

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

May 17, 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, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 1 - Nancy Houlahan was excused from the meeting.

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

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of May 3, Municipal Utilities Commission Minutes of May 10, Rice Hospital Board Minutes of May 7, Planning Commission Minutes of May 12, Building Inspection Report for April, Pioneerland Library Board Minutes March 18, Kandiyohi Area Transit Board Minutes of March 19, and Housing and Redevelopment Authority Minutes of April 13, 2003. Council Member Dokken seconded the motion, which carried.

At 7:01 p.m. Mayor Heitke opened a hearing on an Ordinance to regulate Adult Oriented Businesses. Planning and Development Services Director Peterson presented to the Mayor and Council details of various regulatory standards/processes considered and debated by the Planning Commission. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:04 p.m.

Following discussion, Council Member Reese offered a motion to adopt, assign a number, and order final publication in summary form the Ordinance Amending Ordinance No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 3.Q Relating to Adult Oriented Businesses. Council Member Dokken seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:15 p.m. Mayor Heitke opened a public hearing on an Ordinance Authorizing the Issuance of \$2,125,000 General Obligation Improvement Bonds, Series 2004B, and the Levying of Taxes to Secure Payment Therefore. City Administrator Schmit presented to the Mayor and Council details of the proposed bonds used to fund the 2004 Street and Other Improvements Project. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:18 p.m.

Council Member Anderson offered a motion to adopt, assign a number and order final publication of the Ordinance Authorizing the issuance of \$2,125,000 General Obligation Improvement Bonds, Series 2004B and the Levying of Taxes to secure Payment Therefore. Council Member Chapin seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Resolution No. 1 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED
SALE OF \$2,125,000 GENERAL OBLIGATION
IMPROVEMENT BONDS, SERIES 2004B

(For Resolution in its entirety, see City Council Proceedings dated
May 17, 2004, located in the City Clerk's Office)

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

The Finance Committee Report for May 10, 2004, was presented to the Mayor and Council by Council Member Anderson. There were three items for Council consideration.

Item No. 1 The Committee reviewed details concerning the upcoming public hearing for the 2004 Improvement Bonds. Items discussed were the amount of the project, amount of bonds needed, rating agency procedure, and the estimated interest rate.

The Committee was recommending the Council pass a resolution adopting the revised final budget for the 2004 Improvement Project. 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 7, Noes 0.

RESOLUTION NO. 2

2004 IMPROVEMENT BUDGET

PERSONNEL SERVICES		RECEIVABLES	
10* Salaries Reg. Employees		Property Owners	\$483,400.00
11* Overtime Reg. Employees	\$500.00	City (MUC)	\$62,000.00
12* Salaries Temp. Employees	\$6,000.00	State (State Aid)	\$1,109,766.00
13* Employer Pension Contr.	\$1,500.00	City (WTP)	\$122,357.00
14* Employer Ins. Contr.		City (2003 Transfer)	\$70,000.00
TOTAL	\$8,000.00	Developer	\$1,468,017.00
		City (Utility Fee)	\$173,583.00
		State (Grant)	\$17,500.00
		Developer Cash	\$34,377.00
		TOTAL	\$3,541,000.00
SUPPLIES		FINANCING	
20* Office Supplies	\$1,500.00	Bonds	\$2,125,000.00
21* Small Tools	\$2,000.00	State	\$1,109,766.00
22* Motor Fuels & Lubricants	\$1,000.00	State (Grant)	\$17,500.00
23* Postage	\$2,000.00	City (MUC/WTP)	\$184,357.00
26 Mtce. of Other Improvements	\$2,000.00	City (2003)	\$70,000.00
29* General Supplies	\$3,500.00	Other (Developer Cash)	\$34,377.00
TOTAL	\$12,000.00	TOTAL	\$3,541,000.00
OTHER SERVICES		GRAND TOTAL	
31* Printing & Publishing	\$2,000.00		\$3,541,000.00
36* Mtce. of Other Impr.	\$2,777,020.00		
39* Other Services (County)	\$390,000.00		
TOTAL	\$3,169,020.00		

OTHER CHARGES

41* Insurance & Bonds	\$1,500.00		
46* Prof. Serv. (Mn/DOT, Consult.)	\$122,480.00	Project Desc.	Cost
47* Advertising		Street	\$1,697,009
48* Adm. OH (Transfer)	\$108,000.00	Sewer and Water	\$580,011
49 Other Charges (County & DBI)	\$120,000.00	Bus. 71 Mill/Overlay	\$500,000
TOTAL	\$351,980.00	Street Lighting	\$65,000
		Miscellaneous	\$236,000
GRAND TOTAL	\$3,541,000.00	County Road 5	\$95,000

Dated this 17th day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 Chief Executive Officer Lorry Massa appeared before the Committee to present the 2003 financial position of Rice Memorial Hospital. Comparisons were made with four other similar sized hospitals and Rice's numbers were comparable or better in all areas. Items discussed included growth in net patient revenues, discount percentage, operating margin, net margin, earnings before interest, depreciation and amortization, days cash on hand, accounts receivable, and collection ratios.

Mr. Massa also briefly reviewed Rice's position through the first three months of 2004. This matter was for information only.

Item No. 3 The Committee reviewed the Community Foundation Report as of March 2004. This matter was for information only.

The Finance Committee Report for May 10, 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 Dokken, and carried.

The Public Works/Safety Committee Report for May 11, 2004, was presented to the Mayor and Council by Council Member Reese. There were five items for Council consideration.

Item No. 1 Staff presented to the Committee information relating to the recommendation to accept the 2003 WWTP RBC Improvements and issue final payment to the contractor (PKG Contracting, Inc. of Fargo, ND). The project started in the fall of 2003 with three interim completion dates, which were all met. Following discussion, the Committee was recommending the Council accept the WWTP RBC Improvement Project as completed and authorize final payment to the contractor, PKG Contracting, Inc.

Resolution No. 3 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.

RESOLUTION NO. 3

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Wastewater Treatment Plant RBC Improvements

CONTRACTOR:	PKG Contracting Inc.
DATE OF CONTRACT:	October 3, 2003
BEGIN WORK:	December, 2003
COMPLETE WORK:	April, 2004
APPROVE, CITY ENGINEER:	May 11, 2004

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

1. The said Wastewater Treatment Plant RBC Improvements be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$833,769.00
Change Order No. 1	\$0.00
Change Order No. 2	\$7,503.75
 FINAL NET CONTRACT AMOUNT, PROPOSED:	 \$841,272.75
 ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	 \$841,272.75
Less Previous Payments (1 through 4)	\$833,272.75
 FINAL PAYMENT DUE CONTRACTOR:	 \$8,000.00

Dated this 17th day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee continued its discussion regarding the issue of pedestrians crossing 19th Avenue near the intersection of 22nd Street Southwest. Staff was directed to present safety improvement recommendations after review of the area. It was also noted that presently a large majority of pedestrians cross 19th Avenue at Roosevelt School with the aid of a patrol officer. Photos of the walk paths were reviewed with staff recommending installation of signage on the path north of 19th Avenue along 22nd Street Southwest. It was the consensus of the Committee that the pedestrian traffic be monitored after the opening of the Aquatic Center and Baseball Stadium. Action taken at this time is for staff to install signs along the walk path at 22nd Street Southwest. This matter was for information only.

Item No. 3 The Committee reviewed the plan sheets showing the City's share of the improvements to be made to County Road No. 5 north of Highway 12 to just north of County Road No. 24. The City's share of improvements in conjunction with the County's project includes a storm sewer crossing, replacement of some sections of sanitary sewer and installation of a walk path on the west side of the highway. Staff proposes funding the City's share from state aid, WWTP budget, and 2004 Street Budget:

The Committee was recommending the Council approve the agreement with Kandiyohi County 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.

RESOLUTION NO. 4

AUTHORIZATION TO EXECUTE
KANDIYOHI COUNTY COOPERATIVE CONSTRUCTION AGREEMENT

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into a Cooperative Construction Agreement between the City of Willmar and Kandiyohi County for work to be done on County Road No. 5.

Dated this 17th day of May, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 The Committee discussed the upcoming Assessment Hearing on scheduled for June 7, 2004. This year's assessment rate is \$43.46 per foot which is similar to last year's rate of \$42.00. The total assessment figure prepared by staff is \$1,996,992. The Committee was recommending the Council pass a Resolution to declare costs to be assessed and order preparation of the assessment roll.

Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 1 – Council Member Chapin voted “No”.

RESOLUTION NO. 5

DECLARING COST TO BE ASSESSED AND ORDERING
PREPARATION OF ASSESSMENT ROLL IN CONNECTION WITH
2004 STREET AND OTHER IMPROVEMENTS (PROJECT 0401)

WHEREAS, contracts have been let for the construction of Street and Other Improvements of 2004 in the City, to-wit: City Project No. 0401 and;

WHEREAS, the total cost of said Street and Other Improvements of 2004 is \$3,541,000.00.

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 \$1,490,286.75 of said cost, exclusive of the amount it may pay as a property owner, and the sum of \$2,050,813.25 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

SECRETARY TO THE COUNCIL