

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

April 19, 2004  
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 Ron Christianson, Bruce DeBlieck, Denis Anderson, Nancy Houlahan, Jim Dokken, and David Chapin; Present 7, Absent 2; Council Members Doug Reese and Rick Fagerlie were excused from the meeting..

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, 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.

Proposed additions to the agenda included a resolution regarding bid letting, COPPS meeting, and an announcement regarding the recent death of Lyle Tiegs.

The Municipal Utilities Commission Minutes were removed from the Consent Agenda.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 5, Rice Hospital Board Minutes of April 13, Planning Commission Minutes of April 14, Building Inspection Report for March, Pioneerland Library Board Minutes of February 19, and Housing and Redevelopment Authority Minutes of March 16 and 29, 2004; and Gambling Exempt Permit Application, Bethesda Foundation of Willmar. Council Member DeBlieck seconded the motion, which carried.

The Council discussed Resolution No. 18 contained in the Municipal Utilities Commission Minutes commending the Willmar Municipal Utilities organization for receiving the APPA first place award for no-lost-time accidents in the year 2003. The Municipal Utilities Commission Minutes of April 12, 2004, were approved as presented and placed on file in the City Clerk's Office upon motion by Council Member DeBlieck, seconded by Council Member Dokken, and carried.

At 7:05 p.m. Mayor Heitke opened a hearing on a Gurley's Foods tax abatement request. Planning and Development Services Director Peterson presented details on the tax abatement request for a proposed 20,000 square foot building expansion. It was noted State statute requires a public hearing as part of the abatement approval process and the County Board and School Board will hold similar hearings. Mike Mikkelson, representing Gurley's Foods, presented to the Mayor and Council details of the nut roasting facility expansion which will begin soon and be completed in the fall. It was noted the estimated annual abatement from the City would be approximately \$3,300.00 per year. Upon hearing all who wished to be heard, Mayor Heitke closed the hearing at 7:07 p.m.

Council Member DeBlieck moved to approve the Gurley's Foods tax abatement request with Council Member Dokken seconding the motion, which carried.

At 7:14 p.m. Mayor Heitke opened a hearing on an Ordinance Amending Municipal Code Sections 9-86, 9-87, and 9-88 Regulating Noisy Gatherings. City Attorney Ronning presented details of the Ordinance offering improved wording which will better enable enforcement of noisy

gatherings disturbing the peace of a neighborhood. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:15 p.m.

Council Member DeBlieck offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Municipal Code Sections 9-86, 9-87, and 9-88 Regulating Noisy Gatherings. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:19 p.m. Mayor Heitke opened a hearing on an Ordinance Regulating the Exterior Condition of Residential Structures. Planning and Development Services Director Peterson informed the Mayor and Council the Ordinance is intended to set minimum standards for the maintenance of residential properties. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:20 p.m.

Council Member Christianson offered a motion to adopt, assign a number, and order final publication of the Ordinance Regulating the Exterior Condition of Residential Structures. Council Member Chapin seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:25 p.m. Mayor Heitke opened a hearing on an Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. Planning and Development Services Director Peterson informed the Mayor and Council that Les Chermak proposes the rezoning of property on 19<sup>th</sup> Avenue Southwest from R-3 to LB for an accounting office and lot marketed for professional business development. It was noted the proposal is consistent with the Comprehensive Plan and has been approved by the Planning Commission. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:26 p.m.

Council Member Christianson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. Council Member Chapin seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

Mayor Heitke acknowledged that no one had signed up to address the City Council during its scheduled Open Forum.

The Finance Committee Report for April 12, 2004, was presented to the Mayor and Council by Council Member Anderson. There were five items for Council consideration.

Item No. 1 Representatives from the Willmar Fire Department Relief Association were present to explain two requests for additional City involvement in the Association's retirement program. The first request was to have the City agree to a local contribution to their retirement account based on a percentage of the State Relief Aid. The State Aid is funded by 2% surcharge on all fire insurance statewide. The City's budgeted contribution for 2004 was based on 10% of the 2003 aid received. The request was to raise that percentage by 1% per year up to 15% by the year 2008.

The Committee was recommending the Council set the percentages for calculating the City contribution as recommended with a cap set at \$10,000 per year. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member DeBlieck seconding the motion, which carried.

The second request was asking the City to raise its maximum level of retirement guarantee from \$2,100 per year of service to 80 percent of the allowable level using the State formula. The

Committee was recommending the Council introduce a resolution increasing the maximum City guaranteed level.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 1

INCREASE FIRE DEPARTMENT RELIEF ASSOCIATION RETIREMENT

BE IT RESOLVED, by the City Council of the City of Willmar, Minnesota, to raise the retirement of the Fire Department Relief Association from \$2,100.00 per year of service to \$2,400.00 per year of service.

Dated this 19<sup>th</sup> day of April, 2004.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 2 The Committee reviewed information from Staff outlining projected 2004 activity at the Dorothy A. Olson Aquatic Center. Items discussed were projected budgets, staffing levels, projected usage and anticipated rate schedules.

The Committee was recommending the Council introduce a resolution setting the 2004 operating budget at \$89,645. Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 2

PRELIMINARY AQUATIC CENTER BUDGET  
ESTIMATED TOTAL COST \$89,645

<b>PERSONNEL SERVICES</b>		<b>RECEIVABLES</b>	
10* Salaries Reg. Employees		Property Owners	
11* Overtime Reg. Employees		County	
12* Salaries Temp. Employees	\$45,614.00	State	
13* Employer Pension Contr.	\$5,931.00	City	
14* Employer Ins. Contr.		City	
<b>TOTAL</b>	<b>\$51,545.00</b>	Other	
		<b>TOTAL</b>	<b>\$0.00</b>
<b>SUPPLIES</b>		<b>FINANCING</b>	
20* Office Supplies	\$1,500.00	Bonds	
21* Small Tools	\$4,500.00	State	
22* Motor Fuels & Lubricants		City Admissions	\$59,220.00
23* Postage		City Concessions	\$27,425.00
24 Mtce. of Equipment		Other Special Events	\$3,000.00
25 Mtce. of Structures		<b>TOTAL</b>	<b>\$89,645.00</b>
26 Mtce. of Other Improvements			
27 Subsistence of Persons	\$1,200.00		
28 Cleaning & Waste Removal		<b>GRAND TOTAL</b>	<b>\$89,645.00</b>

29*	General Supplies	\$15,000.00
	<b>TOTAL</b>	<b>\$22,200.00</b>

**OTHER SERVICES**

30	Communications	\$400.00
31*	Printing & Publishing	
32	Utilities	\$10,000.00
33*	Travel-Conf.-Schools	\$1,000.00
34	Mtce. of Equipment	
35	Mtce. of Structures	
36*	Mtce. of Other Impr.	
37	Subsistence of Persons	
38	Cleaning & Waste Removal	
39*	Other Services	
	<b>TOTAL</b>	<b>\$11,400.00</b>

**OTHER CHARGES**

40	Rents	
41*	Insurance & Bonds	\$4,000.00
42	Awards & Indemnities	
43	Subscription/Memberships	
44	Interest	
45	Licenses & Taxes	
46*	Prof. Serv.	
47*	Advertising	\$500.00
48*	Adm. OH (Transfer)	
49	Other Charges	
	<b>TOTAL</b>	<b>\$4,500.00</b>
	<b>GRAND TOTAL</b>	<b>\$89,645.00</b>

Dated this 19<sup>th</sup> day of April, 2004.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Committee was recommending the Council set the fee schedule as recommended. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Chapin seconding the motion, which carried.

Item No. 3 The Committee discussed an agreement with RRR Properties of Willmar, Inc., for cash payment of public improvements. At least one of the RRR properties was sold on the basis of the buyer assuming improvement costs. The buyer has paid the Developer for all improvements through 2003, and has asked that the 2004 costs (approximately \$4,000) be certified as assessments for collection. The buyer has agreed to waive any and all notices/hearings. It was noted an approval will require an appropriate amendment to the RRR Developers agreement.

The Committee was recommending the Council introduce a resolution to amend the Cash Agreement with RRR Properties by the amount of remaining assessments for the 2004

improvements for the one lot. Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Chapin, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

### RESOLUTION NO. 3

BE IT RESOLVED by the Willmar City Council that the 2004 developer agreement with RRR Properties of Willmar, Inc. be amended to reflect that the developer costs be reduced by \$3,950.00.

Dated this 19<sup>th</sup> day of April, 2004.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee was informed by Staff that in order for the City to reimburse itself for costs incurred prior to the sale of the 2004 Improvement Bonds, a resolution is required stating its intention to do so.

The Committee was recommending the Council introduce a resolution establishing procedures relating to compliance with reimbursement bond regulations under the Internal Revenue Code. Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

### RESOLUTION NO. 4

#### RESOLUTION ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

(For Resolution in its entirety, see City Council Minutes file date April 19, 2004, on file in the City Clerk's Office)

Item No. 5 The Committee reviewed the following reports: March WRAC-8, CVB and Investment Summary. This matter was for information only.

The Finance Committee Report for April 12, 2004, 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 Chapin, and carried.

The Public Works Committee Report for April 13, 2004, was presented to the Mayor and Council by Council Member Christianson. There were four items for Council consideration.

Item No. 1 The Committee considered a request from the Fire Department to conduct a training burn at 2901 SW 15<sup>th</sup> Street. This would allow firefighters to train in the building starting in April prior to an August 31, 2004, burn. The Committee was recommending the Council approve the training burn as requested. Council Member Christianson moved to approve the recommendation of the Public Works Committee with Council Member DeBlieck seconding the motion, which carried.

Item No. 2 The Committee reviewed a proposed funding agreement with the State of Minnesota for financial assistance for well drilling at the new Municipal Airport. The agreement contains a project cost not-to-exceed amount of \$20,000. The State is agreeing to fund the project on a 70/30 cost split.

The Committee was recommending the Council accept the terms of the agreement with the State of Minnesota and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 5 was introduced by Council Member Christianson, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

#### RESOLUTION NO. 6

#### AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

IT IS RESOLVED by the City of Willmar as follows:

1. That the State of Minnesota Agreement No. 86461, "Grant Agreement for Airport Improvement" for State Project No. 3401-52 at the New Willmar Municipal Airport is accepted.
2. That the Mayor and City Administrator are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 19<sup>th</sup> day of April, 2004.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 The Committee reviewed past studies, recent improvements, and current needs in relation to the Wastewater Treatment Plant. The City Council, in December 2000, approved Option #5 of the Facility Plan prepared by Bonestroo and Associates. This option included some upgrades to the existing plant, and constructs an entire new facility at the St. John's Township site in 2010 which services the entire community.

Recent estimates for total relocation to the new site are estimated at \$38 million. Due to capacity needs, Staff proposes the concept of phasing capacity out to the new site at an initial cost of \$16 million, which would treat the Industrial Park area. Considering useful life of the recent RBC improvements, the existing plant could stay in operation until such time as the entire City's wastewater would need to be rerouted to the new facility. Preliminary estimates indicate approximately \$25 million in savings by phasing capacity to the new site. It was the general consensus of the Committee that odor is the main concern and efforts of odor mitigation should continue.

A number of residents living in the area of the current Wastewater Treatment Plant appeared before the Mayor and Council to voice concerns with the continued delays in moving the full treatment facility to the new site.

The Committee was recommending the Council direct staff to continue to study the concept

of phasing capacity out to the new site and hold public informational meetings. Council Member Christianson moved to approve the recommendation of the Public Works/Safety Committee with Council Member Anderson seconding the motion which carried on a roll call vote of Ayes 5, Noes 1 – Council Member Dokken voted “No.”

Item No. 4 The Committee discussed concerns of increased pedestrian traffic crossing 19<sup>th</sup> Avenue Southwest once the Aquatic Center opens. It was felt this safety issue needs to be addressed, and staff was asked to look into the matter and report back to Committee at a later date. This matter was for information only.

The Public Works/Safety Committee Report for April 13, 2004, was approved as presented and ordered placed on file in the City Clerk’s Office upon motion by Council Member Christianson, seconded by Council Member Anderson, and carried.

The Community Development Committee Report for April 14, 2004, was presented to the Mayor and Council by Council Member DeBlieck. There were three items for Council consideration.

Item No. 1 The Committee reviewed correspondence Glen Bangen presented to the Council on April 5, 2004, in which he outlined several concerns about the developers of Westwind Estates Second Addition. Mr. Bangen asserted that the developers were soliciting taxpayer dollars and that was in direct conflict with what they had assured the City they would not do. It was acknowledged that Rice Hospital had been contacted, but that they had denied the request for financial assistance. The Committee also discussed several other concerns expressed by Mr. Bangen, including future use of the balance of the property acquired by the Southwest Minnesota Housing Foundation and how future development would be required to be consistent with current development. This matter was for information only.

Item No. 2 The Committee reviewed plans for the reuse of a warehouse structure in the Industrial Park. The company interested in using the building had requested that the City consider making some changes to the on-street parking to allow them better access to their site with semi-trucks. Staff informed the Committee that they had been in contact with the company regarding the access issue, and were working with them to reconfigure some on-street parking that would allow safer and more efficient access to the site. It was noted that the streets in the Industrial Park are there for the primary purpose of providing vehicle access to the businesses and not for use as on-street parking. This matter was for information only.

Item No. 3 The Committee received updates on the following projects: Menard’s, Family Eye Center, Mills, and Gurley’s Foods. This matter was for information only.

The Community Development Committee Report for April 14, 2004, was approved as presented and ordered placed on file in the City Clerk’s Office upon motion by Council Member DeBlieck, seconded by Council Member Dokken, and carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration an Ordinance to Rezone Certain Lands. Stephan Gilbertson proposed the rezoning on property on Litchfield Avenue Southwest from LB to GB for an auto repair and sales business. The proposal is consistent with the Comprehensive Plan and has been approved by the Planning Commission. Council Member Chapin moved to introduce the Ordinance to Rezone Certain Lands and set a hearing for May 3, 2004. Council Member Dokken seconded the motion, which carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration an Ordinance to Rezone Certain Lands. All-Star Investment Group proposes the rezoning of property on Litchfield Avenue Southeast from R-2 to GB for a real estate office. The proposal is consistent with the Comprehensive Plan and has been approved by the Planning Commission. Council Member Anderson moved to introduce the Ordinance to Rezone Certain Lands and set a hearing for May 3, 2004. Council Member Houlahan seconded the motion, which carried.

Planning and Development Services Director Peterson presented to the Mayor and Council a final plat for Westwind Estates Second Addition, a re-plat of Westwind Estates Addition. The Southwest Minnesota Housing Partnership has re-platted the addition to consist of 22 lots, and all conditions of the preliminary plat approval have been added to the final plat. Council Member DeBlieck moved to approve the final plat of Westwind Estates Second Addition. Council Member Houlahan seconded the motion, which carried. Council Member Christianson abstained from voting.

City Clerk Halliday informed the Mayor and Council the following establishments are requesting renewal of current liquor licenses: On-Sale – Center Point Mall Bar & Grill, Vannandy's Night Club, Applebee's Neighborhood Grill & Bar, and SRV Bar & Grill; and Club On-Sale – Willmar Elks Lodge. Following discussion, Council Member Christianson moved to approve all licenses with Vannandy's conditioned upon approval of resident manager by the Chief of Police and Center Point Mall Bar & Grill conditioned by approval of insurance certificate by the City Attorney. Council Member Anderson seconded the motion. Council Member Chapin moved to amend the motion to exclude Vannancy's Night Club and Center Point Mall Bar & Grill with Council Member Dokken seconding the motion. Following discussion, Council Member Chapin withdrew his motion and Council Member Dokken withdrew his second. The original motion then carried on a roll call vote of Ayes 5, Noes 1 – Council Member Chapin voted "No."

Announcements for Council Committee meeting dates were as follows: Finance, April 26; Public Works/Safety, April 27; and Labor Relations, April 28, 2004. It was announced that there will be a City-wide COPPS meeting on April 23, 2004.

Public Works Director Odens informed the Mayor and Council that due to changes made to the 2004 improvement project, it was necessary to change the bid-letting date. Following discussion, Resolution No. 6 was introduced by Council Member Anderson, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

#### RESOLUTION NO. 6

WHEREAS on March 15, 2004, the City Council of the City of Willmar adopted Resolution No. 1 setting a letting date for Project Nos. 0401 and 0402 of April 26, 2004; and

PURSUANT to engineering changes made to the projects, which limited the bid time for contractors;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that:

Bids will be publicly opened and read at 1:00 p.m. on the 29th day of April, 2004, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 19<sup>th</sup> day of April, 2004.



