

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

March 19, 2007
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, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 7, Absent 2 - Doug Reese and Cindy Swenson were excused from the meeting.

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, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

The Council requested the Municipal Utilities Commission and Airport Commission Minutes be removed from the Consent Agenda.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of March 5, Planning Commission Minutes of March 14, Community Education and Recreation Board Minutes of February 23, 2007; Exempt Permit Application for Prairie Pothole Chapter NWA and Mayor Appointments: Maria Diaz – Housing and Redevelopment Authority Board and Sahra Sayid – Community Education and Recreation Advisory Council. Council Member DeBlieck seconded the motion, which carried.

The Council considered a change to Resolution #11 regarding the addition of the words “subject to review by the Labor Relations Committee.” The revised Municipal Utilities Commission Minutes of February 26, 2007, were approved as presented upon motion by Council Member Gardner, seconded by Council Member Dokken, and carried.

Following discussion of a recommendation regarding “self fueling from portable tank regulations” proposal, the Airport Commission Report of February 27, 2007, was accepted as presented upon motion by Council Member Anderson, seconded by Council Member Gardner, and carried.

At 7:09 p.m. Mayor Heitke opened a hearing on an Ordinance amending electric rates charged by the Municipal Utilities Commission. Willmar Municipal Utilities General Manager Mike Nitchals presented details of the proposed electric rate increase, noting that the last adjustment was in 2003. The proposal was for a 5.9 percent increase. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:12 p.m.

Council Member Christianson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Rates Charged by the Municipal Utilities Commission of the City of Willmar, a Public Utility, to be Effective for Billings Sent On and After April 1, 2007. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:13 p.m. Mayor Heitke opened a hearing on an Ordinance amending water rates charged by the Municipal Utilities Commission. Willmar Municipal Utilities General Manager Nitchals presented details of the proposed water rate increase, noting that the last adjustment was in 1999. The proposal was for an 8.5 percent increase. 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 Christianson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Rates Charged by the Municipal Utilities Commission of the City of Willmar, a Public Utility, to be Effective for Billings Sent On and After April 1, 2007. Council Member DeBlieck seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:20 p.m. Mayor Heitke opened a hearing on an Ordinance amending district heating rates charged by the Municipal Utilities Commission. Willmar Municipal Utilities General Manager Nitchals presented details of the proposed district heating rate increase, indicating the last adjustment was in 1989. It was noted this would be a two phase rate increase: 10 percent in 2007 and 10 percent in 2008. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:25 p.m.

Council Member DeBlieck offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Rates Charged by the Municipal Utilities Commission of the City of Willmar, a Public Utility, to be Effective for Billings Sent On and After April 1, 2007. Council Member Dokken seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:34 p.m. Mayor Heitke opened a hearing on an Ordinance amending the rate schedule for users of the Waste Treatment Plant. Finance Director Okins presented details of the proposed increase, referencing the rate study conducted by Springsted, Inc. six years ago suggesting the City raise rates 6.35 percent annually. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:37 p.m.

Council Member Anderson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Sections 2, 3 and 5 of the Rate Schedule for Users of the City of Willmar Waste Treatment Plant. Council Member Gardner seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

At 7:39 p.m. Mayor Heitke opened a hearing on an Ordinance amending the Municipal Code by adding the definition of a public place. City Attorney Ronning presented details of the proposed amendment regarding the definition of a public place. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:40 p.m.

Council Member Anderson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Municipal Code §3-3 by Adding the Definition of a Public Place. Council Member Christianson seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

Mayor Heitke recognized Bob Thistle, Springsted Incorporated, who presented details of the negotiated sale of the \$3,285,000 General Obligation Improvement Bonds, Series 2007A. Morgan Keegan & Company, Inc. was the low bidder with a 3.7769 percent interest rate. Following discussion, 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

ACCEPTING OFFER ON THE SALE OF \$3,285,000 GENERAL OBLIGATION
IMPROVEMENT BONDS, SERIES 2007A, PROVIDING FOR THEIR ISSUANCE
AND LEVYING A TAX FOR THE PAYMENT THEREOF

(For Resolution in its entirety, see City Council proceedings file dated March 19, 2007, 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 March 12, 2007, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 The Committee was advised by Staff that Springsted, Inc., will be updating the waste treatment rate study they originally conducted in 2000. Based on the original study, the current year's proposed rate increase is 6.35% which will be presented at the public hearing set for March 19, 2007. This matter was for information only.

Item No. 2 The Committee reviewed a report received on the Local Option Sales/Use Taxes and Excise Taxes through December 31, 2006. It was noted that the original budget for sales and excise taxes anticipated to be received for 2006 was \$1,500,000 but the City actually received \$1,649,930, net of the State administrative costs. This matter was for information only.

Item No. 3 Staff explained to the Committee that the Economic Development Partnership, a predecessor to the Economic Development Commission, is a for-profit corporation and still exists. The City is not, and cannot be, the fiscal agent for the Partnership; however, the City is the fiscal agent for the Economic Development Commission. There was additional discussion regarding the future role of the City as fiscal agent and this matter will be considered later this year as the two-year commitment for services is due to expire. This matter was for information only.

Item No. 4 Staff explained to the Committee that \$50,000 had been appropriated in 2006 for the Willmar Design Center. Of that amount, \$8,913.11 was incurred during 2006 but actual invoices were not received for payment until 2007. Subsequently, it is being requested to re-appropriate \$8,913 from 2006 to 2007 for the Design Center.

The Committee was recommending the Council adopt a resolution re-appropriating \$8,913 from the 2006 budget to 2007 for the Willmar Design Center. Resolution No. 2 was introduced by Anderson, seconded Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, 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 Non-Departmental General Fund Budget as follows:

Increase:	Other Services	\$8,914.00
Decrease:	Fund Balance	\$8,914.00

Dated this 19th day of March, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 Staff explained to the Committee that \$25,000 had been appropriated in the 2006 Engineering Department budget for developing the City's Storm Water Pollution Prevention Plan. These funds were not spent in 2006 but are needed in 2007 for development of that plan. It was being requested to re-appropriate this \$25,000 from the Engineering Department's 2006 Budget to 2007 for this same purpose.

Staff noted that \$2,500 had been appropriated in the 2006 City Hall budget for improvements to the Mid-Minnesota Development Commission's leased space. These funds were not spent in 2006 but will be needed in 2007 to finish these improvements. It was being requested to re-appropriate this \$2,500 from the City Hall 2006 Budget to 2007 for this purpose.

The Committee was recommending the Council adopt a resolution re-appropriating budgets as recommended. Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, 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 Engineering and City Hall General Fund Budget as follows:

Increase:	Other Services	\$25,000.00
	Maintenance of Building	\$2,500.00
Decrease:	Fund Balance	\$27,500.00

Dated this 19th day of March, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 The Committee reviewed the February, 2007, CVB Report, WRAC-8 Report, and EDC Report. This matter was for information only.

The Finance Committee Report for March 12, 2007, 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 March 13, 2007, was presented to the Mayor and Council by Council Member Christianson. There were five items for Council consideration.

Item No. 1 Beverly Dougherty appeared before the Committee to present a request from the Willmar Design Center to again offer the "Becker Market" every Thursday for the months of June through September. Their request includes blocking off Becker Avenue between 4th and 5th Streets the same as in 2006. The only change is the time allotted being shortened an hour with the market being open from 3:30 – 6:30 p.m. They plan to again allow for the 20-foot strip on the south edge of Becker Avenue for the passage of emergency vehicles.

The Committee was recommending the Council approve the request to allow Becker Avenue between 4th and 5th Street to be blocked off each Thursday during the summer months for the Becker Market. Council Member Christianson moved to approve the recommendation of the

Public Works/Safety Committee with Council Member Anderson seconding the motion, which carried.

Item No. 2 The Committee reviewed a final pay request from Duinick Bros. Inc. for Project No. 0605, mill and overlay of the north section of Business 71. The final pay request in the amount of \$24,517.37 is the 5 percent retainage. Staff recommended acceptance of the project as completed.

The Committee was recommending the Council accept the project and authorize final payment. Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 4

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT:	Project No. 0605 – 2006 Mill and Overlay Improvements
CONTRACTOR:	Duinick Bros. Inc.
DATE OF CONTRACT:	August 25, 2006
BEGIN WORK:	September 25, 2006
COMPLETE WORK:	October 20, 2007
APPROVE, CITY ENGINEER:	March 13, 2007

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

1. The said City of Willmar Project No. 0605 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$550,584.30
Change Orders (None)	\$0.00
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$550,584.30
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$504,795.24
Less Previous Payments	\$26,622.76
Less Disincentive	\$1,805.39
FINAL PAYMENT DUE CONTRACTOR:	\$24,517.37

Dated this 19th day of March, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed a final pay request from Duinick Bros. for the Airport apron expansion. The project consisted of expanding the existing apron to provide access to additional hangars west of the FBO hangar. The size of the expansion was 75' x 125' and was completed in November, 2006. The final pay request in the amount of \$10,836.64 is the 5 percent retainage. Staff recommended acceptance of the project as completed.

The Committee was recommending the Council accept the project and authorize final payment. Resolution No. 5 was introduced by Council Member Christianson, seconded by Council

Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 5

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: 2006 Apron Expansion
CONTRACTOR: Duininck Bros., Inc.
DATE OF CONTRACT: August 21, 2006
BEGIN WORK: August 2006
COMPLETE WORK: November 17, 2006
APPROVE, CITY ENGINEER: March 19, 2007

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

1. The said 2006 Apron Expansion be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$99,219.00
Change Order	\$0.00
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$99,219.00
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$99,219.00
Less Previous Payments	\$88,382.36
FINAL PAYMENT DUE CONTRACTOR:	\$10,836.64

Dated this 19th day of March, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Craig Holmes of Donohue and Associates explained to the Committee that the deliverables for the planning phase portion of the Wastewater Treatment Plant Relocation Project. This phase included all the background work, alternative site research, and preparation of the facility plan. This phase of the project is ready for closeout. The amount due to Donohue and Associates is \$1,392.45. An extension to the completion date was also requested to April 1, 2007.

The Committee was recommending the Council extend the completion date to April 1, 2007 and authorize final payment for the planning phase to Donohue and Associates. Resolution No. 6 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 6

WHEREAS Donohue and Associates of Sheboygan, Wisconsin, consultant for the Wastewater Treatment Plant Relocation Project, desires to have the planning phase of their contract completion date for the project changed to April 1, 2007; and;

WHEREAS it has been determined this phase of the project is ready for closeout and the amount due to Donohue and Associates is \$1,392.45.

NOW THEREFORE BE IT RESOLVED that the Wastewater Treatment Plant Relocation Project Planning Phase completion date is hereby changed to April 1, 2007 and final payment is authorized in the amount of \$1,392.45.

Dated this 19th day of March, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee discussed the status of funding for implementing “quiet zones” at railroad crossings throughout the City. It was noted that the City continues to pursue federal and state funding assistance. This matter was for information only.

The Public Works/Safety Committee Report for March 13, 2007, 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 March 15, 2007, was presented to the Mayor and Council by Council Member Dokken. There were four items for Council consideration.

Item No. 1 The Committee discussed a recent petition submitted for the annexation of approximately 55 acres of land east of Civic Center Drive, just inside the bypass. This matter had been discussed at the Planning Commission, but action had been tabled due to a number of questions that came up in the course of Planning Commission discussion. The Committee reviewed the issues identified by the Commission and accepted the issue for information pending a Planning Commission recommendation. This matter was for information only.

Item No. 2 The Committee discussed an informal proposal to vacate 3rd Street SE between Olena and 11th Avenues. This proposal was submitted by Calvary Lutheran Church and Bethesda Heritage. The primary issues of discussion concerned utilities in the right-of-way and bus access to the Jr. High. Staff mentioned that there were a variety of utilities within that block of 3rd Street and that the entire right-of-way would be requested to remain as a utility easement should the vacation be allowed.

Ken Inselman of Willmar Bus Company appeared before the Committee to discuss his company’s use of 3rd Street SE by buses serving the Jr. High School. The buses enter the Jr. High parking lot straight off of 3rd Street and exit the parking lot straight onto 4th Street. This allows the buses to flow through the north parking lot of the Jr. High without any backing maneuvers. Mr. Inselman said that it would become a safety issue if they had to use 2nd Street SE due to the crowding created by on-street parking and the narrow drive lanes.

The Committee discussed whether or not signing the streets to control parking might alleviate that problem. Staff mentioned that 3rd Street SE was in the 2007 improvement project, and that if the Council is considering vacating this one block stretch it should be pulled from the project. The Committee also discussed the possibility of vacating 3rd Street but requiring a one-way lane, north to south, through the vacated right-of-way to provide access for buses to the Jr. High. This would allow for parking on both sides of the proposed one-way route. Staff will discuss this

possibility with the church and nursing home.

Again, because the Planning Commission tabled action on this matter, the Committee took no action to move the matter forward. This matter was for information only.

Item No. 3 Staff provided an update on local development activities. Discussion focused primarily on the industrial park plat and re-development efforts. The creation and function of the upcoming housing task force was also discussed. This matter was for information only.

Item No. 4 The Committee discussed briefly the inability of the City's lobbyist to identify sources of federal funds to assist in the creation of "quiet zones " and stated that the City should budget for "quiet zones" if there's no outside governmental assistance available. This matter was for information only.

The Community Development Commission Report for March 15, 2007, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Dokken, seconded by Council Member Fagerlie, and carried.

Planning and Development Services Director Peterson presented to the Mayor and Council a preliminary plat for Sterling Apartments, a two-lot replat to have the two apartments on separate lots as requested by Cambridge Apartments Inc. It was noted there are a few minor easements to be added and outlot declarations required prior to final plat recording. Council Member Christianson moved to approve the preliminary plat for Sterling Apartments with Council Member DeBlieck seconding the motion, which carried.

City Clerk Halliday presented to the Mayor and Council for consideration a request from the West Central Builders Association for a temporary liquor license for a three-day show at the Civic Center. Following discussion, Council Member Anderson moved to approve the request for a temporary liquor license with Council Member Gardner seconding the motion which carried on a roll call vote of Ayes 5, Noes 0, Council Member Christianson abstained from voting.

Announcements for Council Committee meeting dates were as follows: Public Works/Safety, March 27; and Labor Relations, March 28, 2007.

Police Chief Kulset presented to the Mayor and Council the 2006 Police Department annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

Fire Chief Calvin presented to the Mayor and Council the 2006 Fire Department annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

There being no further business to come before the Council, the meeting adjourned at 9:01 p.m. upon motion by Council Member Christianson, seconded by Council Member Anderson, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL