

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

July 16, 2012  
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Frank Yanish. Members present on a roll call were Mayor Yanish, Council Members Doug Reese, Ron Christianson, Bruce DeBlieck, Denis Anderson, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 9, Absent 0.

Also present were City Administrator Charlene Stevens, Police Chief David Wyffels, Public Works Director Holly Wilson, Finance Director Steve Okins, Community Education and Recreation Director Steve Brisendine, City Attorney Robert Scott, and City Clerk Kevin Halliday.

An addition to the Agenda included a discussion with Charter Commission representatives.

Council Member Anderson offered a motion adopting the Consent Agenda which included the following: City Council Minutes of July 2, Council Special Minutes of June 4 and July 9, Municipal Utilities Commission Regular and Special Minutes of July 9, Exempt Permit Application - Willmar Community Theatre, Inc., Building Inspection Report for June, and Accounts Payable through July 11, 2012. Council Member Reese seconded the motion, which carried.

Mayor Yanish acknowledged David Herzer and John Sullivan who had signed up to address the City Council during its scheduled Open Forum. Mr. Herzer expressed his appreciation to Public Works employees for patching streets and suggested that all Council Members participate on employee contract negotiating teams. Mr. Sullivan offered a legal definition of a bargaining unit and recommended the implementation of a step and grade salary scale for the Department Head, First Line Supervisors and Confidential Employees employee group.

At 7:10 p.m. Mayor Yanish opened the hearing on an Ordinance Creating a New Chapter 5, Article V, Special Assessments. City Clerk Halliday reviewed the improvement costs eligible for special assessment and discretionary deferrals as stated in the proposed Ordinance. Mr. Halliday printed out the planned use of HUD's very low income guidelines as the fiscal threshold for qualification of deferred assessments. There being no one present to speak for or against the proposed Ordinance, Mayor Yanish closed the hearing at 7:12 p.m.

Council Member Anderson moved to approve the Ordinance Creating a New Chapter 5, Article V, Special Assessments and order final publication. Council Member Johnson seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Bradley Peterson, representing Flaherty and Hood, appeared before the Mayor and Council to present the 2012 Legislative Session Report starting with Local Government Aid proposals which were a result of CGMC initiatives. Mr. Peterson highlighted the 2013 State Budget outlook, tax reform with broadening sales tax, and lowering corporate tax. Mr. Peterson reviewed the Greater Minnesota Economic Recovery Plan Internship Program, enhancement of Angel Investment Tax Credits, Business Development Public Infrastructure Grant, Interchange Program, and New Jobs Training Program. Mayor Yanish thanked Mr. Peterson for the presentation.

Mayor Yanish recognized Shawn Mueske, Chair of the Charter Commission, who presented an update on from the last meeting of the Commission. Mr. Mueske offered comments to the Mayor and Council on Commission recommendations: 1) Park Board to be maintained; 2) Section 2.08 City Administrator/Attorney remain in the proposed Charter; 3) 2.11 Rules of the Council - applicable to all other Boards and Committees; and 4) 4.04/4.05 Super majority overriding vote.

Following discussion of the ballot question and the General Election ballot timetable, Council Member Reese offered a motion that the Council go on record in support of the slate of amendments as proposed by the Charter Commission. Council Member Ahmann seconded the motion, which carried. Council Member Christianson voted "No." (\*see action at end of meeting)

Mayor Yanish called for a recess at 8:50 p.m. and reconvened the meeting at 9:00 p.m.

The Finance Committee Report for July 9, 2012, was presented to the Mayor and Council by Council Member Anderson. There were two items for Council consideration.

Item No. 1 Staff presented a draft Fund Balance Policy for discussion and explained various sections of the policy. The sections reviewed dealt with the Classification of Fund Balances/Procedures, Stabilization Arrangements, Monitoring and Reporting, Governmental Fund Definitions, Enterprise Fund Equity, Other Policy Considerations and Reporting Requirements.

The three main areas were 1) Classification section which explained the five different types: non-spendable, restricted, committed, assigned and unassigned; 2) Governmental fund definitions section outlining the General, Special Revenue, Debt Service and Capital Project fund; and 3) Reporting requirements section. The Committee directed Staff to compile a report showing how the City's past practice would be affected by the new terminology. This matter was for information only.

Item No. 2 The Committee reviewed the May Rice Trust and Rice financial reports. This matter was for information only.

The Finance Committee Report for July 9, 2012, 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 for July 10, 2012, was presented to the Mayor and Council by Council Member Reese. There were five items for Council consideration.

Item No. 1 Jared Voge of Bolton and Menk presented plans and specifications for various improvements to the municipal Airport. The plans include primarily crack and joint repair of the runway, taxiway and building area. The specifications for Airport crack sealing are different than a typical street crack seal project. Work Order No. 1 was executed on May 25, 2012, with Bolton and Menk for preparation of the plans and specifications. The improvements are to be funded by 70 percent State monies and 30 percent local funds with \$50,000 budgeted in the 2012 Capital Improvements.

The Committee was recommending the Council approve the plans and specifications for the Airport improvements and authorize advertisement for bids to be opened August 9, 2012. Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Fagerlie, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 1

WHEREAS Bolton and Menk, consulting engineer for the City of Willmar, has presented to the City Council plans and specifications for airport improvements to include crack sealing of the runway for the City of Willmar;

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

Final plans and specifications are hereby approved, and publication of the advertisement for bids is herewith authorized. Bids will be publicly opened and read at 1:00 p.m. on the 9th day of August, 2012, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 16th day of July, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 2 Josh Halvorson of Donohue and Associates presented the information related to the final acceptance of Project No. 1109, decommissioning of the Ortenblad and Arby's Lift Stations and the sewer extension of 21<sup>st</sup> Street SW. All work has been completed satisfactorily by Reiner Contracting, Inc. including the removal of the outfall structure, which was added by change order.

The Committee was recommending the Council accept Project No. 1109 and issue final payment to Reiner Contracting, Inc. in the amount of \$27,174.36. Resolution No. 2 was introduced by Council Member Reese, seconded by Council Member Christianson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Project No. 1109 - Ortenblad & Arby's Lift Station  
Decommissioning and 21<sup>st</sup> Street SW Sewer Extension

CONTRACTOR: Reiner Contracting, Inc.  
DATE OF CONTRACT: June 2, 2011  
NOTICE TO PROCEED: June 6, 2011  
SUBSTANTIAL COMPLETION: September 2, 2011  
FINAL COMPLETION: June 5, 2012  
APPROVAL: Donohue & Associates, Inc.

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

1. The said City of Willmar Project No. 1109 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$287,463.73
Change Order None	\$6,000.00
FINAL NET CONTRACT AMOUNT, PROPOSED:	\$293,463.73
ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$273,814.46
Less Previous Payment	\$246,640.10
FINAL PAYMENT DUE CONTRACTOR:	\$27,174.36

Dated this 16th day of July, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 3 Staff presented to the Committee a request to use \$1,718.75 of unused funds from the purchase of a pickup truck to fund the additional costs of a John Deere mower. The Capital

Outlay Program includes \$25,000 for the replacement, and Staff is requesting to take the low quote of Haug Implement for \$25,000 plus \$1,718.75 in applicable taxes for a total of \$26,718.75.

The Committee was recommending the Council reallocate \$1,718.75 toward the purchase of the John Deere mower. Resolution No. 3 was introduced by Council Member Reese, seconded by Council Member DeBlicek, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

### RESOLUTION NO. 3

BE IT RESOLVED by the City Council of the City of Willmar to authorize the Finance Director to amend the 2012 Public Works Capital Outlay Budget as follows:

Increase:	2012 Purchase of John Deere Mower	\$1,719.00
Decrease:	2012 Purchase of Pickup Truck	\$1,719.00

Dated this 16th day of July, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee considered Change Order No. 1 to Project No. 1111/1112 which is the reconstruction of 19<sup>th</sup> Street NW from Gorton Avenue to the north end of the cul-de-sac and a segment of 12<sup>th</sup> Street SW from Trott Avenue to Becker Avenue. The change order in the amount of \$5,379.04 was due to overruns in bituminous and sidewalk items. Staff is also requesting acceptance of the project with issuance of final payment to Chad Monson Excavating in the amount of \$32,269.08.

The Committee was recommending the Council accept Change Order No. 1 and authorize final payment to the contractor. Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Christianson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

### RESOLUTION NO. 4

#### ACCEPTING PROJECT AND AUTHORIZING FINAL PAYMENT

IMPROVEMENT: Project No. 1111/1112 - Street Improvements

CONTRACTOR:	Monson Corporation
DATE OF CONTRACT:	September 16, 2011
BEGIN WORK:	September 28, 2011
COMPLETE WORK:	June 5, 2012
APPROVE, CITY ENGINEER:	July 10, 2012

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

1. The said City of Willmar Project No. 1111/1112 be herewith approved and accepted by the City of Willmar.
2. The following summary and final payment be approved:

ORIGINAL CONTRACT AMOUNT:	\$197,737.75
Change Order No. 1	\$5,379.04

FINAL NET CONTRACT AMOUNT, PROPOSED:	\$203,116.79
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ACTUAL FINAL CONTRACT AMOUNT AS CONSTRUCTED:	\$203,116.79
Less Previous Payments	\$170,847.71
 FINAL PAYMENT DUE CONTRACTOR:	 \$32,269.08

Dated this 16th day of July, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 5 Public Works Director Wilson informed the Committee she received a request from Council Member Christianson to discuss the condition of storm sewer intakes within the City. This item will be addressed at a future Committee meeting.

Council Member Christianson brought up the closing of a portion of Kandiyohi Avenue SW for Willmar Fests. He also requested further discussion to take place regarding street sweeping and suggested moving forward with recommendations from the Storm Water Task Force. It was noted these items would be discussed as part of the budgeting process.

The Public Works/Safety Committee Report for July 10, 2012, 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 for July 11, 2012, was presented to the Mayor and Council by Council Member Ahmann. There were five items for Council consideration.

Item No. 1 Mr. David Herzer expressed opinions and concerns regarding the City of Willmar's contract negotiations and labor agreements. Mr. Herzer encouraged greater Council participation in the process. Mr. John Sullivan provided his opinions on the definitions of collective bargaining and how they pertain to the bargaining units for the City of Willmar. Mr. Sullivan also encouraged greater Council participation in the process.

Item No 2 City Administrator Stevens presented to the Committee information on three vacant positions: one Appraiser, one Wastewater Treatment Operator and one Engineering Technician position. Ms. Stevens stated one position was vacant due to retirement and two vacancies due to resignation.

Council Member Anderson stated his concern that it appeared that younger employees were leaving the organization after only short tenures. Council Member Reese expressed the same concern. In response to a question from Council Member Anderson, Ms. Stevens stated that the turnover of employees is becoming a concern.

In response to a question from Mayor Yanish, Ms. Stevens stated that one employee took a job with Kandiyohi County and another with Crow Wing County. Mayor Yanish stated that he would not support filling all three positions. Ms. Stevens stated that the three positions were not interchangeable and duties could not be combined among three positions as each position is a separate skill set.

Council Members asked if it would be possible to consider consolidation with the County's Assessing Department. Ms. Stevens stated that she had spoken with Larry Kleindl, County Administrator, and it was not feasible at this time. In response to a question by the Mayor asking for the County reason, Ms. Stevens stated that Mr. Kleindl had indicated the County had more pressing priorities at this time.

Ms. Stevens stated that even if the Departments were consolidated, the position of Appraiser would be necessary. Any process of consolidation would take from a year to 18 months and the City

would still need to conduct appraisals during that time.

In response to a question regarding outsourcing activities of the Engineering Technician, Ms. Stevens and Ms. Wilson stated the option had been considered in 2009 when the position was vacant and again with this vacancy. Staff did not believe there would be any cost savings.

Council Member Johnson asked if the three positions were in the 2013 budget, and Ms. Stevens stated they were included in the 2013 budget.

The Committee was recommending the Council authorize filling the vacancy of Wastewater Treatment Operator. Council Member Ahmann moved to approve the recommendation of the Labor Relations Committee with Council Member Reese seconding the motion, which carried.

Committee Members asked Ms. Stevens to once again contact Kandiyohi County to discuss consolidation of the Assessing Departments and to gather additional information regarding privatizing the services of the Engineering Technician position.

Item No. 3 City Administrator Stevens informed the Committee that she had obtained a proposal from Dave Unmacht of Springsted, Inc. to conduct an organizational assessment for the City of Willmar. Ms. Stevens stated she obtained the proposal based upon a request from the Labor Relations Committee at their last meeting and based upon the work Springsted had done with the Willmar Municipal Utilities and Kandiyohi County.

Ms. Stevens stated the study would have five deliverables: 1) Recommendations of the organizational structure; 2) Assessment of the workplace culture; 3) Observations and opportunities for intergovernmental relations; 4) An assessment of the City's customer service; and 5) Recommendations on the business practices and process in place.

Ms. Stevens stated the fees would be \$17,500, plus expenses of \$1,250 and that the costs of the study were not included in the 2012 budget, but funds could be reallocated to cover the costs.

Council Member Johnson asked if the study would evaluate each individual job. Ms. Stevens stated that the study was not to that detail, but would evaluate the overall operations and structure of the City. Chair Ahmann asked if other proposals had been sought. Ms. Stevens stated that it had been the direction of the Committee to contact Springsted.

Council Member Anderson stated that he did not feel other proposals were necessary and that Springsted would bring some synergy to the study based upon their knowledge of the community and other two organizations. Mayor Yanish questioned the funding for the study if the City was not able to fund flowers for downtown.

Council Member Johnson stated he felt there was value in obtaining an outside perspective.

The Committee was recommending the City accept the proposal from Springsted Inc. to perform an Organizational Study for the City of Willmar in the amount of \$17,500 plus expenses of \$1,250.

Following discussion, Council Member Ahmann moved to approve the recommendation of the Labor Relations Committee with Council Member Christianson seconding the motion, which failed on a roll call vote of Ayes 3, Noes 5 with Council Members Christianson, Ahmann, Johnson, Dokken and Fagerlie voting "No."

Item No. 4 Chair Ahmann expressed his concern regarding overtime pay and its impact on the City's operating budget. Ms. Stevens described the way in which overtime is normally managed and incurred. The Committee asked Ms. Stevens to provide additional information at future date. This matter was for information only.

Item No. 4 The Committee discussed the matter of the Council Involved in labor contract

negotiations as requested by Council Member Christianson. Ms. Stevens stated that the City Council holds a workshop to establish overall parameters and then the Labor Committee provides oversight and guidance to the City Administrator and Labor Attorney, currently Frank Madden, to conduct the actual negotiations. Ms. Stevens stated that all proposed settlements are reviewed by the Labor Committee and recommended for approval to the City Council and all labor agreements require action by the full Council, which has been the practice prior to her tenure with the City.

Ms. Stevens also provided information from approximately 10 other regional centers, only one of which involved Council Members in the negotiating team. Council Member Reese questioned why the discussion was being held again, when the City Council had discussed and voted on this same issue in October of 2011.

Council Member Anderson stated that he did not know what the City would gain by changing the process and he had no concerns regarding the objectivity of the City Administrator to conduct negotiations. Council Member Johnson stated that he did not envision full Council participation in the process, but could see value in some Council participation. Council Member Ahmann stated that it could be an option to have participation.

Ms. Stevens expressed her concerns regarding a consistent negotiating team and adding another layer in the process, stating that if a change is made, her preference would be to have someone participate from the Labor Relations Committee.

The Committee decided to have further discussion with the full Council at a future meeting in late August or September when all members could be present. This matter was for information only.

Following discussion, Council Member Ahmann moved to have the Mayor appoint one or two Council Members to the negotiating team and to take their parameters and direction from the Labor Relations Committee. Council Member Christianson seconded the motion, which carried. Council Members Reese, Anderson and DeBlicke voted "no."

The Labor Relations Committee Report for July 11, 2012, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Ahmann, seconded by Council Member Anderson, and carried.

The Community Development Committee Report for July 12, 2012, was presented to the Mayor and Council by Council Member Dokken. There were six items for Council consideration.

Item No. 1 There were no public comments offered at this meeting.

Item No. 2 Steve Renquist, Director of the Economic Development Commission, presented information about the EDC five-year goals and work program. Also included in the presentation was a recap of EDC activities. Information on accomplishments was highlighted in the report.

Mr. Renquist also provided updates on the growth of several local manufacturers. He noted a lack of available industrial buildings. This matter was for information only.

Item No. 3 Building Official Kardell presented a comparison of January through June construction data for the years 2011 and 2012. It was noted that the total number of permits in 2012 was up slightly, but the total construction value was up significantly over 2011. The Committee requested year-end information for 2008 through 2011 so a longer term comparison can be drawn on construction activities. This matter was for information only.

Item No. 4 The Committee was informed by Staff of a recent court action that allows the City to demolish the house at 201 Havana Street NE. The owner and mortgage company did not appear at the hearing and the City was granted its request for demolition effective July 1, 2012. After assembling costs to have the house demolished and the basement backfilled, it was the recommendation of Staff that the Fire Department burn the house as a training exercise. Doing so would come at significant savings to the

City. The Committee was reminded that the City is responsible for paying the costs of demolition and will have to seek reimbursement from the owner or mortgage holder. It is more likely that the costs will be added to the tax bill as an assessment to the property.

Following discussion, the Committee was recommending the Council allow the Fire Department to burn the house as a training exercise. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 5 Staff presented a list of departmental activities and construction projects that are underway or are about to begin in the City. This matter was for information only.

Item No. 6 Council Member Ahmann inquired about the marketing of Garfield and Lincoln Schools for economic development purposes. Mayor Yanish raised the subject of hiring a City Health Inspector due to complaints about restaurant inspections. It was explained that the County licenses eating establishments and that annual inspections are required and conducted by the County. This matter was for information only.

The Community Development Committee Report for July 12, 2012, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Dokken, seconded by Council Member Christianson, and carried.

The Mayor and Council considered a new Premise Permit for the 100 Yard Club, Inc. at The Oaks at Eagle Creek. City Clerk Halliday explained to the Mayor and Council that the permit is for pull-tabs, bar bingo, tipboards, paddlewheel, electronic pull-tabs, and linked electronic bingo. Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Fagerlie, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 5

REQUESTING THAT THE MINNESOTA GAMBLING CONTROL BOARD APPROVE  
THE APPLICATION FOR A PREMISE PERMIT FOR THE 100 YARD CLUB, INC.

WHEREAS, the 100 Yard Club, Inc. has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Gambling License at The Oaks at Eagle Creek, 1000 26<sup>th</sup> Avenue NE, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the 100 Yard Club, Inc. and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the 100 Yard Club, Inc.

Dated this 16th day of July, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Announcements for Council Committee meeting dates were as follows: Community Development Committee, July 26, 2012.

Council Member Reese and Council Member Anderson announced that they would not be in attendance at the August 6, 2012.

Council Member Christianson stated for the record that he would like to change his vote on the support of the Charter Commission to a "yes."

There being no further business to come before the Council, the meeting adjourned at 10:30 p.m. upon motion by Council Member Fagerlie, seconded by Council Member Johnson, and carried.

Attest:

\_\_\_\_\_  
MAYOR

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