

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

June 2, 2008
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, Ron Christianson, Bruce DeBlieck, Denis Anderson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 8, Absent 1 - Cindy Swenson was 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.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of May 19, Rice Hospital Board Minutes of June 2, Municipal Utilities Commission Minutes of May 27, Planning Commission Minutes of May 28, Convention and Visitors Bureau Minutes of June 22, and Community Education and Recreation Board Minutes of June 25, 2008. Council Member Anderson seconded the motion, which carried.

At 7:04 p.m. Mayor Heitke opened a public hearing on an Ordinance Authorizing the Issuance of \$1,530,000 General Obligation Improvement Bonds, Series 2008A. Kathy Aho, representing Springsted Incorporated, presented details of the proposed Ordinance to finance the costs of various improvement projects within the City. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:06 p.m.

Council Member Reese offered a motion to adopt, assign a number, and order final publication of an Ordinance Authorizing the Issuance of \$1,530,000 General Obligation Improvement Bonds, Series 2008A, and the Levying of Taxes to Secure the Payment Therefore. Council Member Gardner seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

**RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF
\$1,530,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2008A**

(For Resolution in its entirety, see City Council Proceedings file dated
June 2, 2008, located in the City Clerk's Office.)

Mayor Heitke recognized Representative Al Juhnke and Senator Joe Gimse who were present to update the Mayor and Council on the 2008 Legislative Session. Senator Gimse talked about the Bonding Bill and \$800,000 additional funds dedicated to the Grass Lake Project, the increase of \$240,000 in Local Government Aid funding, the 3.9 percent levy limits for three years, school funding increases, and \$2.33 million funding for the Ridgewater College renovation project.

Representative Juhnke talked about the Transportation Bill with the gas tax increase, which will bring in \$6.6 billion over the next ten years dedicated solely to highway infrastructure and the reauthorization of the \$1 million Airport grant plus the opportunity to retain the \$850,000 land value from the old airport site for current Airport infrastructure.

Mayor Heitke thanked Representative Juhnke and Senator Gimse for their dedicated work for the

Willmar citizens.

Mayor Heitke acknowledged individuals who had signed up to address the Council during the Open Forum. John Sullivan expressed concerns with the City's website and City Directory; Laura Becker spoke of storm water flooding and a problem with communication with the City; and Chuck Stiles requested consideration of legalizing golf carts on City streets.

The Finance Committee Report for May 27, 2008, was presented to the Mayor and Council by Council Member Anderson. There were two items for Council consideration.

Item No. 1 The Committee was informed by Staff that Associated Taxi has submitted a petition for an increase in taxi meter rates. The current rates in Willmar are \$3.50 flag, \$1.60 per mile, and \$18.00 per hour wait time. The petition is asking that the per mile rate be increased to \$1.90 and the per hour wait time increased to \$21.00. Any changes require a public hearing.

The Committee was recommending the Council schedule a public hearing on June 16, 2008, to consider rate increases as proposed. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 2 City Administrator Schmit provided Committee Members with an update on the development of a financing plan for the new Waste Water Treatment Plant Project. It was Staff's intent to provide specific recommendations regarding user rates and alternative financing scenarios. Mr. Schmit explained that primarily due to term limits through the Public Facilities Authority (PFA), resulting rates were coming in higher than originally projected.

Finance Director Okins reviewed two financing scenarios utilizing variations of PFA loans, bond proceeds, and Waste Water Infrastructure Funding (WIF) and TMDL grants through the State Bonding Bill. Not being able to finance loan term debt beyond 20 years through the PFA loan, proposed rates were falling into the \$45.00 per month range for residential users and there remained issues to equitably allocate additional costs between the various user classifications, i.e. residential, commercial and industrial.

Staff concluded its remarks by asking for Council direction. Options for the Council to consider were (1) continue developing a financing plan utilizing current design and site; (2) pursue cost reduction through redesign at the current location; or (3) consider cost reductions if the Waste Water Treatment Plant facility is relocated closer to the City limits. After considerable discussion, it was agreed to forward this matter to the full Council for further consideration.

Council Member Anderson indicated his abstention from debate and voting on the matter. City Administrator Schmit presented further cost reduction analysis by redesign, working with the City's Bond Consultant. Kathy Aho, Springsted Incorporated, informed the Mayor and Council that public finance options would be presented at a June 23, 2008, Finance Committee meeting.

Mr. Schmit, stating facts of a positive bidding environment and a pending construction season, was recommending that the Council approve plans and specifications, call for bids, and award contracts at the August 2, 2008, Council meeting.

Resolution No. 2 was introduced by Council Member Gardner, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0, Council Member Anderson abstained from voting.

RESOLUTION NO. 2

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project Nos. 0812, 0813, 0814, and 0815 (2008 WWTF and Conveyance Facilities Improvements) for the City of Willmar;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that: Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 22nd day of July, 2008, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Finance Committee Report for May 27, 2008, 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 May 27, 2008, was presented to the Mayor and Council by Council Member Reese. There were 13 items for Council consideration.

Item No. 1 The Committee considered a request from the West Central Minnesota Chapter of Compassionate Friends to add to the Angel of Hope Memorial near the Flags of Honor Park. The original bricks have been filled with the names of children and they continue to get requests from new families who have lost children.

The Committee was recommending the Council of the request from the West Central Minnesota Chapter of Compassionate Friends to add to the Angel of Hope Memorial. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Christianson seconding the motion, which carried.

Item No. 2 The Committee considered a request from Bethel Church to conduct Sunday worship outside from 8:00 a.m. to 10:30 a.m. on three Sundays. They are proposing the second Sundays of June, July, and August, and requesting to close Becker Avenue from 4th to 5th Streets. This would be the same as last year, expanding the program to three Sundays. Staff discussed safety issues with the committee including fire protection and traffic disruption/conflicts. Staff was requested to visit with Bethel officials to explore acceptable alternatives.

Staff informed the Council of discussions with representatives of Bethel Church and the request is now to close Becker Avenue for one Sunday in June and one in July. Council Member Reese moved to approve of the request as revised with Council Member Christianson seconding the motion, which carried.

Item No. 3 The Committee was informed that Donohue and Associates has proposed Amendment No. 3 to the Program Management and Design Services Agreement with the City to reallocate the maximum compensation between the four principal tasks. The maximum compensation remains unchanged. Items requiring compensation shifts include the geotechnical investigations and the wetland activities.

The Committee was recommending the Council approve Amendment No. 3 to the May 15, 2006 Engineering Services Agreement with Donohue and Associates, and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0, Council Member Anderson abstained from voting.

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 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 actions on January 10 and June 21, 2008.

BE IT FURTHER RESOLVED, the contract is hereby amended as follows:

Task	Current Amount	Change	Revised Amount
Program Management	\$551,618	\$30,000	\$581,618
Design/ Construction Services	\$340,4554	(\$45,000)	\$3,359,554
EAW/ Permits	\$73,000	0	\$73,000
Allowances	<u>\$330,000</u>	\$15,000	\$345,000
Bidding			<u>\$198,219</u>
TOTAL	\$4,359,172	0	\$4,359,172

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Craig Holmes of Donohue and Associates briefed the Committee on activities related to the Wastewater Treatment Plant Relocation Project for the month of April, 2008. Permitting activities continue and plans and specifications were made bid ready after City Staff review comments. This matter was for information only.

Item No. 5 Staff informed the Committee that the State of Minnesota, Office of Aeronautics as the City's designated agent, must assign a State grant number to any project receiving Federal or State funds for tracking purposes. At the May 5, 2008 Council Meeting, Council Members authorized the Mayor and City Administrator to enter into a Federal grant for the Remote Communications Outlet (RCO) preliminary engineering. The State paperwork has since been received identifying the project as 3401-62 and requires the City enter into the grant agreement to disperse funds as appropriate.

The Committee was recommending the Council approve the grant agreement as presented and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

AUTHORIZATION TO EXECUTE STATE OF MINNESOTA GRANT AGREEMENT FOR REMOTE COMMUNICATIONS OUTLET RELOCATION

Be it resolved by the City Council of the City of Willmar as follows:

1. That the State Grant Agreement for Project Number S.P. 3401-62, Agreement Number 92783, for the Preliminary Engineering for the Relocation of the Remote Communications Outlet is hereby accepted.
2. That the Mayor and City Administrator are authorized to execute this Agreement and any amendments on behalf of the City of Willmar.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 The Committee considered bids for Project No. 0802 which includes the

underground utility work for Willmar Poultry and Welcome to Our Home. Six bids were received with the low bid being that of Voss Plumbing and Heating of Paynesville, Minnesota.

The Committee was recommending the Council accept the bid of Voss Plumbing and Heating of Paynesville in the amount of \$118,000.00 and authorize the Mayor and City Administrator to enter into an agreement. Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Fagerlie, 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 Voss Plumbing and Heating of Paynesville, Minnesota for Project No. 0802 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 \$118,000.00.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 7 The City Council at their regular meeting of May 19, 2008, called for an assessment hearing for the 2008 Street and Other Improvements for June 16, 2008. The contracts have been let for the construction and the cost for improvements determined by Staff. Staff requested authorization to prepare the assessment roll.

The Committee was recommending the Council declare costs to be assessed and order preparation of assessment rolls. Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF
ASSESSMENT ROLL IN CONNECTION WITH 2008 STREET AND
OTHER IMPROVEMENTS (PROJECT NOS. 0801 and 0804)

WHEREAS, contracts have been let for the construction of Street and Other Improvements of 2008 in the City, to-wit: City Project Nos. 0801 and 0804 and;

WHEREAS, the total cost of said Street and Other Improvements of 2008 is \$1,588,300.00.

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

1. The City Council hereby determines that the City shall pay \$682,387.45 of said cost, exclusive of the amount it may pay as a property owner, and the sum of \$905,912.55 shall be assessed against benefited property owners based upon benefits received without regard to cash valuation.

2. The Clerk-Treasurer, with the assistance of the City Engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land without regard to cash valuation as provided by law, and he shall file a copy of such assessment in his office for public inspection.

3. The Clerk-Treasurer shall, upon the completion of such assessment, notify the City Council thereof.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 8 The Committee reviewed the final pay request for Project No. 0706 – Street Lighting in Water View Business Park. The final amount due the contractor, Design Electric of St. Cloud, is the retainage in the amount of \$2,167.46.

The Committee was recommending the Council accept Project No. 0706 and issue final payment to Design Electric, Inc. as presented. Resolution No. 7 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 7

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Project No. 0706 – Waterview Business Park Street Lighting
CONTRACTOR: Design Electric Inc.
DATE OF CONTRACT: April 18, 2007
BEGIN WORK: June 12, 2007
COMPLETE WORK: November 29, 2007
APPROVE, CITY ENGINEER: May 20, 2008

BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that:

1. The said City of Willmar Project No. 0706 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$82,570.00
Change Orders (None)	\$0.00
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$82,570.00
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$82,570.00
Less Previous Payments	\$80,402.54
FINAL PAYMENT DUE CONTRACTOR:	\$2,167.46

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 9 Staff presented information on the rash of graffiti vandalism this year. Most of the graffiti has been “tagging” and is being done by several small groups of mainly juveniles. Twelve juveniles and 45 cases have been referred to the County Attorney’s Office for prosecution thus far this year. The Police Department is working with property owners to remove graffiti.

Staff presented a number of ordinance options the Council may want to consider to assist in dealing with the graffiti problem in Willmar. After considerable discussion, the Committee was recommending the Council direct the City Attorney to draft a graffiti ordinance to include: prohibition of spray paint and/or markers by a juvenile without parental presence or written permission; holding parents civilly and criminally responsible for damage caused by their children; require property owners to remove

graffiti as soon as practical from their property. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Gardner seconding the motion, which carried.

Item No. 10 The Committee considered a request from the Police Department to participate with area law enforcement partners in the Safe & Sober Program. The grant is funded through the Minnesota Department of Public Safety/Office of Traffic Safety. The Willmar Police Department will be working in conjunction with the Kandiyohi County Sheriff's Office, the Atwater Police Department, the Swift County Sheriff's Department, and the Benson Police Department. The total grant request is for \$37,438.00. The local match for the grant is the operational cost of police vehicles. The program allows the agencies to make a concentrated effort towards traffic safety.

The Committee was recommending the Council approve the application for the grant and permit staff to enter into a grant agreement as requested. Resolution No. 8 was introduced by Council Member Reese, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 8

AUTHORIZING EXECUTION OF AGREEMENT

BE IT RESOLVED that the Willmar Police Department enter into a grant 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, 2008, through September 30, 2009.

BE IT FURTHER RESOLVED that Jim Kulset, Chief of Police, 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 Kandiyohi County Auditor/Treasurer is hereby authorized to be the fiscal agent and administer the grant on behalf of the Willmar Police Department.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 11 The Committee considered a recommendation of Staff for construction of the connection of 5th Street SE from the Kandi Mall property south to 19th Avenue. The project consists of road work, underground utilities, street lighting and the revisions of the signal system at the intersection of 19th Avenue SE and 5th Street to include the north leg. Public Works Director Odens informed the committee that plans and specifications for Project No. 0803 are ready to be bid. Staff proposed a July 1, 2008 opening date for the project.

Following discussion, the Committee was recommending the Council order the improvement and preparation of plans and specifications and approve the plans and specifications for Project No. 0803 and authorize advertisement of bids to be opened July 1, 2008. Resolution No. 9 was introduced by Council Member Reese, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 9

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

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

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

1. It is advisable, expedient, and necessary that said improvements as described in the Notice of Hearing thereon be constructed, and the same are hereby ordered made.

2. The improvements described in said Notice of Hearing are hereby designated and shall be known as Project No. 0803 – Mall Road Improvements (5th ST SE-19th AVE SE to 600' south of Willmar Avenue SE.

3. The City's Engineer is hereby directed to prepare final plans and specifications for said improvements.

4. The City Council shall let the contract for all or part of the work for said improvements or order all or part of the work done by day labor or otherwise as authorized by Minnesota Statutes, Section 429.041, Subdivision 2, within one year of the date of this resolution ordering said improvements.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No 10 was introduced by Council Member Reese, seconded by Council Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 10

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 0803 (Mall Road Street Improvements) for the City of Willmar;

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

Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 1st day of July, 2008, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 12 The Committee considered a proposal from Staff for the construction of water main, storm sewer, a storm pond, common excavation, gravel base, curb and gutter, and bituminous paving in the Westwind Estates Third Addition Plat. A preliminary budget for Project No. 0805 was also presented. The project is funded solely by developer agreement and totals \$873,000.00.

The Committee was recommending the Council order the improvement and preparation of plans and specifications and approve the preliminary budget for Project No. 0805 as presented. Resolution No.

11 was introduced by Council Member Reese, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 4, Noes 2 – Council Members Christianson and Dokken voted “No,” and Council Member Fagerlie abstained from voting.

RESOLUTION NO. 11

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

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

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

1. It is advisable, expedient, and necessary that said improvements as described in the Notice of Hearing thereon be constructed, and the same are hereby ordered made.
2. The improvements described in said Notice of Hearing are hereby designated and shall be known as Project No. 0805 – Westwind Improvements.
3. The City's Engineer is hereby directed to prepare final plans and specifications for said improvements.
4. The City Council shall let the contract for all or part of the work for said improvements or order all or part of the work done by day labor or otherwise as authorized by Minnesota Statutes, Section 429.041, Subdivision 2, within one year of the date of this resolution ordering said improvements.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No. 12 was introduced by Council Member Reese, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 4, Noes 2 – Council Members Christianson and Dokken voted “No,” and Council Member Fagerlie abstained from voting.

RESOLUTION NO. 12

PRELIMINARY 2008 IMPROVEMENT BUDGET
PROJECT NO. 0805 – WESTWIND ESTATES
ESTIMATED TOTAL COST \$873,000

PERSONNEL SERVICES		RECEIVABLES	
Overtime Reg. Employees	\$500.00	Developer (cash)	<u>\$873,000.00</u>
Salaries Temp. Employees	\$500.00	TOTAL	\$873,000.00
Employer Pension Contr.	<u>\$500.00</u>		
TOTAL	\$1,500.00		
SUPPLIES		FINANCING	
Office Supplies	\$300.00	Developer (cash)	<u>\$873,000.00</u>
Small Tools	\$1,200.00	TOTAL	\$873,000.00
Motor Fuels & Lubricants	\$500.00		
Postage	\$500.00		
Mtce. of Other Improvements	\$500.00		

29* General Supplies	<u>\$1,500.00</u>
TOTAL	\$4,500.00

OTHER SERVICES	
Printing & Publishing	\$1,000.00
Mtce. of Other Impr.	\$735,000.00
Other Services (conting.)	<u>\$70,000.00</u>
TOTAL	\$806,000.00

OTHER CHARGES	
Insurance & Bonds	\$1,000.00
Prof. Serv. (Mn/DOT & Barr)	\$15,000.00
Adm. OH (Transfer)	\$35,000.00
Other Charges	<u>\$10,000.00</u>
TOTAL	\$61,000.00

GRAND TOTAL	\$873,000.00
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Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 13 Staff presented to the Committee information on the Community Partnership Grant through CenterPoint Energy. The Fire Department proposed the purchase of a multi-gas detector and an air distribution system to enhance its confined space and below-grade rescue operations and build upon training recently completed by the department members. The Community Partnership Grant will provide \$2,500 toward the purchase of this equipment.

The Committee was recommending the Council grant the Fire Department permission to apply for, accept and expend the Community Partnership Grant funds and have their 2008 budget adjusted accordingly. Resolution No. 13 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 13

BE IT RESOLVED by the City Council of the City of Willmar to approve of an application by the Willmar Fire Department for, and the acceptance of, a Community Partnership Grant through CenterPoint Energy. The funds amounting to \$2,500.00 will be used for the purchase of a multi-gas detector and an air distribution system for confined space and below-grade rescue operation.

BE IT FURTHER RESOLVED, that the Fire Department's 2008 budget be adjusted accordingly.

Dated this 2nd day of June, 2008.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Community Development Committee Report for May 29, 2008, was presented to the Mayor

and Council by Council Member DeBlieck. There were three items for Council consideration.

Item No. 1 The Committee discussed a portion of the Minnesota Housing Finance Agency Affordable Housing Plan for 2008-2009. Approximately 37% of 1.6 billion dollars is earmarked in the Plan for the preservation of existing housing. Dorothy Gaffaney of the Willmar HRA was present to discuss the role of the HRA in housing rehabilitation and reuse in the core areas of the City. The HRA has done a number of housing rehabilitation projects over the years. Available financing has decreased, but the HRA plans to submit a Small Cities Development Grant application later this year for housing rehabilitation. The HRA also participates in the Minnesota Housing Finance Agency housing loan program. The income limits for participation in this program are very low, restricting access to the program. The HRA also administers a rental rehabilitation program and supportive housing to assist the homeless.

The Committee expressed the need of entry-level housing with a preference for scattered site rehabilitation, to include houses undergoing foreclosure. Ms. Gaffaney suggested that the application being submitted for Small City funds would be extremely competitive and that rehabilitation loans are typically limited to \$15,000 per unit, meaning it is necessary to leverage other money to have an impact on older structures. The Committee requested that Ms. Gaffaney investigate ways to broaden the City's approach to housing rehabilitation, preservation, and redevelopment in the core City. Ms. Gaffaney said she would prepare some information and report back to the Committee at a later date. This matter was for information only.

Item No. 2 Jim Sieben, President of Nova Tech Engineering, a major tenant on the Minn West Technology Campus, appeared before the Committee to request that the City serve as a conduit for funding for a Minnesota Department of Employment and Economic Development bio-business grant. Tim Miller from the Minn West Technology Campus elaborated on the request. Specifically a bio-business grant is being sought to establish a science cooperative on the campus. The cooperative would provide facilities, equipment, and expertise for research and development of bio-technology applications. Campus representatives are currently having conversations with the University of Minnesota and MNSCU to be partners in the project. The main focus of the cooperative is to bring bio-technology from the research and development stage to the market place. As companies evolve and expand they will be candidates for the new industrial park.

Total cost of the project is estimated at \$4 million dollars. Of this, \$2 million dollars is being requested from the bio-business infrastructure grant program and will be matched with \$2 million in cash and in-kind participation from Minn West Technology Campus. Public ownership is required and it's anticipated that the University or MNSCU will be the facility owner upon completion. The grant application has to come from a unit of government.

Minn West has been responsible for preparing the grant application, however, the City would be identified as the applicant. Under the grant, the City's role would be to serve as the financial conduit for grant funds. The grant application will be due in early June and awards made in August or September of 2008.

The Committee expressed support for the venture and acknowledged there would be no financial role other than serving as a conduit for the grant funds. It was noted that administrative costs may be reimbursed. The possibility of encountering prevailing wage issues was discussed. The Committee was recommending the Council adopt a resolution whereby the City agrees to serve as the grant applicant and to be a conduit for administration of the grant funds. Further, that the Mayor and City Administrator be authorized to execute grant documents on behalf of the City.

Jim Sieben and Tim Miller, Minn West Technology, were present to answer questions from the Mayor and Council and to present a video presentation of the campus layout and provide visual details of the proposed project.

Resolution No. 14 was introduced by Council Member DeBlieck, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

