

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

February 20, 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, Rick Fagerlie, Jim Dokken, and David Chapin; Present 9, Absent 0.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Police Chief Jim Kulset, 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.

Proposed additions to the agenda included a Mayoral Proclamation, Ordinance to amend Zoning Ordinance, and State budget deficit report.

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of February 6, Municipal Utilities Commission Minutes of February 11, Rice Hospital Board Minutes of February 13, Building Inspection Report for January, Pioneerland Library Board Minutes of December 31, 2001, Housing and Redevelopment Authority Minutes of January 8, Airport Commission Minutes of February 5, and Planning Commission Minutes of February 13, 2002. Council Member Christianson seconded the motion, which carried.

At 7:04 p.m. Mayor Heitke opened a hearing on proposed 2002 Street and Other Improvements Project. Public Works Director Odens reviewed with the Mayor, Council and citizens present the purpose of the proposed improvements including streets, estimated costs, and schedule. Several citizens appeared before the Mayor and Council to express concern regarding the proposal to widen Third Street Southwest from 29 to 32 feet. They expressed a desire to keep the width at 29 feet for safety reasons and to save trees. Others appeared to voice disappointment for the proposal to complete 9th Street Southwest from Richland Avenue north to 19th Avenue Southwest. Upon hearing all those who wished to be heard, Mayor Heitke closed the hearing at 8:34 p.m.

Following discussion of the street width proposal of 3rd Street Northeast, MnDOT road width standards, and the trees issue, Council Member Reese moved to limit the width of Third Street Southeast to a 30-foot maximum (except that block currently at 42 feet). Council Member Dokken seconded the motion, which carried on a roll call vote of Ayes 5, Noes 3 – Council Members Christianson, Chapin and Fagerlie voted “No.”

The Council discussed 9th Street Southwest connecting Richland Avenue Southwest to the previously proposed street ending 290 feet north of Richland Avenue. Council Member Christianson moved to not construct 9th Street Southwest all the way through to Richland Avenue Southwest. Council Member Fagerlie seconded the motion, which failed on a roll call vote of Ayes 3, Noes 5 – Council Members Reese, Houlahan, Anderson, Chapin and DeBlieck voted “No.”

Council Member Reese moved to introduce a Resolution Ordering 2002 Street and Other Improvements (and Directing Preparation of Final Plans and Specifications). Council Member Houlahan seconded the motion which failed on a roll call vote of Ayes 6, Noes 2 – Council Members Christianson and Fagerlie voted “No.” It was noted the vote must be 4/5 in favor of a resolution ordering improvements.

Mayor Heitke called for a recess at 9:20 p.m. and reconvened the meeting at 9:30 p.m.

Following discussion, Council Member Christianson moved to introduce a Resolution Ordering 2002 Street and Other Improvements (and Directing Preparation of Final Plans and Specifications) with 9th Street Southwest ending 190 feet short of Richland Avenue. Council Member Fagerlie seconded the motion, which failed on a roll call vote of Ayes 3, Noes 5 – Council Members Reese, Houlahan, Anderson, Chapin, Dokken and DeBlieck voted “No.”

Upon further discussion Resolution No. 1, Ordering 2002 Street and Other Improvements (and Directing Preparation of Final Plans and Specifications), which included constructing 9th Street Southwest from Richland Avenue north, was introduced by Council Member Christianson, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

ORDERING 2002 STREET AND OTHER IMPROVEMENTS (AND DIRECTING PREPARATION OF FINAL PLANS AND SPECIFICATIONS)

WHEREAS, after due Notice of Public Hearing on the construction of street and other improvements for the City of Willmar, Minnesota, hearing on said improvements was duly held and the Council heard all persons desiring to be heard on the matter and fully considered the same.

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

1. It is advisable, expedient, and necessary that said improvements as described in the Notice of Hearing thereon be constructed, and the same are hereby ordered made.
2. The improvements described in said Notice of Hearing are hereby designated and shall be known as 2002 Street and Other Improvements.
3. The City's Engineer is hereby directed to prepare final plans and specifications for said improvements.
4. The City Council shall let the contract for all or part of the work for said improvements or order all or part of the work done by day labor or otherwise as authorized by Minnesota Statutes, Section 429.041, Subdivision 2, within one year of the date of this resolution ordering said improvements.

Dated this 20th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 9:47 p.m. Mayor Heitke opened a hearing on an Ordinance Establishing a Moratorium on the Issuance of Building Permits; Conditional Use Permits; and Other Permits and Licenses for Adult Entertainment Establishments. Planning and Development Services Director Peterson presented details to the Mayor and Council regarding the proposed Ordinance. There being no one present to speak for or against the proposed Ordinance, Mayor Heitke closed the hearing at 9:49 p.m.

Council Member Christianson moved to adopt, assign a number, and order final publication of the Ordinance Establishing a Moratorium on the Issuance of Building Permits; Conditional Use Permits; and Other Permits and Licenses for Adult Entertainment Establishments. Council Member DeBleck seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

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

The Finance Committee Minutes of February 11, 2002, were presented to the Mayor and Council by Council Member Anderson. There were three items for Council consideration.

Item No. 1 At the request of the City Council, Rice Hospital CEO Lorry Massa and CFO Leroy Meyering were present to review with the Committee the Hospital's 2001 year-end numbers and to provide an update on proposed expansion/construction plans. Mr. Massa began his presentation by stating that generally speaking the Hospital had an excellent year overall and went on to review various aspects of the Hospital's revenues and expenses including information on Rice Care Center and Rice Home Health Care.

Mr. Massa noted that net operating revenues after adjustments were at \$63.5 million and operating expenses at \$60.5 million. The Hospital's net gain of just over \$3 million and investment income resulted in an estimated return of 6.3 percent for the year ending December 31, 2001.

A general question and answer period followed including status reports regarding the laundry service, administrative partnership with Benson Hospital, and changes in the Radiology Department. This matter was for information only.

Item No. 2 Mr. Massa briefed the Committee on the status of the construction and renovation program noting that Rice Hospital was moving forward with design and development. The Hospital expects to have new estimated construction cost figures by mid-April and is working with Springsted Inc. to explore various avenues of financing. This matter was for information only.

Item No. 3 City Administrator Schmit presented to the Committee a proposed resolution allowing the City to reimburse itself for any project expenditures paid prior to the issuance of 2002 improvement bonds. Mr. Schmit explained that the IRS code requires cities to make the Declaration of Intent prior to the issuance of any bonds. The Committee was recommending to the Council adoption of resolution as presented.

Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

RESOLUTION ESTABLISHING PROCEDURES RELATING TO THE COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

(For Resolution in its entirety, see Council Proceedings file dated February 20, 2002, located in the City Clerk's Office)

The Finance Committee Report of February 11, 2002, 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 of February 12, 2002, was presented to the Mayor and Council by Council Member Reese. There were eight items for Council consideration.

Item No. 1 Sy Foss and Paulette Wiley, representatives of Compassionate Friends, appeared before the Committee to request the City provide property for them to place a memorial in remembrance of lost children. The memorial consists of a statue approximately 4 feet tall called "Angel of Hope." The statute and concrete work is estimated at \$18,000 and will be funded entirely from donations. City staff proposes allowing the memorial to be placed to the north of the Flags of Honor Park, and this site is suitable to the organization.

The Committee was recommending to the Council to allow construction of the Angel of Hope memorial on City property north of the Flags of Honor Park as proposed. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member DeBlieck seconding the motion, which carried.

Item No. 2 Ranae Rahn and Jan Scheltens of Main Street Willmar appeared before the Committee requesting approval of an application to the Minnesota Department of Transportation for a \$20,000 community beautification and enhancement project along Highway 12. One requirement of the application is written documentation that the local unit of government supports the project. The City has no responsibility financially and volunteers would be used to maintain the project once complete. They are looking to begin the project yet this year and will be working with both a local and DOT architect.

The Committee was recommending to the Council approval of Main Street Willmar's application for a Beautification and Enhancement Project along Highway 12. Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

COMMUNITY ROADSIDE LANDSCAPING PARTNERSHIP PROGRAM
APPLICATION AND PRIMARY CONTACT PERSON

BE IT RESOLVED that the City of Willmar act as sponsoring unit for the project identified as Community Beautification Enhancement Project on the State Trunk Highway 12 to be conducted during the period of the Spring of 2002 through the Fall of 2003.

BE IT FURTHER RESOLVED Ranae Rahn is hereby authorized to apply to the Minnesota Department of Transportation for funding of this project on behalf of the City of Willmar.

Dated this 20th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 3 A group of residents affected by the proposed reconstruction of 3rd Street SE from 11th Avenue to Minnesota Avenue were in attendance at the Committee meeting. Staff's recommendation is to widen the street to 32 feet and continue to allow parking on one side. The existing width of the street is 29 feet on the north half and 30 feet on the south half. The issue of the effect of the width on safety vehicles was discussed, along with the number of calls for service in 2001 numbering 40. Also addressed was loss of large trees and removal of parking. The residents stated feelings of hardship for both issues. This matter was discussed at the Improvement Hearing and received for information only.

Item No. 4 Staff presented a letter received from residents living in the 600 block of 9th Street Southeast. Committee Members were made aware of the request in order to do research prior to the Improvement Hearing. This matter was for only.

Item No. 5 Staff informed the Committee of a proposed state funding agreement for land acquisition at the new Airport. The grant agreement includes the portion the State would participate in for land acquisition of runway and clear zones for a revised not to exceed figure of \$2,618,290. A summary of the acquisition costs are Federal \$1,8 million, State \$265,000 and the City \$530,790. The City's portion increased by \$328,290.

The Committee was recommending to the Council to accept the agreement and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Houlahan, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT PROPERTY ACQUISITION COSTS

IT IS RESOLVED by the City of Willmar as follows:

1. That the State of Minnesota Agreement No. 82870, "Grant Agreement for Airport Property Acquisition Costs," for State Project No. 3401-48 at the Willmar Municipal Airport is accepted.
2. That the Mayor and City Administrator are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 20th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Resolution No. 5 was introduced by Council Member Reese, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

REVISED PRELIMINARY BUDGET
AIRPORT IMPROVEMENT PROJECT
LAND ACQUISITION PROJECT
ESTIMATED TOTAL COST \$2,618,290

PERSONNEL SERVICES:

Salaries Regular Employees	\$2,875.20
Employer Pension Contr.	368.03
Employer Insurance Contr.	<u>342.38</u>
Total:	\$3,585.38

SUPPLIES:

Office Supplies	\$1,500.00
Motor Fuels & Lubricants	2,000.00
Postage	500.00
General Supplies	<u>2,000.00</u>
Total:	\$6,000.00

OTHER SERVICES:

Communications	\$1,500.00
Printing & Publishing	1,500.00
Travel-Conf-Schools	<u>500.00</u>
Total	\$3,500.00

OTHER CHARGES:

Professional Services	\$ 118,554.00
Advertising	500.00
Adm. OH (Transfer)	64,351.00
Other Charges	<u>2,421,799.62</u>
Total:	\$2,618,290.00

GRAND TOTAL: \$2,618,290.00

Dated this 20th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 6 The Committee reviewed the proposed Fixed Based Operator Agreement with Willmar Air Service. The timeline recently prepared by staff outlines the events leading up to today including staff's efforts to solicit RFQ's. Willmar Air Service was the only FBO to submit a proposal, and therefore staff initiated negotiations with them. Services were identified and it was determined which of those would be provided by the FBO and attached values to them. Also included in the computations were charging rent for city-owned space Willmar Air Service is using. It was determined the net to the FBO should be \$14,800 per calendar year for ten years with adjustments according to the consumer price index being allowed.

The Committee was recommending to the Council to accept the agreement and authorize the Mayor and City Administrator to sign on behalf of the City. Resolution No. 6 was introduced by Council Member Reese, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

Whereas the City of Willmar desires to retain a Primary Fixed Base Operator to provide aviation services to based and transient aircraft for the City of Willmar; and

Whereas a proposal has been made by, and an agreement prepared to retain, the firm of Willmar Air Service of Willmar, Minnesota in a not to exceed amount beginning at 14,800.00, and adjusted annually thereafter for a period of ten years;

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 that funding for said services be from professional services in the Willmar Municipal Airport General Budget.

Dated this 20th day of February, 2002.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 7 Staff informed the Committee that the Municipal Utilities Commission Board has appointed a subcommittee to meet with the City to talk about various streets lighting issues. Following discussion, the Committee appointed Bruce DeBlieck and Doug Reese to the subcommittee. This matter is for information only.

Item No. 8 The Committee discussed safety concerns at the intersection of State Highways 12 and 40 and felt a traffic study for a possible signal warrant is needed. It was noted that when the new Airport is constructed, County Road 5 would then be rerouted across the present Airport site. The Committee was recommending to the Council to make a formal request to the State of Minnesota Department of Transportation to perform a traffic study and recommendation to the City. Council Member Reese moved to approve the recommendation of the Public Works/Safety Committee with Council Member Houlahan seconding motion, which carried.

The Public Works/Safety Committee Report for February 11, 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 DeBlieck, and carried.

Announcements for Council Committee meeting dates were as follows: Finance, February 25; Public Works/Safety, February 26; and POW Open House, February 26, 2002.

Planning and Development Services Director Peterson informed the Mayor and Council that a local water conditioning contractor proposes limited bottling and sales of water. It was noted the

Planning Commission has reviewed the issues and recommends the Zoning Ordinance be amended to allow the use. Following discussion, Council Member Reese moved to introduce an Ordinance Amending Ordinance No. 1060, the Willmar Zoning Ordinance, and schedule a hearing for March 6, 2002. Council Member Chapin seconding the motion, which carried.

Mayor Heitke read a Proclamation for Kierre Nelson, Minnesota Junior Miss.

City Administrator Schmit reported that Representative Al Juhnke had contacted him with regard to the status of the House and Senate budget compromise. Representative Juhnke indicated the bill does not include cuts in local government aids and although there does not appear to be any cuts in the Willmar Regional Treatment Center budget, he and others were pressing for language to protect the Center from future cuts.

Council Member Reese requested to be excused from both Council meetings in March.

There being no further business to come before the Council, the meeting adjourned at 10:21 p.m. upon motion by Council Member Christianson, seconded by Council Member Chapin, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL