

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

May 19, 2008  
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, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; 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, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

The Council requested the Planning Commission Minutes be removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of May 5, Municipal Utilities Commission Minutes of May 12, Community Education and Recreation Board Minutes of March 28, and Housing and Redevelopment Authority Commission Minutes of April 8, 2008. Council Member Anderson seconded the motion, which carried.

The Council discussed an Item in the Planning Commission Minutes regarding a rezoning request by residents in the southwest portion of town opposed to the Southwest Minnesota Housing Partnership development Westwind Estates 3<sup>d</sup> Addition. The Planning Commission Minutes of May 14, 2008, were 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.

Mayor Heitke acknowledged several individuals who had signed up to address the City Council during its scheduled Open Forum. Richard Hanson read a letter whereby he offered land to the SW Minnesota Housing Partnership and requested the plat be tabled until such time a determination was made on the land swap.

Tim Johnson expressed concern that the Westwind Project would hurt the neighborhood in the long run.

Terry Reimer asked that the Council remove the Police Commission matter off the table and vote.

Joe Ridler reviewed County welfare statistics as well as pending City, School and County debt.

Don Williamson expressed his opinion that the land of the proposed Westwind Project should be zoned R-1 and that the Project would create an island of segregation.

Sue Quist stated the Project was not right for the neighborhood.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration a final plat of Westwind Estates Third Addition, a 20-lot plat for twin and single-family home development by Southwest Minnesota Housing Partnership. There is land set aside for parkland as well as water retention ponds. The plat has been approved by the Planning Commission and all subdivision regulations have been met. Council Member Gardner moved to approve the final plat of Westwind Estates Third Addition with Council Member Reese seconding the motion, resulting in a roll call vote of Ayes 4, Noes 4 – Council Members Christianson, Swenson, Dokken and Fagerlie voted “No.” Mayor Heitke cast the deciding affirmative vote.

Planning and Development Services Director Peterson presented to the Mayor and Council a Resolution authorizing the City to enter into an Agreement for Cash Payment of Public Improvements with the Southwest Minnesota Housing Partnership. Following discussion, Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member DeBlieck, read by Mayor Heitke, and resulted in a roll call vote of Ayes 4, Noes 4 – Council Members Christianson, Swenson, Dokken and Fagerlie voted “No.” Mayor Heitke cast the deciding affirmative vote.

RESOLUTION NO. 1

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 an Agreement for Cash Payment of Public Improvements between the City of Willmar and Southwest Minnesota Housing Partnership of Slayton, Minnesota.

Dated this 19<sup>th</sup> day of May, 2008.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Mayor Heitke called for a recess at 7:49 p.m. and reconvened the meeting at 7:57 p.m.

The Finance Committee Report for May 12, 2008, was presented to the Mayor and Council by Council Member Anderson. There were nine items for Council consideration.

Item No. 1 Staff informed the Committee that the City has received a donation in the amount of \$3,137.08 from the Miner T. Wareberg Estate with a request that it be used for the purchase of exercise equipment, tables and chairs, a vacuum cleaner, a wheelchair, and other needed items at the Willmar Area Senior Citizens Center.

The Committee was recommending the Council pass a Resolution accepting the donation from the Miner T. Wareberg Estate and authorizing an increase in the Senior Citizens Center 2008 Capital Improvements Budget for said amount. 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 7, Noes 0, Council Member Gardner abstained from voting.

RESOLUTION NO. 2

WHEREAS, the Miner T. Wareberg Estate has donated to the City of Willmar \$3,137.08 for the purchase of equipment for the Willmar Area Senior Citizens Center.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar, Minnesota, that the City accept the \$3,137.08 donation and that the City Administrator be directed to express the community's appreciation.

Dated this 19<sup>th</sup> day of May, 2008.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 2 Staff explained to the Committee that the Assessing Department 2008 Budget needs to be amended due to workstation additions and upgrades estimated at \$6,500, and two position classification changes creating additional payroll costs of approximately \$4,000. It was being recommended that \$10,500 be transferred from the 2007 General Fund Balance to the 2008 Budget to cover these additional expenditures.

Following discussion, the Committee was recommending the Council pass a resolution increasing the 2008 Assessing Department's Budget as presented. 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 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 Assessing Department Budget of the General Fund as follows.

Decrease:	2007 General Fund Balance	\$10,500
Increase:	2008 Assessing Department	\$10,500

Dated this 19<sup>th</sup> day of May, 2008.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 The Committee reviewed current statutory tort liability limits to the extent of coverage purchased from the League of Minnesota Cities Insurance Trust. A decision must be made annually whether to waive or not waive the limits.

If the City does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$400,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover in a single occurrence to which the statutory tort limits apply would be limited to \$1,200,000. If the City waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Following discussion, the Committee was recommending to the Council that the City not waive the statutory tort limits. Council Member Anderson moved that the Council approve of the recommendation of the Finance Committee with Fagerlie seconding the motion, which carried.

Item No. 4 Staff informed the Committee that the City recently received a copy of the 2007 financial statement for Allied Power which is jointly funded by the Willmar Municipal Utilities and Kandiyohi Power Cooperative. As of the end of 2007, Allied Power recorded a net loss of \$28,000 which is up from the 2006 net loss of \$502,000. The MUC lists their share of this net loss in their financial statement. Because the MUC is a component unit of the City of Willmar, this information will appear in the City's financial statement. This matter was for information only.

Item No. 5 The Committee received an update on progress on the Waste Water Treatment Project financing efforts. The City has received a determination of "No Significant Industrial User" by the State of Minnesota Public Facilities Authority. This determination will help to reduce PFA's loan interest rate for the City of Willmar and is based on specific criteria established by PFA, including a finding that an industry does not contribute 50 percent or more of the flow, and secondly, that an industry is not the reason for the new treatment plant.

In an effort to further reduce interest rates on funds borrowed, Staff is exploring other financing methods to reduce the total funds needed from PFA. PFA charges incrementally higher interest rates for loans in excess of \$50,000,000. Staff anticipates presenting a financing package at a joint meeting of the Public Works/Safety and Finance Committees on May 27, 2008. It is hoped that new rate structures will be in place for Council consideration at its regularly scheduled meeting of June 2, 2008. This matter was for information only.

Item No. 6 The Committee was informed by Staff that the City currently does not have a formal policy in place to respond to requests for conduit financing. From time to time non-profit organizations or limited liability partnerships request the City to provide conduit financing for various projects. It was being recommended that a policy be established to help guide the City in future requests.

The Committee was recommending to the Council that Staff be directed to prepare a policy establishing standards for future requests to the City to provide conduit financing. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Gardner seconding the motion, which carried.

Item No. 7 The Committee considered the 2008 Project Budget for No. 0802 in the amount of \$117,940 as referred from Council for further consideration. Staff explained that the storm water portion (Willmar Poultry Company) of 0802 is for \$21,000 and the Underground Sewer and Water portion (Welcome To Our Home) is \$96,940. Specifications have been distributed to prospective bidders based on the entire project. However, there was some discussion about splitting out the projects for construction and accounting purposes. The bid-letting date is May 20, 2008.

The item was referred to the full Council for action on May 19, 2008. Following discussion, 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 1 – Council Member Dokken voted “No.”

RESOLUTION NO. 4

PRELIMINARY 2008 IMPROVEMENT BUDGET  
PROJECT 0802  
ESTAMATED TOTAL COST \$117,940

<b>SUPPLIES</b>		<b>RECEIVABLES</b>	
Office Supplies	\$300.00	Property Owners	
Small Tools	\$200.00	Developer	<u>\$117,940.00</u>
Motor Fuels & Lubricants	\$300.00	TOTAL	\$117,940.00
Postage	\$200.00		
General Supplies	<u>\$500.00</u>	<b>FINANCING</b>	
TOTAL	\$1,500.00	Developer (cash)	<u>\$117,940.00</u>
		TOTAL	\$117,940.00
<b>OTHER SERVICES</b>			
Printing & Publishing	\$500.00		
Mtce. of Other Impr.	\$102,440.00		
Other Services (conting.)	<u>\$5,000.00</u>		
TOTAL	\$107,940.00	WPC: \$21,455	
		WTOH: \$96,485	
<b>OTHER CHARGES</b>			
Insurance & Bonds	\$500.00		
Adm. OH (Transfer)	<u>\$8,000.00</u>		
TOTAL	\$8,500.00		
<b>GRAND TOTAL</b>	<b>\$117,940.00</b>		

Dated this 19<sup>th</sup> day of May, 2008.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 8 The Committee reviewed a letter from the Southwest Initiative Foundation requesting the City reconsider a contribution to the Foundation of \$10,000. The Foundation had submitted a request to Mayor Heitke during his preparation of the 2008 Budget, but the Mayor did not recommend funding. Mayor Heitke asked the Committee to carefully consider the Foundation's current request and explained that Willmar is the largest community in southwest Minnesota and serves an important regional leadership role. The SIF contends Willmar's support, or lack thereof, sends a message to the remaining communities and is encouraging the City's reconsideration prior to the June 30, 2008, end of its fiscal year.

The Committee requested a list of funding the Foundation has provided for area projects. This item will be considered at the June 9, 2008, Finance Committee meeting and was for information only.

Item No. 9 The Committee reviewed the following report: MUC 1<sup>st</sup> Quarter Financial. This matter was for information only.

The Finance Committee Report for May 12, 2008, 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 Gardner, and carried.

The Community Development Committee Report for May 15, 2008, was presented to the Mayor and Council by Council Member DeBlieck. There were five items for Council consideration.

Item No. 1 Representatives of Willmar City Sanitation and West Central Sanitation were present to discuss with the Committee recent problems encountered with the enforcement of garbage container ordinances in the City. The main issues encountered by Staff are the storage of the containers and the length of time they are left at the curb. The waste haulers indicated that they see the same violators on a regular basis. Don Williamson suggested that there be a sticker made to put on a can that spells out the requirements for compliance. Mr. Williamson said the City has more authority than the haulers do to achieve compliance. The haulers agreed that if the City notified them of a violator, they would put the notices on the cans. An alternative would be that Staff could tag cans when violations are noticed.

The Committee was recommending to the Council that Staff develop a hanging piece that specifies City ordinance requirements for garbage cans, and that these pieces be used to notify violators of ordinance violations. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee, seconded by Council Member Swenson, and carried.

Item No. 2 The Committee reviewed draft copies of a revised conditional use permit application and procedural guide and discussed the matter at length. It was suggested that Staff incorporate a check list similar to the Northfield application, and that the procedural guide include a list of phone numbers for utilities and a calendar of submittal and review dates. Staff will revise the application and procedural guide and bring them back to the Committee for further discussion. This matter was for information only.

Item No. 3 The Committee briefly discussed the possibility of funding under the Minnesota Housing Finance Agency affordable housing plan for 2008-2009. This was a matter that had been suggested as a good way of encouraging additional investment in and maintenance of the core area of the City. Money is available for the rehabilitation and re-use of residential dwelling units and is the number two priority under the MHFA housing plan. It was suggested that the HRA Director be invited to the next meeting to discuss the City's possible involvement in the program. This matter was for

information only.

Item No. 4 Chair DeBlieck suggested that Staff and Planning Commission review the Zoning Ordinance for adequacy. Staff said that the Planning Commission frequently reviews various sections of the Ordinance for accuracy and relevancy, but the type of broad review suggested by Chair DeBlieck would typically follow adoption of a Comprehensive Plan. This matter was for information only.

Item No. 5 The Committee asked that Planning Commission and Community Development agendas be posted on-line with all related information. This information should include plats, site plans, etc. for the Planning Commission and all relevant information for discussion to be distributed at the Community Development Committee level. Staff said that the matter would be pursued and that a better attempt would be made to have the information online. This matter was for information only.

The Community Development Committee Report for May 15, 2008, 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 Swenson, and carried.

City Administrator Schmit informed the Mayor and Council that the City will be taking bids on May 20, 2008, for Project Nos. 0801, 0802 and 0804 and the Council needs to set an Assessment Hearing for Project Nos. 0801 and 0804. It was Staff's recommendation that the Council consider a resolution setting an assessment hearing for June 16, 2008. Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 5

#### CALLING HEARING ON ASSESSMENTS FOR PROJECT NOS. 0801 AND 0804 2008 STREET AND OTHER IMPROVEMENTS

WHEREAS, the City Clerk-Treasurer with the assistance of the City Engineer has prepared an assessment roll for Project Nos. 0801 and 0804 of the 2008 Street and Other Improvements, and said proposed assessment roll is on file with the Clerk-Treasurer and open to public inspection.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The Clerk-Treasurer shall publish notice that this City Council will meet to consider the proposed assessments on June 16, 2008, at 7:03 p.m. in the Council Chambers, Municipal Utilities Building, 700 West Litchfield Avenue, Willmar, Minnesota.
2. Said notice shall also be mailed to the owners of each parcel of property described in the assessment roll.
3. Such notice shall be in substantially the following form: (On file in the City Clerk's Office)
4. Said notice shall be published by the City Clerk-Treasurer in the official newspaper at least two weeks prior to the hearing and mailed by said Clerk-Treasurer to the owners of each parcel described in the assessment roll.

Dated this 19<sup>th</sup> day of May, 2008.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

City Administrator Schmit informed the Mayor and Council that it is necessary to pass a Resolution calling for a June 2, 2008 hearing on an Ordinance authorizing the issuance of General

Obligation Improvement Bonds for the 2008 improvement projects. Resolution No. 6 was introduced by Council Member Gardner, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

RESOLUTION CALLING FOR PUBLIC HEARING ON AN ORDINANCE AUTHORIZING  
THE ISSUANCE OF \$1,530,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2008A  
AND LEVYING TAXES FOR THE PAYMENT THEREOF

(For Resolution in its entirety see City Council Proceedings file dated  
May 19, 2008, located in the City Clerk's Office)

The Mayor and Council considered a preliminary plat for Terraplane Estates. Planning and Development Services Director Peterson presented details on the 36 lot plat for three-plex and four-plex construction proposed by Gimse Brothers Inc./Chad Monson on the southeast side of Willmar. The Planning Commission approved the plat with a few conditions. Council Member Fagerlie moved to approve the preliminary plat for Terraplane Estates with Council Member Christianson seconding the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance and Public Works/Safety Committees, May 27; and Community Development, May 29, 2008.

Council Member Dokken moved to remove the matter of the Police Commission off the table with Council Member Christianson seconding the motion, which carried. Following discussion, it was the consensus of the Council that the Police Commission remain as a commission.

Executive Director Idalia Leuze presented to the Mayor and Council the West Central Integration Collaborative 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 9:37 p.m. upon motion by Council Member Gardner, seconded by Council Member Fagerlie, and carried.

Attest:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
SECRETARY TO THE COUNCIL