

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

January 19, 2010
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, Steve Ahmann, Rick Fagerlie, and Jim Dokken; Present 8, Absent 1 - Tim Johnson 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, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Council Member Ahmann offered a motion adopting the Consent Agenda which included the following: City Council Minutes of January 4, Municipal Utilities Commission Minutes of January 11, Planning Commission Minutes of January 13, 2010; Building Inspection Report for December, Charter Commission Minutes of December 16, 2009; Application for Exempt Permit, MDHA Lake of the Woods Chapter; and Mayoral Appointment, HRA Board of Commissioners – Shelley Gazy. Council Member DeBlieck seconded the motion, which carried.

Mayor Heitke presented to the City Council, Staff and citizens of Willmar his message of the State of Affairs of the City of Willmar in which he highlighted events of 2009 and the priorities for 2010, the beginning of its 140th year as an organized city governed by its own City Charter. Mayor Heitke highlighted the Rice Hospital Administrator change, new physicians and services, the September 3rd wind turbine dedication by Willmar Municipal Utility Staff, building projects throughout the City, completion of the Waste Water Treatment interceptor project, and the Mayor's election as the second Vice President of the National League of Cities.

Mayor Heitke acknowledged John Sullivan who had signed up to address the City Council during its scheduled Open Forum. Mr. Sullivan expressed appreciation for the City posting the Council Agenda packets on the website.

The Finance Committee Report for January 11, 2010, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 Council Member Dokken addressed the Committee with ongoing concerns that State funding issues will continue to put a strain on the City budget over the next few years and that the Council be updated on a timely basis on how the City is doing. He requested that Staff identify what specifically was purchased in the following categories: Small Tools, General Supplies versus Office Supplies, Travel-Conference-Schools, Professional Services, Other Charges, and Subsistence of Persons. A definition of expenses for each of these categories will be provided to Committee Members. City Administrator Schmit indicated that Staff will also provide Committee Members with copies of monthly reports tracking expenditures and suggested to Members that expenses are watched closely along with projected revenue forecasts. General Fund expenditures were reduced by an estimated \$900,000 in 2009 to guard against cuts in State-aid programs and that money was set aside as future fund balances. 2010 General Fund expenditures were reduced by \$1.2 million from 2009 figures and Department Directors met with the Committee to explain impacts prior to adoption of the 2010 budget in December. This matter was for information only.

Item No. 2 Staff provided the Committee with a copy of the street improvement/assessment checklist that reflects tasks involved in completing a project. The Engineering Department is in the process of compiling a comprehensive analysis of street improvement programs over the years, including discussion of the 5year program. Once this analysis is completed, a determination can be made for funding of any accelerated program. Various financing options for street projects were also discussed. This matter was for information only.

Item No. 3 The Committee reviewed information about a donation from the Willmar Area Senior Citizens Club of a treadmill valued at \$3,595 to the Willmar Community Center and was recommending the Council introduce a resolution accepting the donation from the Willmar Senior Citizens Club. Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

WHEREAS, the City of Willmar has received a donation from the Willmar Area Senior Citizens Club of a treadmill valued at \$3,595 to the Willmar Community Center;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Willmar, Minnesota, that the City accept the donation and that the City Administrator be directed to express the community's appreciation.

Dated this 19th day of January, 2010.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 4 Staff presented the City of Willmar Investment Policy to the Committee for its annual review. There are no recommended changes. This matter was for information only.

Item No. 5 The Committee considered a request to carry over unspent 2009 Public Works Operating Budget funds to 2010 for the repair of the 2001 John Deere Grader transmission that failed during the Christmas 2009 snowstorm. The Committee was recommending the Council authorize the use of unspent 2009 Public Works Operating Funds to pay for the repair of the transmission on the 2001 John Deere Grader in 2010. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 6 Mayor Heitke explained to the Committee that he had just returned from Washington, D.C. While he was there he discussed the federal authorization of \$15 million for Willmar's Wastewater Treatment Plant with Senator Amy Klobuchar, Senator Al Franken, and Representative Collin Peterson. The Mayor found that to date, \$800,000 has been put into a bonding bill for legislative approval. Furthermore, since the WWT Project will be completed in 2010, the City will have a difficult time securing the 2007 authorization for \$15 million. Mayor Heike also discussed the old municipal airport's land issue as well as the JOBS bill with all three legislators. This matter was for information only.

The Finance Committee Report for January 11, 2009, 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 January 12, 2010, was presented to the Mayor and Council by Council Member Reese. There were three items for Council consideration.

Item No. 1 Staff updated the Committee by presenting information related to the new standards for lab accreditation. The City's Wastewater Treatment Facility lab is currently certified, which means it needs to conform to state and federal rules. The Minnesota Department of Health (MDH), the National Environmental Laboratory Accreditation Certification (NEA) standards and NPDES, regulate the

lab. Rules have been changing periodically throughout the years with plant staff being able to rewrite the lab manuals.

In 2008, Staff revised and rewrote the standard operating procedures and quality assurance manual as part of applying to renew the certification, which is required biannually. The Minnesota Department of Health approved the revised SOP's and Quality Assurance manual and renewed certification of the lab for two years. In July 2009, the State legislature adopted the NELAC Standards for certified laboratories. In order for the lab to comply with the NELAC standards, a complete rewrite of the SOP's and Quality System Document needs to be done. An internal audit of the lab confirmed that an extensive revision and rewrite is needed. When completed the rewrite of the SOP's and Quality Systems Document would approximately be 265 pages from its 110 pages currently. Staff requested a proposal from Graham Connections to rewrite the SOP's and Quality Systems Document.

The Committee was recommending the Council accept the proposal of Graham Connections, LLC to rewrite the manuals for a not-to-exceed figure of \$14,000, a maximum for 2010 Audit and Managerial Review for a not-to-exceed of \$2,500, and a maximum for MDH Audit response and documentation for a not-to-exceed of \$500, authorize the Mayor and City Administrator to enter into an agreement. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member DeBlicke, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

Whereas the City of Willmar desires to retain a firm to rewrite the Standard Operating Procedures and Quality Systems Document for the Wastewater Treatment Facility Laboratory for the City of Willmar; and

Whereas a proposal has been made by, and an agreement prepared to retain, the firm of Graham Connections, LLC. of Hutchinson, Minnesota, for a not-to-exceed amount of \$17,000.00 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.

Be it further resolved by the City Council of the City of Willmar to authorize the Finance Director to re-appropriate the remaining dollars in the 2009 Waste Water Treatment Budget to cover the expense

Dated this 19th day of January, 2010.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 Rhonda Rae of Donohue and Associates briefed the Committee on activities for the month of December related to the Wastewater Treatment Plant Relocation Project. Program management activities included meeting with City Staff regarding funding and finance issues, submittal of Pay Request 2 for the 30-year loan to the Public Facilities Authority for the Clean Water Revolving Fund, and Pay Request No. 7 for the Total Maximum Daily Load Grant. The City has now received the full amount of TMDL eligible grant funds. Work continues with Staff on reconciling the PFA payment with the City pay request.

Informational sheets were submitted to PFA to use for the 2010 legislative session for Wastewater Infrastructure Funding. Donohue and City staff submitted Pay Request No. 3 to the Public Facilities Authority for the American Recovery and Reinvestment Act of 2009 and Clean Water Revolving Funds. Work continued with many agencies as detailed in the report for funding opportunities. The updates to Chapter 16, Division 2 of the Willmar Municipal Code continued along with edits to the Industrial Wastewater Discharge Permit for Jennie-O Turkey Stores.

Discussions continued with City Planning Staff to provide information on the impact of construction on the Wallace Janssen property. The court has not set a new trial date so mediation continues. A new date for the Kvam property trial has not been set. Kennedy and Graven will attempt to set up mediation. A Commissioners hearing on the Groothuis property is scheduled for March 3, 2010. An update was also presented on construction-related engineering activities for the conveyance system and wastewater treatment facilities, as well as the December budget summary. Details and a map of the construction are contained in the monthly report. This matter was for information only.

Item No. 3 Chair Reese introduced a discussion focusing on the recent school building reorganizations and the need for City Office space long-range planning. Mr. Reese suggested that with the availability of school buildings and property, the City should enter into discussions with school officials to determine the feasibility of any school property serving as a site for a future City Office Building. Garfield School, with its proximity to the Central Business District and expansive park ground area, would seem like a logical site for consideration.

Committee Members briefly discussed related issues with the Kandiyohi County Courthouse and Council Chambers at the Health and Human Services Building and considered new information being made available regarding the future space needs and development plans of the Willmar Municipal Utilities. Members also briefly discussed the pros and cons of the costs associated with renovating existing buildings at the Garfield site versus any concepts for new construction.

The Committee was recommending the Council direct Staff to explore and research the possibility of utilizing any school properties for City purposes and that the analysis include discussions with County and Municipal Utilities representatives. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Fagerlie seconding the motion, which carried.

The Public Works/Safety Committee Report for January 12, 2010, were approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Reese, seconded by Council Member DeBlieck, and carried.

The Labor Relations Committee Report for January 13, 2010, was presented to the Mayor and Council by Council Member Ahmann. There were three items for Council consideration.

Item No. 1 City Administrator Schmit presented to the Committee a proposed Airport Operations Agreement between Maximum Cruise Aviation, LLC, currently serving as an Airport Fixed Base Operator, and the City to perform day-to-day activities necessary to keep the Willmar Municipal Airport safe, accessible and operational on a daily basis. The Agreement essentially replaces a full-time Airport Manager and calls for the Operations Supervisor to conduct daily activities at the Airport including issuing NOTAMS, setting traffic patterns, checking and verifying qualifications of Airport users, attending to hazardous conditions, logging runway inspections and light replacements, and other general maintenance activities. Airport management duties such as credit applications, billings, budgets, leases, etc. will be handled by Staff at the City Office Building.

The Agreement calls for the Airport Operations Supervisor provided by Maximum Cruise Aviation, LLC, to be paid \$1,232 per month. Unemployment compensation, workers compensation, FICA and withholding taxes, if any, are the responsibility of Maximum Cruise Aviation, LLC. City Administrator Schmit indicated that general management responsibilities would be shifted from Public Works to Planning and Development Services and that Megan Sauer, City Planner, would be assigned as Airport Manager. Other Planning and Development Services job assignments will be adjusted accordingly. The agreement with Maximum Cruise Aviation, LLC, runs through December 31, 2010.

The Committee was recommending the Council adopt a resolution approving the Airport Operations Agreement as presented. Resolution No. 3 was introduced by Council Member Ahmann, seconded by Council Member Anderson, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, 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 Mayor and City Administrator be authorized to enter into an Airport Operations Agreement between Maximum Cruise Aviation, LLC, and the City of Willmar through December 31, 2010.

Dated this 19th day of January, 2010.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 The Committee reviewed information from the League of Minnesota Cities and State Auditor's Office reminding government jurisdictions of the need for a policy that controls out-of-state travel by elected officials. The City's Personnel Policy and Procedures covering out-of-state travel applies to employees only.

Following review of the League of Minnesota Cities model on elected officials out-of-state travel policy and further discussion, the Committee was recommending the Council adopt a resolution establishing a policy for City-elected officials modeled after the League of Minnesota Cities proposed model. Resolution No. 4 was introduced by Council Member Ahmann, seconded by Council Member Anderson, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

OUT-OF-STATE TRAVEL POLICY FOR THE WILLMAR CITY COUNCIL

WHEREAS, the 2005 regular session of the Minnesota State Legislature has mandated that every City develop and approve, by a recorded vote, an out-of-state travel policy for its applicable elected officials (Minnesota Statutes 471.661); and

WHEREAS, the elected officials for the City of Willmar affected by this statutory requirement are the Mayor and eight ward Council Members; and

WHEREAS, the City of Willmar recognizes that its elected officials may at times receive value from traveling out of the state for workshops, conferences, events and other assignments. This policy sets forth the conditions under which out-of-state travel will be reimbursed by the City; now, therefore

BE IT RESOLVED: That the following Out-of-State Travel Policy shall apply for all City of Willmar Elected Officials beginning April 5, 2006:

General Guidelines:

1. The event, workshop, conference or assignment must be approved in advance by the City Council at an open meeting and must include an estimate of the cost of the travel. In evaluating the out-of-state travel request, the Council will consider the following:
 - a. Whether the elected official will be receiving training on issues relevant to the City or to his or her role as the Mayor or as a council member;
 - b. Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the City or on the official roles of local elected officials.
 - c. Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the City where the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.

- d. Whether the elected official has been specifically assigned by the Council to visit another city for the purpose of establishing a goodwill relationship such as a "sister-city" relationship.
 - e. Whether the elected official has been specifically assigned by the Council to testify on behalf of the City at the United States Congress or to otherwise meet with federal officials on behalf of the City.
 - f. Whether the City has sufficient funding available in the budget to pay the cost of the trip.
2. No reimbursements will be made for attendance at events sponsored by or affiliated with political parties.
 3. The City may make payments in advance for airfare, lodging and registration if specifically approved by the council. Otherwise all payments will be made as reimbursements to the elected official.
 4. The City will reimburse for transportation, lodging, meals, registration and incidental costs as follows:
 - a. Airfare will be reimbursed at the coach rate.
 - b. Mileage will be reimbursed at the IRS rate. If two or more council members travel together by car, only the driver will receive reimbursement. The City will reimburse for the cost of renting an automobile if necessary to conduct City business.
 - c. Receipts are required for lodging, airfare and meals and should accompany an expense report form. It is not necessary to have receipts for cabs and tips. The expense report form shall be submitted to the Finance Department for payment.
 - d. The City will not reimburse for alcoholic beverages, personal telephone calls, costs associated with the attendance of a family member, rental of luxury vehicles, meal expenses included in the cost of registration or recreational expenses such as golf or tennis.
 5. The elected official shall make available to the City all materials received at said conference.
 6. All frequent flyer miles or rebates shall accrue to the benefit of the owner of the credit card used in the purchase of allowable travel expenses.
 7. The City Council may make future amendments to this policy as deemed appropriate. The City Council also reserves the right to approve exceptions to this policy upon a majority vote of the Council.

Dated this 19th day of January, 2010.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 Chair Ahmann announced the intent of the Committee to close the meeting to discuss employment contract negotiations and issues. The meeting was reopened and the Committee was recommending that the Council approve the employment contracts with AFSCME General Unit and AFSCME Public Works. The contracts, which will expire December 31, 2010, include no wage adjustments and acknowledge that Administration will review the City's Personnel Policy and Procedures with regard to considering adjustments for the cost share of safety glasses and updating City-wide and departmental seniority lists.

Council Member Ahmann moved to approve the recommendation of the Labor Relations Committee with Council member Anderson seconding the motion, which carried.

The Labor Relations Committee Report for January 13, 2010, 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 January 14, 2010, was presented to the Mayor and Council by Council Member DeBlieck. There were five items for Council consideration.

Item No. 1 The Committee discussed general parameters for City financial involvement in development projects. Staff reviewed the existing financing policies, and the impacts of various tools were discussed. The differences between tax increment financing and tax abatement were noted, particularly with respect to the impact each tool has on the local tax levy. The Committee directed Staff to work on amending the development financing policies and to bring them back for future discussion. This matter was for information only.

Item No. 2 Staff presented preliminary year-end construction figures for 2009. The number of residential units and value was up. This figure may be somewhat misleading as the permits for the 28 units in Westwinds were obtained on the last day of 2009, with no construction underway at this time. Commercial and industrial construction values remained steady if the Waste Water Treatment Plant is factored out of the 2008 numbers. Total construction values are also on par with 2007 and 2008, not counting the WWTP figures. The number of residential units permitted was the highest since 2005. This matter was for information only.

Item No. 3 Responding to previous concerns of the Committee, Staff reported that there were very few abandoned homes creating problems at this time. Banks and realtors have been doing a better job of securing homes. Several abandoned homes are under review by Staff and could be candidates for future tear-downs. All in all, Staff is not seeing a big problem in neighborhoods due to abandoned homes. This matter was for information only.

Item No. 4 The Committee received status reports on the John's Supper Club building and proposed church demolition at 7th Street and Litchfield Avenue. Plans have been submitted and reviewed for the rehabilitation of the John's Supper Club building, but no permits have been issued. Staff is pursuing a performance agreement to insure that work is done in a timely manner. Representatives of the church and City Staff met this week to discuss the process for removal of the building. There may be a party interested in exchanging land for the church. Staff encouraged church representatives to pursue this option in a timely manner, prior to the City moving forward on the removal process. This matter was for information only.

Item No. 5 Council Member Ahmann offered comments on the recent image survey conducted by the Community Marketing Coalition. Although the results were interesting and highlighted a number of areas that portray the community in a positive way, it was noted that there was no way to determine if the survey was statistically random due to the way the survey was conducted and the low number of responses. This matter was for information only.

The Community Development Committee Report of January 14, 2010, 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 Christianson, and carried.

The Mayor and Council considered a temporary On-sale Liquor License for the Fraternal Order of Eagles. City Clerk Halliday presented information on the request to sell alcohol to both their member participants and other attendees at their state pool tournament. As a Club, they are eligible for a State 1-4 day temporary On-sale Liquor License. Eagles' staff notified the City that they were pursuing a State liquor caterer's license and pending that development, Mr. Halliday was recommending the Council table the matter. Council Member Christianson moved to table the temporary On-sale Liquor License for the Fraternal Order of Eagles with Council Member DeBlieck seconding the motion, which carried.

Mayor Heitke presented a School Board Recognition Week Proclamation. Council Member Anderson moved to issue the Proclamation, with Council Member DeBlieck seconding the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, January 25; and Public Works/Safety, January 26, 2010.

There being no further business to come before the Council, the meeting adjourned at 8:03 p.m. upon motion by Council Member Reese, seconded by Council Member Ahmann, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL