

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

June 18, 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 Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 9, Absent 0.

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

The Council requested the Planning Commission Minutes be removed from the Consent Agenda.

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of June 4, Municipal Utilities Commission Minutes of June 11, Building Inspection Report for May, Housing and Redevelopment Authority Minutes of May 8 and June 7, and Pioneerland Library Board Minutes of May 17, 2007. Council Member Christianson seconded the motion, which carried.

The Council discussed an item relating to the EarthTech Energy Conditional Use Permit and the relationship between the Planning Commission and City Council. The Planning Commission Minutes of June 13, 2007, were approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Gardner, seconded by Council Member Dokken, and carried on a roll call vote of Ayes 4, Noes 3 – Council Members Christianson, Fagerlie and DeBlieck voted "No."

Mayor Heitke acknowledged the following individuals who had signed up to address the City Council during its scheduled Open Forum: Marg Flaig, regarding vehicles in a neighbor's yard; Kris Peterson requesting updates on the Railroad Quiet Zone and directional signals; John Sullivan regarding Pioneerland Library funding; and the Mayor read a letter from Janet Franklin regarding vehicles in a neighbor's yard.

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

Item No. 1 Bev Dougherty, Willmar Design Center, presented to the Committee a request for a contribution from the City of \$1,000 to be used toward replacing the mural on the Bob Boe Building. The total projected cost for this project is \$8,000. To date, the Design Center has raised \$3,500 in grants from the Willmar Community Foundation and SWIF for paint from Valspar. If the City agrees to donate \$1,000, there is a remaining shortfall of \$3,500 which will be funded through other private donations anticipated to be raised by the Design Center.

Following discussion, the Committee was recommending the Council authorize Staff to find \$1,000 from the City's Non-Departmental Budget subject to the Willmar Design Center actually raising sufficient contributions to cover the full amount of the mural project. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member

Gardner seconding the motion, which carried.

Item No. 2 The Committee revisited the issue of Pioneerland Library's funding shortfall for 2007 that remains at \$27,407. Earlier this year the Council authorized an additional payment of \$17,000 over and above the annual Maintenance of Effort which the City of Willmar already contributes to Pioneerland. Concerns were raised that Library hours may need to be cut as well as subscriptions and other on-going expenditures. It was noted that once the amount of the Maintenance of Effort has been increased, payments for future years can never be less.

The Committee requested that John Houlahan and Laurie Ortega of the Pioneerland Library System be present at a future Committee meeting to explain how the recent State funding bills affect their ongoing deficit. This matter was for information only.

Item No. 3 Staff explained to the Committee that various Non-Profit Organizations established under Section 501(c)(3) were asking the City of Willmar to be their fiscal agent. Discussion included establishing a policy governing these requests as some concern was raised regarding Staff time required for these services. Further information regarding examples of how other communities handle this issue will be distributed at the next finance Committee meeting. This matter was for information only.

Item No. 4 City Clerk Halliday informed the Committee that various licenses and permits issued through the City of Willmar require proof of Insurance. Currently, municipal ordinances do not stipulate any allowances for deductibles, co-insurance levels, or self-insurance retention thresholds. Because of the rising cost of insurance premiums, a more common business approach seems to be adding a deductible to the general liability policies similar to the automotive policies that are generally carried. Staff is recommending that the council allow a \$5,000 or less deductible on an applicant's liability policy but not to accept Self-Insured Retention amounts from a license or permit applicant.

The Committee was recommending the Council direct Staff to establish a deductible limit of not to exceed \$5,000 on an applicant's liability policy and to not accept Self-Insured Retention amounts from a license or permit applicant. Following discussion, this matter was referred back to the Committee pending additional information.

The Finance Committee Report for June 11, 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 Gardner, and carried.

The Public Works/Safety Committee Report for June 12, 2007, was presented to the Mayor and Council by Council Member Christianson. There were five items for Council consideration.

Item No. 1 The Committee considered a request from the Willmar Jaycees for a temporary liquor license to serve beer on Thursday, June 28, 2007, at the Downtown block party. Sales and consumption will be restricted to an area on 5th Street, just north of the intersection of Becker Avenue. The serving/consumption area will be double fenced and there will be a police officer present during liquor sales.

The Committee was recommending the Council approve the liquor license application as presented for the event on June 28, 2007. Council Member Christianson moved to approve the recommendation of the Public Works/Safety Committee with Council Dokken seconding the motion which carried on a roll call vote of Ayes 7, Noes 0.

Item No. 2 The Committee considered a request from Keith Pattison, DBA Kandi Entertainment Center, to serve beer at Taunton Stadium during the Beetles game on June 20, 2007. It was noted this is similar to the request from the Green Mill last year, and there were no problems at the event last year. The Police Department will have an officer assigned to the game.

Following discussion, the Committee was recommending the Council approve the request of the Kandi Entertainment Center to serve beer at the Beetles game on June 20, 2007. Council Member Christianson offered a motion to approve the recommendation of the Public Works/Safety Committee with Council Member Dokken seconding the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Item No. 3 At the Committee meeting in May, an informational meeting was held pertaining to the construction of County Road 47 across the former airport property. It was understood a cooperative construction agreement would be forthcoming detailing the responsibilities of the City and County.

Staff presented the agreement for review by the Committee. The County shall act as the agent of the City in administration of the contract, and the estimated costs were itemized. The City's share includes utilities, storm water detention ponds, street lighting, curb and gutter and also the professional services for the storm sewer design. The total estimated project cost is \$3,954,000 with the City share being \$1,230,000, the County \$1,657,000, and Federal Funds of \$1,066,000. Staff also informed the Committee the project has a scheduled letting date of July 10, 2007. It is anticipated it will be graded in 2007 and paved in 2008.

Following discussion, the Committee was recommending the Council approve the agreement as presented and authorize the Mayor and City Administrator to enter into the agreement. Resolution No. 1 was introduced by Council Member Christianson, seconded by Council Member DeBlieck, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

AUTHORIZATION TO EXECUTE KANDIYOHI COUNTY COOPERATIVE CONSTRUCTION AGREEMENT

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 be authorized to enter into a Cooperative Construction Agreement between the City of Willmar and Kandiyohi County for construction of County Road 47 from 0.18 miles south of TH 40 to TH 12 lying within and/or abutting the City.

Dated this 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 The Committee reviewed a \$100,000 grant agreement with the State of Minnesota Office of Aeronautics pertaining to the telecommunications line installed at the new Airport. The City is responsible for half the cost as the grant is a 50/50 split. Council awarded the

contract to En-Tel Communications in June of 2006 with the initial cost being fronted by the City.

The Committee was recommending the Council authorize the City Administrator and Mayor to enter into the agreement with the State of Minnesota Office of Aeronautics. Resolution No. 2 was introduced by Council Member Christianson, seconded by Council Member Fagerlie, read by Mayor Heitke, and carried on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION
GRANT AGREEMENT FOR AIRPORT IMPROVEMENT

It is resolved by the City of Willmar as follows:

1. That the State of Minnesota Agreement No. 91426, "Grant Agreement for Airport Improvement," for State Project No. 3401-60 at the New Willmar Municipal Airport is 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 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 5 The Committee reviewed the corresponding grant agreement budget detailing the expenditures as well as the revenues. Staff pointed out that of the \$50,000 local share match, approximately \$19,000 will be paid from the Federal EDI Grant received for the expansion of the industrial park. Approximately 2,100 feet of the line installed is directly attributed to the redevelopment of the old airport and as such, can be funded from the Federal EDI Grant. The remainder will come from the Local Options Sales Tax.

The Committee was recommending the Council adopt the budget as presented. Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 3

TELECOMMUNICATIONS CONNECTABILITY BUDGET
ESTIMATED TOTAL COST \$101,500.00

SUPPLIES		RECEIVABLES	
Postage	<u>\$500.00</u>	State Grant Agreement	\$50,000.00
TOTAL	\$500.00	Federal EDI grant	\$19,000.00
		City (LOST)	<u>\$32,500.00</u>
OTHER SERVICES		TOTAL	\$101,500.00
Printing & Publishing	\$1,000.00		
Mtce. of Other Impr.	<u>\$100,000.00</u>	FINANCING	
TOTAL	\$101,000.00		

GRAND TOTAL	\$101,500.00	State	\$50,000.00
		Federal EDI Grant	\$19,000.00
		City (LOST)	<u>\$32,500.00</u>
		TOTAL	\$101,500.00
		GRAND TOTAL	\$101,500.00

Dated this 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Public Works/Safety Committee Report for June 12, 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 Community Development Committee Report for June 14, 2007, was presented to the Mayor and Council by Council Member DeBlieck. There were four items for Council consideration.

Item No. 1 Steve Renquist, City/County EDC, appeared before the Committee to request an amendment to the MinnWest Tax Abatement program. The original City action was to grant tax abatement to MinnWest for vacant buildings only. Mr. Renquist said the intent was that there would be no real estate taxes payable for the campus through the year 2015, consistent with the JOBZ program for certain projects on the site. It was originally believed that the JOBZ program would exempt the land from real estate taxes, as well as the buildings used by JOBZ-qualified businesses. Mr. Renquist asked that the value of the land on the MinnWest Campus be included in the tax abatement program in addition to the value of unoccupied structures.

Following a discussion of the process and ramifications of the proposed change, the Committee was recommending the Council adopt a resolution amending the MinnWest Tax Abatement Program to include tax abatement for the value of land on the MinnWest Campus, as well as the unoccupied buildings. Resolution No. 4 was introduced by Council Member DeBlieck seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

RESOLUTION AMENDING MINNWEST TECHNOLOGY CAMPUS,
LLS TAX ABATEMENT PROGRAM

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

1. That the tax abatement program approved by Resolution No. 1 dated July 17, 2006, for MinnWest Technology Campus, LLC be amended to include the market value of land, unoccupied buildings, and buildings occupied by non-JOBZ-qualified businesses for the purpose of calculating the tax abatement.
2. That this amendment be recognized as providing the level of real estate tax

assistance originally anticipated by MinnWest Technology Campus, LLC and as originally proposed by the City of Willmar/Kandiyohi County Economic Development Commission.

Dated this 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee considered a request by the HRA that the City adopt a Resolution adopting a Displacement Minimization Plan and a Residential Anti Displacement and relocation assistance plan for the recently funded Small Cities Development Program. This request is consistent with action that the Council has taken on these types of programs in the past.

The Committee was recommending the Council adopt the Resolution adopting both plans as required for the Small Cities Development Program. Resolution No. 5 was introduced by Council Member DeBlieck, seconded by Council Member Swenson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 5

ADOPTING DISPLACEMENT MINIMIZATION PLAN AND
RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

WHEREAS, the City of Willmar anticipates participating in the Minnesota Small Cities Development Program and through this participation, homeowner rehabilitation will occur; and

WHEREAS, the consequence of the proposed activities is that although not anticipated, the potential for displacement exists; and

WHEREAS, the purpose of the Displacement Minimization Plan and the Residential Anti-displacement Plan is to describe the steps the City shall take to mitigate the adverse effects of displacement on low and moderate income persons;

NOW, THEREFORE, BE IT RESOLVED that the City of Willmar, Minnesota, hereby adopts the Displacement Minimization Plan and the Residential Anti-displacement and Relocation Assistance Plan for the City of Willmar as attached hereto.

Dated this 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee reviewed a proposed list of expectations for the Housing Task Force as prepared by Staff. Those expectations included the following: a.) Review housing

conditions, standards and enforcement for rental and owner-occupied properties. This is to include a review of the exterior maintenance standards; b.) Review exterior storage, parking, and land-use regulations related to residential development; c.) Discuss an educational program to inform residents about the expectations for property maintenance; d.) Offer comments about their personal issues and concerns, followed by a discussion of proposed solutions to those concerns; e.) Review and discuss enforcement procedures, and staffing / costs related to enforcement; and f.) Discuss options for dealing with the cost of compliance, and generating solutions for property owners that do not have the financial means for compliance.

The Committee suggested that Staff prepare a booklet for each member that included ordinances and codes addressing exterior maintenance, exterior storage, parking, grass and weed removal, pets and animals, noise, and snow removal.

The Committee was recommending the Council adopt the proposed expectations to guide the work of the Housing Task Force. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion, which carried.

Item No. 4 The Committee discussed options for land-use review and decision making. Council Members expressed concerns over the extent of Planning Commission authority in the conditional use permit review process. It was noted that the City Attorney is researching the matter and is to provide suggestions as to options of how the City might choose to restructure their land-use decision making process.

The Committee discussed requesting the City Attorney to draft an amendment to the Zoning Ordinance recognizing the advisory function of the Planning Commission and granting all final land-use decision making authority to the City Council. The matter was transmitted to the City Council for additional discussion and was for information only.

The Community Development Committee Report for June 14, 2007, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member DeBlieck, seconded by Council Member Dokken, and carried.

Planning and Development Services Director Peterson presented to the Mayor and Council an Ordinance to Rezone Certain Lands. William and Debora Donner propose the rezoning of property east of the current Donnerite Building from R-4 (Medium Density Multiple Family) to GB (General Business) for the purpose of retail development. The Planning Commission has approved the rezoning. Council Member Anderson offered a motion to introduce the Ordinance to Rezone Certain Lands and schedule a public hearing for July 2, 2007. Council Member DeBlieck seconded the motion, which carried.

Planning and Development Services Director Peterson presented to the Mayor and Council a Preliminary Plat for Landmark Business Park, a commercial lot consisting of 23 lots being developed by Chad Monson. The Planning Commission approved the preliminary plat with conditions that will be completed prior to final platting. Council Member Dokken moved to approve the preliminary plat for Landmark Business Park with Council Member Gardner seconding the motion. Council Member DeBlieck moved to amend the motion requiring some land be dedicated to park or green space. Council Member Christianson seconded the motion, which failed. The original motion then carried.

City Clerk Halliday informed the Mayor and Council that the American Legion Post 167 is

making application for a premise permit renewal to the Gambling Control Board. Following discussion, Resolution No. 6 was introduced by Council Member Dokken, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

REQUESTING THAT THE MINNESOTA GAMBLING
CONTROL BOARD APPROVE THE APPLICATION FOR A
PREMISE PERMIT FOR THE AMERICAN LEGION POST 167

WHEREAS, the American Legion Post 167 has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at the American Legion Post 167, 220 SW 19th Ave, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the American Legion Post 167 and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the American Legion Post 167 for the time period of September 1, 2007 through August 31, 2009.

Dated this 18th day of June, 2007.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Mayor Heitke announced that on June 20, 2007, the Alexandria Beetles vs. Green Bay Bullfrogs, semi-pro baseball teams, will be playing in Willmar.

Announcements for Council Committee meeting dates were as follows: Finance, June 25; and Public Works/Safety, June 26, 2007.

There being no further business to come before the Council, the meeting adjourned at 8:47 p.m. upon motion by Council Member Dokken, seconded by Council Member Gardner, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL