

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

September 15, 2014  
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Frank Yanish. Members present on a roll call were Mayor Frank Yanish, Council Members Denis Anderson, Ron Christianson, Steve Ahmann, Audrey Nelsen, Tim Johnson, Rick Fagerlie, Jim Dokken and Bruce DeBlieck; Present 9, Absent 0.

Others present were City Clerk Kevin Halliday, Police Chief Jim Felt, Public Works Director Sean Christensen, Planning and Development Director Bruce Peterson, Finance Director Steve Okins, Fire Chief Gary Hendrickson, Community Education and Recreation Director Steve Brisendine and City Attorney Robert Scott.

Council Member Ahmann removed Item No. 4 of the Labor Relations minutes from the agenda.

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of September 2, Willmar Municipal Utilities Minutes of September 8, Application for Exempt Permit – Knights of Columbus Council #2764, Accounts Payable Report through September 10, Police Commission minutes of May 20, Willmar Community and Activity Center Minutes of September 2, and the Building Inspection Reports for July and August, 2014. Council Member DeBlieck seconded the motion, which carried.

At 7:02 p.m. Mayor Yanish opened the hearing to discuss an Ordinance that would amend Chapters 8 and 13 of the Municipal Code as it relates to municipal permits and the use of the sidewalks. The proposed ordinance was drafted to accommodate some new uses by the adjacent businesses. It allows for use by a permit 7 days per week, eliminates the daily property removal requirement, and allows consumption of alcoholic beverages sold or served by a valid licensed establishment. It also includes language that prohibits the obstruction of public right-of-way.

Mayor Yanish acknowledged Liv Fuchs, 4922 – 15<sup>th</sup> Street NW, Willmar who spoke in support of the proposed ordinance changes. Ms. Fuchs is one of the owners of a taproom in the downtown. She explained her seating will be for paying customers only and there will be monitoring for any underage consumption. She indicated they will be responsible for cleaning outside just as they would inside their establishment

Mayor Yanish then acknowledged Robin Olson, owner of Peterson Shoes, who expressed his concern for the enforcement of the ordinance and how it may exacerbate the loitering downtown.

Carol Laumer, 1313 Ella Avenue NW, spoke as a concerned citizen in favor of outdoor seating as it is inviting for the community and downtown. Many communities have outdoor seating and it creates activity rather than just empty sidewalks.

Tracy Hein, 1208 Campbell Avenue NW, expressed her concerns about what variety of furniture would be allowed outside for aesthetic reasons and asked it be defined in the ordinance.

Warren Hagen, 306 Becker Avenue SW, spoke in 100% support of the ordinance. After all were heard to speak for or against the vacation, Mayor Yanish closed the hearing at 7:08 p.m.

Council Member Anderson offered a motion to adopt, assign a number and order final publication of the Ordinance amending Chapters 8 and 13 of the Municipal Code as it relates to municipal permits and the use of the sidewalks. Council Member DeBlieck seconded the motion.

Council Member Anderson then offered an amendment to the motion to include in the proposed ordinance under Section 8.13, No. 6 – “furnishings must be suitable and manufactured for outdoor use and in generally good and serviceable condition.” Council Member Christianson seconded the amendment to the motion.

Council Member Ahmann questioned the process on how the ordinance came about and asked for a brief history of the origination of the ordinance. Planning and Development Director Bruce Peterson briefed the Council in relation to the ongoing discussions with members of the Vision 2040 downtown group, City staff and members of the downtown business community and design group. Council Member Anderson opined he was at one of the meetings.

City Attorney Robert Scott was asked to clarify if Council Member Anderson’s amendment to the ordinance is significant enough to require the ordinance be republished and another public hearing be held? Mr. Scott stated there was certainly enough substance to the amendment to require another publication and hearing.

Council Member Christianson indicated more input into the ordinance was necessary to further educate ourselves and discuss other aspects of the ordinance and to look at more specifics for the businesses that do not cater to food. He suggested the Council table the ordinance amendment and place it back on committee agenda. Council Member Christianson withdrew his second to the original motion.

Council Member Nelsen spoke in support of the ordinance stating there are already areas in the downtown that have tables and chairs out on the sidewalks and encouraged the Council to move forward. Council Member Nelsen seconded the original motion.

Council Member Christianson made a motion to table the ordinance amendment and send it back to committee. Council Member Ahmann seconded the motion, which carried. Council Members Nelson and DeBlieck voted “no.”

Mayor Yanish asked Community Education and Recreation Director Steve Brisendine to come forward to recognize the retirement of LeAnne Freeman, Recreation Supervisor of 24 years. Ms. Freeman spoke and thanked the Mayor and Council for the opportunity to work, which also enabled her to make so many connections within the community. The Council presented to Ms. Freeman a token of appreciation for her many years of services.

Mayor Yanish acknowledged the request of Bob Skor, 617 SW 14<sup>th</sup> Street, to speak in the Open Forum. Mr. Skor thanked the Council for the debate on the proposed sidewalk ordinance and relayed a story about a boy in his childhood who rode his “flat wheel” and commenting on the position to not purchase new vehicles or equipment if we can make do with what we have.

Mayor Yanish then acknowledged Bob Enos, 905 Trott Avenue SW, who briefly addressed the renewal of the airport management contract stating he was surprised that there are no user fees for the airport. He felt this was an opportunity for the City to look at making it a “stand-alone” enterprise.

The Finance Committee Report for September 8, 2014 was presented to the Mayor and Council by Council Member Anderson. There were five items for consideration.

Item No. 1        There were no comments from the public.

Item No. 2 Staff explained to the Committee that there are nine locker room doors in the Cardinal Arena at the Civic Center that are in need of replacement. This project is budgeted for \$30,000 under the 2014 Capital Improvements Program. The lower of the two proposals received for this replacement is in the amount of \$23,738. It was noted that this project will replace original doors dating back to the initial construction of the Civic Center in the early 1980's.

The Committee was recommending the Council authorize the Mayor and City Administrator to execute the contract with Chester Contracting, Inc., to replace the Civic Center doors in the amount of \$23,738.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 1

WHEREAS the City of Willmar's 2014 Capital Improvement Program includes the replacement of doors at the Civic Center; and

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that the Mayor and City Administrator be authorized to execute the contract for \$23,738 with Chester Contracting, Inc., for this door replacement.

Dated this 15th day of September, 2014.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 The 2015 Budget Discussion included the following items for Council consideration:

A. Fund Balance Staff reviewed the Fund Balance Policy with the Committee and noted that it currently states under *Part a of Section 5. Unassigned* "...The City will maintain an unrestricted fund balance in the General fund of an amount not less than 100% of the next year's budgeted expenditures of the General fund...". Staff suggested this part be amended to reflect what the City has historically done, which is to maintain an unrestricted fund balance of "...not less than \$4,000,000 Working Capital, \$1,000,000 Self Insurance, and \$2,600,000 Stabilization...". An amended policy will be prepared and brought back to the Committee for approval. Projected 2015 Fund Balances were also briefly reviewed. Staff noted that the only funds available to use at the City's discretion is the WRAC-8 Fund Balance, however, a portion of that has already been earmarked for capital improvements.

B. Tax Levy History Staff reviewed the 10-year history of the tax levy received as well as comparative property tax data reflecting similar size communities. Council Member Nelsen requested information on City tax rates versus County tax rates for the past ten years as well. Staff will research and compile this information. It was noted that the 2015 Tax Levy is required to be certified to Kandiyohi County by September 30, 2014. After considerable discussion, it was decided that the Finance Committee Meeting with Full Council should be scheduled for Monday, September 29, 2014, to enable approval of the tax levy within the required timeline. Chair Anderson would like to schedule a tour, prior to that meeting, for all Council Members to view the maintenance issues at all City properties. Staff will coordinate this effort.

C. Other Potential Revenue Sources Fire Chief Gary Hendrickson presented information to the Committee regarding insurance-paid fire call charges. There were about 30 fire

calls in 2013 where a property owner suffered some sort of property loss and the fire department was eligible for compensation under the fire department service charge, resulting in estimated revenue of \$15,000, based on the \$500 per call minimum. Estimated revenue to date for 2014 is \$6,500. It was noted that Alexandria, Brainerd, and Owatonna do not charge for these fire calls. Council Member Fagerlie spoke in favor of instituting this insurance-paid fire call charge of \$500.

Finance Director Okins provided the Committee with information from 2007 when the City had first discussed establishing a CenterPoint Energy franchise fee and noted that staff has contacted CenterPoint representatives for updated statistics for 2014. Based on the 2007 Analysis, the annual fee that would be paid to the City was approximately \$250,000. Staff will present the updated information once it is received from CenterPoint.

Staff also presented an estimate of debt service costs that would be incurred if the Council chooses to issue bonds to fund deferred maintenance costs. Based on the most recent bond issued in 2014, the cost for \$1,000,000 repaid over ten years would be \$133,356 in interest.

It was the consensus of the Committee that further Council discussion is needed regarding Pavement Management and deferred maintenance issues. These items were received by the Council for information only.

Item No. 4            There was no old business.

Item No. 5            There was no new business.

The Finance Committee Report for September 8, 2014, 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 September 9, 2014 was presented to the Mayor and Council by Council Member Christianson. There were seven items for consideration.

Item No. 1            There were no public comments.

Item No. 2            Public Works Director Sean Christensen brought forth, for approval, a resolution to allow the City to enter into an agreement with Eric's Aviation Services for the Airport Operations Supervisor. As per the Airport Commission's recommendation, staff along with the City Attorney drafted a new agreement with Eric's Aviation Services, Inc. with minor changes including having the end of the runway, herbicide being applied by the Operations Supervisor with chemicals paid by the City, and assisting the Airport Manager in administrative matters. The proposed monthly fee schedule for 2015 would be \$6,428.00, \$6,524.00 in 2016 and \$6,622.00 in 2017. Eric Rudningen, with Eric's Aviation Services, was present to answer additional questions from the Committee.

The Council was recommending the Committee approve the resolution for the City to enter into an agreement with Eric's Aviation Services for the Airport Operations Supervisor for the years 2015-2017.

Resolution No. 2 was introduced by Council Member Christianson, seconded by Council Member Anderson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 2

WHEREAS the City of Willmar desires to retain a firm to provide Airport Operations Supervisor for on-site airport management and maintenance for the City of Willmar; and

WHEREAS a proposal has been made by, and an agreement prepared to retain Eric's Aviation Services Inc. for \$6,428.00 per month in 2015, \$6,524.00 per month in 2016, and \$6,622.00 per month in 2017 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 15th day of September, 2014.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 Public Works Director Christensen brought forth, for approval, Work Order No. 3 with Bolton and Menk for the Airport Industrial Stormwater Permit and Stormwater Pollution Prevention Plan (SWPPP) in the amount of \$7,150.00. The Airport Industrial Stormwater Permit renewal process is required for a new 2015 permit. The MPCA is also requiring a Stormwater Pollution Prevention Plan (SWPPP) to be submitted. The Work Order will cover the technical assistance provided by Bolton and Menk for the application and submittal of the permit and plan.

The Committee was recommending the Council approve the Work Order No. 3 with Bolton and Menk for the Airport Industrial Stormwater Permit and Stormwater Pollution Prevention Plan.

Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member DeBlick, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, 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 and the City of Willmar is hereby authorized to enter into Work Order #3 of the professional services contract between the City of Willmar and Bolton and Menk, Inc. The Work Order is not to exceed \$7,150.00.

Dated this 15th day of September, 2014.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 Public Works Director Christensen brought forth, for approval, the final project payment for Contract 1 of State Project No. A3401-63 intended for the turf restoration/establishment project of grass runway 03/21 in the amount of \$27,857.61 to Kuechle Underground, Inc. of Kimball. Due to a wet June, a change order was included reducing the final contract by \$18,068.00.

The Committee was recommending the Council approve the final project payment for Contract 1 of State Project No. A3401-63.

Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member Ahmann, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT:           Contract 1- State Project No. 3401-63 Turf Runway Improvements

CONTRACTOR:	Kuechle Underground, Inc.
DATE OF CONTRACT:	December 31, 2012
BEGIN WORK:	May 8, 2013
COMPLETE WORK:	June 25, 2014
APPROVE, ENGINEERING DEPT:	August 18, 2014

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

1.     The said City of Willmar Contract 1- State Project No. 3401-63 Turf Runway Improvements be herewith approved and accepted by the City of Willmar.
2.     The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$72,480.01
Change Order	\$18,068.00
FINAL NET CONTRACT AMOUNT:	\$54,412.01
<b>FINAL PAYMENT DUE CONTRACTOR :</b>	<b>\$27,857.61</b>

Dated this 15th day of September, 2014.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5     Public Works Director Christensen brought forth, for approval, Amendment No. 2 to Work Order No. 1 of the Professional Services Contract with Bolton and Menk. Bolton and Menk provided additional construction engineering services for reseeding and fertilizing on the Turf Runway rehabilitation because of poor weather conditions in June. The amendment request totals \$3,250.00 for the additional consultant time.

The Committee was recommending the Council approve the Amendment No. 2 to Work Order No. 1 Professional Services Contract with Bolton and Menk of the 2012 Airport Pavement Improvements.

Resolution No. 5 was introduced by Council Member Christianson, seconded by Council Member DeBlicek, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, 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 City Administrator and the City of Willmar is hereby authorized to enter into Amendment No. 2 of Workorder No. 1 of the professional services contract between the City of Willmar and Bolton and Menk, Inc. for the 2012 Airport Turf Improvements. The Work Order is not to exceed \$3,250.00.

Dated this 15th day of September, 2014.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 6 Chief of Police Jim Felt noted the jail census for September 9, 2014, was 101; 75 of those being Kandiyohi County inmates, 21 inmates from the MN Department of Corrections, 2 inmates from Swift County, 2 inmates from Big Stone County and 1 from Stevens County. The calls for service for the previous two weeks totaled 851. The majority of the calls are for traffic stops, followed by public assists and animal complaints. The Police Commission met this past week and authorized the internal promotion process for the Captain position. The deadline for resumes is scheduled for the 17<sup>th</sup>, a written test on the 22<sup>nd</sup> and appointment of the position in November. This was received for information only.

Item No. 7 Council Member Christianson brought concerns of drainage issues from private developer Dan Koosman to the Committee. Public Works Director Christensen explained the history as he knew it and further discussion with the Committee involved possible solution scenarios and the possibility of conversations with the Storm Water Task Force. This was received for information only.

The Public Works/Safety Committee Report for September 9, 2014, 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 Ahmann, and carried.

The Labor Relations Committee Report for September 10, 2014 was presented to the Mayor and Council by Council Member Ahmann. There were four items for consideration.

Item No. 1 There were no comments from the public.

Item No. 2 Fire Chief Gary Hendrickson presented his request to add a part-time position to assist the City with Emergency Management planning and coordination. Chief Hendrickson stated that the position would be for approximately 28 hours per month or 7 hours per week and would not include benefits. Chief Hendrickson stated that the position would help in reviewing and updating the City's plan, as well as assisting in coordinating training for staff and council, and planning for special events. Chief Hendrickson noted that the City does coordinate with the County's emergency management staff. Chief Hendrickson stated the position would have a likely wage of \$14.00-\$14.50 per hour.

A motion was made by Council Member Ahmann approve the addition of a one part-time employee to assist with emergency management planning. Council Member Anderson seconded the motion, which carried.

Item No. 3 City Clerk Halliday presented to the Committee a recommendation to advertise and fill the position of City Assessor. Mr. Halliday noted that the position vacancy would be created upon the retirement of Pat Erickson in December of 2014. Mr. Halliday stated that the City had previously explored options, such as merging with Kandiyohi County or contracting for the service, but the staff recommendation was to advertise and fill the position. Mr. Halliday noted that the position was a Range 9 with a salary range of \$53,391-\$69,423.

Committee members expressed some concerns regarding the availability of qualified applicants in the region and statewide.

A motion was made by Council Member Ahmann to approve the advertisement and filling of the City Assessor vacancy. Council Member Anderson seconded the motion, which carried.

Item No. 4 Under New Business Chair Ahmann offered some suggestions on how to possibly improve the manner in which requests for information by Council Members are handled. This was received for information only.

The Labor Relations Committee Report for September 10, 2014, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Ahmann, seconded by Council Member Anderson, and carried.

The Community Development Committee Report for September 11, 2014 was presented to the Mayor and Council by Council Member Fagerlie. There were six items for consideration.

Item No. 1        There were no public comments.

Item No. 2        Staff presented a revised application form to be used for Tax Increment Financing and Tax Abatement requests. Included with the application form was a proposed fee schedule, and process flow chart. The Committee reviewed the documents at length. Questions were raised about the proposed fees for assistance. Staff responded that those were suggestions, and could be amended as desired. Council Member Ahmann stated that the flow chart was good for the City and the Developers as it shows the process and details responsibilities. Council Member Ahmann proposed more communication on the front end of financial requests to alleviate some of the concerns and issues that arose in the recent projects. Staff was asked to amend the application and to broaden the scope of information required. It will be brought to a Committee meeting at a later date for further review. This item was received for information only.

Item No. 3        The Committee discussed a proposal by staff that the City purchase wetland credits as part of the Wetland mitigation process for the new Industrial Park. An alternative to purchasing wetland credits would be establishing a wetland of approved type and form. That process becomes more expensive due to the requirements for wetland replacement that governs the amount of monitoring and weeding and potential reseeding that is required for a five year period. The proposed purchase of wetland credits was in the amount of \$25,200, plus a transaction fee of \$1,638. These funds are available in the local option sales tax fund, and would be part of the wetland improvement project.

A motion was made by Council Member Fagerlie that the City acquire the wetland credits as proposed for .7 acres in the amount of \$25,200 plus a transaction fee of \$1,638.00. Council Member Dokken seconded the motion, which carried.

Item No. 4        The Committee briefly reviewed the results of a recent EDC email survey of local businesses. Staff informed the Committee that a much broader business retention and expansion survey would be conducted by the EDC in the near future. The survey would be compatible with the work being done by the Lakes Area Chamber of Commerce, Grow Minnesota program. This was received by the Council for information only.

Item No. 5        Under Old Business staff informed the Committee that the old home at 511 7<sup>th</sup> ST NW was being demolished. Staff was asked to send a letter to Habitat for Humanity thanking them for removing the dilapidated property. This was received by the Council for information only.

Item No. 6        Under New Business staff provided reports on the following projects: Bethesda, Taco Bell, Jennie-O, Advanced Auto, Eagle Creek Golf Course, Elmquist Jewelry, and Suite Livin'. It was noted that construction valuations through August 2014 totaled an excess of \$23 million. This was received by the Council for information only.

The Community Development Committee Report for September 11, 2014, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie, seconded by Council Member Dokken, and carried.

City Clerk Kevin Halliday presented for the Council's consideration the City's financing plan for the City Auditorium Renovations. There were two items for consideration, one being the financing options and the other the awarding of the bids. The bids results were discussed first. The bids that were received on September 9, 2014 were reviewed including the alternates. Staff's recommendation is to stay with the base

bid, as it clearly renovates the Auditorium putting it back into the position it was before the remediation began and places the gun range quite operable with new furnishing on all walls, floors and ceilings. That base bid award would be to Cornerstone Construction for \$744,000. In order to provide for financing the project from the initial Master Plan costs through this phase, the total cost is estimated at \$1,097,521. The financing proposed by staff included from 2014, capital improvement allocations, the insurance deductible reserve reduction, PIR loan over five years, excess capital, WRAC8 reserves, excess vehicle replacement program dollars and prior year capital funds for a total of \$1,121,000.

Discussion was held as to the future usage of the Auditorium and ADA requirements, the possibility of any monetary assistance from the Gun Club, and funding concerns and the ability to amend the proposed budget recommendations.

Resolution No. 6 was introduced by Council Member DeBlieck, seconded by Council Member Dokken, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

AUDITORIUM RESTORATION PROJECT

OTHER SERVICES:		RECEIVABLES:	
Mntc. Of Other Impr.	\$937,200.00	Assigned WRAC 8 Bal	\$163,000.00
Other Services	<u>\$97,879.00</u>	2014 CIP	\$376,000.00
TOTAL	\$1,035,079.00	Prior Year CIP	\$82,000.00
		2014 INS Loan	\$250,000.00
		2014 PIR Loan	<u>\$250,000.00</u>
OTHER CHARGES:		TOTAL	\$1,121,000.00
Professional Services	\$73,521.00		
Other Charges	<u>\$12,400.00</u>	FINANCING:	
TOTAL	\$85,921.00	Assigned WRAC 8 Bal	\$163,000.00
		2014 CIP	\$376,000.00
		Prior Year CIP	\$82,000.00
		2014 INS Loan	\$250,000.00
		2014 PIR Loan	<u>\$250,000.00</u>
		TOTAL	\$1,121,000.00
GRAND TOTAL	\$1,121,000.00		

Resolution No. 7 was introduced by Council Member Anderson, seconded by Council Member DeBlieck, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 7

WHEREAS the City of Willmar desires to retain a firm to provide services for the Willmar Auditorium Restoration Project; and

WHEREAS a proposal has been made by, and an agreement prepared to retain the firm of Cornerstone Construction of Willmar, Minnesota for said services;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Willmar that said agreement which includes the base bid of \$744,000 is approved and that the Mayor and City Administrator be authorized to execute the same.

Dated this 15th day of September, 2014.

