

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

August 4, 1999
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by Mayor Pro Tempore Verna Kelly. Members present on a roll call were Mayor Pro Tempore Verna Kelly, Council Members Denis Anderson, Ron Christianson, Bruce DeBlieck, Douglas Reese, Nancy Houlahan, Jim Dokken, and Rick Fagerlie; Present 8, Absent 1 - Mayor Lester Heitke.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, and City Clerk Kevin Halliday.

Mayor Pro Tempore Kelly announced that Agenda Item No. 7, Aquatic Center Task Force Report and Recommendations had been removed from the Agenda.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 21, Municipal Utilities Commission Minutes of July 26, Rice Hospital Board Minutes of July 28, Police Civil Service Commission Minutes of August 2, and Building Inspection Report for June, 1999; Council Member DeBlieck seconded the motion, which carried.

Council Member Kelly moved to remove from the table Resolution No. 2376 of the Rice Memorial Hospital Minutes of July 14, 1999; Council Member DeBlieck seconded the motion, which carried. The Council requested further information regarding the proposed loan detailed in the minutes. Lorry Massa, Rice Memorial Hospital C.E.O., presented plans for the Hospital to make a loan to Rice Home Medical, a limited liability corporation of Rice Hospital and Rice Health Foundation. The loan would be used to build a 9,000 square foot building with office, warehouse and retail space. Following discussion, Council Member Reese moved to approve Resolution No. 2376 of the Rice Memorial Hospital Minutes of July 14, 1999. Council Member Christianson seconded the motion, which carried.

At 7:06 p.m. Mayor Pro Tempore Kelly opened the hearing to consider amending Municipal Development District VIII. Planning and Development Services Director Peterson explained to the Council that in order to accommodate the creation of the Helgeson Development TIF project, it is necessary that Municipal Development District VIII be enlarged to include the proposed TIF district. It was noted the original district was created in 1992 for the Cashwise TIF project. There being no one present to speak for or against the project, Mayor Pro Tempore Kelly closed the hearing at 7:07 p.m.

Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Pro Tempore Kelly, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

AMENDING MUNICIPAL DEVELOPMENT
DISTRICT NO. VIII

WHEREAS, Municipal Development District No. VIII was created, and the development program for said district was approved, on April 1, 1992; and

WHEREAS, the stated purpose of the Development District is to provide impetus for development/redevelopment and to increase the tax base; and

WHEREAS, the City of Willmar desires to amend the geographical limits of the Development District to afford additional development/redevelopment opportunities, and

WHEREAS, the City Council of the City of Willmar conducted a public hearing on August 4, 1999 to consider the proposed Development District amendment.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that Municipal Development District No. VIII is hereby amended to include property described as:

The South 215 feet of the North 405 feet of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, except the East 297 feet thereof, and the North 190 feet of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, except the East 477 feet thereof, all in Section 23, T119, R35

Dated this 4th day of August, 1999.

/s/ Verna Kelly
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:08 p.m. Mayor Pro Tempore Kelly opened the hearing to consider the Helgeson Development TIF Project. Planning and Development Services Director Peterson informed the Council the TIF program proposes to assist with demolition, clearance, asbestos abatement, site preparation, drainage/stormwater improvements, and utility lines. There being no one present to speak for or against the project, Mayor Pro Tempore Kelly closed the hearing at 7:10 p.m.

Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Pro Tempore Kelly, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

APPROVING THE HELGESON DEVELOPMENT CO., INC.
TAX INCREMENT FINANCING PLAN

(For Resolution in its entirety, see City Council Minutes
File dated August 4, 1999, located in the City Clerk's Office)

The Finance Committee Report of July 26, 1999, was presented to the Mayor and Council by Mayor Pro Tempore Kelly. There were four items for Council consideration.

Item No. 1 Dennis Peterson and members of the Willmar Area Arts Council presented information giving a brief history of the organization and what it has been doing for the past five years. Also presented was a booklet listing area artists.

The organization's Year 2000 Budget is estimated to be in the range of \$17,000 and they are requesting \$10,000 from the City. Following discussion, the Committee requested the organization complete the donation form required by City policy and that the matter will be discussed during the Year 2000 Budget Process. This matter was for information only.

Item No. 2 The Committee reviewed the Year 2000 Budget Calendar and Budget Table of Contents. This item was for information only.

Item No. 3 The following reports were reviewed by the Committee and received for information only: June Investment/Interest, June Lodging Tax, Local Option Sales Tax, June Rice Trust and the May Rice Hospital Financial.

Item No. 4 The Committee placed the following item was placed on future

agendas: Senior Nutrition Funding. This matter was for information only.

The Finance Committee Report of July 26, 1999, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Kelly, seconded by Council Member Houlahan, and carried.

The Public Works/Safety Report of July 27, 1999, was presented to the Mayor and Council by Council Member Reese. There were four items for Council consideration.

Item No. 1 Main Street Willmar requested their presentation be postponed until the first meeting in August, and this item was for information only.

Item No. 2 The Committee considered an agreement with the MnDOT Office of Aeronautics for maintenance and operation of the Airport during the biennium July 1, 1999, through June 30, 2001. The State will reimburse two-thirds of the documented, routine maintenance costs, not to exceed the base amount of \$41,372 as calculated based on the amount of runway infrastructure. Reimbursement is based on actual time and cost records as kept by the City of Willmar. The Committee was recommending to the Council to authorize the Mayor and City Administrator to sign the agreement with the Office of Aeronautics for reimbursement of the maintenance and operation costs of the Airport.

Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF
TRANSPORTATION GRANT AGREEMENT FOR AIRPORT MAINTENANCE AND OPERATION

BE IT RESOLVED by the City of Willmar as follows:

1. That the State of Minnesota Agreement No. 79030, "Grant Agreement for Airport Maintenance and Operation," at the Willmar Municipal Airport is accepted.
2. That the Mayor Pro Tempore and City Administrator are authorized to execute this Agreement and any amendments on behalf of the City of Willmar.

Dated this 4th day of August, 1999.

/s/ Verna Kelly
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed plans and specifications for the reconstruction of the Civic Center parking lot. The estimate is \$291,800, which is higher than originally estimated by \$70,000 with funding to come from the surplus fund balances. There was concern among the Committee if the lighting was adequately addressed. Staff will review the lighting further and consider a separate bid if it is found inadequate.

The Committee was recommending to the Council to approve plans and specifications for the Civic Center Parking Lot and authorize advertisement for bids. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

WHEREAS, the City Engineer of the City of Willmar has presented to the City Council plans and specifications for the Civic Center Parking Lot for the City of Willmar;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that: Final plans and specifications are hereby approved, and publication of advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:30 p.m. on the 7th day of September, 1999, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 4th day of August, 1999.

/s/ Verna Kelly
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Staff informed the Committee that Alliance Pipeline is pursuing other areas for location of their offices and will not need a location in the City at this time. This matter was for information only.

The Public Works Safety Report of July 27, 1999, was approved as presented and ordered placed on file in the city Clerk's Office upon motion by Council Member Reese, seconded by Council Member Fagerlie, and carried.

The Community Development Committee Report of July 29, 1999, was presented to the Mayor and Council by Council Member DeBlieck. There were five items for Council consideration.

Item No. 1 The Committee discussed the need for an ordinance to regulate excavation activities within City rights-of-way. A model ordinance has been prepared by the League of Minnesota Cities and reviewed by City Attorney Ronning. It was noted that the Public Works/Public Safety Committee had previously discussed the matter, and it was decided that any future right-of-way ordinance would be dealt with by that Committee. This matter was for information only.

Item No. 2 Staff reviewed with the Committee the proposed geographic amendment to Municipal Development District No. 8. The District is being amended to provide for the establishment of Tax Increment Financing District No. 2 for the Helgeson Development Company Assisted Living Facility.

Staff informed the Committee that the development district and TIF district would be addressed at public hearings prior to the Committee minutes being presented at the Council meeting. This matter was for information only.

Item No. 3 The Committee reviewed a proposal to amend the Center City Tax Increment Financing Program to include overlays for Central Business District streets in the Year 2000. The original TIF program was discussed and it was noted the TIF District was originally established to run through the Year 2009.

The Committee requested that Staff look into using TIF District funds to overlay downtown parking lots, make any needed improvements to infrastructure, replace streetlights, and make other streetscape improvements.

The Committee was recommending to the Council that Staff be directed to pursue the amendment to the Center City TIF Plan. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 4 Staff presented development updates on the following: Airport, Library, Applebee's Restaurant, Willmar Regional Treatment Center, Law

Enforcement Center/Jail, new assembly business, miscellaneous commercial/ industrial projects, and residential construction. This matter was for information only.

Item No. 5 The Committee discussed a recent letter to the editor that expressed concern about the condition of the property at the intersection of Highway 12 and Highway 40 (SW corner). The Committee directed Staff to contact the property owner to have the site cleaned up to meet community standards. This matter was for information only.

The Community Development Committee Report of July 29, 1999, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member DeBlicek, seconded by Council Member Christianson, and carried.

City Administrator Schmit presented to the Council a report and recommendation regarding the Police Chief position. He stated the position education and work experience was lowered to five years command experience and a two-year degree as discussed in the Willmar Civil Service Commission minutes of August 2, 1999. Mr. Schmit was recommending to the Council the appointment of current Captain, Jim Kulset, to the Police Chief position effective August 4, 1999. Civil Service Commission Chair Lee Durst added that the Commission felt the experience of managing day-to-day Police Department activities had a greater importance than a degree on the wall, thus justifying the decrease in educational requirements.

Following discussion, Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Dokken, read by Mayor Pro Tempore Kelly, and approved on a roll call vote of Ayes 7, Noes 1 - Council Member Houlahan voted "No."

RESOLUTION NO. 5

BE IT RESOLVED by the Willmar City Council that Jim Kulset be employed by the City of Willmar as Chief of Police effective August 4, 1999.

BE IT FURTHER RESOLVED that Mr. Kulset be appointed Chief of Police with a one-year probationary period and that his salary be set at \$56,487 through December 31, 1999.

Dated this 4th day of August, 1999.

/s/ Verna Kelly
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Planning and Development Services Director Peterson informed the Council that L. Ted and Mary Anderson have proposed the acquisition of City-owned property (.12 acres) south of their lot on Country Club Drive for \$1,000. The Planning Commission and Community Development Committee have previously recommended the City sell the land as requested.

Council Member Fagerlie offered a motion to introduce an Ordinance Authorizing the Sale of Land Owned by the City of Willmar and to schedule a public hearing for August 18, 1999. Council Member Dokken seconded the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, August 9; and Public Works/Safety, August 10, 1999.

Council Member Reese announced that he would be absent from the August 18, 1999, City Council meeting.

There being no further business to come before the Council, the meeting adjourned at 7:40 p.m. upon motion by Council Member Reese, seconded by Council Member DeBlicek, and carried.

Attest:

MAYOR PRO TEMPORE

SECRETARY TO THE COUNCIL