

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

September 20, 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, Denis Anderson, Nancy Houlahan, Rick Fagerlie; and Jim Dokken; Present 7, Absent 2 - George Berg and Bruce DeBlieck were excused from the meeting.

Also present were City Administrator Michael Schmit, 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 City Clerk Kevin Halliday.

Proposed additions to the agenda included an "American Dream" National League of Cities resolution.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of September 7, Municipal Utilities Commission Minutes of September 13, Planning Commission Minutes of September 8, Housing Redevelopment Authority Minutes of August 10 and 24, and Senior Citizens Board Minutes of September 8, 2004. Council Member Fagerlie seconded the motion, which carried.

At 7:06 p.m. Mayor Heitke opened a hearing on an Ordinance Authorizing the Issuance of \$2,100,000 General Obligation Airport Revenue Bonds, Series 2004C, and the Levying of Taxes to Secure Payment Therefore. City Administrator Schmit presented Airport project details including the \$20,200,000 total budget of which \$12,500,000 was funded by the Federal Aviation Administration and \$3,700,000 from the State of Minnesota. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:08 p.m.

Council Member Anderson offered a motion to adopt, assign a number, and order final publication of an Ordinance Authorizing the Issuance of \$2,100,000 General Obligation Airport Revenue Bonds, Series 2004C, and the Levying of Taxes to Secure Payment Therefore. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

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

RESOLUTION NO. 1

PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$2,100,000
CITY OF WILLMAR, MINNESOTA, GENERAL OBLIGATION
AIRPORT IMPROVEMENT BONDS, SERIES 2004C

(For Resolution in its entirety, see City Council proceedings
file dated September 20, 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.

Mayor Heitke recognized Lorry Mass, Rice Hospital CEO, Wayne Nelson, Rice Health Foundation President, and Jean Raatz, Rice Health Foundation Coordinator, who presented details of the fundraising efforts and acceptance of philanthropic gifts. The various categories of Program Funds, i.e. Hospice, Grief Center, Hemodialysis and Ambulance Service; Special Endowments, i.e. special purpose projects such as the Teddy Bear Project which uses annual earnings only; and Foundation Endowments, i.e. Rice Hospital capital expenditures and Community Health Care projects were discussed. Mayor Heitke thanked Mr. Massa, Mr. Nelson and Ms. Raatz for the presentation. This matter was for information only.

Council Member DeBlieck arrived at the meeting at 7:35 p.m.

The Finance Committee Report for September 13, 2004, was presented to the Mayor and Council by Council Member Anderson. There were five items for Council consideration.

Item No. 1 Staff updated the Committee on the City's joint project with Honeywell to retrofit a number of City buildings with cost-saving energy equipment. The major benefit of the program was a guarantee from Honeywell to reimburse the City if the projected cost savings did not occur. Honeywell has reimbursed the City eight out of nine years of the program due to some miscalculations involving the demand ratchet section of the Municipal Utilities rates. This matter was for information only.

Item No. 2 The Committee continued discussion of projects to be included in the November ballot question regarding implementation of a local option sales tax. If passed locally, a local option sales tax would have to be approved in the 2005 legislative session. The Council has previously agreed to include completion and expansion of the Industrial Park/Airport, hiking and biking trails, connection of the Blue Line and Civic Center Buildings, and purchase and development of the Regional Treatment Center as eligible projects. Following discussion, it was the consensus of the Committee to include a portion of the cost to construct a new Wastewater Treatment Plant. It is estimated that the total cost of the designated projects will be \$20 million and that based on projected revenues, the local option sales tax will be in place for 15 years.

The Committee was recommending the Council adopt a Resolution calling for the following question to be placed on the November 2, 2004, ballot:

Should the City of Willmar finance the completion and expansion of the Industrial Park/Airport project, municipal hiking and biking trails, connection of the Blue Line and Civic Center buildings, purchase and development of the Regional Treatment Center and a portion of the cost to construct a new Wastewater Treatment Plant with a one-half (1/2%) percent sales tax on all taxable transactions occurring within the City of Willmar? The sales tax will expire upon payment of all bonded indebtedness issued to finance the various projects.

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Fagerlie and read by Mayor Heitke.

Following discussion regarding the law requiring identification of projects 90 days prior to the General Election, Council Member Christianson offered a motion to strike ... "and a portion of the cost to construct a new Wastewater Treatment Plant." Council Member Reese seconded the motion, which carried. Council Member Anderson moved to strike ... "municipal hiking and biking trails and development of the Regional Treatment Center." Council Member Reese seconded the motion. Following discussion, Council Member Anderson withdrew his motion and Council Member

Reese withdrew his second.

Council Member Anderson offered a motion to change the wording as follows: purchase of that portion of the Willmar Regional Treatment Center campus west of Highway 71 (approximately 60 acres). Council Member Reese seconded the motion, which carried. Council Member Anderson offered a motion to add to the ballot question the statement that the projects have an estimated cost of \$8 million and that the anticipated payback of the bonded indebtedness will be seven (7) years from the date of implementation. Council Member Reese seconded the motion, which carried.

Resolution No. 2, as amended, was then approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar, that the Chief Official in charge of voting be directed to present to the voters of the November 2, 2004, General Election, the question of a local option sales tax; and

BE IT FURTHER RESOLVED that the question on the ballot be worded in the following fashion:

Should the City of Willmar Finance the completion and expansion of the Airport/Industrial Park, hiking and biking trails, connection of the Blue Line and Civic Center Buildings, and purchase of that portion of the Willmar Regional Treatment Center campus west of Highway 71 (approximately 60 acres) with a one-half (1/2%) percent sales tax on all taxable transactions occurring within the City of Willmar. The projects have an estimated cost of \$8 million. The sales tax will expire upon payment of all bonded indebtedness issued to finance the various projects anticipated to be seven (7) years from the date of implementation.

- () Yes, I am in favor of this sales tax proposal
- () No, I am opposed to this sales tax proposal

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed a request to amend the 2004 Police Department Budget. The request would amend the overtime section of the budget due to increased costs for the Safe and Sober program and costs billed to a private business through out the year. Revenues have been received that off set the costs.

The Committee was recommending the Council pass a resolution to amend the Police Department Budget by \$13,400. 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 7, 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 General Fund Police Department Budget as follows.

Increase:	General Fund – Overtime	\$13,400
Increase:	General Fund – Charges	6,650
	General Fund – State Grant	6,750

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Staff presented a recommendation to amend the 2004 Civic Center Budget due to expected increased costs of owning and operating the Blue Line Center. The anticipated costs would exceed estimated revenues but excess revenues from other departmental revenues would offset the difference.

The Committee was recommending the Council adopt a resolution amending the Civic Center Budget by \$48,850. Resolution No. 4 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. 4

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the General Fund Civic Center Department Budget as follows.

Increase:	General Fund – Civic Center	\$48,850
Increase:	General Fund – Revenues	48,850

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee reviewed the July WRAC-8, Investment, CVB, Rice Trust and Rice Hospital reports.

The Finance Committee Report for September 13, 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 September 14, 2004, was presented to the

Mayor and Council by Council Member Reese. There were seven items for Council consideration.

Item No. 1 Arne Plowman, President of the Experimental Aircraft Association Chapter 1127 appeared before the Committee to answer questions relating to the 2004 Willmar Airfest. The purpose of the Airfest is to promote aviation, the community, and the new airport. Mr. Plowman reviewed the day's activities and noted the weather played a large factor in this year's decline in attendance. The Committee also discussed the coordination of a larger scale air show in conjunction with the grand opening of the new airport in the spring of 2006. The Committee agreed the EAA should work closely with the Airport Commission in planning the event. This matter was for information only.

Item No. 2 The Committee reviewed quotes taken in February for the installation of a well at the new Airport. The low quote was that of Steffl Drilling & Pump, Inc. in the amount of \$13,630.00. Between the time the quotes were taken and the contract awarded, steel prices increased dramatically. The contract award was delayed due to processing of the grant, which was later received in the amount of \$20,000. Staff recommended approval of the change order.

The Committee was recommending the Council approve Change Order No. 1 with Steffl Drilling and Pump, Inc. in the amount of \$4,023.30. 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.

RESOLUTION NO. 5

WHEREAS, a contract has been awarded to Steffl Drilling & Pump, Inc. of Willmar, Minnesota, in the amount of \$13,630.00 for drilling a water well at the new airport under the direction of HNTB as engineer; and

WHEREAS, it is desired to add additional work to the above contract for the cost increase to a six-inch pipe, pitless unit, and well screen.

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 in the amount of \$4,023.30 and identified as Change Order No. 1.
2. Funding for the additional work is from the project budget.

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed a final pay request from Steffl Drilling & Pump Inc. in the amount of \$3,648.64. Total project cost was \$16,656.80. HNTB, consulting engineers for the project, state the well is satisfactorily completed and has been tested.

The Committee was recommending the Council accept the project and authorize final

payment to Steffl Drilling & Pump Inc. Resolution No. 6 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.

RESOLUTION NO. 6

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Willmar Municipal Airport Water Well
CONTRACTOR: Steffl Drilling & Pump, Inc..
APPROVE, CITY ENGINEER: September 13, 2004

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

1. The said Municipal Airport Water Well Improvements be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$13,630.00
Change Order No. 1	\$4,023.30
 FINAL NET CONTRACT AMOUNT, PROPOSED:	 \$17,653.30
 ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	 \$16,656.80
Less Previous Payment No. 1	\$13,008.16
 FINAL PAYMENT DUE CONTRACTOR:	 \$3,648.64

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 John Magnuson representing area residents of Fourth Street SE presented to the Committee a neighborhood concern of signs advertising "We Buy Houses." Photographs of the signs were distributed. Questions were raised regarding the apparent "commercial advertising" signs being placed in residential areas. The matter was referred to staff for follow-up and was for information only.

Item No. 5 Staff updated the Committee on the status of current construction projects within the City. Four of the reconstruction streets have been completed with the exception of the final wear course. There are five streets currently under construction with a completion date of November 1, 2004. In the area of new construction, Trentwood Addition is ready for the first bituminous lift and Lakewood 7th Addition is currently being graded. The First Street Mill and Overlay Project is on schedule with the paving of the final lift of bituminous on the southbound lanes scheduled for September 18, and the switching of traffic to the northbound lanes on September 21, 2004. This matter was for information only.

Item No. 6 The Committee reviewed correspondence relating to grant monies available for enhancement projects selected by the community. Committee Members considered several projects for submittal with the understanding there is a 20 percent cash match from the City. The projects have

a cost requirement of \$50,000 and would, if selected, not be eligible for construction until 2008. It was the consensus of the committee that the Council should support submission of grant applications emphasizing improvements in the downtown area and/or hike and bike trails.

The Committee was recommending the Council authorize staff to submit applications for various enhancement projects to be included in the 2008 Capital Improvement Program. 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. 7 The Committee discussed the length of time the local goose population remains on area lakes and the potential effect of droppings on water quality issues. The City continues to work with the Department of Natural Resources to explore solutions to the number of birds and their impact on neighborhood lakes, bike and hike trails, and area lakes. This matter was for information only.

The Public Works/Safety Committee Report for September 14, 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 Christianson, and carried.

The Mayor and Council considered an Ordinance to Amend Ordinance No. 1060 Known as the Willmar Zoning Ordinance. Planning and Development Services Director Peterson presented details of the Ordinance which regulates exterior storage in industrial areas addresses properties that abut residential areas. Following discussion, Council Member Dokken moved to introduce the Ordinance Amending Ordinance No. 1060 Known as the Willmar Zoning Ordinance by Adding Section 3.0.4 Relating to Industrial Exterior Storage. Council Member Fagerlie seconded the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, September 27; and Community Development, September 30, 2004.

Mayor Heitke presented details of the National League of Cities' national town meeting which will be held on September 28, 2004, in Boston. The NLC has developed the theme of "Follow the American Dream" and is calling for cities around America to join in calling for a national commitment to ensure access to the American dream. Resolution 7 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 2 – Council Member Christianson and Dokken voted "No."

RESOLUTION NO. 7

Whereas, the American dream is rooted in principles of fairness, opportunity, and a chance to succeed; and

Whereas, the leaders of America's cities and towns are on the front line of service delivery and are the level of government that citizens look to first to ensure a good quality of life and a bright future; and

Whereas, the National League of Cities believes that government at all levels has a responsibility to work together to develop policies and programs that will give every American an opportunity to achieve the American dream; and

Whereas, a new National League of Cities public opinion survey shows that two-thirds of Americans believe the dream is becoming harder to achieve especially for young families and

nearly three-quarters believe government should actively work to help people achieve the American dream.

Now therefore be it resolved, that the Mayor and Council of Willmar, Minnesota, join the National League of Cities in calling for a national commitment to ensure access to the American dream; and

Be it further resolved, that the Mayor and Council of Willmar, Minnesota, are committed to do our part at the local and regional level to maximize access to affordable housing, strengthen public education, create opportunities to develop marketable job skills, and build an inclusive community; and

Be it further resolved, that the Mayor and Council of Willmar, Minnesota, join the National League of Cities in urging state and federal leaders to work with city leaders in the coming year to develop programs and policies that will maximize access to affordable housing, strengthen public education, create opportunities to develop marketable job skills, and build an inclusive communities.

Dated this 20th day of September, 2004.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

There being no further business to come before the Council, the meeting adjourned at 9:10 p.m. upon motion by Council Member Fagerlie, seconded by Council Member Dokken, and carried.

Attest: _____
MAYOR

SECRETARY TO THE COUNCIL