

1 **WAYZATA CITY COUNCIL EMERGENCY SPECIAL WORKSHOP MEETING**
2 **MEETING MINUTES**
3 **March 26, 2020**

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5 **AGENDA ITEM 1. Call to Order.**

6 Mayor Willcox called the Emergency Special Workshop Meeting to order at 7:00 a.m. via
7 conference call. He explained the call would be conducted like a Council Workshop to
8 discuss the Panoway project. The Council would discuss risks and decide whether to
9 proceed or delay.

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11 **AGENDA ITEM 2. Roll Call.**

12 Council Members present: Buchanan, Koch, McCarthy, and Plechash. Also present: City
13 Manager Dahl, Community Development Director Goellner, Director of Public
14 Works/City Engineer Kelly, City Clerk Leervig, Administrative Services Director Yager,
15 and City Attorney Schelzel.

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17 **AGENDA ITEM 3. New Business.**

18 **a. Panoway on Wayzata Bay Phase I Reconstruction Project Update related to**
19 **COVID-19**

20 Mr. Dahl said the purpose of the meeting was to provide an update to the Council on Phase
21 I of the Panoway on Wayzata Bay Reconstruction Project as it related to the COVID-19
22 pandemic. The meeting was being held via conference call to protect public health;
23 however, it was a public meeting, has been advertised appropriately, and was accessible
24 for the public to listen in.

25 Mr. Dahl highlighted the Workshop report. Most of the project was awarded and
26 the City anticipated starting in late March and closing Lake Street mid-April. The City,
27 State, and Nation had seen a halt in business activity and exponential growth in
28 unemployment. There was also increased risks with supply chain and financial markets.
29 There were a number of Executive Orders issued by the Governor, but it did not impact
30 Panoway or the City Hall remodel. He discussed some reasons to commence construction
31 and some reasons to pause. Staff recommended moving forward.

32 Ms. Goellner shared that she had spoken to about 15 businesses and property
33 owners to ask their thoughts. All but one supported moving forward. Overall, they were
34 very concerned about the impacts of a fall project. She had also asked how the City could
35 be most helpful. The recurring answer was a waiver of City related fees. Several also
36 mentioned proper signage and parking plan.

37 Mr. Plechash asked how many businesses staff reached out to. Ms. Goellner said
38 she reached out to about one third of businesses and property owners. There were about
39 five that did not respond.

40 Mr. Dahl asked Jessie Houlihan, President of Stahl, to talk about the construction
41 risks. Ms. Houlihan said Stahl had completed a risk assessment. A lot of the risks were
42 similar to those in the community. She shared the changes they were making to mitigate
43 the risks. She felt confident they could keep the jobsite safe. She also talked about supply
44 chain and materials availability.

1 Mr. Plechash asked what would happen if a contractor had labor availability issues.
2 Ms. Houlihan said Stahl could supplement the workforce. She added that they would be
3 able to work more efficiently with everything closed.

4 Mr. Dahl asked Steve McDonald, President of AEM, to talk about the financial
5 risks. Mr. McDonald discusses the forecast of the 5-year projected receipts and expenses.
6 He said all of the City's investments were in the most conservative investments available.
7 He talked about state aid and Tax Incremental Financing. He said based on a conversation
8 with Ehler's there was a strong degree of confidence that market value would hold for 2021
9 valuations. The state aid included Three Rivers Park District's commitment to the project.
10 He added that current cash was the largest portion of the project which took a lot of the risk
11 off the table. The overall risk was relatively low

12 Mr. Plechash asked if Three Rivers Park District could back out of its commitment.
13 Mr. Dahl said the project was aligned with their vision and they were already committed
14 to the project.

15 Mayor Willcox asked about the work arounds if a deep recession were to happen
16 so the property tax burden did not fall on residents. Mr. McDonald said there was certainly
17 risk and there was still a lot of unknowns, but there was not a scenario where general
18 property tax dollars would fund the project. Mayor Willcox said it was important to send
19 a message to the public that explained the Council had anticipated these potentialities. Mr.
20 Dahl said, regardless of the project, the City was very well positioned with a minimal
21 amount of debt and diverse revenue streams.

22 Mr. Dahl said there were three options. The Council could move forward as
23 planned, delay the project, or indefinitely cancel the project. Staff recommended moving
24 forward. He noted that it was strange to be discussing the project when there was a public
25 health crisis.

26 Mayor Willcox asked the Council to share any questions or thoughts.

27 Mr. Plechash talked about all the pros and cons of moving forward. In the end he
28 was in favor of moving forward. He thought the risks of not doing so were higher.

29 Mrs. McCarthy agreed. She thanked everyone who was participating in the
30 conference call for the information and expertise. She said it was an uncertain time, but
31 the City was as well positioned as it could be to move forward. She added that now was
32 the time to look at expenses and reevaluate. She was in favor of pumping the breaks on
33 some other expenditures.

34 Mr. Koch thanked everyone for their efforts as well. He said there was a lot of
35 uncertainty, but it was helpful knowing that a lot of the businesses were in favor of moving
36 forward. He said the safety and health of the construction crews was of the utmost
37 importance. He was in favor of moving forward, but wanted to continue with messaging
38 and marketing.

39 Mr. Buchanan agreed with his colleagues. He appreciated staff's work putting
40 together a great report. He was also very happy with the decision to hire Stahl. He
41 supported waiving fees for the businesses. He acknowledged the risk in the project, but
42 thought there was greater risk in delaying.

43 Mayor Willcox's biggest concern was the overall economy. He agreed about
44 messaging and marketing. He talked about the highly controversial decision to build
45 Wayzata Wine & Spirits during the last recession and the importance of moving forward.

1 Mr. Dahl reiterated the objective was to discuss the latest circumstances. The
2 project was already approved so since the Council's desire was to move forward, staff
3 would work with business owners to explore ways to better help them.

4 Mayor Willcox added his sincere gratitude for the team working on this including
5 staff, the Council, and the consultants.

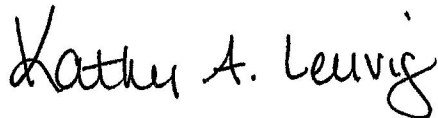
6 Mrs. McCarthy recommended the Council look at business fees again at a future
7 Council meeting. Mr. Dahl said staff would bring a plan forward shortly.

8 Mr. Dahl asked if there was anything else. Mayor Willcox said the City would
9 make it through all of this to a better time.

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11 **AGENDA ITEM 4. Adjournment.**

12 There being no further business, Mayor Willcox adjourned the meeting at 8:21 a.m.

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14 Respectfully submitted,

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17
18 Kathy Leervig
19 City Clerk

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21 Drafted by Sarah Peterson
22 *TimeSaver Off Site Secretarial, Inc.*