

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

December 20, 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, Denis Anderson, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 8, Absent 1 - Bruce DeBleck was excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief David Wyffels, Fire Chief Marv Calvin, Public Works Director Holly Wilson, Finance Director Steve Okins, Community Education and Recreation Director Steve Brisendine, Planning and Development Services Director Bruce Peterson, and City Clerk Kevin Halliday.

Council Member Christianson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of December 6 and 15, Council Work Session Minutes of December 8, Municipal Utilities Commission Minutes of December 13, Planning Commission Minutes December 15, Housing and Redevelopment Authority Board Minutes of November 9, Charter Commission Minutes of November 23, and Willmar Design Center Minutes of December 8, 2010; Applications for Exempt Permits: Prairie Pothole Chapter and Rocky Mountain Elk Foundation; Mayoral Appointments: Municipal Utilities Commission – Dan Holtz and Randy Czarnetzki. Council Member Dokken seconded the motion, which carried.

Mayor Heitke acknowledged that no one had signed up to address the City Council during its scheduled Open Forum.

The Finance Committee Report for December 13, 2010, was presented to the Mayor and Council by Council Member Anderson. There were 10 items for Council consideration.

Item No. 1 Chair Anderson acknowledged that no one was present requesting to address the Committee and this matter was for information only.

Item No. 2 MUC General Manager Bruce Gomm presented a request to the Committee to pursue a multi-step increase in water rates over the next two years. An annual increase of 6% is being proposed for non-summer months with a 20% increase being proposed for summer months pursuant to a State requirement for a conservation rate structure. This is projected to result in a 9% to 10% increase in customer charges each year. Mr. Gomm stated this rate increase is necessary to avoid a deficit of 12% to 16% in the Water Department Budget for 2011 and 2012. Expenditures have already been cut during the last two years in an effort to delay this increase and several maintenance items have been deferred to date which now need attention. The proposed increase also incorporates a summer conservation rate required by the Department of Natural Resources.

Following discussion, Council Member Anderson offered a motion to introduce an Ordinance Amending Rates Charged by the Municipal Utilities Commission to be Effective for Billings Sent On and After February 1, 2011, and to schedule a public hearing on January 10, 2011. Council Member Dokken seconded the motion, which carried.

Item No. 3 The Committee was informed by Staff that the 2011 Site Agreement for the Senior Dining Program at the Willmar Community Center. To date, Senior Dining has been using this

space rent free and is requesting to do so again in 2011. Following discussion, the Committee was recommending the Council introduce a resolution approving the 2011 Senior Dining Site Agreement as presented.

Resolution No. 1 was introduced by Council Member Anderson, seconded by Council Member Dokken, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, 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 Lutheran Social Services for the Senior Nutrition Program.

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 4 Staff explained to the Committee that the County Board has reviewed forfeited land located at 206 Bernard Street SE and has set the value at \$9,000. Pursuant to State law, the local unit of government may comment on forfeited land values set by the County Board. Following discussion, the Committee was recommending the Council introduce a resolution concurring with the County Board's determination.

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Dokken, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

WHEREAS, the Kandiyohi County Board of Commissioners has established the value of \$9,000 for tax forfeiture parcel 95-220-0540 described as follows:

South ½ of Lot 3, South ½ of East ½ of Lot 2; 206 Bernard Street SE

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the City Council of the City of Willmar does hereby concur with the established value of \$9,000 as the forfeited land value for 206 Bernard Street SE.

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 5 Staff reviewed with the Committee a proposed Fire Protection Contract with Dovre Township. The state-wide formula used to calculate the amount due from the Township is based on information from the previous year which includes operating costs of the Fire Department, depreciation of the fire station and equipment, the number of firefighter hours used and market values of the area covered in Dovre Township.

The Committee was recommending the Council introduce a resolution authorizing the Mayor and the City Administrator to execute the agreement as presented. Resolution No. 3 was introduced by Council Member Anderson, seconded by Council Member Dokken, 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 Agreement for Fire Department Service between Dovre Township and City of Willmar through December 31, 2011.

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 6 Staff explained the City's policy on information requests received. The process begins with the City Clerk who distributes the request to the appropriate department. That department provides the information with an estimate of costs for compiling the data. The requesting party may, during normal business hours, research the information free of charge if he/she so chooses. This matter was for information only.

Item No. 7 City Administrator Schmit explained to the Committee that the analysis of privatization of Public Works activities is not complete. It was pointed out that the City already has a number of public/private partnerships, including: garbage pickup at parks and other public locations as well as the Central Business District; complaint-generated mowing assignments; seal coating; striping; stump removal; hydrant repair/replacement; crack sealing; catch basin repair; and snow hauling. The City has also experimented with street sweeping, tree removal, and street patching. Staff recommends that a Council Work Session be held to review public works responsibilities. It was the consensus of Committee members that the Council conduct a work session in January of 2011 for the purpose of reviewing the City's Public Works programs and activities. This matter was for information only.

Item No. 8 Finance Director Okins requested Committee input for scheduling the next Finance Committee meeting. It was noted that the first Council meeting of the New Year is set for January 10, 2011. It was the consensus of the Finance Committee to schedule its next meeting for January 3, 2011, should business need to be conducted. This matter was for information only.

Item No. 9 The Committee received the October Rice Trust and September MUC reports. This matter was for information only.

Item No. 10 Staff reviewed future agenda items with the Committee including Deferred/Suspended Assessments, Rice Care Center Financing, Investment Policy, 2011 Fee Schedule, and Capital Improvements Schedule. This matter was for information only.

The Finance Committee Report for December 13, 2010, 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 Dokken, and carried.

The Public Works/Safety Committee Report for December 14, 2010, was presented to the Mayor and Council by Council Member Christianson. There were five items for Council consideration.

Item No. 1 Staff presented the proposed list of improvements for 2011. The list includes reconstruction, overlay, street lighting, and miscellaneous projects. Staff briefly reviewed the streets and miscellaneous items proposed for construction, which is based off the Five-Year Street Plan. This year's improvements include reconstruction of 1.53 miles of streets and 1.53 miles of overlay of various streets, including those that coincide with the County's road construction program, and street lighting for Pleasant View Drive SE. Miscellaneous items include deck maintenance to the 1<sup>st</sup> Street Bridge, storm water related improvements, seal coat and crack sealing of various areas.

Following discussion, the Committee was recommending the Council order preparation of the Improvement Report for the 2011 Improvements. Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member DeBlieck, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

ORDER OF IMPROVEMENT REPORT

WHEREAS, it is proposed to construct the following improvements under the 2011 Improvement Project:

grading, gravel base, curb and gutter, tiling, bituminous pavement, sidewalk, service lines, sanitary sewer, storm sewer, water main, and street lighting

and to assess the benefited property for all or a portion of the cost of the improvement, pursuant to Minnesota Statutes, Section 429.011 to 429.111 (Laws 1953, Chapter 398, as amended).

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF WILLMAR, MINNESOTA:

That the proposed improvement be referred to the City Engineer for study, and that he is instructed to report to the Council advising the Council in a preliminary way as to whether the proposed improvement is feasible, and as to whether it should best be made as proposed or in connection with some other improvement, and the estimated cost of the improvement as recommended.

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 2 Staff requested permission to enter into a contract with Short Elliot Hendrickson (SEH) for miscellaneous traffic assistance services. The contract would be for 2011 at a cost not to exceed \$5,000.00. The money to fund the services would be from the Engineering budget under professional services. The Committee was recommending the Council approve Staff's request to enter into a contract with Short Elliot Hendrickson for periodic traffic consulting services as presented.

Resolution No. 5 was introduced by Council Member Christianson, seconded by Council Member DeBlieck, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 5

Whereas the City of Willmar desires to retain a consultant to provide professional engineering services for providing assistance with oversight and review of operational issues related to the City owned

and operated traffic systems; and

Whereas a proposal has been made by, and an agreement prepared to retain, the firm of Short Elliott Hendrickson Inc. of St. Paul, Minnesota for said services not to exceed \$5,000.00;

Now therefore be it resolved by the City Council of the City of Willmar that said agreement be approved and that the City Administrator be authorized to execute the same.

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 Rhonda Rae of Donohue and Associates briefed the Committee on activities for the month of November 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 No. 14 for the 30-year loan to the Public Facilities Authority for the Clean Water Revolving Fund, and Pay Request No. 14 to the Public Facilities Authority for American Recovery and Reinvestment Act (ARRA).

The firm has been providing information for the City's asset management, maintenance and operational program. Work continues on gravity collection piping capital costs and force main piping costs. Donohue is assisting legal counsel and City staff to provide information on the property acquisition for the western collector and lift station projects.

Projects 0813-D3, 0814-D4, and 0816-D6 are substantially complete. The contractors are currently working on punch list items. Project 0815-D5 is complete. All systems at the new facility are operational and being controlled by City staff. All training has been completed. The contractor for Project No. 1017-B is progressing. The contractor has installed temporary HVAC and completed the gas line relocation. This matter was for information only.

Item No. 4 Staff informed the Committee that the City received the final pay request for the construction of path surfacing along County Roads 41 and 24. The Federally-funded project was completed by Duinick, Inc. All the necessary paperwork has been received and the final quantities agreed upon by Staff and contractor. The final payment consists of quantities as constructed and the 5% retainage. Staff recommends acceptance of the project and issuance of final payment in the amount of \$16,816.76.

The Committee was recommending the Council accept Project No. 1004 and authorize final payment as presented. Resolution No. 6 was introduced by Council Member Christianson, seconded by Council Member DeBlieck, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

#### RESOLUTION NO. 6

#### ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Project No. 1004 – Path Improvements  
CONTRACTOR: Duinick, Inc.  
DATE OF CONTRACT: June 24, 2010  
BEGIN WORK: August 3, 2010  
COMPLETE WORK: October 29, 2010

APPROVE, CITY ENGINEER: December 14, 2010

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

1. The said City of Willmar Project No. 1004 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$139,000.82
Change Order None	\$0.00
 FINAL NET CONTRACT AMOUNT, PROPOSED:	 \$139,000.82
 ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED: \$135,127.75	
Less Previous Payments	\$118,310.99
 FINAL PAYMENT DUE CONTRACTOR:	 \$16,816.76

Dated this 20<sup>th</sup> day of December, 2010.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 The Committee discussed the functionality of the newly constructed intersection improvements on North Business 71. The question of when the street lighting will be installed was raised, and Staff stated the wiring is complete and that the subcontractor should be completing installation within the next two weeks. This matter was for information only.

The Public Works/Safety Report for December 14, 2010, 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 Reese, and carried.

The Labor Relations Committee Report for December 15, 2010, was presented to the Mayor and Council by Council Member Ahmann. There were three items for Council consideration.

Item No. 1 City Clerk Halliday presented to the Committee information regarding new Federal guidelines guarding against discrimination in group health plan coverage. Essentially the guidelines call for all employees, regardless of compensation, to pay similar amounts for the employee's share of the premium for employer provided health insurance. Staff will continue to monitor these developments and report back to the Committee at a later date. This matter was for information only.

Item No. 2 City Administrator Schmit introduced a discussion regarding the Public Works Director position. Assistant Engineer Holly Wilson has been serving as the Acting Public Works Director since July 10, 2010. Following an extensive review of Ms. Wilson's performance and discussions with numerous individuals in both the public and private sectors, Mr. Schmit recommended to the Committee that Ms. Wilson be appointed Public Works Director immediately at a salary of \$86,624.

Following discussion, the Committee was recommending the Council appoint Holly Wilson as Public Works Director effective immediately at a salary of \$86,624; the appointment include the standard one-year probationary period; and City Administrator Schmit provide a six-month performance review and evaluation. Council Member Ahmann moved to approve the recommendation of the Labor Relations

Committee, with Council Member Reese seconding the motion, which carried.

Item No. 3 The Labor Relations Committee meeting was closed with the intent to discuss employment contract negotiations with the various City bargaining groups. This matter was for information only.

The Labor Relations Committee Report of December 15, 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.

City Clerk Halliday informed the Mayor and Council that the Willmar Curling Club has rented the Civic Center to hold a two-day New Year's Bonspiel. On January 7 and 8, 2011, the Club plans to serve alcohol. A Civic Center Arena Special Event Permit is required, and Baker's Eagle Creek Eatery LLC has applied for this permit with Dave Baker listed as the on-site employee. Following discussion, Council Member DeBlieck moved to approve the Civic Center Arena Special Event Permit as presented. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Clerk Halliday presented to the Mayor and Council the following On-sale, Club On-sale 2011 Sunday Liquor License renewals: On-Sale – American Legion Post 167, Applebee's, El Tapatio Mexican Restaurant, Green Mill/Holiday Inn, Grizzly's Grill N' Saloon, Kandi Entertainment Center, Oakes at Eagle Creek and VFW Post 1639; Club On-sale – Fraternal Order of Eagles and Willmar Elks Lodge 952. Council Member Ahmann offered a motion to approve the On-sale and Club On-sale 2011 Sunday Liquor License renewals as presented. Council Member Anderson seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Peterson presented to the Mayor and Council an Ordinance to Amend Ordinance 1060 Known as the Willmar Zoning Ordinance. The Ordinance amends the existing home occupation regulation regarding family member only employees to allow up to two non-family member employees residing at another address based on business type and intensity of operations. Council Member DeBlieck offered a motion to introduce the Ordinance to Amending Ordinance 1060 Known as the Willmar Zoning Ordinance as presented and schedule a public hearing for January 10, 2011. Council Member Reese seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

The Council discussed the City Council's Biennial and second meeting in January. City Clerk Halliday informed the Council that by Charter, the Biennial meeting will be held on January 10, 2011. Council Member Ahmann moved to schedule the second regular Council meeting on January 24, 2011. Council Member Reese seconded the motion, which carried.

Following discussion of meeting dates in February, Council Member Anderson moved to schedule the second regularly scheduled meeting on Tuesday, February 22, 2011, due to the President's Day holiday. Council Member Reese seconded the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, January 3; Public Works/Safety, January 4; Council/Charter Commission Work Session, January 5; and Community Development, January 5, 2011.

Mayor Heitke commented on the Westwinds Development open house and encouraged the public to attend a Spring open house.

Council Member Reese acknowledged that this meeting would be Mayor Heitke's last after serving 16 years as Mayor. Mr. Reese commented that the Mayor was a champion for "diversity" in Willmar, significant business expansion, hospital expansion, and the large Waste Water Treatment Plant

Project. Mr. Reese thanked the Mayor for being active in local, state and national organizations, which reflects a career of passion.

Mayor Heitke commented that the City of Willmar is one of 24 regional cities and has risen to the top, known for getting work done and being fiscally responsible. He thanked City Administrator Schmit and the great staff for making Willmar a model of excellence across Minnesota and the nation, noting several completed projects, the All America City Award, and a City bond rating that has gone up twice in four years. The Mayor thanked the citizens for granting him the privilege and honor to serve and wished the new Mayor the best saying as he succeeds, so Willmar succeeds.

Council Member Ahmann moved to send Local Option Sales Tax to the Finance Committee to discuss concerns and sunset period. Council Member Dokken seconded the motion, which carried.

There being no further business to come before the Council, the meeting adjourned at 8:10 p.m. upon motion by Council Member Dokken, seconded by Council Member Ahmann, and carried.

Attest:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
SECRETARY TO THE COUNCIL