

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

July 17, 2002  
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, Nancy Houlahan, Rick Fagerlie, Jim Dokken, and David Chapin; Present 7, Absent 2 - Denis Anderson and Doug Reese were 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.

Proposed additions to the agenda included discussion of Robbins Island, City Planner position, and Blue Line Club premise permit.

The Council requested that the Rice Hospital Board, Municipal Utilities Commission and Housing and Redevelopment Authority minutes be removed from the Consent Agenda.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 1, Building Inspection Report for June, Pioneerland Library Board Minutes of May 16, Housing and Redevelopment Authority Minutes of June 27, Community Education and Recreation Board Minutes of June 27, and Zoning Appeals Board Minutes of July 1, 2002. Council Member DeBlieck seconded the motion, which carried.

The Council discussed the Rice Hospital Board Minutes relative to the acquisition of properties in Block 64 and an article in the West Central Tribune addressing "some risk" with the aggressive projections of the management forecasts for the \$48 million Hospital project. Council Member Dokken moved to approve the Rice Hospital Board Minutes of July 10, 2002, with Council Member Christianson seconding the motion, which carried.

The Council discussed the Municipal Utilities Commission Minutes, and Council Member DeBlieck brought to the Council's attention the \$125,000 capital call from EN-TEL. Council Member DeBlieck moved to approve the Municipal Utilities Commission Minutes of July 9, 2002, with Council Member Christianson seconding the motion, which carried.

The Council discussed the Housing and Redevelopment Authority Minutes. Mayor Heitke commented on the Crime-Free Multi-Family Housing Project noting all projects have passed the final inspection by the Police Department. The Housing and Redevelopment Authority Minutes of June 11, 2002, were accepted as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Dokken, seconded by Council Member DeBlieck, and carried.

Mayor Heitke recognized a City employee retiring after 27 years of public service. The Mayor acknowledged Mike Waldner, Waste Treatment Plant Operator, thanking him, extending congratulations, and presenting a gift.

At 7:19 pm. Mayor Heitke opened the hearing on an Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. Planning and Development Services Director Peterson presented details of the proposed Ordinance, noting the Planning Commission wishes to amend the Zoning Ordinance to allow mini-storage business as a conditional use in Limited Business District. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:20 p.m.

Council Member DeBlieck offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. Council Member Chapin seconded the motion, which carried on a roll call vote of Ayes 6, Noes 0.

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

Connie Schmoll, Director of Shelter House Inc., addressed the Mayor and Council regarding Shelter House, Inc., a non-profit organization seeking to promote safe homes and communities by providing options of safety, support and skills for those affected by domestic violence. Ms. Schmoll presented plans for a new facility on Willmar Avenue Southeast. Following discussion, Council Member Christianson moved to approve a Certificate of Support for Shelter House, Inc., with Council Member DeBlieck seconding the motion, which carried.

The Finance Committee Report of July 8, 2002, was presented to the Mayor and Council by Council Member Fagerlie. There were five items for Council consideration.

Item No. 1 The Committee met with representatives from Rice Memorial Hospital, Larson Allen and Weishair, and Springsted Incorporated to discuss the future expansion and renovation project at Rice Memorial Hospital.

As part of the project, the accounting firm of Larson, Allen and Weishair was hired to review the financial projections prepared by Rice Memorial Hospital. Following a review of their findings, the consultants concluded that management's assumptions, in general, are consistent with historical results as well as assumptions from other management teams in similar situations. Given the size of the capital investment and financing vs. the limited financial position of the Hospital, the project would be considered relatively high risk. The differences between projections and actual results may be material.

Representatives from Springsteds then went on to explain the financing options available to the City and Hospital. The three options discussed with staff have been a straight Revenue Bond, HUD 242 financing, and a General Obligation Bond.

The straight Revenue Bond has many disadvantages, higher costs, possibly not marketable and would be a financial burden for the Hospital. HUD 242 financing has many procedural delays and additional costs to further study the financial condition of both the Hospital and City. The General Obligation Bond was considered the best possible option because of the reduced cost to the Hospital.

The General Obligation option was recommended as being the best financial option to fund the expansion and renovation of Rice Memorial Hospital. In order to be able to issue General Obligation bonds, the City is required to hold a referendum allowing the citizens the opportunity to vote on the issue. The Committee was recommending that the Council introduce a resolution authorizing staff to prepare the question to be placed on the primary ballot on September 10, 2002,

asking the voters of the City of Willmar approval to issue General Obligations Bonds in an estimated amount of \$51 million to finance the expansion and renovation of Rice Memorial Hospital.

Following discussion, Resolution No. 1 was introduced by Council Member Fagerlie, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

### RESOLUTION NO. 1

#### CALLING FOR AN ELECTION ON THE ISSUANCE OF GENERAL OBLIGATION BONDS

(For Resolution in its entirety, see City Council proceedings file dated July 17, 2002, located in the City Clerk's Office)

Item No. 2 Staff informed the Committee that the original budget estimates for the air conditioning at the WEAC Auditorium were incomplete and supplied with no visual inspection of the roof or building. The contractor who had supplied the estimate confirmed that the architects' estimates were closer to where the costs would be if the project were to be bid at this time.

The Committee, realizing that the project estimate is about \$23,000 short of the budgeted amount of \$65,000, was recommending to the Council to authorize the advertising of bids and will review the project to determine if additional funds will need to be appropriated after bids are received.

Following discussion, Council Member Chapin moved to table the matter with Council Member Christianson seconding the motion, which failed. Council Member Fagerlie moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding the motion, which carried.

Item No. 3 The Committee reviewed correspondence from the League of Minnesota Cities concerning the National Pollution Discharge Elimination System (NPDES) permitting process. The League is proposing to develop a permit "Guide Plan." The Guide Plan would be designed to help MS4 cities complete 50 percent to 65 percent of their NPDES Phase II Permit Application and Storm Water Pollution Prevention Program using in-house resources. The rough estimate of the cost to develop the Guide Plan is \$250,000. The cost would need to be split between 50 or more permit holders to make it affordable and cost-effective.

The Committee was recommending to the Council that staff notify the League that the City of Willmar is interested in participating in the program at a cost not to exceed \$5,000. Council Member Fagerlie moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding the motion, which carried.

Item No. 4 The Committee considered a request to amend the Police Department capital budget by the amount of \$2,000. The dollars were for a Safe and Sober Challenge Grant awarded to the Department for the purchase of a Radar Unit. Since this item was revenue neutral, the Committee was recommending that the Council pass a resolution to amend the Police Department Budget as requested.

Resolution No. 2 was introduced by Council Member Fagerlie, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to make the following changes within the Police Department Capital Fund Budget:  
General Fund

Increase: \$2,000.00

Increase: \$2,000.00

Dated this 17<sup>th</sup> day of July, 2002.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 The Committee reviewed two requests for permission from the Fire Chief to use houses at 707 28<sup>th</sup> Avenue SW and 920 Lakeland Drive NE for live fire training for the Willmar Fire Department. A condition of the training is that the Department will burn the structures when completed with the training. It was noted that the appropriate paperwork has been completed, and the Committee was recommending to the Council to approve the requests as submitted. Council Member Fagerlie moved to approve the recommendation of the Finance Department with Council Member Dokken seconding the motion, which carried.

The Finance Committee Report of July 8, 2002, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie, seconded by Council Member Dokken, and carried.

The Mayor and Council considered the matter of Housing and Redevelopment Authority Commissioner Glynda DeLeon missing a majority of the scheduled HRA meetings. The City was offering her a hearing to present an explanation prior to considering the recommendation from the HRA that she be removed from office. Ms. DeLeon appeared before the Mayor and Council to offer testimony to her recent struggles and conflicts that prevented her from attending scheduled meetings. It was noted that Ms. DeLeon did miss several meetings consecutively violating the attendance rule.

Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 3

(For Resolution in its entirety, see City Council proceedings file dated  
July 17, 2002, located in the City Clerk's Office)

The Community Development Committee Report of July 11, 2002, was presented to the Mayor and Council by Council Member DeBlieck. There was one item for Council consideration.

Item No. 1 Building Inspector Randy Kardell was present to discuss with the Committee the issue of mechanical permits and building permits for windows and siding. It was the consensus of the Committee to table action until the City Attorney could review State Building Code requirements for required permits and inspection. The Committee is also requesting the City Attorney's opinion as to what liabilities the City has in regards to the inspection and permit process. This matter was for information only.

The Community Development Committee Report of July 11, 2002, 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 Dokken, and carried.

Public Works Director Odens presented to the Mayor and Council for consideration the bid results for Project No. 0201 – 2002 Street Improvements. Following discussion, Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member Chapin, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

#### RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the bid of Duinick Bros. Inc., of Prinsburg, Minnesota, for City Project No. 0201 – 2002 Street Improvements is accepted, and be it further resolved that the Mayor and City Administrator of the City of Willmar are hereby authorized to enter into an agreement with the bidder for the terms and consideration of the contract in the amount of \$938,671.52.

Dated this 17<sup>th</sup> day of July, 2002.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

City Clerk Halliday presented to the Mayor and Council a request from the Willmar Blue Line Club for a premise permit. Following discussion, Resolution No. 5 was introduced by Council Member Fagerlie, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

#### RESOLUTION NO. 5

REQUESTING THAT THE MINNESOTA GAMBLING  
CONTROL BOARD APPROVE THE APPLICATION FOR A  
PREMISE PERMIT FOR THE WILLMAR BLUE LINE CLUB, INC.

WHEREAS, the Willmar Blue Line Club, Inc. has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at the Elks Lodge 952, 426 Litchfield Avenue Southwest, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the Willmar Blue Line Club, Inc. and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the Willmar

