

## MINUTES OF SPECIAL MEETING

The City Council of the City of Volga, SD met for a special meeting at 7:00 PM Tuesday, August 25, 2015 at the Sioux Valley Performing Arts Center; Mayor Randy Santema presiding. Members present: Wendell Karlstad, Dave Rankin, Rod Hageman, Ken Fideler, and Kelly VanderWal. Members absent: Roger Anderson. Also present: City Administrator Andrew Bremseth, Finance Officer Ashley Rentsch, Kathi Granum with the Volga Tribune, and 48 Volga residents.

Mayor Santema called the meeting to order at 7:00 PM. Bremseth began the discussion with a PowerPoint presentation to give Councilmembers and residents background information regarding the history, structure, and current challenges associated with the City Auditorium. He also spoke about the Auditorium Taskforce and approximate costs for the four different options the Taskforce focused on. These options included demolishing the building and leaving a clean site, remodeling the existing building but leaving the basement the way it is, remodeling the existing building with new addition and filling in the basement, and constructing a new building.

Mayor Santema asked the residents in attendance to share their thoughts with the Council. Resident Arden Stensgaard asked Councilmember Karlstad if the building he recently had constructed for Valley Motorsports cost \$1.3 Million, as a new building would potentially be similar in size. Karlstad stated that it did not cost that much. Bremseth reminded the residents that the City must go through a much different process than a private entity. The City would need to go through the bidding process and also incur engineering costs. The interior of this building would also be much different than Karlstad's building.

Resident Dale Swartos asked the Council why \$200,000 was set aside to remodel the Auditorium, but the Council subsequently decided to partner with Sioux Valley School District and give those funds to the Performing Arts Center. Councilmember Fideler stated that \$200,000 would not go a long way at the Auditorium, but it would be a significant contribution for the Performing Arts Center. He said the Council made the best decision they could at the time, and a partnership with the school was the right thing to do.

Resident Floyd Havrevold pointed out that the water leakage problems in the Auditorium mean there is also an issue with mold. He said the last time he was in the building, the smell was overwhelming. Havrevold also asked for more information about parties interested in purchasing the Auditorium and the old City Shop. Bremseth said he completely agreed with Havrevold's statement about mold in the basement. He said the potential business that would purchase the Auditorium would not be willing to pay much for it because of the condition and the fact that they would be paying significant costs to renovate the building. He said the reason he did not talk about selling the Auditorium to a private party at the beginning of the presentation was because the Taskforce did not consider this a viable option. A potential buyer may not have the resources to make the necessary improvements. Bremseth said the Volga Non-Profit Development Corporation is working to land a business in the old City Shop, but the City will hold onto that building until it is sold.

Havrevold then asked about the possibility of the City acquiring the old Fire Hall/Northway building or trading the old City Shop for that building. Mayor Santema said he had heard this same suggestion from other residents as well. At this point the City has not pursued this, but this is an option to consider.

Resident Ron Puetz stated that the Auditorium is valuable for youth sports. He asked if there would be opportunities to create more revenue with a new building. Bremseth said this meeting is the time to discuss the uses for the building and what is missing and what gaps need to be filled.

Mayor Santema reiterated Puetz's comments regarding youth sports, stating that the Auditorium is a major asset to the community. He said a basketball court in the new building would be ideal, as well as a place for wedding dances, receptions, and community celebrations.

Resident Cassandra Rawden spoke about the positive impact the Auditorium has had on her life through basketball practices, scouts, and youth events. Mayor Santema said many lifelong Volga residents share her sentiments, and this is something the City will take into consideration when the new building is constructed.

Resident Virginia Schlimmer asked if the taskforce had come up with any recommendations. Taskforce member Craig Howell said they toured the Auditorium in Downtown Brookings, which has an atrium in front for handicap accessibility. He said no matter how much you remodel it, it is still a rotten old building, and there is no end to remodeling it.

Councilmember Fideler agreed with Howell, and also said that purchasing the adjacent buildings would increase the total costs, but the City will have a plan in place before the existing building is demolished. He said the Friday night roller skating and other youth events are very important because they bring youth together and keep them off the streets and out of trouble.

Resident Tammy Karlstad asked how the City would pay for the new building. Fideler said there are a few options available, including setting aside money in the General Fund, conventional financing, fundraising, and a partnership with the school.

Resident Jammey Rawden said that the young families in Volga need a resource like the Auditorium available. This is also valuable for recruiting new residents. He asked if the City had thought about getting sponsors, business advertising, grants, or donations to fund the project. He also mentioned partnering with a fitness center. He wondered whether the cost could be divided several different ways. The building keeps kids off the street and fosters relationships between parent volunteers as well as youth. Fideler agreed with Rawden regarding the quality of life aspects of the building, stating that the Auditorium is not just about basketball. There are lots of things the gym is used for. Fideler did point out, however, that there are not a lot of big businesses in Volga and not a lot of millionaires to sponsor this type of project.

Bremseth said that besides gymnasium space, the new building would likely need to include a kitchen and meeting space as well, as there is a large demand for this type of space.

Resident Virginia Schlimmer stated that she has a lot of respect for historical buildings, but everything has a beginning and an end, and she feels the Auditorium has reached its end. Mayor Santema said he had heard from other lifelong Volga residents who have said that it is time to tear down the building and start new and build something we can be proud of.

Resident Keith King asked if there is a timeline as to when demolition and building would take place. Mayor Santema said there is no specific timeline. The City needed direction from residents, which is why this meeting is taking place.

Bremseth said that if we do not have everything in place, there is no sense in starting the demolition right away. There are processes the City must follow, but we would try to keep the timeline moving quickly.

Fideler said another thing the City needs to consider is whether the new building would be on the same site or if it would be built at another location.

Resident Clay Bogenrief said with interest rates currently low, the City should go ahead and borrow the money and get started on it right away.

Resident Randy Gross asked for the lot dimensions of the existing building and whether or not an alternate site has been identified. He said if the building is not torn down, liabilities will continue to increase. He said it would be nice to find a way to preserve the murals in the basement if possible. He encouraged the Council to build a new building, stating that he tore down the old Christian School building, which was very dear to his heart, but it was the right thing to do.

Fideler said there are several options to consider for sites, and resident Keith King said high quality pictures of the murals could be taken and possibly incorporated into the new building.

Councilmember Kelly VanderWal said that it is time to stop kicking the can down the road and get to work on a new facility.

Sioux Valley School Superintendent Tom Oster said the school was not able to save the murals in the Performing Arts Center, and they used high resolution digital pictures as a means to preserve them. Oster also said he thought selling the Auditorium and getting it on the tax roll may be a good option for the City to consider. All concerns could be addressed in the negotiations. Bremseth mentioned that if the City took this route, a buy-back clause could be worked into any real-estate agreement.

Resident Paul Wiese mentioned that the City of Arlington sold their Auditorium and nothing happened to it. No improvements were made. Bremseth said that he and VanderWal had toured the building, noting that it appeared to be a struggle for the purchaser to deal with the necessary repairs, because of the size and scope of the project. Wiese also said that he is involved in Boy Scouts and the Auditorium has been valuable for their events.

Resident Erica Howell said the building needs to be usable for a lot of different entities; not just basketball.

Floyd Havrevold wondered if the City would consider at least patching the roof until a plan was in place so the main floor does not continue to sustain water damage. Bremseth indicated that it is unlikely the City will put any more money into the building for repairs, based on the feedback that is being shared.

Resident Erik Schlimmer said the building needs to have meeting space and gym space for scouts, basketball, etc. He said the building would get more use than we know. Meeting rooms could attract conferences for agriculture and other types of industries.

Christian Reformed Church Pastor Bryan Dick said that his church's youth group uses the Auditorium several times a year and he appreciates having the space available.

Randy Gross pointed out that the current Auditorium space would not be sufficient to encompass all the proposed uses.

Paul Wiese said he appreciates the Auditorium and offering this space to area organizations is a great service to the community and makes Volga worth living in.

Fideler said the City will be keeping the Community Center for events as well. He stated that it is important to look at the way Volga is growing and plan for the future. Sometimes the City has to raise rates for services, but this is being done for the right reasons.

Mayor Santema encouraged everyone to stay in contact with the Council and reminded residents that all Council meetings are open to the public for them to share their feedback. He said this is an exciting project, and times are exciting in Volga and it is time to move forward.

Mayor Santema adjourned the meeting at 8:16 PM.

/s/Randy Santema, Mayor, City of Volga

/s/Ashley Rentsch, Finance Officer, City of Volga