

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

June 1, 2009
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, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 8, Absent 1 – Denis Anderson was excused from the meeting.

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

The Council requested that the Municipal Utilities Commission Minutes be removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of May 18, Rice Hospital Minutes of May 13, Convention and Visitors Bureau Minutes of April 21, and Charter Commission Minutes of May 13, 2009; and Exempt Permits for West Central Ducks Unlimited and Minnesota Elk Breeders Association. Council Member Christianson seconded the motion, which carried.

The Mayor and Council discussed Municipal Utilities Commission's recommended changes to the City Charter voicing concerns with any proposal to remove the Council's veto power. Following discussion, Council Member Dokken moved to approve the Municipal Utilities Commission Minutes of May 26, 2009, with Council Member Reese seconding the motion, which carried.

At 7:12 p.m. Mayor Heitke opened the Assessment Hearing for Project Nos. 0901, 0903 and 0904 – Street and Other Improvements for 2009. Public Works Director Odens reviewed Street and Other Improvements for 2009 which include reconstruction, new development, overlay, and explained the proposed assessments. Various citizens offered comments including: Carol Halvorson, 317 11th Street SW, suggesting assessing property by the number of cars per property; Gretchen Fauskee, 601 26th Avenue NW, expressing concerns regarding the costs; Steven Vossen, 2763 Fairway Drive, and Gretchen Mitchell, 2001 County Club Drive, expressing concerns regarding the bike/walking trails; and Ken Behm, 2217 Country Club Drive NE, who felt detours were not well defined/marked. Upon hearing all those who wished to be heard, Mayor Heitke closed the hearing at 7:45 p.m.

Following discussion, Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Christianson, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

ADOPTING ASSESSMENT ROLL

WHEREAS, pursuant to notice duly given as required by law, the City Council has met, heard, and passed upon all objections to the proposed assessment for 2009 Street and Other Improvements, and has amended such proposed assessment as it deems just;

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

1. Such proposed assessment, the sum of \$440,467.96, a copy of which is attached hereto

and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein is hereby found to be benefited by the proposed improvement listed as Projects 0901, 0903, and 0904.

2. Such assessments shall be as follows:

A. The assessments shall be payable in equal annual installments extending over a period of ten (10) years, the first of said installments to be payable with general taxes for the year 2010, collectible with such taxes during the year 2010.

B. To the first installment shall be added interest at the rate of five and seventy-five hundredths (5.75) percent per annum on the entire principal amount of the assessment from the date of August 3, 2009, until December 31, 2010. To each subsequent installment, when due there shall be added interest for one year at said rate on the unpaid principal amount of the assessment.

C. The owner of any property so assessed may at any time prior to the certification of the assessment or the first installment thereof to the County Auditor (Treasurer), pay the whole of the principal amount of the assessment on such property with interest accrued to the date of payment to the City Clerk-Treasurer, except that no interest shall be charged if the entire assessment is paid by October 31, 2009, and such property owner may at any time prior to November 15 of any year pay to the City Clerk-Treasurer the entire principal amount.

3. The City Clerk-Treasurer shall forthwith transmit a certified duplicate copy of this assessment to the County Auditor to be extended on the tax list of the County.

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:55 p.m. Mayor Heitke opened the hearing on an Ordinance Relating to Criminal History Background for Applicants for City Employment and City Licenses. City Clerk Halliday presented details of the proposed Ordinance which would establish regulations allowing law enforcement access to Minnesota's Computerized Criminal History information for specified non-criminal purposes of employment background checks as well as for liquor licensees and employees, and pawn shops. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 7:57 p.m.

Council Member Reese offered a motion to adopt, assign a number, and order final publication of the Ordinance Relating to Criminal History Background for Applicants for City Employment and Licenses. Council Member Dokken seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

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

The Public Works/Safety Committee Report for May 26, 2009, was presented to the Mayor and Council by Council Member Reese. There were three items for Council consideration.

Item No. 1 This Becker Avenue Design Project was removed as the contract was not complete.

Item No. 2 Patrick Weidemann of MnDOT appeared before the Committee to request consideration a resolution of support authorizing the Minnesota Department of Transportation's District 8 to apply to the Greater Minnesota Interchange Program for construction funding to complete the Highway 23 and County Road 5 interchange. The grade is in place and the State owns the right-of-way to construct the link that would provide access to the City's new airport, industrial park, Jennie-O Turkey

Store and residents who live in the southwestern and northwest portions of the City. If the application is approved, there would be no cost to the City or County.

Following discussion, the Committee was recommending the Council approve the design and completion of the interchange and authorize the State of Minnesota to apply to the Greater Minnesota Interchange Program for construction funding. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Christianson, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

Whereas, the City of Willmar considers the intersection of Minnesota State Highway 23 and Kandiyohi County CSAH 5 to be an essential transportation linkage to the City, by providing access to the City's new airport, new industrial park, to Jennie-O Turkey Store, and to residents who live in the southwestern and northwestern portions of the City; and

Whereas, the City of Willmar considers the current at-grade intersection to be both a safety concern and an economic growth concern for the City; and

Whereas, the City of Willmar, in conjunction with Kandiyohi County, have invested heavily in the infrastructure, redevelopment, and future of the area in and around the Minnesota State Highway 23 and Kandiyohi CSAH 5 intersection; and

Whereas, the construction of a grade-separated interchange will result in the final completion of the Willmar bypass which was initially built in 1982;

Now Therefore Be It Resolved, that the City of Willmar supports the Minnesota Department of Transportation's District 8 application to the Greater Minnesota Interchange program for construction funding to complete the Minnesota State Highway 23 and Kandiyohi County CSAH 5 interchange.

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee discussed the intersection of North Business 71/TH 294/CR 24 which is currently under study for a possible solution to reducing the higher than average number of traffic accidents. The design alternate known as Alternate 3.5 is the preference of both the Minnesota Department of Transportation and Kandiyohi County. The City of Willmar has yet to endorse a design. Alternate 3.5 resulted from meetings between City, County, and MnDOT staff who researched three options that arose from the consultant's study. At that time Staff agreed this design was the best option for reducing crashes and increasing safety at an affordable cost. The consultants that proposed the alternative expect a significant reduction in accidents. The design allows for indirect left turns for north and southbound Business 71 traffic, but prohibits east-west traffic from crossing the four-lane. The design allows the left-turning motorist visibility through their windshield of oncoming traffic rather than out the side window, which may be obscured by a side post.

The Committee reviewed a memorandum from Public Works Director Odens which provided thoughts for discussion. Mr. Odens suggested a solution he felt better achieved the recommendations of the study and asked the government entities to review and reconsider Alternate 7 – grade separation. The grade separation allows east-west traffic to safely cross Business 71 and still allows limited access by ramps to Business 71. Alternate 3.5 was selected by the three entities because it could be completed quickly, reduces accidents and is the least-cost option. Staff stated that Alternate 3.5 is considered an immediate improvement and not a long-term solution. MnDOT representative Trooien mentioned he was

unsure if an interchange could fit and if the necessary right-of-way was available. Also an environmental impact study would be needed.

The alternative of a roundabout was also discussed by the Committee. Jon Henslin of MnDOT stated he has no experience with four-lane roundabouts and fears that with too much restriction on traffic, it forces it to go somewhere else. He also stated MnDOT does not have the capability to design any of the additional options in-house.

A signalized intersection was also brought up with Jon Henslin of MnDOT stating this to be a typical public request and that statistics show 23 of the top 30 intersections in District 8 with high crash rates are signalized. Signals are considered high cost with low accident reduction.

City resident Tom Steinman addressed the Committee stating reduced speeds would impact accident reduction because traffic is going so fast there is no time for reasonable judgment. Jon Henslin of MnDOT explained that speed limits are set by State statute. The City has requested a more recent speed study be done which is in the process and to date indicated drivers are driving the posted speed. It was the consensus of the Committee to refer this matter to the full City Council for discussion.

Mayor Heitke recognized Jon Henslin, Traffic Engineer with MnDOT, who reviewed the consultant's work directive which included consideration of 1) travel time, 2) cost and right-of-way purchase, and 3) accident reduction rates. Tom Steinman, speaking against Alternate 3.5, stating it won't be an interim correction but a final effort. Donald Haug, also speaking against Alternate 3.5, stated a possible solution would be to close off the east/west road to the Law Enforcement Center to prevent traffic from crossing both lanes. Dan Ridler expressed the need for a better solution. John Sullivan, opposed to Alternate 3.5, suggested that a round-a-bout would be a better solution. Bob Reverman suggested that the yield signs be replaced with stop signs providing additional time for City Staff to meet with the State and County for additional discussion. The Mayor recommended that these suggestions be placed before City Staff and suggested additional meetings with County and State officials.

The Public Works/Safety Committee Report for May 26, 2009, 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 DeBlieck, and carried.

Mayor Heitke called for a recess at 9:10 p.m. and reconvened the meeting at 9:20 p.m.

City Administrator Schmit informed the Mayor and Council that bids were opened on May 5, 2009, for Project No. 0901, one of the projects included in the assessment hearing. Following discussion, Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member Christianson, 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 bid of Duininck Bros., Inc. of Prinsburg, Minnesota for Project No. 0901 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 \$933,522.50.

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Finance Committee Report for May 26, 2009, was presented to the Mayor and Council by Council Member Fagerlie. There was one item for Council consideration.

Item No. 1 Finance Director Okins presented to the Committee a 2009 Tax Exempt Conduit Bond Financing request on behalf of Bethesda Health and Housing. The amount of bonds to be issued would not exceed \$8 million. Mr. Okins explained a new Federal law no longer counts these conduit revenue bonds towards the City's bank qualified bond limits of \$30 million. The project is a three-phased program that includes a new additional care facility, wellness and aquatic therapy center, and residential room remodeling at the Pleasant View Care Center.

Bethesda Health and Housing is a 501 (c) (3) nonprofit corporation consisting of two skilled nursing facilities, assisted living, independent living, affordable housing, home care and adult day services. Bethesda has been in business in Willmar for 70 years. Construction of the three-phased project is scheduled to begin on July 1, 2009, and completed by July 1, 2012. The appropriate application for tax exempt financing has been completed and submitted to the City Offices.

The Committee was recommending that the Council approve the concept to issue tax exempt revenue bonds and set a public hearing for Monday, June 15, 2009, to formally consider Bethesda's proposal. Council Member Fagerlie moved to approve the recommendation of the Finance Committee with Council Member Dokken seconding the motion, which carried.

The Finance Committee Report for May 26, 2009, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Fagerlie, seconding by Council Member Dokken, and carried.

The Community Development Committee Report for May 28, 2009, was presented to the Mayor and Council by Council Member DeBlieck. There were seven items for Council consideration.

Item No. 1 Dorothy Gaffaney, Executive Director of the Willmar HRA, presented to the Committee a request for Council action to move the 2009 Small Cities Development Program forward. Program details were outlined. A grant in the amount of \$814,790 has been awarded for residential and commercial rehabilitation. The Committee was recommending the Council adopt the resolution approving the administrative contract between the City and Willmar HRA.

Resolution No. 4 was introduced by Council Member DeBlieck, seconded by Council Member Ahmann, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

APPROVING AGREEMENT WITH CITY OF WILLMAR FOR ADMINISTRATION OF WILLMAR COMPREHENSIVE SCDP PROGRAM

WHEREAS, an application for Small Cities Development Program funds was submitted by the City of Willmar, Minnesota for Willmar Comprehensive SCDP Program to include owner-occupied housing rehabilitation in the cities of Willmar and Pennock, Minnesota and downtown Willmar commercial and rental housing rehabilitation; and

WHEREAS, the City of Willmar has been notified of funding approval of the application by the Department of Employment and Economic Development;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority In and For the City of Willmar, Minnesota, that the attached Administrative Contract By and Between the City of Willmar, Minnesota and the Housing and Redevelopment Authority In and For the City of Willmar, Minnesota, attached hereto as Exhibit A, is hereby approved; and

BE IT FURTHER RESOLVED that the Housing and Redevelopment Authority In and For the City of Willmar, Minnesota certifies that it will comply with all applicable laws and regulations related to the administration of the Small Cities Development Program; and

BE IT FURTHER RESOLVED that the Executive Director and Chair of the Housing and Redevelopment Authority and For the City of Willmar, Minnesota, are hereby authorized to execute such agreements as are necessary to implement and administer the project on behalf of the City of Willmar.

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Committee was recommending the Council adopt a resolution adopting the displacement minimization plan and residential anti-displacement and relocation assistance plan. Resolution No. 5 was introduced by Council Member DeBlieck, seconded by Council Member Ahmann, reviewed 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, rental housing and commercial 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 businesses and 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 is attached hereto (on file in the City Clerk's Office).

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Committee was recommending the Council adopt the resolution adopting the fair housing plan of action. It was noted that the resolution authorizing the submission of the grant application included authorization for the Mayor and City Administrator to execute the grant agreement. Resolution No. 6 was introduced by Council Member DeBlieck, seconded by Council Member Dokken, reviewed by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

ADOPTING FAIR HOUSING PLAN OF ACTION

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

WHEREAS, the Minnesota Department of Employment and Economic Development requires that communities participating in the Small Cities Development Program undertake efforts to promote fair housing; and

WHEREAS, the City acting through the Housing and Redevelopment Authority In and For the City of Willmar, Minnesota hereby agrees to abide by and promote all Fair Housing Regulations during the years the grant is open and to report on activities undertaken to further Fair Housing;

NOW, THEREFORE BE IT RESOLVED that the CITY OF WILLMAR, MINNESOTA, hereby adopts the Fair Housing Plan of Action attached hereto as Exhibit A (on file in the City Clerk's Office).

Dated this 1st day of June, 2009.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 2 Ken Warner of the Willmar Lakes Area Chamber of Commerce presented to the Committee a PowerPoint presentation of the 2007-2008 GROW Minnesota annual report. The main focus of the program is peer-to-peer business retention visits. Information presented included the views of local business owners on a variety of business impacts. Jim Sieben, Greg Hilding and Wayne Nelson, GROW team members, were also present to field questions. This matter was for information only.

Item No. 3 Staff explained to the Committee the need to amend the lease agreement between the City and Bergh's Fabricating. The current lease makes it the responsibility of the tenant for all utilities except for the basic electric charge. Because the tenant only uses electricity, the lease needed to be amended to reflect that. The Committee discussed utility usage at the former airport site and suggested that it was in the best interest to the City to shut off the water to the terminal building.

The Committee was recommending the Council amend the lease With Bergh's Fabricating to reflect that the tenant be responsible for only electric used beyond the base charge. Council Member DeBlieck moved to approve the recommendation of the Committee Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 4 Staff explained to the Committee efforts to ensure an accurate count of population in the 2010 Census. Several meetings have been held locally to discuss what can be done to obtain the most accurate count locally. One suggestion was that the Mayor appoint a Complete Count Committee to consist of representatives of groups that may traditionally be difficult to reach in the census. It was suggested that the Committee include representatives of the minority community, snow birds, college students, city staff, media and school district.

The Committee was recommending to the Council that the Mayor appoint a Complete Count Committee with Council input. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Ahmann seconding the motion, which carried.

Item No. 5 Staff reviewed with the Committee various sections of the Comprehensive Plan. Significant Committee discussion followed with a suggestion to make a change to the document that added detail to the lakes section. The change would reflect the fact that the lakes were once one body of water and have

since been divided due to road construction. This has separated the one large basin into four basins.

The Committee was recommending that a public hearing on the Comprehensive Plan be set for June 15, 2009. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion, which carried.

Item No. 6 The Committee requested that Staff explain how permit fees are calculated at a future meeting. Staff will place this matter on a future agenda. This matter was for information only.

Item No. 7 Chair DeBlieck expressed concern about some "We Buy Houses" signs that are being put up in residential neighborhoods. They are not real estate signs; rather, they are business signs that should be controlled by the Zoning Ordinance. This matter was for information only.

The Community Development Committee Report for May 28, 2009, 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.

Mayor Heitke presented a Bud Hanson Proclamation recognizing Mr. Hanson for years of service to the community.

Announcements for Council Committee meeting dates were as follows: Finance, June 8; and Public Works/Safety, June 9, 2009.

There being no further business to come before the Council, the meeting adjourned at 9:46 p.m. upon motion by Council Member DeBlieck, seconded by Council Member Reese, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL