

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

September 17, 2007
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke Council Members, Ron Christianson, Bruce DeBlieck, Denis Anderson, Cindy Swenson, Rick Fagerlie, and Jim Dokken; Present 7, Absent 2 - Doug Reese and Steven Gardner were excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, Fire Chief Marv Calvin, Finance Director Steven Okins, Community Education and Recreation Director Steve Brisendine, City Planner Megan Sauer, and Administrative Assistant Audrey Peterson.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of September 4; Planning Commission Minutes of September 12; Building Inspection Report for August; Housing and Redevelopment Authority Minutes of August 14; Zoning Appeals Board Minutes of September 10; Mayor's Housing Task Force Minutes of September 10, 2007; and Out-of-State Travel Request for Mayor Heitke. Council Member DeBlieck seconded the motion, which carried.

Mayor Heitke recognized Ms. Sandra Schlagel representing Kandiyohi County Tobacco Coalition. Ms. Schlagel presented a summary of the Clean Indoor Air Act - Freedom to Breathe Provisions which will be in effect October 1, 2007. Following discussion with regards to specific community impacts, Mayor Heitke thanked Ms. Schlagel for her presentation.

Mayor Heitke recognized Warren Jorgen who had signed up to address the City Council during its scheduled Open Forum. Mr. Jorgenson inquired on the status of flood control issues in southwest Willmar.

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

Item No. 1 Finance Director Okins presented the proposed Memorandum of Understanding of Intergovernmental Transfer Payment between Rice Hospital and City of Willmar establishing an annual payment calculated at .40 percent (40/100 of 1%) of prior year net assets but never less than \$200,000. This agreement would be effective January 1, 2008, and provide for quarterly installments.

Under the existing agreement which expires December 31, 2007, the final annual payment is \$200,000. Rice has requested deferring payment of the quarterly installments for 2007 until December.

Following discussion, the Committee was recommending the Council introduce a resolution to authorize the City Administrator to execute the Memorandum of Understanding of Intergovernmental Transfer Payment between Rice Memorial Hospital and City of Willmar. Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 1

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the City Administrator be authorized to enter into an agreement between the City of Willmar and Rice Memorial Hospital for payment of intergovernmental transfer.

Dated this 17th day of September, 2007.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Item No. 2 Mayor Heitke presented his proposed 2008 budget for the City of Willmar totaling \$22,618,439. Of that amount, \$11,424,481 is for General Operating, \$934,212 for Capital Improvements, and \$10,259,746 is for Other Operating/Debt.

The 2008 revenues include a property tax levy of 3,133,646 as compared to the 2007 levy of \$2,806,995. The primary reason for the increase is due to the reduction in the State of Minnesota's 2008 Local Government Aid. The Mayor is also proposing to establish a natural gas franchise fee.

Mayor Heitke stated there are three issues that need to be addressed which have not been included in his 2008 budget: 1) Entrances to downtown on the east and west ends of the by-pass; 2) Quiet Zones for railroad crossings, starting with the crossing at 7th Street NW; and 3) Flood control issues at various intersections throughout the City.

Mayor Heitke concluded his remarks by thanking Staff for its assistance in formulating the Budget and invited Council Members to meet regularly between now and early December with Administration and him to review and/or revise the proposed revenues and expenditures. This matter was for information only.

Item No. 3 Staff informed the Committee that due to recent action of the Economic Development Operations Board, the 2008 Budget as presented at the last Finance meeting will need to be revised. Executive Director Steve Renquist will be attending the next meeting to explain the needed revisions and discuss the 2006 Audit findings. This was for information only.

Item No. 4 The Committee reviewed the following reports: Lawful Gambling, August CVB August WRAC-8, August EDC, August Local Option Sales Tax and the F-14 Project. This matter was for information only.

The Finance Committee Report for September 10, 2007, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Anderson, seconded by Council Member Fagerlie, and carried.

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

Item No. 1 City Administrator Schmit briefly reviewed with the Committee a history of the Police Civil Service Commission (PCSC) and presented what was identified as administrative conflicts between the City's organizational structure and the Police Commission rules and regulations, i.e. responsibilities regarding hiring and disciplinary practices detailed in ordinances, Personnel Policy, labor contracts of the City, and Minnesota statutes governing Police Civil Service Commissions.

At a previous request of the Committee, Staff provided additional research on Police Civil Service Commissions throughout the State and recommended discontinuing the Commission in favor of a Public Safety Advisory Board. In the opinion of Staff this would bring the hiring practices and general supervision of the Police Department in line with other City Departments. It was noted LELS had indicated its support of the proposed changes.

The Committee heard from representatives of the PCSC who generally spoke in opposition to the proposed changes. Following discussion, it was the consensus of the Committee to receive this matter for information, conduct additional research, and solicit opinions and/or recommendations from the City Attorney. This matter was for information only.

Item No. 2 The Committee reviewed information regarding the conduct of public meetings including information on *Roberts Rules of Order Newly Revised*, information from the League of Minnesota Cities, and examples of resolutions and "Roles of Councils" adopted by other communities.

Following discussion, the Committee was recommending the Council adopt a timetable and strategies to provide copies of *Roberts Rules of Order Newly Revised* as an introduction to the subject and that the Labor Relations Committee would hold further discussions regarding this subject and how it might apply to the City Council. Council Member Anderson moved to approve the recommendation of the Labor Relations Committee with Council Member DeBlieck seconding the motion. The Council discussed the need for formal action on the matter and requested the City Attorney to research the matter and report back at a later date. The motion as presented then failed.

Item No. 3 Staff advised the Committee that the League of Minnesota Cities and offices of the State Auditor and Attorney General were not able to provide reasonable options or alternatives to existing laws and opinions regulating car allowances and mileage reimbursements. The Committee briefly discussed the idea of car allowance increases to compensate for the use of private vehicles and asked Staff to do further research on projected costs for consideration at a later date. This matter was for information only.

Item No. 4 The Committee reviewed a proposal for the establishment of a health care savings account as an option to existing health care plans for City employees. The intent of the health care savings account, which was negotiated into all new employment agreements, is to reduce premium costs for both the employer and employee. The new plan will be presented to employees over the next several months with a projected January 1, 2008, implementation date. This matter was for information only.

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

The Community Development Committee Report for September 13, 2007, was presented to the Mayor and Council by Council Member DeBlieck. There were three items for Council consideration.

Item No. 1 The Committee received from Staff a procedural flow chart for conditional use permits amendments/rezoning and appeals/variance and discussed the statutory requirements for these procedures as they relate to the procedures used by the City. Staff explained that statute allowed for different ways of dealing with conditional use permits, but that rezoning and variances or appeals were very narrowly defined from a decision making stand point.

Accountability for decision making was discussed at length. It was a consensus of the Committee that land use review procedures be a topic of discussion at the next Council/Staff retreat.

This matter was for information only.

Item No. 2 Staff informed the Committee that the \$700,000 grant reimbursement for airport land acquisition had been filed with DEED. The balance of the \$1 million dollar grant will be used for T-hanger construction. It was noted that the grant had been awarded to Willmar as part of the 2005 bonding bill. This matter was for information only.

Item No. 3 The Committee received updates from Staff on a number of projects; those projects included Water View Business Park, Wal-Mart, Senior Housing Project, Pellet Plant, 16 bed-Mental Health Hospital, and Industrial Park Development. This matter was for information only.

The Community Development Committee Report for September 13, 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.

The Mayor and Council considered a Resolution Determining Just Compensation for lands to be acquired in conjunction with the new Wastewater Treatment Plant conveyance system. City Administrator explained the Resolution will allow the City to extend offers to owners of farmland where construction is proposed for interceptor line. The parcels are necessary to provide a corridor where the gravity-operated interceptor sewer line will be built. Craig Holmes, Donohue and Associates, explained the width of the corridor varies from approximately 170 feet on the east end to 200 feet on the west end. The corridor generally follows 28th Avenue/30th Avenue Southwest and County Ditch 46. Compensation amounts were determined by Ruhland Commercial Consultants of St. Cloud. Mr. Schmit stated that if negotiated settlements with landowners are not reached within 30 days, the next step is to proceed with eminent domain.

Following discussion, Resolution No. 2 was introduced by Council Member Fagerlie, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 2

DETERMINING JUST COMPENSATION

(For Resolution in its entirety, see City Council Proceedings file dated September 17, 2007, on file in the City Clerk's Office.

City Administrator Schmit informed the Mayor and Council that bids were opened for Project No. 0716, Phase II of the Southern Interceptor. Mr. Craig Holmes explained that there were nine bids received with Chad Monson Excavating being the apparent low bidder. Following discussion, Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Swenson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, 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 bid of Chad Monson Excavating of Willmar, Minnesota for Project No. 0715 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 \$415,825.00.

Dated this 17th day of September, 2007.

/s/ Lester Heitke

MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

City Administrator Schmit informed the Mayor and Council that bids were also opened for Project 0710, Willmar Avenue Extension. There were eight bids received with Voss Plumbing and Heating of Paynesville being the apparent low bidder. Following discussion, Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 4

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. 0710 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 \$422,739.67.

Dated this 17th day of September, 2007.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

The Mayor and Council considered two Resolutions relating to a trail systems grant application. City Administrator Schmit reviewed the grant application which was approved by the Council in June, 2007, adding to the trail system at the corner of Ella Avenue NW and First Street. The City is now being asked to accept the responsibility of serving as the project sponsor in addition to agreeing to operate/maintain the facility constructed with Federal transportation funds. Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Swenson, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 5

BE IT RESOLVED, that the City of Willmar act as sponsor for a "Transportation Enhancements" project identified as Ella Avenue Connector and acknowledges herewith that it is willing to be the project sponsor; knowing full well that such sponsorship includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

BE IT FURTHER RESOLVED, that Mayor Lester Heitke is hereby authorized to act as agent on behalf of this applicant.

Dated this 17th day of September, 2007.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Resolution No. 6 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 6, Noes 0.

RESOLUTION NO. 6

WHEREAS, The Federal Highway Administration (FHWA) requires that states agree to operate and maintain facilities constructed with federal transportation funds for the useful life of the improvement and not change the use of right of way acquired without prior approval from the FHWA; and

WHEREAS, Transportation enhancement projects receive federal funding from the Surface Transportation Program (STP) of the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU); and

WHEREAS, the City of Willmar is the project sponsor for the transportation enhancement project identified as Ella Avenue Connector.

NOW THEREFORE BE IT RESOLVED that the Project Sponsor hereby agrees to assume full responsibility for the operation and maintenance of property and facilities related to the aforementioned transportation enhancement project.

Dated this 17th day of September, 2007.

/s/ Lester Heitke
MAYOR

/s/ Michael Schmit
Attest: CITY ADMINISTRATOR

Mayor Heitke announced that there will be a Military parade/picnic on September 23, 2007, honoring soldiers who have served and are still serving the United States in Iraq and Afghanistan.

Mayor Heitke announced that he will be attending a National League of Cities Inclusive Community Conference in San Diego, California, on October 3, 2007. The NLC will cover the costs associated with the Conference.

Announcements for City Council Committee meeting dates were as follows: Finance, September 24; Public Works Safety, September 25; and Community Development, October 4, 2007.

There being no further business to come before the Council, the meeting adjourned at 8:12 p.m. upon motion by Council Member Anderson, seconded by Council Member DeBlieck, and carried.

Attest:

MAYOR

ACTING SECRETARY TO THE COUNCIL