

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

February 6, 2002
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, Nancy Houlahan, Jim Dokken, and David Chapin; Present 8, Absent 1 – Council Member Rick Fagerlie 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, Planning and Development Services Director Bruce Peterson, and City Clerk Kevin Halliday.

Proposed additions to the agenda included a Mayoral proclamation and Junior Miss announcement.

The Rice Hospital Board Minutes of January 25, 2002, were removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of January 16, Municipal Utilities Commission Minutes of January 14 and 31, 2002, Human Rights Commission Minutes of November 20, Kandiyohi Area Transit Board Minutes of December 18, 2001, Senior Center Council Minutes of January 2, Airport Commission Minutes of January 8, and Community Education and Recreation Board Minutes of January 24, 2002; and Mayoral appointment of Nathan Streed to the Zoning Appeals Board. Council Member DeBlieck seconded the motion, which carried.

The Council discussed the item relating to the Hospital laundry services moving off-site and it was noted CEO Lorry Massa would be attending the next Finance Committee meeting. The Rice Hospital Board Minutes of January 25, 2002, were approved as presented upon motion by Council Member Dokken, seconded by Council Member Christianson, and carried.

At 7:09 p.m. Mayor Heitke opened the hearing on a vacation of road and utility easements. Planning and Development Services Director Peterson informed the Mayor and Council that AGCO Corporation and Crow Wing Oil Company have submitted a petition for the vacation of unused utility and roadway easements encumbering their industrial park property. The Planning Commission has considered the matter and recommends the vacation as requested. There being no one present to speak for or against the proposed vacation, Mayor Heitke closed the hearing at 7:11 p.m.

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

WHEREAS, a petition has been filed by AGCO/Crow Wing Oil for the vacation of easements owned by the City of Willmar and described on Exhibit A (on file in the City Clerk's Office); and

WHEREAS, the proposed vacations have been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacations and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the petition for vacation of said easements on the 6th day of February, 2002; and

WHEREAS, the City Council of the City of Willmar finds that granting said petition will not deny any person access or utility services now being provided through said easements; and

WHEREAS, a substitute easement has been provided which adequately meets the needs of the City of Willmar and the other public utilities; and

WHEREAS, the City Council of the City of Willmar finds that it is in the best interest of the City of Willmar to grant said petition;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the utility easements described on Exhibit A are hereby vacated;

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed with the Kandiyohi County Recorder on or after February 18, 2002.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:12 p.m. Mayor Heitke opened the hearing on a vacation of utility easements. Planning and Development Services Director Peterson informed the Mayor and Council that as part of an Easement Transfer Agreement made last year, the City agreed to pursue the vacation of unused utility easements currently encumbering Lot 6, Block 1, Koosman Signature Addition. The Planning Commission has considered the matter and recommends the vacation as requested. There being no one present to speak for or against the proposed vacation, Mayor Heitke closed the hearing at 7:14 p.m.

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

RESOLUTION NO. 2

WHEREAS, action has been initiated by the City of Willmar for the vacation of a utility easement owned by the City of Willmar and described on Exhibit A (on file in the City Clerk's Office); and

WHEREAS, the proposed easement vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the petition for vacation of said easement on the 6th day of February, 2002; and

WHEREAS, the City Council of the City of Willmar finds that granting said petition will not deny any person utility services now being provided through said easements; and

WHEREAS, a substitute easement has been provided which adequately meets the needs of the City of Willmar and the other public utilities; and

WHEREAS, the City Council of the City of Willmar finds that it is in the best interest of the City of Willmar to approve said vacation;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the utility easement described on Exhibit A is hereby vacated;

BE IT FURTHER RESOLVED that a certified copy of this Resolution be filed with the Kandiyohi County Recorder on or after February 18, 2002.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:15 p.m. Mayor Heitke opened an assessment hearing on tax forfeiture property. City Clerk Halliday informed the Mayor and Council that the property described as Lot 31, Block 2, Oslo Heights was purchased by Chris and Elizabeth Kunert and special assessments for prior improvements ordered in 1981 remain unpaid and may be reassessed. There being no one present to speak for or against the matter, Mayor Heitke closed the hearing at 7:16 p.m.

Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Reese, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 3

WHEREAS, the following property located within the City of Willmar was offered for sale by the County Auditor at tax forfeiture sale:

Parcel No. 95-603-0410; Lot 31, Block 2, Oslo Heights

WHEREAS, the above property was subject to reassessment of \$3,863.55 if sold; and

WHEREAS, the above property was sold to Chris J and Elizabeth Kunert on November 2, 2001.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the \$3,863.55 special assessments against the above property be placed on the tax rolls for collection over a five (5) year period with an interest rate of 12.25 percent; and that the County Auditor be notified to extend this assessment on the tax rolls payable in 2002.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Mayor Heitke recognized Bruce Kaihoi who addressed the Council during its scheduled Open Forum. Mr. Kaihoi requested consideration of maintaining the current width on Third Street Southeast in the 2002 Improvement Project.

The Finance Committee Report of January 28, 2002, was presented to the Mayor and Council by Council Member Anderson. There were five items for Council consideration.

Item No. 1 The Committee considered a request from the Convention and Visitors Bureau to amend its budget appropriating \$4,636.98 to pay for guestrooms associated with recent SnoCross races. It was noted the funds would be appropriated from the CVB's share of race proceeds. The Committee was recommending to the Council adoption of a resolution amending the budget as proposed.

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

RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to make the following changes within the Convention and Visitors Bureau. Fund:

Increase:	Travel/Conferences/Schools	\$ 4,637.00
Decrease:	Fund Balance	\$ 4,637.00

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item NO. 2 The Committee considered a request from the CVB to host up to four

additional SnoCross snowmobile races at the Willmar Civic Center. The proposed race dates are February 2 and 3; February 9 and 10; February 16 and 17; and a to-be-announced date in March, 2002. The Committee was recommending to the Council that the additional proposed SnoCross snowmobile race dates be approved subject to the standard lease agreements, insurance documents, and Police, Fire and Public Works review and approval. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Christianson seconding the motion, which carried.

Item No. 3 The Committee reviewed correspondence from City Administrator Schmit regarding the impact of the Governor's proposal addressing the projected \$1.9 billion State budget deficit. The Governor's proposal would include a reduction in Local Government Aids of \$329,218 in 2002 and \$352,731 in 2003. Mr. Schmit's letter went on to explain the different options available to the City and noted that staff was working to better define the specifics of each. The options include corresponding cuts to the local budget, increasing revenues, the use of fund balances and reserves, and other alternatives, i.e. the use of capital equipment notes.

Following discussion, it was the consensus of the group that the City continue to explore all options and be prepared to implement any changes or action as soon as the Legislature settles on a final deficit reduction plan. This matter was for information only.

Item No. 4 The Committee briefly reviewed the December Rice Hospital report and Rice Trust summary. Rice CEO Lorry Massa will be invited to the next Finance Committee meeting to review year-end numbers. This matter was for information only.

Item No. 5 The Committee acknowledged a letter from Kandiyohi County regarding the air cargo meeting held on January 25, 2002. Members of the County Board expressed a strong interest to contribute a maximum of \$50,000 into a special fund matched by the City of Willmar. The money would be used to fund the concept of developing an air cargo/distribution facility at the Willmar Airport.

The Committee was recommending to the Council that the City commit up to \$50,000 to a special fund and that the matter of defining the scope of services to be provided be referred to the City/County Joint Economic Development study group. It was agreed that a scope of services and any final commitment for funding would be brought back to the Council for approval. Council Member Anderson moved to approve the recommendation of the Finance Committee with Council Member Christianson seconding the motion, which carried.

The Finance Committee Report of January 28, 2002, was approved as presented upon motion by Council Member Anderson, seconded by Council Member Dokken, and carried.

The Public Works/Safety Committee Report of January 29, 2002, was presented by Council Member Reese. There were four items for Council consideration.

Item No. 1 The Committee considered a proposal to annex and develop land south of the bypass along South Highway 71. Staff has prepared a proposal that finances the cost of installing the infrastructure to include sewer and water main on both sides of the highway and a reconstruct of Abbott Drive in front of existing businesses along the east side.

The development proposal at the Mills location includes a car dealership, convenience store, car wash, and Fleet store at an estimated market value of \$11 million. Based on the current tax capacity rates this would generate an estimated \$585,000 in real property taxes, of which

\$82,000 is the City's share. The estimated payroll is \$3 million per year.

After several meetings with township officials and affected property owners, petitions for annexation were eventually submitted and the annexation approved by the Township Board on January 28, 2002.

The proposed plan to finance the project includes using \$170,000 from the 2001 Budget earmarked for lift station improvement on South T.H. 71 and \$30,000 from the 2002 Budget for additional lift station improvements. Also being recommended is the closing of the downtown redevelopment tax increment district and using \$255,000 of loan repayment funds to complete the City's share of project costs. It was noted that TIF District closing procedures, appropriate budget resolutions, and formal annexation issues would be presented to the Finance and Community Development Committees as a follow-up action.

The Committee was recommending to the Council approval of the South 71 Annexation Project as presented, including the proposed financing plan, and place the project in the 2002 Improvement Hearing Program. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Christianson seconding the motion, which carried.

Item No. 2 The Committee reviewed the Improvement Report for the 2002 Projects, which includes reconstruction, mill and overlay, new construction, and miscellaneous projects. Staff briefly reviewed the streets to be reconstructed and the miscellaneous items proposed. The total estimated cost for improvements is \$2,458,037 with the City's share being \$708,470 and \$1,749,567 assessed against property owners and developers. The Committee was recommending to the Council to approve the Preliminary Report for the 2002 Improvements and order an Improvement Hearing for February 20, 2002.

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

RESOLUTION NO. 5

RECEIVING PRELIMINARY REPORT AND CALLING PUBLIC HEARING ON YEAR 2002 IMPROVEMENT PROJECTS

WHEREAS:

1. The City Council deems it necessary and expedient that the City of Willmar, Minnesota, construct certain improvements to-wit: grading, gravel base, bituminous paving, curb and gutter, sidewalk, street lighting, sanitary sewer, storm sewer, water main, sump pump drain tile, and service lines in the City as described in and in accordance with the preliminary plans and report prepared by the City Engineer.

2. The Council has been advised by the City Engineer that said Year 2002 Improvement Projects contained in the Preliminary Report are feasible and should best be made as proposed, and the City Engineer's report to this effect has heretofore been received by the Council, and filed with the Clerk-Treasurer; and

3. The statute provides that no such improvements shall be made until the Council shall have held a public hearing on such improvements following mailed notice and two publications

thereof in the official newspaper stating time and place of the hearing, the general nature of the improvement, the estimated costs thereof and the area proposed to be assessed, in accordance with the law;

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

1. A public hearing will be held at the time and place set forth in the Notice of Hearing hereto attached (on file in the City Clerk's Office) to consider said proposed improvements.

2. The nature of the improvements, the estimated cost of each major portion thereof, and the areas proposed to be assessed therefore are described in the form of Notice of Hearing hereto attached.

3. The notice of said public hearing shall be in substantially the form contained in the notice hereto attached.

4. The Clerk-Treasurer is hereby authorized and directed to cause notice of said hearing to be given two publications in the official newspaper. Said publications shall be one week apart, and at least three days shall elapse between the last publication and the hearing. Not less than ten days before the hearing the Clerk-Treasurer shall mail notice of the hearing to the owner of each parcel of land within the area proposed to be assessed as described in the notice. For the purpose of giving such mailed notice, owners shall be those shown to be such on the records of the County Auditor or, if the tax statements in the County are mailed by the County Treasurer, on the records of the County Treasurer. As to properties not listed on the records of the County Auditor or the County Treasurer, the Clerk-Treasurer shall ascertain such ownership by any practicable means and give mailed notice to such owners.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 The Committee discussed the Civic Center Task Force report as referred by Council. After discussing numerous issues presented in the report findings, it was the consensus of the Committee that many of the recommendations will be dependent upon ownership and management decisions. The Committee was recommending to the Council to direct staff to enter into discussions with the Blue Line Club to explore the City's ownership of the Blue Line Building, and to continue working on different site plan alternatives for the development of additional locker room space at the site. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding the motion, which carried.

Item No. 4 Staff informed the Committee that the decision was made to block the accesses to Foot and Willmar Lakes and temporarily shut off the aerators due to the warm weather. The open water was widening and the thin ice signs have been moved several times. The oxygen levels are being monitored and if there is any danger to aquatic life, the aerators will be put back into operation. This matter was for information only.

The Public Works/Safety Committee Report of January 29, 2002, 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 Christianson, and carried.

The Labor Relations Committee Report of January 30, 2002, was presented to the Mayor and Council by Council Member Houlahan. There were two items for Council consideration.

Item No. 1 The Committee continued a discussion from the performance evaluation process regarding the development of a system for Council Members to better track the progress of various City projects. It was the consensus of the group to utilize emails for general questions and answers about the status of projects and/or programs, and to develop a graphic format for tracking projects by department which could be shared with respective Council Committees on a regular basis. This matter was for information only.

Item No. 2 The Committee began discussing plans for this year's strategic planning mini-session. City Administrator Schmitt was asked to make arrangements for the session which would be held locally and professionally facilitated. The agenda will be developed with the assistance of the facilitator and with input from the Mayor and Council. This matter was for information only.

The Labor Relations Committee Report of January 30, 2002, was approved as presented upon motion by Council Member Houlahan, seconded by Council Member Anderson, and carried.

The Community Development Committee Minutes of January 31, 2002, were presented to the Mayor and Council by Council Member DeBlieck. There were seven items for Council consideration.

Item No. 1 The Committee reviewed and discussed the Willmar and Litchfield ordinances dealing with adult entertainment. Issues covered included consistency with the County ordinance, separation distances for adult uses, the need to regulate on-site behavior, licensing, and liquor availability.

The Committee was recommending to the Council that the City enact a moratorium on adult entertainment for the maximum period allowed by law and staff was asked to contact the League of Minnesota Cities for copies of other ordinances as the City initiates its review. Council Member DeBlieck moved to introduce an Ordinance Establishing a Moratorium on the Issuance of Building Permits; Conditional Use Permits; and Other Permits and Licenses for Adult Entertainment Establishments and to schedule a hearing on February 20, 2002. Council Member Dokken seconded the motion, which carried.

Item No. 2 The Committee reviewed information on the National Flood Insurance Program. Information was found on the Internet and in conversation with FEMA staff. The Committee reviewed the answers to the questions and expressed reluctance to proceed without knowing how many properties would be impacted by mandatory flood insurance zones.

Staff was asked to contact FEMA and ask if they would update the City's flood zone map without obligating the City to participate in the National Flood Insurance Program. This matter was for information only.

Item No. 3 Andy Bjur with the Vision 2020 group presented to the Committee a proposed Comprehensive Trail Plan for the City for Willmar. The goal of the group was to link neighborhoods with community destinations. A ring-trail is the prominent feature of the plan. A portion of the trail is along the east side of Swan Lake, on the north edge of the community. Staff was asked to contact

the DOT about the possibility of acquiring the land between North Highway 71 and Eagle Creek Golf Club/Swan Lake. This area is intended as a future trail corridor.

Andy Bjur appeared before the Mayor and Council to present the Comprehensive Trail Plan and to answer questions. This matter was for information only.

Item No. 4 The Committee discussed the Governor's proposal to move programs and cut funding at the Willmar Regional Treatment Center as well as the use of vacant buildings and re-use of occupied buildings. Two upcoming meetings with State of Minnesota Commissioners were mentioned as part of the local process to maintain funding and ensure the facility's use.

Resolution No. 6 was introduced by council Member DeBlieck, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 6

WHEREAS, the State of Minnesota has invested heavily in developing a regional patient care system including the development of staff, infrastructure and programs at the Willmar Regional Treatment Center; and

WHEREAS, the Willmar Regional Treatment Center has a long history in providing efficient and effective care in the southwest region of the State; and

WHEREAS, the Willmar Regional Treatment Center plays an enormous role in the local economy via its employment base, services provided and impact on businesses, schools, housing and other related assets.

NOW, THEREFORE, BE IT RESOLVED that the Willmar City Council supports maintaining existing programs and services at the Willmar Regional Treatment Center, and BE IT FURTHER RESOLVED that the Council supports the community and Department of Human Services concepts and efforts directed at identifying and providing for use of vacant buildings and reuse of occupied buildings.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

It was noted that Jim Behrends, Willmar Regional Treatment Center CEO, requested a City appointment to a WRTC re-use task force to review options for utilization of the Treatment Center buildings and/or campus. Mayor Heitke was recommending the appointment of Council Member DeBlieck to the task force. Council Member Anderson moved to approve the appointment of Council Member DeBlieck to the WRTC re-use task force with Council Member Chapin seconding the motion, which carried.

Item No. 5 The Committee reviewed the League of Minnesota Cities Building Quality Communities Program. The program is intended to foster dialogue and interaction between the public and government officials. The Committee was recommending to the Council adopt a resolution of participation in the program.

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

RESOLUTION NO. 7

WHEREAS, the top values and priorities of citizens include safety, family, job opportunities, health, the well-being of children, and recreational opportunities; and

WHEREAS, many of the services cities provide directly enhance those citizen priorities; and

WHEREAS, the connection between city services and how they benefit citizen priorities and concerns is not always understood by citizens; and

WHEREAS, it is one of the responsibilities of city officials to ensure legislators, media and citizens understand their governments through open and frequent communication using various avenues and means; and

WHEREAS, it is important to encourage citizens to actively participate in city government, to share their views, and to work in partnership with city officials to ensure that the needs of the community are met; and

WHEREAS, partnerships developed between citizens and city officials can result in greater understanding of the connection between Minnesota's high quality of life and the services provided by Minnesota cities, as well as in greater trust by citizens in the efforts of their city government;

NOW THEREFORE BE IT RESOLVED that the City of Willmar hereby declares its commitment to join in the "Minnesota Cities: Building Quality Communities" statewide educational effort in cooperation with our fellow members of the League of Minnesota Cities. We hereby designate Bruce D. Peterson, Director of Planning and Development Services, as the City Willmar's key contact for this effort, and will inform the League of Minnesota Cities of this designation.

Dated this 6th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 The Committee reviewed a map of the South Highway 71 annexation area. Properties included are the Mills property west of Highway 71, and the commercial strip on the east side of Highway 71. Also included is the State highway right-of-way that connects these properties with the current City to the north. It was noted that the Willmar Township Board had approved the joint resolution on January 28, 2002.

The Committee was recommending to the Council the adoption of a joint orderly annexation resolution. Resolution No. 8 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. 8

A JOINT RESOLUTION OF THE CITY OF WILLMAR AND
WILLMAR TOWNSHIP RELATING TO THE ORDERLY ANNEXATION
OF CERTAIN SOUTH HIGHWAY 71 PROPERTIES
(For Resolution in its entirety, see Council Minutes dated
February 2, 2002, located in the City Clerk's Office)

Item No. 7 The Committee received from staff presented updates on a variety of projects and development issues. This matter was for information only.

The Community Development Committee Report of January 31, 2002, 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.

Announcements for Council Committee meeting dates were as follows: Finance, February 11; Public Works/Safety, February 12; and City-wide COPPs, February 25, 2002.

Mayor Heitke read a Proclamation for Tracy Engstrom, University of Minnesota Gopher Hockey Team, Hometown Athlete. The Mayor also acknowledged Kierre Nelson being named the Minnesota Junior Miss.

There being no further business to come before the Council, the meeting adjourned at 8:36 p.m. upon motion by Council Member DeBlieck, seconded by Council Member Chapin, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL