

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

May 1, 2002
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Mayor Heitke welcomed Boy Scouts from Troop 565 Steve Becker, Peder Erickson, Nathan Radunz and Kelly VanBuren.

Proposed additions to the agenda included Mayoral proclamations and announcements.

The Council requested that the Municipal Utilities Commission Minutes of April 22, 2002, be removed from the Consent Agenda.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 17, Human Rights Commission Minutes of March 19, Kandiyohi Area Transit Board Minutes of March 26, Zoning Appeals Board Minutes of April 15, Airport Commission Minutes of April 25, 2002; and an application for Exempt Permit from Willmar Fests, Inc. Council Member Reese seconded the motion, which carried.

The Council reviewed the April 22, 2002, Municipal Utilities Commission Minutes. The Council discussed renewable and/or high-efficiency energy option or green pricing programs and Resolution No. 14, the capital call request of \$125,000 for Allied Power. Council Member Reese moved to direct Municipal Utilities representatives to appear before the Council on May 15, 2002, and to table Resolution No. 14. Council Member Chapin seconded the motion, which carried. Council Member Christianson moved to approve the remaining Municipal Utilities Commission Minutes of April 22, 2002, with Council Member Chapin seconding the motion, which carried.

At 7:12 p.m. Mayor Heitke opened an assessment hearing for the 2002 street and other improvements. Public Works Director Odens explained the purpose of the hearing is to review the project and explain the proposed assessments, and to obtain testimony from interested parties. Several residents appeared before the Council to object to the high assessments on 3rd Street Southwest, stating that the loss of trees is detrimental and the faster thoroughfare is harmful. Many stated the assessments appear to be in excess of the benefits and were recommending to change the assessment process including the interest burden. An owner of a vacant lot on 6th Avenue Southeast objected to the full burden of the corner lot. A north-side neighbor commented on the destruction of the trees and shrubs cleared for the new Housing and Redevelopment Authority parking lot. Upon hearing all those who wished to be heard, Mayor Heitke closed the hearing at 8:11 p.m.

City Administrator Schmit gave a history of assessment ratios and the Mayor's task force assembled to study the infrastructure just a few years ago.

The Council reviewed various parcels that need reconsideration which included various parcels on 9th Street Southeast that should not receive an assessment for the water main hookup, three parcels on 3rd Street Southeast at the corner of Augusta that should receive a deduct for an Augusta Avenue assessment in 1986, and corner lot on 3rd Street Southeast and Olena Avenue that should receive a deduct for an assessment in 1986, delete the assessment of the railroad for the Gay Street sanitary sewer, adjust the corner lots on 4th Avenue Southeast and 6th Avenue Southeast, and delete the sanitary sewer assessment for a lot on 14th Street Southeast found to have a different sewer connection point. Council Member Reese offered a motion to adjust the assessments as presented. Council Member Anderson seconded the motion, which carried.

Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 1 – Council Member Dokken voted “No.”

RESOLUTION NO.1

DECLARING COST TO BE ASSESSED AND
ORDERING PREPARATION OF ASSESSMENT ROLL
IN CONNECTION WITH 2002 STREET AND OTHER IMPROVEMENTS
(PROJECT NOS. 0201 AND 0202)

WHEREAS, contracts have been let for the construction of Street and Other Improvements of 2002 in the City, to-wit: City Project Nos. 0201 and 0202; and

WHEREAS, the total cost of said Street and Other Improvements of 2002 is \$2,931,404.62.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The City Council hereby determines that the City shall pay \$1,136,776.72 of said cost, exclusive of the amount it may pay as a property owner, and the sum of \$1,794,627.90 shall be assessed against benefited property owners based upon benefits received without regard to cash valuation.

2. The Clerk-Treasurer, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land without regard to cash valuation as provided by law, and he shall file a copy of such assessment in his office for public inspection.

3. The Clerk-Treasurer shall, upon the completion of such assessment, notify the City Council thereof.

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 1 – Council Member Dokken voted “No.”

RESOLUTION NO. 2

ADOPTING ASSESSMENT ROLL

WHEREAS, pursuant to notice duly given as required by law, the City Council has met, heard, and passed upon all objections to the proposed assessment for 2002 Street and Other Improvements, and has amended such proposed assessment as it deems just;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. Such proposed assessment, the sum of \$1,794,627.90, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein is hereby found to be benefited by the proposed improvement.

2. Such assessments shall be as follows:

A. The assessments shall be payable in equal annual installments extending over a period of ten (10) years, the first of said installments to be payable with general taxes for the year 2003, collectible with such taxes during the year 2003.

B. To the first installment shall be added interest at the rate of six (6) percent per annum on the entire principal amount of the assessment from the date of the bond sale, approximately July 3, 2002, until December 31, 2003. To each subsequent installment, when due there shall be added interest for one year at said rate on the unpaid principal amount of the assessment.

C. The owner of any property so assessed may at any time prior to the certification of the assessment or the first installment thereof to the County Auditor (Treasurer), pay the whole of the principal amount of the assessment on such property with interest accrued to the date of payment to the City Clerk-Treasurer, except that no interest shall be charged if the entire assessment is paid by October 31, 2002, and such property owner may at any time prior to November 15 of any year pay to the City Clerk-Treasurer the entire principal amount.

3. The City Clerk-Treasurer shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Mayor Heitke called for a recess at 8:46 p.m. and reconvened the meeting at 8:54 p.m.

Joe Holm and Duane Riks appeared before the Mayor and Council to present information on a "Let's Go Fishing" in Minnesota program. "Let's Go Fishing" is a non-profit organization with a goal to provide fishing and boating excursions as an activity for senior citizens. The group's objective is to provide outings at no cost to seniors except for a current Minnesota Fishing License. Mr. Holm explained the organization is attempting to raise \$80,000 towards boats and equipment for the project and asked the City to consider a donation. Following discussion, Council Member DeBlieck moved to refer the request to the Finance Committee for review and consideration. Council Member Dokken seconded the motion, which carried.

Several citizens appeared before the Mayor and Council during the Open Forum to present their opinions on the detrimental effects of motorcycle racing at the Kandiyohi County Fairgrounds.

At 9:45 p.m. Mayor Heitke opened the hearing to consider a petition to vacate a drainage easement. Planning and Development Services Director Peterson explained to the Mayor and Council that Larry Rice has filed a petition for the vacation of a drainage easement encumbering Lot 4, Block 1, MKR Addition. Surface water drainage has been re-routed and the easement is no longer needed. It was noted the Planning Commission recommends the vacation as proposed. There being no one present to speak for or against the proposed vacation, Mayor Heitke closed the hearing at 9:45 p.m.

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

RESOLUTION NO. 3

WHEREAS, a petition has been filed by Larry Rice for the vacation of a drainage easement owned by the City of Willmar and described as follows:

A 20-foot drainage easement bisecting Lot 4, Block 1, in the plat of MKR Addition in a north-south direction.

WHEREAS, the proposed easement vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the petition for vacation of said easement on the 1st day of May, 2002; and

WHEREAS, the City Council of the City of Willmar finds that granting said petition will not deny any person surface drainage now being provided through said easement; and

WHEREAS, the City Council of the City of Willmar finds that it is in the best interest of the City of Willmar to grant said petition;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the drainage easement described as follows is hereby vacated:

A 20-foot drainage easement bisecting Lot 4, Block 1, in the plat of MKR Addition in a north-south direction.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed with the Kandiyohi County Recorder on or after May 11, 2002.

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 9:46 p.m. Mayor Heitke opened a hearing on an Ordinance Amending Municipal Code Article IV Sec. 2-147 Through 2-150 Establishing Boundaries for Wards and Precincts by Summary Ordinance. City Clerk Halliday presented details of the Ordinance which established the precinct boundaries pursuant to the 2000 Federal Census. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 9:47 p.m.

Council Member DeBlieck offered a motion to adopt, assign a number and order final publication of the Ordinance establishing boundaries for Wards and Precincts. Council Member Reese seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 9:50 p.m. Mayor Heitke opened a hearing on an Ordinance Amending Ordinance No. 1060 to Rezone Certain Property. Planning and Development Services Director Peterson informed the Mayor and Council that Cottage Buildings, Inc. of Waite Park, Minnesota, has proposed rezoning 10.88 acres from Ag to R-4 for townhouse development. It was noted the Planning Commission has approved the request as presented. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 9:51 p.m.

Council Member Reese offered a motion to adopt, assign a number and order final publication of the Ordinance Amending Ordinance No. 1060 to Rezone Certain Property. Council Member DeBlieck seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

The Finance Committee Report of April 22, 2002, was presented to the Mayor and Council by Council Member Anderson. There were seven items for Council consideration.

Item No. 1 Rice Trustees Janet Vandendriessche and Carol Hruby appeared before the Committee to present the 2002 first quarter Rice Trust Financial Report. The report showed the Trust had received 10 applications for funding assistance and had an asset balance of \$2,156,221. This matter was for information only.

Item No. 2 KAT Director, John Grothius, presented information to the Committee regarding program rider ship. Mr. Grothius presented projections and estimates that the cost per ride should be reduced from \$7.50 in 2001, to \$6.15 in 2002, and compared data to other area systems. This matter was for information only.

Item No. 3 The Committee reviewed cost estimates for the proposed new Willmar Airport. The figures showed that the current estimates of \$15,667,817 were slightly lower than the estimate in the 1999 Master Plan, and that the City share has increased from \$2,647,020 to \$3,446,653.00. Some of the causes for the projected increase were the increase in runway length, land acquisition costs, land purchase of the present airport site, building the runway depth to a 6,500 foot section instead of 5,500 foot section, runway construction and the development of the Aircraft terminal area.

Two parcels have been purchased, two more have been approved, and the remaining offers have all been made. It was the feeling of the Committee that the remaining costs for the present airport site, crosswind runway and the terminal area need to be reviewed in more detail so final estimates can be used to determine financing options.

The Committee was recommending to the Council to direct the Airport Commission to review the costs associated with the aircraft terminal and crosswind runway and develop a recommendation for the Council consideration. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 4 The Committee considered a request from Staff to close the Debt Service and Construction accounts for the expansion of the Willmar Public Library. The final year-end balances in the funds amounted to approximately \$941,000, and the Council could appropriate the funds at this time or reserve them until a use could be determined. A number of possible uses were discussed including reserves for the Library and Capital expenditures for uses in the General Fund.

Since the Library staff recommendations weren't available at this time, the Committee was recommending that the Council pass a resolution to close the funds and reserve the money for appropriation at a future meeting. Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to close the Library Debt Service/Construction Funds and reserve the funds to be appropriated at a future time.

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee reviewed end-of-the-year numbers for the Downtown Tax Increment Fund, which was established in 1982 for the redevelopment of the Downtown Business District. The fund has been amended several times, the last being for the building of the Shared Health Resources building. This latest amendment enables the District to be closed approximately five years early due to excess increment generated.

The District had two outstanding loan balances, totaling \$831,000, which is available to be

reserved or re-appropriated. Staff reminded the Committee that \$255,000 was already committed for the South 71/Mills annexation project and recommended that the remaining \$576,000 be transferred to the Industrial Development to be used in the future financing of the Airport relocation.

The Committee was recommending that the Council pass a resolution closing the Downtown Tax Increment Fund and transferring the funds. Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to close the Downtown Tax Increment Fund and reserve the funds as follows:

Project 2002 – Mills Project	\$255,000.00
Industrial Development Fund Reserves	\$576,000.00

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 Staff presented end-of-the-year numbers and reports to the Committee for review. The General Fund showed excess revenues over expenditures of approximately \$620,000. The Committee reviewed departmental requests to re-appropriate unspent funds totaling \$29,344 leaving a balance available for the 2003 budget process of \$590,666.

The Committee was recommending that the Council pass a resolution to appropriate the funds as requested. Resolution No. 6 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

BE IT RESOLVED by the City Council of the City of Willmar to authorize the finance Director to appropriate the following excess 2001 funds:

Planning and Zoning	\$ 700.00
Engineering – Temporary Employees	\$ 4,233.00
Professional Services	\$ 2,460.00
Airport	\$ 1,500.00
Community Education and Recreation	\$15,414.00
Police – Overtime	\$ 5,037.00

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 7 The Committee reviewed the following report: year-end WRAC, CVB and Rice Memorial Hospital Financial reports. This matter was for information only.

The Finance Committee Report of April 22, 2002, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

The Public Works/Safety Committee Report of April 23, 2002, was presented to the Mayor and Council by Council Member Reese. There were four items for Council consideration.

Item No. 1 The Committee reviewed correspondence from MnDOT to provide payment in the amount of \$843.85 for road life consumed on First Street, Litchfield Avenue, and Second Street. The State proposes using these City streets as a detour route during the mill and overlay of T.H. 12 from Pennock to Willmar. Plans call for the detour within the City to be a maximum of seven working days.

The Committee was recommending to the Council approval of an agreement and to authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 7 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 7

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION AGREEMENT FOR USE OF CITY STREETS

IT IS RESOLVED that the City of Willmar enter into MnDOT Agreement No. 83133 with the State of Minnesota, Department of Transportation for the following purposes:

To provide for payment by the State to the City for the use of City streets First Street Southwest, Litchfield Avenue, and Second Street Southwest as a detour route during bituminous mill and overlay, turn lane and bypass lane construction and other associated construction upon, along and adjacent to Trunk Highway No. 12 from 0.15 miles west of the eastern limits of the City of Pennock to bridge #5526 over the Burlington Northern Railway in the City of Willmar under State Project No. 3403-60 (TH 12=010).

IT IS FURTHER RESOLVED that the Mayor and City Administrator are authorized to execute the agreement and any amendments to the agreements.

Dated this 1st day of May, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee considered a request from a property owner to extend 11th Street approximately 130 feet south of the intersection of Richland Avenue Southwest. Staff reviewed the policy and consistency of other development. The Committee was recommending to the Council to approve the extension of 11th Street Southwest as presented. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Christianson seconding the motion, which carried.

Item No. 3 The Committee considered proposals from four architectural firms to provide a connection between the Civic Center and the Blue Line Center. The Committee directed staff to interview the architectural firms who submitted proposals and bring a recommendation back to Committee for recommendation. This matter was for information only.

Item No. 4 The Committee considered a request to install lighting along the walk path from 7th Avenue Southeast to Sunrise Park and discussed the lighting at other paths, ramifications and the costs associated. Following discussion, the Committee was recommending the Council to deny the request. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding the motion, which resulted in a roll call vote of Ayes 4, Noes 4 – Council Member Anderson, Chapin, Dokken and Fagerlie voted “No.” Mayor Heitke cast the deciding “No” vote which defeated the motion to deny the request and the matter was referred back to the Public Works/Safety Committee.

The Public Works/Safety Committee Report of April 23, 2002, 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 Christianson, and carried.

Mayor Heitke announced that the World Day of Prayer will be held on May 2, and the Mayor’s Prayer Breakfast will be held on May 30, 2002.

The Mayor read a letter from Peder Erickson regarding trash containers at Robbins Island. Mr. Erickson, a Boy Scout with Troop 565, is working on his Citizenship in the Community Merit Badge.

Mayor Heitke read proclamations regarding the Willmar Symphonic Orchestra, recognizing Larry Opsahl and Dr. Chet Sommers; and a Proclamation regarding Cinco de Mayo.

Announcements for Council Committee meeting dates were as follows: Board of Review, May 6; Public Works/Safety, May 7; joint meeting with the Rice Hospital Board, May 7; and Community Development, May 8, 2002.

There being no further business to come before the Council, the meeting adjourned at 10:25 p.m. upon motion by Council Member Christianson, seconded by Council Member DeBlicke, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL