

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

July 18, 2005  
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, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; 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.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 5, Rice Hospital Board Minutes of July 6, Municipal Utilities Commission Minutes of July 11, Planning Commission Minutes of July 13, Pioneerland Library Board Minutes of May 19, Building Inspection Report for June, Housing Redevelopment Authority Minutes of June 21, and Zoning Appeals Board Minutes of July 6, 2005. Council Member DeBlieck seconded the motion, which carried.

At 7:02 p.m. Mayor Heitke opened a hearing on an Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. City Administrator Schmit informed the Mayor and Council that Gesch Properties proposes the rezoning of property east of Cash Wise and the future Bremer Bank site, from R-4 (Medium Density Multiple Family Residential) to LB (Limited Business) for the purpose of commercial development. The Planning Commission has approved the rezoning. There being no one to speak for or against the proposed Ordinance, and Mayor Heitke closed the hearing at 7:03 p.m.

Council Member Reese offered a motion to adopt, assign a number, and order final publication of the Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance. Council Member Christianson seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:04 p.m. Mayor Heitke opened a public hearing to consider the Minnesota Investment Fund application for the Willmar Fabrication, LLC Project. Steve Renquist, Director of the County/City Economic Development Commission, presented details of the new manufacturing business Willmar Fabrication, LLC which is opening in the former AGCO building. The County/City Economic Development Commission is assisting in the financing of the project. Mr. Renquist detailed the project schedule highlights with the production of agricultural equipment near the fall of 2005, and the proposed project costs. A moderate estimate was advanced that 55 percent of the funds will benefit low to moderate income persons. Mr. Renquist noted that there should be no activities resulting in displacement of jobs or property as the building used pre-exists in the City's Industrial Park and has been vacant for some time. He discussed the Housing and Community Development criteria noting that this is not a housing project, but submitted a list of compliance certification criteria to the City Clerk. There being no one present to speak for or against the proposed Minnesota Investment Fund application for Willmar Fabrication, LLC, Mayor Heitke closed the hearing at 7:13 p.m.

Resolution No. 1 was introduced by Council member DeBlieck, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

City of Willmar Resolution Economic Development Program

BE IT RESOLVED that the City of Willmar act as the legal sponsor for the project contained in the Business and Community Development Application to be submitted on July, 2005 and that Les Heitke and Kevin Halliday are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of the City of Willmar.

BE IT FURTHER RESOLVED that the City of Willmar has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its designed life.

BE IT FURTHER RESOLVED that the City of Willmar has not incurred any costs and has not entered into any written agreements to purchase property.

BE IT FURTHER RESOLVED that the City of Willmar has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Willmar may enter into an agreement with the State of Minnesota for the above-referenced project, and that the City of Willmar certifies that it will comply with all applicable laws and regulations as stated in all contractual agreements and described on the Compliance Certification of the Business and Community Development Application.

AS APPLICABLE, BE IT FURTHER RESOLVED that the City of Willmar has obtained credit reports and credit information from Willmar Fabrication, LLC and Steve Claussen. Upon review by the City of Willmar and Richard L. Ronning, Attorney at Law, no adverse finding or concerns regarding, but not limited to, tax liens, judgments, court actions, and filings with state, federal and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action.

NOW, THEREFORE BE IT RESOLVED that Les Heitke and Kevin Halliday, or their successors in office, are hereby authorized to execute such agreements and amendments thereto, as are necessary to implement the project on behalf of the applicant.

Dated this 18<sup>th</sup> day of July, 2005.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Willmar Fests Executive Director Chad Johnson and President Amy Mahlum appeared before the Mayor and Council to express appreciation for supporting the 2005 Willmar Fests activities. Mr. Johnson and Ms. Mahlum recapped the events beginning with the Candidates'

Brunch, block party, Kiddie Parade, International Banquet with past queens, pancake feed, fishing derby, Grand Day Parade with 10 high school bands and 120 units, coronation, beach party and fireworks display. Mr. Johnson shared a few new events planned for Willmar Fests 2006. Lindsey Saunders, 2005-2006 Queen of Festivals; Jaclyn Mootz, Aqua Princess; and Sam Sobick, International Princess, appeared before the Mayor and Council to share new experiences and future events and activities planned for the Willmar royalty. The Mayor expressed appreciation and wished them well on the year-long journey as Ambassadors for the City of Willmar.

Kandiyohi Area Transit Director John Groothuis presented to the Mayor and Council an overview of the 2004 – 2005 highlights of the transit year and provided details to the 2006 budget being proposed by the KAT Operations Board. Mayor Heitke thanked Mr. Groothuis for the presentation, and the matter was received for information.

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

The Finance Committee Report for July 11, 2005, was presented to the Mayor and Council by Council Member Anderson.

Item No. 1 Staff clarified the funding source used to pay for the Donohue contract. It is the intent of the Council to use Waste Treatment Fund Reserves on a temporary basis until the total funding package of grants, bonds and reserves can be determined. Once this has been done, the applicable portion of fund reserves utilized for the Donohue contract will be reimbursed with bond proceeds at the time of issuance. This matter was for information only.

Item No. 2 Steven Renquist and Kathy Schwantes appeared before the Committee to request the City contribute \$10,000 as part of a local match to a \$20,000 grant received from the Southwest Minnesota Foundation. It was noted Kandiyohi County was being asked for an amount of \$10,000 as well to bring the total amount of the Multi Cultural Market Place (Marcotto) study to an estimated \$40,000.

The project would cover an additional temporary staff person and the hiring of an architectural firm to study various buildings in the Central Business District that could possibly be used to establish a Multi Cultural Market Place. Additional funding for 2006 was discussed but was referred to the Mayor's budget process to be determined.

Following a discussion, the Committee was recommending the Council introduce a resolution to appropriate \$10,000 from the 2004 excess revenues over expenditures. Resolution No. 2 was introduced by Council Member Anderson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the General Fund Budget as follows:

Increase: Planning and Developmental Services	\$10,000.00
Decrease: Fund Balance	\$10,000.00

Dated this 18<sup>th</sup> day of July, 2005.

/s/ Lester Heitke

MAYOR

/s/ Kevin Halliday

Attest: CITY CLERK

Item No. 3 The Committee reviewed forms that will be distributed to the Council for recommendations to the Mayor for the 2006 budget. This matter was for information only.

Item No. 4 The Committee reviewed the April Rice Hospital and May Rice Trust Reports. This matter was for information only.

Item No. 5 The Committee was reminded that future agendas will include discussion of the City's Assessment Policy, Community Education and Recreation fees, and 2006 budget. This matter was for information only.

The Finance Committee Report for July 11, 2005, 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 July 12, 2005, was presented to the Mayor and Council by Council Member Christianson. There were three items for Council consideration.

Item No. 1 Chief Kulset requested direction from the Council on enforcement issues for unattached trailers used in construction or commercial service. City Ordinance presently prohibits trailers that are unattached from a vehicle to be on the street, alley, or public parking lot for longer than two hours. The Chief noted that many construction and service companies now use trailers to pull their tools to job sites. Presently there is no mechanism for a permit process to allow unattached service trailers to be on the street longer than two hours.

The Committee was recommending the Council direct City Attorney Ronning to amend City Ordinance 15-55 to exempt service trailers from the two-hour time limit. Council Member Christian moved to approve the recommendation of the Public Works/Safety Committee with Council Member Dokken seconding the motion, which carried.

Item No. 2 Chief Calvin presented a proposed resolution adopting the National Incident Management System (NIMS) as a command structure for use by the City in handling manmade or natural disasters. Both the State of Minnesota and Kandiyohi County have adopted NIMS as their standard for incident management. It was noted that adoption of a resolution designating NIMS as the basis for all incident management in Willmar may be required to obtain Federal Homeland Security Grants in the future.

The Committee was recommending the Council adopt a Resolution designating NIMS as the standard for incident management in the City of Willmar. Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

### RESOLUTION NO. 3

#### DESIGNATING THE NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS) AS THE BASIS FOR ALL INCIDENT MANAGEMENT IN CITY OF WILLMAR

WHEREAS the President of the United States, in Homeland Security Directive (HSPD)-5, directed the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System (NIMS), which would provide a consistent nationwide

approach for federal, state, local and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to, and recover from domestic incidents, regardless of cause, size or complexity;

WHEREAS the collective input and guidance from all federal, state, local and tribal security partners has been, and will continue to be vital to the development, effective implementation and utilization of a comprehensive NIMS;

WHEREAS it is necessary and desirable that all federal, state, local and tribal emergency agencies and personnel coordinate their efforts to effectively and efficiently provide the highest levels of incident management;

WHEREAS to facilitate the most efficient and effective incident management , it is critical that federal, state, local and tribal organizations utilize standardized terminology, standardized organizational structures, interoperable communications, consolidated action plans, unified command structures, uniform personnel qualification standards, uniform planning, training, and exercising standards, comprehensive resource management, and designated incident facilities during emergencies or disasters;

WHEREAS the NIMS standardized procedures for managing personnel, communications, facilities, and resources will improve the county's ability to utilize federal and state funding to enhance local agency readiness, maintain first responder safety, and streamline incident management processes;

WHEREAS the Incident Command System components of NIMS are already an integral part of various incident management activities throughout the State and City of Willmar, including current emergency management training programs;

WHEREAS the National Commission on Terrorist Attacks (9-11 Commission) recommended adoption of a standardized Incident Command System;

WHEREAS the Governor of the State of Minnesota by Executive Order 05-02, February 9, 2005, has designated the NIMS as the basis for all incident management in the State of Minnesota:

NOW, THEREFORE, BE IT RESOLVED the Willmar City Council does hereby establish the National Incident Management System (NIMS) as the standard for incident management in City of Willmar.

Dated this 18<sup>th</sup> day of July, 2005.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 Chief Kulset briefed the Committee on traffic and enforcement issues for the East Willmar Avenue construction project. This matter was for information only.

The Public Works/Safety Committee Report for July 12, 2005, 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 Anderson, read by Mayor Heitke, and approved on a roll call vote of

Ayes 8, Noes 0.

The Community Development Committee Report for July 14, 2005, was presented to the Mayor and Council by Council Member DeBlieck. There were eight items for Council consideration.

Item No. 1 Steve Nedrelow appeared before the Committee to discuss a proposal by hangar owners for the waiving of permit fees for the relocation or construction of hangars at the new airport. Their recommendation included the request that permit fees be waived for a period of two years. The Committee discussed the permit and fee issues as well as a real estate tax issue raised by airport hangars. Mr. Nedrelow expressed concern over taxes and valuations relative to other airports. It was explained that the tax assessment process is set by State law and there is little local latitude in applying the law.

The Committee was recommending the Council waive permit and plan review fees for all hangars moved or constructed for a period of one year from the date of issuance of the first hangar permit. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 2 The Committee discussed deteriorating conditions in several residential neighborhoods. Of primary concern were exterior building conditions, mowing and brush removal, and business uses. Staff explained that ongoing attempts are made to deal with all those issues and that sometimes success was slow and coming. This matter was for information only.

Item No. 3 The Committee considered a proposal for a Central Business District sign at the Benson Avenue/Highway 12 bypass intersection. The proposal was drafted by Stephan Deleski of West Central Printing. The consensus of the Committee was that the proposal was a good one, but additional input is necessary before proceeding with the construction of the sign and development of the site.

The Committee was recommending the Council refer the sign proposal to Main Street Willmar and the Willmar Design Center for review and recommendations. Council Member DeBlieck moved to approve the recommendation of the Community Development Committee with Council Member Fagerlie seconding the motion, which carried.

Item No. 4 Staff presented the building demolition cost information previously requested by the Council. Parking lot construction cost estimates were also reviewed. This was in response to a previous proposal to look at acquiring and demolishing the Erickson building for parking purposes.

Due to progress being made by the Economic Development Commission on the development of a multi-cultural marketplace, action on the acquisition and demolition of the Erickson building was delayed. This matter was for information only.

Item No. 5 The Committee reviewed a recommendation from Airport Consultants regarding the contract for 2005 Airport Miscellaneous Improvements. The bids came in substantially over budget, but since that time the contractor and consultants have determined that by eliminating the irrigation system the numbers can be brought back into line.

Following discussion, the Committee was recommending the Council pass a resolution awarding the contract for 2005 Miscellaneous Airport Improvements to Duinck Brothers, Inc. Resolution No. 4 was introduced by Council Member DeBlieck, seconded by Council Member Fagerlie, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the bid of Duinink Brothers, Inc. of Prinsburg, Minnesota, for 2005 Miscellaneous Airport Improvements 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 \$968,542.83.

Dated this 18<sup>th</sup> day of July, 2005.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 6 The Committee considered a proposed amendment to the Fixed Base Operator (FBO) Agreement of 2002. The new agreement is necessitated by the move to the new airport and by a change in building lease arrangements and reimbursable services. Under the terms of the new agreement, the per square foot lease increases significantly and the reimbursable services are adjusted to better reflect the actual work provided by the FBO and his staff, as well as to reflect changes in compensation to Willmar Air Service employees. Also under the new agreement is a change in the fuel flowage fees that will be paid to the City of Willmar.

The Committee was recommending the Council adopt a resolution approving the FBO agreement amendment as presented. Resolution No. 5 was introduced by Council Member DeBlieck, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

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, to provide said services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that said agreement be approved and that the Mayor and City Administrator be authorized to execute the same.

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

Dated this 18<sup>th</sup> day of July, 2005.

/s/ Lester Heitke  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 7 The Committee considered a proposed orderly annexation resolution for the annexation of the bulk of the Duinick properties, the Kandi Entertainment Center, the former Fitness Center, and Super Valu storm water drainage properties in southeast Willmar. Staff had attended the Willmar Township Board meeting earlier in the week and received concurrence and approval by the Town Board on this orderly annexation resolution. This is a significant and necessary step in moving forward with the development of the Duinick site and the major storm water improvements in the southeast portion of the community. The Town Board requested that they be granted partial reimbursement for lost taxes as provided for in State Statute. On a decreasing scale over a six-year period, the Township will be reimbursed for lost tax revenue for the Kandi Entertainment Center and Fitness Center properties.

The Committee was recommending the Council adopt the orderly annexation resolution for the properties as noted above, and to submit the resolution to the Minnesota State Planning Agency. Resolution No. 6 was introduced Council Member DeBlieck, seconded by Council Member Dokken, read by Mayor Heitke, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 6

(For Resolution in its entirety, see City Council Proceedings file dated July 18, 2005, located in the City Clerk's Office)

Item No. 8 The Committee was informed by staff that it appears an agreement is imminent with Phil Kvam regarding the acquisition and disposition of his property for new airport purposes, and requested the Committee consider the introduction of an ordinance to transfer City-owned property to Mr. Kvam. This transfer would be a 5.3 acre site north of Highway 40 on existing airport property in an area that was the former Gregerson farm site. This transfer would be consistent with the settlement agreement that was mediated in November of 2003.

The Committee was recommending the Council introduce the ordinance to transfer the land. Council Member DeBlieck offered a motion to introduce an Ordinance Authorizing the Sale of Land Owned by the City of Willmar and schedule a hearing for August 1, 2005. Council Member Dokken seconded the motion, which carried.

The Community Development Committee Report for July 14, 2005, 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.

City Administrator Schmit informed the Mayor and Council that there is an All-America City Celebration planned for August 9, 2005, at Robbins Island.

Announcements for Council Committee meeting dates were as follows: Finance, July 25; and Public Works/Safety, July 26, 2005.

Council Member Reese requested that he be excused from the August 1, 2005, City Council meeting.

There being no further business to come before the Council, the meeting adjourned at 8:50 p.m. upon motion by Council Member Christianson, seconded by Council Member Fagerlie, and carried.



Attest:

\_\_\_\_\_  
MAYOR

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