



**CITY OF MERRILL**  
**COMMITTEE OF THE WHOLE**  
**MINUTES • TUESDAY JUNE 2, 2015**

**Regular Meeting**

**City Hall Council Chambers**

**6:30 PM**

**I. Call to Order**

Mayor Bialecki called the meeting to order at 6:30 P.M.

<b>Attendee Name</b>	<b>Title</b>	<b>Status</b>	<b>Arrived</b>
Chris Malm	Aldersperson - First District	Present	
Pete Lokemoen	Aldersperson - Second District	Present	
Ryan Schwartzman	Aldersperson - Third District	Present	
Kandy Peterson	Aldersperson - Fourth District	Present	
John Burgener	Aldersperson - Fifth District & President	Present	
Dave Sukow	Aldersperson - Sixth District	Present	
Rob Norton	Aldersperson - Seventh District	Present	
Tim Meehean	Aldersperson - Eighth District	Present	
Bill Bialecki	Mayor	Present	

Other attendees included: City Administrator Dave Johnson, Transit Director Rich Grenfell, City Attorney Tom Hayden, Street Commissioner Richard Lupton, Building Inspector/Zoning Administrator Darin Pagel, Fire Chief Dave Savone, Library Director Stacy Stevens, Finance Director Kathy Unertl. Joel Schneider, Meredith Prebeg, Richard Schmidt, Becky Kludy, Ron Peterson, Val Mindak, Debbie Kinsey, Dale Christensen, Amanda Kostman, Peter Annis, Justin Rice, Joe Allen, Christine Vorpapel, Carrie Cordova and City Clerk Bill Heideman.

**II. Public Comment Period:**

Mayor Bialecki requested that speakers be brief and also requested that any organizations appoint one representative to speak on behalf of that organization.

Alderman Lokemoen commented that he had many conversations, calls, texts and e-mails that indicated support to keep the fairgrounds available for public usage.

Alderman Malm encouraged people to come forward and speak, as part of the democratic process.

Representing the Merrill Lions, Joel Schneider stated that the profits from the Lion's stand at the fair and on Labor Day are over ½ of the Lions annual budget. He added that these profits are then returned to the community.

Alderman Norton posed some questions relevant to all audience members. He was concerned that it the Lincoln County Board took three years to address fairgrounds-related issues.

Representing the Optimist Club of Merrill, Meredith Prebeg stated that the profits from the Optimist's stand at the fair and on Labor Day are approximately 95% of the Optimist's annual budget. She added that these profits are then returned to the community, as well as to certain City departments.

Speaking as a private citizen, Richard Schmidt stated that he and his wife are strongly in favor the City assuming fairgrounds ownership, and that they look forward to a more favorable future for the fairgrounds under City ownership.

Representing the Lincoln County 4-H Leaders Association, Becky Kludy noted that the 4-H in Lincoln County currently involves 750 citizens. She urged the Common Council to move on from what the Lincoln County Board has or has not done related to the fairgrounds.

Ron Peterson stated that he was told by a person involved with the rodeo that the annual rodeo generates approximately \$250,000 for the Merrill area. He urged the Common Council to purchase the fairgrounds and begin efforts to increase fairgrounds usage for other activities.

Representing the Park City Credit Union, Val Mindak noted that Park City Credit Union sponsors several events at the fairgrounds, and she urged the Common Council to take the necessary steps to achieve City ownership.

Representing the Merrill Area Chamber of Commerce, Debbie Kinsey urged the Common Council to assume ownership of the fairgrounds. She mentioned the key role that tourism plays in generating revenue for the Merrill area. She said that the City may not get a second chance at purchasing the fairgrounds.

Representing the Lincoln County Fair Association, Dale Christensen stated that the fairgrounds is currently in a run-down condition. The fairgrounds user group have been "run through the wringer" by the Lincoln County Board. He remarked that conditions at the fairgrounds should have been addressed several years ago. Mr. Christensen suggested that user groups would be willing to assist with fairgrounds improvements if the City assumes ownership. He noted that a Renaissance group has already booked the fairgrounds for an event at the end of June.

Amanda Kostman provided details on how the 4-H and the fair helped her gain confidence. She stated that the fair is vital to the community and hoped it continues.

Representing the Lincoln County Rodeo Association, Pete Annis noted that this will be the 26<sup>th</sup> year that a rodeo has been held at the fairgrounds. It currently costs the rodeo association approximately \$12,000 to bring in seating for the rodeo. He mentioned that, because this annual event started in Merrill, the rodeo association would like to see it stay in Merrill.

Speaking as a parent, Justin Rice emphasized how the fair is a teaching tool for children.

Representing the Lincoln County Market Animal Show and Sale Project, Joe Allen reported that \$100,000 was spend on the selling/buying of animals at the fair last year. He added that 4-H members frequently use the proceeds from these sales to help fund their college education.

Christine Volpagel stated the City ownership of the fairgrounds could be considered a business proposition. She believes that the City could hold more events and turn a profit at the fairgrounds. She stated that she wishes that the Building Inspector would apply the same rules on building painting at the fairgrounds that he applies to the rest of the buildings in the City.

Carrie Cordova reported that she own some farm animals. She urged the City to assume ownership of the fairgrounds.

City Administrator Johnson noted that the fairgrounds would need to be subsidized, but it is not different that subsidizing other things to promote livability. As a tax payer, he is willing to pay to subsidize the fairgrounds.

III. Agenda items for consideration:

1. Consider Resolution passed by Lincoln County Board regarding fairgrounds property ownership

Alderman Malm requested that someone, perhaps the City Attorney, explain the most important points included in the resolution.

Mayor Bialecki read the resolution. He stated that, while he realizes that it is a risk for the City to assume fairgrounds ownership, he believes that it is a risk worth taking. He added that, in the event a counter-proposal is made by the City to the County, it should include language on a five-year “cap” on public usage. In other words, if at any time after five years the City does find it feasible to continue ownership of the fairgrounds, the City could sell the property to a private entity.

Alderman Lokemoen suggested that a “not to exceed” clause in any purchase offer made by the City. He proposed that Lincoln County contribute \$25,000 per year over a ten-year period to be used for fairgrounds-related expenses.

Alderman Meehean stated that Lincoln County has had three years to make a decision on the future of the fairgrounds, but has now given the City only three weeks to make a decision. He questioned the necessity of the City fixing Lincoln County’s problems. He also noted that the City is subject to tax levy restraints, and he observed that, at this time, nobody knows the cost of the City owning the fairgrounds.

Alderman Sukow noted that it also took Lincoln County a long time to make a decision on the jail and on the Lincoln County Service Center.

Mayor Bialecki remarked that the City is subject to time constraints on making a decision.

Alderwoman Peterson stated that the City is not at fault, but that Lincoln County has no intention of maintaining and/or improving the fairgrounds.

Alderman Norton asked why Lincoln County did not even consider the resolution passed by the Common Council and sent to Lincoln County.

Without objection, Jeff Hetfeld, a member of the Lincoln County Board, was granted floor privileges. He explained that Lincoln County, at the committee level, made a decision to not partner with the City on future fairgrounds ownership/maintenance.

Alderman Schwartzman noted that Normal Park was originally owned by Lincoln County but is now City property.

Mayor Bialecki noted that an envelope containing social media comments as well as a petition on this issue have been submitted to the City.

Alderman Meehean suggested the possibility of a binding referendum on the potential City purchase. He added that a referendum could eliminate concerns related to exceeding the state levy limit.

Alderman Lokemoen reiterated his position that Lincoln County should be paying something for future fairgrounds upkeep/maintenance.

Alderman Norton stated that everyone who contacted him was in favor of the City purchasing the fairgrounds, even if it resulted in increased taxes.

Mayor Bialecki reported that private entities have offered to help pay for future fairgrounds upkeep.

The discussion resulted in four conditions being added to any proposed resolution, as follows:

1. Upon the City signing a contract to erect a new grandstand, the City would receive a payment, from Lincoln County, for an amount equal to the insurance payment Lincoln County received as a result of damages to the grandstand.
2. For ten years, Lincoln County would spend a minimum of \$25,000 per year for maintenance of the property.
3. Lincoln County would paint the cattle barn, at the expense of Lincoln County.
4. After ten years, the "public usage" clause in the contract would expire.

A motion was made to draft a resolution (with the four conditions above) and then consider this resolution at the June 9<sup>th</sup>, 2015 Common Council meeting.

<b>RESULT:</b>	<b>APPROVED BY ROLL CALL VOTE [6 TO 2]</b>
<b>MOVER:</b>	Pete Lokemoen, Alderperson - Second District
<b>SECONDER:</b>	Ryan Schwartzman, Alderperson - Third District
<b>AYES:</b>	Malm, Lokemoen, Schwartzman, Peterson, Sukow, Norton
<b>NAYS:</b>	Burgener, Meehean

#### IV. Adjournment

Motion (Burgener/Lokemoen) to adjourn. Carried. Adjourned at 8:05 P.M.