

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

May 3, 2000
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 Verna Kelly, Denis Anderson, Ron Christianson, Bruce DeBlicek, Douglas Reese, Nancy Houlahan, Jim Dokken, and Rick Fagerlie; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Public Works Director Mel Odens, Finance Director Steven Okins, Planning and Development Services Director Bruce Peterson, Police Chief Jim Kulset, Fire Chief Marvin Calvin, and City Clerk Kevin Halliday.

Mayor Heitke read a Proclamation for Sons of Norway and the Syttende Mai celebration and forthcoming parade and banquet.

Council Member Kelly offered a motion adopting the Consent Agenda, which included the following: City Council Minutes of April 19, Municipal Utilities Commission Minutes of April 24, Rice Hospital Board Minutes of April 26, Pioneerland Library Board Minutes of February 17, and Human Rights Commission Minutes of March 21, 2000; and Mayoral reappointment of Wayne Sandbulte to the Human Rights Commission. Council Member DeBlicek seconded the motion, which carried.

At 7:06 p.m. Mayor Heitke opened the hearing on a petition to vacate street/easements. Planning and Development Director Peterson informed the Mayor and Council that the City received a petition to vacate all of 25th Avenue NE and adjacent snow storage easements in the plat of Country Club Terrace. It was noted the Planning Commission has reviewed and recommends approval of the vacation. Mr. Peterson indicated the petitioners were told that the City would require a 40-foot easement over the area, which was platted as right-of-way. There being no one present to speak for or against the vacation, Mayor Heitke closed the hearing at 7:07 p.m.

Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

VACATING A PUBLIC STREET AND EASEMENTS

WHEREAS, the vacation of that portion of the dedicated street and easements in the plat of Country Club Terrace as described below was initiated by petition of the owners of a majority of the footage fronting on and abutting said portion of said street:

All of Crestview Road (now known as 25th Avenue NE) as platted in Country Club Terrace, as of public record, Kandiyohi County, Minnesota, and the 13.00 foot snow storage easement adjacent to each side of said Crestview Road.

WHEREAS, the proposed vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the proposal to vacate said street and easements on May 3, 2000; and

WHEREAS, the City Council of Willmar finds that it is in the best interests of the City of Willmar to vacate said street and easements;

NOW, THEREFORE, BE IT RESOLVED, that the above described portion of dedicated street and easements be, and hereby are, vacated.

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed with the Kandiyohi County Recorder on or after May 15, 2000.

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:09 p.m. Mayor Heitke opened the hearing on an Ordinance Amending the Municipal Code Sections Concerning Cutting of Weeds. Public Works Director Odens presented to the Mayor and Council details of the proposed amendment to the Weed Ordinance. The changes include "grass" in the definitions, increasing the height threshold from 6 inches to 7 inches, and an administration charge of \$35.00. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:10 p.m.

Council Member Kelly offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending the Municipal Code Sections Concerning Cutting of Weeds. Council Member Reese seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Matthew Johnson, Community Development Director for the Mid-Minnesota Development Commission, presented to the Mayor and Council the process of updating the Kandiyohi County Comprehensive Plan. Mr. Johnson requested City staff to attend monthly planning meetings, communicate issues that the City feels should be addressed in the Plan, and to stay involved in the process. Mid-Minnesota will make a current and future land-use map for the City at no charge. The City will be asked to identify the City's urban growth area and communicate its findings with the affected townships. Future land-use decisions will be improved with the overall goals identified under the new plan.

The Finance Committee Report of April 24, 2000, was presented to the Mayor and Council by Council Member Kelly. There were 11 items for Council consideration.

Item No. 1 Eric Rudningen, Willmar Air Service, appeared before the Committee to present a request from the Experimental Aircraft Association for funding to expand the annual fly-in held at the Willmar Airport. The group would like to include an airshow at the same time as the fly-in to promote and educate the public on the activity and future development of the Willmar Airport. The Experimental Aircraft Association is requesting the City to cover approximately \$3,000 of additional costs for insurance and Dooley Airshows, Inc.

The Committee was recommending to the Council that \$3,000 be funded from the Industrial Development account, which is funding the costs for the relocation of the present Airport. Resolution No. 2 was introduced by Council Member Kelly, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to make the following changes within the Capital Project Airport Fund:

Increase: Appropriations - Other Services, Airshow \$3,000.00

Increase: Estimated Revenue - Transfer In-Ind. Development \$3,000.00

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 Jack Behr presented to the Committee an update on the cost savings Rice Hospital has experienced from out-sourcing the laundry service at Hospital and indicated that the level of service has been maintained or increased in some cases. This matter was for information only.

Item No. 3 Mr. Behr also reviewed with the Committee upcoming borrowing for the linear accelerator in radiation therapy. The amount financed will be \$1.6 million (\$1,400,000 equipment/\$200,000 construction and installation). The term of the financing will be a tax-exempt, 10-year loan with the interest rate based on the 5-year Treasury bill rate minus 0.75. The interest rate resets on the 5-year anniversary of the loan, again based on the 5-year Treasury bill. The loan will be on parity with all other outstanding Hospital debt and will be an obligation of Hospital revenues only.

The Committee was recommending to the Council that a resolution concurring with the financing and to introduce an ordinance to set a public hearing for May 17, 2000. Resolution No. 3 was introduced by Council Member Kelly, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

RESOLUTION CALLING FOR PUBLIC HEARING ON AN ORDINANCE AUTHORIZING
THE ISSUANCE OF A \$1,600,000 HOSPITAL REVENUE NOTE

(For Resolution in its entirety, see City Council Proceedings file
dated May 2, 2000, located in the City Clerk's Office)

Item No. 4 The Committee considered a request to amend the CVB budget to cover costs of printing the last visitors guide and upgrading computer equipment. The Committee was recommending to the Council approval of the request as presented.

Resolution No. 4 was introduced by Council Member Kelly, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to make the following changes within the Convention and Visitor's Bureau Fund:

Increase: Appropriations

Furniture and Equipment	\$13,300.00
Printing and Publishing	18,539.00
Executive Salaries	(5,500.00)
Service Salaries	(7,800.00)

Increase: Estimated Revenue

Advertising Sales	\$ 6,670.00
County Grants	5,000.00
Use of Fund Balance	6,869.00

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 CVB staff presented to the Committee a proposal from the City of Spicer to forward 95 percent of revenues collected through the implementation of a Spicer lodging tax. Spicer would like to retain the 5 percent administrative allowance to help cover their administrative and other city planning costs. The Willmar CVB would be allowed to spend the money to cover the promotional costs for the Willmar and Spicer areas.

The Committee reviewed the recommendation from the CVB Board requesting the City of Willmar accept the Spicer proposal and offer to conduct the administration of the Spicer lodging revenues (within the Willmar CVB budget) without retaining any percentage of the administrative allowance. The CVB Board further stated that this be limited to only Spicer and further sources of lodging revenues collected by other cities or countywide tax collections require review of this proposal.

The Committee was recommending to the Council to modify the proposal by retaining 1 percent to cover administrative costs for the City. Following discussion, this motion was withdrawn.

It was then moved to recommend that the Council accept the proposal to enter into an agreement with the City of Spicer for administration of their lodging tax and directing staff the negotiate a split percentage to cover administrative costs.

Council Member Kelly offered a motion approving the concept of collaborating with the City of Spicer and Willmar CVB on area-wide visitor marketing, but rejecting the proposed lodging tax administrative fee breakdown of 0 percent fees for the City of Willmar and 5 percent for the City of Spicer, and directed staff to negotiate a different shared percentage fee proposal. Council Member Anderson seconded the motion, which carried.

Item No. 6 The Committee reviewed a recommendation from staff to amend the Police Department Budget to recognize the additional costs involved with the Safe and Sober Grant received jointly with Kandiyohi County. The City portion of the Grant will be approximately \$12,500.00.

The Committee was recommending that the Council amend the Police Department Budget within the General Fund by \$12,500.00. Resolution No. 5 was introduced by Council Member Kelly, seconded by Council Member Houlahan, read by Mayor Heitke, 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 to authorize the Finance Director to make the following changes within the Police Department General Fund:

Increase: Appropriations, Overtime Salaries	\$12,500.00
Increase: Estimated Revenue, Grant Revenue	12,500.00

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 7 The Committee considered a recommendation from staff to divide the 2000 Street Improvement Budget allowing a staff member to account for the costs associated with the 0002 underground work. The Committee was recommending that the Council create two budgets to account for the 2000 Street Improvement Program.

Resolution No. 6 was introduced by Council Member Kelly, seconded by Council

Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

0001 - Street Improvements
ESTIMATED TOTAL COST \$978,300.00

PERSONNEL SERVICES:		RECEIVABLES:	
Salaries Reg. Employees	\$ 395.00	CI Fund	\$227,000.00
Overtime Reg. Employees	4,740.00	MUC	55,000.00
Salaries Temp. Employees	<u>1,185.00</u>	Property Owners	238,000.00
Total:	\$ 6,320.00	Tax Increment	325,000.00
		State	10,300.00
		City	86,500.00
		Other - School	<u>36,500.00</u>
		Total:	\$978,300.00
SUPPLIES:		FINANCING:	
Office Supplies	\$ 1,185.00	Tax Increment	\$325,000.00
Small Tools	1,580.00	Bonds	570,000.00
Motor Fuels & Lubricants	790.00	State	10,300.00
Postage	1,580.00	City-General	36,500.00
General Supplies	<u>2,765.00</u>	Other-School	<u>36,500.00</u>
Total:	\$ 7,900.00	Total:	\$978,300.00
OTHER SERVICES:			
Printing & Publishing	\$ 1,580.00		
Mtce. of Other Improvements	721,770.00		
Other Services	<u>73,000.00</u>		
Total	\$796,350.00		
OTHER CHARGES:			
Professional Services	\$ 35,550.00		
Advertising	553.00		
Admin. Overhead	89,981.00		
Other Charges	<u>41,646.00</u>		
Total:	\$167,730.00		
GRAND TOTAL:	\$978,300.00		

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

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

RESOLUTION NO. 7

0002 - Development Improvements
ESTIMATED TOTAL COST \$246,600.00

PERSONNEL SERVICES:		RECEIVABLES:	
Overtime Reg. Employees	\$ 105.00	Property Owners-Note	<u>\$246,600.00</u>
Salaries Temp. Employees	1,260.00	Total:	\$246,600.00
Employer Pension Contr.	<u>315.00</u>		
Total:	\$ 1,680.00		
SUPPLIES:		FINANCING:	
Office Supplies	\$ 315.00	Other-Developer Agree	<u>\$246,600.00</u>
Small Tools	420.00	Total:	\$246,600.00

Motor Fuels & Lubricants	210.00
Postage	420.00
General Supplies	<u>735.00</u>
Total:	\$ 2,100.00

OTHER SERVICES:

Printing & Publishing	\$ 420.00
Mtce. of Other Improvements	<u>208,530.00</u>
Total	\$208,950.00

OTHER CHARGES:

Professional Services	\$ 9,450.00
Advertising	147.00
Admin. Overhead	23,919.00
Other Charges	<u>354.00</u>
Total:	\$ 33,870.00

GRAND TOTAL: \$246,600.00

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 8 The Committee reviewed the 2001 Budget Calendar. The date of September 25, was set for presentation of the Mayor's Proposed Budget to the Committee, and November 20, 2000, was set for the annual Finance Committee review with the Mayor and City Administrator.

Mayor Heitke asked for direction from the Committee in regards to the Charter requirement that the Mayor submit a proposed budget for all City funds by the end of September. The Mayor indicated that the Municipal Utilities and Rice Memorial Hospital have expressed difficulty in complying with this time line in the past, and was wondering if preliminary budgets from these departments could be a solution. The Committee suggested to the Mayor that, in order to meet the Charter requirements, a preliminary budget should be included with their final budgets to follow at a later date.

The Committee was recommending the Council accept the 2001 Budget Calendar as amended. Council Member Kelly moved to approve the recommendation of the Finance Committee with Council Member Anderson seconding the motion, which carried.

Item No. 9 The Committee reviewed a proposed budget amendment for the Airport to cover the costs of the consultant agreement recently signed with HNTB in the amount of \$235,722. The Committee was recommending that the Council pass a resolution to amend the Capital Airport Project Budget. Resolution No. 8 was introduced by Council Member Kelly, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 8

AIRPORT IMPROVEMENT PROJECT
Estimated Total Cost: \$235,722.00

OTHER CHARGES:		FINANCING:	
Professional Services	<u>\$235,722.00</u>	State	\$141,433.00
Total	\$235,722.00	City	<u>94,289.00</u>
		Total:	\$235,722.00

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Resolution No. 9 was introduced by Council Member Kelly, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 9

BE IT RESOLVED by the City Council of the City of Willmar that the firm of HNTB Corporation be retained to provide airport consulting services for the new airport project.

BE IT FURTHER RESOLVED that the Mayor and City Administrator are hereby authorized to enter into an agreement (at a cost of \$235,722.00) with HNTB Corporation for the performance of said services.

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 10 The Committee reviewed a request to participate in the cost of a follow-up workshop to finalize the strategic plan of the Community Vision 2020. The original budget was \$8,000, shared equally by the City, County, School and Chamber. The additional costs of \$2,000 would be proposed to be split in the same fashion.

The Committee was recommending that the City participate in the additional funding of this project in the amount of \$500.00. Council Member Kelly moved to approve the recommendation of the Finance Committee with Council Member Anderson seconding the motion, which carried.

Item No 11 The Committee reviewed the following reports: February Rice Financial, March Rice Trust, First Quarter Rice Trust and the Bonding schedule. This matter was for information only.

The Finance Committee Report of April 24, 2000, was approved as presented and ordered placed on file in the City Clerks Office upon motion by Council Member Kelly, seconded by Council Member DeBlick, and carried.

The Public Works/Safety Committee Report of April 25, 2000, was presented to the Mayor and Council by Council Member Reese. There were two items for Council consideration.

Item No. 1 The Committee reviewed the Right-of-Way Ordinance brought back after staff and interested parties had a chance to review it. In addition to the Ordinance, staff presented a proposed fee schedule and a standard restoration requirement. It was the consensus of the Committee to send out a notice to users of the right-of-way advising them of the proposed Ordinance.

The Committee was recommending to the Council that the Ordinance be introduced. Council Member Reese offered a motion to introduce the Right-of-Way Ordinance and schedule a hearing for May 17, 2000. Council Member DeBlick seconded the motion, which carried.

Item No. 2 The Committee reviewed a bid tabulation for Project No. 0002. Following discussion, the Committee was recommending to the Council to accept the bid of Quam Construction and authorize the Mayor and City Administrator to enter into a contract on behalf of the City. Resolution No. 10 was introduced by Council Member Reese, seconded by Council Member Kelly, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 10

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the bid of Quam Construction, of Willmar, Minnesota, for Project No. 0002, is accepted, and be it further resolved that the Mayor and City Administrator be authorized to sign an agreement with the bidder for the terms and consideration of the contract in the amount of \$191,769.30.

Dated this 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Public Works/Safety Committee Report of April 25, 2000, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member Kelly, and carried.

City Clerk Halliday informed the Mayor and Council that subsequent to the bidding for the construction of street, sewer and water work to be conducted in the Year 2000, the Council needs to declare that the costs will be assessed. Following discussion, Resolution No. 11 was introduced by Council Member Reese, seconded by Council Member Kelly, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 11

DECLARING COST TO BE ASSESSED AND
ORDERING PREPARATION OF ASSESSMENT ROLL
IN CONNECTION WITH 2000 STREET AND OTHER IMPROVEMENTS
(PROJECT NOS. 0001 AND 0002)

WHEREAS, contracts have been let for the construction of Street and Other Improvements of 2000 in the City, to-wit: City Project Nos. 0001 and 0002; and

WHEREAS, the total cost of said Street and Other Improvements of 2000 is \$1,219,805.09.

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 \$647,270.18 of said cost, exclusive of the amount it may pay as a property owner, and the sum of \$572,534.91 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 3rd day of May, 2000.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Planning and Development Services Director Peterson informed the Mayor and Council that in order to proceed with obtaining federal airport funding and to have MnDOT represent the City on funding matters, it is necessary for the City to adopt an Agency Resolution and approve the Master List of Certifications. It was noted the Airport Commission recommends both documents be approved. Following discussion, Resolution No. 12 was introduced by Council Member Kelly, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 12

(For Resolution in its entirety, see City Council proceedings file dated May 3, 2000, located in the City Clerk's Office)

Council Member Kelly offered a motion to approve the Master List of Certifications certifying that the City agrees to be bound by certain guidelines in the administration of the airport project. Council Member Reese seconded the motion, which carried.

Mayor Heitke called for a recess at 8:29 p.m. and reconvened the meeting at 8:40 p.m.

At this time the Mayor and Council received the following 1999 Annual Reports: Finance Department, Director Okins; and Legal Department, City Attorney Ronning.

Announcements for Council Committee meeting dates were as follows:

Finance, May 8; Public Works/Safety, May 9; Kandiyohi Area Transit, May 10; and COPP, May 11, 2000.

There being no further business to come before the Council, the meeting adjourned at 9:25 p.m. upon motion by Council Member Kelly, seconded by Council Member Houlahan, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL