

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

July 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 Nancy Houlahan, Ron Christianson, Bruce DeBlicek, Denis Anderson, Rick Fagerlie, and Jim Dokken; Present 7, Absent 2 – Doug Reese and David Chapin were excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, 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 an announcement regarding the Dorothy Olson Aquatic Center and SonShine Festival.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 6, Rice Hospital Board Minutes of July 7, Municipal Utilities Commission Minutes of July 12, Building Inspection Report for June, Zoning Appeals Board Minutes of July 12, 2004; and Mayoral appointment of Nancy Miller to the Municipal Utilities Commission. Council Member DeBlicek seconded the motion, which carried.

At 7:02 p.m. Mayor Heitke opened a hearing on a proposal from Bethesda Homes for a health care development project Bond Issue. City Administrator Schmit presented project details which consists of (a) the remodeling, improvement and expansion of the existing nursing home facility located at 901 Willmar Avenue Southeast commonly known as Pleasant View Nursing Home, including but not limited to the addition of a 3,600 square foot dementia unit, technology and other improvements; and (b) the remodeling and improvement of the existing nursing home facility located at 1012 East Third Street commonly referred to as Heritage Center Nursing Home, including but not limited to a roof replacement and technology improvements. The project is owned and operated by the company. The maximum aggregate estimated principal amount of bonds or other obligations to be issued to finance the project is \$1,500,000. The bonds or other obligations if and when issued will not constitute a charge, lien or encumbrance upon any property of the City except the project, and such bonds or obligations will not be a charge against the City's general credit or taxing powers but will be payable from sums to be paid by the company pursuant to a revenue agreement. There being no one present to speak for or against the bond issue, Mayor Heitke closed the hearing at 7:03 p.m.

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

RESOLUTION NO. 1

RESOLUTION GIVING PRELIMINARY APPROVAL TO PROJECT,
AND THE ISSUANCE OF NURSING HOME REVENUE BONDS AND
AUTHORIZING THE PREPARATION OF NECESSARY DOCUMENTS
(BETHESDA HOMES PROJECT)

(For Resolution in its entirety, see Council Proceeding file

dated July 19, 2004, located in the City Clerk's Office.
Resolution No. 2 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. 2

RESOLUTION GIVING PRELIMINARY APPROVAL TO PROJECT, AND THE ISSUANCE OF RENTAL HOUSING REVENUE REFUNDING NOTES AND AUTHORIZING THE PREPARATION OF NECESSARY DOCUMENTS (SUNRISE VILLAGE PROJECT)

(For Resolution in its entirety, see Council Proceeding file
dated July 19, 2004, located in the City Clerk's Office.

At 7:04 p.m. Mayor Heitke opened a hearing on a request to vacate a portion of a sanitary sewer easement. Planning and Development Services Director Peterson presented details of the request from Anfinson and Riley, P.A. for the vacation of a portion of a sanitary sewer easement which encumbers a commercial plat on 19th Avenue Southwest. The original easement was 60 feet and it's proposed to reduce the easement to 30 feet. There being no one present to speak for or against the proposed easement vacation, Mayor Heitke closed the hearing at 7:05 p.m.

Resolution No. 3 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. 3

(For Resolution in its entirety, see Council Proceeding file
dated July 19, 2004, located in the City Clerk's Office.

At 7:06 p.m. Mayor Heitke opened a hearing on a request to vacate a storm sewer easement. Planning and Development Services Director Peterson presented details of the request from Crescent Baking Company for the vacation of a storm sewer easement to facilitate the expansion of Gurley's Foods on East Litchfield Avenue. There being no one present to speak for or against the proposed easement vacation, Mayor Heitke closed the hearing at 7:07 p.m.

Resolution No. 4 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 4

(For Resolution in its entirety, see Council Proceeding file
dated July 19, 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.

City Administrator Schmit introduced Shelly Schultz, Public Information Director for Mankato Area Public Schools and the City of Mankato. Ms. Schultz presented the history of the Mankato

City/School partnership in place for nearly five years. Ms. Schultz discussed target groups, both external and internal audiences that should receive positive communication as to the state of the city. Various printed materials promoting the City of Mankato were shared with the Council.

Willmar School Superintendent Kathy Leedom informed the Mayor and Council the Willmar School Board has reviewed the concept of developing a public information partnership with the City. Ms. Leedom was directed by the School Board to draft bylaws for a Public Information Advisory Group to develop a process to provide an informed perception of the School at all times. The School Board is willing to partner with the City on this endeavor to better tell the story and promote the City and School District. Following discussion, Council Member DeBlieck moved to refer the issue of a Public Information Director to the Labor Relations Committee. Council Member Anderson seconded the motion, which carried.

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

Item No. 1 Representatives from Springsted, Inc. appeared before the Committee to summarize their evaluation of the report commissioned by Allied Power to study the Consolidation of the Willmar Municipal Utilities and Kandiyohi Cooperative Power Association.

After representatives from Springsted were heard, the Willmar Municipal Utility Commission presented their recommendation to continue with the consolidation study for three main reasons: territorial conflict avoidance, \$1 to \$1.5 million in projected annual savings and ability to take advantage of the opportunity to change culture, and improve the way in which business is conducted. It was the consensus of the Committee to present this matter to the City Council with no recommendation.

Council Member DeBlieck moved to approve the Municipal Utilities Commission recommendation to continue with the study and to set up a committee to make recommendations to the City Council, Municipal Utilities Commission and Kandiyohi Power Cooperative Board regarding the development of an organizational plan and to establish the makeup of the committee to consist of two Council Members, two Utility Commissioners, two Power Cooperative members, City Administrator, Utilities General Manager and the Power Cooperative General Manager. Council Member Houlahan seconded the motion, which carried on a roll call vote of Ayes 4, Noes 2 – Council Members Christianson and Fagerlie voted “No.”

Item No. 2 The Committee reviewed sample wording for the possible submission of a fall ballot question for the implementation of a local option sales tax. Staff was directed to bring the matter back to Committee with estimated project dollars and further discussion of an additional item addressing street assessments. This matter was for information only.

The Finance Committee Report for July 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 Fagerlie, and carried.

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

Item No. 1 The Committee reviewed information relating to the mill and overlay of the north and southbound lanes of First Street from Willmar Avenue to Litchfield Avenue. Staff informed the Committee that this is the last section of First Street to be overlaid due to serious deterioration of the bituminous from stripping and joint failure. The estimated cost of the project is \$460,000.00 and is eligible for funding from State Aid and Turnback Funds.

The Committee was recommending the Council approve the plans and specifications and authorize advertisement of bids. Resolution No. 5 was introduced by Council Member Christianson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 5

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 0403 (1st Street Mill and Overlay) 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 the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 16th day of August, 2004, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 19th day of July, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee reviewed plans for the 2004 Street Lighting Project. Staff reviewed the area included in the project as follows: Westwind Addition, Lakewood 6th and 7th Additions, 19th Avenue NE, and Trentwood Addition. The estimated cost of the project is \$37,700 and is included in the improvement budget. The Committee also discussed additional lighting in the Sunrise Park area.

The Committee was recommending the Council approve the plans and specifications for the street lighting project, and authorize advertisement of bids. Resolution 6 was introduced by Council Member Christianson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 6

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 0407 (2004 Street Lighting Improvements) 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 the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 16th day of August, 2004, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 19th day of July, 2004.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 3 The Committee discussed the status of the boat access and the matter of researching Transportation Utilities to fund local streets. This matter was for information only.

The Public Works/Safety Committee Report for July 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 Houlahan, and carried.

The Community Development Committee Report for July 15, 2004, was presented to the Mayor and Council by Council Member DeBlieck. There were four items for Council consideration.

Item No. 1 Staff presented to the Committee the latest schematic for the terminal building at the new airport. The design had been recommended by the Airport Commission at their meeting on July 13, 2004. The Airport Commission recommendation comes to the Council with a number of changes which include: looking at a different roof line, doing something different with the mezzanine or eliminating it altogether, increasing concession space, opening the meeting room to the waiting area, downsizing the main pilot's lounge, and some changes to the entrance vestibules.

The Committee was recommending the Council approve the schematic with the changes as noted and proceed with final design and bidding. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion, which carried.

Item No. 2 The Committee considered a request by the County maintenance workers to upgrade the air conditioning system at the library due to its inability to adequately cool the library. A quote had been received from Chappell Central for the changes and repairs in the amount of \$7,120.00. It was suggested that the money to pay for the repairs could come from the library fund created by the local sales tax.

The Committee was recommending the Council accept the quote of Chappell Central for library air conditioning upgrades in the amount of \$7,120.00, with funding to come from the library reserve. Resolution No. 7 was introduced by Council Member DeBlieck, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 7

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Pioneerland Library Reserve Fund as follows.

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|-----------|---|----------|
| Decrease: | Reserve | \$ 7,120 |
| Increase: | Appropriations – Air Conditioning Upgrade | \$ 7,120 |

Dated this 19th day of July, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 3 Dick Arne of Edina Realty appeared before the Committee and expressed interest in the acquisition of a major portion of Block 47. Currently, Block 47 is the site of the ambulance garage and used primarily for hospital parking, as well as for the new hospital mechanical systems. Mr. Arne stated that he had a retail client who wished to acquire 1.6 acres of the block in a dimension of approximately 200' x 350'. His client's plans are to construct a 13,000 square foot building with parking to accommodate the use. Mr. Arne said that his client would like possession in mid 2005, but would be willing to wait for a later occupancy date if they could somehow be assured that the Council wished to pursue the sales transaction with them. The client's preference was to have the City acknowledge that the site is available to them and enter into an option to purchase. Mr. Arne asked how he could move his project along. The Committee discussed several issues with the main one being the coordination with Rice Hospital for replacement of parking. The second issue was to identify the required process for the sale of the site.

The Committee was recommending to the Council that the matter be referred to the City Attorney for an opinion on the process the City needs to follow to sell the property. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion, which carried.

Item No. 4 The Committee received updates on the following projects: Airport, Gurley's, Relco, Family Eye Center, numerous retail projects, the North Highway 71 Access and Interchanges Plans, as well as several ongoing residential projects. This matter was for information only.

The Community Development Committee Report for July 15, 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.

Announcements for Council Committee meeting dates were as follows: Finance, July 26; and Community Development, July 29, 2004.

Police Chief Kulset reported on the SonShine Festival held at the Civic Center Arena on July 15 through 17, 2004.

Mayor Heitke acknowledged the grand opening held earlier in the day for the Dorothy Olson Aquatic Center.

There being no further business to come before the Council, the meeting adjourned at 9:07 p.m. upon motion by Council Member Christianson, seconded by Council Member Anderson, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL