

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

October 20, 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, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 8, Absent 1 - Cindy Swenson was excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Finance Director Steven Okins, Planning and Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Mayor Heitke announced that the Department of Employment and Economic Development has awarded a \$1.25 million Bioscience Business Development Public Infrastructure Grant to convert an existing building on the MinnWest Technology Campus which will be called the Mid-Central Biosciences Center. MinnWest Technology Campus will match the grant to purchase equipment for a laboratory. The project is a collaboration between the University of Minnesota, Minnesota State Colleges and Universities system, City of Willmar, and MinnWest Technology Campus. The University of Minnesota will operate the laboratory and provide faculty and graduate students who will oversee research, and St. Cloud State University will take the lead for MnSCU. The Mid-Central Biosciences Center will bring 25 – 30 new jobs to the area. Dr. Doug Allen, Ridgewater College, and City Administrator Schmit provided additional information. This matter was for information only.

Additions to the Agenda included announcements regarding Charter Commission and Board of Canvass.

The Council requested the Municipal Utilities Commission and Senior Advisory Board 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 October 6, Rice Hospital Board Minutes of October 8, Planning Commission Minutes of October 8, and Housing Redevelopment Authority Board Minutes of September 9, 2008. Council Member Christianson seconded the motion, which carried.

The Mayor and Council discussed Resolution No. 43 in the Municipal Utilities Commission Minutes. The Resolution states the MUC supports the Citizens Energy Policy Group, in concept, and proposes to contribute \$5,000 to support the effort subject to review of the Utilities contribution/donation policy by City Attorney Ronning and General Manager Gomm. Following discussion, Council Member DeBlieck moved to table MUC Resolution No. 43, with Council Member Gardner seconding the motion, which carried. The Municipal Utilities Commission Minutes of October 14, 2008, were approved as amended upon motion by Council Member DeBlieck, seconded by Council Member Dokken, and carried.

Following discussion of maintenance issues at the Senior Citizens Community Center, the Senior Citizens Board Minutes of October 1, 2008, were approved upon a motion by Council Member Dokken, seconded by Council Member Fagerlie, and carried.

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

WMU General Manager Bruce Gomm appeared before the Mayor and Council to present details of the new Willmar Municipal Utilities/Kandiyohi Power Cooperative Service Territory Agreement. The new agreement has similar territories and the new Airport and Waste Water Treatment Plant/brush site have been added. In the year 2015 the Utilities will take over the south bypass area (Abbott Drive). Mr.

Gomm went over details of the two agreements, one with a 2025 year ending and one with a 2035 year ending date. This matter was for information only.

The Finance Committee Report for October 13, 2008, was presented to the Mayor and Council by Council Member Anderson. There were seven items for Council consideration.

Item No. 1 Council Member Reese and WMU General Manager Bonawitz presented to the Committee an initiative called the Citizens Energy Policy which is being undertaken by a group of individuals to address the nation's energy needs. Lee Byberg explained that their intent is to grow from this grass roots effort into a national influence by drafting an energy policy that will protect life today and provide for the future. They are looking for individuals representing all energy types, as well as crop and livestock agriculture, food retail, small business and manufacturing to serve on a board of directors. Further, the Citizens Energy Policy group is seeking donations from interested individuals, organizations, and corporations in support of this effort. They are requesting endorsement from the City of Willmar as well as a donation of \$5,000. Chair Anderson stated that the City is currently preparing its 2009 budget; subsequently, whether or not this donation is approved will not be decided until December.

Following discussion, the Committee was recommending the Council endorse the concept of the Citizens Energy Policy initiative. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Gardner seconding the motion, which carried.

Item No. 2 Steve Renquist, EDC Executive Director, reviewed the EDC 2009 Budget with the Committee. Mr. Renquist noted that 2009 revenue includes \$455,000 from the County Tax Levy which is the same amount levied for 2008 and 2007. The EDC is also proposing to utilize \$32,713 from the Agency's reserves as a funding source. Overall budgeted expenditures for 2009 in the amount of \$487,713 is a decrease of \$8,047 from the 2008 Budget.

Following discussion, the Committee was recommending the Council approve the EDC 2009 Budget as proposed. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 3 City Administrator Schmit presented information to the Committee regarding an amendment to the Pioneerland Library System Joint Powers Agreement. Minnesota Counties Insurance Trust is recommending changes to indemnify and hold harmless Pioneerland System members to avoid stacking of insurance claims. The Committee was recommending the Council adopt a resolution approving the amendment to the Pioneerland Library System Joint Powers Agreement as proposed.

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 7, Noes 0.

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 City Administrator be authorized to enter into a Pioneerland Library System 2001 Joint Powers Agreement Amendment.

Dated this 20th day of October, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 City Administrator Schmit informed the Committee that the Fixed Base Operator's Agreement for services at the municipal airport is with Willmar Air Service, Inc., and that there is a possibility this company may be sold in the near future. The current FBO agreement doesn't expire until January 31, 2010, and Willmar Air Service is requesting the City of Willmar authorize the transfer of the terms and conditions of the FBO agreement to the new proposed owner, Brian Negen.

The Committee was recommending the Council support the transfer of the terms and conditions of the current FBO contract with Willmar Air Services to the new owner as proposed. Council Member Anderson moved to approve the recommendation of the Finance Committee, with Council Member Reese seconding the motion, which carried.

The Council directed City Administrator Schmit to schedule a Council work session to discuss the Airport Commission.

Item No. 5 Finance Director Okins presented to the Committee a recommendation to transfer a total of \$80,083 from Design/Construction Services to Program Management (\$5,960) and bidding (\$74,123) budgeted in the Donohue and Associates contract to more accurately reflect costs in those areas. The changes are necessitated to cover actual, as opposed to estimated, costs of the various project tasks. The total of the Contract remains the same. Further, the completion date is proposed to be revised to November 15, 2011.

The Committee was recommending the Council pass a resolution approving the budget transfer among the various line items in the Donohue and Associates contract and to extend the completion date to November 15, 2011. 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.

RESOLUTION NO. 2

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 of the City of Willmar are hereby authorized to enter into a contract amendment to supplement the Program Management and Design Services agreement dated May 15, 2006 between the City of Willmar and Donohue & Associates, Inc.. This contract was previously amended by Council actions on January 10, April 21, and June 2, 2008.

BE IT FURTHER RESOLVED, the completion date is revised to November 15, 2011.

BE IT FURTHER RESOLVED, the contract is hereby amended as follows:

Task	Current Amount	Change	Revised Amount
Program Management	\$ 581,618	\$ 5,960	\$ 587,578
Design/Construction Services	3,359,554	(80,083)	3,279,471
EAW/Permits	73,000	0	73,000
Allowances	345,000	0	345,000
Bidding	<u>198,219</u>	<u>74,123</u>	<u>272,342</u>
TOTAL	\$4,557,391	\$ 0	\$4,557,391

Dated this 20th day of October, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 The Committee continued its review of the Mayor's proposed 2009 budget by considering the City's Expenditures. City Administrator Schmit stated that no new positions are being proposed for 2009 and all employee contracts are set through 2009. The Local Option Sales Tax expenditures have not yet been budgeted due to pending appropriations for the Industrial Park which includes Phase II going beyond the realigning of County Road 5 and Willmar Avenue Southwest. Other highlights noted that \$180,000 has been set aside in the Mayor's 2009 Budget for installing a Quiet Zone which would probably be on the crossing at 10th Street NW. The crossing on Willmar Avenue Southwest will be addressed at the same time that the realignment of that road is pursued. Also proposed in the budget is the purchase of another street sweeper.

Chair Anderson stated that the Non-Departmental Expenditures will be tabled until the next meeting, due to the lateness of the hour. He further posed his concern that the Council should start considering budget issues for 2010 because property values may be reduced, affecting property taxes. Staff briefly explained the process of calculating property taxes which involves redistribution of rates and is based on the dollar amount of the levy allowed by the State of Minnesota. This matter was for information only.

Item No. 7 The Committee reviewed the following reports: 09/30/08 CVB, 09/30/08 WRAC-8, 09/30/08 Local Option Sales Tax Special Revenue Fund and Capital Projects Fund. This matter was for information only.

The Finance Committee Report for October 13, 2008, were approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Christianson, and carried.

The Public Works/Safety Committee Report for October 14, 2008, was presented to the Mayor and Council by Council Member Reese. There were four items for Council consideration.

Item No. 1 Steven Roehl, resident of southeast Olena Avenue, addressed the Committee referencing traffic issues on Olena Avenue. Mr. Roehl expressed concerns of speeding, stop sign violations, and the excessive noise. Chief Kulset informed the Committee that the Police Department does traffic enforcement on Olena Avenue and the Department's speed trailers have been set up there several times since Olena was opened to Lakeland Drive. Chief Kulset will meet with Mr. Roehl to reference possible solutions. This matter was for information only.

Item No. 2 Staff notified the Committee that the grant application for \$134,152 to supplement funding for the Police Department's Gang Enforcement Team for 2009/2010 was successful. The grant will be used to supplement salaries, benefits, and equipment.

The Committee was recommending that the Council accept the Gang Enforcement Team Grant from the Bureau of Justice Assistance and allow Staff to sign the acceptance documents. 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

WHEREAS, the Bureau of Justice Assistance has approved the City of Willmar's application for \$134,152.00 congressional mandated award for the Police Department's Gang Enforcement Team.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar, Minnesota, that the City accept the \$134,152.00 and direct Staff to sign the acceptance documents.

Dated this 20th day of October, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee considered a proposed ordinance that would make it a misdemeanor for a person to host an event or gathering where alcohol or alcoholic beverages are present when the person knows, or reasonably should know, that an underage person will or does consume any alcohol or alcoholic beverage or possesses any alcohol or alcoholic beverage with the intent to consume it, and the host fails to take reasonable steps to prevent possession or consumption by the underage person. The ordinance would not apply to licensed liquor establishments, legally protected religious

observances, possession of alcohol in the course of employment, and conduct with parents at a parent's residence. Staff explained the difficulties of holding individuals accountable for hosting drinking parties.

The Committee was recommending the Council Introduce the Social Host Ordinance for a public hearing on November 3, 2008. Council Member Reese moved to introduce set a hearing for the Social Host Ordinance as presented. Council Member Fagerlie seconded by the motion, which carried.

Item No. 4 Rhonda Rae and John Bryant of Donohue and Associates presented to the Committee the selection of suppliers in relation to WWTP Project No. 0812-C. In accordance with the specifications for the project, the City may select the supplier which could result in the adjustment of the contract price as applicable by change order.

Graham Construction, Inc. offered four substitutes to Supplier A in the base bid (Type III) Material and Equipment. After evaluation of all four substitutes, Donohue and City Staff are recommending the selection of Supplier B for two of the four, including Submersible Centrifugal Pumping Equipment and Oxidation Ditch Aeration Equipment. These recommendations will result in a net reduction of \$397,788 to the contract.

The Committee was recommending the Council approve change order #1 for Project No. 0812-C and authorize the City Administrator to execute it 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

WHEREAS, the City of Willmar entered into Contract No. 0812-C with Graham Construction Services, Inc. for the construction of a new Wastewater Treatment Facility;

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that Change Order No. 1 be approved, as a result, a net deduct in the amount of \$397,788 to Project 0812-C Wastewater Treatment Facility.

Dated this 20th day of October, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Public Works/Safety Committee Report for October 14, 2008, 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 Labor Relations Committee Report for October 15, 2008, was presented to the Mayor and Council by Council Member Gardner. There were five items for Council consideration.

Item No. 1 Dale Hustedt, Rice Hospital Acting CEO, met with the Committee to discuss a proposed resolution providing enhanced termination retirement benefits from the Minnesota Public Employees Retirement Association to employees of the Rice Memorial Hospital's Radiology and Radiation/Oncology Departments. Special legislation requiring Council approval was enacted to accommodate employees transferred to the for-profit Willmar Medical Services LLP, a joint venture between Rice Memorial Hospital and Affiliated Community Medical Centers (ACMC).

The Committee was recommending the Council adopt of the Resolution approving the special legislation as proposed. Resolution Nb. 5 was introduced by Council Member Gardner, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 5

APPROVING SPECIAL LAW CHAPTER 349 OF 2008 MINNESOTA SESSION LAWS

WHEREAS, the City of Willmar, Rice Memorial Hospital and the Affiliated Community Medical Centers have entered into an agreement to form the for-profit Willmar Medical Services, L.L.P effective January 1, 2009; and

WHEREAS, the employees of the Radiology and Radiation/Oncology Departments of Rice Memorial Hospital, a city-owned hospital, are enrolled in the Minnesota Public Employees Retirement Association; and

WHEREAS, upon transfer to the Willmar Medical Services, L.L.P., because it is a private employer, these employees will not be entitled to continue participation in the Minnesota Public Employees Retirement Association; and

WHEREAS, the State of Minnesota has authorized the Rice Memorial Radiology and Radiation/Oncology Department employees to be entitled to the enhanced termination benefits for privatized employees under the Minnesota Public Employees Retirement Association, Chapter 353F of Minnesota statutes, as set forth in special law, Minnesota Session Laws 2008, Chapter 349; and

WHEREAS, Minnesota Statute, Chapter 645.021 requires a special law be approved by the local unit of government before the special law is effective; and

WHEREAS, the special law provides a benefit to the City of Willmar's Rice Memorial Hospital Radiology and Radiation/Oncology Department employees, which the employees have earned and are entitled to receive.

NOW THEREFORE BE IT RESOLVED by the City of Council of the City of Willmar, Minnesota, that: Minnesota Session Laws 2008, Chapter 349, which provides for Chapter 353F enhanced termination benefits from the Minnesota Public Employees Retirement Association to the employees of the Rice Memorial Hospital's Radiology and Radiation/Oncology Department is hereby approved.

Dated this 20th day of October, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 Acting CEO Hustedt reviewed Rice Hospital's plan to permanently fill the CEO position following Lorry Massa's resignation. The Hospital Board has contracted with a national search firm to begin the process and is planning to appoint an advisory committee to assist with the search. The proposed advisory board will be made up of three Hospital Board members, one physician from ACMC, one physician from Family Practice Medical Center, one non-management Rice Hospital employee, and one representative from the City Council, Administration or Mayor's office.

Following discussion, the Committee was recommending the Council appoint Council Member Anderson as the City's representative to the proposed advisory committee. Council Member Gardner moved to approve the recommendation of the Labor Relations Committee with Council Member Reese seconding the motion, which failed on a roll call vote of Ayes 2, Noes 3 – Council Members Christianson, Fagerlie, and DeBlicke voted "No" and Council Members Anderson and Dokken abstained from voting.

Council Member Christianson moved to appoint Council Member Dokken as the City's representative to the proposed advisory committee to assist with the search for a Hospital CEO with

Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 5, Noes 2 – Council Members Gardner and DeBlieck voted “No.”

Item No. 3 The Committee reviewed correspondence from the Willmar Firefighter’s Relief Association requesting that the Council consider increasing contributions to the Relief Association through annual ratified obligations and contributions to the investment fund. Staff informed the Committee that unlike the previous two or three years, the Mayor has not included a cash contribution to the Relief Association’s investment fund in the 2009 budget, but has included funding for Council consideration to increase hourly firefighter wages.

Following discussion, it was the consensus of the Committee to refer this matter to the 2009 budget review and approval process. This matter was for information only.

Item No. 4 The Reverends Naomi Mahler and Pablo Obregon and Chamber President Ken Warner were present to talk about and explain the Speak Your Peace initiative that is being promoted throughout the community. The Speak Your Peace project recognizes nine tools of civility that hopefully provide increased options for civil discourse as individuals and organizations search for positive solutions and/or resolution to local issues. The initiative includes community members from government, business, non-profits, churches and education. The group is planning to sponsor a project kickoff event on January 7, 2009, and invite speakers from the City of Duluth where the program originated and has been deemed to be very successful.

It was the consensus of the Committee that the Council consider a resolution adopting the program at its annual Strategic Planning Session in early 2009.

Gary Geiger, Annette Tiffaney, and Beverly Dougherty were present to promote the program. This matter was for information only.

On a related note, Chair Gardner reviewed information compiled by Staff at the request of the Council regarding Council rules and conflict of interest issues. A general discussion followed, and this matter was for information only.

Item No. 5 City Administrator Schmit presented to the Committee information regarding the Airport Manager position. Council Members had requested an update on the status of the Manager position at the previous week’s Finance Committee meeting. It was noted the City was moving forward to fill the position and recognizing that new construction activities are essentially complete, the position classification has been revised to include other duties as assigned in the Public Works/Engineering Department. This matter was for information only.

The Labor Relations Committee Report for October 15, 2008, was approved as presented and ordered placed on file upon motion by Council Member Gardner, seconded by Council Member Fagerlie, and carried.

City Clerk Halliday informed the Mayor and Council that the Board of Canvass will be meeting on November 6, to canvass the ballots from the November 4, 2008, General Election.

Council Member Gardner presented to the Mayor and Council a Resolution which calls for the convening of a Charter Commission. Following discussion, Resolution No. 6 was introduced by Council Member Gardner, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

WHEREAS, to convene the Charter Commission requires action by the City Council, and

WHEREAS, it is desired that the Charter Commission be convened,

