

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

April 17, 2006
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, Bruce DeBlieck, Denis Anderson, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 7, Absent 1 - Ron Christianson was excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, 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 Mayoral appointments, Police Officer to be honored, and Mayor's Prayer Breakfast.

The Municipal Utilities Commission Minutes of April 10, 2006, were removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 3, Rice Hospital Board Minutes of April 5, Building Inspection Report for March, and Housing and Redevelopment Authority Board Minutes of March 14, 2006. Council Member Anderson seconded the motion, which carried.

The Council discussed the Municipal Utilities Commission item regarding En-Tel wanting to exercise their lease option to purchase their building from Allied Power. Council Member DeBlieck moved to approve the MUC Minutes of April 10, 2006, with Council Member Fagerlie seconding the motion, which carried.

At 7:04 p.m. Mayor Heitke opened the hearing on an Ordinance Extending the Corporate Limits of the City of Willmar. Planning and Development Services Director Peterson presented details of a petition filed by Wallace Janssen to annex 30.94 acres of land for improvement, platting and residential development. The Planning Commission has reviewed and approved of the petition. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:05 p.m.

Council Member Reese offered a motion to adopt, assign a number and order final publication of the Ordinance Extending the Corporate Limits of the City of Willmar. Council Member DeBlieck seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Mayor welcomed the following new Police Officers: Zack Herzog, Dustin Van der Hagen, James Venenga, Colleen Myhre, Bridget Coit and Ross Livingood.

Mr. Gary Geiger, Greg Hilding and Ken Warner presented to the Mayor and Council an Ad-Hoc Committee Report regarding a review of the current street assessment policy and transportation needs. The Ad-Hoc Committee was recommending the City consider an aggressive five to seven-year plan to get caught up; develop a street classification system; place all utilities in the right-of-

way; create an overall transportation plan that meets the Willmar Area Transportation Plan; change from a 75/25 assessment formula to 50/50; and consideration of a utility hook-up fee.

Following discussion, Council Member Anderson offered a motion to refer the Ad-Hoc Committee recommendations to the Finance Committee for consideration. Council Member Gardner seconded the motion, which carried.

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

The Finance Committee Report for April 10, 2006, was presented to the Mayor and Council by Council Member Anderson. There were seven items for Council consideration.

Item No. 1 The Committee reviewed the current Assessment Policy which establishes a 30% Letter of Credit Requirement for new developments in City street or water/sewer improvement projects. This discussion was a follow-up to concerns presented at the last Council meeting regarding the number of buildable lots throughout the City. The policy was instituted several years ago to prevent delinquent assessments on unpurchased lots. Ultimately, the delinquent assessments can be collected through funds in the Letter of Credit which is part of the Developer's Agreement. To date, there has been no need to draw on those funds since the policy's inception. This matter was for information only.

Item No. 2 The Committee received the Rice Hospital 2005 Financial Statement and were informed that representatives from the Hospital will be attending the next Committee meeting to discuss this information. This matter was for information only.

Item No. 3 The Committee reviewed the Municipal Utilities 2005 Financial Statement. This matter was for information only.

Item No. 4 Staff updated the Committee on the status of the transfer of financial responsibilities for the Economic Development Commission from the County to the City. Previous payroll issues have been resolved so the City will begin to perform those services this month. Also, staff is continuing to work on bringing over all the financial information for the first quarter of 2006. This matter was for information only.

Item No. 5 The Committee reviewed the March 31, 2006, Local Option Sales Tax report. Various projects anticipated under this funding were discussed as well as the process of collecting the taxes. This matter was for information only.

Item No. 6 Staff explained to the Committee that the State of Minnesota has established a Duration Limit for Tax Increment Financing which is the shorter of: 1) eight years from the first day an increment is received; or 2) ten years from the adoption of the Financing Plan. It has been learned that the City is in non-compliance of this issue on two TIF projects because although the County collected the increment properly in the allotted time period, they paid the City after the Duration Limit expired. The total paid to the City for both projects during this period was \$4,319.28. Staff continues to correspond with the State on this issue. City staff is also working with the County to ensure they pay the increments to the City as soon as they are received rather than after the May 15th or November 15th collection dates. The Committee advised Staff to refer this matter to the City Attorney as well. This matter was for information only.

Item No. 7 Staff informed the Committee that the Kandiyohi County Historical Society

has submitted its request for the fourth installment of five annual payments for renovation of the Sperry House. Each of these annual payments is \$20,000 which provides a total contribution of \$100,000 over a five-year period. This matter was for information only.

The Finance Committee Report for April 10, 2006, 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 Gardner, and carried.

The Public Works/Safety Committee Report for April 11, 2006, were presented to the Mayor and Council by Council Member Reese. There were eight items for Council consideration.

Item No. 1 The Committee discussed a request from the Downtown Ministry Committee at Bethel Lutheran Church in conjunction with the Willmar Design Center for a "Becker Market" every Thursday this summer from noon until sunset. The plan is to offer farmers' products as well as organic produce and unusual items for sale to the public.

Subsequent to the Committee meeting, Staff had reviewed the proposal and brought forward safety issues. Both the Police and Fire Departments expressed concerns with traffic and accessibility. Staff had suggested moving the market day to Saturdays and/or using one of the many public parking lots in the downtown area. Market proponents rejected both alternatives and submitted a revised Becker Avenue proposal including less operating hours.

The Committee was recommending the Council allow the organization to try the Becker Market for one season.

Bev Dougherty, Willmar Design Center, reviewed the proposal with the Mayor and Council and presented a revised parking lot access handout detailing the street closure just east of the Ronning Law Office parking lot.

Following discussion, Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee to permit the Becker Market request for one season. Council Member Anderson seconded the motion, which carried.

Item No. 2 The City received a request from Bethel Lutheran Church to again hold concerts on Becker Avenue SW between 4th and 5th Streets. Staff presented correspondence from Bethel Lutheran Church in conjunction with Main Street Willmar for temporary street closures. They are requesting permission to block off a portion of Becker Avenue in front of Bethel Church similar to last year. The request is to allow concerts every Tuesday from 12:15 to 12:45 p.m. during the months of June and July. The street would be blocked off from noon until 1:00 p.m. In the event of rain, the concert will be moved inside the church. No labor is requested of City staff for setup or take down.

The Committee was recommending the Council approve the request for street closure as presented. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Swenson seconding the motion, which carried.

Item No. 3 Several members of the Kandiyohi County Humane Society appeared before the Committee to discuss a proposal to construct a new facility along 28th Street SW on property soon to be vacated with the relocation of the Airport. The proposal includes construction of a 4,900 SF building, connection to sewer and water service, and a parking lot. Their present facility is 2,900 SF and this would permit them to expand service and care. The estimated cost of the structure is

between \$350,000 and \$450,000. Through fundraising efforts the Humane Society has raised \$100,000. The Humane Society is requesting the City donate the 1.5 acre tract of land for construction and waive the building permit fees.

The Committee was recommending the Council approve the donation of the tract of land and waive the building permit fees. Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Swenson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

WHEREAS, the City of Willmar desires to donate a tract of land to the Humane Society of Kandiyohi County to construct a new facility to provide impounding services of stray animals; and

WHEREAS, a site has been selected on City property soon to be vacated by the relocation of the Airport;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Willmar that said parcel of land be donated and the building permit fees for the structure be waived.

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 The Committee reviewed a cooperative agreement from the State of Minnesota acting through the Commissioner of the Department of Natural Resources for a walk path to their proposed shore fishing structure on Foot Lake. The location slated is between the Kandiyohi County Fairgrounds and Rau Park on 7th Street North. Plans and specifications for the structure have been prepared by the State. Under the agreement, the State shall provide and install the fishing structure along with obtaining all the federal and state permits and installation of an informational sign. The State's total financial obligation shall not exceed \$10,000.00.

Plans and specifications for the handicap access to the platform shall be prepared by the City to include development of a sidewalk/pathway to the structure. The City shall also provide parking to include one designated space for persons with disabilities. The structure will remain open every day during open water season between the hours of 6:00 a.m. and midnight, or in conjunction with the City's established park hours. The City's obligation is to operate and maintain the structure and maintain police protection and patrols.

Following discussion, the Committee was recommending the Council accept the agreement for the fishing structure project as presented and authorize the Mayor and City Administrator to sign on behalf of the City and revise the budget accordingly. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Swenson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

Whereas the City of Willmar desires to enter into an agreement with the State of Minnesota,

Department of Natural Resources to provide the City of Willmar with a public fishing platform to Foot Lake; and

Whereas an agreement has been prepared for said services;

Now therefore be it resolved by the City Council of the City of Willmar that said agreement be approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee reviewed proposed amendments to the City's Ordinance establishing the Airport Commission. Responsibilities of the Airport Commission have included overseeing development of the new Airport. The changes to the ordinance will more clearly define the role of the Commission as the Airport transitions into more of a day-to-day operational and maintenance mode. One change includes the requirement that at least two of the seven members shall be licensed pilots whose primary base of operation is the Willmar Municipal Airport. In reviewing the changes, it further was the consensus of the Committee to strike the last sentence under 3-a, more clearly defining the Commission's role as advisory in nature.

The Committee was recommending the Council approve the amendments to the Ordinance as discussed and schedule a hearing.

Council Member Gardner moved to amend the proposed Ordinance to read "three of the seven members shall be licensed pilots" with Council Member Anderson seconding the motion. Following discussion, Council Member Gardner withdrew his motion and Council Member Anderson withdrew his second.

Council Member Reese offered a motion to introduce the Ordinance Amending Ordinance No. 1113 Establishing the Willmar Municipal Airport Commission and Providing for Its Duties and Responsibilities and schedule a hearing to be held May 1, 2006. Council Member Swenson seconded the motion, which carried.

Item No 6 Staff briefed the Committee on training requirements identified by the NIMS Training Center. All federal, state, local, tribal, private sector and non-governmental personnel with a direct role in emergency management and response must be NIMS and ICS trained. This matter was for information only.

Item No. 7 Sam Lahanis of Donohue and Associates presented to the Committee the WWTP Relocation Project March Monthly Report. Donohue and Associates completed the funding packets and developed site plan concepts for the new and existing plants. Mr. Lahanis and staff attended the Lake Pepin Phosphorus TMDL Conference to aid in determining how to proceed with permitting issues. The possibility of changing the site locations for cost savings was evaluated, and the decision was made to continue with the original westerly site plan. This matter was for information only.

Item No. 8 Ken Sedmak and Mike Gerbitz of Donohue and Associates presented to the Committee the Draft Facilities Plan for Willmar's proposed Wastewater Collection and Treatment Facilities. The presentation included a project schedule and explanation of the purpose of a facilities plan. The purpose is to set forth a technically sound, cost-effective wastewater conveyance and treatment plan that will accommodate growth until the year 2030 or beyond and satisfy requirements of the Minnesota Pollution Control Agency.

The Draft Facilities Plan proposes to construct a new Wastewater Treatment Facility at the site of the existing Sludge Transfer and Storage Facility. This facility would be operational in late year 2010 and treat all wastewater generated within the City's service area. Municipal wastewater and production-related wastewater from the Jennie-O Turkey Store (JOTS) would be treated in separate treatment processes.

It also includes minor upgrades to the existing wastewater treatment facility to maintain compliance until the proposed new wastewater treatment facility is operational. The production-related wastewater from the JOTS's production facilities would be conveyed by two pump stations and force mains to the new wastewater treatment facility. The municipal wastewater would be conveyed by a large-diameter gravity interceptor. The construction of a pump station at the site of the existing wastewater treatment facility would pump wastewater from this location to the proposed new large-diameter gravity interceptor. The structures at the existing site that are no longer necessary would be abandoned and removed.

The Draft Facilities Plan covered the probable costs and summary of fees used to generate funding for the project. The City is also pursuing a total of \$20 million in State and Federal grants and methods to structure the associated debt and generate the required revenue.

The City Council and staff members were asked to review the Draft Facilities Plan and submit any comments or concerns to Donohue and Associates for consideration. The final document will be discussed again at the next meeting of the Public Works/Safety Committee along with a resolution adopting the Draft Facilities Plan and authorization to submit the plan to the Minnesota Pollution Control Agency. This matter was for information only.

The Public Works/Safety Committee Report for April 11, 2006, 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 Fagerlie, and carried.

Public Works Director Odens presented bids received for the Airport Aviation Fuel Improvements. Following discussion, Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member DeBlieck, read by Mayor Heitke, 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, a Municipal Corporation of the State of Minnesota, that the bid of B & H Petroleum of Mankato, Minnesota for the Airport Aviation Fuel System 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 \$324,621.64.

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Council Member Reese moved to refer the excess \$24,621.64 to the Finance Committee. Council Member Anderson seconded the motion, which carried.

Public Works Director Odens presented bids received for Project 0604-A, Koosman Development – Emerald Pond Underground. Following discussion, Resolution No. 4 was introduced by Council Member Gardner, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, 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 Juul Contracting Company. of Hutchinson, Minnesota for City Project No. 0604-A 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 \$203,792.50.

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Public Works Director Odens presented bids received for Project 0604-B, Koosman Development – Emerald Pond Street. Following discussion, Resolution No. 5 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. 5

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. 0604-B 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 \$162,327.15.

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

City Clerk Halliday informed the Mayor and Council that the Primary Election is scheduled for September 12, and the General Election is scheduled for November 7, 2006. In accordance to Minnesota Statutes it is necessary to pass a resolution designating polling locations. Mr. Halliday noted that Ward Three, Precinct 1, will now be the Willmar Conference Center. Resolution No. 6 was introduced by Council Member Dokken, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the following buildings be designated as the official voting locations for the 2006 Primary and General Elections:

FIRST WARD:	1 st Precinct	Senior Citizens Center 624 North Highway 71
	2 nd Precinct	Lakeview Apartment Building 300 North 7th Street
	3 rd Precinct	Ridgewater College 15th Avenue Northwest
SECOND WARD:	1 st Precinct	St. Mary's Catholic Church 713 Southwest 12th Street
	2 nd Precinct	Vinje Lutheran Church 1101 Willmar Avenue Southwest
	3 rd Precinct	Christian Reform Church 1708 Southwest 8th Street
THIRD WARD:	1 st Precinct	Willmar Conference Center 2100 East Highway 12
	2 nd Precinct	Highland Apartments 115 East Becker Avenue
	3 rd Precinct	Municipal Auditorium 311 West 6th Street
FOURTH WARD:	1 st Precinct	First Baptist Church 1000 6 th Street Southeast
	2 nd Precinct	Calvary Lutheran Church 302 Olena Avenue
	3 rd Precinct	Redeemer Lutheran Church 1401 Southwest 6th Street

Dated this 17th day of April, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

City Clerk Halliday presented to the Mayor and Council the following liquor license renewals: On-sale – Blue Heron on the Green, Hi Tops Bar & Grill, Holiday Inn/Green Mill, Kandi Entertainment Center and Vannandy's Restaurant; Club On-sale – Willmar Elks Lodge; On-sale 3.2% Malt Liquor – Café Persepolis and La Nueva Rosita's; Off-sale – Cub Foods and Liquor Mart;

and Wine – Café Persepolis and LaNueva Rosita's. Mr. Halliday informed the Council that Vannandy's is in arrears in their utility payment and by Code 3-123(a) cannot have their license renewed at this time.

Council Member DeBlieck offered a motion to adopt all the liquor license renewals as presented except Vannandy's approval is contingent on payment of their delinquent utility charges by April 25, 2006. Council Member Fagerlie seconded the motion. Council Member Reese moved to amend the motion stating if Vannandy's utility bills are in arrears in any month throughout the year, the license will be revoked. Council Member Dokken seconded the motion, which failed on a roll call vote of Ayes 2, Noes 5 – Council Members Anderson, Swenson, Gardner, Fagerlie and DeBlieck voted "No." The original motion then carried on a roll call vote of Ayes 7, Noes 0.

Mayor Heitke presented to the Council for consideration the following appointments: Airport Commission – John Lambing; Community Education and Recreation – Lisa DeCathelineau and Chris Bennett; Zoning Board of Appeals – Jeff Sawyer; and Planning Commission – Dr. Michael Morris. Council Member Gardner moved to approve the appointments as presented with Council Member Reese seconding the motion, which carried.

Mayor Heitke announced that Police Officer Glenn Negen will be presented with the "Medal of Honor" on April 26, 2006.

Mayor Heitke also announced that the Mayor's Prayer Breakfast will be held on May 4, 2006, and that the Sons of Norway will be celebrating its 100th anniversary.

Announcements for Council Committee meeting dates were as follows: Board of Review, April 24; Finance, April 24; Public Works/Safety, April 25, and Community Development, May 4, 2006.

Public Works Director Odens presented to the Mayor and Council the 2005 Public Works Department annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

Finance Director Okins presented to the Mayor and Council the 2005 Finance Department annual report. Following a question and answer period, the report was ordered placed on file in the City Clerk's Office.

There being no further business to come before the Council, the meeting adjourned at 9:52 p.m. upon motion by Council Member Reese, seconded by Council Member Gardner, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL