

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

May 3, 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 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, and Community Education and Recreation Director Steve Brisendine.

Proposed additions to the agenda included Hospital Board appointments, Youth Leadership Activities, Arbor Day celebration and trade exchange program.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 19, Municipal Utilities Commission Minutes of April 26, Rice Hospital Board Minutes of April 28, Planning Commission Minutes of April 28, Economic Development Joint Powers Board Minutes of January 22, and Senior Council Minutes of April 7, 2004. Council Member Christianson seconded the motion, which carried.

At 7:03 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 Stephan Gilbertson proposes the rezoning of property on Litchfield Avenue Southwest from LB to GB for an auto repair and sales business. 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 meeting at 7:05 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 8, Noes 0.

At 7:07 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 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. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:09 p.m.

Council Member DeBlieck 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 8, Noes 0.

Mayor Heitke recognized Dr. Dean Wyatte who had signed up to address the City Council during its scheduled Open Forum. Dr. Wyatte discussed Pet Wellness Center Conditional Use Permit noting the Planning Commission had denied his request. Dr. Wyatte was advised that his proper recourse was through the Board of Zoning Appeals, followed by District Court.

Mr. Stephen Enockson appeared before the Mayor and Council to recognize the City's involvement in the Ridgewater College Law Enforcement Program. Mr. Enockson thanked the City for its commitment and participation in the program and acknowledged the support of all Willmar Police Chiefs over the years. Mr. Enockson, on behalf of Ridgewater College, presented a plaque of appreciation to Chief Kulset.

City Administrator Schmit presented information to the Mayor and Council regarding the 2004 improvements bonding process and indicated it was necessary to introduce a Resolution calling for a public hearing on May 17, 2004, for the Ordinance. Following discussion, Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

RESOLUTION CALLING FOR PUBLIC HEARING ON AN
ORDINANCE AUTHORIZING THE ISSUANCE OF
\$2,125,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2004B
AND LEVYING TAXES FOR THE PAYMENT THEREOF

(For Resolution in its entirety, see City Council proceedings file dated
May 3, 2004, located in the City Clerk's Office)

The Finance Committee Report for April 26, 2004, was presented to the Mayor and Council by Council Member Anderson. There were three items for Council consideration.

Item No. 1 Staff updated the Committee on various items concerning the Aquatic Center project including status of the project, upcoming change order requests, and budgeted contingency.

The Committee was recommending the Council introduce a resolution authorizing a change order to reduce the Aquatic Center contract. Resolution No. 2 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. 2

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Aquatic Center Project Budget:

Increase:	Operating Budget	\$7,500
Decrease:	Contract Contingency	\$7,500

Dated this 3rd day of May, 2004.

/s/ Lester Heitke

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Item No. 2 Representatives from the Willmar Baseball Boosters appeared before the Committee to review the status of the Stadium Project. Items discussed were funding commitments, project changes and revised budget numbers.

The Committee was recommending the Council introduce a resolution revising the Baker Diamond Stadium budget. Resolution No. 3 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. 3

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Baker Stadium Project Budget:

Increase: Estimated Revenue – Baseball Boosters Association	\$246,644
Increase: Appropriations – Project Costs	\$246,644

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Item No. 3 The Committee reviewed a request from West Central Industries for 2005 Program Funding. The request was for a \$5,000 increase from \$15,000 to \$20,000. Staff was directed to forward the request to the Mayor for consideration in the 2005 budget process, and to explore the possibility of redirecting the contribution through the United Way so the program would be eligible for Federal funding in the future. This matter was for information only.

The Finance Committee Report for April 26, 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 Fagerlie, and carried.

The Public Works/Safety Committee Report for April 27, 2004, was presented to the Mayor and Council by Council Member Reese. There were seven items for Council consideration.

Item No. 1 Willmar Jaycees representatives Laura Deleski and Patrick Dokken informed the Committee that the Jaycees were approached by Main Street Willmar in January to take over organization of the Block Party. They briefed the Committee on the event and requested permission to close off a portion of both Becker Avenue and 5th Street SW and the parking lots in Block 50 and Masonic lot. The concept is the same as previous years with the food booths on both sides of 5th Street and a coffee bar in the middle of the intersection. The event will be held on June 23, 2004.

This year they would also request to incorporate a medallion hunt into Willmar Fests and propose hiding the medallion on City property such as a park. After review of the concept for safety concerns, the Committee was recommending the Council approve the street closures, parking lots, and the medallion hunt for the event on June 23, 2004 as presented. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee, with Council Member Houlahan seconding the motion, which carried.

Item No. 2 The Committee reviewed correspondence from Willmar Municipal Utilities and discussed options with cost estimates for providing electrical service to the new municipal airport. It is staff's recommendation, due to the line placement, future annexation, City facilities and access road lighting, that the power to serve the airport be provided by Willmar Municipal Utilities with the back feed provided by Kandiyohi Power Cooperative.

The Committee was recommending the Council approve staff's recommendation to have the new municipal airport electrical service provided by Willmar Municipal Utilities. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding the motion, which carried.

Item No. 3 The Committee was informed by staff that Waters Edge Design Group has prepared a professional services agreement for the Baker Diamond Baseball Stadium. The agreement covers Phase III of the project, which includes the concession stand, plaza, home dugout and some entrance sidewalk. The services provide plans and specifications for construction and bid, site visits, soil tests, and punch list items for a not-to-exceed figure of \$18,600.

The Committee was recommending the Council approve the agreement with Waters Edge Design Group for a not-to-exceed figure of \$18,600 plus reimbursables and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0, Council Member Chapin abstained from voting.

RESOLUTION NO. 4

Whereas the City of Willmar desires to retain an architect to provide professional services to design Phase III of the Baker Field Stadium for the City of Willmar; and

Whereas a proposal has been made by, and an agreement prepared to retain, the firm of Waters Edge Architectural Group, Inc. of Willmar, Minnesota in a not to exceed amount of \$18,600.00 for said services;

Now therefore be it resolved by the City Council of the City of Willmar that said agreement be approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Item No. 4 Staff informed the Committee of a meeting with representatives of the Department of Natural Resources (DNR) and Kandiyohi County to discuss the installation of a fishing pier on Foot Lake. The DNR has received a grant from the State of Minnesota and allocated a fishing pier for Foot Lake. The 12' x 20' structure will be placed in the vicinity of the culverts on the south side of 7th Street NW just west of Rau Park. Additional costs for shore riprap and a walk path are yet to be determined. The City would be responsible for any future maintenance of the structure.

The Committee was recommending the Council authorize staff to work with DNR staff to construct the fishing pier and continue negotiations with the County and the State for site work. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member DeBlieck seconding the motion, which carried.

Item No. 5 The Committee reviewed Change Order No. 2 for the Aquatic Center. The change order includes the application of a coat of TK-SILOXANE to the exterior masonry at a cost of \$2,627.54 and changes to the sidewalk in relationship to the building which increases the square footage at a cost of \$556.00.

The Committee was recommending the Council approve Change Order No. 2 to the Aquatic Center. Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0, Council Member Chapin abstained from voting.

RESOLUTION NO. 5

WHEREAS, a contract has been awarded to Terwisscha Construction of Willmar, Minnesota, on October 7, 2003, in the amount of \$1,303,303.00 for construction of the Dorothy Olson Aquatic Center under the direction of US Aquatics as engineer; and

WHEREAS, it is desired to add additional work to the above contract.

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

1. Additional work is herewith authorized to be added to the above contract estimated by the City Engineer to be \$3,183.54.
2. Funding for the additional work is from within the Project Budget.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Staff also informed the Committee of negotiations between the City, contractors, and designers for a claim of additional costs incurred by Terwisscha Construction. This was for information only.

Item No. 6 The Committee considered a request by Staff to apply for a grant through the Department of Justice to fund an additional School Resource Officer position to be utilized at the Area Learning Center and the Bridgeway Learning Center. The grant is in the amount of \$125,000 to fund the position for three years. There is a requirement to retain the officer with local funding for at least one additional year. Staff proposes entering into an agreement with the Willmar School District to pay the remaining cost of the officer's salary and benefits not covered by the grant in the three-year grant period. The fourth year's compensation could be covered proportionately by the number of months the School District has the use of the officer.

The Committee was recommending the Council authorize staff to apply to the Department of Justice for the grant. Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member Anderson, 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 approve an application for a \$125,000 assistance grant from the Department of Justice. The monies from the grant will be used to fund an additional School Resource Officer position.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Item No. 7 The Committee was informed by Staff that bids would be opened April 29, 2004 for both the street and sewer and water projects and that an Assessment Hearing for the street portion should be set for June 7, 2004.

Staff presented to the Mayor and Council bid tabulation for the sewer and water main project. This project is developer funded and the assessment hearing has been waived. Following discussion, 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

CALLING HEARING ON ASSESSMENTS FOR PROJECT NO. 0401
2004 STREET AND OTHER IMPROVEMENTS

(For Resolution in its entirety, see City Council Proceedings file dated
May 3, 2004, located in the City Clerk's Office)

The Public Works/Safety Committee Report for April 27, 2004, 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 Anderson, and carried.

The Labor Relations Committee Report for April 28, 2004, was presented to the Mayor and Council by Council Member Houlahan. There were three items for Council consideration.

Item No. 1 Staff presented to the Committee a proposed resolution amending the City of Willmar benefit plan to conform to new Health Insurance Portability and Accountability Act (HIPAA) regulations. The regulations require the City and its agents that process various protected health information through health insurance and Section 125 Flexible Spending Account programs to take necessary steps to protect against the improper disclosure of individual employee's information. Staff explained that the changes were due to reporting formats and procedures.

The Committee was recommending the Council approve of the resolution amending Willmar's plan. Resolution No. 8 was introduced by Council Member Houlahan, seconded by Council Member Chapin, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 8

TO AMEND THE CITY OF WILLMAR CAFETERIA PLAN

(For Resolution in its entirety, see City Council Proceedings file dated
May 3, 2004, located in the City Clerk's Office)

Item No. 2 City Administrator Schmit and Fire Chief Calvin presented to the Committee recommendations to increase annual compensation for the positions of Assistant Chiefs, Captains and Lieutenants at the Willmar Fire Department.

Following a review of the recommendations and comparative data, the Committee was recommending to the Council that the Assistant Chiefs be increased from \$1,850 to \$2,350; Captains, increased from \$1,200 to \$1,300; and Lieutenants, increased from \$900 to \$1,000; and that said increases be effective January 1, 2005. Council Member Houlahan moved to approve the recommendation of the Labor Relations Committee with Council Member Dokken seconding the motion, which carried.

Item No. 3 The Committee meeting was then closed to discuss contract negotiations, strategies and tentative proposals. The Committee reviewed the status of AFSCME General and Public Works; LELS; Department Heads, First Line Supervisors and Confidential Employees; City Administrator; and City Attorney contracts.

Upon reopening the meeting, the Committee was recommending to the Council approval of the AFSCME General and Public Works contracts. The three-year contracts (2004 – 2006) include annual wage adjustments of 3 percent and new health insurance premium payment formulas whereby the employer and employees share equally increases for dependent coverage. The contracts also include moving two mechanic positions from the General Unit to the Public Works Unit. Council Member Houlahan moved to approve the recommendation of the Labor Relations Committee with Council Member Reese seconding the motion, which carried.

The Committee reviewed the City's situation with the Building Inspection Department and was recommending to the Council that in lieu of filling the Building Technician position, a second Building Official position be approved effective immediately. Council Member Houlahan moved to approve the recommendation of the Labor Relations Committee with Council Member Reese seconding the motion, which carried. City Administrator Schmit explained that he will be meeting with the County and Regional Development Commission to seek building inspection assistance on a short-term basis and explore the feasibility of building inspection consolidation issues.

The Committee was recommending to the Council that the contracts of the City Administrator and City Attorney be extended for three years (2004 – 2006) including 3 percent annual wage adjustments in each of the three years. Council Member Houlahan moved to approve the recommendation of the Labor Relations Committee with Council Member Reese seconding the motion, which carried.

The Labor Relations Committee Report was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Houlahan, seconded by Council Member Reese, and carried.

The Mayor and Council considered bids for the 2004 Sewer and Water Improvements.

Public Works Director Odens reviewed the bid results, and it was Staff's recommendation to award the bid to the low bidder to expedite the underground improvements. Following discussion, Resolution No. 9 was introduced by Council Member Reese, seconded by Council Member Chapin, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 9

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Quam Construction Company, Inc. of Willmar, Minnesota for Project No. 0402 is accepted, and be it further resolved that 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 \$580,011.00.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

City Administrator Schmit presented a request from Kent Nam Luu, Golden Palace Restaurant, for an On-sale 3.2 Percent Malt Liquor and On-sale Wine Liquor License. It was noted the establishment does meet the 60 percent food sales requirement. Council Member Houlahan moved to approve the Liquor License as presented, with Council Member Anderson seconding the motion, which carried on a roll call vote of Ayes 8, Noes 0.

The Mayor and Council considered a request for renewal of a premise permit for the Willmar Blue Line Club at Blue Heron on the Green and SRV's Bar & Grill. Following discussion, Resolution No. 10 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO.10

REQUESTING THAT THE MINNESOTA GAMBLING
CONTROL BOARD APPROVE THE APPLICATION FOR A
PREMISE PERMIT FOR THE WILLMAR BLUE LINE CLUB INC.

WHEREAS, the Willmar Blue Line Club Inc. has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at the Blue Heron on the Green, 1000 26th Avenue NW, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the time period 9-1-2004 through 8-31-2006 for the Willmar Blue Line Club Inc. and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the Willmar Blue Line Club Inc.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Resolution No. 11 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO.11

REQUESTING THAT THE MINNESOTA GAMBLING
CONTROL BOARD APPROVE THE APPLICATION FOR A
PREMISE PERMIT FOR THE WILLMAR BLUE LINE CLUB INC.

WHEREAS, the Willmar Blue Line Club Inc. has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at the SRV Bar & Grill, 913 Highway 71 Northeast, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the time period 9-1-2004 through 8-31-2006 for the Willmar Blue Line Club Inc. and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the Willmar Blue Line Club Inc.

Dated this 3rd day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration an Ordinance to Regulate Adult Oriented Businesses which staff and the Planning Commission have been working on for some time. Various regulatory standards/processes have been considered and debated, and the Commission has approved an Ordinance which it believes best serves the community. Council Member Reese offered a motion to introduce an Ordinance Amending Ordinance No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 3.Q. Relating to Adult Oriented Businesses and to publish a summary form of the Ordinance for public hearing on May 17, 2004. Council Member Christianson seconded the motion, which carried.

Planning and Development Services Director Peterson presented information regarding a tax abatement with Gurley's Foods and stated the resolution would be the final step in the abatement process. Following discussion, Resolution No. 12 was introduced by Council Member Christianson, seconded by Council Member Chapin, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 12

APPROVING PROPERTY TAX ABATEMENT

(For Resolution in its Entirety, see City Council proceedings file dated
May 3, 2004, located in the City Clerk's Office)

Mr. Peterson then informed the Mayor and Council that the developer would be required to sign a business subsidy agreement in order to receive the abatement and that this document obligates the developer to construct the building and create the jobs. If the developer does not perform according to the agreement, the City's obligation to abate real estate taxes is terminated. Council Member Anderson moved to authorize the Mayor and City Administrator to execute the business subsidy agreement. Council Member Chapin seconded the motion, which carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration the final plat of Trentwood Estates, a Planned Unit Development with a mix of single family and twin home development off Lakeland Drive Northeast by Warren Erickson. It was noted the Planning Commission has approved the plat. Council Member Reese moved to approve the final plat of Trentwood Estates with Council Member Chapin seconding the motion, which carried.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration the final plat of Seventh Addition to Lakewood, a 24-lot plat off 19th Avenue Northeast being developed by RRR Properties of Willmar. It was noted the Planning Commission has approved the plat. Council Member Anderson moved to approve the final plat of Seventh Addition to Lakewood with Council Member Chapin seconding the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, May 10; and Public Works/Safety, May 11, 2004.

Mayor Heitke presented to the Council for consideration the appointments of Dr. Douglas Allen and Steven Cederstrom to the Rice Hospital Board. Council Member Reese moved to approve of the appointments as presented with Council Member Chapin seconding the motion, which carried.

Mayor Heitke spoke briefly of his meetings with Youth Leaders for a Vital Community and asked City Council Members to find ways in which youth can participate in Council meetings and become more active in community affairs.

Police Chief Kulset extended an invitation to the Mayor and City Council to attend the 14th Annual DARE Graduation program. The ceremony will take place at 12:00 p.m. at Roosevelt School, Friday, May 7, 2004.

Mayor Heitke brought to the attention of City Council Members and the general business community a National League of Cities program fostering international trade and diplomacy. The U.S./China Trade Program takes place in June, 2004, and all communities, including private businesses, are invited to participate.

Finance Director Okins presented to the Mayor and Council the 2003 Finance Department Report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office and Finance Director Okins was thanked for his presentation.

There being no further business to come before the Council, the meeting adjourned at 8:47 p.m. upon motion by Council Member DeBlieck, seconded by Council Member Reese, and carried.

Attest:

MAYOR

ACTING SECRETARY TO THE COUNCIL