

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

March 7, 2011
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by Mayor Pro Tempore Doug Reese. Members present on a roll call were Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 7, Absent 2 – Mayor Frank Yanish and Council Member Rick Fagerlie were excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief David Wyffels, Public Works Director Holly Wilson, Finance Director Steve Okins, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: Council Minutes of February 22, Municipal Utilities Commission Minutes of February 28, Accounts Payable through March 3, Building Inspection Report for February, and Charter Commission Minutes of February 8, 2011; and Applications for Exempt Permit – NRA Foundation, Inc. and West Central Ducks Unlimited, Inc. Council Member Christianson seconded the motion, which carried.

At 7:02 p.m. Mayor Pro Tempore Reese opened a hearing on an Ordinance Amending Parts of Municipal Code Section 15 Regulating Parking and Violations. Police Chief Wyffels presented details of the proposed amendments to fees, payments, and impoundment of vehicles. There being no one present to speak for or against the proposed Ordinance, Mayor Pro Tempore Reese closed the hearing at 7:05 p.m.

Council Member Anderson offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Parts of Municipal Code Section 15 Regulating Parking and Violations. Council Member DeBlieck seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Mayor Pro Tempore Reese acknowledged John Sullivan and David Herzer who had signed up to address the City Council during its scheduled Open Forum. Mr. Sullivan discussed the need to televise Committee meetings due to errors in minutes and maintaining transparency and David Herzer discussed public labor contracts and posting of those contracts.

Mayor Pro Tempore Reese recognized the retirement of Appraiser Sue Torison after 15 years with the Willmar Assessing Department. The Council presented to Ms. Torison a token of appreciation for her many years of service.

The City Council considered a Resolution Accepting Offer on Sale of Hospital Revenue Note, Series 2011, for the Rice Care Center Project. Bill Fenske, Rice Hospital CFO, reviewed with the Council details of the project which includes the construction of an approximately 16,000 square-foot, 23-room addition to the existing 78-bed Rice Care Center, and the renovation of existing rooms in the facility. The number of private rooms will double. Mr. Fenske stated that four banks (Heritage, Bremer, Lake Region and Concorde) will be listed in the documents with four amortization schedules, one for each bank, with 30-year notes. The facility will be complete by June 2011.

Following discussion, Resolution No. 1 was introduced by Council Member DeBlieck, seconded by Council Member Dokken, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

ACCEPTING OFFER ON SALE OF HOSPITAL REVENUE NOTES, SERIES 2011
(RICE CARE CENTER PROJECT) AND PROVIDING FOR THEIR ISSUANCE

(For Resolution in its entirety, see Council Proceedings dated
March 7, 2011, located in the City Clerk's Office)

Mayor Pro Tempore Reese recognized Christie Kurth, Coordinator/Executive Director of the Willmar Area Food Shelf, who presented an update on the Willmar Food Shelf. Ms. Kurth informed the Council that in 1982 representatives of local churches and social service agencies started a temporary emergency food program and in its first year, served 60 families. In 2010, 8,091 families were served including 13,494 adults, 9,750 children and 442 individuals over 65 years of age. Ms. Kurth provided a fiscal overview acknowledging that the down economy affects the use at the Food Shelf with the number of families served growing daily. Mayor Pro Tempore Reese thanked Ms. Kurth for her presentation.

Community Education and Recreation Director Brisendine presented to the Mayor and Council the Community Education and Recreation Department's 2010 annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

The Finance Committee Report for February 28, 2011, was presented to the Council by Council Member Johnson. There were nine items for Council consideration.

Item No. 1 David Herzer urged the City to search for innovative ways to reduce spending, and John Sullivan commented on the Local Option Sales Tax program.

Item No. 2 City Administrator Schmit reported to the Committee that the Department of Employment and Economic Development (DEED) conducted a monitoring visit at the Willmar HRA to verify rental housing federal objectives for the Westwinds project were being met. The results indicated no findings or concerns. However, DEED is suggesting the Cooperative Agreement between SWMHP and the City be amended to include detailed language specifying that at least 51% of the project units be rented to low to moderate income households per DEED's grant requirements. After considerable discussion, Committee Members recommended this Amendment to the Cooperative Agreement be referred to City Attorney Ronning for review. Because the monitoring report indicated "no current action for the City to take", this matter was received for information only.

Item No. 3 Staff reviewed with the Committee the proposed Fire Protection Contract with Willmar Township. The formula used to calculate the amount due from the Township is based on information from the previous year which includes operating costs of the Fire Department, depreciation of the fire station and equipment, the number of firefighter hours used and market values of the area covered in Willmar Township.

The Committee was recommending the Council introduce a Resolution authorizing the Mayor and the City Administrator to execute the agreement as presented in the amount of \$19,301.12. Resolution No. 2 was introduced by Council Member Johnson, seconded by Council Member Dokken, 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 be authorized to enter into an Agreement for Fire Department Services between Willmar Township and City of Willmar effective April 1, 2011, and terminating March 31, 2012.

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Staff explained to the Committee that the existing Custodian/Maintenance Worker position is currently in Class 1. With the recent retirements and reallocation of staff, it is being proposed that this position be changed to a Class 3 due to changes in activities and responsibilities. It was noted that the other existing Custodian is in Class 4 which requires higher skills. The Committee was recommending the Council refer this matter to the Labor Committee. Council Member Johnson moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding the motion, which carried.

Staff explained to the Committee that three employees in the Police Department require changes in health insurance coverage from single to family. As a result, the budget needs to be amended by decreasing salaries and increasing insurance by \$26,262. The Committee was recommending the Council amend the Police Department budget as presented.

Resolution No. 3 was introduced by Council Member Johnson, seconded by Council Member Dokken, 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 Police Department Budget as follows:

Increase:	2011 Employee Insurance Contributions	\$26,262.00
Decrease:	2011 Salaries – Regular Employees	\$26,262.00

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee considered information regarding current deferred/suspense assessments which are either on properties located outside the City limits or that are senior citizen deferred. It was being recommended that deferred/suspense assessments from projects in 1969 and 1970 be written off because they are now beyond useful life which, in this case, is 40 years. The Committee was recommending the Council pass a resolution writing off the 1969 and 1970 deferred/suspense assessments as presented.

Resolution No. 4 was introduced by Council Member Johnson, seconded by Council Member DeBlieck, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

WHEREAS, the City Council of the City of Willmar, Minnesota, did order the installation of certain street, sewer and water main and other improvements made during the years 1969 and 1970; and

WHEREAS, assessments on certain properties have been deferred/suspended per the City of Willmar Comprehensive Assessment Policy; and

WHEREAS, said improvements made in 1969 and 1970 have now exceeded their useful life of forty years.

NOW, THEREFORE, BE IT RESOLVED by the Willmar City Council that deferred/suspended special assessments for improvements made during 1969 and 1970 as hereinafter designated be written off:

1.	Myron Lee & Ellen L. Radel	1969	33-004-0050	\$ 8,016.52
2.	Mildred Thorpe	1969	33-008-0010	15,637.40
3.	Betty Erickson	1969	95-380-0140	5,921.94
4.	Fairview Cemetary	1969	95-909-0060	33,503.06
5.	Bruce & J. Kallevig and Kallman & Sandra Kallevig	1969	95-909-0090	4,970.69
6.	Kenneth & Gerda Saulsbury	1969	95-909-0180	1,550.00
7.	Calvary Lutheran Church	1969	95-916-3310	4,792.78
	Sub-total	1969		<u>\$74,392.39</u>
8.	Kenneth & Gerda Saulsbury	1970	95-909-0290	1,550.00
	Total 1969 and 1970			<u>\$75,942.39</u>

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 Staff reviewed with the Committee a proposal to establish a Public Works Infrastructure Financing Plan to help accelerate the repair and reconstruction of Qty streets within the next five-year period. This plan would utilize the present Utility Replacement Fee, which generates approximately \$400,000 annually, to pay the entire City share of debt service costs. The schedule would start paying in the year 2011 and continue to increase until the \$400,000 annually would be obligated. Using this plan would allow time for the Community Investment Fund to rebound.

The Committee was recommending the Council pass a resolution adopting the Public Works Infrastructure Financing Plan, establish a special fund, and dedicating the Utility Replacement Fee Revenues to said fund. Resolution No. 5 was introduced by Council Member Johnson, seconded by Council Member DeBlieck, and carried on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 5

WHEREAS, the City Council of the City of Willmar, Minnesota, desires to establish a Public Works Infrastructure Financing Plan to accelerate the repair and construction of City streets; and

WHEREAS, the Willmar City Council desires to establish a special fund for said Public Works Infrastructure Financing Plan; and

WHEREAS, the Willmar City Council desires to dedicate the Utility Replacement Fee Revenues to said Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE Willmar City Council that the Public Works Infrastructure Plan be adopted, a special fund be established for this Plan, and that Utility Replacement Fee Revenues be dedicated to said Fund.

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 7 The Committee was informed by Staff that Rice Hospital has requested authority to purchase investments at a premium in order to obtain a higher interest rate. It was being recommended that the City's Investment Policy, Part 4.1 Safety be revised by removing "...Furthermore, the purchase of securities at an amount in excess of the stated par value will not be allowed...". The Committee was recommending the Council introduce a Resolution modifying the Investment Policy by removing the last sentence in Part 4.1 as stated above.

Resolution No. 6 was introduced by Council Member Johnson, seconded by Council Member Dokken, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

BE IT RESOLVED by the Willmar City Council to amend the City of Willmar Investment Policy, Part 4.1, titled "Safety" by removing the following language:

"Furthermore, the purchase of securities at an amount in excess of the stated per value will not be allowed."

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 8 The Committee received the December 31, 2010, Rice Memorial Hospital Report. This matter was for information only.

Item No. 9 Staff reviewed with the Committee future agenda items including Local Option Sales Tax, Capital Appropriations Report, and Groothuis issue referred back by Council. This matter was for information only.

The Finance Committee Report for February 28, 2011, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Johnson, seconded by Council Member Dokken, and carried.

The Community Development Committee Report for March 3, 2011, was presented to the Mayor and Council by Council Member Dokken. There were three items for Council consideration.

Item No. 1 John Sullivan expressed concern about the time it is taking for the Planning Commission to complete its review and revisions to the Zoning Ordinance – specifically sections dealing with planned unit developments and the role of the Board of Zoning Review. Laura Becker stated that she was hopeful the Agenda included a discussion of the terminal building at the former airport site.

Item No. 2 EDC Executive Director Steve Renquist reviewed with the Committee recently adopted goals and objectives and work plan of the Economic Development Commission. Mr. Renquist included a report on the implications of current demographic data and economic development activities which were considered in developing the agency's work plan. The five-year goals (2011 – 2015) include: 1) continuing efforts to maintain and expand businesses in Kandiyohi County; 2) assisting Rice Memorial Hospital in strengthening its position as a regional hospital; 3) filling an additional 50% of the Minn West Technology Center; 4) developing new opportunities for cooperation with similar agencies; 5) the successful commercialization of two renewable energy projects and expansion of three value-added agricultural businesses; and 6) achieving a 50% increase in local airport utilization. Mr. Renquist concluded this portion of his presentation by briefly reviewing the work plans of various committee structures within the organization. This matter was for information only.

Item No. 3 Mr. Renquist presented to the Committee an update on development activities at the Minn West Technology Campus, highlighting the fact that the Campus now houses some 20 companies totaling nearly 300 employees. Citing the arrival of a new company, Mr. Renquist requested authorization from the Committee to grant JOBZ status to an additional Campus building in order to accommodate the business. It was noted the property in question is covered under a previously approved property tax abatement program.

The Committee was recommending the Council approve the request to grant JOBZ status to an additional Minn West Technology Campus building. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Mr. Renquist then presented to the Committee recent developments with regard to Willmar Fabrication and its participation in the Industrial Park JOBZ program. Pending agreements call for a Canadian equipment manufacturer to assume a major portion of the Willmar Fabrication business and in order to accommodate the purchase, existing JOBZ credits will need to be transferred.

The Committee was recommending the Council pass a Resolution authorizing that the JOBZ authorization be transferred as presented and that the City Administrator be authorized to sign the amended JOBZ business subsidy agreement. Resolution No. 7 was introduced by Council Member Dokken, seconded by Council Member Christianson, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 7

WHEREAS, Willmar Fabrication has participated in the Industrial Park JOBZ program and has recently sold a major portion of the company's business;

NOW, THEREFORE, BE IT RESOVLED by the City Council of the City of Willmar that in order to accommodate the purchase, existing JOBZ authorization be transferred to Buhler Versatile USA, Inc. and

that the City Administrator be authorized to sign the amended JOBZ Business Subsidy Agreement.

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Mr. Renquist explained that the equipment manufacturing retained by Willmar Fabrication will shift operations to other properties and requested Council approval to authorize the transfer of JOBZ authorization to those properties along Trott Avenue in the Industrial Park and along 19th Avenue SW at the former Pepsi production distribution center.

The Committee was recommending to the Council that the JOBZ authorization be transferred as presented. Following discussion, Mr. Renquist noted that additional administrative work must be completed and that he would return to another Council meeting whereby the Council would need to set a public hearing. This matter was for information only.

Item No. 4 City Building Official Kardell was present to provide the Committee with an update on the status of vacant homes and utility shutoffs throughout the community. Responding to a request to identify and inspect vacant properties, Staff cross-checked with the Willmar Municipal Utilities for delinquent utility fees. Findings suggest that there may be as many as 99 vacant homes throughout the City and that at least 10 occupied without water service.

Following discussion, it was the consensus of the group that Building Officials should act under existing State law and City ordinances to verify and pursue action to ensure the safety of any inhabitants. This matter was for information only.

Item No. 5 Staff provided the Committee with a mobile home park update, noting that both parks are now roughly 50% occupied. Work continues with owners and management to address health and safety issues and to remove units deemed not suitable for habitation. This matter was for information only.

Item No. 6 Staff initiated a discussion regarding Zoning Ordinance enforcement of exterior storage throughout the City and discussed District Court concerns whereby violations currently charged as misdemeanors place a hardship on the Court system. Many result in expensive and time consuming jury trials. The Courts have requested that the City consider reducing first-time exterior storage violations to a petty misdemeanor.

Following discussion of the merits of such a change and the need for exterior public relations efforts for spring cleanup activities, the Committee was recommending that the City Attorney be directed to draft appropriate Ordinance revisions for introduction and public hearing. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 7 City Administrator Schmit advised the Committee that he had received a phone call from the Keeper of National Registry advising the City a letter would be forthcoming explaining the reasons for the Register's determination that the former airport terminal building was to be considered eligible for the National Registry of Historic Places. Further comment was reserved pending receipt and review of the findings. This matter was for information only.

Item No. 8 Committee Members requested future updates on the 2010 census data and the County's recycling program. This matter was for information only.

The Community Development Committee Report for March 3, 2011, 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 Ahmann, and carried.

Public Works Director Wilson informed the Council that pursuant to the 2011 Street and Other Improvements Hearing held on February 22, 2011, the Council needs to order the improvements and preparation of plans and specifications. Following discussion, Resolution No. 8 was introduced by Council Member Christianson, seconded by Council Member Anderson, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 8

ORDERING 2011 STREET AND OTHER IMPROVEMENTS
(AND DIRECTING PREPARATION OF FINAL PLANS AND SPECIFICATIONS)

WHEREAS, after due Notice of Public Hearing on the construction of street and other improvements for the City of Willmar, Minnesota, hearing on said improvements was duly held and the Council heard all persons desiring to be heard on the matter and fully considered the same.

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

1. It is advisable, expedient, and necessary that said improvements as described in the Notice of Hearing thereon be constructed, and the same are hereby ordered made.
2. The improvements described in said Notice of Hearing are hereby designated and shall be known as 2011 Street and Other Improvements.
3. The City's Engineer is hereby directed to prepare final plans and specifications for said improvements.
4. The City Council shall let the contract for all or part of the work for said improvements or order all or part of the work done by day labor or otherwise as authorized by Minnesota Statutes, Section 429.041, Subdivision 2, within one year of the date of this resolution ordering said improvements.

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No. 9 was introduced by Council Member Christianson, seconded by Council Member Anderson, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 9

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 1101 for the City of Willmar;

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

Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 12th day of April, 2011, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 7th day of March, 2011.

/s/ Doug Reese
MAYOR PRO TEMPORE

/s/ Kevin Halliday
Attest: CITY CLERK

Announcements for Council Committee meeting dates were as follows: Finance, March 14; Public Works/Safety, March 15; and Community Development, March 17, 2011.

There being no further business to come before the Council, the meeting adjourned at 9:30 p.m. upon motion by Council Member Anderson, seconded by Council Member Christianson, and carried.

Attest:

MAYOR PRO TEMPORE

SECRETARY TO THE COUNCIL