

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

September 18, 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, and Andrew Plowman. Council Member Rick Fagerlie was excused from the meeting. Present 8, Absent 1.

Also present were City Administrator Ike Holland, Finance Director Steve Okins, Fire Chief Frank Hanson, Planning and Development Services Director Bruce Peterson, Police Chief Jim Felt, Public Works Director Sean Christensen, Human Resource Director Bridget Buckingham, City Clerk Judy Thompson and City Attorney Robert Scott.

Proposed additions and deletions to the agenda included: Mayor Calvin requested the addition of the Civic Center Sealcoat Project, which is being brought forward from the Work Session held prior to this meeting. Mayor Calvin also requested the addition of consideration for additional members for a Rice Hospital Review Committee, a joint project between Rice Hospital and City Council. Council Member Christianson requested the addition of an update on the gun range.

Council Member Mueske moved to approve the agenda as amended. Council Member Nelsen seconded the motion which carried.

City Clerk Judy Thompson reviewed the consent agenda:

- A. Willmar Municipal Utilities Board Minutes of September 11, 2017
- B. Planning Commission Minutes of September 13, 2017
- C. Application of Gambling Exempt Permit—Glacial Ridge Curling, Raffle
- D. Application to Conduct Excluded Bingo—Church of St. Mary, Bingo
- E. Central Community Transit Operations Board Minutes of May 23, 2017
- F. Building Report for the Month of August 2017
- G. Fire Department Statistics Report for the Month of August 2017
- H. Accounts Payable Report through September 13, 2017

Council Member Nelsen offered a motion to approve the Consent Agenda. Council Member Plowman seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:06 p.m. Mayor Calvin opened the public hearing for **Ordinance No. 1404 An Ordinance Amending 1060 Known as the Willmar Zoning Ordinance by Amending Section 6.J. Relating to Fuel Sales in the Central Business District.** Planning and Development Services Director Bruce Peterson stated Kwik Trip, LaCrosse, Wisconsin has requested a text amendment of the Zoning Ordinance to allow fuel sales in the Central Business District. Dean George, 1626 Oak Street, LaCrosse, Wisconsin, Kwik Trip representative, indicated the business plans to have limited fuel sales, with more of a walk up grocery and food hotspot with ancillary fuel options, and thanked the Council for their consideration of the proposed request. Mayor Calvin closed the public hearing at 7:08 p.m. and opened it up for discussion by the Council.

Council Member Christianson offered a motion to approve the proposed text amendment, adopt, assign a number and order final publication of **Ordinance No. 1404 An Ordinance Amending 1060 Known as the Willmar Zoning Ordinance by Amending Section 6.J. Relating to Fuel Sales in the Central Business District.** Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Gary Peterson, 2900 15th Street Southwest, spoke during Open Forum. Mr. Peterson, a current instructor at the gun range, spoke in regard to the recent closure of the gun range at the City Auditorium and asked Council to reconsider the closure.

Johanna Reuer, 1215 Quincy Avenue Southwest, a nurse at Rice Hospital, thanked the Council for the questions that were asked at the recent joint meeting of Rice Hospital, APMC, CentraCare and City Council. She spoke on behalf of the nurses at Rice and felt the presentation was short on details and the effect this transaction will have on patients, staff and the community. The nurses would like to see more guarantees be put into action that would pertain to the current contracts in place, and the current pensions. She again expressed the request that nurses be included at the discussion table.

Public Works Director Sean Christensen presented a request for approval of the Civic Center Sealcoat Project. Mr. Christensen stated the lowest bid was received from Asphalt Surface Technologies in the amount of \$33,737.50. The project consists of applying bituminous material, a single layer of aggregate, and a fog seal on the prepared surface in accordance with MnDOT Specification 2356. Mr. Christensen stated the Public Works operating budget includes \$15,000 remaining from their crack seal/sealcoat project fund to be used for the Civic Center lot. The additional \$30,000 will be used from the cost savings out of the 2017 CIP on two trucks that were purchased.

Following discussion, **Resolution No. 17-109 Awarding the Civic Center Sealcoat Project to Asphalt Surface Technologies Corporation in the Amount of \$33,737.50 and Reappropriate Funds** was introduced by Council Member Christianson. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Administrator Ike Holland informed the Council that a recent inspection of the gun range revealed that the range can be reopened, but the blocks should be replaced within the next three to four months. Mr. Holland was recommending the gun range be reopened for the classes that have already been scheduled for the next 60 to 90 days. There would be no more additions at this time. Following discussion, Council Member Mueske offered a motion to approve City Administrator Ike Holland's recommendation. Council Member Schwantes seconded the motion which carried.

Mayor Calvin stated he has received numerous calls of concern in regard to the proposed increase in tax levy. He offered the Council consider an option to pull the \$185,000 for the replacement of fuel tanks located at the Public Works garage, and proposed the option to buy from local businesses. He stated this would be a way to leave the levy flat.

Finance Director Steve Okins, presented the proposed 2018 Preliminary Property Tax Levy in the amount of \$4,974,245 which represents a projected three percent (3%) increase. He stated once an amount is certified, the City will be able to lower the amount but not increase it. The amount certified will then be used by the county to notify property owners in the taxing jurisdiction on what their proposed property taxes for the upcoming year will be for all taxing entities. The City will then be required to take final action at their Truth in Taxation hearing scheduled for December 4, 2017, adopting a final amount to be paid by taxable property within the corporate city limits.

Following discussion, **Resolution No. 17-110 Setting Preliminary Tax Levy in the Amount of \$4,974,245** was introduced by Council Member Nelsen. Council Member Mueske seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Bruce Peterson presented a request 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 1st 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 26-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.

Mr. Peterson was recommending the Council set a public hearing for October 16, 2017 at 7:01 p.m. to consider the geographic amendment of the Central Business District Municipal Development District. Following discussion, Council Member Nelsen offered a motion to approve staff's recommendation. Council Member Asmus seconded the motion which carried. Council Member Christianson voted "no."

Mr. Peterson was also recommending the Council set a public hearing for October 16, 2017 at 7:02 p.m. to consider approval of a tax increment financing plan for the proposed project. Council Member Nelsen offered a motion to approve staff's recommendation. Council Member Schwantes seconded the motion which carried. Council Member Christianson voted "no."

Planning and Development Services Director Bruce Peterson presented a request to vacate a utility easement described as follows: 12 foot utility easement down the easterly 23 feet of Lot 5, Block 3, Sunrise Estates notated on the plat that it is to be vacated less the existing southerly 6 foot utility easement. It was noted on the 2005 plat the easement was to be vacated. However, there is no record of it having been vacated. A home is built over the easement and there are no utilities in it. The person that owns the home is having title issues with selling it as there is an easement down the center of the home. Mr. Peterson was recommending the Council set a public hearing for October 2, 2017 at 7:01 p.m. **Resolution No. 17-111 Setting a Public Hearing to Consider a Petition to Vacate a Utility Easement (Sunrise Addition)** was introduced by Council Member Christianson. Council Member Nelson seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Bruce Peterson was recommending the Council approve the **introduction of Ordinance Amending 1060 Known as the Willmar Zoning Ordinance by Amending Section 6.J.7 Relating to Central Business District Design Standards**, and set a public hearing for October 2, 2017 at 7:02 p.m. Mr. Peterson stated the Planning Commission reviewed a proposed development in the Central Business District and for the first time had to review the plans in regard to the design standards. They felt some of them were too restrictive for development, specifically the second which regards scale and number of stories and windows. Mr. Peterson noted the proposed Kwik Trip was approved with the condition that the design standards ordinance be amended to not require 40% of the wall faces abutting right-of-way be composed of windows.

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

City Clerk Judy Thompson presented additional information, as requested by Council at the August 7, 2017 work session, in regard to the purchase of additional sewer backup coverage. It was noted the City currently has no funds designated for sewer backup when the City is not found liable. Ms. Thompson presented the premiums if additional coverage is purchased for sewer backup incidents. Following discussion, the option to purchase additional insurance for sewer backup coverage died for the lack of a motion.

Public Works Director Sean Christensen stated staff had advertised a request for proposals in May, 2017 for consultant services from experienced planning professionals interested in developing a Comprehensive Civic Center Master Plan. The professional services requested, include an analysis of the City's existing Civic Center Complex facilities and land and physical plant operations in order to prioritize needs for modernization, replacement and growth. Mr. Christensen stated proposals were submitted by three firms and reviewed and evaluated by a staff selection committee, with 292 Design Group of Minneapolis chosen as the recommended firm for the project at an estimated cost of \$47,375.

Following discussion, **Resolution No. 17-112 Awarding the Comprehensive Civic Center Master Plan Consultant Services Agreement to 292 Design Group** was introduced by Council Member Nelsen. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 5, Noes 2. Council Members Christianson and Plowman voted "no."

City Administrator Ike Holland presented a request from Mayor Calvin to consider the formation of a task force for Robbins Island Park which would include: two City staff members; two City Council Members; and one individual from each of the following groups: Rockin' Robbins organization, Destination Playground Group, Community Education Recreation Board, Willmar Area Community Foundation, Mayor Calvin, SRF Consulting Group and additional community members. It was noted that several improvements have taken place on the Robbins Island Complex to enhance its use by the public due to the efforts of both the City and various volunteer organizations, and the City would like to continue the development of the Robbins Island Park Complex and include the ideas of various volunteer groups to include exploring funding mechanisms and concepts for further planning and projects at the park.

Following discussion, Council Member Asmus offered a motion to approve Mayor Calvin's request. Council Member Alvarado seconded the motion which carried.

Mayor Calvin asked for Council's consideration of additional members to review the Rice Hospital, CentraCare, APMC proposals. Up until this point, the City Attorney, City Administrator, Mayor Calvin and the liaison to the Rice Hospital serve as a clearing house and gather information. After the presentation held September 13th, there are a lot of details to be worked out on this project and he would like to have a subgroup of the council, maybe one or two council members to serve on this subgroup. He stated the Executive Board of Rice Hospital would also serve on this group. They would have three members, along with Mr. Schram and Mr. Fenske.

City Attorney Robert Scott stated this group would meet only as needed to interact primarily with our special healthcare transactions counsel, Kutak Rock, as they start to work through the process of formulating their recommendations to the City Council and interacting with the hospital's attorney, and CentraCare's attorney as this transaction takes shape. This is a three party negotiation process, and very complicated. This group as contemplated is not supposed to take the place of the full council. The full council will have to have discussions and give some policy direction to our healthcare transactions counsel at a pretty early point. The ad hoc group will be available to meet to keep the communications with Kutak Rock, and will need to meet when questions arise, to give Council some insight on when and how things should be brought to the full Council, as well as to interact with the hospital board's executive committee. He stated this is a group that we are recommending be formed just among the council, but the big part of responsibility among this group will be to have some interactions with the hospital boards' executive committee. The hospital board is on the same side of this transaction as the Council. It's important that the council be working cooperatively and not taking something up primarily before the hospital board has had a chance to vet it, and is just a way to keep the communication going as smoothly as possible. It is anticipated that most of these meetings will occur during the day. There could be exceptions to that as needed, and could be as short as a day's notice, where the council would want to have a conference call with the group. The Mayor and hospital board liaison are already fulfilling this function. City Attorney Robert Scott's recommendation would be to expand that group by two council members. It was noted this group would remain in place as long as necessary. He stated the hospital board and CentraCare presented a pretty ambitious timeline to have this all completed by the first of the year. Council Member Schwantes offered a motion to create an ad hoc advisory committee made up of three members of the council (including liaison), the Mayor, City Administrator and our legal counsel. Council Member Mueske seconded the motion which carried.

Council Member Schwantes stated she would be very interested in serving on this committee. Council Member Asmus stated she would also be interested in serving on this committee. Following discussion, Council Member Mueske offered a motion to approve the appointment of Council Members Schwantes and Asmus to serve on the ad hoc advisory committee.

City Administrator Ike Holland stated he had attended the Community Assembly meeting held at the Prairie Woods Environmental Center this weekend. He stated Hamline University is conducting a survey and doing some research in our community and had asked him to speak. They had prioritized what is important to them for local government, and listed the top four expectations from local government as: 1. Trust; 2. Communications or transparency; 3. Accountability; and 4. A Strategic vision.

Mayor Calvin reminded the Council that they need to start thinking about and working on City Administrator Ike Holland's review, which is coming up in about two months. At one point, there was talk of former Interim City Administrator Mike McGuire returning to help with the review. Mayor Calvin stated Mr. McGuire has accepted a temporary position with the city of Faribault. Mayor Calvin feels this can be done internally with staff and council. Following discussion, Council Member Plowman offered a motion to have City Administrator Ike Holland draft a form to be used in the review process, and bring to the October 2nd Council meeting for review and approval. Council Member Schwantes seconded the motion which carried.

Mayor Calvin also stated that WEAC is holding an event, Hope Out Loud, on Thursday, September 21st. Also, Blue Cross Blue Shield Community Meals starts tomorrow and will continue Saturday the 23rd and next Tuesday the 26th. He also stated he had attended the same meeting that City Administrator Ike Holland commented on, and the Community Assembly will meet for the next two consecutive Saturdays. He noted he will be speaking at the last meeting. Upon completion of the last meeting, they will provide him with their results.

There were no Council member comments.

Council Member Nelsen offered a motion to adjourn the meeting with Council Member Asmus seconding the motion, which carried. The meeting adjourned at 9:21 p.m.

MAYOR

Attest:

CITY CLERK

RESOLUTION NO. 17-109

A RESOLUTION AWARDING THE CIVIC CENTER SEALCOAT PROJECT TO ASPHALT SURFACE TECHNOLOGIES CORPORATION IN THE AMOUNT OF \$33,737.50 AND REAPPROPRIATE FUNDS.

Motion By: Christianson

Second By: Mueske

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, the bid of Asphalt Surface Technologies Corporation for the Civic Center sealcoat project is accepted, and the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$33,737.50.

BE IT FURTHER RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Capital Improvement Fund Budget as follows:

| | | |
|-----------|--|-------------|
| Decrease: | 2017 CIP Budget Public Works International Trucks Purchase | \$20,000.00 |
| Increase: | Civic Center Operating Budget 0336- Maintenance of Other Improvements | \$20,000.00 |

Dated this 18th day of September, 2017

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 17-110
SETTING PRELIMINARY LEVY FOR 2018

Motion By: Nelsen

Second By: Mueske

BE IT RESOLVED that the Mayor of the City of Willmar submitted a preliminary levy request of \$4,974,245;

BE IT RESOLVED by the City Council of the City of Willmar, Kandiyohi County, Minnesota, that the following sums of money be preliminary levied for the current year collectable in 2018, upon the taxable property in said City of Willmar for the following purposes:

| | |
|--------------|-------------|
| General Fund | \$4,974,245 |
|--------------|-------------|

BE IT RESOLVED, that there is a sufficient sum of money in the Debt Service Funds of the City to pay principal and interest in 2018 on all outstanding bond issues, and the deferred annual tax levies previously certified to the County Auditor are hereby canceled;

BE IT FURTHER RESOLVED that a public hearing shall be scheduled for the 2018 proposed budget on December 4, 2017.

The City Clerk is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Kandiyohi County, Minnesota.

Dated this 18th day of September, 2017.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk

RESOLUTION NO. 17-111

**RESOLUTION SETTING A PUBLIC HEARING TO CONSIDER A
PETITION TO VACATE A UTILITY EASMENT (SUNRISE ADDITION)**

Motion: Christianson

Second: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar that the Council conduct a public hearing at 7:01 p.m. on Monday, October 2, 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 Jeff Danielson, Kandi Abstract described as follows:

A 12' utility easement down the easterly 23' of Lot 5, Block Three Sunrise estates as notated on the plat that it is to be vacated less the existing southerly 6' utility easement;

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 18th day of September, 2017.

s/s Marv Calvin
MAYOR

Attest:

s/s Judy Thompson
CITY CLERK

RESOLUTION NO. 17-112

**A RESOLUTION AWARDING THE COMPREHENSIVE CIVIC CENTER MASTER PLAN CONSULTANT
SERVICES AGREEMENT TO 292 DESIGN GROUP.**

Motion By: Nelsen

Second By: Asmus

Whereas the City of Willmar desires to retain a firm to provide professional services for the Comprehensive Civic Center Master Plan Project; and

Whereas a proposal has been made by the firm of 292 Design Group at an estimated cost of \$47,375.00;

Now therefore be it resolved by the City Council of the City of Willmar that said proposal be accepted and that the Mayor and City Administrator be authorized to execute an agreement on behalf of the City for the same.

Dated this 18th day of September, 2017.

s/s Marv Calvin
Mayor

Attest:

s/s Judy Thompson
City Clerk