

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

November 17, 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 Ron Christianson, Bruce DeBlieck, Denis Anderson, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 8, Absent 1 – Council Member Doug Reese was 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.

Additions to the Agenda included an appointment to the Convention and Visitors Bureau.

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

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of November 3, Board of Canvass Minutes of November 6, Rice Hospital Board Minutes of November 12, Municipal Utilities Commission Minutes of November 10, Building Inspection Report for October, Housing and Redevelopment Authority Board Minutes of October 14, and Community Education and Recreation Committee Minutes of October 31, 2008; and Mayoral appointment - David Mohs, Convention and Visitors Bureau. Council Member DeBlieck seconded the motion, which carried.

The Council discussed Planning Commission Item #4, Pleasant View Fourth Addition Rezone from P (Park) to R-2 (One and Two Family Residential). Council Member Christianson moved to approve the Planning Commission Minutes of November 12, 2008, with Council Member Dokken seconding the motion, which carried.

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

Mayor Heitke recognized YMCA Program Director Bryan Thiery who presented an overview of the YMCA Youth in Government Program. The program, which began in 1946, provides opportunities for youth in grades 8 – 12 to learn about State and local government. Mayor Heitke thanked the group for their presentation and encouraged the youth to continue their involvement with government.

David Turch, representing Turch and Associates, appeared before the Mayor and Council to present an annual update. Mr. Turch acknowledged the \$15 million in WERDA appropriations for the new Waste Water Treatment Plant and offered confidence that a stimulus package would be forthcoming from Congress in 2009. This matter was for information only.

Mayor Heitke recognized Marc Vaillancourt with the Southwest Initiative Foundation who reviewed with the Mayor and Council activities of the Foundation in 2008. It was noted the Foundation serves 18 counties in southwest Minnesota. Mr. Vaillancourt presented a list of Foundation activities in both Kandiyohi County and the City of Willmar. This matter was for information only.

The Finance Committee Report for November 6, 2008, was presented to the Mayor and Council by Council Member Anderson. There were five items for Council consideration.

Item No. 1 The Committee continued its review of the Mayor's proposed 2009 budget by considering the proposed Designated Fund Balances. Balance designations and level polices were once again received for information and will be available for discussion at the November 24th meeting.

Chair Anderson expressed concern that the amount of time allotted for the November budget meeting is not adequate and raised the question of beginning earlier than 5:00 p.m. so that appropriate consideration may be given to individual budget items. It was suggested that the meeting scheduled for November 24, 2008, begin at 3:30 PM and allow one-half hour each for the HRA, MUC, and Rice Hospital. This matter was for information only.

Item No. 2 The Committee considered a recommendation from Staff to a change in the process of handling Non-sufficient Fund checks. Staff was asking for authorization to stop collection of all checks under \$50.00 when they have been presented twice for collection and letters have also been sent out.

Following discussion, the Committee was recommending to the Council that Staff be authorized to write-off all N.S.F. checks under \$50.00 that have been completely through the City collection process. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Gardner seconding the motion, which carried.

Item No. 3 The Committee reviewed an executive memo asking to re-designate funds for the purchase of 6 KSB submersible pump repair kits. The reduction from \$40,000 to \$10,300 if purchased now would be funded from the re-designation of funds for air conditioner replacement and copier funds. The Committee was recommending the Council approve the re-designation 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, Minnesota, that the Finance Director be directed to re-designate \$10,290.03 from the Waste Water Treatment Plant Budget for the purchase of six KSB submersible pump repair kits.

Dated this 17th day of November, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 The Committee was informed by Staff that the City would be incurring approximately \$500-\$1,000 in additional costs for the required re-count for the U.S. Senate race between Norm Colman and Al Franken. This matter was for information only.

Item No. 5 Staff presented a resolution to de-certify agricultural exempt assessments due to their useful life expiring. The Committee was recommending the Council introduce a Resolution to de-certify the agricultural exempt special assessments in the amount of \$13,148.70 that exceeded their useful life. Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

WHEREAS, the following properties located with the City of Willmar were exempted from payment of special assessments pursuant to the agricultural exemption policy:

State of Minnesota Higher Ed Board
c/o Ridgewater College
2101 15th Avenue NW, Willmar

Project 6905

95-904-0040
Watermain \$10,688.70

Section 4, Township 119, Range 3; Southeast Quarter of Southwest Quarter excluding the Westerly 500 feet of Southerly 609.84 feet Thereof. (33 acres)

Mildred Thorpe
1301 SW 8th Street, Willmar

Project 6905

95-908-0130
Watermain \$ 2,460.00

Section 8, Township 119, Range 35; West 309.7 feet of East 929.2 feet of North 400 feet of South 470 feet and West 854.2 feet of East 929.2 feet of North 300 feet of South 770 feet of Southeast Quarter of Northeast Quarter. (5.88 acres)

WHEREAS, the City of Willmar Comprehensive Assessment Policy sets life expectancy for each improvement, and

WHEREAS, the useful life of a watermain is forty (40) years from the date of initial construction.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Willmar, Minnesota, that the records of the deferred and pending assessments of the above parcels be hereby removed.

Dated this 17th day of November, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Finance Committee Report for November 6, 2008, 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 Community Development Committee Report for November 13, 2008, was presented to the Mayor and Council by Council Member DeBlicke. There were five items for Council consideration.

Item No. 1 Lisa Onken from the Southwest Minnesota Housing Partnership presented to the Committee a proposed mortgage and promissory note related to the Westwind project. The mortgage and promissory note are based on the \$350,000.00 Small Cities Grant the City is receiving from the Minnesota Department of Employment and Economic Development. The mortgage and promissory note with the City is for a loan to Westwind Estates Townhomes Limited Partnership and is in accordance with the terms of the Small Cities Development program and Cooperative Agreement. The amount of the mortgage and promissory note is \$350,000 and the term is 30 years. The Committee discussed the structure of the mortgage and how it related to the project as a whole, and the ownership structure of the project was also discussed. The matter was transmitted to the Council without a recommendation.

City Attorney Ronning informed the Mayor and Council of his concerns with the legal description as well as other issues. Ms. Onken was present and commented on a community land trust, 2.5 percent interest rate, and indicated a revised mortgage and promissory note would be presented to the Committee at a later date. This matter was for information only.

Item No. 2 The Committee discussed a request by the Willmar Housing and Redevelopment Authority that the cooperative agreement between the City and Southwest Minnesota Housing Partnership be amended to reflect the appointment of the HRA as the administrator of the Small Cities Grant. City Attorney Ronning drafted the amendment containing the requested action. Committee

discussion centered on the role of the HRA in the administration of City grant projects. The matter was transmitted to the Council without a recommendation.

Following discussion, Council Member DeBlieck moved to adopt Amendment No. 1 to the Cooperative Agreement as presented. Council Member Gardner seconded the motion, which was approved on a roll call vote of Ayes 5, Noes 2 – Council Member Swenson and Dokken voted “No.”

Item No. 3 Adam Arvidson, a consultant to the Willmar Design Center, presented a concept drawing showing the reconstruction of Becker Avenue Southwest from 1st Street to 6th Street. In the concept, the section from 1st Street to 4th Street would include the narrowing of Becker Avenue, the addition of a trail on the south side to Selvig Park, and storm water improvements. The section from 4th Street to 6th Street showed Becker Avenue narrowed with a plaza area constructed on the South side of the road. This is a convertible section that can be closed to traffic to provide additional space for community events. Mr. Arvidson outlined a process and schedule to accomplish the proposed project. The project would allow for increased Becker Market and Farmers Market activity and add economic benefit, as well as increase traffic downtown due to the trail extension. Property values may also rise due to increased activity in the Central Business District.

On a related note, Bev Dougherty gave an update on the DEED grant being prepared by the Willmar HRA that would include downtown rehabilitation. These matters were received for information only.

Item No. 4 Staff presented a letter from Larry Kleindl, County Administrator; outlining several options for proceeding with the Humane Society project. One of the options was that the City deed industrial park property to the County and the County be the party responsible for construction of the Humane Society building. The Committee was reminded that the Council had already agreed to provide a site for the Human Society in the expanded industrial park. Staff noted that such action will require an ordinance.

The Committee was recommending to the Council that the City inform Kandiyohi County of its intent to deed Lot 7, Block 1, Willmar Industrial Park 3rd Addition to Kandiyohi County for the purpose of constructing the Humane Society facilities upon receipt of the land release from the Federal Aviation Administration. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 5 The Committee discussed recent action by the local Post Office to deny door-to-door delivery service to residents on Elizabeth Avenue due to a dog scare. The Committee briefly discussed the issue of aggressive dogs. It was requested that Staff invite the Willmar Postmaster to a future Community Development meeting. This matter was for information only.

The Community Development Committee Report for November 13, 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 Christianson, and carried.

Mayor Heitke recognized Rhonda Ray with Donohue and Associates who informed the Mayor and Council that Graham Construction Services, Inc. has requested to substitute Griffin Ductile Iron Pipe for 30, 36 and 42 inch site piping at the Waste Water Treatment Plant Facility. Graham will issue a credit of \$10,000 to the City for allowing this piping substitution. Graham will provide certification of manufacturing by a US Griffin Facility.

Following discussion, Council Member Fagerlie moved to introduce a Resolution approving Change Order No. 2 for Project 0812-C and authorize the City Administrator to execute it on behalf of the City. Resolution No. 3 was introduced by Council Member Fagerlie, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 3

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;

WHEREAS, the above contract has a contingency allowance of \$500,000 in Part 1 – GENERAL 1.02 Specific Allowances;

WHEREAS, as unforeseen soil conditions were discovered;

WHEREAS, it is necessary to add additional work to the above contract.

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

1. Additional work is hereby authorized as Owner Unanticipated Cost Allowance No. 1 for \$17,191.77.
2. Funding for additional work is covered within Contract No. 0812-C Part 1 – GENERAL 1.02 Specific Allowances reducing the Owner Unanticipated Cost Allowance from \$500,000 to \$482,808.23.
3. As specified in the above contract prior to final payment, an appropriate Change Order will be issued and the Contract Price shall be adjusted.

Dated this 17th day of November, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

City Clerk Halliday informed the Mayor and Council that EKA Hospitality, under the trade name of New Fireside, at 1108 North Business Highway 71 currently holds a 3.2 percent Malt Liquor License. The New Fireside has applied for an On-sale Liquor License and Sunday Liquor License pending Kandiyohi County licensing approval on plumbing upgrades to the establishment. Following discussion, Council Member Christianson moved to approve the On-sale and Sunday Liquor Licenses for the New Fireside pursuant to the County Sanitarian approving the plumbing upgrades. Council Member Gardner seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Clerk Halliday informed the Mayor and Council that the Willmar Curling Club, Inc. will be holding a special event at the Civic Center Area on November 22, 2008. The Curling Club has asked the On-sale Liquor License holder, "The Oaks at Eagle Creek," to apply for a Civic Center Arena special event permit, which is required to distribute alcohol at the Civic Center Arena. Council Member Gardner moved to approve the special event permit as presented. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Clerk Halliday informed the Mayor and Council that the City has received applications for Currency Exchange Licenses from Bennett Ventures, Inc. dba Ace Cash Express and Darrell K. Sunvold dba Quick Funds, Inc. The Minnesota Department of Commerce requires the governing body of the municipality to conduct public hearings on the applications. Council Member Anderson moved to schedule hearings for the currency exchange applications on December 1, 2008. Council Member Gardner seconded the motion, which carried. City Clerk Halliday further noted for the record that Ace Cash Express has moved their operation from 1605 South First Street to 312 24th Avenue SW.

Planning and Development Services Director Peterson presented to the Mayor and Council for consideration a preliminary plat for HIS First Addition, along First Street South being development by HIS Properties LLC. The Planning Commission approved the preliminary plat with the condition that utility

easements be added. Council Member Anderson moved to approve the preliminary plat for HIS First Addition with Council Member Fagerlie seconding the motion, which carried.

Planning and Development Service Director Peterson presented to the Mayor and Council for consideration an Ordinance to rezone property owned by the City and recently platted as Pleasant View Fourth Addition from P (Park District) to R-2 (One and Two Family Residential). It was noted the property is currently zoned P, but there is an existing developed park directly north of said property. Following discussion, Council Member Gardner moved to introduce the Ordinance to Rezone Certain Lands and schedule the public hearing for December 1, 2008. Council Member Dokken seconded the motion, which carried.

Mayor Heitke read a National Community Education Day Proclamation and encouraged Willmar residents to recognize and participate in this special observance on November 17, 2008.

Announcements for Council Committee meeting dates were as follows: Finance, November 24; and Public Works/Safety, November 25, 2008.

There being no further business to come before the Council, the meeting adjourned at 8:48 p.m. upon motion by Council Member Anderson, seconded by Council Member Christianson, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL