

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

December 17, 2007  
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, Denis Anderson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 6, Absent 3 – Council Members Doug Reese, Bruce DeBlieck and Cindy Swenson 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, Planning and Development Services Director Bruce Peterson, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Additions to the Agenda included consideration of a request to reapportion special assessments.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of December 3, Municipal Utilities Commission Minutes of December 10, Rice Hospital Board Minutes of December 12, Planning Commission Minutes of December 12, Building Inspection Report for November, Police Commission Minutes of November 6, Housing and Redevelopment Authority Minutes of November 13, and Senior Council Minutes of December 5, 2007. Council Member Christianson seconded the motion, which carried.

At 7:05 p.m. Mayor Heitke opened a hearing on an Ordinance to rezone certain lands from R-4 to LB. Planning and Development Services Director Peterson informed the Mayor and Council that John Lindstrom proposed the rezoning for the legal services office at 415 7<sup>th</sup> Street SW. The Planning Commission held a hearing and approved of the rezone request. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the meeting at 7:06 p.m.

Council Member Gardner 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 Dokken seconded the motion, which carried on a roll call vote of Ayes 5, Noes 0.

At 7:10 p.m. Mayor Heitke opened a hearing on a currency exchange license renewal for Darrell K. Sunvold, d.b.a. Quick Funds, Inc. There being no one to speak for or against the proposed license renewal, Mayor Heitke closed the hearing at 7:10 p.m.

Council Member Anderson offered a motion to approve the currency exchange license renewal for Darrell K. Sunvold, d.b.a. Quick Funds, Inc. Council Member Dokken seconded the motion, which carried.

At 7:12 p.m. Mayor Heitke opened a hearing on a currency exchange license renewal for Bennett Ventures, Inc. d.b.a. Ace Cash Express. There being no one to speak for or against the proposed license renewal, Mayor Heitke closed the hearing at 7:12 p.m.

Council Member Fagerlie offered a motion to approve the currency exchange license renewal for Bennett Ventures, Inc. d.b.a. Ace Cash Express. Council Member Dokken seconded the motion, which carried.

Mayor Heitke recognized several individuals who had signed up to address the City Council

during its scheduled Open Forum: John Sullivan expressed concerns regarding Library funding, and Loren Schultz expressed concerns regarding Grass Lake. Paul U'Ren with Everstrong Construction addressed the Airport terminal building construction concerns with the installation of the roof flashing and subsequent flooding after heavy rains. Everstrong Construction intends to repair the flashing and voiced confidence in the quality of the building and offered assurances for long-term integrity of the building.

The Finance Committee Report for December 10, 2007, was presented to the Mayor and Council by Council Member Anderson. There were 11 items for Council consideration.

Item No. 1 Lorry Massa, Rice Hospital CEO, presented information to the Committee regarding a new joint venture proposed between Rice Hospital and Affiliated Community Medical Center. For the last 21 years, the existing Willmar Surgery Center has been a successful Limited Liability Partnership between these two organizations and is being proposed to be expanded into the new venture to be named Willmar Medical Services, LLP. In addition to the ambulatory surgery center, this new partnership would include a comprehensive cancer center as well as imaging services. The intent is to provide better patient care and coordinate services in the community. Recruitment of doctors and technicians for these organizations will benefit as well. The Hospital and ACMS are proposing to begin operating under Willmar Medical Services, LLP, as of January 1, 2008, absorbing approximately 45 employees currently employed by the Hospital and Clinic. A new managerial position will be created for the cancer center as well as one for the imaging services branch. This matter was for information only.

Item No. 2 The Committee considered bids received for the Robbins Island Path Overlay Project. Duinick Bros, Inc. was the low bidder at \$32,977.05. Following discussion, the Committee was recommending the Council introduce a resolution authorizing the Mayor and City Administrator to execute an agreement with Duinick, Inc., for the Robbins Island Path Overlay contract.

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 5, Noes 0.

#### RESOLUTION NO. 1

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the quote of Duinick Bros., Inc. of Prinsburg, Minnesota for the Robbins Island Path Overlay 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 vendor for the terms and consideration of the contract in the amount of \$32,977.05.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 Staff presented to the Committee a request to re-appropriate funds from 2006 Capital Outlay to 2007 Capital Outlay for reroofing the Guri Shelter at Robbins Island. Following discussion, the Committee was recommending the Council introduce a resolution authorizing funds to be re-appropriated from 2006 Capital Outlay to 2007 Capital Outlay.

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Capital Improvement Fund as follows:

|           |                          |            |
|-----------|--------------------------|------------|
| Decrease: | Reserve                  | \$4,000.00 |
| Increase: | Appropriations – Roofing | \$4,000.00 |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 LeAnne Freeman, Community Education and Recreation/Senior Center Coordinator, presented to the Committee a proposed Five-Year Memorandum of Understanding between the Willmar Senior Citizens Club and the City of Willmar to clarify ownership of all land, buildings, and equipment. Following discussion, the Committee was recommending the Council introduce a Resolution authorizing the City Administrator to execute the 5-Year Memorandum of Understanding between the City of Willmar and the Willmar Senior Citizens Club.

Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, 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 City Administrator be authorized to execute a five-year Memorandum of Understanding between the City of Willmar and Willmar Senior Citizens Club to resolve ownership and maintenance issues at the Senior Center.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 City Clerk Halliday explained to the Committee that in 1999 the Council adopted a resolution deferring assessments against parcel 95-914-1890 and against parcel 95-914-2140. Owners of both properties are now deceased. Subsequently, these assessments are now due and payable and should be submitted to the Kandiyohi County Auditor to be placed on the tax rolls for collection in 2008.

The Committee was recommending the Council introduce a resolution authorizing the City Clerk-Treasurer to submit the deferred 1999 assessments for project 432-9901 on parcel 95-914-1890 in the amount of \$7,630.78 and on parcel 95-914-2140 in the amount of \$6,213.63 to the Kandiyohi County Auditor to be placed on the tax rolls for collection in 2008.

Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 4

WHEREAS, the City Council of the City of Willmar, Minnesota, did order the reconstruction of certain streets during the year 1999; and

WHEREAS, Minnesota Statutes, Sections 435.193 to 435.195 allows local governments making a special assessment to defer the payment of that assessment for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability; and

WHEREAS, certain property owners made application to the City for delayed payment of tax on special assessments; and

WHEREAS, on October 20, 1999, the City Council of the City of Willmar adopted a resolution deferring assessments against parcel 95-914-1890 located at 725 Mary Ave SE, Willmar MN; and

WHEREAS, the option to defer payments terminates and all deferred payments and interest become payable if a) the owner dies and the surviving spouse is not eligible; b) the property or a portion of the property is sold, transferred or subdivided; c) the property loses its homestead status; or d) the City determines that to require immediate or partial payment would not create a hardship.

NOW, THEREFORE, BE IT RESOLVED that the deferred assessment on the above described parcel in the amount of \$7,630.78 is now due and payable and that the City Clerk-Treasurer be hereby ordered to remit same to the County Auditor to be placed on the tax rolls for collection in 2008.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

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

RESOLUTION NO. 5

WHEREAS, the City Council of the City of Willmar, Minnesota, did order the reconstruction of certain streets during the year 1999; and

WHEREAS, Minnesota Statutes, Sections 435.193 to 435.195 allows local governments making a special assessment to defer the payment of that assessment for any homestead property owned by a person 65 years of age or older or retired by virtue of a permanent and total disability; and

WHEREAS, certain property owners made application to the City for delayed payment of tax on special assessments; and

WHEREAS, on October 20, 1999, the City Council of the City of Willmar adopted a resolution deferring assessments against parcel 95-914-2140 located at 712 Mary Ave SE, Willmar MN; and

WHEREAS, the option to defer payments terminates and all deferred payments and interest become payable if a) the owner dies and the surviving spouse is not eligible; b) the property or a portion of the property is sold, transferred or subdivided; c) the property loses its homestead status; or d) the City determines that to require immediate or partial payment would not create a hardship.

NOW, THEREFORE, BE IT RESOLVED that the deferred assessment on the above described parcel in the amount of \$6,213.63 is now due and payable and that the City Clerk-Treasurer be hereby ordered to remit same to the County Auditor to be placed on the tax rolls for collection in 2008.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 6 City Clerk Halliday presented information to the Committee regarding four parcels located within the City of Willmar that Kandiyohi County has submitted to the State of Minnesota for non-payment of taxes for the years 2000 – 2006. The County Board has placed an appraised value on each parcel as listed below but the City Assessor has reviewed each parcel and has noted a higher value on each parcel as recorded for tax purposes. The County values will be the starting bid price at the annual auction of forfeited land. The appraised values of these parcels include 95-222-1620, \$200.00; 95-015-0240, \$5,300.00; 95-390-0360, \$100.00; and 95-630-0780, \$2,000.00.

The Committee was recommending the Council approve the values on each parcel and to have the Mayor/Council sign the documents to be returned to Kandiyohi County. Council Member Anderson moved to approve the recommendation of the Finance Committee, with Council Member Fagerlie seconded the motion, which carried.

Item No. 7 The Committee considered a request to re-appropriate \$3,600 from the Police Department's 2007 travel budget to 2008 for supervisory staff training. Due to scheduling conflicts, this training, originally thought to be held in the Fall of 2007, could not take place until January, 2008.

The Committee was recommending the Council introduce a Resolution authorizing funds to be re-appropriated from the 2007 Police Department Travel Budget to 2008 as requested. Resolution No. 6 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

#### RESOLUTION NO. 6

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Police Department of the General Fund as follows:

|           |             |            |
|-----------|-------------|------------|
| Decrease: | 2007 Travel | \$3,600.00 |
| Increase: | 2008 Travel | \$3,600.00 |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 8 The Committee considered a request to increase the Police Department's Overtime budget by \$6,720 which reflects the amount received from the State of Minnesota for the 2007 Safe and Sober Grant. Officers are paid from the Overtime budget line item for hours worked during the Safe and Sober Grant period. The State reimburses the Willmar Police Department for this

overtime.

The Committee was recommending the Council introduce a Resolution to transfer \$6,720 from State Reimbursements Revenue to the Police Department's Overtime Expenditure Budget. Resolution No. 7 was introduced by Council Member Anderson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 7

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the Police Department of the General Fund as follows:

|           |                              |            |
|-----------|------------------------------|------------|
| Decrease: | Safe and Sober Grant Revenue | \$6,720.00 |
| Increase: | Overtime                     | \$6,720.00 |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 9 Staff presented the City's Investment Policy to the Committee for its annual review. There being no recommended changes, the Investment Policy was received for information only.

Item No. 10 Staff discussed with the Committee the State Auditor's recommendation that a formal fund balance policy be adopted by city councils. The Committee determined that a draft of this policy be prepared and presented to the Finance Committee for review at a future meeting. This matter was for information only.

Item No. 11 The Committee reviewed the following reports: 09/30/2007 Willmar Community Foundation, 09/30/2007 MUC, 10/31/07 Rice Trust, 10/31/07 Lawful Gambling, 11/30/07 Lawful Gambling, 12/17/07 Lawful Gambling, 11/30/07 WRAC-8, 11/30/07 CVB, 11/30/07 EDC. This matter was for information only.

The Finance Committee Report for December 10, 2007, 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 Public Works/Safety Committee Report for December 11, 2007, was presented to the Mayor and Council by Council Member Christianson. There were seven items for Council consideration.

Item No. 1 Asim Siddiqui appeared before the Committee to request that the Council consider an ordinance which would allow his North Highway 71 business, Lakeview Quick Mart, convenience store to sell off-sale 3.2 beer in these types of establishments. Previous Councils have consistently rejected the idea of allowing for these types of licenses.

It was the consensus of the Committee to refer this matter to the Council without recommendation and seek additional information from Staff on liquor license laws and practices of other communities.

Following discussion, Council Member Gardner moved to refer the matter back to the Public

Works/Safety Committee for further consideration. Council Member Anderson seconded the motion, which carried.

Item No. 2 The Committee was informed by Staff that Quam Construction has challenged payment under the contract with Chad Monson Excavating for Phase II of the southern interceptor for dewatering. City Engineer Odens reported at the meeting that Quam indicated they no longer wished to pursue the issue. Donohue and Associates has prepared the pay estimate and recommends payment as prepared.

The Committee was recommending that Staff be authorized to make payment to Chad Monson Excavating as prepared in the pay estimate. This matter was for information only.

Item No. 3 The Committee considered a second change order for Project No. 0701. The change order reflects the difference in actual quantities based on the unit prices agreed upon in Change Order No. 1, which authorized the water main replacement for a portion of 26<sup>th</sup> Avenue SW. The Committee was recommending the Council accept Change Order No. 2 for Project No. 0701 in the amount of \$6,919.48 and amend the budget accordingly.

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

#### RESOLUTION NO. 8

WHEREAS, a contract has been awarded to Duinick Bros. Inc. of Prinsburg, Minnesota, on June 7, 2007 in the amount of \$1,055,537.06 for Project No. 0701 – 2007 Street and Other Improvements; and

WHEREAS, Change Order No. 1 increasing the amount by \$68,192.85 has previously been authorized; 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 City Engineer to be \$6,919.48.
2. Funding for the additional work is from within the Project Budget.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Resolution No. 9 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

#### RESOLUTION NO. 9

AS-BID 2007 IMPROVEMENT BUDGET  
Estimated Total Cost \$2,693,620

PERSONNEL SERVICES

RECEIVABLES

|  |                   |  |                     |
|--|-------------------|--|---------------------|
| Overtime Reg. Employees                | \$1,000.00        | Property Owners                              | \$561,200.00        |
| Salaries Temp. Employees               | \$4,000.00        | City (MUC)                                   | \$99,120.00         |
| Employer Pension Contr.                | <u>\$1,500.00</u> | State (State Aid)                            | \$237,000.00        |
| TOTAL                                  | \$6,500.00        | City (CIF)                                   | \$259,000.00        |
|  |                   | City (LOST)                                  | \$1,305,000.00      |
| SUPPLIES                               |                   | City (WWTP)                                  | \$22,300.00         |
| Office Supplies                        | \$1,500.00        | City (Utility fee)                           | <u>\$210,000.00</u> |
| Small Tools                            | \$2,000.00        | TOTAL  | \$2,693,620.00      |
| Motor Fuels & Lubricants               | \$1,000.00        |  |                     |
| Postage                                | \$2,000.00        | FINANCING                                    |                     |
| Mtce. of Other Improvements            | \$2,000.00        | Bonds (2007-B)                               | \$1,090,000.00      |
| General Supplies                       | <u>\$2,500.00</u> | State  | \$237,000.00        |
| TOTAL                                  | \$11,000.00       | City (WWTP/General)                          | \$22,300.00         |
| OTHER SERVICES                         |                   | City (LOST)                                  | \$1,305,000.00      |
| Printing & Publishing                  | \$4,000.00        | MUC Cash                                     | <u>\$39,320.00</u>  |
| Mtce. of Other Impr.                   | \$1,605,050.00    | TOTAL  | \$2,693,620.00      |
| Other Services (Proj. 2, 12, conting.) | \$790,070.00      |  |                     |
| OTHER CHARGES                          |                   | 01 (Street)                                  | \$1,055,537         |
| Insurance & Bonds                      | \$2,000.00        | 02 (C.R. 47)                                 | 741,000             |
| Adm. OH (Transfer)                     | \$125,000.00      | 07 (Lighting)                                | 20,000              |
| Other Charges                          | \$50,000.00       | 08 (Seal Coat)                               | 30,000              |
| TOTAL                                  | \$277,000.00      | 10 (Willmar Ave.)                            | 423,800             |
|  |                   | 12 (Airport Demo)                            | 30,000              |
| GRAND TOTAL                            | \$2,693,620.00    | 01 Street has two change orders amounting to | \$75,112.33         |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee considered a preliminary budget for the erosion control measures being constructed at Bergquist Park. The budget shows the contributions from the Soil and Water Conservation District, Hawk Creek Association, Kandiyohi County and the City to complete the improvements. The City Council authorized the improvements earlier this year.

The Committee was recommending the Council adopt the preliminary budget as presented in the amount of \$15,000. Resolution No. 10 was introduced by Council Member Christianson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 10

BERGQUIST PARK IMPROVEMENT BUDGET  
Estimated Total Cost \$2,693,620

|                         |                   |                     |                   |
|-------------------------|-------------------|---------------------|-------------------|
| PERSONNEL SERVICES      |                   | RECEIVABLES         |                   |
| Salaries Reg. Employees | <u>\$4,600.00</u> | SWCD                | \$2,000.00        |
| TOTAL                   | \$4,600.00        | Hawk Creek Assoc.   | \$6,000.00        |
|                         |                   | City (Public Works) | \$4,000.00        |
| SUPPLIES                |                   | Kandiyohi County    | <u>\$3,000.00</u> |



|                             |                   |                     |                   |
|-----------------------------|-------------------|---------------------|-------------------|
| Small Tools                 | \$350.00          | TOTAL               | \$15,000.00       |
| Motor Fuels & Lubricants    | \$1,000.00        |                     |                   |
| Mtce. of Other Improvements | \$1,300.00        | FINANCING           |                   |
| General Supplies            | <u>\$200.00</u>   | SWCD                | \$2,000.00        |
| TOTAL                       | \$2,850.00        | Hawk Creek Assoc.   | \$6,000.00        |
|                             |                   | City (Public Works) | \$4,000.00        |
| OTHER SERVICES              |                   | Kandiyohi County    | <u>\$3,000.00</u> |
| Mtce. of Other Impr.        | <u>\$7,400.00</u> | TOTAL               | \$15,000.00       |
| TOTAL                       | \$7,400.00        |                     |                   |
| OTHER CHARGES               |                   |                     |                   |
| Licenses & Taxes            | <u>\$150.00</u>   |                     |                   |
| TOTAL                       | \$150.00          |                     |                   |
| GRAND TOTAL                 | \$15,000.00       |                     |                   |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 Craig Holmes, Donohue and Associates, presented to the Committee an overview of activities related to the Wastewater Treatment Plant Relocation and Conveyance Systems Improvements for October and November, 2007. Easement acquisition continues with offer letters sent out to three groups for the acquisition of pipeline corridor land. Two groups of parcels are presently in condemnation with the first court hearing scheduled for December 17, 2007.

The design staff is working on the 95 percent design with plans and specifications along with cost estimates to be completed in mid-December. Workshops with Staff have been held to review instrumentation and control design issues, as well as with Municipal Utilities to discuss power supply. The Ditch Authority has conditionally granted the outfall permit for Hawk Creek pending MPCA's approval of the Environmental Assessment Worksheet.

In construction, the first phase of the interceptor is nearing closeout. The construction for phase two was completed with contractor post-construction submittals being reviewed. This matter is for information only.

Item No. 6 Craig Holmes, Donohue and Associates, presented to the Committee a proposal to amend the firm's engineering services agreement to add items necessary to complete the design phase of the project. The additional scope of services includes program management support for the interceptor corridor acquisitions and improvements at the existing wastewater treatment facility dealing with phosphorus issues. Additionally, the Design Phase completion date is adjusted to April 30, 2008, and costs of the four primary engineering services tasks are reallocated to reflect these changes. The maximum compensation remains unchanged.

The Committee was recommending the Council authorize the City Administrator to sign the agreement amendment on behalf of the City. Resolution No. 11 was introduced by Council Member Christianson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, 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 Mayor and City Administrator of the City of Willmar are hereby authorized to enter into a contract amendment to supplement the Program Management and Design Services agreement dated May 15, 2006 between the City of Willmar and Donohue & Associates, Inc.. This contract was previously amended by Council action on July 2, 2007. This Amendment includes additional work scope and reallocation of costs as shown in Appendix "A" within the present contract amount

BE IT FURTHER RESOLVED, the original work scope is amended to add engineering services to support easement and right of way acquisition for the planned conveyance corridors and engineering services to support phosphorus trading

BE IT FURTHER RESOLVED, the contract amended on July 2, 2007 is hereby amended as follows:

| <u>Task</u>            | <u>Amended Amount</u> | <u>Change</u> | <u>Revised Amount</u> |
|------------------------|-----------------------|---------------|-----------------------|
| Program Management     | \$ 420,772            | \$ 130,846    | \$ 551,618            |
| Design/Const. Services | 3,535,400             | (130,846)     | 3,404,554             |
| EAW/Permits            | 73,000                | 0             | 73,000                |
| Allowances             | <u>330,000</u>        | <u>0</u>      | <u>330,000</u>        |
| TOTAL                  | \$4,359,172           | \$ 0          | \$4,359,172           |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 7 Greg Albjerg and Tom Angus of HNTB, and Gunner Unger of Bonestroo and Associates who were present to provide a project status report to the Committee and participate in discussions about the Willmar Municipal Airport. Mr. Albjerg provided a power point presentation briefly reviewing a history of the project and a review of the airport master plan, site selection process, and the status of numerous Federal and State grants and associated construction contracts. It was noted that four of the seven Federal grants have been closed, both State grants closed, and that at a meeting with staff earlier in the day plans would be developed to close the remaining three Federal grants. Mr. Albjerg closed his presentation with a review of the project budget.

Committee members and consultants discussed at length problems associated with water leaks at the new terminal building and the reasons for having to widen our taxi lanes following initial construction activities. Working through the consultants and building architects, plans are underway to make additional building and site grading improvements to address water issues at the new site. This matter was for information only.

The Public Works/Safety Committee Report for December 11, 2007, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Christianson, seconded by Council Member Fagerlie, and carried.

The Labor Relations Committee Report for December 12, 2007, was presented to the Mayor and Council by Council Member Gardner. There were four items for Council consideration.

Item No. 1 Verna Kelly, Wayne Larson, Richard Engan, and Dale Huestad of Rice Memorial

Hospital; and Marv Kray and Bruce Gomm of Municipal Utilities were present to discuss with the Committee Charter term limits for Hospital Board and Municipal Utilities Commission members. Current Charter provisions limit membership to two consecutive three-year terms. Commission and board members talked about the learning curve for board members to get up to speed and the amount of money and effort spent in education and training members, and concerns that due to the term limits, the City was not getting an appropriate return on its investment. Board and Commission members closed their remarks by asking the Council to convene the Charter Commission and consider revisions – specifically adding one additional three-year term to the continuous years of service.

The Committee was recommending the Council authorize the necessary steps to convene the Charter Commission to consider term limits and other charter provisions. Council Member Gardner moved to approve the recommendation of the Labor Relations Committee with Council Member Anderson seconding the motion. Following discussion, Council Member Gardner moved to table the matter with Council member Anderson seconding the motion, which carried.

Item No. 2 The City Council had tabled an action in the November 14, 2007, Rice Memorial Hospital minutes providing for a revision to the CEO's current terms of employment to include an annual \$20,000 performance incentive based upon a suitable performance appraisal by the board and referred the matter to the Labor Relations Committee for consideration. The revision includes a severance package equal to 12-months salary for termination without cause. Rice Hospital board officials reviewed with the Committee information they had compiled in arriving at these recommendations.

The Committee was recommending to the Council that the Rice Hospital minutes of November 14, 2007 be removed from the table and approved. Council Member Gardner moved to remove the November 14, 2007, Rice Hospital Board Minutes from the table. Council Member Anderson seconded the motion, which carried. Council Member Gardner moved to approve the Hospital Board minutes as presented, with Council Dokken seconding the motion, which carried.

The Labor Relations Committee meeting was closed for the purpose of discussing the status and strategies for Municipal Utilities contract negotiations. Upon reopening the meeting, it was noted that negotiations with union membership are currently in mediation and that the MUC was planning to enter into a three-year agreement with non-union employees generally calling for annual 3% wage adjustments. Formal approval of the new employment agreement with non-union members would come through the Municipal Utilities minutes at a later date. This matter for was for information only.

Item No. 3 The Committee discussed the idea of an intergovernmental focus group made up of representatives of the City Council, County Board and School District Board. The idea surfaced following a joint meeting of the three public entities on November 30, 2007. The Committee was recommending to the Mayor that Council Members Gardner and Anderson be appointed as focus group representatives for the City. Council Member Gardner moved to approve the recommendation of the Labor Relations Committee with Council Member Dokken seconding the motion, which carried.

Item No. 4 City Administrator Schmit requested that the Committee consider an indefinite extension of the Early Employee Retirement Program. The current program is offered to full-time employees with 20 or more years of continuous employment with the City and who are eligible to collect pension from PERA. The current program provides that the date of retirement would have to be on or before December 31, 2008. The retiree is offered one year of paid individual health insurance for every three years of service not to exceed \$430/month until the years of service benefit are exhausted or the employee is eligible for Medicare.

It was Administrator Schmit's opinion that by extending the program, the City could reasonably expect some of its key management personnel to forego early retirement and remain in their respective

position for a few more years. The Committee was recommending the Council approve the request as presented. Council Member Gardner moved to approve the recommendation of the Labor Relations Committee with Council Member Anderson seconding the motion, which carried.

The Labor Relations Committee Report for December 12, 2007, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Gardner, seconded by Council Member Fagerlie, and carried.

City Clerk Halliday presented to the Mayor and Council for consideration the following Sunday Liquor License renewals: On-sale – Applebee's, Blue Heron and the Green, Double D Club, El Tapatio Mexican Restaurant, Green Mill/Holiday Inn, Girzzly's Grill N' Saloon and Kandi Entertainment Center; Club On-sale – American Legion Post 167, Fraternal Order of Eagles, VFW Post 1639, and Willmar Elks Lodge #952; and Civic Center Special On-sale Liquor License – American Legion for benefit of Willmar Curling Club. Council Member Christianson moved to approve the Liquor License renewals as presented with Council Member Gardner seconding the motion, which carried on a roll call vote of Ayes 5, Noes 0.

City Administrator Schmit informed the Mayor and Council that bids for the 2008 Towing Requirements for the City were opened on December 14, 2007, and the apparent low bidder was Jergenson Auto and Towing. Mayor Heitke recognized Faith Wilson who expressed concerns on big equipment towing. Following discussion, Resolution No. 12 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 4, Noes 1 – Council Member Christianson voted "No."

#### RESOLUTION NO. 12

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of Jergenson Auto and Towing of Willmar, Minnesota for the 2008-09 Towing Requirements 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 \$109,800.00.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Mayor and Council considered a Resolution Determining Just Compensation allowing Staff to extend offers to purchase land parcels for wastewater conveyance facilities between the existing and new Wastewater Treatment Plant at a price equal to the appraised value. City Clerk Halliday presented details on the 17 properties proposed to be purchased. Following discussion, Resolution No. 13 was introduced by Council Member Gardner, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

#### RESOLUTION NO. 13

#### RESOLUTION NO. 4 DETERMINING JUST COMPENSATION

(For Resolution in its entirety, see City Council Proceedings filed dated December 17, 2007, located in the City Clerk's Office.

City Administrator Schmit informed the Mayor and Council that quotes for the 2008 Sanitation Requirements for the City were opened on December 14, 2007, and the apparent low bidder was West Central Sanitation. Resolution No. 14 was introduced by Council Member Dokken, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 14

BE IT RESOLVED by the City Council of the City of Willmar, a Municipal Corporation of the State of Minnesota, that the bid of West Central Sanitation of Willmar, Minnesota for the 2008 Sanitation Requirements 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 \$29,880.00.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

The Mayor and Council considered a change order for the Civic Center/Blue Line connection project. Following discussion, Resolution No. 15 was introduced by Council Member Fagerlie, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 15

WHEREAS, a contract has been awarded to John Chester Contracting of Willmar, Minnesota, on February 20, 2007, in the amount of \$935,500.00 for construction of the connection of the Civic Center to the Blue Line Center under the direction of Engan and Associates as architect; and

WHEREAS, Change Order No. 1 decreasing the amount by \$109.00 has previously been authorized; and

WHEREAS, Change Order No. 2 increasing the amount by \$9,803.00 and Change Order No. 3 increasing the amount by \$14,058.00 have previously been authorized; and

WHEREAS, Change Order No. 4 increasing the amount by \$2,111.00 has previously been authorized; 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 architect to be \$15,449.00 for Change Order No. 5.
2. Funding for the additional work is from within the Project Budget.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Resolution No. 16 was introduced by Council Member Fagerlie, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 16

FINAL CIVIC CENTER/BLUE LINE CENTER BUDGET  
Estimated Total Cost \$1,076,500

|                      |                    |                               |                       |
|----------------------|--------------------|-------------------------------|-----------------------|
| OTHER SERVICES       |                    | RECEIVABLES                   |                       |
| Mtce. of Other Impr. | \$976,812.00       | City - L.O.S.T.               | <u>\$1,076,500.00</u> |
| Other Services       | <u>\$14,688.00</u> | TOTAL                         | \$1,076,500.00        |
| TOTAL                | \$991,500.00       |                               |                       |
|                      |                    | FINANCING                     |                       |
| OTHER CHARGES        |                    | City - L.O.S.T.               | <u>\$1,076,500.00</u> |
| Prof. Serv.          | <u>\$85,000.00</u> | TOTAL                         | \$1,076,500.00        |
| TOTAL                | \$85,000.00        |                               |                       |
| GRAND TOTAL          | \$1,076,500.00     | Change Order #1-(\$109.00)    |                       |
|                      |                    | Change Order #2 - \$9,803.00  |                       |
|                      |                    | Change Order #3 - \$14,058.00 |                       |
|                      |                    | Change Order #4 - \$2,111.00  |                       |
|                      |                    | Change Order #5 - \$15,449.00 |                       |

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Planning and Development Services Director Peterson informed the Mayor and Council that J & C Enterprises of Central Minnesota, S & M Jennings request assessments against their property in Hidden Valley Estates be reapportioned to reflect the newly platted lots (subdivision of land). Following discussion, Resolution No. 17 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 5, Noes 0.

RESOLUTION NO. 17

WHEREAS, a request for reapportionment of special assessments has been filed with the City of Willmar, said request being signed by all the parties having an interest in the following-described property:

All that part of SW ¼ of SE ¼ lying north of B.N RR r-o-w excluding the east 270.1'  
also the south 60' of the north 790' of the east 270.1' of SW ¼ of SE 1/4,  
Section 8, Township 119, Range 35.  
Parcel No. 95-908-0060  
to wit: J & C Enterprises of Central Minnesota, S & M Jennings

WHEREAS, the above have waived notice of hearing on said reapportionment; and

WHEREAS, The City Council of the City of Willmar is in agreement that the special

assessments totaling \$20,847.75 placed against the above-described parcel be hereby reapportioned as herein described:

| <u>Parcel No.</u>                                      | <u>Legal Description</u> | <u>Amount</u> |
|--|--------------------------|---------------|
| (See Attachment A, on file in the City Clerk's Office) |                          |               |

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Willmar, pursuant to the request of the above that the special assessments on the above-described property be and they hereby are reapportioned as provided in the request of the above named, and BE IT FURTHER RESOLVED that the reapportionment be recorded in the records of the City of Willmar and the Kandiyohi County Auditor effective for taxes and assessments due and payable on tax statements issued in the year 2009 and thereafter.

Dated this 17<sup>th</sup> day of December, 2007.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Announcements for Council Committee meeting dates were as follows: Community Development, December 20, 2007; and Public Works/Safety, January 2, 2008.

There being no further business to come before the Council, the meeting adjourned at 8:45 p.m. upon motion by Council Member Gardner, seconded by Council Member Anderson, and carried.

Attest: \_\_\_\_\_  
MAYOR

\_\_\_\_\_  
SECRETARY TO THE COUNCIL