

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

July 15, 1998
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 Verna Kelly, Ron Christianson, Bruce DeBlieck, Douglas Reese, Richard Halterman, Nancy Houlahan, Vince Van Heuveln, and Rick Fagerlie; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Parks and Leisure Services Director Dale Johnson, Public Safety Director Dan Strootman, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, and City Clerk Kevin Halliday.

Additions to the agenda included awarding a contract for Project No. 9803.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 1, Municipal Utilities Commission Minutes of June 22, Rice Hospital Board Minutes of July 8, Pioneerland Library Board Minutes of May 21, Housing and Redevelopment Authority Minutes of June 9, Senior Citizen Council Minutes of July 1, and Building Inspection Report for June, 1998. Council Member Reese seconded the motion, which carried.

At 7:02 p.m. Mayor Heitke opened the hearing on an easement vacation for SuperValu Holdings, Inc. Planning and Development Services Director Peterson informed the Mayor and Council that SuperValu Holdings, Inc. petitioned the City for the vacation of snow fence and slope easements, which encumber the site of the future Cub Foods Store. It was noted the Planning Commission recommends the easements be vacated as requested. There being no one to speak for or against the proposed easement vacation, Mayor Heitke closed the hearing at 7:05 p.m.

Following discussion, Resolution No. 1 was introduced by Council Member Kelly, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

WHEREAS, a petition has been filed by SuperValu Holdings, Inc. for the vacation of snow fence and slope easements owned by the City of Willmar and encumbering property legally described as follows:

The South 400 feet of the North 883 feet of the Northwest Quarter of the Southwest Quarter of Section 23, Township 119, Range 35, except the East 660 feet thereof, and also except the plat of Highway Commercial Tract. And Lot 5, except the North 25 feet thereof, and Lots 6, 7 and 8 of Highway Commercial Tract, Kandiyohi County, Minnesota.

WHEREAS, the proposed easement vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the petition for vacation of said easements on the 15th day of July, 1998; and

WHEREAS, the City Council of the City of Willmar finds that granting said

petition will not deny any person services or benefits now being provided through said easements; and

WHEREAS, the City Council of the City of Willmar finds that it is in the best interest of the City of Willmar to grant said petition;

NOW, THEREFORE, BE IT RESOLVED that the snow fence and slope easements encumbering the property described as follows are hereby vacated:

The South 400 feet of the North 883 feet of the Northwest Quarter of the Southwest Quarter of Section 23, Township 119, Range 35, except the East 660 feet thereof, and also except the plat of Highway Commercial Tract. And Lot 5, except the North 25 feet thereof, and Lots 6, 7 and 8 of Highway Commercial Tract, Kandiyohi County, Minnesota.

BE IT FURTHER RESOLVED that a certified copy of this resolution be filed with the Kandiyohi County Recorder on or after July 27, 1998.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

City Administrator Schmit introduced Dan O'Neil, Bond Counsel with Springsted, Inc. Mr. O'Neil provided an overview of each proposed bond issue, one for the 1998 street projects and one for the Library project. Mr. O'Neil was recommending calling for a public hearing to authorize the issuance of G. O. Improvement Bonds and to provide for the competitive negotiated sale of the bonds on August 5, 1998.

Resolution No. 2 was introduced by Council Member Kelly, seconded by Council Member Halterman, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

CALLING FOR PUBLIC HEARING ON AN ORDINANCE AUTHORIZING
THE ISSUANCE OF \$2,000,000 GENERAL OBLIGATION IMPROVEMENT
BONDS, SERIES 1998A, AND THE LEVYING OF TAXES
TO SECURE THE PAYMENT THEREOF

(For Resolution in its entirety, see City Council Minutes
File dated July 15, 1998, located in the City Clerk's Office)

Council Member Kelly offered a motion to introduce an Ordinance Authorizing the Issuance of \$2,000,000 General Obligation Improvement Bonds, Series 1998A, and the Levying of Taxes to Secure the Payment Thereof and to set the hearing for August 5, 1998. Council Member Halterman seconded the motion, which carried.

Resolution No. 3 was introduced by Council Member Kelly, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF
\$2,000,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 1998A

(For Resolution in its entirety, see City Council Minutes
File dated July 15, 1998, located in the City Clerk's Office)

Resolution No. 4 was introduced by Council Member Kelly, seconded by Council Member Van Hueveln, read by Mayor Heitke, and approved on a roll call

vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

CALLING FOR PUBLIC HEARING ON AN ORDINANCE AUTHORIZING
THE ISSUANCE OF \$4,300,000 GENERAL OBLIGATION
SALES TAX REVENUE BONDS, SERIES 1998B

(For Resolution in its entirety, see City Council Minutes
File dated July 15, 1998, located in the City Clerk's Office)

Council Member Kelly offered a motion to introduce an Ordinance Authorizing the Issuance of \$4,300,000 General Obligation Sales Tax Revenue Bonds, Series 1998B, and to set the hearing for August 5, 1998. Council Member Van Heuveln seconded the motion, which carried.

Resolution No. 5 was introduced by Council Member Kelly, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF
\$4,300,000 GENERAL OBLIGATION SALES TAX BONDS, SERIES 1998B

(For Resolution in its entirety, see City Council Minutes
File dated July 15, 1998, located in the City Clerk's Office)

Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member Kelly, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO 6

WHEREAS, the 1997 Session of the Minnesota Legislature passed and the Governor signed Minnesota Laws, 1997, Chapter 231, Article 7, Section 41, allowing the City of Willmar to impose a one-half of one percent sales tax, the proceeds of which are to be used to pay bonds for the improvement of the Library; and

WHEREAS, such legislation requires local approval in accordance with Minnesota Statute §645.021; and

WHEREAS, the City of Willmar desires the law to become effective;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that Minnesota Laws, 1997, Chapter 231, Article 7, Section 41, is hereby approved.

BE IT FURTHER RESOLVED that the City Clerk is hereby instructed to submit the appropriate certification and a copy of this Resolution to the Secretary of State of Minnesota.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Finance Committee Report of July 6, 1998, was presented to the Mayor and Council by Council Member Kelly. There were six items for Council information.

Item No. 1 Ken Warner, Willmar Chamber President, appeared before the Committee and to explain the history behind the Leadership Perspectives program. The Committee reviewed an informational packet that is provided to employers and interested individuals to enroll in the program. This matter was for information only.

Item No. 2 The Committee also considered a request from Mr. Warner that the City participate in a campaign to promote Willmar as the 19th most livable micropolitan city in the nation. The campaign would provide stickers to area businesses, place signs at the entrances to the City and County, provide radio coverage during the major holiday weekends and cover the costs of producing a four page broad-sheet section to be inserted into the Tribune's Pride and Progress Edition in August.

The funding that is being proposed is \$3,000 from the Willmar Area Chamber, \$2,000 from Kandiyohi County Economic Development Partnership, \$550 from the Convention and Visitors Bureau, and \$550 from the City of Willmar. The Committee was recommending to the Council approval of funding the City's portion of \$550 from the Industrial Development Fund. Council Member Kelly moved to approve the recommendation of the Finance Committee with Council Member Halterman seconding the motion, which carried.

Item No. 3 The Committee reviewed the status of discussions with Kandiyohi County relating to the Law Enforcement Center. The areas of interest were as follows: leasing vs. owning, and the level of costs that the City should be responsible. This matter was for information only.

Item No. 4 Staff presented to the Committee a recommended budget amendment to appropriate a donation received for the Senior Citizens Budget. The Committee was recommending to the Council to amend the Senior Citizens Budget by the amount of \$200. Resolution No. 7 was introduced by Council Member Kelly, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 7

SUPPLIES:		FINANCING:	
General Supplies	<u>\$200.00</u>	City-donations	<u>\$200.00</u>
Total:	\$200.00	Total:	\$200.00
Grand Total:	\$200.00		

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee discussed the process involved to amend the salaries of the Mayor and City Council. It was noted that adjustments cannot take effect until after the next general election. It was the consensus of the Committee that with the upcoming general election, this would be the appropriate time to increase Council Members' salaries from \$4,600 to \$6,000 and the Mayor's salary from \$6,400 to \$7,500. The Committee was recommending to the Council to introduce an Ordinance and set a public hearing. Council Member Kelly moved to approve the recommendation of the Finance Committee with Council Member Halterman seconding the motion.

The Council voiced concerns that this proposal should follow the budgeting procedures for the adoption of next year's budget. Council Member Halterman moved to table the matter with Council Member Kelly seconding the motion, which carried.

Item No. 6 The Committee listed the following items for future agendas:

water main financing and the Rice Hospital Teleconference. This matter was for information only.

The Finance Committee Report of July 6, 1998, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Kelly, seconded by Council Member Halterman, and carried.

The Public Works/Safety Committee Report of July 7, 1998, was presented to the Mayor and Council by Council Member Halterman. There were four items for Council consideration.

Item No. 1 The Committee considered a proposed ordinance regarding recreational burning referred back to staff for the drafting of an ordinance. Following discussion, the Committee was recommending to the Council to introduce the ordinance as presented and set a public hearing.

Council Member Halterman moved to introduce an Ordinance Regulating Open Burning and Use of Barbecue Grills in the City of Willmar and to schedule the public hearing for August 5, 1998. Council Member Kelly seconded the motion, which carried.

Item No. 2 Staff presented to the Committee three supplemental agreements for additional work required on the South First Street Project. The agreements are a result of modifications to the storm sewer in the vicinity of 24th Avenue SE. The Committee was recommending to the Council approval of Supplemental Agreements Nos. 1-3.

Resolution No. 8 was introduced by Council Member Halterman, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 8

WHEREAS, a contract has been awarded to Riley Brothers Construction Inc. of Morris, Minnesota, on April 27, 1998, in the amount of \$2,490,428.15 for Project No. 9605 (Reconstruction of First Street from 19th Avenue South to entrance of WalMart); and

WHEREAS, it is desired 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 herewith authorized to be added to the above contract estimated by the Consulting Engineer to be \$12,822.17 and identified as Supplemental Agreements Nos. 1 - 3.
2. Funding for the additional work is from State Municipal Turnback funds.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed the City's portion on the site improvements at the new ice arena and was recommending to the Council approval of the plans and specifications and advertise for bids. Resolution No. 9 was introduced by Council Member Halterman, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 9

WHEREAS, the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Ice Arena Site Work 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 advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:30 p.m. on the 10th day of August, 1998, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Staff requested approval to submit an application for a \$30,000 grant through the Minnesota Safe and Sober Program for traffic enforcement. The Committee was recommending to the Council approval to submit the grant application and authorize execution of grant agreements. Resolution No. 10 was introduced by Council Member Halterman, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 10

AUTHORIZING ACCEPTANCE OF A TRAFFIC SAFETY AWARD

BE IT RESOLVED that the Willmar Police Department enter into an agreement with the Minnesota Department of Public Safety, Office of Traffic Safety for the project entitled Safe and Sober Communities during the period from October 1, 1998, through September 30, 1999.

Dan Strootman, Public Safety Director, is hereby authorized to execute such agreements and amendments as are necessary to implement the project on behalf of the Willmar Police Department.

BE IT FURTHER RESOLVED that the Sheriff of Kandiyohi County is hereby authorized to be the fiscal agent and administer the grant on behalf of the City of Willmar.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Public Works/Safety Committee Report of July 7, 1998, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Halterman, seconded by Council Member Kelly, and carried.

The Labor Relations Committee Report of July 8, 1998, was presented to the Mayor and Council by Council Member Reese. There was one item for Council consideration.

Item No. 1 Rice Hospital CEO Lorry Massa was present to discuss the legislated salary increase proposal for the Rice Care Center employees. Mr. Massa gave a brief overview of nursing home reimbursement in the State of Minnesota and discussed the background of the proposed salary increase. He explained that the State sets the rates nursing homes can charge residents and that rate increases have been severely limited over the past few years.

Because of the labor shortage in Minnesota, nursing homes throughout the State have had difficulty filling open positions. This problem has been made worse by the restrictive rates set by the State, which have not allowed nursing homes to adjust salaries to stay competitive with other employers. The 1998 Legislature chose to address this problem by approving funds for a 3 percent salary increase for nursing home workers. The State Department Human Services has established a process for nursing homes to apply for the funds, which will be built into the nursing home's rates, upon approval.

Mr. Massa described the process used at the Rice Care Center to develop the proposal for the recommended increases. Under the proposal, Nursing Assistants would receive a \$0.20 per hour increase, which is approximately 2 percent. All other employees, with the exception of the Nursing Home Administrator, would receive an increase of approximately 3 percent. Some would get slightly more, some less, on a percentage basis. This was determined by looking at market salary surveys and other data. The Nursing Assistants would receive less because they had received two increases of \$0.50 per hour during the past year. This is the position with the highest turnover rate and a critical position for the delivery of care. Candy Carlson, the Rice Care Center Administrator, described the salary proposal as fair and indicated that the details have been shared with Rice Care Center staff. If approved by the Hospital Board and the City Council, the proposal must also be approved by the Department of Human Services. The increases would be effective July 1, 1998, if approved.

It was the consensus of the Committee that following approval of the Hospital Board, the City Council would accept same by approval of the Rice Hospital minutes, which are scheduled to appear before the Council on July 15, 1998. This matter was for information only.

The Labor Relations Committee Report of July 8, 1998, 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.

At 7:30 p.m. Council Member Reese left the meeting.

The Community Development Committee Report of July 9, 1998, was presented to the Mayor and Council by Council Member DeBlieck. There were four items for Council consideration.

Item No. 1 The Committee discussed the recommendations for housing policy as developed by the Mayor's Housing Task Force. Concern was expressed by several Committee Members regarding the adoption as policy of certain housing issues that were currently being addressed by other organizations involved in housing. Staff was directed to draft policy statements for Task Force recommendations A through F, and H. The Committee requested that staff include a brief strategy for addressing each policy. This matter was for information only.

Item No. 2 The Committee reviewed an update on development activities. The report included information on a number of construction projects, both proposed and under way. This matter was for information only.

Item No. 3 Staff presented to the Committee recent developments in transportation services in Kandiyohi County. Representatives of local transportation providers have met to form the "Kandiyohi County Transit Task Force" which is studying ways to redesign and possibly enlarge transportation services in this area. Plans include developing a County public transit system and expanding the Willmar Transportation System.

Staff diagrammed the proposed flow chart of authority and governance and presented a draft of the service design for the City of Willmar, County-wide services, and agency-contracted services. It was noted that the draft service design more than doubles the hours of service currently provided in the City of Willmar and, correspondingly, increases the city levy dollars required. The proposed service plan was designed to be achieved in three to five years.

The Committee was recommending to the Council to direct Staff to proceed with the development of the County public transit system and expansion of the Willmar transportation system, and to support the joint powers board proposal. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 4 The Committee discussed the City's requirement for a developer letter of credit, which is used to partially guarantee the cost of installing infrastructure in new developments. Questions raised by the Committee were whether the letter of credit is a needed form of security and, if so, is 30% the proper amount of security to require. Staff was directed to prepare information on the history and use of developer security and to report back at the next Committee meeting. This matter was for information only.

The Community Development Committee Report of July 9, 1998, 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.

The Mayor and Council considered an application for an Off-sale Intoxicating Liquor License submitted by Judith Cuchna DBA Lakeland Liquor. It was noted the establishment has sold and the new owners have completed the application with the Police Department and City Attorney signing off on the application. Council Member Kelly moved to approve the application for Off-sale Intoxicating Liquor License with Council Member Fagerlie seconding the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Public Works Director Odens informed the Mayor and Council that bids were opened on July 13, 1998, for Project No. 9803 - First Street Mill and Overlay Improvements between Willmar and 19th Avenue South. Following discussion, Resolution No. 11 was introduced by Council Member Kelly, seconded by Council Member Van Heuveln, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 11

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the bid of Duininck Bros., Inc. of Prinsburg, Minnesota, for Project No. 9803 - First Street Mill and Overlay Improvements is accepted, and be it further resolved the Mayor and City Administrator be authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$157,014.41.

Dated this 15th day of July, 1998.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Announcements for Council Committee meeting dates were as follows: Airport Advisory, July 20; Finance, July 27; Public Works/Safety, July 29; and Community Development, July 30, 1998.

Mayor Heitke recognized the success of SonShine held in Willmar on July 9 through 11, 1998, and complimented Bob Poe, Gary Crow and Linda Westburg on a terrific job of organizing an event that incorporates 13,000 people into the community on a weekend.

There being no further business to come before the Council, the meeting adjourned at 8:09 p.m. upon motion by Council Member Halterman, seconded by Council Member Christianson, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL