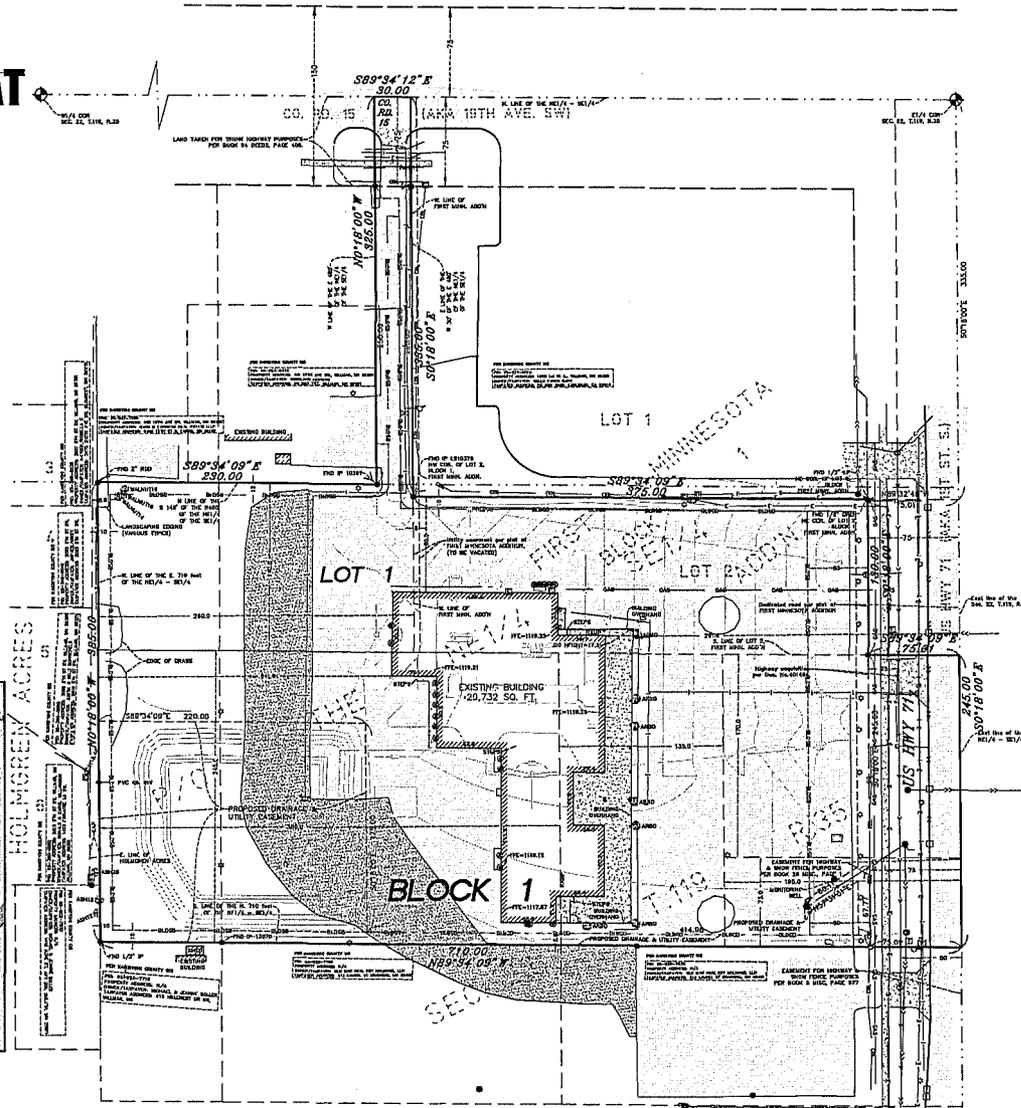
Being 10 feet in width, unless otherwise indicated.

### VICINITY MAP

PART OF SEC. 22, TWP 19, RNG. 35



KANDIYOH COUNTY, MINNESOTA  
 (NO SCALE)



### PARCEL DESCRIPTION

The South 245 feet of the North 710 feet of the East 710 feet; and  
 The South 140 feet of the North 465 feet of the East 710 feet; and  
 The North 325 feet of the West 30 feet of the East 480 feet; and  
 The South 245 feet of the North 710 feet of the West 135 feet of the East 330 feet; and  
 The South 170 feet of the North 635 feet of the East 195 feet.  
 All in the Northeast Quarter of the Southeast Quarter of Section 22, Township 19, Range 35,  
 Kandiyoh County, Minnesota; and  
 Lot 2, Block 1, FIRST MINNESOTA ADDITION, City of Willmar, Kandiyoh County, Minnesota.  
 The South 75 feet of the North 710 feet of the East 195 feet of the NE 1/4 of the SE 1/4 of Section 22,  
 Township 19, Range 35,  
 Kandiyoh County, Minnesota.



### LEGEND

- DENOTES CLEAN OUT
- DENOTES CURB STOP
- DENOTES ELECTRICAL BOX
- DENOTES ELECTRICAL MANHOLE
- DENOTES EXISTING SPOT ELEVATION
- DENOTES FIBER OPTIC BOX
- DENOTES GAS METER
- DENOTES GAS VALVE
- DENOTES HAND HOLE
- DENOTES HYDRANT
- DENOTES LIGHT POLE
- DENOTES MAILBOX
- DENOTES MISCELLANEOUS MANHOLE
- DENOTES POWER POLE
- DENOTES SANITARY SEWER MANHOLE
- DENOTES SIGN
- DENOTES STORM SEWER APRON
- DENOTES STORM SEWER MANHOLE
- DENOTES TELEPHONE PEDESTAL
- DENOTES TELEPHONE MANHOLE
- DENOTES WATER SHUT OFF
- DENOTES WATER VALVE
- DENOTES WELL
- DENOTES FENCE
- DENOTES IRON MONUMENT FOUND AS LABELED
- DENOTES IRON MONUMENT SET, MARKED RLS# 52705
- DENOTES AIR CONDITIONING UNIT
- DENOTES BOLLARD
- DENOTES CATCH BASIN
- DENOTES CATCH BASIN MANHOLE
- DENOTES CABLE PEDESTAL
- DENOTES EXISTING CONTOURS
- DENOTES EXISTING SANITARY SEWER
- DENOTES EXISTING STORM SEWER
- DENOTES EXISTING WATER MAIN
- DENOTES UNDERGROUND ELECTRIC LINE
- DENOTES UNDERGROUND GAS LINE
- DENOTES UNDERGROUND CABLE LINE
- DENOTES UNDERGROUND TELEPHONE LINE
- DENOTES UNDERGROUND FIBER OPTIC LINE
- DENOTES BUILDING SETBACK LINE
- DENOTES PARKING SETBACK LINE
- DENOTES BITUMINOUS SURFACE
- DENOTES CONCRETE SURFACE
- DENOTES GRAVEL SURFACE
- DENOTES ADJACENT PARCEL OWNER INFORMATION (PER KANDIYOH COUNTY TAX INFORMATION)

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Registered Land Surveyor under the laws of the State of Minnesota.

*Samuel N. Niemela*  
 SAMUEL N. NIEMEELA  
 Date: 8/18/17 License No. 52705

**E. G. RUD & SONS, INC.**  
 187, 1977 Professional Land Surveyors

**BENCHMARK**  
 BENCHMARK:  
 MNDOT CONTROL POINT "3405 E"  
 GRID STA. #14328  
 ELEV.=1121.80 (NAVD88)

DRAWN BY: SHN	JOB NO: 17250PP	DATE: 08/16/17	
CHECK BY: NON	SCANNED [ ]		
1			
2			
3			
NO.	DATE	DESCRIPTION	BY





**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Megan M. DeSchepper, Planner/Airport Manager</b>	<b>Subject: Midwest Storage Addition Preliminary Plat</b>

**AGENDA ITEM:** Midwest Storage Addition Preliminary Plat

**INTRODUCTION/REQUEST:** Myron Krupa proposes subdividing the two existing parcels into three for a commercial planned unit development with private drive on Highway 12 E.

**HISTORY:** The Midwest mini storage property consists of two unplatted parcels one with the office and the other with the mini storage facilities.

**CURRENT CIRCUMSTANCE:** To ensure perpetual access to all three parcels Outlot A will be a private drive with articles and declarations spelling out ownership, access, maintenance etc. Lot 3 has no direct street access and Lot 2 abuts Highway 12 but is unlikely to get an access from MNDOT. Planning Commission approved the preliminary plat with conditions regarding water and sewer easements etc.

**RECOMMENDATION:** Staff recommends approval of the preliminary plat.

**ISSUES:** N/A

**FINANCIAL IMPACT:** N/A

**ALTERNATIVES:**

1. Hold the matter for further information.
2. Deny the preliminary plat.

**RECOMMENDED MOTION:** Motion to approve the preliminary plat.

**REVIEWED BY:** Bruce D. Peterson, Director of Planning and Development Services

**WORK SESSION DATE:** N/A

**COUNCIL MEETING DATE:** November 6, 2017

PRELIMINARY PLAT OF:  
**MIDWEST STORAGE ADDITION**

MP COR. SEC. 13  
 T-119, R-35

**LEGAL DESCRIPTION**

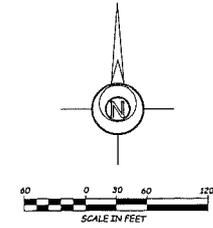
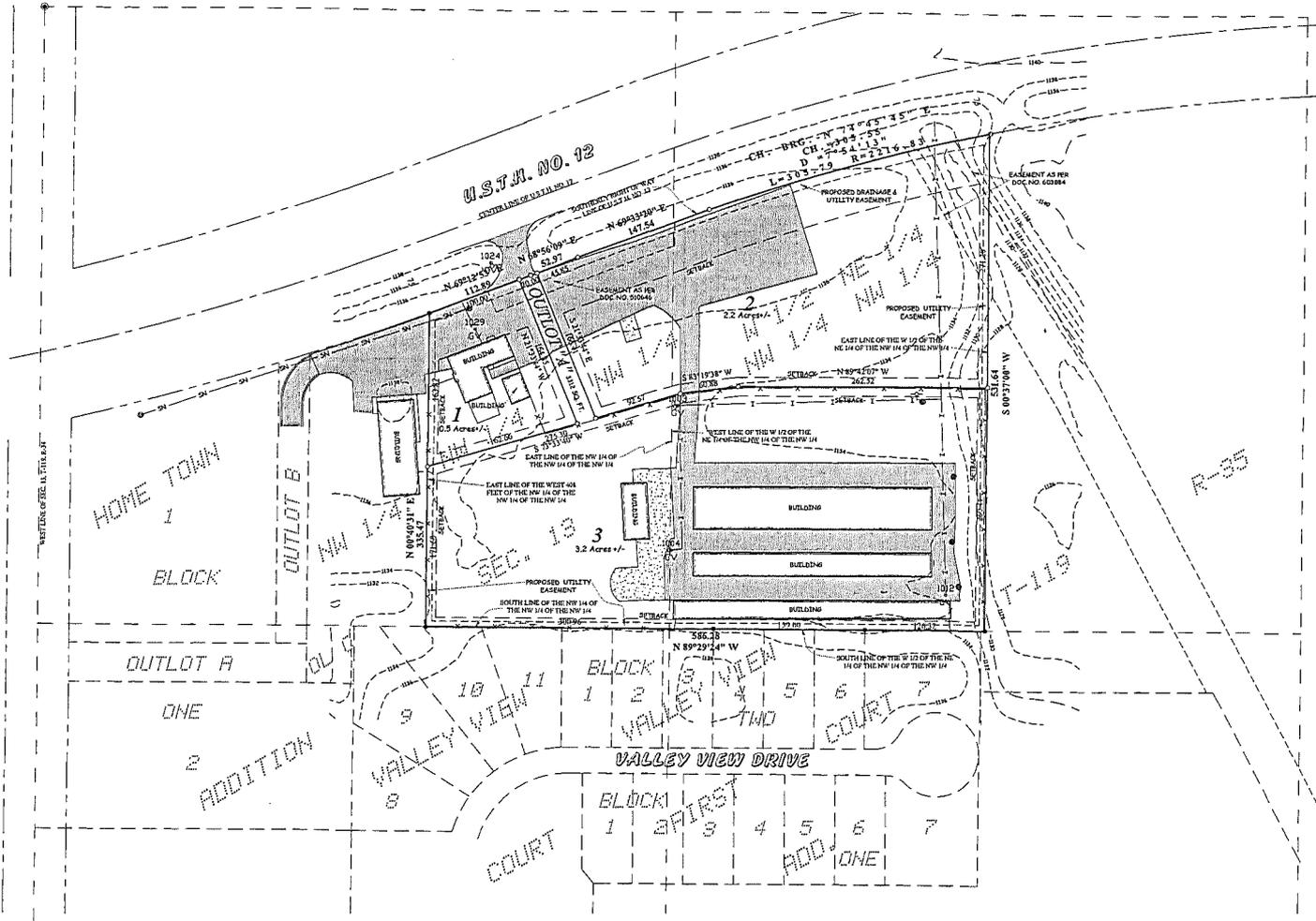
That part of the NW 1/4 of the NW 1/4 of the NW 1/4 and the W 1/2 of the NE 1/4 of the NW 1/4 of the NW 1/4 of Section 13, Township 119, Range 35 lying and being South of the Southly right-of-way line of U.S.T.H. No. 12 EXCEPTING therefrom the West 408 feet of said NW 1/4 of the NW 1/4 of the NW 1/4.

Subject to easements of record.

**SURVEYORS NOTE:** There may be additional easements on the subject property that are not shown on this survey. The Surveyor was not supplied with a current Title Opinion or Title Commitment at the time of the survey. The legal description as shown above is a combination of the descriptions as recorded in Document Numbers 510646 and 501609.

**SETBACKS:**  
 FRONT: 50' FROM U.S.T.H. NO. 12 RIGHT OF WAY  
 SIDES: 10'  
 REAR: 10'

**PROPOSED EASEMENTS:**  
 10' DRAINAGE & UTILITY EASEMENT ALONG U.S.T.H. NO. 12 RIGHT OF WAY  
 6' UTILITY EASEMENT ADJACENT TO THE OUTSIDE BOUNDARY OF THE PLAT



- Legend**
- INDICATES IRON MONUMENT PLACED
  - INDICATES IRON MONUMENT FOUND
  - ⊙ INDICATES KANDIYOHI COUNTY CAST IRON MONUMENT
  - ✕ INDICATES FENCE
  - S— INDICATES SANITARY SEWER
  - W— INDICATES WATERLINE
  - H— INDICATES HYDRANT
  - INDICATES MANHOLE
  - INDICATES CATCH BASIN
  - INDICATES CONCRETE
  - INDICATES BITUMINOUS

PRELIMINARY PLAT PREPARED FOR:  
**MYRON KRUPA**

JOB NO: 2017-451  
 FILE NAME: 2017-451.dwg  
 LOCATION: 13-119-35

**NOTE:** THIS SURVEY IS INTENDED ONLY FOR THE BENEFIT OF THE PARTY TO WHOM IT WAS PREPARED FOR AND SHOULD NOT BE RELIED UPON BY ANY OTHER PARTY OR FOR ANY OTHER PURPOSE WITHOUT FIRST CONTACTING THE SURVEYORS WHO DEVELOPED AND MADE THIS DRAWING. UNAUTHORIZED REPRODUCTION OF THIS DOCUMENT IS PROHIBITED.

PRELIMINARY PLAT PREPARED BY:  
**O'MALLEY & KRON**  
 LAND SURVEYORS, INC.

370 CHAPEL HILL RD., SUITE 105  
 COLD SPRING, MN 56320  
 PH. 320-685-5905  
 FAX 320-685-3056

I HEREBY CERTIFY THAT THIS SURVEY, PLAN OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY REGISTERED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.  
 BENJAMIN C. O'MALLEY  
 MINNESOTA REGISTRATION NO. 12300  
 DATE: 9-26-2017

1/4 COR. SEC. 13  
 T-119, R-35



**CITY COUNCIL AGENDA REPORT**

<b>To: Mayor and City Council</b>	<b>Date: November 6, 2017</b>
<b>From: Mayor Marv Calvin</b>	<b>Subject: Conclusions of Performance Review for City Administrator Ike Holland</b>

**AGENDA ITEM:** Conclusions of Performance Review for City Administrator Ike Holland

**INTRODUCTION/REQUEST:** The City Council conducted a closed-session for City Administrator Ike Holland’s six-month performance review on October 16, 2017. The conclusions of the review are to be presented at this time.

**HISTORY:** City Administrator Ike Holland entered into an employment agreement with the City of Willmar on February 21, 2017 to commence employment as the City Administrator effective April 25, 2017. The terms of the agreement include a six-month and an annual performance review and thereafter an annual performance review. Upon completion of a satisfactory six-month review, the Council will consider a 3% increase.

**CURRENT CIRCUMSTANCE:** The City Council will discuss the conclusions of the six-month performance review.

**RECOMMENDATION:** The Council supports a satisfactory six-month performance review for City Administrator Ike Holland and authorizes a 3% salary increase.

**ALTERNATIVES:**

1. Not approve the salary increase
2. Propose a different amount of an increase

**RECOMMENDED MOTION:** Approve the recommendation and authorize a 3% salary increase based upon a satisfactory six-month performance review.

**REVIEWED BY:** Ike Holland, City Administrator

**COUNCIL MEETING DATE:** November 6, 2017     Regular Agenda     Consent Agenda



★ **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: November 6, 2017</b>
<b>From: Bruce D. Peterson, Director of Planning and Development Services</b>	<b>Subject: Public hearings for a Municipal Development District amendment and the creation of a new Tax Increment Financing District</b>

**AGENDA ITEM:** Public hearings for a Municipal Development District amendment and the creation of a new Tax Increment Financing District.

**INTRODUCTION/REQUEST:** The City of Willmar has received an application from B&B Properties of Minnesota, LLC for the creation of a redevelopment tax increment financing district on both sides of the 600 block of South 1<sup>st</sup> Street. The proposed project would initially include approximately 7,600 square feet of retail/office/restaurant development. A second phase would include an additional 3,000 square feet of commercial development. The district boundary is being sized to allow the creation of a redevelopment district which will also provide for a possible third phase in the future. It is anticipated that the maximum life of the district phases one and two will be 15 years. The overall district is being set up as a 25 year district, which is the maximum allowed by State Statute. This allows the City flexibility for future redevelopment in the area. In order to create the tax increment financing district, the adjacent Central Business District Municipal Development District will need to be geographically amended, as well.

**HISTORY:** Much of the area being proposed for the Tax Increment Financing District consists of substandard structures. A number of the structures on 1<sup>st</sup> Street have been removed over the past few years. This removal was done at considerable expense and offers a prime redevelopment site. Properties on the east side of 1<sup>st</sup> Street are currently developed, but are either substandard, underutilized, or vacant. The Council gave preliminary approval to the project with a 15-year district in June.

**CURRENT CIRCUMSTANCE:** The developer wishes to move forward with the redevelopment project provided a reasonable level of tax increment financing assistance is provided. It is important to remember that without the use of tax increment financing this project would not occur. The proposed projects are consistent with the City’s Comprehensive Plan and Zoning Ordinance and will be a positive addition to the local economy. The current slow pace of commercial real estate sales demonstrates that the Council should not expect the site to be sold or developed without public financial assistance.

**RECOMMENDATION:** To adopt resolutions amending the Municipal Development District and approving the Tax Increment Financing Plan for the Legacy on First TIF District.

**ISSUES:** As with any request for public assistance there is always the question of whether or not government should be involved in these projects. This project, due to the extremely high cost of demolition and site preparation, shows a definite gap in financing the project. Because of those costs already incurred in acquisition

and demolition, it is not reasonable to expect a private developer to redevelop the property without having prospects for a positive rate of return. Conversations with the developer's project attorney and financial professionals all confirm that the project is tenuous with a 15-year TIF district, and not feasible with a shorter term. Under M.S. 116J.993 Subd. 3 (17), the TIF assistance is not considered a business subsidy because the developer's investment in purchasing and preparing the site exceeds 70 percent of the assessor's current year's estimated market value.

**FINANCIAL IMPACT:** The taxing jurisdictions will continue to receive of all the taxes currently being paid on the base tax capacity. Those same jurisdictions will be asked to forgo the increase in taxes for a period of 15-25 years depending upon the ultimate level of redevelopment. The "but for" test is met from a financial standpoint in that the developer has stated and shown that the project is not feasible but for the use of tax increment financing.

For project financial details, please refer to the attached projections by Ehlers and Associates.

**ALTERNATIVE:**

1. To amend the development district and create the tax increment financing district.
2. To not approve the use of tax increment financing for the proposed project.

**RECOMMENDED MOTION:**

1. Adopt the resolution for the geographic amendment of the Central Business District Municipal Development District.
2. Adopt the resolution for approval of a tax increment financing plan for the proposed Legacy on First project.

**REVIEWED BY:** Bruce D. Peterson, Director of Planning and Development Services

**WORK SESSION DATE:** June 19, 2017

**COUNCIL MEETING DATE:** October 16, 2017  
November 6, 2017

**CONSENT AGENDA**       **AGENDA**

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

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

Motion By: \_\_\_\_\_

Second By: \_\_\_\_\_

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 16<sup>th</sup> day of October 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 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

**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.

## MEMORANDUM

TO: Bruce Peterson, Director of Planning and Development Services

FROM: Randy Kardell, Building Official 

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.

**Legacy on First  
TIF Financial Projections**





**Legacy on First - New TIF District (1st Street Redevelopment)**

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 Unit	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	22,872	0	8,466	1,403	32,742	4.31
New Retail	7,604	0	7,604	9,410	0	3,483	555	13,447	4.48
Existing Hmstd	332	0	332	411	0	0	81	491	491.27
Existing C/I	15,588	0	15,588	19,289	0	7,140	1,192	27,620	27,620.47
Existing Non-H	525	0	525	650	0	0	77	726	726.25
<b>TOTAL</b>	<b>42,533</b>	<b>0</b>	<b>42,533</b>	<b>52,631</b>	<b>0</b>	<b>19,089</b>	<b>3,308</b>	<b>75,027</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	75,027
less State-wide Taxes	(19,089)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(3,308)
less Base Value Taxes	(36,526)
<b>Annual Gross TIF</b>	<b>16,105</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	143,571
Difference	376,237
Value likely to occur without Tax Increment is less than:	376,237



**Legacy on First - New TIF District (1st Street Redevelopment)**

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 Incremental	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	123.741%	6,695	3,348	(12)	(334)	3,002	2,788	0.5	2019	08/01/19	
							3,348	(12)	(334)	3,002	5,507	1	2019	02/01/20	
100%	34,929	(29,518)	-	5,411	123.741%	6,695	3,348	(12)	(334)	3,002	8,160	1.5	2020	08/01/20	
							3,348	(12)	(334)	3,002	10,749	2	2020	02/01/21	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	16,824	2.5	2021	08/01/21	
							8,052	(29)	(802)	7,221	22,750	3	2021	02/01/22	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	28,533	3.5	2022	08/01/22	
							8,052	(29)	(802)	7,221	34,174	4	2022	02/01/23	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	39,677	4.5	2023	08/01/23	
							8,052	(29)	(802)	7,221	45,046	5	2023	02/01/24	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	50,285	5.5	2024	08/01/24	
							8,052	(29)	(802)	7,221	55,395	6	2024	02/01/25	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	60,381	6.5	2025	08/01/25	
							8,052	(29)	(802)	7,221	65,245	7	2025	02/01/26	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	69,991	7.5	2026	08/01/26	
							8,052	(29)	(802)	7,221	74,621	8	2026	02/01/27	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	79,138	8.5	2027	08/01/27	
							8,052	(29)	(802)	7,221	83,545	9	2027	02/01/28	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	87,844	9.5	2028	08/01/28	
							8,052	(29)	(802)	7,221	92,038	10	2028	02/01/29	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	96,131	10.5	2029	08/01/29	
							8,052	(29)	(802)	7,221	100,123	11	2029	02/01/30	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	104,018	11.5	2030	08/01/30	
							8,052	(29)	(802)	7,221	107,818	12	2030	02/01/31	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	111,525	12.5	2031	08/01/31	
							8,052	(29)	(802)	7,221	115,142	13	2031	02/01/32	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	118,671	13.5	2032	08/01/32	
							8,052	(29)	(802)	7,221	122,113	14	2032	02/01/33	
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	125,472	14.5	2033	08/01/33	
							8,052	(29)	(802)	7,221	128,748	15	2033	02/01/34	
<b>Total</b>															
							222,752	(802)	(22,195)	199,755					
<b>Present Value From 02/01/2018</b>							143,571	(517)	(14,305)	128,748					
<b>Present Value Rate</b>							5.00%								



### Legacy on First - New TIF District (1st Street Redevelopment)

City of Willmar, Minnesota

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

#### ASSUMPTIONS AND RATES

District Type:	Redevelopment	Tax Rates	
District Name/Number:	TBD	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	NA	Over \$150,000	2.00%
Inflation Rate - Every Year:	0.00%	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 \$115,000	0.75%
Tax Year District was Certified:	Pay 2018	Over \$115,000	0.25%
Cashflow Assumes First Tax Increment For Development:	2019	Non-Homestead Residential (Non-H Res. 1 Unit)	
Years of Tax Increment	26	First \$500,000	1.00%
Assumes Last Year of Tax Increment	2044	Over \$500,000	1.25%
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	Inside(B)	Homestead Residential Class Rate (Hmstd. Res.)	
Incremental or Total Fiscal Disparities	Incremental	First \$500,000	1.00%
Fiscal Disparities Contribution Ratio	0.0000%	Over \$500,000	1.25%
Fiscal Disparities Metro-Wide Tax Rate	0.0000%	Agricultural Non-Homestead	1.00%
Maximum/Frozen Local Tax Rate:	123.741%		
Current Local Tax Rate: (Use lesser of Current or Max.)	123.741%		
State-wide Tax Rate (Comm./Ind. only used for total taxes)	45.8020%		
Market Value Tax Rate (Used for total taxes)	0.14593%		

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

Map #	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 Street SW	NA	NA	33,180	100%	33,180	Pay 2017	Hmstd. Res.	332	Hmstd. Res.	332	3
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
1	95-006-1470	Marcus	1st Street S	NA	NA	56,900	100%	56,900	Pay 2017	Rental	711	C/I Pref.	854	1
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
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	1
2	95-006-151D	Marcus	1st Street S	NA	NA	100,000	100%	100,000	Pay 2017	C/I Pref.	1,500	C/I Pref.	1,500	2
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	2
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
3	95-130-0140	Kamak	2nd Street SE	NA	NA	52,500	100%	52,500	Pay 2017	Non-H Res. 1 Unit	525	Non-H Res. 1 Unit	525	3
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
2	95-006-1540	Sjoberg	2nd Street SW	NA	NA	58,026	100%	58,026	Pay 2017	Hmstd. Res.	580	C/I Pref.	870	2
				0	0	1,746,806		1,746,806			28,837		29,518	

**Note:**

1. Base values confirmed by County website referencing Estimated Market Value on June 2, 2017.



**Legacy on First - New TIF District (1st Street Redevelopment)**

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%	100%	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 Unit	525	525	100%	100%	100%	100%	2019
<b>TOTAL</b>					<b>2,268,614</b>		<b>42,533</b>						
<b>Subtotal Residential</b>				<b>2</b>	<b>107,800</b>		<b>857</b>						
<b>Subtotal Commercial/Ind.</b>				<b>10,589</b>	<b>2,158,814</b>		<b>41,676</b>						

**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	22,872	0	8,466	1,403	32,742	4.31
New Retail	7,604	0	7,604	9,410	0	3,483	555	13,447	4.48
Existing Hmstd	332	0	332	411	0	0	81	491	491.27
Existing C/I	15,588	0	15,588	19,289	0	7,140	1,192	27,620	27,620.47
Existing Non-H	525	0	525	650	0	0	77	726	726.25
<b>TOTAL</b>	<b>42,533</b>	<b>0</b>	<b>42,533</b>	<b>52,631</b>	<b>0</b>	<b>19,089</b>	<b>3,308</b>	<b>75,027</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	75,027
less State-wide Taxes	(19,089)
less Fiscal Disp. Adj.	0
less Market Value Taxes	(3,308)
less Base Value Taxes	(36,526)
<b>Annual Gross TIF</b>	<b>16,105</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	204,830
Difference	314,977
Value likely to occur without Tax Increment is less than:	314,977



**Legacy on First - New TIF District (1st Street Redevelopment)**

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 Incremental	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	123.741%	6,695	3,348	(12)	(334)	3,002	2,788	0.5	2019	08/01/19
							3,348	(12)	(334)	3,002	5,507	1	2019	02/01/20
100%	34,929	(29,518)	-	5,411	123.741%	6,695	3,348	(12)	(334)	3,002	8,160	1.5	2020	08/01/20
							3,348	(12)	(334)	3,002	10,749	2	2020	02/01/21
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	16,824	2.5	2021	08/01/21
							8,052	(29)	(802)	7,221	22,750	3	2021	02/01/22
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	28,533	3.5	2022	08/01/22
							8,052	(29)	(802)	7,221	34,174	4	2022	02/01/23
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	39,677	4.5	2023	08/01/23
							8,052	(29)	(802)	7,221	45,046	5	2023	02/01/24
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	50,285	5.5	2024	08/01/24
							8,052	(29)	(802)	7,221	55,395	6	2024	02/01/25
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	60,381	6.5	2025	08/01/25
							8,052	(29)	(802)	7,221	65,245	7	2025	02/01/26
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	69,991	7.5	2026	08/01/26
							8,052	(29)	(802)	7,221	74,621	8	2026	02/01/27
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	79,138	8.5	2027	08/01/27
							8,052	(29)	(802)	7,221	83,545	9	2027	02/01/28
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	87,844	9.5	2028	08/01/28
							8,052	(29)	(802)	7,221	92,038	10	2028	02/01/29
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	96,131	10.5	2029	08/01/29
							8,052	(29)	(802)	7,221	100,123	11	2029	02/01/30
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	104,018	11.5	2030	08/01/30
							8,052	(29)	(802)	7,221	107,818	12	2030	02/01/31
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	111,525	12.5	2031	08/01/31
							8,052	(29)	(802)	7,221	115,142	13	2031	02/01/32
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	118,671	13.5	2032	08/01/32
							8,052	(29)	(802)	7,221	122,113	14	2032	02/01/33
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	125,472	14.5	2033	08/01/33
							8,052	(29)	(802)	7,221	128,748	15	2033	02/01/34
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	131,945	15.5	2034	08/01/34
							8,052	(29)	(802)	7,221	135,064	16	2034	02/01/35
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	138,107	16.5	2035	08/01/35
							8,052	(29)	(802)	7,221	141,075	17	2035	02/01/36
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	143,971	17.5	2036	08/01/36
							8,052	(29)	(802)	7,221	146,797	18	2036	02/01/37
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	149,554	18.5	2037	08/01/37
							8,052	(29)	(802)	7,221	152,243	19	2037	02/01/38
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	154,867	19.5	2038	08/01/38
							8,052	(29)	(802)	7,221	157,426	20	2038	02/01/39
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	159,924	20.5	2039	08/01/39
							8,052	(29)	(802)	7,221	162,360	21	2039	02/01/40
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	164,737	21.5	2040	08/01/40
							8,052	(29)	(802)	7,221	167,056	22	2040	02/01/41
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	169,319	22.5	2041	08/01/41
							8,052	(29)	(802)	7,221	171,526	23	2041	02/01/42
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	173,679	23.5	2042	08/01/42
							8,052	(29)	(802)	7,221	175,780	24	2042	02/01/43
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	177,830	24.5	2043	08/01/43
							8,052	(29)	(802)	7,221	179,829	25	2043	02/01/44
100%	42,533	(29,518)	-	13,015	123.741%	16,105	8,052	(29)	(802)	7,221	181,780	25.5	2044	08/01/44
							8,052	(29)	(802)	7,221	183,684	26	2044	02/01/45
<b>Total</b>							399,904	(1,440)	(39,846)	358,618				
<b>Present Value From 02/01/2018</b>							204,830	(737)	(20,409)	183,684				
<b>Present Value Rate 5.00%</b>														

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 EDA or 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 - 15 YEARS**

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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	42,533	0.0777%
City of Willmar	13,203,101	42,533	0.3221%
Willmar ISD No. 347	23,656,648	42,533	0.1798%

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**IMPACT ON TAX RATES - 15 YEARS**

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	<u>Pay 2017 Extension Rates</u>	<u>Percent of Total</u>	<u>CTC</u>	<u>Potential Taxes</u>
Kandiyohi County	0.573310	46.33%	42,533	24,385
City of Willmar	0.368050	29.74%	42,533	15,654
Willmar ISD No. 347	0.273700	22.12%	42,533	11,641
Other	<u>0.022350</u>	<u>1.81%</u>	<u>42,533</u>	<u>951</u>
<b>Total</b>	1.237410	100.00%		52,631

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.

- (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 \$221,950;
- (3) 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 \$49,095;
- (4) 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 \$102,829;

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 EDA or 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 - 26 YEARS**

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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	42,533	0.0777%
City of Willmar	13,203,101	42,533	0.3221%
Willmar ISD No. 347	23,656,648	42,533	0.1798%

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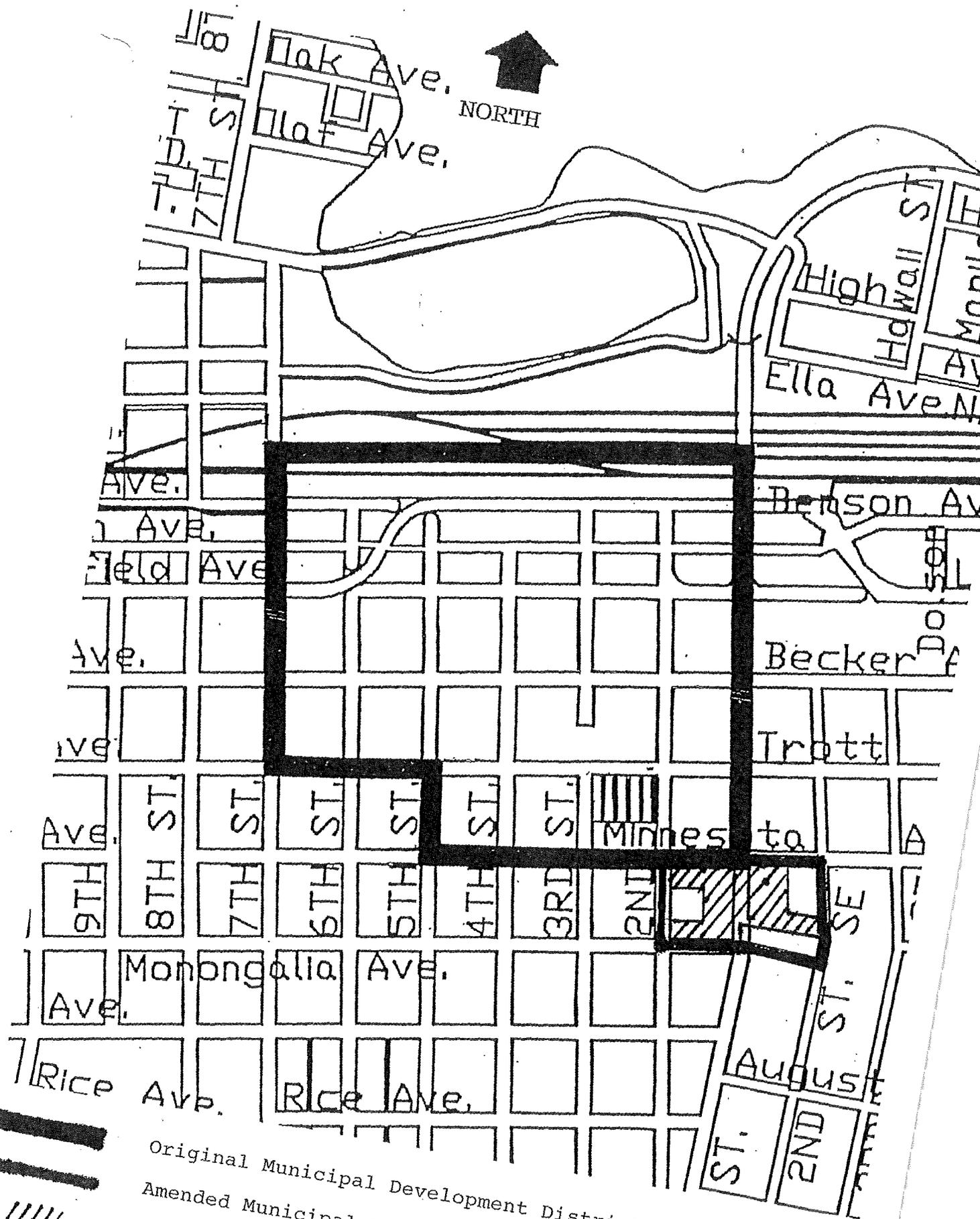
**IMPACT ON TAX RATES - 26 YEARS**

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	<u>Pay 2017 Extension Rates</u>	<u>Percent of Total</u>	<u>CTC</u>	<u>Potential Taxes</u>
Kandiyohi County	.0573310	46.33%	42,533	24,385
City of Willmar	0.368050	29.74%	42,533	15,654
Willmar ISD No. 347	0.273700	22.12%	42,533	11,641
Other	<u>0.022350</u>	<u>1.81%</u>	<u>42,533</u>	<u>951</u>
<b>Total</b>	1.237410	100.00%		52,631

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.

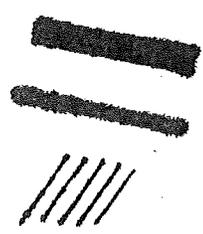
- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$398,464;
- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life 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 \$88,140;
- (4) 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 \$184,608;



Original Municipal Development District #2

Amended Municipal Development District

Proposed Legacy on First TIF District



**116J.993 DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 116J.993 to 116J.995, the terms defined in this section have the meanings given them.

Subd. 2. **Benefit date.** "Benefit date" means the date that the recipient receives the business subsidy. If the business subsidy involves the purchase, lease, or donation of physical equipment, then the benefit date begins when the recipient puts the equipment into service. If the business subsidy is for improvements to property, then the benefit date refers to the earliest date of either:

(1) when the improvements are finished for the entire project; or

(2) when a business occupies the property. If a business occupies the property and the subsidy grantor expects that other businesses will also occupy the same property, the grantor may assign a separate benefit date for each business when it first occupies the property.

Subd. 3. **Business subsidy.** "Business subsidy" or "subsidy" means a state or local government agency grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business.

The following forms of financial assistance are not 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 section 116J.552, subdivision 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 percent 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 section 469.174, subdivision 23;

(9) assistance for energy conservation;

(10) tax reductions resulting from conformity with federal tax law;

(11) workers' compensation and unemployment insurance;

(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 section 469.174, subdivision 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 section 469.1813 to property that is subject to valuation under Minnesota Rules, chapter 8100.

Subd. 4. **Grantor.** "Grantor" means any state or local government agency with the authority to grant a business subsidy.

Subd. 5. **Local government agency.** "Local government agency" includes a statutory or home rule charter city, housing and redevelopment authority, town, county, port authority, economic development authority, community development agency, nonprofit entity created by a local government agency, or any other entity created by or authorized by a local government with authority to provide business subsidies.

Subd. 6. **Recipient.** "Recipient" means any for-profit or nonprofit business entity that receives a business subsidy. Only nonprofit entities with at least 100 full-time equivalent positions and with a ratio of highest to lowest paid employee, that exceeds ten to one, determined on the basis of full-time equivalent positions, are included in this definition.

Subd. 6a. **Residence.** "Residence" means the place where an individual has established a permanent home from which the individual has no present intention of moving.

Subd. 7. **State government agency.** "State government agency" means any state agency that has the authority to award business subsidies.

**History:** 1999 c 243 art 12 s 1; 2000 c 482 s 1; 2004 c 206 s 52; 1Sp2005 c 3 art 7 s 1; 2006 c 259 art 4 s 1; 2008 c 366 art 5 s 2