

**WILLMAR CITY COUNCIL MEETING  
MONDAY, MAY 21, 2012, 7:00 P.M.  
COUNCIL CHAMBERS, WILLMAR MUNICIPAL UTILITIES  
700 WEST LITCHFIELD AVENUE, WILLMAR, MINNESOTA**

**AGENDA**

1. Call Meeting to Order
2. Roll Call
3. Pledge of Allegiance
4. Proposed Additions or Deletions to Agenda
5. Consent Items:  
Approve:
  - A. City Council Minutes of May 7, 2012
  - B. Special City Council Minutes of May 7, 2012
  - C. Council Work Session Minutes of April 16, 2012
  - D. Rice Hospital Board Minutes of May 9, 2012
  - E. Planning Commission Minutes of May 9, 2012
  - F. Municipal Utilities Commission Minutes of May 14, 2012
  - G. Accounts Payable through May 2, 2012
  - H. Exempt Permit Application, Men's Auxiliary VFW Post 1639
  - I. Authorize Council Member DeBlieck to Attend American Public Power Conference in Seattle, WA on June 18 – 20, 2012Accept:
  - J. Housing/Redevelopment Authority Minutes of April 9, 10, and 23, 2012
6. Items Removed from Consent Agenda
7. Mayoral Proclamation: Minnesota Orchestra Week
8. Lori Tostenson, Willmar Fests Board, Introduction of Queen Candidates
9. Scheduled Hearing:  
7:02 p.m.: Consideration of Proposed Downtown Plan
10. Willmar City Council Open Forum
11. Labor Relations Committee Report for May 8, 2012
12. Finance Committee Report for May 14, 2012  
Action Item:
  - A. Consideration of Fire Department Retirement Allocation (Resolution)
  - B. Consideration of Willmar HRA/Bethesda Conduit Financing (Resolution)
  - C. Consideration of Tort Limits (Resolution)
  - D. Consideration of Industrial Development Budget Amendment (Resolution)
  - E. Consideration of Department Budget Amendments/Car Allowances (Resolution)
  - F. Consideration of Street Program Financing (Resolutions)
13. Public Works/Safety Committee Report for May 15, 2012  
Action Items:
  - A. Consideration of Plans and Specifications for Project 1202 and Authorize Advertisements for Bids (Resolution)
  - B. Consideration of Cost to be Assessed for Project 1201 A & B and Order Preparation of Assessment Roll (Resolution)
14. Community Development Committee Report for May 17, 2012

15. Consideration of City Park Special Event by On-Sale Liquor License Holder Permit
16. Announcement of Council Committee Meeting Dates
17. Miscellany:
  - A.
  - B.
  - C.
18. Adjourn

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

May 7, 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, Planning and Development Services Director Bruce Peterson, City Attorney Robert Scott, and City Clerk Kevin Halliday.

Council Member Ahmann reported that the Council had met in a special session with City Administrator Stevens prior to the Council meeting for a performance evaluation. Mr. Ahmann stated that Ms. Stevens had met or exceeded Council expectations.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: City Council Minutes of April 16, Rice Hospital Board Minutes of April 11, Municipal Utilities Commission Minutes of April 23, Planning Commission Minutes of April 25, Accounts Payable through May 2, Exempt Permit Application for Pheasants Forever, Building Inspection Report for April, Charter Commission Minutes of February 21, Kandiyohi Area Transit Operations Board Minutes of March 6, Willmar Convention and Visitors Board Minutes of March 20, Community/Activity Center Minutes of April 3 and May 1, Airport Commission Minutes of April 18, and Community Education and Recreation Joint Powers Board Minutes of April 27, 2012. Council Member Christianson seconded the motion, which carried.

Mayor Yanish acknowledged individuals who had signed up to address the City Council during its scheduled Open Forum. Chuck Stiles and Jacob Morris spoke of flooding issues in southeast Willmar. Forrest Peterson and Tim Daniels spoke on behalf of the Nordic Ski Club, requesting the Council to assist in their efforts of providing trails to 40 Senior High kids, groom Robbins Island trails and urged the Council to pull the groomer from the forthcoming City auction. Following discussion of legal sales to a School District vs. a not-for-profit agency, Council Member Reese moved to offer the snowmobile and grooming equipment to the School District for a minimum of \$2,500 provided the School District approves of the arrangement by the May 11, 2012, auction deadline. Council Member Christianson seconded the motion, which carried.

City Administrator Stevens read into the record a Proclamation recognizing May 5 - 13, 2012, as Travel and Tourism Week in Willmar.

Mayor Yanish recognized Steve Kline with Barr Engineering who presented the final Watershed Management Plan for the City of Willmar. Under contract since January of 2010, Mr. Kline presented details of Phase II and III of the proposed study addressing the watersheds extending outside of the City limits, water quantity and water quality issues. The complex causes of flooding including the flat topography, increased runoff from impervious surfaces, under-sized storm sewer lines, tight soils and high groundwater tables were all discussed. Mr. Kline discussed the need to upsize trunk storm sewers to incorporate/expand flood storage in available "open" spaces throughout the City and the need to upsize trunk storm sewers to a 10-year flood level of service. Based on the aforementioned conclusions, five additional alternatives were explored. Costs estimates for each alternative were presented which ranged from \$12.9 million to \$78.9 million with the corresponding impact on flooding. This report was for information only, and Mayor Yanish thanked Barr Engineering for their thorough report.

Mayor Yanish called for a recess at 8:45 p.m. and reconvened the meeting at 8:56 p.m.

The Finance Committee Report for April 23, 2012, was presented to the Mayor and Council by Council Member Anderson. There were three items for Council consideration.

Item No. 1 Staff explained to the Committee that a formal Capital Assets Policy was adopted in July, 2011, setting the capitalization thresholds at levels that had been in place for several years. This policy currently requires that items purchased between \$350 to \$1,000 be recorded on the asset inventory but not capitalized and items purchased for a minimum of \$1,000 be capitalized. Staff was recommending these levels be increased so items will be recorded on the inventory, but not capitalized for purchases from \$1,000 to \$5,000, and that items in excess of \$5,000 be capitalized.

The Committee was recommending the Council introduce a resolution amending the Capital Asset Policy to the new thresholds as presented. Resolution No. 1 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. 1

BE IT RESOLVED by the City Council of the City of Willmar that the Capital Asset Policy Thresholds be amended as follows:

- A. Asset Inventory, \$1,000 - \$5,000
- B. Capitalize \$5,000 and above

Dated this 7<sup>th</sup> day of May, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 2 The Committee was informed by Staff that Department Directors will be presenting their respective proposed 2013 Budget requests to the Finance Committee as well as their annual reports. The schedule will be as follows: May 14 - City Administrator, Fire Chief and Community Education and Recreation Director; May 30 - Police Chief and Public Works Director; June 11 - Planning and Development Services Director, City Clerk and Finance Director; and June 25, 2012 - Civic Organizations. Committee Members requested that Rice Hospital, Municipal Utilities Commission, and Housing and Redevelopment Authority present their proposed budgets to the Finance Committee after June 25, 2012. Staff is also working on a final Five-Year Capital Improvement Plan to be presented later this year. It was noted that additional work sessions are anticipated to discuss the Street Improvement Program, Fund Balances, and other aspects of the budget. This matter was for information only.

Item No. 3 The Committee received the following March 31, 2012, Reports for information: First Quarter Interest/Dividends by Institution, First Quarter Investment Activity, Cash Investment Portfolio, 10-Year Historical Interest/Dividends Per Quarter, and 10-Year Historical Investments Per Quarter. This matter was for information only.

The Finance Committee Report for April 23, 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 on a roll call vote of Ayes 8, Noes 0.

The Public Works/Safety Committee Report for April 24, 2012, was presented to the Mayor and Council by Council Member Christianson. There were four items for Council consideration.

Item No. 1 Josh Halvorson, Donohue and Associates, appeared before the Committee to present plans and specifications for Project No. 1110, Western Interceptor Sewer Connection. Mr. Halvorson reviewed the fiscal impacts and project schedule with a completion date in November, 2013. In order to proceed with the project, the plans and specifications need to be approved and a bid opening date set.

The Committee was recommending the Council approve plans and specifications for Project No. 1110 and authorize advertisement for bids to be opened. Resolution No. 2 was introduced by Council Member Christianson, seconded by Council Member DeBlieck, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

WHEREAS the City Engineer of the City of Willmar has presented to the City Council plans and specifications for Project No. 1110 (Western Interceptor Sewer) 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 received until 1:00 p.m. on the 5th day of June, 2012, at the City Office Building, 333 Southwest Sixth Street, Willmar, Minnesota.

Dated this 7<sup>th</sup> day of May, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 2 The Committee considered a fowl permit application from Ken Viaene to keep show pigeons in a loft behind his residence at 422 Charlotte Street SE. Following discussion, the Committee was recommending the Council approve the application as presented. Council Member Christianson moved to approve the recommendation of the Public Works/Safety Committee with Council Member Fagerlie seconding the motion, which carried.

The Committee considered a second application for a fowl permit from Marsha Hegreberg to keep chickens at 2216 SW 22<sup>nd</sup> Street. Following discussion, the Committee was recommending the Council approve the application for a period of one year. Council Member Christianson Moved to approve the recommendation of the Public Works/Safety Committee with Council Member DeBlieck seconding the motion, which carried.

Item No. 3 Public Works Director Wilson informed the Committee that bids were received for the two 2012 Street and Other Improvement Projects. Three contractors submitted bids for 1201-A Mill and Overlay Project with the apparent low bid being that of Duinick Inc. for \$216,795.50, which is under the Engineer's Estimate of \$232,822.00. Four bids were received for the 1201-B Street and Underground Project including an alternate bid for concrete on Roise Avenue adjacent Walt's Car Wash. The apparent low bid for this project was also Duinick Inc. bidding \$965,425.55 for the bituminous bid and \$968,617.30 for the concrete alternate. The Engineer's Estimate on this project was \$1,084,566.25. The Committee was recommending the Council schedule an assessment hearing for June 4, 2012.

Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Fagerlie, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Aye 0.

RESOLUTION NO. 3

CALLING HEARING ON ASSESSMENTS FOR PROJECT NOS. 1201-A AND 1201-B  
2012 STREET AND OTHER IMPROVEMENTS

WHEREAS, the City Clerk-Treasurer with the assistance of the City Engineer has prepared an assessment roll for Project Nos. 1201-A and 1201-B of the 2012 Street and Other Improvements, and said proposed assessment roll is on file with the Clerk-Treasurer and open to public inspection.

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

1. The Clerk-Treasurer shall publish notice that this City Council will meet to consider the proposed assessments on June 4, 2012, at 7:02 p.m. in the Council Chambers, Municipal Utilities Building, 700 West Litchfield Avenue, Willmar, Minnesota.
2. Said notice shall also be mailed to the owners of each parcel of property described in the assessment roll.
3. Such notice shall be in substantially the following form: (On file in the City Clerk's Office)
4. Said notice shall be published by the City Clerk-Treasurer in the official newspaper at least two weeks prior to the hearing and mailed by said Clerk-Treasurer to the owners of each parcel described in the assessment roll.

Dated this 7<sup>th</sup> day of May, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Item No. 4 The Committee requested Staff look into the boulevard areas disturbed during street projects to make sure the seeding gets established and further requested that the Transportation Plan done in 2003 be reviewed. The Police Captain and Fire Chief gave brief updates on the status of crime, the interview process for the two new police officers, and the training progress of the new firefighters.

The Committee discussed street sweeping as the current sweeper is nearing its useful life and option of purchasing a sweeper that would be more efficient at picking up the drier, finer particles that the current variety of sweeper cannot or the option of contracting this type of work. These items were for information only.

The Public Works/Safety Committee Report for April 24, 2012, 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 Fagerlie, and carried.

The Community Development Committee Report for April 26, 2012, was presented to the Mayor and Council by Council Member Dokken. There were four items for Council consideration.

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

Item No. 2 Rick Goodeman, Southwest Minnesota Housing Partnership, appeared before the Committee to present a proposal for the redevelopment of the former Lakeland Hotel building. The Partnership plans to apply for tax credits and the application is due June 12, 2012. The tax credit

application is driving the speed at which municipal approval is needed. Redevelopment costs are estimated at \$3.6 million. Financing consists of low-income housing tax credits, federal and state historic tax credits, owner equity, and tax abatement. When questioned about parking, Mr. Goodeman said the reduction in unit count from the present 30 units would lessen the impact of parking in the Downtown. Mr. Goodeman stated that tax abatement calculations have not been completed. He anticipated that the abatement would not be needed initially, but that as the project got into year 6 or 7 there could be a cash flow issue. The property currently pays \$12,000 a year in real estate taxes. Mr. Goodeman said that there were income qualifications for the rental units and that the income for occupancy can increase without limit after original qualification. A major focus of the rehabilitation would be to restore and maintain the historic nature of the building. One early step in the process would be to conduct a rental housing analysis to reaffirm the need for the project. Mr. Goodeman estimated that the project would be scheduled for construction beginning late summer 2013.

Steve Renquist of the EDC supported development of quality housing Downtown. He stated that it was his opinion and didn't come formally from the EDC Board. Richard Engan said that the proposed project was tied to the proposed Downtown plan and would be consistent with the plan element calling for the expansion of quality housing in the Central Business District.

A motion was made to support the application for low income housing tax credits, which failed on a 2-2 vote and went to the Council without a recommendation. It was the consensus of the Council to review the matter on matter on May 21, 2012, when the tax abatement information is will be presented. This matter was received for information only.

Item No. 2 The Committee reviewed a letter Council Member Dokken had sent to City Administrator Stevens expressing concern over Downtown Plan elements and funding. He offered the opinion that public dollars should only be spent for public purposes, and he was not convinced that Downtown development had a public purpose.

Staff reviewed the Plan elements and implementation process. For further information on the plan, see the City of Willmar website. City Administrator Stevens presented a document showing possible CBD capital improvements for the years 2013-2017. These were for projects that the City was identified in the plan as the champion to complete. The Committee was reminded by Staff that many plan elements do not require capital dollars and that the plan doesn't rely solely on public financing. The private sector plays a major part in accomplishing plan elements.

The Committee was recommending the Council set a public hearing to consider adoption of the plan for the May 21, 2012 Council meeting. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Anderson seconding the motion, which carried.

Item No. 3 The Committee discussed a request by Chad Haugen that the City consider entering into a terminable licensing agreement to allow his sign at 2125 South First Street to stay within the public right-of-way. Staff had discussed the matter with the City Attorneys, and the terminable licensing agreement was the preferred solution due to a lack of options for a freestanding sign at that location. It was noted that the agreement would be prepared entirely at the cost of the applicant and that the City would be protected from liability by the terms of the agreement.

The Committee was recommending the Council approve the preparation and execution of a terminable license agreement for a free standing sign in the public right-of-way at 2125 South First Street. Council Member Dokken moved to approve the recommendation of the Community Development Committee with Council Member Christianson seconding the motion, which carried.

Item No. 4 Staff presented updates on the status of the following projects: Goodwill building, Airport land release, Erickson building, major retail projects, Applebee's expansion, and Ridgewater College improvements. This matter was for information only.

The Community Development Committee Report for April 26, 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 Ahmann, and carried.

Police Chief Wyffels informed the Mayor and Council that the Police Department has participated in the Minnesota Invitation Health Institute grant process for the past several years. The grant requires no matching funds nor does it place encumbrances on the Department's budget and reduces the cost of performing alcohol compliance checks. Following discussion, Resolution No. 4 was introduced by Council Member Anderson, seconded by Council Member Reese, reviewed by Mayor Yanish, 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 that the Willmar Police Department be allowed to apply for, and accept, grant funding from the Minnesota Institute of Public Health for reimbursement for the cost of alcohol compliance checks from July 1, 2011, to May 15, 2012.

Dated this 7<sup>th</sup> day of May, 2012.

/s/ Frank Yanish  
MAYOR

/s/ Kevin Halliday  
Attest: CITY CLERK

Planning and Development Services Director Peterson informed the Mayor and Council that the Willmar Food Shelf is purchasing land from the BNSF Railroad and wishes to combine it with the lot they currently own at 624 Pacific Avenue SW and 400 Pacific Avenue SW. It was noted that the Planning Commission approved the plat with no conditions. Council Member Anderson moved to approve the Willmar Food Shelf Addition Preliminary/Final Plat as presented, with Council Member Christianson seconding the motion, which carried.

City Clerk Halliday informed the Mayor and Council that the City is required by election law to designate polling locations for the Primary and General Elections. Resolution No. 5 was introduced by Council Member Ahmann, seconded by Council Member Reese, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

#### RESOLUTION NO. 5

BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, that the following buildings be designated as the official voting locations for the 2012 Primary and General Elections:

FIRST WARD:	1 <sup>st</sup> Precinct	Willmar Community Center 624 North Highway 71
	2 <sup>nd</sup> Precinct	Lakeview Apartment Building 300 North 7th Street
	3 <sup>rd</sup> Precinct	Ridgewater College 2101 15th Avenue Northwest
SECOND WARD:	1 <sup>st</sup> Precinct	St. Mary's Catholic Church 713 Southwest 12th Street
	2 <sup>nd</sup> Precinct	Vinje Lutheran Church 1101 Willmar Avenue Southwest
	3 <sup>rd</sup> Precinct	Christian Reform Church 1708 Southwest 8th Street
	4 <sup>th</sup> Precinct	Mail Ballot



WILLMAR CITY COUNCIL PROCEEDINGS  
BOARD ROOM  
WILLMAR MUNICIPAL UTILITIES BUILDING  
WILLMAR, MINNESOTA

May 7, 2012  
6:01 p.m.

The special 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.

Others present included City Administrator Charlene Stevens, Sharon Klumpp with Springsted Incorporated, and City Attorney Robert Scott.

Council Member Anderson moved to close the meeting pursuant to Minnesota Statute 13D.05, Subdivision 3(a) for the purpose of evaluating the job performance of the City Administrator. Council Member Reese seconded the motion, which carried.

The meeting reopened and there being no further business, adjourned at 6:56 p.m. on a motion by Council Member Anderson, seconded by Council Member Ahmann, and carried.

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MAYOR

Attest:

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CITY ADMINISTRATOR

CITY COUNCIL WORK SESSION  
Council Chambers  
Willmar Municipal Utilities Commission

April 16, 2012

The Willmar City Council Work Session was called to order at 6:00 p.m. by Mayor Frank Yanish. Those present included Council Members Bruce DeBlieck, Denis Anderson, Ron Christianson, Tim Johnson, Rick Fagerlie, Steve Ahmann, Doug Reese, and Jim Dokken; and City Administrator Charlene Stevens, Finance Director Steve Okins and Public Works Director, Holly Wilson.

Mayor Pro Temp Reese called the meeting to order at 6:05 p.m. and asked City Administrator Stevens to begin the discussion.

Item 1 Review of the 2013 Budget Calendar

Ms. Stevens stated her presentation by a reviewing the goals adopted by the City Council in April 2011 and then a review of the 2013 Budget Calendar, stating that the schedule and process had changed. Ms. Stevens stated that one goal was to allow for additional Council and public input into the budget process, prior to the budget adoption on December 3, 2012.

Item 2 Budget Trends

Ms. Stevens also reviewed the adopted 2012 budget and presented information on the five year trends for the operating and total budgets of the City, as well as the main revenue categories for the General Operating Fund.

Item 3 Capital Improvement Plan

Ms. Stevens reviewed the current capital funding process and stated that the Capital Planning process had also been revised for 2013 with the goal of developing a five year capital plan for the City that was better integrated with the budgeting process. Ms. Stevens stated that the new process would involve a Departmental review and a ranking of projects using the following criteria: Compliance with legal mandates, Maintenance of Existing Assets, Sustainability, Reduce or Offset Costs, Critical Public Safety Need or Concern, Meeting City Council Priorities.

Ms. Stevens continued by discussing the funding options available for Capital Improvements and a discussing upcoming needs for the next five years.

Council Member Anderson stated that he was supportive of developing a five year capital plan that could be adopted with the overall budget adoption.

Item 4 Street Improvement Projects

Mr. Okins reviewed the past history and funding for Street Improvement Projects. Mr. Okins reviewed how the Community Investment Fund and Utility fees were established and also discussed the possibility of allocating a portion of the levy for infrastructure.

Council Member Ahman stated that he felt increasing the funding for streets was very important. Council Member DeBlieck questioned how effective it was for the City to be reconstructing only 2 to 3 miles per year, when the City had over 130 miles of roads to maintain.

Ms. Wilson explained the City's pavement rating system and how the City had made progress over the past five years.

Item 5 Discussion

Council Member Anderson stated that he would hope to see a flat property tax levy for 2013, the importance of beginning to fund downtown improvements and the need for upgrades in technology, particularly for the City Council meetings.

Council Member Christianson stated that the City should continue to look for opportunities to privatize services or cooperate with the County and he would like to see a percentage reduction in City budgets.

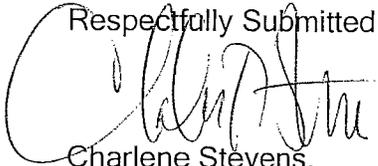
Council Member Ahmann stated the importance of funding street improvements and his willingness to consider a special levy if necessary, as well as his support for downtown planning efforts and investment.

Council Member DeBlieck stated he would like to see more information regarding a 10 year street and transportation plan.

Mayor Yanish stated that he would like to have additional workshops during the budget process.

It was the general consensus of the Council Members that additional workshops would be helpful. Ms. Stevens stated that the staff would work on scheduling workshops and coordinate with the Finance Committee and Finance Committee Chairperson Anderson.

There being no further business, the Work Session adjourned at 7:00 p.m.

Respectfully Submitted,  
  
Charlene Stevens,  
City Administrator

RICE MEMORIAL HOSPITAL

BOARD OF DIRECTORS

MAY 9, 2012

FOR COUNCIL  
INFORMATION

**PRESENT:** David Anfinson, President; Steve Cederstrom, Vice President; Dr. Michael Gardner, Treasurer; and Directors Wayne Larson, Jenna Fischer, Eric Weiberg.

**EXCUSED:** Dr. Robert Kruger, Secretary

**ADMINISTRATIVE STAFF:** Michael Schramm, Teri Beyer, Wendy Ulferts, Dale Hustedt, Bill Fenske, Sandy Roelofs

**GUESTS:** Jim Dokken, Willmar City Council; Shirley Carter, Rice Health Foundation; Joyce Elkjer, Human Resources, and Anne Polta, West Central Tribune

**Call to Order/Minutes:** President Anfinson called the meeting to order at 5:30 p.m. **ACTION:** A motion was made by Director Cederstrom, seconded by Director Gardner, and carried that the minutes of the April 11, 2012 meeting be approved as written.

**Board Education:** Joyce Elkjer presented the 2011 Annual Human Resources Report, "Being the Best...Employer of Choice," and reviewed the following information: 1) Employees recognize Rice as a great place to work. 2) Employees are proud to be a part of the Rice organization. 3) Employees are respected and valued, and their work does make a difference. 4) Rice provided 519 clinical student experiences which was an increase of 125 clinical experiences from 2010. 5) Rice continues to expand its job shadowing program for high school and college students. 6) Career opportunities are easy to access online. Rice hired and oriented 195 new employees in 2011. 7) 65 Medical Staff CME activities were offered with over 2,000 attendance hours. 8) Leadership Training: In November, a workshop was held for Rice's leadership on, "Strengthening our Culture by Effectively Dealing with Problems." 9) Ongoing Management Team training and staff educational sessions are offered. In 2011, 757 employees attending the CQI training session on "Who's Taking Care of You?" 10) Computer Based Learning (CBL) courses are offered each year which all staff are required to complete. In 2011 Rice employees achieved 98.0% completion, with 11 new courses added. 11) Convenient access and utilization of key information available for all employees. 12) Effective performance management. 13) Competitive salary and benefit packages are offered to Rice employees. 14) Plan enhancements are being made to the Rice Health Plan. 15) 95 employees will be recognized at Rice this week for achieving 10, 15, 20, 25, 30, and 35 years of service. 16) This week awards were also given to the winners of "My Nurse Made the Difference" and "Employees Exemplifying Excellence." 17) Formal and informal feedback is provided to employees. 18) Rice recognizes employees who exceed expectations. In 2011, 311 Star Awards were given to Rice employees. 19) Rice's overall goal for 2012 is to continue to provide exceptional service.

**Quality & Patient Experience Report:** 1) Patient Experience: In keeping with the theme of recognizing employees this week during Hospital Employee Recognition Week, Teri Beyer reviewed the following positive patient experiences: a) Cancer Center: The caring, concern and kindness shown by the staff and Dr. Ling. b) Ambulatory Care Department (ACD): The efficiency and good humor of one of the staff nurses in ACD helped put the patient at ease. c) Women & Children's Care (WCC): A newborn was diagnosed with a heart defect just prior to his discharge and was transferred to the U of M Amplatz Children's Hospital to have surgery in order to correct the problem. Every doctor there praised Dr. Mahon and the team at Rice for their efforts in catching this early. d) Anesthesia Services: One of Rice's Anesthetists helped put a patient at ease who had never had any type of anesthesia before. 2) Quality Report: a) Minnesota established a statewide Trauma System to ensure that trauma patients receive organized, timely care that meets established standards. b) Across the country, states with established Trauma Systems have increased patient survival by 15-20%. c) Rice received designation as a Level III Trauma Center in December, 2009. d) There are 33 Minnesota hospitals that are designated as Level III. e) Most tertiary care hospitals, including St. Cloud, are Level II and the majority of critical access hospitals are Level IV. f) The most comprehensive Trauma Centers are Level 1 and include, HCMC, North Memorial and Regions Hospital. g) Rice's Trauma designation is granted for three years and it is now time to re-designate its status. h) Data submission will be completed in June, 2012. i) A site visit from the Minnesota Trauma Designation Team will occur during the third quarter of 2012 and Rice should receive notification of its status in

December. j) Mary Nelson, Trauma Coordinator, is leading the data submission portion, and Dr. Steven Kidd serves as the physician Trauma Liaison. **ACTION: A motion was made by Director Cederstrom, seconded by Director Larson and carried that the Board of Directors of Rice Memorial Hospital hereby continue to support the Hospital as a Level III Trauma Center.**

**Financial Report:** Bill Fenske reviewed for the Board the Hospital's financial statements for the period ending March 31, 2012 in regard to the following: 1) March was a negative month in terms of financial performance compared to budget and in terms of actual performance. 2) Rice generated a loss of \$161,000 from operations in March compared to budgeted operating income of \$335,000. 3) Volumes continued to be soft compared to budget and last year. 4) Patient revenues were \$1.5 million (8.4%) less than budget for the month and 4.9% less than the prior year. 5) Hospital revenues were less than budget with inpatient revenues 11.0% less than budget and outpatient revenues 5.9% less than budget. 6) Rice Care Center revenues were also down (8.0%) due to lower census which has subsequently increased, while Rice Home Medical revenues were down (20.7%) due to lower sales and rental activity. 7) Total operating revenues were \$8.2 million or \$754,000 (8.3%) less than budget and \$523,000 (5.9%) less than last year. 8) Net expenses were \$8.4 million which was \$257,000 (3.0%) less than budget. 9) The overall net loss was \$243,000 compared to budgeted net income of \$420,000.

**Medical Staff Report:** Teri Beyer reviewed the minutes of the April 24, 2012 Medical Staff Executive and Credentials Committee meetings as follows: 1) An update was presented at the April 12 GI Endoscopy Department meeting on recommendations for the GI physician feedback form. Further discussion and evaluation will be held once additional information is obtained from the St. Cloud Hospital. 2) Dr. Darin Willardsen, CentraCare, met with the Department of Surgery on March 22. He was present in order to answer questions as well as demonstrate time-saving techniques related to the EPIC computer system. **ACTION: A motion was made by Director Cederstrom, seconded by Director Gardner, and carried that the minutes of the April 24, 2012 Executive and Credentials Committee meetings be approved; and that the following appointments to the Medical Staff of Rice Memorial Hospital be approved as presented: INITIAL APPLICATIONS: Allied Health Staff: Temporary Privileges for Reinstatement of Privileges: Neil Vera, LPN – Surgical Assistant/Department of Surgery. Willmar Medical Services, Willmar, MN. Responsible Physician: Sheila Gemar, M.D. Temporary privileges for start date: 5/2/2012. REAPPOINTMENT APPLICATIONS: Active Staff: Kent Donelan, M.D. – Pathologist/Department of Pathology. Minnesota Pathologists Chartered, Willmar, MN. Louay Hanna, M.D. – Medical Oncologist/Department of Internal Medicine. Affiliated Community Medical Center, Willmar, MN. Eric Haugen, M.D. – Nephrologist/Department of Internal Medicine. Affiliated Community Medical Center, Willmar, MN. Richard Kacher, M.D. – Anesthesiologist/Department of Anesthesiology. Willmar Medical Services, Willmar, MN. Robert Kruger, M.D. – Surgeon/Department of Surgery. Affiliated Community Medical Center, Willmar, MN. Thomas Lange, M.D. – Surgeon/Department of Surgery. Affiliated Community Medical Center, Willmar, MN. Michael May, M.D. – Internal Medicine/Department of Internal Medicine. Affiliated Community Medical Center, Willmar, MN. David Olson, M.D. – Anesthesiologist/Department of Anesthesiology. Willmar Medical Services, Willmar, MN. Harley Pakola, M.D. – Anesthesiologist/Department of Anesthesiology. Willmar Medical Services, Willmar, MN. Jon Peterson, DPM – Podiatrist/Department of Surgery. Affiliated Community Medical Center, Willmar, MN. Timothy Pieh, M.D. – Ophthalmologist/Department of Surgery. Affiliated Community Medical Center, Willmar, MN. John Seifert, D.O. – Anesthesiologist/Department of Anesthesiology. Willmar Medical Services, Willmar, MN. Lachlan Smith, M.D. – Obstetrics-Gynecologist/Department of OB-Gyn. Affiliated Community Medical Center, Willmar, MN. Steven Vanderwerf, M.D. – Pathologist/Department of Pathology. Minnesota Pathologists Chartered, Willmar, MN. Affiliate Staff: Matthew Dammeyer, M.D. – Family Practice/Department of Family Practice. Affiliated Community Medical Center, Benson, MN. Eric Nelson, M.D. – Orthopedist/Department of Surgery. Heartland Orthopedic Specialists, Alexandria, MN. Diane Chapa, M.D. – Psychiatrist/Department of Psychiatry. JH Credentials Verification Organization, Alpharetta, GA/Northern Pines Mental Health Center, Little Falls, MN. Leonard Nordstrom, M.D. – Cardiovascular Disease/Department of Internal Medicine. Park Nicollet Heart Center, St. Louis Park, MN. George Strauss, M.D. – Cardiovascular Disease/Department of Internal Medicine. Park Nicollet Heart Center, St. Louis Park, MN. William Stuart, M.D. – Nephrology/Department of Internal Medicine. Park Nicollet Clinic-Meadowbrook, St. Louis Park, MN. Locum Tenens Staff: Graeme Browne, M.D. – Emergency Medicine/Department of Emergency Medicine. Medical Doctor Associates, Norcross, GA. Allied Health Staff: Lester Heitke, LP -- Licensed Psychologist/Department of Psychiatry. Rice Institute for Counseling and Education, Willmar, MN. Theresa Kellner, LDA – Surgical Assistant/Department of Surgery. Oral-Facial Surgery, PA, Willmar, MN. Jason Klein, CRNA – Nurse Anesthetist/Department of Anesthesiology. Avera Marshall Regional**

Medical Center, Marshall, MN. Patricia Lange, LDA – Surgical Assistant/Department of Surgery. Oral-Facial Surgery, PA, Willmar, MN. Curtis Mottinger, RN – Surgical Assistant/Department of Surgery. Willmar Medical Services, Willmar, MN.

**CEO Report: - Mike Schramm:**

1. Hospital Week: In celebration of Hospital Week, May 7-11, a number of activities have been planned at Rice Hospital including, a) My Nurse Made the Difference Luncheon. b) Employees Exemplifying Excellence (EEE) award presentation and ice cream social. c) 24/7 pizza celebration. d) Employee Recognition awards breakfast, luncheon and dinner for employees achieving 10, 15, 20, 25, 30, and 35 years of service to Rice Hospital.
2. Building Projects: a) A new Committee of the Board of Directors, the Building and Facilities Committee, has been established and will be holding its first meeting in the near future. Information reviewed and discussed at their meetings will include updates on building/remodeling projects which include Rice Home Medical's Redwood Falls and Willmar store locations, Rice Care Center (RCC), Imaging Services, and the Laboratory. b) Rice's focus continues to be on volumes for all three entities. RCC's volumes continue to remain strong both for the Care Center and Therapy Suites.
3. Employee Assessment Tool: An employee assessment tool will be developed by the end of 2012/early 2013 for all employees to complete.
4. Recruitment Efforts: a) Rice continues to explore different ways in which to recruit physician candidates, and we are planning to increase efforts in the areas of Oncology and Orthopedics. b) Efforts also continue in the areas of Emergency Services and Psychiatry. c) Witt/Kieffer is working with us in the recruitment process for a new Chief Medical Officer at Rice.
5. State Legislative Report: Information was reviewed on the Health and Human Services Bill which includes cuts in reimbursements, etc., but one item which is a prominent theme at the capital is the issue of nurse to staff ratio and is being pushed by the Minnesota Nurses Association.
6. Rice Home Medical (RHM): a) Work continues on various aspects of Rice Home Medical operations. b) One of the recipients of this year's EEE award earlier in the week was a RHM employee.
7. Rice Health Foundation (RHF): a) Rice Health Foundation reports/updates will be provided to the Board on a regular basis. b) Shirley Carter is working with Troy Barrick on fund raising activities for the RCC building project. c) The Foundation's annual employee campaign is underway with this year's focus on "We Got the Beat" for LUCAS Chest Compression Devices.
8. Strategic issues: a) Willmar Medical Services (WMS): Updates will continue to be provided to the Board on a regular basis. b) An educational session was provided to the Board and Medical Staff on "Health Care Reform from a Payer Perspective," on January 26. c) A strategic planning meeting for the Hospital Board will be scheduled in the near future.
9. Dental Clinic: Work also continues in regard to seeking revenue sources for the Rice Regional Dental Clinic (RRDC). Rice was recently notified that the RRDC was unsuccessful in receiving a HRSA grant this year. As a result, discussions will continue with the University of Minnesota Dental Clinic to ensure that the RRDC will remain sustainable with grants/grant funding.

**Other Business: Hospital Committee Reports:**

1. Finance Committee: The Committee met on May 4. In attendance were Directors Gardner, Anfinson, Larson, Fischer, and Weiberg.
2. Ethics Committee: Directors Weiberg and Fischer reported on the meeting held on May 7. One of the article reviews held was in regard to, "China Moves to Stop Transplants of Organs after Executions."

3. Employee Recognition Events: Directors Anfinson, Gardner, and Larson were in attendance at the My Nurse Made the Difference Luncheon; and Director Anfinson attended the Employee Recognition Awards breakfast.
4. Rice Heath Foundation: Directors Gardner and Anfinson were in attendance at the April 19 Foundation Board meeting.
5. City Council Meeting: Councilman Dokken reported on the meeting held on May 7, in regard to the following:
  - a) The Barr Engineering presentation was made to the Mayor and Council on the Watershed Management Plan. This report can be viewed online.
  - b) Also reviewed and discussed was the proposed Downtown Plan.
  - c) A public hearing will be held at the Council's May 21 meeting regarding both short and long term plans for downtown Willmar.

**Adjournment:** There being no further business, the meeting was adjourned at 6:37 p.m.

Submitted by:

Sandy Roelofs  
Acting Secretary

**WILLMAR PLANNING COMMISSION  
CITY OF WILLMAR, MN  
WEDNESDAY, MAY 9, 2012**

**MINUTES**

1. The Willmar Planning Commission met on Wednesday, May 9, 2012, at 7:00 p.m. at the Willmar City Offices Conference Room #2.

\*\* Members Present: Mark Klema, Charlie Oakes, Gary Geiger, Randy Czarnetzki, Bob Poe, and Virgilio Aguirre Jr.

\*\* Members Absent: Scott Thaden, Nick Davis, and Andrew Engan.

\*\* Others Present: Mike Brandt, Ken Behm, Jeff Kimpling, Bryan Barlage, Jeff Danielson, Ryan Gauquie, Bruce Peterson- Director of Planning and Development Services, and Megan Sauer- Planner/Airport Manager.

2. MINUTES: The minutes of the April 25, 2012 meeting were approved as submitted.

3. GOODWILL STORE PLAN REVIEW- FILE NO. 12-5: Bryan Barlage, of Fendler Patterson Construction, presented plans for a Goodwill Store on property described as: the south 344' of E. 585.8' of SE ¼ of NE ¼ excluding the west 150' thereof (100 19<sup>th</sup> Ave. SW). The applicant is proposing a 22,600 sq. ft. building with a drop off drive through lane for donated items. A landscape plan was submitted that meets the Landscape Ordinance. Adequate parking is being proposed and all building and parking setbacks are met. Ken Behm, one of the property owners explained that the property is owned by Willmar Ten and will be leased by the Goodwill Store, so the property is taxed. Goodwill Stores are a not-for-profit enterprise that supports the Easter Seal program and other philanthropic activities.

Planning Commission reviewed and discussed Staff Comments (see Attachment A).

On the southeast corner of the property there is a large easement right-of-way (old Hwy. 23/71 turnback) that is owned by the applicant but controlled by the City for utility purposes (large electrical line and stormwater line). As the applicant wishes to build a portion of the parking lot on this easement, the City will require a terminable license agreement for use of the easement and limit it for parking only.

The Commission talked about the shared drive with the American Legion and that a recorded shared access/drive easement must be recorded with the property prior to the issuance of the building permit as it's integral to traffic flow.

The onsite drainage and underground storage tanks were discussed and all standards of the Stormwater Ordinance shall be met. The Planning Commission talked about the architecture of the south facing wall (towards 19<sup>th</sup> Ave. SW) and that some windows or

architectural modifications would really break up the look of the building and make it more pleasant.

Mr. Geiger made a motion, seconded by Mr. Oakes, to approve the plan review with the following conditions:

- A. Owner/applicant will be required to enter into a terminable license agreement for any use of City easement (document to be drafted by City at expense of owner/applicant).
- B. Easement area shall be used for parking only; no building structures.
- C. The applicant shall record or verify a recorded cross access easement agreement with the American Legion and provide a copy of said document to the City.
- D. Improvements shall be designed and made for protection of the PIV as per the Fire Marshall's approval.
- E. All of the staff comments from the City Engineer shall be met as requested prior to the issuance of a building permit.
- F. The applicant shall submit a revised building elevation drawing of the south side of the building to visually break up the look of the building and submit it for staff review and approval.
- G. The use shall meet all applicable local, state, and federal laws and regulations.

The following affirmative findings of fact were made for the plan review:

1. That the plan review, with such conditions as the Commission shall determine and attach, conforms to the purpose and intent of this Ordinance, and is in conformity with the Comprehensive Land Use Plan of the City as the property is in the commercial area of a main street thoroughfare and is ideally used for retail.
2. That there was no factual demonstration of a substantial/appreciable negative impact on values to properties in the neighborhood from the proposed use as no factual value information was given.
3. The plan review use will not result in the destruction, loss, or damage of a natural, scenic, or historic feature of major importance to the community as there is no historical significance of the property.
4. That the plan review will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district as zoned as the area is a fully built out.
5. That adequate utilities, access roads, stormwater management, and other necessary facilities have been, or are being, provided as the site is being redeveloped.
6. That adequate measures have been, or will be, taken to provide ingress and egress in such a manner as to minimize traffic congestion and maximize public safety in the public street as they are using existing access points that have functioned for years.
7. The plan review use will be designed, constructed, operated, and maintained in a manner that is compatible in appearance with the existing or intended character of the surrounding area/neighborhood as it is an architecturally compatible brick retail building.

The motion carried with all members voting yes, save for Mr. Klema who abstained.

4. BURGER KING REBUILD PLAN REVIEW 2<sup>ND</sup> VERSION- FILE NO 12-01: Ryan Gauquie, of Genesis Architecture, presented the revised plans for the Burger King rebuild on behalf of David Knoop, of Quickstop Properties, Alexandria, MN p.m. on property described as: the north 250' of south 500' of East 150' of West 183' of SW ¼ of SW ¼ (1201 1<sup>st</sup> St. S.). The building has been adjusted to the north and west compared to the original submittal as per the review of the corporate Burger King Office. Some of the drive lane widths are slightly narrower or closer to the property lines. Variances for the parking lot setback are required.

Staff comments were reviewed and discussed (see Attachment A).

Mr. Czarnetski made a motion, seconded by Mr. Geiger, to approve the plan review with the following conditions:

- A. Landscaping plan shall be submitted for Planning Commission review and approval.
- B. Onsite signage and striping shall be added to discourage drive through traffic from backing up on 1<sup>st</sup> St. S.
- C. Parking and drive setback variances shall be obtained prior to issuance of a building permit.
- D. Sign permits shall be ancillary approvals.
- E. Parking and drive areas shall be curbed.
- F. The use shall meet all applicable local, state, and federal laws and regulations.

The Planning Commission reviewed and made affirmative findings of fact in Zoning Ordinance Section 9.E.4.a.1-7.

The motion carried.

5. There being no further business to come before the Commission, the meeting adjourned at 8:25 p.m.

Respectfully submitted,



Megan M. Sauer, AICP  
Planner/Airport Manager

PLANNING COMMISSION-MAY 9, 2012

STAFF COMMENTS

1. GOODWILL STORE PLAN REVIEW- FILE NO. 12-5:

- The applicant is Dion Warne on behalf of Willmar 10 Investors, Willmar, MN.
- The applicant requests plan review for a Goodwill Retail store on property described as: the south 344' of E. 585.8' of SE ¼ of NE ¼ excluding the west 150' thereof (100 19<sup>th</sup> Ave. SW).
- The property is accessed via 1<sup>st</sup> St. S. and 19<sup>th</sup> Ave. SW. The 1<sup>st</sup> St. S. entrance is right in right out only, as the median will not allow northbound traffic. The south access off of 19<sup>th</sup> Ave. SW is shared with the abutting property owner, the American Legion.
- There is a large triangular piece of R.O.W easement leftover from when Trunk Highway 23 went through town; this right of way contains electrical and storm sewer utilities. The City retains an easement of this area, and will control how they property is used.
- The property is zoned GB (General Business Commercial).
- The building is proposed to be 22,600 sq. ft. The building setbacks and parking setbacks are met.
- The applicant shall give a copy of a shared recorded access easement/cross easement with the American Legion or draft one for review and approval as they are showing shared drive areas.
- The landscape plan appears adequate and parking areas are delineated with curbing.
- The applicant proposes 121 parking stalls; the building is 22,600 sq. ft. 14,295 sq. ft. is devoted to sales and 6,363 sq. ft. is devoted to processing/warehouse, and 1,992 sq. ft. is devoted to offices.  $14,295/175= 82 + 6,363/500= 95$  stalls +  $1,992/200= 105$  stalls. The parking exceeds the Zoning Ordinance requirements.
- The elevation drawings and architectural appearance of the buildings fits in with the area, but would like to see more windows on the south elevation as it faces a major road. Make a condition?
- The donation drop off lanes are on the northwest side of the property and are one way only, exiting onto the Legion property. That will have to be in the access easement as well. Signage/stripping onsite will help motorists with way finding.
- Signs permits shall be ancillary from plan review.

**Fire Marshall Comments:** The Fire Department has had a number of problems with the PIV and vehicle impact posts around the fire hydrant being struck by vehicles and left damaged. I would like to see improvements made so this is prevented in the future.

**MUC Comments:** The Willmar Municipal Utilities has underground feeder wire and a pad mounted switch that have existed since 1991 in the triangle piece that was originally MNDOT highway right-of-way and alter became City right-of-way. Our concern is for the protection of these critical electrical facilities. If the triangle piece is

sold to the land owners, then in my opinion, one of two options must take place. Option 1 would be to have the facilities and an area of each side of the facilities turned into an easement, or Option 2, turn the entire triangle piece into an "Outlot" and declare it in total as an easement area. Either way the best way to accomplish this would be to plat the entire property and have all the Willmar Municipal and City facilities dealt with on the plat for permanent record.

**City Engineer/Public Works Director Comments:** A shared access easement or agreement is needed from the adjacent property owner. Truck traffic movement throughout the site must be clarified. Traffic route delineation is needed on the west side of the property. Use of existing right-of-way on SE corner of property must be addressed. Easements for public utilities in existing SE corner of right-of-way are needed. Drainage arrows are required. Runoff from the site must be treated prior to discharging, including roof runoff. Access to adjacent property must be maintained during construction. Plans should be submitted to property owner on west for their information and review as it relates to shared access. Suggest eliminating driveway culvert at east entrance. Verify cover of all pipes. Verify utility grade conflicts. Details for underground storage must be provided, including access to underground storage for maintenance purposes. In addition, there is a Goodwill Development Review document prepared by Barr Engineering- shall be forwarded to developer and have their engineer note the comments and submit a revised plan for review.

**RECOMMENDATION:** Approve the plan review with the following conditions:

- A. Owner/applicant will be required to enter into a terminable license agreement for any use of City easement (document to be drafted by City at expense of owner/applicant).
- B. Easement area shall be used for parking only; no structures.
- C. The applicant shall record or verify a recorded cross access easement agreement with the American Legion and provide a copy of said document to the City.
- D. Improvements shall be designed and made for the PIV as per the Fire Marshalls approval.
- E. All of the above mentioned comments from the City Engineer shall be met as requested prior to issuance of a building permit.
- F. The use shall meet all applicable local, state, and federal laws and regulations.

2. BURGER KING REBUILD PLAN REVIEW 2<sup>ND</sup> VERSION- FILE NO. 12-01:

- The applicant is David Knoop, of Quickstop Properties, Alexandria, MN.
- The applicant is requesting plan review for the rebuild of Burger King on 1<sup>st</sup> St. S. including a drive through lane and landscaping/parking on property described as: the north 250' of south 500' of East 150' of West 183' of SW ¼ of SW ¼ (1201 1<sup>st</sup> St. S.).

- The proposed rebuild will re-orient the building and drive-through and thus requires plan review in the GB (General Business) District.
- There are still 42 proposed parking spaces; the exact same number as currently exists on site.
- Landscaping shall be in all non-paved areas including plantings, not just grass, to soften and buffer the parking lot.
- The eastern most drive lane went from 10' in width to 12'.
- The drive through lane went from 9' in width to 9' 6" in width
- The front parking setback went from 6' 6" to 5'.
- The side setback went from 5' setback with a curbed buffered island to 0' setback.
- The front drive area went from 28' in width to 23' 8".

RECOMMENDATION: Approve the plan review as amended (version 2) with the following conditions:

- A. Landscaping plan shall be submitted for Planning Commission review and approval.
- B. Onsite signage and striping shall be added to discourage drive through traffic from backing up on 1<sup>st</sup> St. S.
- C. Parking and drive setback variances shall be obtained prior to issuance of a building permit.
- D. Sign permits shall be ancillary approvals.
- E. Parking and drive areas shall be curbed.
- F. Curbing/islands shall be added back to the plan on the north side of the property to separate the two properties.
- G. The use shall meet all applicable local, state, and federal laws and regulations.

**WILLMAR MUNICIPAL UTILITIES MINUTES**  
**MUNICIPAL UTILITIES AUDITORIUM**  
**MAY 14, 2012**

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, May 14, 2012 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Dave Baker, Steve Salzer, Dan Holtz, Jerry Gesch, Carol Laumer, and Dave Becker. Absent was Commissioner Matt Schrupp.

Others present at the meeting were: Interim Co-Manager Larry Heinen, Interim Co-Manager Wesley Hompe, Manager of Electric Services Jeff Kimpling, Director of Water/Heating Bart Murphy, Accounting Supervisor Tess Stoffel, Power Supply Broker Chris Carlson, Director of Electric Production Jon Folkedahl, City Attorney Robert Scott, Mayor Frank Yanish, City Councilmen Bruce DeBlieck & Jim Dokken, City Administrator Charlene Stevens, David Unmacht of Springsted, Inc., and WC Tribune Journalist David Little.

Due to the absence of Commission Secretary Schrupp, Commission President Baker opened the meeting by appointing Commissioner Becker to serve as Acting Secretary. Following the appointment, Commissioner Baker requested a resolution to approve the Consent Agenda. City Attorney Scott advised the Commission on a language discrepancy contained in Resolution #26 regarding the creation of a SERF Model for WMU by SAIC through Spiegel & McDiarmid. Following correction of the language, Commissioner Salzer offered resolution to approve the Consent Agenda as presented including the revision to Resolution #26. Commissioner Gesch seconded.

**RESOLUTION NO. 27**

BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the April 23, 2012 (as corrected) and April 24, 2012 (special) Commission meetings; and,
- ❖ Bills represented by vouchers No. 120668 to No. 120810 inclusive in the amount of \$1,326,847.81, with a MISO payment in the amount of \$843.85.

Dated this 14<sup>th</sup> day of May 2012.

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President

ATTEST:

\_\_\_\_\_  
Acting Secretary

The foregoing resolution was adopted by a vote of five ayes and zero nays, with Commissioner Holtz abstaining.

Commission President Baker introduced David Unmacht of the firm Springsted, Inc. Mr. Unmacht reviewed with the Commission a number of personnel/administrative issues facing the Willmar

Utilities. The first item discussed by Mr. Unmacht was to present the Commission with a draft report of the Organizational Assessment of the Willmar Municipal Utilities. This study is designed to provide an objective assessment of the priorities facing WMU including the need to fill the General Manager position, streamlining the organizational structure, strengthen the workplace culture, develop a planning succession, and identifying ways to partner with the City of Willmar to improve services and decrease expenses. The final report will serve as a "road map" for future use by the Commission, General Manager and WMU Staff and offer ideas and suggestions on how to move forward with important tasks and actions. Mr. Unmacht informed the Commission that after making a few revisions, a final report of the Organizational Assessment would be completed by the next MUC meeting.

The second item addressed by Mr. Unmacht was the General Manager job description. The revised job description depicted essential duties and responsibilities along with necessary qualifications required to attain the executive position. Following a review of the job description, Commissioner Becker made a motion to approve the job description for the General Manager position dated May 10, 2012 as presented. Commissioner Laumer seconded the motion which was approved by a vote of six ayes and zero nays.

Commissioner Laumer reviewed with the Commission the minutes from the April 30<sup>th</sup> and May 10<sup>th</sup> WMU Labor Committee Meetings. Items discussed included:

1. Data prepared by Springsted, Inc. for the Organizational Assessment Study;
2. Procedure and process to fill the General Manager position;
3. Review of General Manager position job description, salary range & requirements;
4. Defining of organizational structure; and,
5. Possible opportunities available to partner with City of Willmar on staffing.

Commissioner Baker reported to the Commission on his recent attendance at the City Labor Relations Committee Meeting held on May 8<sup>th</sup>. The meeting proved to be both positive and informational. At the meeting, approval was granted to WMU to proceed with the search to fill the General Manager position. Approval included agreement on the revised job description, established salary range, and determination of a minimum of 5 yrs. experience in the management level with administrative and operating responsibilities. Commissioner Baker made a request to the Commission to schedule a meeting of the WMU Labor Committee to further discuss the issue.

Following discussion, Commissioner Laumer offered a motion to approve the minutes from the April 30<sup>th</sup> and May 10<sup>th</sup> Labor Committee Meetings as presented. Commissioner Gesch seconded the motion which carried by a vote of six ayes and zero nays.

Commissioner Laumer discussed with the Commission the proposal to conduct an executive search for the General Manager position. Following discussion with Staff, it was the consensus of the Commission to refer the search back to the WMU Labor Committee and to delay taking action on the Springsted proposal pending further discussions. A final decision to begin the executive search will be determined at the next MUC meeting.

Commissioner Salzer reviewed with the Commission the minutes from the April 30<sup>th</sup> WMU Planning Committee Meeting. Items addressed included:

1. Power supply/analysis supply update;
2. MRO negotiations;
3. CapX 2020; and,
4. Power Plant Operational Economics Review.

Following discussion, Commissioner Becker offered a motion to approve the minutes from the April 30<sup>th</sup> WMU Planning Committee Meeting as presented. Commissioner Holtz seconded the motion which carried by a vote of six ayes and zero nays.

Power Supply Broker Carlson reviewed with the Commission the March 2012 Power Supply Report. This was for information only.

Commissioner Salzer excused himself from the meeting at this time.

As stated in the WMU Reliability Standards/Annual Reliability Performance Report, if there is any major service interruption affecting 500 or more customers for one or more hours, a report of the incident will be given to the Municipal Utilities Commission. Manager of Electric Services Kimpling discussed with the Commission a power outage which occurred on Wednesday, May 9<sup>th</sup> beginning at 2:44 a.m. when a fault was detected on the transmission line that feeds KPC substations north of Willmar. This line is fed from WMU sources. The fault caused breakers feeding this line to trip out of service. Between 4:01 a.m. and 4:32 a.m. all electric service was restored. The outage affected approximately 5,637 customers. The total customer outage time was 7,808.70 hours for this event. This report included both restoration and operational procedures involved.

Commissioner Gesch recapped for the Commission his recent attendance at the Missouri River Energy Services (MRES) Annual Meeting which was held in Sioux Falls, SD, May 9-10. Topics discussed included: power supply update, Federal legislative outlook, WAPA update, and Mid-West Electric Consumers update. This was for information only.

With no other business to come before the Commission, Commissioner Laumer made a motion to adjourn the meeting. Commissioner Holt seconded the motion, and the meeting was adjourned by a vote of five ayes and zero nays.

Respectfully submitted,

WILLMAR MUNICIPAL UTILITIES

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Jeff Kimpling  
Manager of Electric Services

ATTEST:

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Dave Becker, Acting Secretary

Vendor Payments History Report  
INCLUDES ONLY POSTED TRANS

VENDOR NAME AND NUMBER CHECK# DATE DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F S 9 BX M	ACCOUNT NAME	ACCOUNT
AFFORDABLE PUMPING SERVI 002404 33059 05/16/12 SEPTIC PUMPING	330.00		18675		D N	CLEANING AND WAS	101.43430.0338
AMERICAN WELDING & GAS I 000057 33060 05/16/12 FIRE EXT. REFILL	27.95		01700167		D N	MTCE. OF EQUIPME	101.42411.0334
33060 05/16/12 TORCH CUTTING TIP	11.92		01703062		D N	SMALL TOOLS	651.48474.0221
33060 05/16/12 TORCH CUTTING TIP	7.94		01703062		D N	SMALL TOOLS	651.48475.0221
33060 05/16/12 FIRE EXT. INSPECTION	499.33		01707141		D N	MTCE. OF EQUIPME	101.45433.0334
VENDOR TOTAL	547.14	*CHECK TOTAL					
AMERIPRIDE LINEN & APPAR 000051 33061 05/16/12 TOWEL SERVICE	27.50		2200232826		D N	CLEANING AND WAS	101.43425.0338
33061 05/16/12 TOWEL SERVICE	35.30		2200237933		D N	CLEANING AND WAS	101.43425.0338
VENDOR TOTAL	62.80	*CHECK TOTAL					
ANDERSON LAW OFFICES 002954 33062 05/16/12 PROFESSIONAL SERVICES	8,988.50		STMT/4-12		D N	PROFESSIONAL SER	101.41406.0446
ATCO INTERNATIONAL 000072 33063 05/16/12 CAR WASH SOAP	953.90		I0342546		D N	INVENTORIES-MDSE	101.125000
B.G. AMUNDSON CONSTRUCTI 001158 33064 05/16/12 SIDEWALK REPAIR-MAT'L	100.00		050612		D N	MTCE. OF OTHER I	101.43425.0226
33064 05/16/12 SIDEWALK REPAIR-LABOR	400.00		050612		D N	MTCE. OF OTHER I	101.43425.0336
VENDOR TOTAL	500.00	*CHECK TOTAL					
BATTERY WHOLESAL INC 002860 33065 05/16/12 SIGN DEPOSIT REFUND	100.00		2012-12		D N	DEPOSITS-SIGN PE	101.230001
BERNICK'S PEPSI-COLA CO 000103 33066 05/16/12 OFFICE COFFEE	39.48		8406		D N	GENERAL SUPPLIES	101.43425.0229
33066 05/16/12 OFFICE COFFEE	78.96		9064		D N	GENERAL SUPPLIES	101.43425.0229
33066 05/16/12 CONCESSION SUPPLIES	308.04		9358		D N	GENERAL SUPPLIES	101.45433.0229
VENDOR TOTAL	426.48	*CHECK TOTAL					
BREMER BANK 000263 33067 05/16/12 2011 HOSP REV BOND-I	13,567.06		050112		D N	INTEREST	350.47402.0444
BRYAN ROCK PRODUCTS INC 000030 33068 05/16/12 BALLFIELD AGGREGATE	3,207.53		38756		D N	MTCE. OF OTHER I	101.43425.0226
BSE 001980 33069 05/16/12 PARK LIGHTING CONTROL	130.59		903903493		D N	MTCE. OF OTHER I	101.43425.0226
33069 05/16/12 L.S. CONDUIT	48.73		903903707		D N	MTCE. OF OTHER I	651.48476.0226

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VENDOR NAME AND NUMBER CHECK# DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F S 9	EX M	ACCOUNT NAME	ACCOUNT
CARDMEMBER SERVICE 33073 05/16/12	002365 MULTI TOM PLUG	18.12		STMT/4-12		D N		SMALL TOOLS	101.42412.0221
33073 05/16/12	SAW REPAIR-GAS/FUELS	2.75		STMT/4-12		D N		MOTOR FUELS AND	101.42412.0222
33073 05/16/12	SAW REPAIR-PARTS	24.53		STMT/4-12		D N		MTCE. OF EQUIPME	101.42412.0224
33073 05/16/12	SCBA HEAD HARNESSSES	891.03		STMT/4-12		D N		SUBSISTENCE OF P	101.42412.0227
33073 05/16/12	FIRST AID SUPPLIES	7.34		STMT/4-12		D N		SUBSISTENCE OF P	101.42412.0227
33073 05/16/12	CAR WAX	27.53		STMT/4-12		D N		GENERAL SUPPLIES	101.42412.0229
33073 05/16/12	PAPER PRODUCTS	8.55		STMT/4-12		D N		GENERAL SUPPLIES	101.42412.0229
33073 05/16/12	WEED TRIMMER LINE	19.18		STMT/4-12		D N		GENERAL SUPPLIES	101.42412.0229
33073 05/16/12	PAULSON-OFFICER CLASS	44.00		STMT/4-12		D N		TRAVEL-CONF.-SCH	101.42412.0333
33073 05/16/12	FIRE TRAINING COURSE	1,075.00		STMT/4-12		D N		TRAVEL-CONF.-SCH	101.42412.0333
33073 05/16/12	COPIER MTCE CHARGE	55.94		STMT/4-12		D N		MTCE. OF EQUIPME	101.42412.0334
33073 05/16/12	SAW REPAIR-LABOR	97.80		STMT/4-12		D N		MTCE. OF EQUIPME	101.42412.0334
33073 05/16/12	PAGER REPAIRS-LABOR	156.00		STMT/4-12		D N		MTCE. OF EQUIPME	101.42412.0334
33073 05/16/12	GAS DISPOSAL	2.14		STMT/4-12		D N		CLEANING AND WAS	101.42412.0338
33073 05/16/12	FIRE RECERTIFICATION	380.00		STMT/4-12		D N		SUBSCRIPTIONS AN	101.42412.0443
33073 05/16/12	NFPA SUBSCRIPTION	285.04		STMT/4-12		D N		SUBSCRIPTIONS AN	101.42412.0443
	VENDOR TOTAL	5,037.78		*CHECK TOTAL					
CARRANZA/NOE 33074 05/16/12	002547 PROFESSIONAL SERVICES	125.00		0427		D M	07	PROFESSIONAL SER	101.42411.0446
CENTERPOINT ENERGY 33075 05/16/12	000467 NATURAL GAS CHARGES	46.45		6072309/4-12		D N		UTILITIES	101.45437.0332
CENTRAL MN DUST CONTROL 33076 05/16/12	002890 DUST CNTL APPLICATION	707.85		1450		D N		MTCE. OF OTHER I	101.43425.0336
CENTURION TECHNOLOGIES 33077 05/16/12	002955 ANNUAL MTCE FEE-2013	27.00		163367		D N		PREPAID EXPENSES	101.128000
33077 05/16/12	ANNUAL MTCE FEE-2012	28.00		163367		D N		MTCE. OF EQUIPME	101.41409.0334
	VENDOR TOTAL	55.00		*CHECK TOTAL					
CHAMBERLAIN OIL CO 33078 05/16/12	000154 SWEEPER GREASE	289.81		097246		D N		INVENTORIES-MDSE	101.125000
CHAPPELL CENTRAL INC 33079 05/16/12	000156 REPL. BELT-ROOFTOP UNIT	190.00		00048693		D N		MTCE. OF STRUCTU	101.45435.0335
33079 05/16/12	CHECKED DUCTLESS A/C	48.00		00048908		D N		MTCE. OF STRUCTU	101.41408.0225
33079 05/16/12	CHECKED DUCTLESS A/C	142.50		00048908		D N		MTCE. OF STRUCTU	101.41408.0335
	VENDOR TOTAL	380.50		*CHECK TOTAL					
CHESTER CONTRACTING INC 33080 05/16/12	002506 REPL. SOUTH DOOR CLOSURE	273.00		788		D N		MTCE. OF STRUCTU	101.45435.0335

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VENDOR NAME AND NUMBER CHECK# DATE DESCRIPTION	AMOUNT	CLAIM INVOICE	PO#	F S 9 BX M	ACCOUNT NAME	ACCOUNT
DOOLEY'S PETROLEUM INC 000212						
33093 05/16/12 87 GALLONS UNLEADED	328.06	264091		D N	MOTOR FUELS AND	651.48474.0222
33093 05/16/12 87 GALLONS UNLEADED	218.71	264091		D N	MOTOR FUELS AND	651.48475.0222
33093 05/16/12 138 GALLONS DIESEL	263.03	264116		D N	MOTOR FUELS AND	651.48478.0222
33093 05/16/12 138 GALLONS DIESEL	263.03	264116		D N	MOTOR FUELS AND	651.48479.0222
33093 05/16/12 580 GAL. DIESEL/83 UNL	1,520.35	264126		D N	MOTOR FUELS AND	651.48474.0222
33093 05/16/12 580 GAL. DIESEL/83 UNL	1,013.56	264126		D N	MOTOR FUELS AND	651.48475.0222
33093 05/16/12 129 GALLONS DIESEL	242.65	316096		D N	MOTOR FUELS AND	651.48478.0222
33093 05/16/12 129 GALLONS DIESEL	242.65	316096		D N	MOTOR FUELS AND	651.48479.0222
VENDOR TOTAL	4,092.04	*CHECK TOTAL				
DOOLEY'S PETROLEUM INC 002163						
33094 05/16/12 4,001 GALLONS UNLEADE	13,947.48	597362		D N	INVENTORIES-MDSE	101.125000
33094 05/16/12 4,000 GALLONS DIESEL	12,848.40	597363		D N	INVENTORIES-MDSE	101.125000
VENDOR TOTAL	26,795.88	*CHECK TOTAL				
ED DAVIS BUSINESS MACHIN 000229						
33095 05/16/12 OFFICE SUPPLIES	109.46	114581		D N	OFFICE SUPPLIES	741.48001.0220
33095 05/16/12 OFFICE SUPPLIES	268.07	114836		D N	OFFICE SUPPLIES	741.48001.0220
VENDOR TOTAL	377.53	*CHECK TOTAL				
ED'S SERVICE CENTER & SA 000231						
33096 05/16/12 TOWING CHARGES	436.00	STMT/4-12		D N	OTHER SERVICES	101.42411.0339
ETTERMAN ENTERPRISES 001567						
33097 05/16/12 BOILER PARTS	20.37	182568		D M 07	MTCE. OF EQUIPME	651.48474.0224
33097 05/16/12 BOILER PARTS	13.58	182568		D M 07	MTCE. OF EQUIPME	651.48475.0224
VENDOR TOTAL	33.95	*CHECK TOTAL				
FAMILY PRACTICE MED CENT 000245						
33098 05/16/12 DRUG TESTING	23.50	45/4-12		D N	SUBSISTENCE OF P	101.43425.0337
FARNAM'S GENUINE PARTS 000249						
33099 05/16/12 BRAKE PARTS	74.17CR	646395		D N	INVENTORIES-MDSE	101.125000
33099 05/16/12 BRAKE PARTS	74.17	646454		D N	INVENTORIES-MDSE	101.125000
33099 05/16/12 SUPPLIES	24.51	646684		D N	GENERAL SUPPLIES	101.45433.0229
33099 05/16/12 FUEL CAP	12.92	646979		D N	INVENTORIES-MDSE	101.125000
33099 05/16/12 WIPER BLADES	13.87	647105		D N	INVENTORIES-MDSE	101.125000
33099 05/16/12 BRAKE PARTS	242.04	647472		D N	INVENTORIES-MDSE	101.125000
VENDOR TOTAL	293.34	*CHECK TOTAL				
FASTENAL COMPANY 001188						
33100 05/16/12 PIPE FITTINGS	131.30	MNWIL93207		D N	INVENTORIES-MDSE	101.125000

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GALLEGOS/EVA 33107 05/16/12	SHELTER FEE .01822	75.00		050712		D N	REFUNDS AND REIM	101.41428.0882
33107 05/16/12	CANCELLATION FEE	10.00CR		050712		D N	REFUNDS AND REIM	101.41428.0882
	VENDOR TOTAL	115.00	*CHECK TOTAL					
		115.00						
GAMEDAY ATHLETIC 33108 05/16/12	002703 TENNIS BALLS/SUPPLIES	183.93		39417		D N	GENERAL SUPPLIES	101.45432.0229
33108 05/16/12	WHEEL KIT FOR 2 GOALS	358.03		39526		D N	GENERAL SUPPLIES	101.45432.0229
33108 05/16/12	BASEBALL SUPPLIES	3,769.86		39527		D N	GENERAL SUPPLIES	101.45432.0229
	VENDOR TOTAL	4,311.82	*CHECK TOTAL					
		4,311.82						
GENERAL MAILING SERVICES 000293								
33109 05/16/12	POSTAGE 04/23 - 04/27/12	26.75		5957		D N	POSTAGE	101.41401.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	34.95		5957		D N	POSTAGE	101.41402.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	46.25		5957		D N	POSTAGE	101.41403.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	5.50		5957		D N	POSTAGE	101.41404.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	1.50		5957		D N	POSTAGE	101.41405.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	15.00		5957		D N	POSTAGE	101.41408.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	1.65		5957		D N	POSTAGE	101.42411.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	6.10		5957		D N	POSTAGE	101.42412.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	4.10		5957		D N	POSTAGE	101.43417.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	2.20		5957		D N	POSTAGE	101.43425.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	1.65		5957		D N	POSTAGE	101.43430.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	2.75		5957		D N	POSTAGE	101.45433.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	1.32		5957		D N	POSTAGE	101.45435.0223
33109 05/16/12	POSTAGE 04/23 - 04/27/12	0.88		5957		D N	POSTAGE	651.48474.0223
33109 05/16/12	UPS CHARGES	29.03		6010		D N	POSTAGE	651.48475.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	83.40		6126		D N	POSTAGE	101.42411.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	33.57		6126		D N	POSTAGE	101.41401.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	6.50		6126		D N	POSTAGE	101.41402.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	72.05		6126		D N	POSTAGE	101.41403.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	4.05		6126		D N	POSTAGE	101.41404.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	15.00		6126		D N	POSTAGE	101.41405.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	4.40		6126		D N	POSTAGE	101.41408.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	1.10		6126		D N	POSTAGE	101.41428.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	17.95		6126		D N	POSTAGE	101.42411.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	1.10		6126		D N	POSTAGE	101.42412.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	41.44		6126		D N	POSTAGE	101.43417.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	7.90		6126		D N	POSTAGE	101.43425.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	19.80		6126		D N	POSTAGE	101.43430.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	1.10		6126		D N	POSTAGE	101.45432.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	7.15		6126		D N	POSTAGE	101.45433.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	3.27		6126		D N	POSTAGE	208.45005.0223
33109 05/16/12	POSTAGE 04/30 - 05/04/12	2.18		6126		D N	POSTAGE	651.48474.0223
	VENDOR TOTAL	501.59	*CHECK TOTAL					
		501.59						

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HERC-U-LIFT 33117 05/16/12	EQUIPMENT RENTAL	491.63		R009480-13		D	N	RENTS	101.45433.0440
HERITAGE BANK 33056 05/10/12	PPD INT ON INVEST	4,958.33		05102012		D	N	INTEREST REC. ON INVESTMENTS	101.137000
33056 05/10/12	INVESTMENT	153,000.00		05102012		D	N	INVESTMENTS	220.109000
33056 05/10/12	INVESTMENT	3,000.00		05102012		D	N	INVESTMENTS	309.109000
33056 05/10/12	INVESTMENT	2,000.00		05102012		D	N	INVESTMENTS	327.109000
33056 05/10/12	INVESTMENT	418,000.00		05102012		D	N	INVESTMENTS	350.109000
33056 05/10/12	INVESTMENT	1,384,000.00		05102012		D	N	INVESTMENTS	450.109000
33056 05/10/12	INVESTMENT	40,000.00		05102012		D	N	INVESTMENTS	651.109000
		2,004,958.33	*CHECK TOTAL						
33058 05/16/12	INVESTMENT	5,964,000.00		051612		D	N	INVESTMENTS	101.109000
33058 05/16/12	INVESTMENT	55,000.00		051612		D	N	INVESTMENTS	207.109000
33058 05/16/12	INVESTMENT	4,000.00		051612		D	N	INVESTMENTS	220.109000
33058 05/16/12	INVESTMENT	2,000.00		051612		D	N	INVESTMENTS	234.109000
33058 05/16/12	INVESTMENT	6,000.00		051612		D	N	INVESTMENTS	295.109000
33058 05/16/12	INVESTMENT	3,000.00		051612		D	N	INVESTMENTS	305.109000
33058 05/16/12	INVESTMENT	1,000.00		051612		D	N	INVESTMENTS	307.109000
33058 05/16/12	INVESTMENT	1,000.00		051612		D	N	INVESTMENTS	311.109000
33058 05/16/12	INVESTMENT	293,000.00		051612		D	N	INVESTMENTS	350.109000
33058 05/16/12	INVESTMENT	1,630,000.00		051612		D	N	INVESTMENTS	450.109000
33058 05/16/12	INVESTMENT	41,000.00		051612		D	N	INVESTMENTS	651.109000
		8,000,000.00	*CHECK TOTAL						
33118 05/16/12	2011 HOSP REV BOND-I	12,521.56		050112		D	N	INTEREST	350.47402.0444
	VENDOR TOTAL	10,017,479.89							
HILLYARD FLOOR CARE SUPP 33119 05/16/12	CLEANING SUPPLIES	173.24		600214076		D	N	CLEANING AND WAS	101.41408.0228
33119 05/16/12	CLEANING SUPPLIES	676.71		600221237		D	N	CLEANING AND WAS	101.45433.0228
	VENDOR TOTAL	849.95	*CHECK TOTAL						
HOFFMAN FILTER SERVICE 33120 05/16/12	FILTER RECYCLING	50.00		61006		D	N	INVENTORIES-MDSE	101.125000
33120 05/16/12	FLOOR DRY RECYCLING	76.95		61006		D	N	INVENTORIES-MDSE	101.125000
33120 05/16/12	FILTER RECYCLING	30.00		61010		D	N	CLEANING AND WAS	651.48474.0338
33120 05/16/12	FILTER RECYCLING	20.00		61010		D	N	CLEANING AND WAS	651.48475.0338
	VENDOR TOTAL	176.95	*CHECK TOTAL						
HOME DEPOT CREDIT SERVIC 33121 05/16/12	CITY SALES TAX	0.35		1077886		D	N	SALES TAX PAYABL	101.206000
33121 05/16/12	CORDS FOR RADAR TRLR	75.84		1077886		D	N	GENERAL SUPPLIES	101.42411.0229
	VENDOR TOTAL	76.19	*CHECK TOTAL						

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LEAGUE OF MN CITIES INS 33133 05/16/12 CLAIM #11076237-LOHSE 000983	1,000.00		11076237		D N	INSURANCE DEDUCT	101.41428.0822
LINDAHL/JASON 33134 05/16/12 MPCA BIOSOLIDS REFRESHER 001400	28.59		436		D N	TRAVEL-CONF.-SCH	651.48478.0333
33134 05/16/12 MPCA BIOSOLIDS REFRESHER	28.58		436		D N	TRAVEL-CONF.-SCH	651.48479.0333
VENDOR TOTAL	57.17		*CHECK TOTAL				
M-R SIGN CO INC 33135 05/16/12 SIGN POSTS 000424	1,314.88		171231		D N	MTCE. OF OTHER I	101.43425.0226
MADDEN, GALANTER, HANSON 33136 05/16/12 PROFESSIONAL SERVICES 000429	299.66		050112		D N	LABOR NEGOTIATOR	101.41428.0806
MADSEN/KEVIN 33137 05/16/12 MIAMA SPRING WORKSHOP 001127	122.10		050812		D N	TRAVEL-CONF.-SCH	101.45433.0333
MAGNUSON SHEET METAL INC 33138 05/16/12 SERVICED 5 A/C UNITS 001121	135.00		116288		D N	MTCE. OF EQUIPME	101.43430.0334
MATHESON TRI-GAS INC 33139 05/16/12 CYLINDER RENTAL 002898	43.07		04619331		D N	RENTS	101.45433.0440
MENARDS 33140 05/16/12 DRAWBAR/HITCH PIN 000449	13.74		35249		D N	SMALL TOOLS	651.48474.0221
33140 05/16/12 DRAWBAR/HITCH PIN	9.15		35249		D N	SMALL TOOLS	651.48475.0221
33140 05/16/12 ROOF REPAIR-MATERIALS	63.02		37946		D N	MTCE. OF STRUCTU	101.43425.0225
33140 05/16/12 ELECTRIC PLUG END	19.86		39092		D N	INVENTORIES-MDSE	101.125000
VENDOR TOTAL	105.77		*CHECK TOTAL				
MILLER SANITATION 33141 05/16/12 GARBAGE SERVICE-MAY 002936	93.90		1298/5-12		D N	CLEANING AND WAS	101.45433.0338
33141 05/16/12 GARBAGE SERVICE-MAY	94.50		1298/5-12		D N	CLEANING AND WAS	101.45433.0338
33141 05/16/12 GARBAGE SERVICE-MAY	46.22		1299/5-12		D N	CLEANING AND WAS	101.45433.0338
33141 05/16/12 GARBAGE SERVICE-MAY	52.70		1300/5-12		D N	CLEANING AND WAS	101.42412.0338
33141 05/16/12 GARBAGE SERVICE-MAY	64.74		1301/5-12		D N	CLEANING AND WAS	101.41408.0338
33141 05/16/12 GARBAGE SERVICE-MAY	64.74		1301/5-12		D N	CLEANING AND WAS	101.45427.0338
33141 05/16/12 GARBAGE SERVICE-MAY	251.31		1302/5-12		D N	CLEANING AND WAS	101.43425.0338
33141 05/16/12 GARBAGE SERVICE-MAY	29.20		1303/5-12		D N	CLEANING AND WAS	651.48474.0338
33141 05/16/12 GARBAGE SERVICE-MAY	19.47		1303/5-12		D N	CLEANING AND WAS	651.48475.0338
33141 05/16/12 GARBAGE SERVICE-MAY	29.20		1304/5-12		D N	CLEANING AND WAS	651.48474.0338
33141 05/16/12 GARBAGE SERVICE-MAY	161.04		1304/5-12		D N	CLEANING AND WAS	651.48474.0338
33141 05/16/12 GARBAGE SERVICE-MAY	19.47		1304/5-12		D N	CLEANING AND WAS	651.48475.0338
33141 05/16/12 GARBAGE SERVICE-MAY	49.67		1305/5-12		D N	CLEANING AND WAS	101.45435.0338
33141 05/16/12 GARBAGE SERVICE-MAY	30.00		1305/5-12		D N	CLEANING AND WAS	101.45435.0338
33141 05/16/12 GARBAGE SERVICE-MAY	87.95		1378/5-12		D N	CLEANING AND WAS	101.43425.0338

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MUNICIPAL UTILITIES 33149 05/16/12 33149 05/16/12 33149 05/16/12	000541 UTILITIES FOR APRIL UTILITIES FOR APRIL UTILITIES FOR APRIL	1,392.87 2,133.08 63,074.11		4/12 4/12 *CHECK TOTAL		D N D N	UTILITIES UTILITIES	651.48476.0332 651.48477.0332
	VENDOR TOTAL	63,074.11						
MVTL LABORATORIES INC 33150 05/16/12 33150 05/16/12 33150 05/16/12 33150 05/16/12 33150 05/16/12	000544 PROFESSIONAL SERVICES PROFESSIONAL SERVICES PROFESSIONAL SERVICES PROFESSIONAL SERVICES PROFESSIONAL SERVICES	39.00 39.00 24.00 16.00 118.00		601451 602553 602953 602953 *CHECK TOTAL		D N D N D N D N	PROFESSIONAL SER PROFESSIONAL SER PROFESSIONAL SER PROFESSIONAL SER PROFESSIONAL SER	651.48475.0446 651.48475.0446 651.48475.0446 651.48475.0446 651.48475.0446
	VENDOR TOTAL	118.00						
NELSON/CHAD 33151 05/16/12 33151 05/16/12	001794 ARSON TRAINING DEATH INVESTIG. TRNG	54.89 17.26 72.15		050412 146 *CHECK TOTAL		D N D N	TRAVEL-CONF.-SCH TRAVEL-CONF.-SCH	101.42411.0333 101.42411.0333
	VENDOR TOTAL	72.15						
NEW LONDON GUITAR CHALLE 33152 05/16/12	002956 SPECIAL PROJ. FUNDING	250.00		050912		D N	OTHER CHARGES	208.45013.0449
NEW LONDON MUSIC FESTIVA 33153 05/16/12	002957 SPECIAL PROJ. FUNDING	500.00		050912		D N	OTHER CHARGES	208.45013.0449
NORTHERN BALANCE & SCALE 33154 05/16/12 33154 05/16/12 33154 05/16/12 33154 05/16/12	001167 WEIGHTS CALIBRATION WEIGHTS CALIBRATION THERMOMETER CALIBRATION THERMOMETER CALIBRATION	119.40 79.60 61.80 41.20 302.00		00080279 00080279 00080286 00080286 *CHECK TOTAL		D N D N D N D N	MTCE. OF EQUIPME MTCE. OF EQUIPME MTCE. OF EQUIPME MTCE. OF EQUIPME	651.48474.0334 651.48475.0334 651.48474.0334 651.48475.0334
	VENDOR TOTAL	302.00						
NORTHERN BUSINESS PRODUC 33155 05/16/12 33155 05/16/12	002322 OFFICE SUPPLIES OFFICE SUPPLIES	6.40 55.55 61.95		443897-0 443897-1 *CHECK TOTAL		D N D N	OFFICE SUPPLIES OFFICE SUPPLIES	741.48001.0220 741.48001.0220
	VENDOR TOTAL	61.95						
NORTHERN STATES SUPPLY 33156 05/16/12 33156 05/16/12 33156 05/16/12 33156 05/16/12 33156 05/16/12 33156 05/16/12	000585 HOOKS FOR SAFETY CHAINS SUPPLIES CABLE TIES NUTS/BOLTS/WASHERS LOCATE MARKING PAINT WASHERS SHEAR BOLTS FOR AUGER	67.64 12.18 30.37 30.05 184.69 25.52 11.29		827170 828176 828244 828642 829873 833218 833271		D N D N D N D N D N D N	INVENTORIES-MDSE GENERAL SUPPLIES GENERAL SUPPLIES MTCE. OF EQUIPME GENERAL SUPPLIES INVENTORIES-MDSE MTCE. OF EQUIPME	101.125000 101.45433.0229 101.43425.0229 101.43425.0224 101.43425.0229 101.125000 101.43425.0224

VENDOR NAME AND NUMBER CHECK# DATE DESCRIPTION	AMOUNT	CLAIM INVOICE	PO#	F S 9 EX M	ACCOUNT NAME	ACCOUNT
RIDGEWATER COLLEGE 33165 05/16/12 REFUND SHELTER DEPOSIT 001136	50.00	050712		D N	DEPOSITS	101.230000
ROTARY CLUB OF WILLMAR 33166 05/16/12 QUARTERLY MEALS 000829	104.00	332		D N	SUBSISTENCE OF P	101.41400.0227
33166 05/16/12 QUARTERLY DUES APR-JUN	35.00	332		D N	SUBSCRIPTIONS AN	101.41400.0443
VENDOR TOTAL	139.00	*CHECK TOTAL				
RULE TIRE SHOP 33167 05/16/12 TIRES 000665	2,034.05	52358		D N	MTCE. OF EQUIPME	101.42411.0224
SAND ELECTRIC 33168 05/16/12 REPL. BALLASTS-PARTS 000678	52.08	2666		D N	MTCE. OF STRUCTU	101.45435.0225
33168 05/16/12 REPL. BALLASTS-LABOR	48.00	2666		D N	MTCE. OF STRUCTU	101.45435.0335
VENDOR TOTAL	100.08	*CHECK TOTAL				
SCHWANKE TRACTOR & TRUCK 33169 05/16/12 HONEYWAGON-GAUGE WHEEL 000681	26.01	666		D N	MTCE. OF EQUIPME	651.48478.0224
33169 05/16/12 HONEYWAGON-GAUGE WHEEL	26.00	666		D N	MTCE. OF EQUIPME	651.48479.0224
VENDOR TOTAL	52.01	*CHECK TOTAL				
SERVICE CENTER/CITY OF W 33170 05/16/12 GAS-80.8 GALLONS 000685	294.92	STMT/4-12		D N	MOTOR FUELS AND	101.41402.0222
33170 05/16/12 GAS-14 GALLONS	51.10	STMT/4-12		D N	MOTOR FUELS AND	101.41408.0222
33170 05/16/12 EQUIPMENT REPAIR-OIL	8.50	STMT/4-12		D N	MOTOR FUELS AND	101.41408.0222
33170 05/16/12 EQUIPMENT REPAIR-PARTS	15.65	STMT/4-12		D N	MTCE. OF EQUIPME	101.41408.0224
33170 05/16/12 GAS-1741.6 GALLONS	6,337.99	STMT/4-12		D N	MOTOR FUELS AND	101.42411.0222
33170 05/16/12 EQUIPMENT REPAIR-OIL	17.00	STMT/4-12		D N	MOTOR FUELS AND	101.42411.0222
33170 05/16/12 EQUIPMENT REPAIR-PARTS	180.94	STMT/4-12		D N	MTCE. OF EQUIPME	101.42411.0224
33170 05/16/12 DIESEL-197.3 GALLONS	683.90	STMT/4-12		D N	MOTOR FUELS AND	101.42412.0222
33170 05/16/12 GAS-90.9 GALLONS	330.58	STMT/4-12		D N	MOTOR FUELS AND	101.42412.0222
33170 05/16/12 EQUIPMENT REPAIR-OIL	19.20	STMT/4-12		D N	MOTOR FUELS AND	101.42412.0222
33170 05/16/12 GAS-108.8 GALLONS	395.50	STMT/4-12		D N	MOTOR FUELS AND	101.43417.0222
33170 05/16/12 EQUIPMENT REPAIR-PARTS	798.40	STMT/4-12		D N	MTCE. OF EQUIPME	101.43417.0224
33170 05/16/12 DIESEL-1061.7 GALLONS	3,677.62	STMT/4-12		D N	MOTOR FUELS AND	101.43425.0222
33170 05/16/12 GAS-827.7 GALLONS	3,014.33	STMT/4-12		D N	MOTOR FUELS AND	101.43425.0222
33170 05/16/12 EQUIPMENT REPAIR-OIL	314.30	STMT/4-12		D N	MOTOR FUELS AND	101.43425.0222
33170 05/16/12 EQUIPMENT REPAIR-PARTS	3,190.00	STMT/4-12		D N	MTCE. OF EQUIPME	101.43425.0224
33170 05/16/12 GAS-57.2 GALLONS	207.49	STMT/4-12		D N	MOTOR FUELS AND	101.43430.0222
33170 05/16/12 DIESEL-17.9 GALLONS	62.11	STMT/4-12		D N	MOTOR FUELS AND	101.45433.0222
33170 05/16/12 GAS-88.3 GALLONS	322.30	STMT/4-12		D N	MOTOR FUELS AND	101.45433.0222
33170 05/16/12 DIESEL-195 GALLONS	674.82	STMT/4-12		D N	MOTOR FUELS AND	651.48476.0222
VENDOR TOTAL	20,596.65	*CHECK TOTAL				

VENDOR NAME AND NUMBER CHECK# DATE DESCRIPTION	AMOUNT	CLAIM INVOICE	PO#	F S 9 BX M	ACCOUNT NAME	ACCOUNT
SW - WEST CNTRL SERVICES 000892						
33178 05/16/12 HEALTH INSURANCE-JUNE	651.00	C252		D N	EMPLOYER INSUR.	101.45437.0114
33178 05/16/12 HEALTH INSURANCE-JUNE	2,227.24	C252		D N	EMPLOYER INSUR.	207.45001.0114
33178 05/16/12 HEALTH INSURANCE-JUNE	11,541.50	C252		D N	EMPLOYER INSUR.	651.48484.0114
33178 05/16/12 HEALTH INSURANCE-JUNE	1,302.00	C252		D N	EMPLOYER INSUR.	651.48485.0114
33178 05/16/12 HEALTH INSURANCE-JUNE	1,302.00	C252		D N	EMPLOYER INSUR.	651.48486.0114
VENDOR TOTAL	162,977.00	*CHECK TOTAL				
TDS METROCOM 000758						
33179 05/16/12 MONTHLY SERVICE	231.92	229		D N	COMMUNICATIONS	101.42412.0330
33179 05/16/12 MONTHLY SERVICE	49.16	229		D N	COMMUNICATIONS	101.43425.0330
VENDOR TOTAL	281.08	*CHECK TOTAL				
TORKELSON'S LOCK SERVICE 002583						
33180 05/16/12 BLDG LOCKS	98.11	546043		D N	MTCE. OF STRUCTU	101.45433.0225
TOSHIBA FINANCIAL SERVIC 000218						
33181 05/16/12 COPIER LEASE AGRMT	120.77	051012		D N	RENTS	101.42412.0440
TREELINE 002942						
33182 05/16/12 PROFESSIONAL SERVICES	426.14	1230-1204		D N	PROFESSIONAL SER	101.41401.0446
33182 05/16/12 PROFESSIONAL SERVICES	426.15	1230-1204		D N	PROFESSIONAL SER	101.41402.0446
VENDOR TOTAL	852.29	*CHECK TOTAL				
UNIFORMS UNLIMITED 000762						
33183 05/16/12 TASER PARTS	49.78	119013		D N	MTCE. OF EQUIPME	101.42411.0224
VANDER HAGEN/DUSTIN 002315						
33184 05/16/12 DEA NARCOTICS INVESTIG.	166.38	194		D N	TRAVEL-CONF. -SCH	101.42411.0333
VERIZON WIRELESS 002915						
33185 05/16/12 CELLULAR PHONE USAGE	59.78	STMT/4-12		D N	COMMUNICATIONS	101.41402.0330
33185 05/16/12 CELLULAR PHONE USAGE	22.05	STMT/4-12		D N	COMMUNICATIONS	101.41405.0330
33185 05/16/12 CELLULAR PHONE USAGE	24.32	STMT/4-12		D N	COMMUNICATIONS	101.45432.0330
VENDOR TOTAL	106.15	*CHECK TOTAL				
VIGIL/RUDY 000951						
33186 05/16/12 DO YOU KNOW SHOW-MILEAGE	18.87	050512		D N	TRAVEL-CONF. -SCH	207.45001.0333
VIKING COCA-COLA BOTTLIN 000777						
33187 05/16/12 CONCESSION SUPPLIES	705.85	25424734		D N	GENERAL SUPPLIES	101.45433.0229
WAL-MART COMMUNITY 000789						
33188 05/16/12 COFFEE	22.76	031412		D N	SUBSISTENCE OF P	651.48474.0227

VENDOR NAME AND NUMBER	CHECK#	DATE	DESCRIPTION	AMOUNT	CLAIM	INVOICE	PO#	F S 9	EX M	ACCOUNT NAME	ACCOUNT
WEST CENTRAL TRIBUNE	33194	05/16/12	RESOLUTION PUBLISHED	662.40		DI03067742		D	N	PRINTING AND PUB	101.41401.0331
			VENDOR TOTAL	1,790.47	*CHECK TOTAL						
WILLMAR BUS SERVICE	33195	05/16/12	BUS SERVICE	93.20		12-0056		D	N	OTHER CHARGES	101.45435.0449
WILLMAR ELECTRIC SERVICE	33196	05/16/12	SIGNAL REPAIR-LABOR	150.00		19315		D	N	MTCE. OF OTHER I	101.43425.0336
WILLMAR H.R.A.	33197	05/16/12	AUCTION PROCEEDS	173.25		051512		D	N	OTHER SERVICES	101.41428.0339
WILLMAR NOON KIWANIS	33198	05/16/12	QUARTERLY MEALS JAN-MAR	31.00		050512		D	N	TRAVEL-CONF.-SCH	101.42412.0333
	33198	05/16/12	QUARTERLY DUES JAN-MAR	40.00		050512		D	N	SUBSCRIPTIONS AN	101.42412.0443
			VENDOR TOTAL	71.00	*CHECK TOTAL						
3D SPECIALITIES INC	33199	05/16/12	SIGN POSTS	1,115.86		438957		D	N	MTCE. OF OTHER I	101.43425.0226
5 STAR WALT'S LLC	33200	05/16/12	CAR WASH	8.00		711896		D	N	MTCE. OF EQUIPME	101.43425.0334

FUND RECAP:		
FUND	DESCRIPTION	DISBURSEMENTS
101	GENERAL FUND	6,288,687.09
207	W.R.A.C. - 8	57,730.22
208	CONVENTION & VISITORS BUREAU	157,000.00
220	LOCAL OPTION SALES TAX	2,000.00
234	LIBRARY IMPROVEMENT RESERVE	6,000.00
295	COMMUNITY INVESTMENT	3,000.00
305	D.S. - 2005 BOND	1,000.00
307	D.S. - 2007A BOND	3,000.00
309	D.S. - 2009 BOND	1,000.00
311	D.S. - 2011 BOND	2,000.00
327	D.S. - 2007B BOND	742,305.50
350	RICE HOSPITAL DEBT SERVICE	328.27
412	S.A.B.F. - #2012	460.00
432	C.P. - WASTE TREATMENT	3,014,000.00
450	CAPITAL IMPROVEMENT FUND	169,567.59
651	WASTE TREATMENT	439.48
741	OFFICE SERVICES	
TOTAL ALL FUNDS		10,449,275.30

BANK RECAP:		
BANK NAME		DISBURSEMENTS
HERT HERITAGE BANK		10,449,275.30
TOTAL ALL BANKS		10,449,275.30



**LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT**

**If the gambling premises is within city limits,** a city official must check the action that the city is taking on this application and sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name City of Willmar

On behalf of the city, I acknowledge this application.  
Signature of city personnel receiving application

[Signature]  
Title City Clerk/Treasurer Date 5-14-2012

**If the gambling premises is located in a township,** a county official must check the action that the county is taking on this application and sign the application.

**A township official is not required to sign the application.**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name \_\_\_\_\_

On behalf of the county, I acknowledge this application.  
Signature of county personnel receiving application

Title \_\_\_\_\_ Date \_\_\_\_\_

**(Optional) TOWNSHIP:** On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]

Print township name \_\_\_\_\_

Signature of township official acknowledging application

Title \_\_\_\_\_ Date \_\_\_\_\_

**CHIEF EXECUTIVE OFFICER'S SIGNATURE**

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.

Chief executive officer's signature [Signature] Date 5/10/12

**Complete a separate application for each gambling event:**

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

**Send application with:**

- a copy of your proof of nonprofit status, and
  - application fee for each event
- Make check payable to "State of Minnesota."

**To:** Gambling Control Board  
1711 West County Road B, Suite 300 South  
Roseville, MN 55113

**Financial report and recordkeeping required**

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at [www.gcb.state.mn.us](http://www.gcb.state.mn.us). Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

**Questions?**

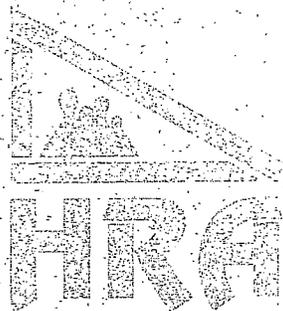
Call the Licensing Section of the Gambling Control Board at 651-639-4000.

This form will be made available in alternative format (i.e. large print, Braille) upon request.

**Data privacy notice:** The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application.

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.



# Housing and Redevelopment Authority

In and For the City of Willmar, MN  
Health & Human Services Building  
2200 23rd Street NE Suite 2090 Willmar, MN 56201  
Tel. (320) 235-8637 Fax (320) 235-7831 TDD 711, 320-235-8637

## MINUTES OF SPECIAL MEETING

Monday, April 9, 2012

### Call To Order

The Special Meeting of the Board of Commissioners of the Willmar Housing and Redevelopment Authority was called to order by Chair Novak on Monday, April 9, 2012 at 3:30 p.m. at the Kandiyohi County Health and Human Services Building, 2200 23<sup>rd</sup> Street NE, Suite 2090, Willmar, Minnesota. Commissioners present were Chair Vera Novak, Secretary Luz Gonzalez and Commissioner Shelly Gazy. Vice-Chair Kerry Johnson and Commissioner Ryan Tillemans were absent.

Other WHRA representatives present throughout the meeting included Executive Director Jill Bengtson, Attorney Mike Burgett and City Council Liaison to the HRA Board Ron Christianson.

Guests attending included Jenny Boulton, Bond Counsel of Kennedy & Graven, Ron Mehl of Dominion Properties and Frank Hogan of Dougherty & Company.

### Public Hearing – Dominion Properties Conduit Financing Request

Chair Novak opened the public hearing to receive comment on the proposed HRA bond issuance for the Dominion Properties Conduit Financing Request. City Council Liaison Ron Christianson was the only member of the public present. Councilman Christianson asked who would be performing the rehab work on the project. Ron Mehl indicated that Dominion works with two to three general contractors who they are most comfortable with in doing rehab while tenants are living in the properties. Dominion will encourage the general contractor to hire local subcontractors for items such as plumbing and electrical. Councilman Christianson asked questions about the project budget. Ron Mehl indicated that ten percent of the project expense represents the developer's fee and there are also costs included for third party consultants such as the bond counsel and underwriter. Mr. Mehl also clarified that \$3 million of the \$14 million budget is directly for rehabilitation of the projects.

There being no other public comments, Chair Novak closed the hearing.

### Resolution 12-1855

Secretary Gonzalez made a motion to adopt Resolution 12-1855 which was seconded by Commissioner Gazy and carried upon roll call vote of (3) ayes and (0) nays.

RESOLUTION RELATING TO A MULTIFAMILY HOUSING DEVELOPMENT, AND THE ISSUANCE OF REVENUE BONDS TO FINANCE THE COSTS THEREOF UNDER MINNESOTA STATUTES, CHAPTER 462C, AS AMENDED; GRANTING PRELIMINARY APPROVAL THERETO; ESTABLISHING COMPLIANCE WITH CERTAIN REIMBURSEMENT



REGULATIONS UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; AND TAKING CERTAIN OTHER ACTIONS WITH RESPECT THERETO  
BE IT RESOLVED by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Willmar, Minnesota (the "Authority"), as follows:

Section 1. Recitals.

1.01. The Authority is a body corporate and politic duly organized and existing under the Constitution and laws of the State of Minnesota.

1.02. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Act") and Ordinance Number 1275 of the City of Willmar, Minnesota (the "City"), the Authority is authorized to carry out the public purposes described in the Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments located within the City.

1.03. As a condition to the issuance of such revenue bonds, the Authority must adopt a housing program providing the information required by Section 462C.03, subdivision 1a, of the Act (the "Housing Program") following a public hearing. Under Section 462C.04, subdivision 2, of the Act, a public hearing must be held on the housing program after one publication of notice in a newspaper circulating generally in the City, at least 15 days before the hearing. Under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), prior to the issuance of the revenue bonds a duly noticed public hearing must be held by the Board of Commissioners and the issuance of the revenue bonds must be approved by the City Council of the City.

1.04. Willmar Leased Housing Associates IV, Limited Partnership (the "Borrower") has proposed that the Authority, pursuant to the Act, issue its revenue bonds in an aggregate principal amount not to exceed \$14,000,000, in one or more series at one time or from time to time (the "Bonds"), the proceeds of which will be loaned by the Authority to the Borrower to be applied by the Borrower to finance the acquisition, rehabilitation, construction, and equipping of 6 buildings with approximately 24-units of multifamily housing in each building for a total of approximately 144 units, to be located at 515 Lakeland Drive Southeast (the "Eagle Ridge Apartments"), 1401 19<sup>th</sup> Avenue Southeast (the "Somerset Apartments") and 420 30<sup>th</sup> Street Northwest (the "Waters Edge Apartments") in the City (collectively, the "Project"). The Borrower will apply the proceeds of the loan to finance: (i) the acquisition, rehabilitation, construction and equipping of the Project; (ii) the funding of one or more reserve funds to secure the timely payment of the Bonds; and (iii) the costs of issuing the Bonds.

1.05. Under Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. An application to Minnesota Management & Budget for such an allocation must be made pursuant to the requirements of Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act").

Section 2. Preliminary Findings. Based on representations made by the Borrower to the Authority to date, the Board of Commissioners of the Authority hereby makes the following preliminary findings, determinations, and declarations:

(a) The Project consists of a housing development designed and intended to be used for rental occupancy.

(b) The proceeds of the Bonds will be loaned to the Borrower and the proceeds of the loan will be applied to: (i) the acquisition, rehabilitation, construction, and equipping of the Project;

(ii) the funding of one or more reserve funds to secure the timely payment of the Bonds; and (iii) the payment of the costs of issuing the Bonds. The Authority will enter into a loan agreement (or other revenue agreement) with the Borrower requiring loan repayments from the Borrower in amounts sufficient to repay the loan when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including taxes thereon.

(c) In preliminarily authorizing the issuance of the Bonds and the financing of the acquisition, rehabilitation, construction, and equipping of the Project and related costs, the Authority's purpose is to further the policies of the Act.

(d) The Bonds will be limited obligations of the Authority payable solely from the revenues pledged to the payment thereof, and will not be a general or moral obligation of the Authority or the City and will not be secured by or payable from revenues derived from any exercise of the taxing powers of the Authority or the City.

Section 4. Public Hearing. The Authority held a public hearing on the date hereof on the Housing Program, the Project, and the issuance of revenue obligations by the Authority, following notice of such hearing (the "Public Notice") published as required by Minnesota Statutes, Section 462C.04, subdivision 2, of the Act, and Section 147(f) of the Internal Revenue Code of 1986, as amended. At the public hearing reasonable opportunity was provided for interested individuals to express their views, both orally and in writing, on the Project and the proposed issuance of such revenue obligations.

Section 5. Housing Program. The Housing Program in substantially the form submitted is hereby approved.

Section 6. Preliminary Approval. The Board of Commissioners hereby provides preliminary approval to the issuance of the Bonds in the approximate aggregate principal amount of \$14,000,000 to finance all or a portion of the costs of the Project pursuant to the Housing Program of the Authority, subject to: (i) receipt of an allocation of the bonding authority from the State of Minnesota; (ii) approval by the City Council; (iii) final approval following the preparation of bond documents; and (iv) final determination by the Board of Commissioners that the financing of the Project and the issuance of the Bonds are in the best interests of the Authority.

Section 7. Submission of an Application for an Allocation of Bonding Authority. Under Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. An application for such an allocation must be made pursuant to the requirements of the Allocation Act. The Board of Commissioners hereby authorizes the submission of an application for allocation of bonding authority pursuant to Section 146 of the Code and the Allocation Act in accordance with the requirements of the Allocation Act. The Chair of the Authority, the Executive Director, and Kennedy & Graven, Chartered, acting as bond counsel with respect to the Project and the Bonds, are hereby authorized and directed to take all actions, in cooperation with the Borrower, as are necessary to submit an application for an allocation of bonding authority to Minnesota Management & Budget.

Section 8. Reimbursement of Costs under the Code.

8.1. The United States Department of the Treasury has promulgated regulations governing the use of the proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the Authority or the Borrower for project expenditures paid prior to the date of issuance of

such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the Authority adopt a statement of official intent to reimburse an original expenditure not later than 60 days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds occur within 18 months after the later of: (i) the date the expenditure is paid; or (ii) the date the project is placed in service or abandoned, but in no event more than 3 years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the bonds.

8.2. To the extent any portion of the proceeds of the Bonds will be applied to expenditures with respect to the Project, the Authority reasonably expects to reimburse the Borrower for the expenditures made for costs of the Project from the proceeds of the Bonds after the date of payment of all or a portion of such expenditures. All reimbursed expenditures shall be capital expenditures, a cost of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations and also qualifying expenditures under the Act.

Based on representations by the Borrower, other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under prior regulations pursuant to the transitional provision contained in Section 1.150-2(j)(2)(i)(B) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimus" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures with respect to the Project to be reimbursed with the proceeds of the Bonds have been made by the Borrower more than 60 days before the date of adoption of this resolution of the Authority.

8.3. Based on representations by the Borrower, as of the date hereof, there are no funds of the Borrower reserved, allocated on a long term-basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project to be financed from proceeds of the Bonds, other than pursuant to the issuance of the Bonds. This resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of the Borrower as they exist or are reasonably foreseeable on the date hereof.

Section 9. Costs. The Borrower has agreed to pay the administrative fees of the Authority and pay, or, upon demand, reimburse the Authority for payment of, any and all costs incurred by the Authority in connection with the Project and the issuance of the Bonds, whether or not the Bonds are issued.

Section 10. Effective Date. This Resolution shall be in full force and effect from and after its passage.

Adopted by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Willmar, Minnesota, on April 9, 2012.

**HOUSING AND REDEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF  
WILLMAR, MINNESOTA**

Vera Novak  
Chair

Attest:

Jill Bengtson  
Executive Director

**Adjournment**

There being no other business, the meeting was adjourned at 3:50 p.m.

Respectfully submitted,

Luz Gonzalez, Secretary

ATTEST:

Vera Novak, Chair

# Housing and Redevelopment Authority

In and For the City of Willmar, MN

Health & Human Services Building

2200 23rd Street NE Suite 2090 Willmar, MN 56201

Tel. (320) 235-8637 Fax (320) 235-7831 TDD 711, 320-235-8637

## MINUTES OF REGULAR ANNUAL MEETING

Tuesday, April 10, 2012

### Call To Order/Roll Call

The Regular Meeting of the Board of Commissioners of the Willmar Housing and Redevelopment Authority was called to order by Chair Novak on Tuesday, April 10, 2012 at 8:15 a.m. at the Kandiyohi County Health and Human Services Building, 2200 23<sup>rd</sup> Street NE, Suite 2090, Willmar, Minnesota. Commissioners present on roll-call were Chair Vera Novak, Commissioner Luz Gonzalez and Commissioner Ryan Tillemans. Commissioners absent were Vice-Chair Kerry Johnson and Commissioner Shelly Gazy.

Other HRA representatives present throughout the meeting included Housing Programs Supervisor Nikki Ilgen, Executive Director Jill Bengtson and Attorney Mike Burgett. City Council Liaison to the HRA Board Ron Christianson was absent.

### Agenda

Secretary Gonzalez made and Commissioner Tillemans seconded a motion to accept the agenda with the addition of Roof Bids under Miscellany which upon roll-call vote carried by (3) Ayes, (0) Nays.

### Minutes

The March 13, 2012 regular meeting minutes and March 30, 2012 special meeting minutes were presented. A motion made by Commissioner Gazy and seconded by Commissioner Tillemans to approve the March 13, 2012 and March 30, 2012 minutes as presented passed upon roll-call vote of (3) Ayes, (0) Nays. The minutes will be filed in the HRA office.

### Public Comment

The Board did not receive any comment from the public during the public forum.

### 2012 Annual Plan – Public Hearing

At 8:20, Chair Novak opened a public hearing to receive comment on the 2012 Annual Plan. There were no members of the public attending the meeting. Chair Novak closed the hearing.

### Approval of Accounts Payable

Resolution No. 12-1856 authorizing General Administrative, Public Housing, Section 8, Highland Apartments, Dana Heights, WCMHH, Country View Place, Shelter Plus Care I, Shelter Plus Care II, Bridges, Bridges to Bridges and Westwind Townhomes expenditures of \$357,877.66 was introduced by Commissioner Tillemans and seconded by Commissioner Gonzalez and approved on a roll-call vote of (3) Ayes, (0) Nays.



**Loan Receivables Write-Off**

Resolution 12-1857 allowing loan receivables in the amount of \$33,710.24 to be written off was introduced by Secretary Gonzalez and seconded by Commissioner Tillemans and approved upon roll call vote of (3) ayes, (0) nays.

**Program Reports**

The Commissioners reviewed the reports on project rents collected, vacancies and loan accounts receivables.

**Resident Commissioner Report**

As Commissioner Gazy was absent, there was not report.

**City Liaison Report**

As Council Liaison Christianson was absent, there was not report.

**Executive Director Report**

Executive Director Bengtson reported a new caretaker for Westwinds has started employment. Willmar HRA and Kandiyohi County HRA will begin using the same software beginning July 1, 2012. Bengtson has met with City Administrator Stevens regarding the Council's request to review the Payment In Lieu of Taxes agreements between the City and the HRA. The Small Cities Development Program application for Willmar and Raymond will be submitted on April 13<sup>th</sup> requesting \$1,076,162.00. Minnesota Housing is strongly considering not providing the HRAs with their final PILOT program allocation and reallocating it to metro foreclosure activities. The Southwest Minnesota Housing Partnership has a purchase agreement on the Lakeland Hotel and Bengtson received informal agreement from the Commissioners to try and preserve the last PILOT allocation for the Hotel project if it continues.

**Committee Reports**

Human Resources Committee: There have been no meetings.

**Unfinished Business**

- A. **Dominium Properties Conduit Financing:** The City Council's Finance Committee will recommend to the City Council that the HRA issue bonds for the Dominium Properties Conduit Financing request. The Council will discuss the project at its April 16, 2012 meeting.
- B. **Vehicle Replacement:** The City Council's Finance Committee will recommend to the City Council that the HRA's request for the city owned 2005 F150 Truck be sold to the HRA for \$5,000. Commissioner Tillemans made a motion to purchase the truck from the city for no more than \$5,000 which was seconded by Secretary Gonzalez and approved upon roll call vote of (3) ayes, (0) nays.
- C. **Conduit Financing Policy:** The Commissioners discussed the draft revised Conduit Financing Policy. Secretary Gonzalez made a motion to adopt the revised Conduit Financing Policy which was seconded by Commissioner Tillemans and approved on roll call vote of (3) ayes, (0) nays.

**New Business****Annual Plan Review**

The Commissioners reviewed items related to the 2012 plan and policy updates including the Section 8 Administrative Plan, the Public Housing Admissions and Continued Occupancy Policy, Certification of Compliance, Bed Bug Control Policy, Public Housing

Lease, Capital Fund Program HUD Forms 50075.1 and 50075.2, Civil Rights Certification, Certification for Drug Free Workplace, and Certification of Payments to Influence Federal Transactions. A motion was introduced by Commissioner Tillemans and seconded by Secretary Gonzalez to approve Resolution 12-1858 Section 8 Admin Plan, Resolution 12-1859 Public Housing Admissions and continued Occupancy Policy, Resolution 12-1860 Certification of Compliance, Resolution 12-1861 Bed Bug Control Policy, Resolution 12-1862 Public Housing Lease, Capital Fund Program HUD Forms 50075.1 and 50075.2, Civil Rights Certification, Certification for Drug Free Workplace and Certification of Payments to Influence Federal Transactions which approved on a roll-call vote of (3) Ayes, (0) Nays.

**Lawn Mowing**

The HRA received lawn mowing quotes from Mike's Lawn Care and Mid-State Lawn Care for seasonal mowing at Lakeview Apartments, Welshire, Scattered Public Housing Units, and chemical application for all properties. A motion made by Secretary Gonzalez to accept Mike's Lawn Care quotations for mowing and chemical application was seconded by Commissioner Tillemans and approved on roll call vote of (3) ayes, (0) nays.

**Miscellany**

**Public Housing Roof Bids**

The HRA received bids from Brad Stoddard Construction, Mohs construction, Cornerstone Construction, and Carlson Construction to tear off and reroof shingles at 23 Welshire buildings and 9 scattered homes on the north side. All responses received were for a cost lower than expected by Rehab Services Contractor Dale Slagter. Secretary Gonzalez made a motion to accept the \$123,740 project bid from Carlson Construction which was seconded by Commissioner Tillemans and approved upon roll call vote of (3) ayes, (0) nays.

**Adjournment**

There being no other business, the meeting was adjourned at 9:45 am.

Respectfully submitted,

\_\_\_\_\_  
Luz Gonzalez, Secretary

ATTEST:

\_\_\_\_\_  
Vera Novak, Chair

Subject TO HRA Board Approval



# Housing and Redevelopment Authority

In and For the City of Willmar, MN  
Health & Human Services Building  
2200 23rd Street NE Suite 2090 Willmar, MN 56201  
Tel. (320) 235-8637 Fax (320) 235-7831 TDD 711, 320-235-8637

## MINUTES OF SPECIAL MEETING

Monday, April 23, 2012

### Call To Order

The Special Meeting of the Board of Commissioners of the Willmar Housing and Redevelopment Authority was called to order by Vice-Chair Johnson on Monday, April 23, 2012 at 12:15 p.m. at the Kandiyohi County Health and Human Services Building, 2200 23<sup>rd</sup> Street NE, Suite 2090, Willmar, Minnesota. Commissioners present were Vice-Chair Kerry Johnson, Commissioner Ryan Tillemans and Commissioner Shelly Gazy. Chair Vera Novak and Secretary Luz Gonzalez were absent.

Other WHRA representatives present throughout the meeting included Executive Director Jill Bengtson, Rehab Inspector Contractor Dale Slagter and Housing Programs Supervisor Nikki Ilgen. Attorney Mike Burgett and City Council Liaison to the HRA Board Ron Christianson were absent.

### Adopt Agenda

A motion made by Commissioner Tillemans to adopt the agenda was seconded by Commissioner Gazy and approved upon roll call vote of (3) ayes, (0) nays.

### Purchase Offer – 323 Becker Avenue SW

Commissioner Tillemans made a motion to go into closed session per Minnesota Statute 13D.05-subdivision 3 (c) (3) to consider an offer for the purchase of real property located at 323 Becker Avenue SE in Willmar which was seconded by Commissioner Gazy and approved on roll call vote of (3) ayes, (0) nays.

Upon completion of the closed session, Vice-Chair reopened the meeting to the public and summarized the closed session by stating the Commissioners met to consider a purchase offer and provided staff with guidelines for a counter offer.

### Adjournment

There being no other business, the meeting was adjourned at 12:45 p.m.



## **PROCLAMATION**

**WHEREAS**, music and other forms of fine art are important to the residents of Willmar, Kandiyohi County and our region; and

**WHEREAS**, the Minnesota Orchestra has selected the City of Willmar for its Spring Common Chords Week in Residency; and

**WHEREAS**, these special events benefit and enrich our community and the people residing here; and

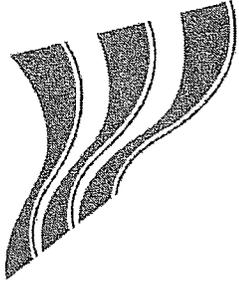
**WHEREAS**, volunteers have worked diligently to provide many fine musical event in the City of Willmar and surrounding area during the week of May 20 through 26, 2012;

**NOW, THEREFORE, BE IT RESOLVED** that I, Frank Yanish, Mayor of the City of Willmar, do hereby proclaim May 20 through 26 2012, "Minnesota Orchestra Week" in Willmar, and encourage all citizens to visit our community and attend the Minnesota Orchestra activities.

**IN WITNESS WHEREOF**, I have here unto set my hand and caused the seal of the City of Willmar to be affixed.

---

Frank Yanish  
Mayor of Willmar



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: 8

Meeting Date: May 21, 2012

Attachments:  Yes  No

**CITY COUNCIL ACTION**

Date: \_\_\_\_\_

Approved  Denied  
 Amended  Tabled  
 Other

**Originating Department:** Planning and Development Services

**Action Requested:** Adopt resolution adopting the May 2012 Downtown Plan

**Guiding Principle:** Encourage development to create employment and preserve/increase tax base.

**Introduction:** A public hearing will be held to gather additional input on a proposed Downtown Plan.

**Background/Justification:** Following much public input and stakeholder involvement, a new Downtown Plan has been drafted, focusing on 19 plan elements. After additional review by staff, the Steering Committee, the Planning Commission, and the Community Development Committee, the Plan is ready for adoption.

**Fiscal Impact:** Plan implementation will require public and private investment. City participation will include staff resources and capital investment over a 15-year period.

**Alternatives:** 1. Do nothing, and let the downtown deteriorate further.  
2. Adopt the Plan, and move forward.

**Staff Recommendation:** Adopt the Plan as presented.

**Reviewed by:**

**Preparer:** Bruce D. Peterson, AICP

**Signature:**

**Comments:**

The plan features 19 elements organized into five topics:

**Topic A: Access, Movement, and Parking**

- Element A1: Establish Downtown Gateways and Improve Vehicular Access
- Element A2: Improve Pedestrian Environment and Connections
- Element A3: Perform Downtown Parking Study
- Element A4: Implement Becker Avenue Plan (roadway)

**Topic B: Open Space, Green Space, and Trails**

- Element B1: Implement Becker Avenue Plan (green space and trails)
- Element B2: Extend Glacial Lakes State Trail into Downtown
- Element B3: Create Downtown Trailhead at Selvig Park
- Element B4: Improve the Urban Forest

**Topic C: Building Conditions and Aesthetics**

- Element C1: Adopt Downtown Design Standards
- Element C2: Facilitate Facade Improvements
- Element C3: Encourage Historic Preservation and Restoration
- Element C4: Update and Improve Lighting

**Topic D: Business Mix and Redevelopment**

- Element D1: Revise the Central Business District Zoning Boundary
- Element D2: Encourage Redevelopment on Targeted Sites
- Element D3: Encourage Restaurant and Retail Development
- Element D4: Support and Maintain Cultural, Governmental, and Institutional Uses Downtown

**Topic E: Housing**

- Element E1: Analyze Existing Downtown Housing
- Element E2: Promote Higher Density Development at CBD Fringe
- Element E3: Increase and Improve Downtown Housing

On the following two pages are graphics depicting the results of two exercises that took place during the public open house, and which informed the creation of this plan. On page 6 is a graphic depicting all the plan elements that can be communicated physically on a map. Detailed explanations of the elements begin on page 7.

RESOLUTION NO. \_\_\_\_\_

ADOPTING A NEW WILLMAR DOWNTOWN PLAN AND  
REPEALING CHAPTER 5, SECTION H, OF THE  
COMPREHENSIVE LAND USE PLAN

WHEREAS, the City Council of the City of Willmar did, in 2009, adopt a Comprehensive Land Use Plan; and

WHEREAS, the Comprehensive Land Use Plan included Chapter 5, Section H, stating goals, objectives and policies for downtown development/redevelopment; and

WHEREAS, a planning process has been conducted beginning in December, 2011, to draft a new, more relevant plan for the Downtown; and

WHEREAS, Staff, the Planning Commission, and the Community Development Committee of the Council, following considerable public outreach, research and review, has presented to the Council a recommendation to adopt a new Downtown Plan, including maps, figures, and appendices; and

WHEREAS, a public hearing was conducted by the City Council on May 21, 2012, to gather additional public comment.

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

1. That the new Willmar Downtown Plan, dated May 2012, be adopted.
2. That Chapter 5, Section H, of the Comprehensive Land Use Plan be repealed and replaced by the new Downtown Plan, dated May 2012.

Adopted this 21<sup>st</sup> day of May, 2012.

\_\_\_\_\_  
Frank Yanish, Mayor

Attest:

\_\_\_\_\_  
Charlene Stevens, City Administrator

## LABOR RELATIONS COMMITTEE

### MINUTES

The Labor Relations Committee of the Willmar City Council met on Tuesday, May 8, 2012, in Conference Room #1 at the City Office Building. The meeting was called to order by Chair Steve Ahmann.

Present:	Steve Ahmann	.....	Chair
	Denis Anderson	.....	Member
	Doug Reese	.....	Member
	Ron Christianson	.....	Council Member
	Charlene Stevens	.....	City Administrator

Others present included Council Member Bruce DeBlicek; Steve Okins, Finance Director; Dave Baker, Chairman of the Municipal Utilities Commission; and David Little of the West Central Tribute.

#### **Item No. 1 Willmar Municipal Utilities General Manager Position (Information Only)**

Mr. Baker provided the Committee with an update on the organizational analysis conducted by Springsted, Inc. as well as the MUC's desire to move forward with the hiring process for a General Manager. Mr. Baker shared copies of the proposed job description and profile for the position of General Manager and discussed the potential of using Springsted, Inc. to conduct the executive search for the Willmar Municipal Utilities.

Mr. Baker discussed the challenges in filling such a position and stated that a salary range could be from \$90,000 to \$140,000 or \$150,000.

Committee Members present expressed their support for the proposed hiring process, specifically the use of Springsted, Inc. to conduct a search and stated a preference that the City Administrator be included in the search process.

#### **Item No. 2 Organizational Structure of the Willmar Municipal Utilities and Discussion of Potential Opportunities for Partnerships between the WMU and the City of Willmar (Information Only)**

Mr. Baker discussed possible changes in the WMU operating structure, such as organizing by function rather than department. Mr. Baker also stated that the report had identified some possible opportunities for partnership between the City and WMU, such as human resources, information technology, accounting, safety or environmental compliance. Mr. Baker said that he hoped the City would be open to such discussions.

Council Member Christianson suggested that the City of Willmar and WMU should consider out-sourcing of payroll.

Council Member Anderson stated that it was worthwhile to consider opportunities for working together.

**Item No. 3 Miscellany (Information Only)**

City Administrator Stevens informed the Committee that Police Officer Del Wagner had given his retirement notice to the City and would be retiring at the end of June.

Ms. Stevens stated that she was also going to be clarifying how employees provide proper notice, in order to be eligible for the City's early retirement program. Ms. Stevens stated that open-ended notices would no longer be accepted.

Ms. Stevens updated the Committee on preparations for arbitration with LELS.

Council Member Anderson suggested that the City consider conducting an organizational analysis and utilize Springsted for the same, much like Kandiyohi County and Willmar Municipal Utilities. Ms. Stevens stated that she would develop a scope of work and obtain a cost estimate from Springsted and bring it back for further discussion.

There being no further business, the meeting was adjourned at 5:45 p.m. on a motion by Council Member Anderson, seconded by Council Member Christianson, and carried.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Charlene Stevens', with a long horizontal flourish extending to the right.

Charlene Stevens,  
City Administrator

# GENERAL MANAGER

## Willmar Municipal Utilities

**Position Title:** General Manager

**Department:** Administration

**Immediate Supervisor's Title:** Municipal Utilities Commission

### **Job Summary**

Serves as chief administrative officer performing professional, managerial and leadership work to carry out the day to day responsibilities of the Utility's programs, operations and services. Reports to seven-member Commission appointed by the Mayor and confirmed by the City Council. Develops effective working relationships with the City of Willmar, partners and other agencies. Oversees the operations of all Utility departments under the authority of the systems and structures in place to promote the efficient and effective delivery of all utility services. Participates in Commission meetings and meetings of various committees; executes Commission directives and policies; initiates and provides leadership to strategic business planning; budget development and administration; safety programs; human resources and personnel administration activities; and ensures compliance with applicable laws, rules, and regulations.

### **Organizational Relationships**

Communicates with:

*Internally* - All department heads and Utility employees, City staff and council members, Rice Hospital staff; various committee members, and the Utility's attorneys.

*Externally* - County officials, other utility managers, numerous state agencies, state and federal legislators, MMUA staff, APPA staff, other state and national associations, financial and other contracted consultants, numerous suppliers/vendors, numerous business and community organizations, media, Utility customers and City residents.

Supervises with full authority: All Utility employees, directly or indirectly.

### **Essential Duties and Responsibilities**

- Provides leadership and direction for the Utility operations, working directly with the staff through the adopted structures and assignments.
- Hires and removes department heads and all subordinate staff, assigns works and sets clear expectations for department heads, assesses their performance and holds them accountable for results.
- Establishes and maintains an effective system of communications throughout the Utility to ensure an understanding of the Utility's long-term direction and support the consistent application of policies and procedures.
- Maintains an effective relationship with the customers and the public and represents the utilities in matters of city affairs, civic affairs, and state and national organizations. Makes presentations to councils, boards, commissions, civic groups and the general public as requested.
- Develops effective partnerships and works closely with city officials, including the city administrator and other members of the staff.

## GENERAL MANAGER

- Promotes timely and effective communications to the Board, staff and to the customers and Willmar community. Identifies and develops communication tools and methods to inform and educate all interested parties. Represents the Utility with all forms of media.
- Directs and participates in the development of short and long-range plans and policies for the Utility; gathers, interprets, and prepares data for studies, reports and recommendations for the Commission consideration and approval.
- Ensures that all Utility operations are in compliance with applicable local, state, federal, and other government regulations and laws, including environmental and safety regulations.
- Reviews and monitors utility revenues and expenditures to assure sound fiscal control of operations and oversees the Utility's cost control activities; provides the Commission with regular reports on financial conditions and current and future utility operating and capital needs.
- Analyzes operating results of the Utility and its principal components relative to established objectives and insures that appropriate steps are taken to optimize operations and correct unsatisfactory conditions.
- Oversees the power supply purchasing and maintains relationships with power supply vendors.
- Ensures the proper allocation of staff, equipment and resources needed for Utility operations and resolves any conflicts arising between departments and work teams.
- Develops and presents proposed operating and capital expenditure budgets for review and approval by the Commission.
- Plans for the development of personnel resources across Utility operations and maintains programs to encourage employee development.
- Directs the development and consistent administration of equitable personnel policies, compensation administration policies, and employee benefit plans.
- Represents the Commission in collective bargaining, contract negotiations, contract administration, grievances, and other dealings with the bargaining unit.
- Reviews, monitors, and participates in legislative issues impacting the Utility.

### Knowledge and Abilities

- Knowledge of the municipal utility business, operations, practices and programs.
- Knowledge of municipal finance, human resources, and personnel administration.
- Knowledge of fundamentals of management and leadership principles. Ability to execute and administer these principles in a small organization.
- Ability to forecast operating and capital needs; ability to organize and present the information to the Commission for their review and action.
- Ability to communicate, both orally and in writing to a diverse audience.
- Ability to interpret, communicate and execute Commission policies and directives.
- Ability to establish and maintain effective work relationships with a wide variety of groups and individuals.

## GENERAL MANAGER

- Ability to analyze complex sets of data and variables and prepare and present reports on the same.
- Ability to provide direct supervision to subordinates; combining the right mix of motivation, and professional development with accountability and performance measurement.

### **Qualifications**

Bachelor's degree in business or public administration, engineering, or a related field required; Master's degree preferred. Eight or more years of progressive experience in utility operations, preferably with a multi-utility municipal organization, including ?? years at a management level with administrative and operating responsibilities. Position requires strong financial and business acumen in managing public or private utility operations and excellent interpersonal skills with the ability to collaborate effectively with commissioners, government agencies and stakeholders. Qualified candidates must be effective communicators and demonstrate the ability to motivate employees and manage organizational change. Experience in labor-management relations desired.

### **Physical Activities**

Work is performed in a typical office environment with travel required as needed to carry out the duties of the position. Operates a personal or utility vehicle to observe projects, attend meetings and conduct the business of the WMU.

Dated: May 1, 2012

## The Community

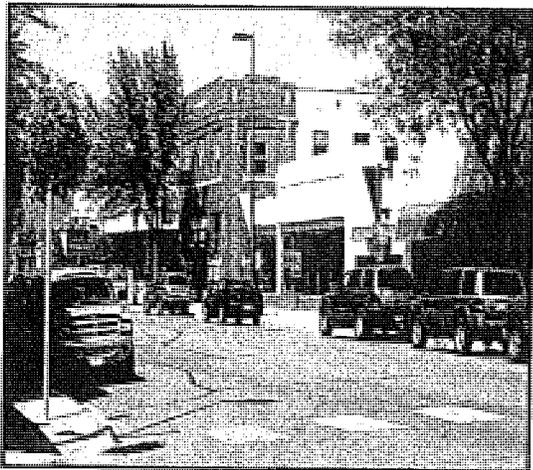
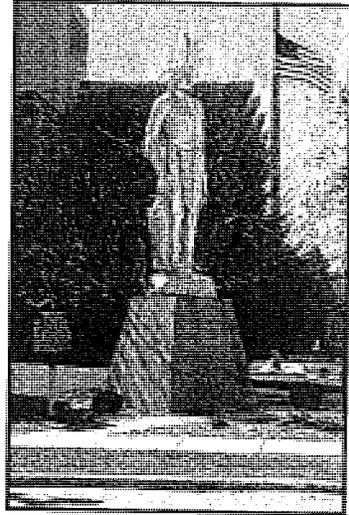


Surrounded by lakes, rolling hills, and rich farmland, Willmar combines the friendly neighborliness of a small town with the opportunities of a large metropolitan area. Located 100 miles west of the Saint Paul-Minneapolis metropolitan area, Willmar is the regional center for West Central Minnesota and the Kandiyohi County seat. Covering 14 square miles, the city has an estimated 2010 population of 19,068, which expands to a daytime population of 40,000 during the workweek.

Willmar is situated at the intersection of U.S. Highways 12 and 71; it is connected to St. Cloud via Minnesota 23 and to western Minnesota via Minnesota 40. Railroads, which have dominated Willmar's history, continue to provide an important economic connection for Willmar's farm and non-farm products through the Burlington Northern Santa Fe Railway. Other transportation services include the Willmar Municipal Airport, the Willmar Bus Service, and the Kandiyohi Area Transit.

## Local Economy

The City of Willmar functions as a regional center for retail trade, medical care, education, and small manufacturing. Agriculture, the region's leading industry, accounts for the city's largest employer, Jennie-O Turkey Store, owned by Hormel. The diversity of the city's economic base has provided steady growth and stability enabling the area to weather economic downturns. 2004-2009 statistics available from the Minnesota Department of Employment and Economic Development show that Willmar and Kandiyohi County have added jobs three times faster than the rest of Minnesota, particularly with gains in the creation of technical and professional jobs.



Willmar's local economy is well-positioned for continued growth with the establishment of a 200 acre city-owned industrial park with infrastructure in place and rail access and the formation of the MinnWest Technology Campus. Formerly serving as the Willmar Regional Treatment Center, the campus is now home to a vibrant technology park serving the needs of innovators in bioscience, renewable energy, and technology. It will soon house the Mid-Central Research and Outreach Center, a joint effort involving the MinnWest Technology Campus, the City of Willmar, the University of Minnesota and the Minnesota State Colleges and Universities System.

*Downtown Willmar (photo provided by Willmar Lakes Area Convention and Visitors Bureau)*

## Healthcare

As the hub for healthcare services in western and southwestern Minnesota, Willmar residents have immediate access to highly skilled physicians and medical technicians providing a continuum of patient care. Anchored by the city-owned Rice Memorial Hospital, specialized healthcare services are available including cardiac rehabilitation, diabetes, enterostomal therapy, kidney dialysis and radiation oncology. The hospital's partnership with the University of Minnesota has led to its designation as the host site for the Southern Minnesota Area Health Education Center, which provides health care to students in a 26-county area.

Health care services are also provided by Affiliated Community Medical Center (ACMC), the area's largest multi-specialty healthcare network with 11 network clinics staffed by over 150 physicians and mid-level practitioners.

## Parks and Recreation

The Willmar Lakes Area attracts tourists and vacationers who come to enjoy the recreation lakes, attesting to the popularity of fishing and other water sports. Golfing is available at the area's three 18-hole and two 9-hole courses.

The area boasts over 41 city, county, and states parks, many with trail systems for hiking, biking, and horseback riding. In winter, over 200 miles of groomed trails are available for snowmobiling and cross-country skiing while Sibley State Park and the Prairie Woods Environmental Learning Center are favorite spots for snowshoeing.

Organized sports include baseball, softball, football, hockey, volleyball and soccer. Community education and recreation programs provided through a long-standing collaboration between the City and the School District offer a wide range of activities ranging from aquatics and ice-skating to programs that explore the performing arts. Numerous events, concerts, and festivals occur throughout the year, including Willmar Fests, the Sonshine Festival, and the Kandiyohi County Fair.

## Education

Public education services are provided by the Willmar Public Schools, Independent School District 347. The District had a 2009/2010 enrollment of 4,032 students in kindergarten through grade 12. It employs approximately 700 certified and non-certified staff and operates three elementary schools, a middle school, a senior high school, and an alternative learning center.

Post-secondary education programs are provided by Ridgewater College, which offers two-year associate degree programs and comprehensive general education that is fully transferable to four-year colleges and universities. Through its campuses in Willmar and Hutchinson, Ridgewater College serves more than 5,500 students offering over 100 educational programs.

Pioneerland Library System, with headquarters in Willmar, has over 32 member libraries serving residents in nine West Central Minnesota counties.



*Children playing at Rice Park (photo provided by Willmar Lakes Area Convention and Visitors Bureau)*

## **Municipal Utilities Commission**

The Willmar Municipal Utilities Commission is a semiautonomous branch of the City government charged by the Willmar City Charter with full control, operation and management of the electrical generation, transmission and distribution system and the water and heating utilities, subject to veto powers of the City Council. The Commission consists of seven members appointed by the Mayor, none of whom may hold any other office or position in the City government. Commission members are appointed to three-year overlapping terms. The Commission is responsible for appointing the General Manager.

The General Manager is appointed by and reports to the Municipal Utilities Commission and serves at its pleasure. As the Commission's chief executive officer, the position is responsible for managing Utility operations, developing business plans and establishing effective working relationships within the organization and with other agencies. The position supervises a staff of 51 regular employees and manages a combined operating budget of over \$29 million.

## **Water Utility**

The municipal water supply consists of 17 wells. Total pumping capacity is 5,700 gallons per minute, or 8,200,000 gallons per day. The water system has a storage capacity of 4,250,000 gallons with three towers and a 3 million-gallon reservoir. The City has two water treatment plants with a total processing capacity of 7.9 million gallons per day, which is expected to meet the needs of the City through the year 2020. The municipal water system was connected to 6,399 meters in 2007. Residential customers represented 5,460 meters, with the remaining 939 meters for commercial customers. The largest water utility customer is Jennie-O Foods.

## **Electric Utility**

The electric utility is a generation, transmission and distribution system which supplies power to the entire City and to a number of users adjacent to the City. Plant equipment includes four boilers and three generators. All units are in good condition, and are subject to routine maintenance and overhaul as required. Boiler #3 is primarily coal fired using primarily low sulfur Montana coal and has gas burners in it to supplement the coal for higher loading requirements. Boiler #2 will be exclusively gas fired. Boiler #4 is a gas/oil fired package unit used for district heating purposes.

The Commission maintains five substations, of which four are distribution substations with a combined capacity of 114,000 KVA: The fifth substation in operation is the Willmar substation which acts as the power interconnection to the transmission grid. The Willmar substation transformer capacity is 196,000 KVA, of which the Commission has capacity rights to half.

During 2011, the electric utility generated 46,233,000 kilowatt hours and purchased an additional 59,083,000 kilowatt hours of energy from the Western Area Power Administration (WAPA), Great River Energy (GRE), MISO, Split Rock Energy (SRE), Lighthouse Energy Trading Co., and others.

The electric utility has an electric service contract with WAPA through December 31, 2020 for a fixed amount of power and two contracts with GRE that are set to expire on December 31, 2015.

## **Heating Utility**

The Commission's heating utility supplies hot water to commercial businesses in the central business district, public schools in the City, Kandiyohi County Courthouse, Rice Memorial Hospital, Jennie-O Foods, other commercial buildings and some residential areas. During 2011, hot water heat was supplied to 260 customers.

## **Position Requirements**

Bachelor's degree in business or public administration, engineering, or a related field required; Master's degree in business administration preferred. Candidates must have eight or more years of progressive experience in utility operations, preferably with a multi-utility municipal organization, including two years at a management level with administrative and operating responsibilities. Position requires strong financial and business in managing public or private utility operations and excellent interpersonal skills with the ability to collaborate effectively with commissioners, government agencies and stakeholders. Qualified candidates must be effective communicators and demonstrate the ability to motivate employees and manage organizational change. Experience in labor-management relations desired.

## **Desired Capabilities**

### **Collaborative Style**

Recognizes and seeks creative partnerships and business relationships. Brings people together to discuss ideas, address common problems and share resources; respects diverse points of view and looks for opportunities to enhance teamwork.

### **Effective Communicator**

Is a people person, genuine, honest and straightforward; easily engages others; has an open-door policy and understands the value of engaging and getting to know the staff, Board and Willmar community. Seeks opportunities to represent the Commission in the community; enjoys public speaking.

### **Utility Business**

Brings an understanding of best practices in managing the technical components of a complex utility operation; assesses internal procedures and recommends new processes that reflect industry standards. Encourages new ideas in particular in the application of financial management and information systems.

### **Experienced Manager**

Sets clear expectations for department heads and provides them with the latitude to manage operations while holding them accountable for results; builds a cohesive executive team. Understands the fundamentals of human resources administration and the practices-principles of public management.

### **Organizational Leader**

Provides leadership and passion to the Commission and staff in an organizational development process; knows how to develop a vision, mission and long-range goals. Unites people toward a common vision and goals. Has the ability to identify and then implement strategies and actions to achieve those goals.

### **Personal Integrity**

High degree of personal integrity; treats others respectfully; approachable and is an effective listener. Ability to earn trust; is a reliable, dependable and steady leader. Leads by example in all manners of policy and practice at work.

## Opportunities for Professional Leadership

**Organizational Development.** The Commission has completed an organizational assessment and is implementing a new structure. This structure will require deliberate analysis, careful decision-making and timely action. The General Manager will be responsible for successfully integrating the new structure into the daily operations of the Commission.

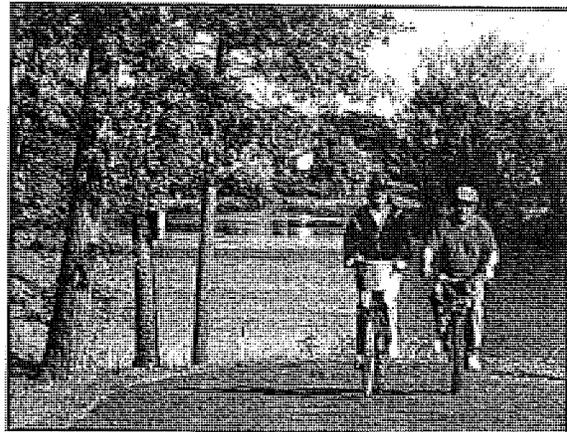
**Build a Leadership Team.** The Commission will be experiencing a number of retirements within the next five years. Through effective succession planning, organizational restructuring and with supportive training and development a new leadership team will emerge. The General Manager is in a unique position to be able, within the next few years, to put together a new team of managers and leaders.

**Facility and Capital Planning.** The facility and capital needs of the Commission will require creative planning and financing. From the Power Plant, to the office buildings and general facilities the General Manager will be called upon to lead a challenging capital improvement strategy.

**Establish Community Connections.** Collaborations and partnerships are becoming critical to the future of how the Commission will conduct its business. From the underlying relationship with the customers, to the City, with power providers and long time vendors the General Manager will reach out and establish strong community relationships and connections for the purposes of optimizing the business of the utility.

**Support Commission Governance.** The historical role of the Commission is under discussion and review. The Board is supportive of examining the existing practices and introducing new and more effective governance models. The General Manager will facilitate, support and guide the Board in this transition process.

**Provide Strategic Vision.** The Commission is focused on enhancing their strategic outlook; one approach is to engage in a strategic planning process to identify the vision, mission and goals. In addition to leading the process, the General Manager will be responsible for ensuring that the implementation strategies and action plan is followed and completed.



## Compensation

Salary: \$\_\_\_\_\_ - \$\_\_\_\_\_, commensurate with qualifications and experience. Competitive benefits; relocation expenses are negotiable.

## Application and Selection Process

Position open until filled. Review of resumes starts on \_\_\_\_\_, 2012. To apply, submit a resume, salary history and four work-related references to [willmarmuc@springsted.com](mailto:willmarmuc@springsted.com) or to David Unmacht at 651-223-3047 or Sharon Klumpp at 651-223-3053 Springsted Incorporated, 380 Jackson Street, Suite 300, Saint Paul, MN 55101.

**The Willmar Municipal Utilities Commission is an Equal Opportunity Employer.**

**FINANCE COMMITTEE REPORT  
CITY OF WILLMAR  
MONDAY, MAY 14, 2012**

The Finance Committee of the Willmar City Council met at 4:45 p.m. on Monday, May 14, 2012, in Conference Room #1 at the City Office Building. Chair Denis Anderson called the meeting to order.

Members Present:	Denis Anderson	.....	Chair
	Rick Fagerlie	.....	Vice Chair
	Jim Dokken	.....	Member
	Tim Johnson	.....	Member
	Charlene Stevens	.....	City Administrator
	Steve Okins	.....	City Finance Director
	Kevin Halliday	.....	City Clerk/Treasurer

Others present included Mayor Frank Yanish; Fire Chief Marv Calvin; Mike Schramm and Bill Fenske of Rice Memorial Hospital; Larry Heinen of Willmar Municipal Utilities; HRA Executive Director Jill Bengtson; representatives from Bethesda Health and Housing; and Carol Cunningham, Accounting Supervisor.

**Item No. 1 – Fire Department Retirement Allocation ( Resolution )**

Staff explained to the Committee that with the change in retirement plans from the Firefighter Relief Association to the State PERA system, the City experienced a \$14,552 obligation in the transition period. As discussed during previous meetings, this annual cost should be reduced to zero until the year 2017. The 2012 Budget currently reflects \$25,000 appropriated for this expenditure. It is being requested that the 2012 budget be amended by reducing the amount allotted for this expenditure from \$25,000 to \$14,552 to more accurately reflect costs. Further, the budgeted difference should be transferred to Non-Departmental to be available for future budget issues that may surface. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken and passed to make the following:

**RECOMMENDATION:** to introduce a resolution amending the 2012 Budget by reducing Fire Department Expenditures by \$10,448 and increasing NonDepartmental Expenditures.

Council Member Johnson arrived at this time.

**Item No. 2 – Rice Memorial Hospital 1<sup>st</sup> Quarter Financial ( Information )**

Rice Hospital CEO Mike Schramm and CFO Bill Fenske reported to the Committee that the first quarter of 2012 reflects a net loss of \$476,101. Hospital revenues were less than budgeted in part because inpatient services and surgeries were significantly lower than anticipated. Net expenses for the quarter were at budget. Debt service coverage was 2.0 which remains greater than the debt covenant requirement of 1.25. After discussion, this matter was taken for information.

**Item No. 3 – Willmar Municipal Utilities 1<sup>st</sup> Quarter Financial ( Information )**

MUC Interim Co-Manager Larry Heinen reported to the Committee that the first quarter of 2012 reflects a net income of \$965,109. Utility revenues have increased overall yet water consumption continues to decline. Expenses also show a decrease to date in 2012. After discussion, this matter was taken for information.

**Item No. 4 – Willmar HRA/Bethesda Conduit Financing ( Resolution )**

HRA Executive Director Jill Bengtson explained to the Committee that the HRA has received a request from Bethesda Health and Housing to issue conduit bonds for the purpose of consolidating existing principal bond debt and saving interest expense. The HRA Board of Commissioners has formally approved this request and it was noted that since this is a refunding project, a public hearing is not required. Bethesda is looking to refinance 1998, 2004, and 2009 Nursing Home Revenue Bonds. It was noted that this bond issue will not be an obligation of the City nor will it reduce the City's bonding capabilities. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken and passed to make the following:

**RECOMMENDATION:** to introduce a resolution approving the issuance of Nursing Home Revenue Refunding Notes for Bethesda in an amount not to exceed \$10,400,000.

**Item No. 5 – Municipal Tort Limits ( Resolution )**

Staff presented details of the current statutory tort liability limits to the extent of the coverage purchased from the League of Minnesota Cities Insurance Trust. A decision must be made annually whether to waive the limits.

If the City does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover in a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. If the City waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants. Staff was recommending not to waive the statutory tort limits at this time. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken, and passed to make the following:

**RECOMMENDATION:** to introduce a resolution stating the City will not waive the statutory tort limits.

**Item No. 6 – Industrial Development Fund Budget Amendment ( Resolution )**

Staff explained to the Committee that the City had planned to sell excess land and develop the old airport site during 2012. Local Option Sales Tax funding expires at the end of the year and land releases were anticipated. However, due to the delay in receiving the land releases and the time needed to develop the plan, the City and the project would be better served by delaying \$4,000,000 in Development Costs until 2013. Further, 2012 budgeted revenues would be reduced by \$756,711 for land sales and rental. Following discussion, it was

moved by Council Member Fagerlie, seconded by Council Member Dokken, and passed to make the following:

**RECOMMENDATION:** to introduce a resolution amending the 2012 Industrial Development Fund Budget by reducing land sales and rental revenues by \$756,711 and by reducing Development Expenditures by \$4,000,000 and to transfer these amounts to the 2013 Industrial Development Budget.

#### **Item No. 7 – 2012 Departmental Budget Amendments/Car Allowance ( Resolution )**

Staff reported to the Committee that due to Council's determination to reassign vehicles, Labor Contracts require car allowance payments in lieu of vehicle use for affected employees. Historically, these payments have not been funded by the applicable department. Consequently, a budget amendment is required to reallocate \$12,983 from Non-Departmental to Police Department \$4,200, Fire Department \$4,261, and Engineering \$4,521. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Anderson and concluded with two ayes, one nay by Council Member Johnson, and one abstention by Council Member Dokken for the following:

**RECOMMENDATION:** to introduce a resolution amending the 2012 Budget by reallocating \$12,983 from Non-Departmental to Police Department \$4,200, Fire Department \$4,261, and Engineering \$4,521 to meet car allowance obligations under the labor contract.

#### **Item No. 8 – Street Program Financing ( Resolutions )**

Staff presented to the Committee the 2012 Street Improvements Budget per bids received for Street Project No. 1. The other projects in this Budget remain as Engineer's estimates until such time bids are let. Following discussion, it was moved by Council Member Fagerlie, seconded by Council Member Dokken, and passed to make the following:

**RECOMMENDATION:** to introduce a resolution adopting the 2012 Street Improvements Budget as presented.

Staff presented the Street Improvements Budget for Project 1101-12 estimated at \$513,800 under which work began in 2011 in advance of funding due to unanticipated street malfunctions. Following discussion, it was moved by Council Member Dokken, seconded by Council Member Johnson, and passed to make the following:

**RECOMMENDATION:** to introduce a resolution approving the Street Improvements Budget for Project 1101-12 in the amount of \$513,800 as presented.

Staff explained to the Committee that Council action is required to sell General Obligation Bonds to finance the 2012 Street Improvement Program and that a public hearing needs to be held for the proposed bond issue. Following discussion, it was moved by Council Member Dokken, seconded by Council Member Fagerlie and passed to make the following:

**RECOMMENDATION:** to introduce an ordinance to sell General Obligation Bonds to finance the 2012 Street Improvement Program and set a public hearing for June 4, 2012 for consideration.

**Item No. 9 – 2013 Budget Process/Administrator Update ( Information )**

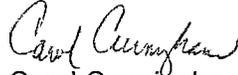
Administrator Stevens reported to the Committee that initial calculations show 2013 projected revenues are coming in flat and projected expenditures are not. Consequently, the 2013 budget schedule is being adjusted by delaying the department head presentations temporarily to allow more time to close the gap between revenues and expenditures. Areas being considered include Professional Services, Seasonal Employment, Community Organizations Funding, overall administrative structure, and contracting for services. The preliminary Capital Improvements Plan was also discussed which shows capital needs over the next five years. This matter was taken for information.

**Item No. 10 – Miscellany ( Information )**

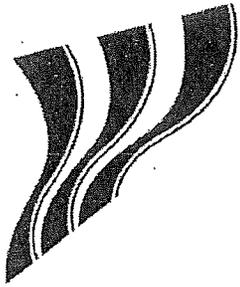
Council Member Fagerlie raised a request that any City representative who attends conferences should present information obtained from those events to the Council, either in writing or as a presentation during a council meeting. This matter was taken for information.

There being no further business to come before the Committee, the meeting was adjourned at 5:52 p.m. upon motion by Council Member Fagerlie, seconded by Council Member Dokken, and carried.

Respectfully submitted,



Carol Cunningham  
Accounting Supervisor



CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 7

Meeting Date: May 14, 2012

Attachments:  Yes  No

CITY COUNCIL ACTION

Date: May 21, 2012

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended  | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other    |                                 |

Originating Department: **Finance**

**Action Requested:** Adopt a resolution to amend the 2012 Fire Department Budget funding pension obligation of \$14,552.

**Guiding Principle:** Amend operating budgets to accurately account for anticipated costs and contract obligations.

**Introduction:** Need to fund City obligations to PERA for change in on-call paid firefighters' pensions.

**Background/Justification:** With the change in retirement from the Firefighter Relief Association to the State PERA system, the City experienced a \$14,552 obligation in the transition period. This cost, as explained in previous presentations, should be reduced to \$-0- until the year 2017.

**Fiscal Impact:** Reallocation of \$14,552 from Non-Departmental to Fire Department Pension line item. Zero net effect on General Fund.

**Alternatives:** Fund additional obligations from other sources.

**Staff Recommendation:** Pass resolution amending budget as presented..

**Reviewed by:** Steven B. Okins, Finance Director

**Preparer:** Steven B. Okins

**Signature:**

**Comments:**

**Public Employees Retirement Association**

60 Empire Drive, Suite 200, St. Paul, MN 55103-2088  
Employer Response Lines: 651-296-3636 or 1-888-892-7372  
PERA Fax: 651-296-2493; PERA Web site: www.mnpera.org



**SVFP Contributions Invoice**

STEVEN OKINS  
CITY OF WILLMAR  
333 6TH ST SW  
WILLMAR MN 56201-3222

**Invoice Date: 05/03/2012**  
**Invoice No.: 73763**  
**Employer No: 8412-00**  
**Due Date: 12/31/2012**

Dear Steven:

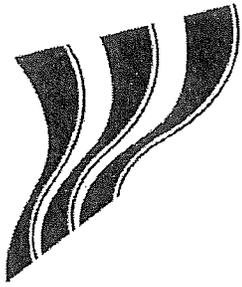
Based on calculations from the SC-11 form filed with the State Auditor's Office, the city's required contribution to the statewide volunteer firefighter retirement plan for 2012 is \$14,552. That amount is due to PERA on or before the last working day in December, 2012. When you make your payment, please refer to invoice #73763 so that the payment is routed to the Willmar Fire account.

I will be calculating 2013 contributions in July and will send that information to you at that time.

If you have any questions, please feel free to contact me via phone at (651) 201-2641 or via email at [dave.dejonge@mnpera.org](mailto:dave.dejonge@mnpera.org).

Description	Date	Amount
SVFP Contributions	05/03/2012	\$14,552.00 \$0.00

**Total Amount Due: \$14,552.00**



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number: 1 & 2**

**Meeting Date: May 14, 2012**

**Attachments:  Yes  No**

**CITY COUNCIL ACTION**

**Date: May 21, 2012**

Approved     Denied  
 Amended     Tabled  
 Other

**Originating Department: Finance**

**Action Requested:** Receive and review reports for information and discussion.

**Guiding Principle:** To receive and review component unit financial reports to monitor unit's performance.

**Introduction:** Representatives from Rice Memorial Hospital and Willmar Municipal Utilities will be presenting their first quarter reports and will be available to answer any questions.

**Background/Justification:** 1) 2012 1<sup>st</sup> Quarter Rice Memorial Hospital  
2) 2012 1<sup>st</sup> Quarter Willmar Municipal Utilities

**Fiscal Impact:** N/A

**Alternatives:** Hold reports for further discussion and explanation.

**Staff Recommendation:** Receive reports and order staff to place on file.

**Reviewed by:** Steven B. Okins, Finance Director

**Preparer:** Steven B. Okins

**Signature:**

**Comments:**

Rice Memorial Hospital  
Financial Statements  
March 31, 2012

*Executive Summary*

March was a negative month in terms of financial performance compared to budget and in terms of actual performance. Rice generated a loss of \$161,000 from operations in March compared to budgeted operating income of \$335,000. The primary contributing factor was lower than expected inpatient and outpatient activity. Volumes continued to be soft compared to budget and last year. The overall net loss was \$243,000 compared to budgeted net income of \$420,000.

**March 31, 2012 Balance Sheet:**

The March balance sheet showed a decrease in net assets of \$65,000. Total Assets have decreased \$778,000 while total liabilities have increased \$712,000. The Total Asset increase was due to an increase in current assets of \$73,000; a decrease in assets whose use is limited of \$445,000; an increase in property, plant, and equipment of \$266,000, and a decrease in other assets of \$672,000. The increase in current assets was due to decreases in Cash and Bond Reserves offset by increases in Receivables. Assets whose use is limited decreased due to the refunding of the 2002 Bond Issue which resulted in decreased investments in the reserve funds. Property, Plant, and Equipment increased due to the Epic project expenditures while Other Assets have decreased due to decreases in investments offset by an increase in the investment in Willmar Medical Services. Cash & General Investments have increased \$2.8 million since December 31, 2011 due to poor operating performance and revenue cycle issues. A positive was that Long-Term Debt decreased by \$2.6 million due to the refunding of the 2002 Bond Issue.

**March 2012 Results:**

The overall net operating loss was \$161,000 compared to budgeted operating income of \$335,000 and compared to last year's operating income of \$557,000. Patient revenues were \$1.5 million (8.4%) less than budget for the month and 4.9% less than the prior year. Hospital revenues were less than budget with inpatient revenues 11.0% less than budget and outpatient revenues 5.9% less than budget. Inpatient revenues were driven by the decreased census while Outpatient revenues were the result of decreased volumes and charge capture. The charge capture issue is directly related to the computer conversion to Epic. There continued to be numerous process changes that came with the computer conversion and some of these are still outstanding. Additional resources have been deployed on a temporary basis to further understand the process issues and make any necessary changes or edits to the system to ensure that services provided are documented and coded accurately to ensure that all earned revenues are captured or recorded. Compounding the system conversion issues were that volumes were down in a few departments including Inpatient Nursing Units, Surgery, and Laboratory. In addition, revenues were down compared to budget at the Care Center and Home Medical. Care Center revenues were down (8.0%) due to lower census which has subsequently increased while Home Medical revenues were down (20.7%) due to lower sales and rental activity.

Consolidated deductions from revenue were \$1.1 million (12.1%) less than budget and when netted against total patient revenues yielded a negative net patient revenue variance of \$443,000 (4.7%). The Hospital's reimbursement rate for the month was 49.75% compared to a budget of 47.50%; a positive variance of \$356,000.

Other operating revenues were \$425,000 (27.5%) less than budget due to lower activity at Willmar Medical Services (WMS). Profits were down in February and thus adjusting February's activity to actual results and a lower accrual for March was a double negative hit in March. WMS activity at Rice was also less than budget by \$114,000 (5.9%) due to decreased Radiation Oncology revenues. Total operating revenues were \$8.2 million or \$754,000 (8.3%) less than budget and \$523,000 (5.9%) less than last year.

Net Expenses were \$8.4 million which was \$257,000 (3.0%) less than budget. Expenses were mostly lower for the month with Salaries \$200,000 (5.0%) less than budget due to decreased activity and vacancies. Contract Labor was \$122,000 (67.8%) greater than budget due to Emergency Room Physicians and contracted costs in a few other departments while Benefits were \$142,000 (11.7%) less than budget due to lower than anticipated health insurance costs. Supplies were \$110,000 (9.9%) less than budget due to lower activity in Surgery and Home Medical while Drugs were \$41,000 (7.0%) less due to Medical Oncology activity. Purchased Services were \$81,000 (13.4%) greater due to consulting and legal costs. In these costs, the appeal relating to MN Care Taxes paid and the MA Surcharge was successful and thus additional fees were owed to Grant Thornton which performed the work on a contingent basis. Repairs were \$31,000 (10.5%) higher due to service contracts and elevator repairs. Utilities were \$34,000 (23.6%) less than budget due to mild weather while Insurance was slightly less than budget. Patient Related Travel was \$3,600 (10.0%) less than budget due to timing of budgeted expenditures; Education, Travel, and Dues were \$2,800 (3.7%) less than budget; and Other was \$8,100 (18.4%) less than budget due to lower advertising. Depreciation was \$56,000 (9.4%) greater than budget due to a budget miscalculation while Interest was \$56,000 (27.5%) less than budget due to the refunding of the 2002 bonds. Depreciation and Interest variances will continue for the remainder of the year similar to the March variances. Bad Debts were \$71,000 (44.7%) less than budget due to improved quality of receivables and lower activity although receivables were higher. As mentioned above, an appeal was filed with the State of MN for overpayment of MN Care Taxes and MA Surcharges which was successful and thus Taxes had a favorable \$73,000 (38.9%) variance in March.

Non-operating income was \$167,000 less than budget due to unrealized losses. Rice continues to analyze its investments to determine if any securities should be sold to capture unrealized gains and at this point it is not advised.

The Hospital generated an operating loss of \$152,000 compared to budgeted operating income of \$290,000 and compared to last year's operating income of \$471,000. Care Center activity generated an operating loss for the month of \$11,000 compared to expected operating income of \$31,000 and last year's operating income of \$70,000. Negative revenue variances and contracted labor contributed to the loss. Home Medical activity generated operating income of \$2,900 compared to budgeted operating income of \$14,000 and last year's operating income of \$15,000.

**March YTD 2012 Results:**

The overall net operating loss was \$576,000 compared to budgeted operating income of \$436,000 and last year's operating income of \$1.2 million. Patient revenues were \$2.1 million (4.1%) less than budget and 0.2% greater than the prior year. Hospital revenues were less than budget with inpatient revenues 7.3% less than budget and outpatient revenues 1.3% less than budget. Inpatient revenues were driven by the decreased census and charge capture while Outpatient revenues were the result of flat volumes offset by charge capture issues. Care Center revenues were \$68,000 (3.5%) less than budget due to lower census while Home Medical revenues were \$447,000 (14.7%) less than budget due to lower sales and rental activity.

Consolidated deductions from revenue were \$1.6 million (6.3%) less than budget and when netted against total patient revenues yielded a negative net patient revenue variance of \$501,000 (1.9%). The Hospital's reimbursement rate was 48.76% compared to a budget of 47.57%; a positive variance of \$549,000.

Other operating revenues were \$613,000 (13.3%) less than budget due to lower activity and profits at Willmar Medical Services. Willmar Medical Services activity at Rice was less than budget by \$100,000 (1.9%) due to lower radiation oncology activity. Total operating revenues were \$24.8 million or \$1.0 million (3.9%) less than budget and \$323,000 (1.3%) less than last year.

Net Expenses were \$25.4 million which was at the budget. Expenses were mixed with Salaries \$35,000 (0.3%) greater than budget due to the Epic conversion costs greater than anticipated even though patient activity was down. Contract Labor was \$324,000 (61.3%) greater than budget due to Emergency Room Physicians and contracted therapy costs while Benefits were \$296,000 (8.4%) less than budget due to lower than anticipated health insurance costs. Supplies were \$343,000 (10.8%) less than budget due lower activity in numerous departments while Drugs were \$511,000 (32.3%) greater due to Medical Oncology purchases through Rice. Purchased Services were \$134,000 (7.5%) greater due to consulting and legal costs. Repairs were \$85,000 (9.4%) less due to lower activity in numerous departments while Utilities were \$44,000 (9.9%) less than budget due to mild weather. Insurance was \$4,900 (3.0%) less than budget; Patient Related Travel was \$3,800 (3.6%) less than budget; Education, Travel, and Dues were \$15,000 (6.7%) greater than budget due to annual costs expensed in January; and Other was \$1,200 (0.9%) greater than budget. Depreciation was \$161,000 (9.0%) greater than budget due to the budget miscalculation while Interest was \$56,000 (9.1%) less than budget due to the bond refunding. Bad Debts were \$146,000 (33.4%) less than budget due to improved quality and lower activity with Taxes \$105,000 (18.6%) less than budget due to reconciliations with amounts paid to the City and the successful MN Care Tax and MA Surcharge appeal.

Non-operating income was \$154,000 less than budget due to unrealized investment losses. If the interest rates rise, some of these unrealized losses should be reversed.

The Hospital generated an operating loss of \$597,000 compared to budgeted operating income of \$290,000 and compared to last year's operating income of \$1.1 million. Care Center activity generated operating income of \$33,000 compared to expected operating income of \$77,000 and last year's operating income of \$58,000. Home Medical activity generated an operating loss of \$13,000 compared to budgeted operating income of \$68,000 and last year's operating loss of \$21,000.

### Statistical and Volume Summary

Statistics and volumes were mostly down for the month. Patient days were 2.1% less than budget while admissions were 16.6% greater than budget yielding a decrease in length of stay from a budget of 3.50 to 2.81. There are still some concerns with the inpatient statistical indicators which continue to be investigated. Compared to the prior year, patient days were 143 less for the month with admissions 19 greater than last year. The average daily census for the month was 35.3 compared to a budget of 36.0 and last year's 39.9. Observation patients were 4.3% less than budget and 7.5% greater than last year. Case mix indexes continue to be unavailable. Overall activity as measured in terms of adjusted admissions was 21.0% greater than budget and 9.6% greater than last year while adjusted patient days were 1.6% greater than budget and 8.0% less than last year. There were 65 deliveries for the month compared to a budget of 69 and 68 from a year ago. Care Center resident days were 9.6% less than budget with an average daily census of 67.8 compared to the budget of 75. The April census has increased to near capacity for most of the month.

On a YTD basis, patient days were 0.9% greater than budget but 6.7% less than last year with admissions 9.5% greater than budget and 4.4% greater than last year. This equated to an average length of stay for this year at 3.18 compared to the budget of 3.50 and 3.63 from last year. Observation patients were down by 5.7% to budget but 7.0% greater than last year. As case mix was not available for March, this is not reported. Adjusted admissions were 14.3% greater than budget and 11.5% greater than last year while adjusted patient days were 5.1% greater than budget and 0.5% less than last year. There were 173 deliveries compared to the budget of 196 and last year's 194. Care Center resident days were 5.6% less than budget with a census of 70.8 compared to the budget of 75.0 and last year's census of 63.5

Ancillary departments were mostly lower for the month. Surgeries were 26.9% less than budget and 28.3% less than last year while Emergency Room visits were 5.4% greater than budget and 5.7% greater than last year. Lab tests were down by 9.0% due to decreased inpatient activity and utilization with Medical Imaging procedures higher by 9.7% compared to budget. There are some concerns with the oncology statistical indicators and thus we are not confident in these numbers yet. GI procedures were flat compared with budget while Dialysis treatments were 2.5% less than budget. Rehab visits were 8.7% less than budget while Hospice visit were 13.0% greater. Ambulance runs were all flat compared to budget.

YTD ancillary activity was mixed. Surgeries were 14.7% less than budget and 16.4% less than last year. Emergency Room visits were 1.0% greater than budget and 1.4% greater than last year. Laboratory tests were 4.9% less than budget and 7.7% less than last year. Medical Imaging procedures were 5.8% greater than budget and 1.7% less than last year. GI procedures were 13.0% greater than budget but 5.8% less than last year while Dialysis treatments were 2.7% less than budget and 3.6% less than last year. Rehab visits were greater than budget by 1.3% and 2.0% greater than last year; Hospice visits were 4.8% greater than budget and 6.8% greater than last year; and Ambulance runs were 2.8% less than budget and 3.7% less than last year.

Full Time Equivalent (FTE's) for the month were 793 compared to a budget of 806 and compared to last year's total of 765. YTD FTE's were 808 compared to the budget of 794 and last year's 764.

### Key Indicators

The key Operational indicators were negative for the month compared to budget and last year. Consolidated Operating Margin was a negative 1.9% compared to the budget target of 3.7% and last year's 6.3%. Excess Margin was a negative 3.0% compared to the budget of 4.6% and last year's 7.0%. The EBIDA margin was 6.8% for the month compared to a budget of 13.4% and last year's 16.3%.

The YTD Consolidated Operating Margin was a negative 2.3% compared to the budget of 1.7% and last year's 4.8%. Excess Margin was a negative 1.9% compared to the budget of 2.6% and last year's 5.3%. The EBIDA margin was 8.2% compared to the budget of 11.1% and last year's 15.1%.

The Financial ratios indicate that the Debt/Capitalization ratio of 45% was at the year-end target of 45%. Debt service coverage was 2.0 compared to the budget of 2.9 and compared to the debt covenant of 1.25. Days in accounts receivable were 67 compared to a target of 50 and last year's 63. Home Medical days outstanding were 120 compared to the target of 70 indicating significant work needs to continue to drive the days down to the target. Days of Cash were 100 compared to the year-end target of 126 and compared to 102 from the prior year. The Financial Strength Index was a negative 0.60 compared to the budget of 1.10 and last year's 1.65.

YTD Hospital productivity ratios in terms of staffing was less than budget with FTE's per adjusted admit at 12.9 compared to a budget of 14.3; last year's ratio of 13.6; and the benchmark of 14.9. FTE's per adjusted patient day were 4.0 compared to the budget of 4.1; last year's ratio of 3.8; and the benchmark of 4.4. Care Center Hours per Resident Day were 6.2 compared to the budget of 5.5 and the benchmark of 5.8; thus indicating further work needs to be completed to decrease this ratio. Sales per FTE at Home Medical were \$149,000 which was 12.7% less than target.

**RICE MEMORIAL HOSPITAL  
CONSOLIDATED  
BALANCE SHEET**  
For the Three Months Ending March 31, 2012

	CURRENT YEAR	PRIOR YEAR END	CHANGE
<b>1 ASSETS</b>			
<b>2 CURRENT ASSETS</b>			
3 CASH AND CASH EQUIVALENTS	\$2,107,295	\$3,728,757	(\$1,621,462)
4 TRUSTEE BOND AGREEMENTS - CURRENT	681,282	2,130,440	(1,449,158)
5 ACCOUNTS RECEIVABLE NET	19,350,815	16,143,018	3,207,797
6 OTHER RECEIVABLES	512,692	521,975	(9,283)
7 INVENTORY	1,891,970	1,858,419	33,551
8 PREPAID EXPENSES	<u>1,430,212</u>	<u>1,517,862</u>	<u>(87,650)</u>
<b>10 TOTAL CURRENT ASSETS</b>	<b>25,974,266</b>	<b>25,900,470</b>	<b>73,796</b>
<b>11 ASSETS LIMITED AS TO USE</b>			
13 HELD BY TRUSTEES - BOND AGREEMENTS	3,181,089	3,731,642	(550,552)
15 REMAINDER UNITRUST - RECEIVABLE	28,765	47,976	(19,211)
16 ENDOWMENT FUND - INVESTMENTS	<u>2,590,365</u>	<u>2,466,271</u>	<u>124,093</u>
<b>18 TOTAL ASSETS - USE IS LIMITED</b>	<b>5,800,219</b>	<b>6,245,889</b>	<b>(445,670)</b>
<b>19 PROPERTY PLANT &amp; EQUIPMENT</b>			
21 PROPERTY PLANT & EQUIPMENT	131,505,656	129,292,102	2,213,554
22 LESS: ACCUMULATED DEPRECIATION	<u>(69,469,876)</u>	<u>(67,522,491)</u>	<u>(1,947,385)</u>
<b>24 NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>62,035,780</b>	<b>61,769,611</b>	<b>266,169</b>
<b>25 OTHER ASSETS</b>			
27 INVESTMENTS	23,932,818	25,125,564	(1,192,746)
28 INVESTMENTS - SHARED HEALTH RESOURCES	417,225	411,413	5,812
29 INVESTMENTS - WILLMAR MEDICAL SERVICES	4,154,807	3,335,316	819,491
30 OTHER INVESTMENTS	79,963	79,136	827
32 DEFERRED DEBT ACQUISITION COSTS	211,639	518,347	(306,708)
33 OTHER	<u>473</u>	<u>0</u>	<u>473</u>
<b>35 TOTAL OTHER ASSETS</b>	<b>28,796,925</b>	<b>29,469,777</b>	<b>(672,851)</b>
<b>37 TOTAL ASSETS</b>	<b><u>\$122,607,190</u></b>	<b><u>\$123,385,747</u></b>	<b><u>(\$778,557)</u></b>
<b>39 LIABILITIES AND NET ASSETS</b>			
<b>40 CURRENT LIABILITIES</b>			
42 CURRENT MATURITIES OF LONG TERM DEBT	\$2,252,084	\$1,981,181	\$270,902
43 ACCOUNTS PAYABLE - TRADE	2,369,861	1,563,350	806,510
44 ESTIMATED THIRD PARTY PAYOR SETTLEMENTS	193,963	217,700	(23,737)
45 ACCRUED SALARIES, WAGES AND BENEFITS	10,966,858	10,751,022	215,837
46 ACCRUED INTEREST AND DUE TO WMS	<u>3,074,695</u>	<u>2,449,639</u>	<u>625,057</u>
<b>48 TOTAL CURRENT LIABILITIES</b>	<b>18,857,461</b>	<b>16,962,892</b>	<b>1,894,569</b>
<b>49 LONG TERM DEBT (LESS CURRENT PORTION)</b>	<b>46,662,629</b>	<b>49,270,010</b>	<b>(2,607,381)</b>
<b>52 TOTAL LIABILITIES</b>	<b>65,520,090</b>	<b>66,232,902</b>	<b>(712,812)</b>
<b>53 COMMITMENTS AND CONTINGENCIES</b>			
<b>56 NET ASSETS</b>			
<b>57 RESTRICTED FUNDS</b>			
58 DEBT SERVICE AND RESERVE	3,001,698	3,552,250	(550,552)
59 SPECIFIC PURPOSE FUND	98,237	74,593	23,645
60 PERMANENT ENDOWMENT	2,590,365	2,466,271	124,093
61 CURRENT YEAR INCOME	(476,102)	6,006,621	(6,482,723)
62 UNRESTRICTED	<u>51,872,903</u>	<u>45,053,110</u>	<u>6,819,793</u>
<b>64 TOTAL NET ASSETS</b>	<b>57,087,101</b>	<b>57,152,845</b>	<b>(65,744)</b>
<b>66 TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$122,607,190</u></b>	<b><u>\$123,385,747</u></b>	<b><u>(\$778,557)</u></b>

RICE MEMORIAL HOSPITAL CONSOLIDATED  
For the Three Months Ending March 31, 2012

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %
OPERATING REVENUE						
INPATIENT REVENUE	\$5,276,540	\$5,932,029	(11.0%)	\$15,823,946	\$17,074,890	(7.3%)
OUTPATIENT REVENUE	10,552,922	11,216,910	(5.9%)	30,313,140	30,697,349	(1.3%)
RICE CARE CENTER REVENUE	602,533	654,998	(8.0%)	1,854,517	1,922,735	(3.5%)
RICE HOME MEDICAL REVENUE	803,028	1,012,548	(20.7%)	2,602,144	3,050,132	(14.7%)
TOTAL PATIENT REVENUE	17,235,023	18,816,485	(8.4%)	50,593,747	52,745,106	(4.1%)
LESS DISCOUNTS & CONTRACTUALS	8,116,034	9,213,613	(11.9%)	24,130,201	25,679,398	(6.0%)
LESS UNCOMPENSATED CARE	119,387	159,282	(25.0%)	367,236	467,816	(21.5%)
TOTAL DEDUCTIONS FROM REVENUE	8,235,421	9,372,895	(12.1%)	24,497,437	26,147,214	(6.3%)
NET REVENUE FROM PATIENTS	8,999,602	9,443,590	(4.7%)	26,096,310	26,597,892	(1.9%)
OTHER OPERATING REVENUE	1,119,304	1,544,530	(27.5%)	4,001,476	4,614,617	(13.3%)
TOTAL OPERATING REVENUE	10,118,906	10,988,120	(7.9%)	30,097,786	31,212,509	(3.6%)
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	1,823,956	1,938,666	(5.9%)	5,258,571	5,359,068	(1.9%)
TOTAL OPERATING REVENUE	8,294,950	9,049,454	(8.3%)	24,839,215	25,853,441	(3.9%)
OPERATING EXPENSES						
SALARIES AND WAGES	3,781,153	3,981,702	(5.0%)	11,626,127	11,590,588	0.3%
CONTRACT LABOR	302,203	180,127	67.8%	854,380	529,588	61.3%
SUPPLEMENTAL BENEFITS	1,072,469	1,215,156	(11.7%)	3,247,205	3,543,877	(8.4%)
SUPPLIES	1,005,397	1,116,295	(9.9%)	2,826,874	3,170,792	(10.8%)
DRUGS	554,338	595,991	(7.0%)	2,093,359	1,582,340	32.3%
PURCHASED SERVICES	688,655	607,356	13.4%	1,930,165	1,795,889	7.5%
REPAIRS, SERVICE & RENTALS	334,990	303,135	10.5%	1,300,165	1,342,276	(3.1%)
UTILITIES	112,009	146,597	(23.6%)	824,003	909,404	(9.4%)
INSURANCE	54,717	55,706	(1.8%)	410,828	455,790	(9.9%)
PATIENT RELATED TRAVEL	40,493	36,814	10.0%	162,125	167,117	(3.0%)
EDUCATION, TRAVEL, & DUES	74,319	77,205	(3.7%)	105,551	109,442	(3.6%)
OTHER	36,242	44,400	(18.4%)	250,127	234,366	6.7%
DEPRECIATION AND AMORT	654,636	598,393	9.4%	1,956,362	1,795,178	9.0%
INTEREST	148,071	204,356	(27.5%)	563,115	619,600	(9.1%)
BAD DEBTS	88,851	160,728	(44.7%)	292,268	438,856	(33.4%)
TAXES & SURCHARGE	115,439	189,001	(38.9%)	461,512	567,008	(18.6%)
TOTAL OPERATING EXPENSES	9,062,982	9,512,962	(4.7%)	27,738,416	27,643,036	0.3%
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	607,741	798,959	(23.9%)	2,322,409	2,225,787	4.3%
NET OPERATING EXPENSES	8,456,241	8,714,003	(3.0%)	25,416,007	25,417,249	(0.0%)
OPERATING INCOME (LOSS)	(161,291)	335,451	(148.1%)	(576,792)	456,192	(232.2%)
NON OPERATING INCOME	(82,457)	84,976	(167.4%)	100,691	254,929	(60.5%)
NET INCOME (LOSS)	(\$243,748)	\$420,427	(158.0%)	(\$476,101)	\$601,121	(168.9%)
PRIOR YR						
TOTAL OPERATING REVENUE						
TOTAL OPERATING EXPENSES						
OPERATING INCOME (LOSS)						
NON OPERATING INCOME						
NET INCOME (LOSS)						
PRIOR YR						
TOTAL OPERATING REVENUE						
TOTAL OPERATING EXPENSES						
OPERATING INCOME (LOSS)						
NON OPERATING INCOME						
NET INCOME (LOSS)						

RICE HOSPITAL  
For the Three Months Ending March 31, 2012

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VAR	VAR %	PRIOR YR	VAR %
OPERATING REVENUE						
(9.3%) INPATIENT REVENUE	\$5,276,540	\$5,932,029	(\$655,489)	(11.0%)	\$5,818,629	(7.3%)
(3.7%) OUTPATIENT REVENUE	10,552,922	11,216,910	(663,988)	(5.9%)	10,955,595	(1.3%)
(5.6%) TOTAL PATIENT REVENUE	15,829,462	17,148,939	(1,319,477)	(7.7%)	16,774,224	(3.4%)
(7.7%) LESS DISCOUNTS & CONTRACTUALS	7,837,745	8,844,551	(1,006,806)	(11.4%)	8,493,597	(5.3%)
(64.5%) LESS UNCOMPENSATED CARE	116,316	159,282	(42,966)	(27.0%)	327,493	(22.7%)
(9.8%) TOTAL DEDUCTIONS FROM REVENUE	7,954,061	9,003,833	(1,049,772)	(11.7%)	8,821,090	(5.6%)
(1.0%) NET REVENUE FROM PATIENTS	7,875,401	8,145,106	(269,705)	(3.3%)	7,953,134	(1.0%)
(26.6%) OTHER OPERATING REVENUE	1,099,460	1,542,937	(443,477)	(28.7%)	1,498,445	(13.8%)
(5.0%) TOTAL OPERATING REVENUE	8,974,861	9,688,043	(713,182)	(7.4%)	9,451,579	(3.2%)
3.9% WILLMAR MEDICAL SERVICES	1,823,956	1,938,666	(114,710)	(5.9%)	1,755,030	(1.9%)
3.9% OPERATING REVENUE	1,150,905	7,749,377	(598,472)	(7.7%)	7,696,549	(3.5%)
(71.1%) TOTAL OPERATING REVENUE	10,221,708	10,221,708	74,193	0.7%	9,787,802	5.2%
(0.9%) SALARIES AND WAGES	3,340,136	3,515,400	(175,264)	(5.0%)	3,370,470	0.7%
34.9% CONTRACT LABOR	274,717	180,025	94,692	52.6%	203,720	47.1%
(11.3%) SUPPLEMENTAL BENEFITS	932,810	1,052,111	(119,301)	(11.3%)	999,385	(10.2%)
(0.7%) SUPPLIES	738,372	743,762	(5,390)	(0.7%)	783,317	(7.5%)
3.7% DRUGS	536,060	584,139	(48,079)	(8.2%)	517,135	32.2%
8.9% PURCHASED SERVICES	641,004	573,145	67,859	11.8%	588,607	5.6%
24.6% REPAIRS, SERVICE & RENTALS	312,587	280,693	31,894	11.4%	250,788	(8.8%)
(3.9%) UTILITIES	96,871	123,485	(26,614)	(21.6%)	100,787	(6.1%)
12.2% INSURANCE	46,394	47,430	(1,036)	(2.2%)	44,362	7.1%
16.6% PATIENT RELATED TRAVEL	24,208	23,763	445	1.9%	14,071	10.3%
16.6% EDUCATION, TRAVEL, & DUES	64,361	70,366	(6,005)	(8.5%)	55,193	3.6%
(35.6%) OTHER	29,815	37,196	(7,381)	(19.8%)	46,309	14.0%
3.6% DEPRECIATION AND AMORT	582,088	533,202	48,886	9.2%	561,625	3.2%
(31.9%) INTEREST	132,963	188,765	(55,802)	(29.6%)	195,250	(9.6%)
(45.3%) BAD DEBTS	82,234	155,221	(72,987)	(47.0%)	150,423	(33.7%)
(54.5%) TAXES & SURCHARGE	76,610	149,608	(72,998)	(48.8%)	168,475	(26.5%)
(1.7%) TOTAL OPERATING EXPENSES	7,911,230	8,256,311	(347,081)	(4.2%)	8,046,917	4.3%
LESS: WILLMAR MEDICAL SERVICES	607,741	798,959	(191,218)	(23.9%)	821,475	4.3%
(26.0%) OPERATING EXPENSES	7,303,489	7,459,352	(155,863)	(2.1%)	7,225,442	0.6%
(1.1%) NET OPERATING EXPENSES	(\$157,584)	\$290,025	(\$447,609)	(152.6%)	\$471,107	(305.5%)
(132.2%) OPERATING INCOME (LOSS)	26,467,845	27,335,784	(867,939)	(3.2%)	27,072,861	(2.2%)
(3.2%) TOTAL OPERATING REVENUE	21,208,274	21,976,716	(767,442)	(3.5%)	22,104,341	(4.0%)
(0.9%) TOTAL OPERATING EXPENSES	24,128,846	23,911,876	216,970	0.9%	23,133,262	4.3%
2,322,409	2,322,409	96,622	4.3%	2,193,664	5.9%	
21,806,437	21,666,089	120,348	0.6%	20,939,598	4.1%	
(\$597,163)	\$290,627	(\$887,790)	(305.5%)	\$1,634,845	(151.3%)	

RICE CARE CENTER  
For the Three Months Ending March 31, 2012

	CURRENT MONTH			YEAR TO DATE				
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %	PRIOR YR	VAR %
OPERATING REVENUE								
16.0% RICE CARE CENTER REVENUE	\$602,533	\$654,998	8.0%	\$1,854,517	\$1,922,735	3.5%	\$1,375,868	34.8%
16.0% TOTAL PATIENT REVENUE	602,533	654,998	8.0%	1,854,517	1,922,735	3.5%	1,375,868	34.8%
100.4% LESS DISCOUNTS & CONTRACTUALS	98,452	141,238	30.3%	291,349	414,602	29.7%	179,508	62.3%
100.4% TOTAL DEDUCTIONS FROM REVENUE	98,452	141,238	30.3%	291,349	414,602	29.7%	179,508	62.3%
7.2% NET REVENUE FROM PATIENTS	504,081	513,760	1.9%	1,563,168	1,508,133	3.6%	1,196,360	30.7%
15.0% OTHER OPERATING REVENUE	711	593	19.9%	3,100	1,740	78.2%	3,262	(5.0%)
7.2% TOTAL OPERATING REVENUE	504,792	514,353	1.9%	1,566,268	1,509,873	3.7%	1,199,622	30.6%
LESS: WILLMAR MEDICAL SERVICES								
7.2% TOTAL OPERATING REVENUE	504,792	514,353	1.9%	1,566,268	1,509,873	3.7%	1,199,622	30.6%
OPERATING EXPENSES								
12.0% SALARIES AND WAGES	224,286	223,649	0.3%	684,595	656,572	28,023	575,103	19.0%
39.167.1% CONTRACT LABOR	27,487	102	26,848.0%	75,918	298	75,620	234	32,343.6%
19.0% SUPPLEMENTAL BENEFITS	92,373	94,203	(1,830)	297,375	277,434	19,941	246,840	20.5%
6.8% SUPPLIES	30,626	39,325	(8,699)	101,845	115,627	(13,782)	84,004	21.2%
52.5% DRUGS	18,278	11,851	6,427	47,106	34,789	12,317	27,419	71.8%
45.9% PURCHASED SERVICES	19,169	10,159	88.7%	43,594	30,244	13,350	28,586	52.5%
58.0% REPAIRS, SERVICE & RENTALS	7,850	4,354	80.3%	12,669	13,061	(392)	9,900	28.0%
55.9% UTILITIES	2,869	2,954	(85)	31,387	42,427	(11,040)	21,136	48.5%
14.3% INSURANCE	226	122	104	8,608	8,862	(254)	7,532	14.3%
296.5% PATIENT RELATED TRAVEL	4,086	3,809	277	919	365	554	148	520.9%
(24.5%) EDUCATION, TRAVEL, & DUES	10	320	(310)	14,563	11,426	3,137	12,594	15.6%
(98.3%) OTHER	31,141	31,141	0	253	960	(707)	848	(70.2%)
142.6% DEPRECIATION AND AMORT	10,900	11,337	(437)	93,353	93,353	0	38,797	140.6%
(23.2%) INTEREST	2,935	2,033	902	33,080	34,012	(932)	22,955	44.1%
35.1% BAD DEBTS	34,968	35,675	(707)	335	5,967	(5,632)	8,821	(96.2%)
77.1% TAXES & SURCHARGE				86,680	107,025	(20,345)	56,343	53.8%
29.1% TOTAL OPERATING EXPENSES	516,438	483,218	6.9%	1,532,280	1,432,422	99,858	1,141,260	34.3%
LESS: WILLMAR MEDICAL SERVICES								
29.1% NET OPERATING EXPENSES	516,438	483,218	6.9%	1,532,280	1,432,422	99,858	1,141,260	34.3%
OPERATING INCOME (LOSS)	(\$11,646)	\$31,135	(137.4%)	(\$33,988)	\$77,451	(\$111,439)	\$59,862	(41.9%)

RICE HOME MEDICAL  
For the Three Months Ending March 31, 2012

	CURRENT MONTH			YEAR TO DATE					
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %	PRIOR YR	VAR %	
803,028	1,012,548	(209,520)	(20.7%)	2,602,144	3,050,132	(447,988)	(14.7%)	2,403,149	8.3%
803,028	1,012,548	(209,520)	(20.7%)	2,602,144	3,050,132	(447,988)	(14.7%)	2,403,149	8.3%
179,837	227,824	(47,987)	(21.1%)	558,654	686,280	(127,626)	(18.6%)	548,479	1.9%
3,071		3,071	#DIV/0!	5,601		5,601	#DIV/0!		#DIV/0!
182,908	227,824	(44,916)	(19.7%)	564,255	686,280	(122,025)	(17.8%)	548,479	2.9%
620,120	784,724	(164,604)	(21.0%)	2,037,889	2,366,852	(325,963)	(13.8%)	1,854,670	9.9%
19,134	1,000	18,134	1,813.4%	25,784	3,000	22,784	759.5%	4,228	509.8%
639,254	785,724	(146,470)	(18.6%)	2,063,673	2,366,852	(303,179)	(12.8%)	1,858,898	11.0%
LESS: WILLMAR MEDICAL SERVICES									
639,254	785,724	(146,470)	(18.6%)	2,063,673	2,366,852	(303,179)	(12.8%)	1,858,898	11.0%
<b>OPERATING REVENUE</b>									
RICE HOME MEDICAL REVENUE (4.2%)									
TOTAL PATIENT REVENUE (4.2%)									
LESS DISCOUNTS & CONTRACTUALS (5.1%)									
LESS UNCOMPENSATED CARE (5.1%)									
<b>TOTAL DEDUCTIONS FROM REVENUE (3.5%)</b>									
<b>NET REVENUE FROM PATIENTS (4.5%)</b>									
OTHER OPERATING REVENUE (1.185.9%)									
<b>TOTAL OPERATING REVENUE (1.7%)</b>									
LESS: WILLMAR MEDICAL SERVICES									
<b>OPERATING EXPENSES</b>									
SALARIES AND WAGES (24.3%)									
CONTRACT LABOR (100.0%)									
SUPPLEMENTAL BENEFITS (3.5%)									
SUPPLIES (13.7%)									
PURCHASED SERVICES (22.7%)									
REPAIRS, SERVICE & RENTALS (20.4%)									
UTILITIES (56.6%)									
INSURANCE (3.0%)									
PATIENT RELATED TRAVEL (7.3%)									
EDUCATION, TRAVEL, & DUES (81.4%)									
OTHER (1.3%)									
DEPRECIATION AND AMORT (0.1%)									
INTEREST (24.7%)									
BAD DEBTS (336.0%)									
TAXES & SURCHARGE (29.5%)									
<b>TOTAL OPERATING EXPENSES (0.2%)</b>									
LESS: WILLMAR MEDICAL SERVICES									
<b>NET OPERATING EXPENSES (0.2%)</b>									
<b>OPERATING INCOME (LOSS) (80.9%)</b>									

**RICE HOME MEDICAL**  
For the Month Ending March 31, 2012

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	CHANGE	Prior Yr	% of SALES/GP	CHANGE
<b>GROSS SALES</b>								
SALES REVENUE	\$493,128	61.4%	\$631,347	62.4%	(21.9%)	\$512,972	61.2%	(3.9%)
RENTS REVENUE	309,899	38.6%	381,201	37.6%	(18.7%)	325,579	38.8%	(4.8%)
<b>GROSS SALES</b>	<b>803,027</b>	<b>100.0%</b>	<b>1,012,548</b>	<b>100.0%</b>	<b>(20.7%)</b>	<b>838,551</b>	<b>100.0%</b>	<b>(4.2%)</b>
LESS: CONTRACTUAL ALLOWANCES	(179,837)	(22.4%)	(227,824)	(22.5%)	(21.1%)	(189,446)	(22.6%)	(5.1%)
LESS: UNCOMPENSATED CARE	(3,071)	(0.4%)		0.0%	0.0%		0.0%	0.0%
<b>NET SALES</b>	<b>620,119</b>	<b>77.2%</b>	<b>784,724</b>	<b>77.5%</b>	<b>(21.0%)</b>	<b>649,105</b>	<b>77.4%</b>	<b>(4.5%)</b>
<b>COST OF GOODS SOLD</b>								
OXYGEN	11,777	1.9%	12,125	1.5%	(2.9%)	8,612	1.3%	36.8%
EQUIPMENT	54,891	8.9%	106,419	13.6%	(48.4%)	68,732	10.6%	(20.1%)
SUPPLY - FREIGHT	13,899	2.2%	14,801	1.9%	(6.1%)	12,747	2.0%	9.0%
SUPPLY	136,290	22.0%	170,624	21.7%	(20.1%)	162,579	25.0%	(16.2%)
EQUIPMENT REPAIR	7,137	1.2%	17,821	2.3%	(60.0%)	7,055	1.1%	1.2%
SHOP EXPENSE	3,600	0.6%	367	0.0%	880.9%	3,668	0.6%	(1.9%)
EQUIPMENT RENTAL & LEASES		0.0%	348	0.0%	(100.0%)		0.0%	0.0%
PURCHASE DISCOUNTS	(19,134)	(3.1%)	(1,000)	(0.1%)	1,813.4%	(1,488)	(0.2%)	1,185.9%
<b>TOTAL COST OF GOODS SOLD</b>	<b>208,460</b>	<b>33.6%</b>	<b>321,505</b>	<b>41.0%</b>	<b>(35.2%)</b>	<b>261,905</b>	<b>40.3%</b>	<b>(20.4%)</b>
<b>GROSS PROFIT</b>	<b>594,567</b>	<b>74.1%</b>	<b>691,043</b>	<b>68.5%</b>	<b>(14.1%)</b>	<b>576,646</b>	<b>71.7%</b>	<b>6.3%</b>
<b>OPERATING EXPENSES</b>								
SALARIES & WAGES	216,730	34.9%	242,653	30.9%	(10.7%)	174,355	26.9%	24.3%
CONTRACT LABOR		0.0%		0.0%	0.0%	4,961	0.8%	(100.0%)
SUPPLEMENTAL BENEFITS	47,286	7.6%	68,841	8.8%	(31.3%)	45,667	7.0%	3.5%
SUPPLIES AND DRUGS	8,806	1.4%	10,703	1.4%	(17.7%)	10,488	1.6%	(16.0%)
PURCHASED SERVICES	28,483	4.6%	24,052	3.1%	18.4%	23,212	3.6%	22.7%
REPAIRS, SERVICE & RENTALS	14,552	2.3%	18,089	2.3%	(19.6%)	18,284	2.8%	(20.4%)
UTILITIES	5,904	1.0%	10,928	1.4%	(46.0%)	13,589	2.1%	(56.6%)
INSURANCE	5,454	0.9%	5,322	0.7%	2.5%	5,621	0.9%	(3.0%)
PATIENT RELATED TRAVEL	16,059	2.6%	12,929	1.6%	24.2%	14,967	2.3%	7.3%
EDUCATION, TRAVEL, & DUES	5,871	0.9%	3,030	0.4%	93.8%	3,237	0.5%	81.4%
OTHER EXPENSE	6,416	1.0%	6,884	0.9%	(6.8%)	6,500	1.0%	(1.3%)
DEPRECIATION & AMORTIZATION	41,407	6.7%	34,050	4.3%	21.6%	41,386	6.4%	0.1%
INTEREST EXPENSE	4,207	0.7%	4,254	0.5%	(1.1%)	5,584	0.9%	(24.7%)
BAD DEBTS	3,682	0.6%	3,474	0.4%	6.0%	(1,560)	(0.2%)	(336.0%)
TAXES	3,861	0.6%	3,718	0.5%	3.8%	5,476	0.8%	(29.5%)
<b>TOTAL OPERATING EXPENSES</b>	<b>408,718</b>	<b>65.9%</b>	<b>448,927</b>	<b>57.2%</b>	<b>(9.0%)</b>	<b>371,767</b>	<b>57.3%</b>	<b>9.9%</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>2,941</b>	<b>0.5%</b>	<b>14,292</b>	<b>1.8%</b>	<b>(79.4%)</b>	<b>15,433</b>	<b>2.4%</b>	<b>(80.9%)</b>
NON-OPERATING INCOME	915	0.1%	1,060	0.1%	(13.7%)	5,544	0.9%	(83.5%)
<b>NET INCOME (LOSS)</b>	<b>3,856</b>	<b>0.6%</b>	<b>15,352</b>	<b>2.0%</b>	<b>(74.9%)</b>	<b>20,977</b>	<b>3.2%</b>	<b>(81.6%)</b>

**RICE HOME MEDICAL**  
For the Three Months Ending March 31, 2012

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	CHANGE	Prior Yr.	% of SALES/GP	% CHANGE
<b>GROSS SALES</b>								
SALES REVENUE	\$1,659,719	63.8%	\$1,883,788	61.8%	(11.9%)	\$1,514,393	63.0%	9.6%
RENTS REVENUE	942,424	36.2%	1,166,344	38.2%	(19.2%)	888,756	37.0%	6.0%
MISC REVENUE		0.0%		0.0%	0.0%	137	0.0%	(100.0%)
<b>GROSS SALES</b>	<b>2,602,143</b>	<b>100.0%</b>	<b>3,050,132</b>	<b>100.0%</b>	<b>(14.7%)</b>	<b>2,403,286</b>	<b>100.0%</b>	<b>8.3%</b>
LESS: CONTRACTUAL ALLOWANCES	(558,654)	(21.5%)	(686,280)	(22.5%)	(18.6%)	(548,479)	(22.8%)	1.9%
LESS: UNCOMPENSATED CARE	(5,601)	(0.2%)		0.0%	0.0%		0.0%	0.0%
<b>NET SALES</b>	<b>2,037,888</b>	<b>78.3%</b>	<b>2,363,852</b>	<b>77.5%</b>	<b>(13.8%)</b>	<b>1,854,807</b>	<b>77.2%</b>	<b>9.9%</b>
<b>COST OF GOODS SOLD</b>								
OXYGEN	33,199	1.6%	37,779	1.6%	(12.1%)	34,507	1.9%	(3.8%)
EQUIPMENT	201,115	9.9%	302,324	12.8%	(33.5%)	248,286	13.4%	(19.0%)
SUPPLY - FREIGHT	42,175	2.1%	44,403	1.9%	(5.0%)	29,964	1.6%	40.8%
SUPPLY	484,427	23.8%	529,904	22.4%	(8.6%)	427,294	23.0%	13.4%
EQUIPMENT REPAIR	24,318	1.2%	50,757	2.1%	(52.1%)	21,785	1.2%	11.6%
SHOP EXPENSE	14,001	0.7%	1,101	0.0%	1,171.7%	7,513	0.4%	86.4%
EQUIPMENT RENTAL & LEASES		0.0%	1,044	0.0%	(100.0%)		0.0%	0.0%
PURCHASE DISCOUNTS	(25,784)	(1.3%)	(3,000)	(0.1%)	(759.5%)	(4,091)	(0.2%)	530.3%
<b>TOTAL COST OF GOODS SOLD</b>	<b>773,451</b>	<b>38.0%</b>	<b>964,312</b>	<b>40.8%</b>	<b>(19.8%)</b>	<b>765,258</b>	<b>41.3%</b>	<b>1.1%</b>

**GROSS PROFIT** 1,264,437 (48.4%) 1,397,540 (45.2%) 1,082,549 (41.7%) 16.1%

<b>OPERATING EXPENSES</b>								
SALARIES & WAGES	645,631	31.7%	712,308	30.1%	(9.4%)	546,051	29.4%	18.2%
CONTRACT LABOR		0.0%		0.0%	0.0%	9,569	0.5%	(100.0%)
SUPPLEMENTAL BENEFITS	199,623	9.8%	204,410	8.6%	(2.3%)	156,939	8.5%	27.2%
SUPPLIES AND DRUGS	22,633	1.1%	30,546	1.3%	(25.9%)	28,961	1.6%	(21.9%)
PURCHASED SERVICES	98,126	4.8%	72,156	3.1%	36.0%	65,027	3.5%	50.9%
REPAIRS, SERVICE & RENTALS	43,303	2.1%	54,267	2.3%	(20.2%)	49,629	2.7%	(12.7%)
UTILITIES	23,224	1.1%	34,008	1.4%	(31.7%)	28,568	1.5%	(18.7%)
INSURANCE	16,362	0.8%	15,966	0.7%	2.5%	16,864	0.9%	(3.0%)
PATIENT RELATED TRAVEL	41,834	2.1%	38,776	1.6%	7.9%	34,632	1.9%	20.8%
EDUCATION, TRAVEL, & DUES	16,813	0.8%	11,842	0.5%	42.0%	8,699	0.5%	93.3%
OTHER EXPENSE	12,289	0.6%	20,652	0.9%	(40.5%)	12,018	0.6%	2.3%
DEPRECIATION & AMORTIZATION	122,800	6.0%	102,149	4.3%	20.2%	117,283	6.3%	4.7%
INTEREST EXPENSE	12,281	0.6%	12,762	0.5%	(3.8%)	17,135	0.9%	(28.3%)
BAD DEBTS	11,881	0.6%	10,422	0.4%	14.0%	6,407	0.3%	85.4%
TAXES	11,258	0.6%	11,160	0.5%	0.9%	12,928	0.7%	(12.9%)
<b>TOTAL OPERATING EXPENSES</b>	<b>1,278,058</b>	<b>62.7%</b>	<b>1,331,424</b>	<b>56.3%</b>	<b>(4.0%)</b>	<b>1,110,710</b>	<b>59.9%</b>	<b>15.1%</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>(13,621)</b>	<b>(0.7%)</b>	<b>68,116</b>	<b>2.9%</b>	<b>(120.0%)</b>	<b>(21,161)</b>	<b>(1.1%)</b>	<b>(35.6%)</b>
<b>NON-OPERATING INCOME</b>	<b>10,939</b>	<b>0.5%</b>	<b>3,180</b>	<b>0.1%</b>	<b>244.0%</b>	<b>16,004</b>	<b>0.9%</b>	<b>(31.6%)</b>

**NET INCOME (LOSS)** (2,682) (0.1%) 71,296 (2.8%) (55,157) (2.0%) 16.1%

**RICE MEMORIAL HOSPITAL  
CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE PERIOD ENDED:  
March 31, 2012**

Line #	Current YTD	Prior YTD
1 Sources of Cash & Investments:		
2 Net Income	\$ (476,104)	\$ 1,345,600
3 Depreciation & Amortization	1,956,363	\$ 1,841,621
4 Debt Proceeds	-	
5 Other		
6		
7 Total Sources	<u>1,480,259</u>	<u>3,187,221</u>
8		
9 Uses		
10 Property, Plant, and Equipment - Gross	2,443,526	1,563,037
11 Debt Payments	2,336,478	348,176
12 Working Capital Changes & Other - Net	(485,537)	(3,903,519)
13		
14 Total Uses	<u>4,294,467</u>	<u>(1,992,306)</u>
15		
16 Increase / (Decrease) Cash & Investments	(2,814,208)	5,179,527
17		
18 Beginning of Period (January 1)	<u>28,854,321</u>	<u>19,798,398</u>
19		
20 End of Period	<u>\$ 26,040,113</u>	<u>\$ 24,977,925</u>

STATISTICAL AND VOLUME SUMMARY  
FOR THE PERIOD ENDED:

March 31, 2012

Line #	CURRENT MONTH			YEAR-TO-DATE			Act/Prior	
	Actual	Budget	Var.	Actual	Budget	Var.	Prior Yr.	Var. %
1	574	605	(31)	1,740	1,756	(16)	1,977	-12.0%
2	237	248	(11)	757	736	21	749	1.1%
3	77	72	5	228	207	21	218	4.6%
4	206	192	14	566	564	2	584	-3.1%
5	1,094	1,117	(23)	3,291	3,263	28	3,528	-6.7%
6	35.3	36.0	(0.7)	36.2	35.9	0.3	39.2	-7.7%
7	2.81	3.50	(0.69)	3.18	3.50	(0.32)	3.63	-12.5%
8	372	319	53	1,021	932	89	978	4.4%
9	258	270	(12)	751	797	(46)	702	7.0%
10	-	1,265	(1,265)	-	1,265	(1,265)	1,195	-100.0%
11	-	1,035	(1,035)	-	1,035	(1,035)	1,038	-100.0%
12	1,116	923	193	2,982	2,608	373	2,675	11.5%
13	3,282	3,229	53	9,595	9,129	466	9,641	-0.5%
14	7	35	(28)	22	90	(68)	125	-82.4%
15	134	143	(9)	352	420	(68)	448	-21.4%
16	4.5	5.7	(1.2)	4.1	5.6	(1.5)	6.4	-35.4%
17	65	69	(4)	173	196	(23)	194	-10.8%
18	2,101	2,325	(224)	6,441	6,825	(384)	5,719	12.6%
19	67.8	75.0	(7.2)	70.8	75.0	(4.2)	63.5	11.4%

Patient Days

Adult Health Care  
Women and Children's Care  
ICCU  
Mental Health  
Total Adult & Peds

Average Daily Census  
Average Length of Stay

Admissions-Inpatient  
Observation patients  
Medicare Case Mix Index  
Case Mix Index-Total

Adjusted Admissions  
Adjusted Patient Days  
Intermediate Care Nursery  
Nursery

Average Daily Census-ICN/Nursery  
Births

Rice Care Center-Days  
Rice Care Center-Average Daily Census

WISCONSIN STATE HOSPITAL  
 STATISTICAL AND VOLUME SUMMARY  
 FOR THE PERIOD ENDED:  
 March 31, 2012

CURRENT MONTH

	Actual	Budget	Var.	Var. %	Prior Yr.
30					
31	116	147	(31)	-21.1%	151
32	240	340	(100)	-29.4%	346
33	356	487	(131)	-26.9%	497
34					
35	214	199	15	7.5%	194
36	947	903	44	4.9%	904
37	1,161	1,102	59	5.4%	1,098
38					
39	23,754	26,108	(2,354)	-9.0%	27,271
40	1,700	1,549	151	9.7%	1,608
41	826	636	190	29.9%	506
42	306	208	98	47.1%	214
43	120	115	5	4.3%	139
44	695	713	(18)	-2.5%	721
45	3,524	3,858	(334)	-8.7%	3,714
46	2,400	2,123	277	13.0%	2,067
47	239	237	2	0.8%	234
48					
49					
50					
51	643	658	(15)	-2.3%	630
52	81	77	4	5.6%	71
53	70	71	(2)	-2.3%	64
54	793	806	(13)	-1.6%	765

YEAR-TO-DATE

	Actual	Budget	Var.	Var. %	Prior Yr.	Act/Prior	Var. %
	385	447	(62)	-13.9%	459		-16.1%
	709	835	(126)	-15.1%	849		-16.5%
	1,094	1,282	(188)	-14.7%	1,308		-16.4%
	579	588	(9)	-1.5%	573		1.0%
	2,663	2,621	42	1.6%	2,624		1.5%
	3,242	3,209	33	1.0%	3,197		1.4%
	70,645	74,303	(3,658)	-4.9%	76,568		-7.7%
	4,760	4,499	261	5.8%	4,680		1.7%
	2,154	1,850	304	16.4%	1,506		43.0%
	642	538	104	19.3%	550		16.7%
	374	331	43	13.0%	397		-5.8%
	2,024	2,080	(56)	-2.7%	2,100		-3.6%
	10,579	10,445	134	1.3%	10,367		2.0%
	6,343	6,052	291	4.8%	5,940		6.8%
	648	667	(19)	-2.8%	673		-3.7%
	655	646	9	1.4%	628		4.3%
	83	76	6	8.4%	70		18.0%
	69	71	(2)	-2.3%	66		5.9%
	808	794	14	1.7%	764		5.7%

Ancillary Services

IP Surgeries							
OP Surgeries							
Total Surgeries							
ER Visits-Inpatient							
ER Visits-Outpatient							
ER Visits-Total							
Lab Tests							
Medical Imaging Procedures							
Radiation Oncology Treatments							
Medical Oncology Visits							
GJ Procedures							
Dialysis Treatments							
Rehab Visits							
Hospice Visits							
Ambulance Runs							

Full Time Equivalents (FTE's)

FTE's - Hospital							
FTE's - Care Center							
FTE's - Home Medical							
Total FTE's							

KEY PERFORMANCE INDICATORS

FOR THE PERIOD ENDED:

03/31/12

Line #		Month-to-Date				Year-to-Date				Industry Benchmarks				
		Actual	Budget	Prior Yr	Variance Act vs Bud	Variance Act vs Prior	Actual	Budget	Prior Yr		Variance Act vs Bud	Variance Act vs Prior		
1	<b>OPERATIONAL</b>													
2	Operating Margin	-2.1%	3.7%	6.1%	-5.9%	-8.3%	-2.8%	1.3%	5.3%	-4.1%	-8.1%			
3	Rice Hospital	-2.3%	6.1%	15.1%	-8.4%	-17.4%	2.2%	5.1%	4.9%	-3.0%	-2.7%			
4	Rice Care Center	0.5%	1.8%	2.4%	-1.4%	-1.9%	-0.7%	2.9%	-1.1%	-3.5%	0.5%			
5	Rice Home Medical													
6	7 Consolidated Operating Margin	-1.9%	3.7%	6.3%	-5.7%	-8.3%	-2.3%	1.7%	4.8%	-4.0%	-7.1%			1.6%
7	8 Consolidated Excess Margin	-3.0%	4.6%	7.0%	-7.6%	-9.9%	-1.9%	2.6%	5.3%	-4.6%	-7.2%			3.0%
8	9 EBIDA	6.8%	13.4%	16.3%	-6.6%	-9.5%	8.2%	11.1%	15.1%	-2.9%	-6.9%			9.7%
9	(Earnings Before Interest + Depreciation + Amortization)													
10	10													
11	<b>FINANCIAL</b>													
12	12													
13	13													
14	14 Debt/Capitalization Ratio						45%	45%	49%	-0.1%	-4.5%			41%
15	15 Debt Service Coverage						2.0	2.9	3.3	-30.7%	-39.8%			2.9
16	16 Net Days In Accounts Receivable-Hospital						67	50	63	33.5%	6.0%			45
17	17 Days of Cash						100	126	102	-20.7%	-1.7%			134
18	18 Unrestricted Cash/Debt						56%	71%	49%	-21.4%	15.0%			97%
19	19 Cushion Ratio						6.4	8.0	5.5	-19.9%	17.2%			9.6
20	20 Average Age of Plant						8.9	10.5	9.2	-15.5%	-3.9%			10.2
21	21 Financial Strength Index						(0.60)	1.10	1.65	-155.0%	-136.7%			0.30
22	<b>PRODUCTIVITY</b>													
23	23 Rice Hospital													
24	24													
25	25 Controllable Expense/Adj. Admit	\$ 6,380	\$ 8,006	\$ 6,998	-20.3%	-8.8%	\$ 7,225	\$ 8,162	\$ 7,634	-11.5%	-5.4%			\$ 8,429
26	26													
27	27 Compensation Ratio	50.7%	49.0%	48.4%	3.4%	4.7%	52.2%	49.8%	49.0%	4.9%	6.5%			50%
28	28													
29	29 FTE per Adjusted Admit	11.2	13.8	12.0	-18.9%	-6.3%	12.9	14.3	13.6	-9.7%	-5.4%			14.9
30	30 FTE per Adjusted Patient Day	3.8	4.4	3.4	-13.6%	11.6%	4.0	4.1	3.8	-2.3%	5.9%			4.4
31	31													
32	32 Supply Expense per CMI Adjusted Discharge	#DIV/0!	\$ 779	\$ 769	#DIV/0!	#DIV/0!	#DIV/0!	\$ 762	\$ 734	#DIV/0!	#DIV/0!			
33	33 Drug Expense per CMI Adjusted Discharge	#DIV/0!	\$ 612	\$ 507	#DIV/0!	#DIV/0!	#DIV/0!	\$ 573	\$ 556	#DIV/0!	#DIV/0!			
34	34 Total Supply & Drug Expense per CMI Adj. Disch	#DIV/0!	\$ 1,391	\$ 1,276	#DIV/0!	#DIV/0!	#DIV/0!	\$ 1,335	\$ 1,280	#DIV/0!	#DIV/0!			1,271
35	35													
36	36 Bad Debt as % of Net Patient Revenue	1.0%	1.9%	1.9%	-45.2%	-44.8%	1.2%	1.9%	1.8%	-33.0%	-30.2%			5.9%
37	37													
38	38 Capital Expense (Interest + Depreciation)	9.0%	8.7%	9.4%	3.4%	-3.9%	9.4%	9.1%	9.8%	3.0%	-4.9%			6.9%
39	39													
40	40 Rice Care Center Hours per Day	6.3	5.5	6.1	14.7%	3.4%	6.2	5.5	6.0	12.2%	4.3%			5.8
41	41													
42	42 Rice Home Medical													
43	43 Sales per FTE	\$ 138,175	\$ 170,224	\$ 157,499	-18.8%	-12.3%	\$ 149,850	\$ 171,693	\$ 146,489	-12.7%	-2.3%			
44	44													
45	45 Inventory Turns						5.76	6.95	7.77	-17.1%	-25.8%			
46	46 Inventory Days on Hand						63.3	52.5	47.0	20.7%	34.8%			
47	47													
48	48 Net Days in Accounts Receivable						120	70	89	70.8%	33.8%			

WILLMAR MUNICIPAL UTILITIES  
FINANCIAL STATEMENTS SUMMARY  
THRU FIRST QUARTER ENDING MARCH 31

	2012	2011	INCREASE (DECREASE)	% INCREASE (DECREASE)
<b>CONSUMPTION</b>				
ELECTRIC	KWH	KWH	KWH	
RESIDENTIAL	17,433,509	19,118,325	(1,684,816)	-8.81%
COMMERCIAL/INDUSTRIAL	49,850,125	51,457,366	(1,607,241)	-3.12%
TOTAL	67,283,634	70,575,691	(3,292,057)	-4.66%
WATER (CU.FT.)	34,131,700	35,819,300	(1,687,600)	-4.71%
HEATING (KWH)	10,681,717	13,180,160	(2,498,443)	-18.96%
<b>COMBINED</b>				
REVENUES	\$7,056,358	\$6,552,622	\$503,736	7.69%
EXPENSES	\$5,598,646	\$6,017,679	(\$419,033)	-6.96%
OPERATING INCOME	\$1,457,712	\$534,943	\$922,769	172.50%
RETAINED EARNINGS	\$965,109	\$35,466	\$929,643	2621.22%
<b>ELECTRIC DIVISION</b>				
REVENUES	\$6,237,627	\$5,670,604	\$567,023	10.00%
EXPENSES	\$4,970,535	\$5,355,305	(\$384,770)	-7.18%
OPERATING INCOME	\$1,267,092	\$315,299	\$951,793	301.87%
RETAINED EARNINGS(LOSS)	\$822,006	(\$125,249)	\$947,255	756.30%
<b>WATER DIVISION</b>				
REVENUES	\$442,104	\$419,264	\$22,840	5.45%
EXPENSES	\$416,817	\$408,465	\$8,352	2.04%
OPERATING INCOME	\$25,287	\$10,799	\$14,488	134.16%
RETAINED EARNINGS(LOSS)	(\$1,972)	(\$20,056)	\$18,084	90.17%
<b>HEATING DIVISION</b>				
REVENUES	\$376,627	\$462,754	(\$86,127)	-18.61%
EXPENSES	\$211,294	\$253,909	(\$42,615)	-16.78%
OPERATING INCOME	\$165,333	\$208,845	(\$43,512)	-20.83%
RETAINED EARNINGS	\$145,075	\$180,771	(\$35,696)	-19.75%



WILLMAR MUNICIPAL UTILITIES  
 COMBINING STATEMENT OF OPERATIONS  
 FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

Y E A R T O D A T E

	ELECTRIC DIVISION	WATER DIVISION	HEATING DIVISION	2012 TOTAL	2,011 TOTAL	INCREASE (DECREASE)
OPERATING REVENUES:						
UTILITY REVENUES	6,169,537	428,274	375,523	6,973,334	6,475,499	497,835
PENALTIES	45,579	8,279	1,104	54,962	47,847	7,115
OTHER	22,511	5,551		28,062	29,276	(1,214)
<b>TOTAL OPERATING REVENUES</b>	<b>6,237,627</b>	<b>442,104</b>	<b>376,627</b>	<b>7,056,358</b>	<b>6,552,622</b>	<b>503,736</b>
OPERATING EXPENSES:						
PRODUCTION:						
OPERATIONS	746,408	70,590	104,449	921,447	1,052,491	(131,044)
MAINTENANCE	89,227	33,812		123,039	141,897	(18,858)
PURCHASED POWER	2,781,977	31,523		2,813,500	3,072,289	(258,789)
TRANSMISSION	62,291			62,291	66,981	(4,690)
DISTRIBUTION:						
OPERATIONS	113,859	19,676	13,442	146,977	164,629	(17,652)
MAINTENANCE	56,873	17,785	1,796	76,454	96,439	(19,985)
CUSTOMER ACCOUNTS	55,975	38,603	1,931	96,509	96,308	201
ENERGY SERVICES	43,347			43,347	30,486	12,861
ADMINISTRATIVE AND GENERAL	603,149	111,695	29,785	744,629	719,913	24,716
DEPRECIATION	417,429	93,133	59,891	570,453	576,246	(5,793)
<b>TOTAL OPERATING EXPENSES</b>	<b>4,970,535</b>	<b>416,817</b>	<b>211,294</b>	<b>5,598,646</b>	<b>6,017,679</b>	<b>(419,033)</b>
<b>OPERATING INCOME</b>	<b>1,267,092</b>	<b>25,287</b>	<b>165,333</b>	<b>1,457,712</b>	<b>534,943</b>	<b>922,769</b>
OTHER INCOME (EXPENSES)						
INTEREST INCOME	63,207	7,615	5,331	76,153	71,870	4,283
MERCHANDISE AND CONTRACT WORK, NET	5,674			5,674	2,342	3,332
INTEREST EXPENSE	(87,683)	(5,634)		(93,317)	(98,828)	5,511
AMORTIZATION EXPENSE	(954)	(453)		(1,407)	(1,935)	528
<b>TOTAL OTHER EXPENSES, NET</b>	<b>(19,756)</b>	<b>1,528</b>	<b>5,331</b>	<b>(12,897)</b>	<b>(26,551)</b>	<b>13,654</b>
<b>INCOME (LOSS)</b>	<b>1,247,336</b>	<b>26,815</b>	<b>170,664</b>	<b>1,444,815</b>	<b>508,392</b>	<b>936,423</b>
DEDUCT INTERGOVERNMENTAL TRANSFER	425,330	28,787	25,589	479,706	472,926	6,780
<b>NET INCOME (LOSS)</b>	<b>822,006</b>	<b>(1,972)</b>	<b>145,075</b>	<b>965,109</b>	<b>35,466</b>	<b>929,643</b>
	<b>13.00%</b>	<b>-0.00%</b>	<b>39.00%</b>	<b>14.00%</b>	<b>1.00%</b>	

WILLMAR MUNICIPAL UTILITIES  
 STATEMENT OF COMPARISON IN CONSUMPTIONS  
 FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

	2012	2011	INCREASE (DECREASE)
<u>ELECTRIC (KWH)</u>			
RESIDENTIAL	17,433,509	19,118,325	(1,684,816)
COMMERCIAL AND INDUSTRIAL	49,850,125	51,457,366	(1,607,241)
TOTAL	<u>67,283,634</u>	<u>70,575,691</u>	<u>(3,292,057)</u>
<u>WATER (CU. FT.)</u>			
RESIDENTIAL AND COMMERCIAL	34,131,700	35,819,300	(1,687,600)
<u>HOT WATER (KWH)</u>			
RESIDENTIAL AND COMMERCIAL	10,681,717	13,180,160	(2,498,443)

WILLMAR MUNICIPAL UTILITIES  
STATEMENT OF OPERATIONS-ELECTRIC DIVISION  
FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

	2012	2011	INCREASE (DECREASE)
OPERATING REVENUES:			
UTILITY REVENUES			
RESIDENTIAL	1,832,757	1,733,020	99,737
COMMERCIAL AND INDUSTRIAL	4,336,780	3,874,188	462,592
TOTAL UTILITY REVENUES	6,169,537	5,607,208	562,329
OTHER OPERATING REVENUES			
PENALTIES	45,579	39,659	5,920
MISCELLANEOUS SERVICE REVENUE	22,511	23,737	(1,226)
TOTAL OPERATING REVENUES	6,237,627	5,670,604	567,023
OPERATING EXPENSES:			
PRODUCTION - OPERATION	746,408	841,336	(94,928)
PRODUCTION - MAINTENANCE	89,227	113,886	(24,659)
PURCHASED POWER	2,781,977	3,039,995	(258,018)
TRANSMISSION	62,291	66,981	(4,690)
DISTRIBUTION - OPERATION	113,859	131,726	(17,867)
DISTRIBUTION - MAINTENANCE	56,873	69,559	(12,686)
CUSTOMER ACCOUNTS EXPENSES	55,975	55,859	116
ENERGY SERVICES	43,347	30,486	12,861
ADMINISTRATIVE AND GENERAL	603,149	583,130	20,019
DEPRECIATION	417,429	422,347	(4,918)
TOTAL OPERATING EXPENSES	4,970,535	5,355,305	(384,770)
OPERATING INCOME	1,267,092	315,299	951,793
OTHER INCOME (EXPENSE)			
INTEREST INCOME	63,207	59,652	3,555
MERCHANDISE AND CONTRACT			
WORK NET	5,674	2,342	3,332
INTEREST EXPENSE	(87,683)	(91,356)	3,675
AMORTIZATION EXPENSE	(954)	(1,314)	360
OTHER INCOME (EXPENSES), NET	(19,756)	(30,678)	10,922
INCOME (LOSS)	1,247,336	284,621	962,715
DEDUCT INTERGOVERNMENTAL			
TRANSFER	425,330	409,870	15,460
NET INCOME (LOSS)	822,006	(125,249)	947,255
PERCENT OF TOTAL REVENUE	13.00%	-2.00%	

**WILLMAR MUNICIPAL UTILITIES**  
**STATEMENT OF OPERATING EXPENSES-ELECTRIC DIVISION**  
**FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011**

	2012	2011	INCREASE (DECREASE)
<b>PRODUCTION:</b>			
<b>OPERATIONS:</b>			
SUPERVISION AND ENGINEERING	11,870	8,523	3,347
FUEL	568,848	752,062	(183,214)
STEAM EXPENSE	142,074	110,285	31,789
WIND TURBINES	8,573	15,723	(7,150)
STEAM TRANSFERRED	(117,033)	(174,550)	57,517
ELECTRIC EXPENSE	106,148	98,563	7,585
OTHER	25,928	30,730	(4,802)
<b>TOTAL</b>	<b>746,408</b>	<b>841,336</b>	<b>(94,928)</b>
<b>MAINTENANCE:</b>			
SUPERVISION AND ENGINEERING	11,424	10,084	1,340
STRUCTURES	339	350	(11)
BOILER PLANT	71,537	78,249	(6,712)
ELECTRIC PLANT	5,531	24,324	(18,793)
WIND TURBINES	396	879	(483)
<b>TOTAL</b>	<b>89,227</b>	<b>113,886</b>	<b>(24,659)</b>
<b>DISTRIBUTION:</b>			
<b>OPERATION:</b>			
SUPERVISION AND ENGINEERING	26,063	28,229	(2,166)
STATION EXPENSE	5,623	4,912	711
OVERHEAD LINE	32,117	44,509	(12,392)
UNDERGROUND LINE	18,139	28,784	(10,645)
METER EXPENSE	13,336	7,494	5,842
OTHER	18,581	17,798	783
<b>TOTAL</b>	<b>113,859</b>	<b>131,726</b>	<b>(17,867)</b>
<b>MAINTENANCE:</b>			
SUPERVISION AND ENGINEERING	8,523	8,522	1
OVERHEAD LINE	26,203	29,670	(3,467)
UNDERGROUND LINE	10,147	5,087	5,060
TRANSFORMERS	17	17	(17)
STREET LIGHTS	12,000	23,071	(11,071)
METERS	3,192	3,192	(3,192)
<b>TOTAL</b>	<b>56,873</b>	<b>69,559</b>	<b>(12,686)</b>

**WILLMAR MUNICIPAL UTILITIES**  
**STATEMENT OF OPERATIONS-WATER DIVISION**  
**FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011**

	2012	2011	INCREASE (DECREASE)
OPERATING REVENUES:			
UTILITY REVENUES			
RESIDENTIAL AND COMMERCIAL	428,274	406,500	21,774
PENALTIES	8,279	7,225	1,054
MISCELLANEOUS SERVICE REVENUE	5,551	5,539	12
<b>TOTAL OPERATING REVENUES</b>	<b>442,104</b>	<b>419,264</b>	<b>22,840</b>
OPERATING EXPENSES:			
PRODUCTION - OPERATION	70,590	68,377	2,213
PRODUCTION - MAINTENANCE	33,812	28,011	5,801
PURCHASED POWER	31,523	32,294	(771)
DISTRIBUTION - OPERATION	19,676	19,113	563
DISTRIBUTION - MAINTENANCE	17,785	20,224	(2,439)
CUSTOMER ACCOUNTS EXPENSES	38,603	38,523	80
ADMINISTRATIVE AND GENERAL	111,695	107,987	3,708
DEPRECIATION	93,133	93,936	(803)
<b>TOTAL OPERATING EXPENSES</b>	<b>416,817</b>	<b>408,465</b>	<b>8,352</b>
OPERATING INCOME	25,287	10,799	14,488
OTHER INCOME (EXPENSE)			
INTEREST INCOME			
MERCHANDISE AND CONTRACT	7,615	7,187	428
WORK, NET			
INTEREST EXPENSE	(5,634)	(7,470)	1,836
AMORTIZATION EXPENSE	(453)	(621)	168
<b>OTHER INCOME (EXPENSES), NET</b>	<b>1,528</b>	<b>(904)</b>	<b>2,432</b>
INCOME (LOSS)			
DEDUCT INTERGOVERNMENTAL	26,815	9,895	16,920
TRANSFER	28,787	29,951	(1,164)
<b>NET INCOME (LOSS)</b>	<b>(1,972)</b>	<b>(20,056)</b>	<b>18,084</b>
PERCENT OF TOTAL REVENUE	-0.00%	-5.00%	

WILLMAR MUNICIPAL UTILITIES  
STATEMENT OF OPERATING EXPENSES-WATER DIVISION  
FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

	2012	2011	INCREASE (DECREASE)
<b>PRODUCTION:</b>			
<b>OPERATION:</b>			
SUPERVISION AND ENGINEERING	20,431	21,491	(1,060)
STATION EXPENSE	33,296	36,848	(3,552)
OTHER	16,863	10,038	6,825
TOTAL	70,590	68,377	2,213
<b>MAINTENANCE:</b>			
<b>STRUCTURES</b>			
WELLS, PUMPS AND EQUIPMENT	9,394	28,011	9,394 (3,593)
TOTAL	33,812	28,011	5,801
<b>DISTRIBUTION:</b>			
<b>OPERATION:</b>			
SUPERVISION AND ENGINEERING	5,674	5,665	9
UNDERGROUND MAINS	4,556	4,272	284
METER EXPENSE	7,104	6,988	116
CUSTOMER INSTALLATION EXPENSE	357	407	(50)
OTHER	1,985	1,781	204
TOTAL	19,676	19,113	563
<b>MAINTENANCE:</b>			
<b>STRUCTURES</b>			
UNDERGROUND MAINS	386	926	(540)
SERVICES	12,597	14,112	(1,515)
METERS	3,573	2,361	1,212
OTHER	691	2,825	(2,134)
TOTAL	538	538	-
TOTAL	17,785	20,224	(2,439)

WILLMAR MUNICIPAL UTILITIES  
STATEMENT OF OPERATIONS-HEATING DIVISION  
FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

	2012	2011	INCREASE (DECREASE)
OPERATING REVENUES:			
UTILITY REVENUES	375,523	461,791	(86,268)
RESIDENTIAL & COMMERCIAL	1,104	963	141
PENALTIES			0
MISCELLANEOUS SERVICE REVENUE			
TOTAL OPERATING REVENUES	<u>376,627</u>	<u>462,754</u>	<u>(86,127)</u>
OPERATING EXPENSES:			
PRODUCTION - OPERATION	104,449	142,778	(38,329)
DISTRIBUTION - OPERATION	13,442	13,790	(348)
DISTRIBUTION - MAINTENANCE	1,796	6,656	(4,860)
CUSTOMER ACCOUNTS EXPENSES	1,931	1,926	5
ADMINISTRATIVE AND GENERAL	29,785	28,796	989
DEPRECIATION	59,891	59,963	(72)
TOTAL OPERATING EXPENSES	<u>211,294</u>	<u>253,909</u>	<u>(42,615)</u>
OPERATING INCOME	<u>165,333</u>	<u>208,845</u>	<u>(43,512)</u>
OTHER INCOME (EXPENSE)			
INTEREST INCOME	5,331	5,031	300
MERCHANDISE AND CONTRACT			
WORK, NET			0
INTEREST EXPENSE			0
AMORTIZATION EXPENSE			0
OTHER INCOME (EXPENSES), NET	<u>5,331</u>	<u>5,031</u>	<u>300</u>
INCOME (LOSS)			
DEDUCT INTERGOVERNMENTAL	170,664	213,876	(43,212)
TRANSFER	25,589	33,105	(7,516)
NET INCOME (LOSS)	<u>145,075</u>	<u>180,771</u>	<u>(35,696)</u>
PERCENT OF TOTAL REVENUE	39.00%	39.00%	

WILLMAR MUNICIPAL UTILITIES  
STATEMENT OF OPERATING EXPENSES-HEATING DIVISION  
FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

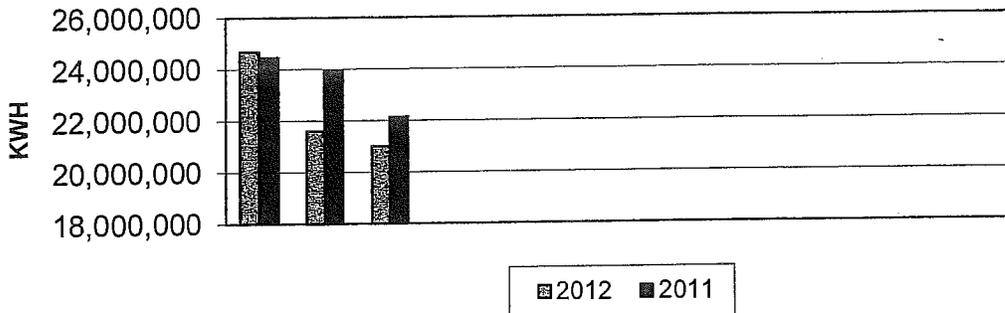
	2012	2011	INCREASE (DECREASE)
<b>DISTRIBUTION:</b>			
<b>OPERATION:</b>			
SUPERVISION AND ENGINEERING	7,566	7,604	(38)
UNDERGROUND MAINS	57	55	2
METER EXPENSE	357	903	(546)
CUSTOMER INSTALLATION	587	3,481	(2,894)
OTHER	4,875	1,747	3,128
<b>TOTAL</b>	<b>13,442</b>	<b>13,790</b>	<b>(348)</b>
<b>MAINTENANCE:</b>			
<b>UNDERGROUND TUNNELS AND MAINS</b>			
METERS	736	57	(57)
BUILDING SYSTEM	1,060	3,907	(3,171)
OTHER		2,692	(1,632)
<b>TOTAL</b>	<b>1,796</b>	<b>6,656</b>	<b>(4,860)</b>

WILLMAR MUNICIPAL UTILITIES  
STATEMENT OF CONSOLIDATED EXPENSES  
FOR FIRST QUARTER ENDED MARCH 31, 2012 AND 2011

	2012	2011	INCREASE (DECREASE)
CUSTOMER ACCOUNTS EXPENSE:			
SUPERVISION	6,069	4,705	1,364
METER READING	32,531	34,103	(1,572)
CUSTOMER RECORDS AND COLLECTION EXPENSE	48,909	48,500	409
UNCOLLECTIBLE ACCOUNTS	9,000	9,000	0
<b>TOTAL CUSTOMER ACCOUNTS EXPENSE</b>	<b>96,509</b>	<b>96,308</b>	<b>201</b>
ALLOCATION OF CUSTOMER ACCOUNTS EXPENSE:			
ELECTRIC	55,975	55,859	116
WATER	38,603	38,523	80
HEATING	1,931	1,926	5
<b>TOTAL ALLOCATION OF CUSTOMER ACCOUNTS EXPENSE</b>	<b>96,509</b>	<b>96,308</b>	<b>201</b>
ADMINISTRATIVE AND GENERAL EXPENSE:			
ADMINISTRATIVE AND GENERAL SALARY	146,350	121,200	25,150
OFFICE SUPPLIES AND EXPENSE	60,295	62,256	(1,961)
OUTSIDE SERVICES EMPLOYED	9,625	8,968	657
PROPERTY INSURANCE	83,838	80,379	3,459
INJURIES AND DAMAGES INSURANCE	23,097	20,922	2,175
EMPLOYEE'S PENSIONS AND BENEFITS	357,691	357,783	(92)
TRANSPORTATION EXPENSE	20,527	20,779	(252)
MAINTENANCE AND GENERAL PLANT	43,206	47,626	(4,420)
<b>TOTAL ADMINISTRATIVE AND GENERAL EXPENSE</b>	<b>744,629</b>	<b>719,913</b>	<b>24,716</b>
ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSE:			
ELECTRIC	603,149	583,130	20,019
WATER	111,695	107,987	3,708
HEATING	29,785	28,796	989
<b>TOTAL ALLOCATION OF ADMINISTRATIVE AND GENERAL EXPENSE</b>	<b>744,629</b>	<b>719,913</b>	<b>24,716</b>

# Willmar Municipal Utilities

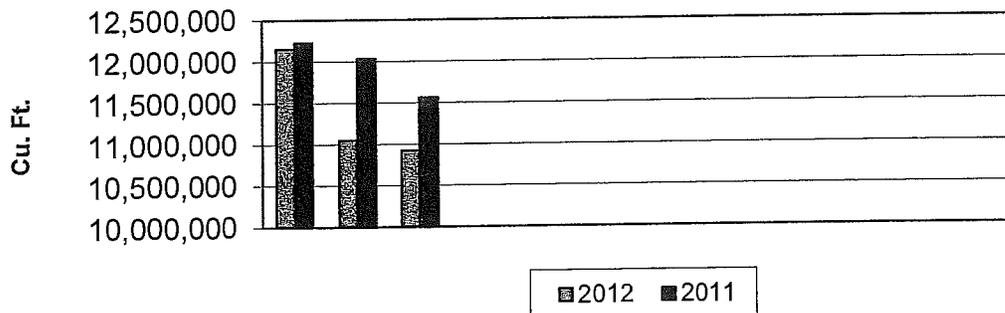
## Electric Sales



	2012	2011
Jan	24,680,100	24,465,300
Feb	21,598,400	23,967,100
Mar	21,005,200	22,143,200
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

**67,283,700**    **70,575,600**  
**Decrease of**  
**4.7%**

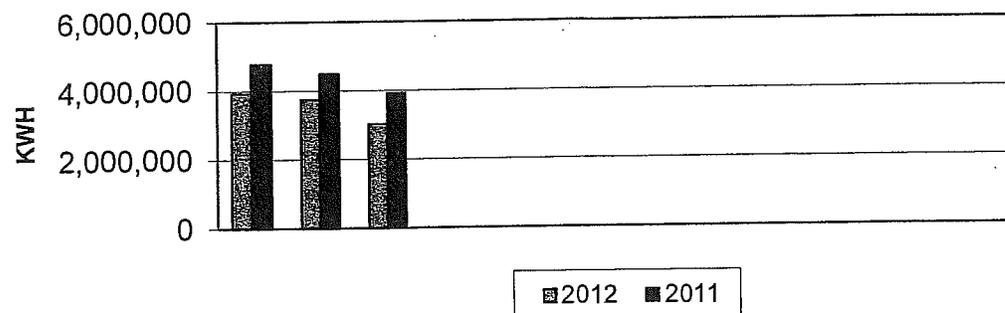
## Water Sales



	2012	2011
Jan	12,155,800	12,226,100
Feb	11,049,100	12,031,200
Mar	10,926,800	11,562,000
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

**34,131,700**    **35,819,300**  
**Decrease of**  
**4.7%**

## Heat Sales

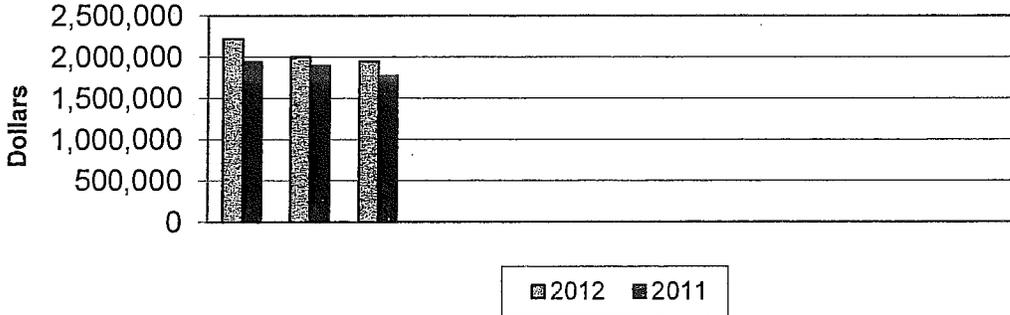


	2012	2011
Jan	3,929,100	4,773,100
Feb	3,736,700	4,482,100
Mar	3,015,900	3,924,900
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

**10,681,700**    **13,180,100**  
**Decrease of**  
**19.0%**

# Willmar Municipal Utilities

## Electric Revenue

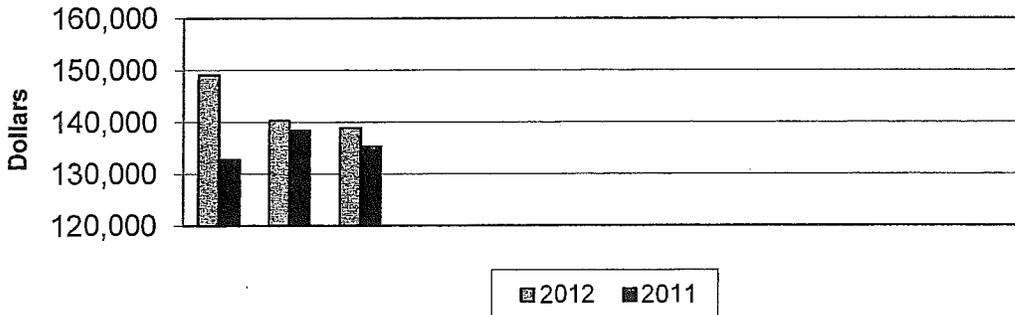


	2012	2011
Jan	2,220,500	1,941,500
Feb	2,001,900	1,892,600
Mar	1,947,100	1,773,100
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

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6,169,500	5,607,200
<b>Increase of</b>	
10.0%	

## Water Revenue

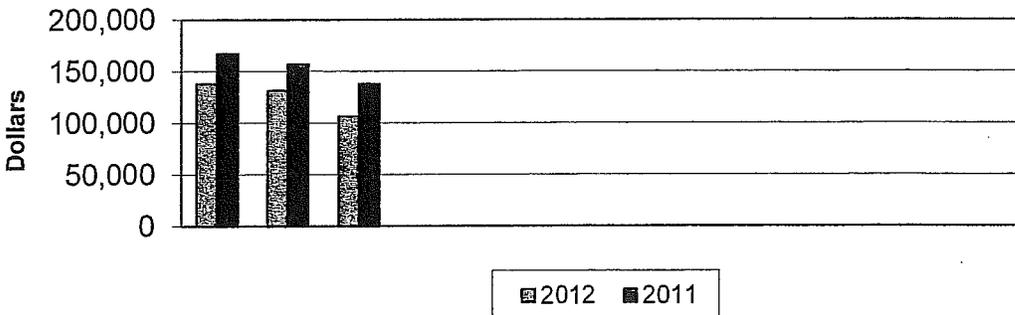


	2012	2011
Jan	149,100	132,800
Feb	140,300	138,400
Mar	138,900	135,300
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

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428,300	406,500
<b>Increase of</b>	
5.4%	

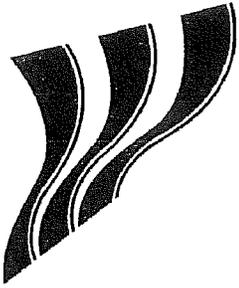
## Heat Revenue



	2012	2011
Jan	137,900	167,000
Feb	131,300	157,000
Mar	106,400	137,800
Apr		
May		
Jun		
Jul		
Aug		
Sep		
Oct		
Nov		
Dec		

---

375,600	461,800
<b>Decrease of</b>	
18.7%	



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number:** 3

**Meeting Date:** May 14, 2012

**Attachments:**  Yes  No

**CITY COUNCIL ACTION**

**Date:** May 21, 2012

- Approved
- Amended
- Other
- Denied
- Tabled

**Originating Department:** Housing and  
Redevelopment Authority

**Action Requested:** Approve Resolution Allowing HRA to Issue Bonds for Bethesda's Refunding Conduit Financing Request.

**Guiding Principle:** The HRA is required to receive the City Council's approval to issue bonds. Because this is a refunding project, an HRA public hearing is not required.

**Introduction:** The HRA has received a request from Bethesda Health and Housing to issue bonds for the purpose of consolidating existing principal bond debt and saving interest expense.

**Background/Justification:** There is outstanding principal balance from the City of Willmar's 1998 \$6,200,000 Nursing Home Revenue Bonds, 2004 \$1,405,000 Nursing Home Revenue Bonds, and 2009 \$6,700,000 Nursing Home Revenue Note which were issued to finance improvements to Bethesda's Heritage Center and Pleasant View nursing homes. The HRA issuing the bonds would allow the 1998 Revenue Bond refunding to be bank qualified allowing Bethesda to refinance all of the debt with a local bank and receive a lower interest rate on its outstanding debt. The amount of the note that exceeds the outstanding principal on the 2004 AND 2009 Revenue Bonds would count against the HRA's annual \$10,000,000 allowable bank qualified bond cap.

**Fiscal Impact:** \$0.00 to the City and HRA. Neither the City nor HRA will be responsible for repaying the bonds.

**Alternatives:** To not approve the HRA issuing the bonds for Bethesda's request. Bethesda would not refinance at the reduced interest rate.

**Staff Recommendation:**

**Reviewed by:**

**Preparer:** HRA Executive Director Jill Bengtson

**Signature:**

**Comments:** Resolution and Bethesda Application to the HRA are attached.

Extract of Minutes of a Meeting of the  
City Council of the City of Willmar, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Willmar, Minnesota, was duly held at the Municipal Utilities Building in said City on Monday, May 21, 2012, at 7:00 P.M.

The following members were present:

and the following were absent:

Member \_\_\_\_\_ introduced the following resolution and moved its adoption:

RESOLUTION NO. \_\_\_\_\_  
RESOLUTION APPROVING THE ISSUANCE OF  
NURSING HOME REVENUE REFUNDING NOTES  
UNDER MINNESOTA STATUTES, CHAPTER 469.152 TO 469.1651  
(BETHESDA PROJECT)

The motion for the adoption of the foregoing resolution was duly seconded by member \_\_\_\_\_, and after full discussion thereof and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

RESOLUTION APPROVING THE ISSUANCE OF  
NURSING HOME REVENUE REFUNDING NOTES  
UNDER MINNESOTA STATUTES, CHAPTER 469.152 TO 469.1651  
(BETHESDA PROJECT)

BE IT RESOLVED, by the City Council (the "Council") of the City of Willmar, Minnesota (the "City") as follows:

Section 1.     Description of the Project.

(a) Bethesda (the "Borrower"), has proposed that the Housing and Redevelopment Authority in and for the City of Willmar, Minnesota (the "Issuer") issue revenue refunding notes under Minnesota Statutes, Chapter 469.152 to 469.1651, (the "Act"), in one or more series, in an aggregate amount not to exceed \$10,400,000 (the "Notes") to refund the outstanding principal balance of the City of Willmar's \$6,200,000 Nursing Home Revenue Bonds, Series 1998 (Bethesda Project) (the "Series 1998 Bonds"), the \$1,405,000 Nursing Home Revenue Bonds, Series 2004A (Bethesda Project) (the "Series 2004 Bonds") and the \$6,700,000 Nursing Home Revenue Note, Series 2009 (Bethesda Project) (the "Series 2009 Note" and together the Series 1998 Bonds and the Series 2004 Bonds, the "Prior Obligations"), the proceeds of which were issued to finance improvements to the existing nursing home facilities in the City of Willmar, Minnesota (the "City") commonly known as Heritage Center Nursing Home, located at 1012 Southeast Third Street, and Pleasant View Nursing Home, located at 901 Southeast Willmar Avenue (collectively, the "Project"). The Project is owned and operated by the Borrower.

(b) The City has been advised that the Notes or other obligations, as and when issued, will not constitute a charge, lien or encumbrance upon any property of the City or the Issuer, except the Project and the revenues to be derived from the Project. Such Notes or obligations will not be a charge against the general credit or taxing powers of the City or the Issuer, but are payable from sums to be paid by the Borrower pursuant to a revenue agreement.

Section 2.     Recital of Representations Made by the Borrower.

(a) The Borrower has agreed to pay any and all costs incurred by the City in connection with the issuance of the Notes, whether or not such issuance is carried to completion.

(b) The Borrower has represented to the City that no public official of the City has either a direct or indirect financial interest in the Project nor will any public official either directly or indirectly benefit financially from the Project.

Section 3. Consent to Refunding. In accordance with Minnesota Statutes, Section 469.155 Subd. 12, the City hereby approves the issuance by the Issuer of the Bonds to refinance the Project and refund the Prior Obligations. The City hereby consents to the Borrower calling the Prior Obligations for redemption.

\_\_\_\_\_  
Mayor

ATTEST:

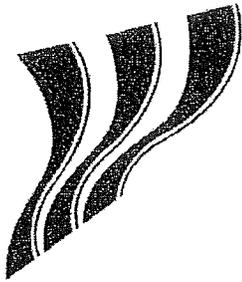
\_\_\_\_\_  
City Clerk

STATE OF MINNESOTA  
COUNTY OF KANDIYOHI  
CITY OF WILLMAR

I, the undersigned, being the duly qualified and acting Clerk of the City of Willmar, Minnesota, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of said City duly called and held on the date therein indicated, insofar as such minutes relate to granting approval to the issuance of revenue notes to refinance a project in the City.

WITNESS my hand this \_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Clerk



CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION

CITY COUNCIL ACTION  
Date: May 21, 2012

Agenda Item Number: 4  
Meeting Date: May 14, 2012  
Attachments:  Yes  No

- Approved
- Amended
- Other
- Denied
- Tabled

Originating Department: City Clerk-Treasurer

Action Requested: Adopt Resolution with the municipal tort limits set at \$500,000 per claimant, \$1,500,000 per occurrence.

Guiding Principle: Minnesota State Statute

Agenda Item: Statutory Municipal Liability Coverage Limits —City Options

**Background/Justification:** The statutory municipal tort liability limits for 2012 are set at \$500,000 per claimant, \$1,500,000 per occurrence.

The city will have \$1,500,000 of coverage limits available for most claims. But on those claims to which the statutory limits apply, the city, and LMCIT will be able to use the statutory tort liability limit to limit an individual claimant's recovery to no more that \$500,000.

The statutory liability limit only comes into play if somebody has been injured by the city's negligence, and has proved to the court that his/her actual injuries exceed \$500,000. The statutory liability limit means, very literally, that the city and LMCIT won't fully compensate that individual for his/her injuries, which the city caused. Because of this, some cities may decide that as a matter of public policy you want to have more than \$500,000 available to compensate a citizen who has been injured by the city's negligence.

Since it increases the exposure, there is an additional premium charge of 3.5% if the city decides to waive the statutory per-person limit. Options for the Council to consider are:

- If the city does not waive the statutory tort limits, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether or not the city purchases the optional excess liability coverage.*
- If the city waives the statutory tort limits and does not purchase excess liability coverage; a single claimant could potentially recover up to \$1,500,000 on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000, regardless of the number of claimants.*
- If the city waives the statutory tort limits and purchases excess liability coverage, a single claimant could potentially recover an amount up to the limit of the coverage purchased (example \$10 Million). The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.*

Fiscal Impact: No fiscal impact unless a new option is selected

Alternatives: Waive limits and purchase excess liability coverage from the LMCIT.

Staff Recommendation: Recommend that the City Council not waive the statutory tort liability limits

Preparer: City Clerk-Treasurer

Signature:

RESOLUTION NO. \_\_\_\_\_

WHEREAS, cities obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of coverage purchased, and

WHEREAS, the City Council has reviewed the various options for monetary limits on municipal tort liability, and

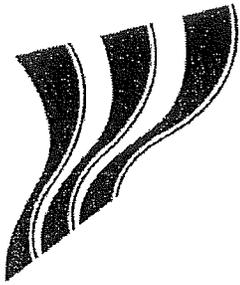
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

Dated this 21<sup>st</sup> day of May, 2012

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
CITY CLERK-TREASURER



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number: 5**

**Meeting Date: May 14, 2012**

**Attachments:  Yes  No**

**CITY COUNCIL ACTION**

**Date: May 21, 2012**

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended  | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other    |                                 |

**Originating Department: Finance**

**Action Requested:** Amend the 2012 Industrial Development Fund Budget to better reflect development plans.

**Guiding Principle:**

**Introduction:** Reduction of Revenues                    A) \$ 756,711  
Reduction of Development Costs                    B) \$ 4,000,000

**Background/Justification:** It was planned to sell excess land and develop old airport site in 2012. Local Options Sales Tax funding expires in 2012 and land release was anticipated. Due to delay in land release and time needed to develop plan, the City and most activity would be better served by delaying \$4,000,000 until 2013.

**Fiscal Impact:** A) Land sales \$660,000 plus Land Rental \$96,711  
B) Delay development activity until 2013 primarily due to delay in land release from MNDOT Aeronautics at old airport site.

**Alternatives:** Not to amend budget as recommended. Direct staff to pursue 2012 development on shortened time schedule.

**Staff Recommendation:** To amend budget as recommended and plan development for 2013 instead of 2012.

**Reviewed by:** Steven B. Okins, Finance Director

**Preparer:** Steven B. Okins

**Signature:**

**Comments:**

2013

INDUSTRIAL DEVELOPMENT

The Industrial Development Fund was established for the systematic development of the City's Industrial Park. Starting as soon as the land release is obtained from the FAA this fund will be used for the redevelopment of the Old Airport Site.

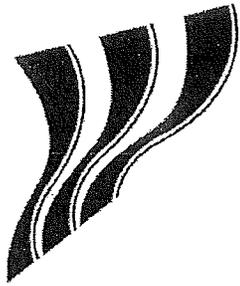
	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2012 Budget</u>	<u>2013 Dept. Adj.</u>	<u>2013 Proposed</u>
Undesignated Bal. \$	----	----	----	----	----
Designated Bal.	0	0	0	4,416,141	4,416,141
Revenues	24,991	0	5,868,889		
Expenditures	(24,991)	0	(2,000,000)	(4,000,000)	
Prior Adjust.	----	----	547,252	----	----
Balance-Dec. 31	<u>0</u>	<u>0</u>	<u>4,416,141</u>	<u>416,141</u>	<u>4,416,141</u>

2013

INDUSTRIAL DEVELOPMENT

The Industrial Development Fund was established for the systematic development of the City's Industrial Park. Starting as soon as the land release is obtained from the FAA this fund will be used for the redevelopment of the Old Airport Site.

	2010 <u>Actual</u>	2011 <u>Actual</u>	2012 <u>Budget</u>	2013 <u>Dept. Adj.</u>	2013 <u>Proposed</u>
Undesignated Bal. \$	---	---	---	---	---
Designated Bal.	0	0	0	1,172,852	1,172,852
Revenues	24,991	0	6,625,600		
Expenditures	(24,991)	0	(6,000,000)	(4,000,000)	
Prior Adjust.	---	---	547,252	---	---
Balance-Dec. 31	<u>0</u>	<u>0</u>	<u>1,172,852</u>	<u>(2,827,148)</u>	<u>1,172,852</u>



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number: 6**

**Meeting Date: May 14, 2012**

**Attachments:  Yes  No**

**CITY COUNCIL ACTION**

**Date: May 21, 2012**

- Approved     Denied  
 Amended     Tabled  
 Other

**Originating Department: Finance**

**Action Requested:** Pass a resolution amending the Police, Fire, and Engineering 2012 Departmental Budgets.

**Guiding Principle:** Amend Operating Budgets to accurately account for anticipated costs and contract obligations.

**Introduction:** Contract obligations of assigned vehicles or Car Allowance.

**Background/Justification:** Due to the determination to reassign vehicles, Contract obligations require the issues of Car Allowances, which historically have not been funded due to one or the other being management's right to determine.

**Fiscal Impact:** Reallocation of \$12,983 from Non-Departmental to Police Department \$4,200, Fire Department \$4,261, and Engineering \$4,521. Zero net effect on the General Fund.

**Alternatives:** Fund additional contract obligations from another source or reissue assigned vehicles.

**Staff Recommendation:** Pass resolution amending budgets as presented.

**Reviewed by:** Steven B. Okins, Finance Director

**Preparer:** Steven B. Okins

**Signature:**

**Comments:**

**2012 Fixed Charges**

4/10/2012

Adjustment for Car Allowance

	<b>10</b>	<b>13</b>	<b>14</b>	
	<b>Salary</b>	<b>Pensions</b>	<b>Insurance</b>	<b>Total</b>
<b>Police (101.42411) Wyffels</b>				
Adopted	94,564	13,236	24,404	132,204
Adjustment	98,764	13,236	24,404	136,404
<b>Difference</b>	<b>4,200</b>	<b>-</b>	<b>-</b>	<b>4,200</b>
<b>Fire Dept. (101.42412) Calvin</b>				
Adopted	94,564	14,607	24,404	133,575
Adjustment	98,764	14,668	24,404	137,836
<b>Difference</b>	<b>4,200</b>	<b>61</b>	<b>0</b>	<b>4,261</b>
<b>Engineering (101.43417) Wilson</b>				
Adopted	93,914	13,848	22,382	130,144
Adjustment	98,114	14,169	22,382	134,665
<b>Difference</b>	<b>4,200</b>	<b>321</b>	<b>0</b>	<b>4,521</b>

RESOLUTION NO. \_\_\_\_\_  
**AS-BID 2012 STREET IMPROVEMENTS BUDGET**

**ESTIMATED TOTAL COST \$1,436,700**

\*Budget Amounts are Essential

Dated: May 21, 2012

Code

**PERSONNEL SERVICES**

10*	Salaries Reg. Employees	
11*	Overtime Reg. Employees	\$500.00
12*	Salaries Temp. Employees	\$1,000.00
13*	Employer Pension Contr.	
14*	Employer Ins. Contr.	
	<b>TOTAL</b>	<b>\$1,500.00</b>

**RECEIVABLES**

Property Owners	\$600,000.00
County	\$0.00
State	\$281,200.00
City	\$315,500.00
City (MUC)	\$179,900.00
LOST	\$31,300.00
City (WWTP)	\$28,800.00
<b>TOTAL</b>	<b>\$1,436,700.00</b>

**SUPPLIES**

20*	Office Supplies	\$500.00
21*	Small Tools	\$500.00
22*	Motor Fuels & Lubricants	\$2,000.00
23*	Postage	\$1,000.00
24	Mtce. of Equipment	
25	Mtce. of Structures	
26	Mtce. of Other Improvements	\$500.00
27	Subsistence of Persons	
28	Cleaning & Waste Removal	
29*	General Supplies	\$1,000.00
	<b>TOTAL</b>	<b>\$5,500.00</b>

**FINANCING**

Bonds	\$915,500.00
County	\$0.00
State	\$281,200.00
City (MUC)	\$179,900.00
LOST	\$31,300.00
City (WWTP)	\$28,800.00
<b>TOTAL</b>	<b>\$1,436,700.00</b>

**GRAND TOTAL** **\$1,436,700.00**

Dated: \_\_\_\_\_

**OTHER SERVICES**

30	Communications	
31*	Printing & Publishing	
32	Utilities	
33*	Travel-Conf.-Schools	
34	Mtce. of Equipment	
35	Mtce. of Structures	
36*	Mtce. of Other Impr.	\$1,304,800.00
37	Subsistence of Persons	
38	Cleaning & Waste Removal	
39*	Other Services	\$70,000.00
	<b>TOTAL</b>	<b>\$1,374,800.00</b>

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk/Treasurer

**OTHER CHARGES**

40	Rents	
41*	Insurance & Bonds	\$2,000.00
42	Awards & Indemnities	
43	Subscription/Memberships	
44	Interest	
45	Licenses & Taxes	
46*	Prof. Serv.	\$20,000.00
47*	Advertising	\$2,000.00
	Adm. OH (Transfer)	\$15,900.00
49	Other Charges	\$15,000.00
	<b>TOTAL</b>	<b>\$54,900.00</b>

Line Item	Proj. No.	Descriptor	Cost w/o Eng
36	01	street	1,185,061.00 (as bid)
36	02	M/DOT WM	119,705.00 (eng. Est.)
39	xx	bridge	30,000 (eng. Est.)
		<b>Total</b>	<b>\$1,334,766.00</b>

**GRAND TOTAL** **\$1,436,700.00**

RESOLUTION NO. \_\_\_\_\_  
 1101-12 AS BID STREET IMPROVEMENTS BUDGET

ESTIMATED TOTAL COST \$513,800

\*Budget Amounts are Essential

Dated: May 14, 2012

Code

**PERSONNEL SERVICES**

10*	Salaries Reg. Employees	
11*	Overtime Reg. Employees	\$500.00
12*	Salaries Temp. Employees	\$1,000.00
13*	Employer Pension Contr.	
14*	Employer Ins. Contr.	
	<b>TOTAL</b>	<b>\$1,500.00</b>

**RECEIVABLES**

Property Owners	\$291,100.00
County	
State	
City	\$219,700.00
City (MUC)	\$3,000.00
LOST	
City (WWTP)	
<b>TOTAL</b>	<b>\$513,800.00</b>

**SUPPLIES**

20*	Office Supplies	\$500.00
21*	Small Tools	\$500.00
22*	Motor Fuels & Lubricants	\$2,000.00
23*	Postage	\$1,000.00
24	Mtce. of Equipment	
25	Mtce. of Structures	
26	Mtce. of Other Improvements	\$500.00
27	Subsistence of Persons	
28	Cleaning & Waste Removal	
29*	General Supplies	\$1,000.00
	<b>TOTAL</b>	<b>\$5,500.00</b>

**FINANCING**

Bonds	
County	
State	
City (MUC)	\$3,000.00
LOST	
City (WWTP)	
PIR Fund	\$510,800.00
<b>TOTAL</b>	<b>\$513,800.00</b>

**GRAND TOTAL** **\$513,800.00**

Dated: \_\_\_\_\_

**OTHER SERVICES**

0	Communications	
1*	Printing & Publishing	
2	Utilities	
3*	Travel-Conf.-Schools	
4	Mtce. of Equipment	
5	Mtce. of Structures	
6*	Mtce. of Other Impr.	\$446,800.00
7	Subsistence of Persons	
8	Cleaning & Waste Removal	
9*	Other Services	\$13,400.00
	<b>TOTAL</b>	<b>\$460,200.00</b>

\_\_\_\_\_  
Mayor

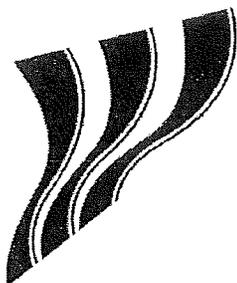
Attest:

**OTHER CHARGES**

0	Rents	
1*	Insurance & Bonds	\$2,000.00
2	Awards & Indemnities	
3	Subscription/Memberships	
4	Interest	
5	Licenses & Taxes	
6*	Prof. Serv.	\$10,000.00
7*	Advertising	\$2,000.00
8*	Adm. OH (Transfer)	\$22,600.00
9	Other Charges	\$10,000.00
	<b>TOTAL</b>	<b>\$46,600.00</b>

\_\_\_\_\_  
City Clerk/Treasurer

**GRAND TOTAL** **\$513,800.00**



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number: 8**

**Meeting Date: May 14, 2012**

**Attachments:  Yes  No**

**CITY COUNCIL ACTION**

**Date: May 21, 2012**

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended  | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other    |                                 |

**Originating Department: Finance**

**Action Requested:** Introduce the ordinance to sell General Obligation Bonds to finance the 2012 Street Improvement Program and set a public hearing for June 4, 2012, for consideration.

**Guiding Principle:** To continue Street funding under present formula and policy.

**Introduction:** To start the process of issuing bonds to fund the 2012 street work.

**Background/Justification:** Starts the process to fund action taken by the City Council to improve City streets for 2012.

**Fiscal Impact:** Citizens affected will see assessment increases for their affected footage. City will increase obligations for funding its share of program from dedicated funds.

**Alternatives:** Finance street work with Tax Levy or not do the improvements.

**Staff Recommendation:** Introduce ordinance and set public hearing for June 4, 2012.

**Reviewed by:** Steven B. Okins, Finance Director

**Preparer:** Steven B. Okins

**Signature:**

**Comments:**

**City of Willmar, Minnesota**  
**General Obligation Improvement Bonds, Series 2012A**  
**Revised: May 3, 2012**

May 2012						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June 2012						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July 2012						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 2012						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2012						
S	M	T	W	Th	F	S
						1
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October 2012						
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Schedule of Events		
Date	Event	Responsible Party
April 27, 2012	Request for Official Statement Information sent to City Staff.	Springsted
May 9, 2012	Finalize Bond structure and prepare Terms of Proposal.	Springsted
May 14, 2012	Finance Committee Meeting.	City Staff
May 16, 2012	Materials submitted to City for setting the public hearing.	Kennedy & Graven
May 21, 2012	City Council calls for public hearing on the ordinance.	City Counsel Kennedy & Graven
May 22, 2012	Submit ordinance hearing to the local paper. (The publication must appear in local paper at least 7 days prior to the hearing.)	City Staff
May 28, 2012	Last day for publication for hearing on ordinance.	City Staff

## Schedule of Events

Date	Event	Responsible Party
May 29, 2012	Sale Recommendations and Bond Resolution delivered to City.	Springsted Kennedy & Graven
June 4, 2012	Information forwarded to Springsted for preparation of the Official Statement.	City Staff
June 4, 2012	City Council conducts public hearing on the ordinance. City Council considers Resolution authorizing the Bond sale.	City Council
June 5, 2012	Submit Ordinance for publication in local paper.	City Staff
June 11, 2012	Rough draft of Official Statement sent out to City Staff and Kennedy & Graven for review.	Springsted
June 15, 2012	Final comments to Springsted on Official Statement draft (no later than noon).	City Staff Kennedy & Graven
June 16, 2012	Last day for Publication of Ordinance (15 day petition period begins).	City Staff
June 18, 2012	Posting of Official Statement and application for rating forwarded to rating agency.	Springsted
June 23, 2012	Target date for final date for filing of certificate of intent (15 days from publication of ordinance).	City Staff Kennedy & Graven Springsted
Week of June 25, 2012	Rating of the Bonds.	Moody's City Staff Springsted
June 25, 2012	Form of Award Resolution delivered to the City.	Kennedy & Graven
July 2, 2012	Sale and consideration and award of the Bonds by City Council.	City Springsted
July 10, 2012	Distribution of addendum to Official Statement.	Springsted
Late July, 2012	Settlement of the Bonds; receipt of Bond proceeds.	City Staff Kennedy & Graven Springsted

Draft  
5/14/12

### Capital Improvements Ranking

	<u>2013</u>	(Not initially recommended)
Swanson Field (Concession Stand)	21	\$ 40,000.00
Downtown parking lots	20	\$ 250,000.00
Taunton Stadium Clubhouse/Storage	19	\$ 80,000.00
Driveway Repair (Civic Center)	18	\$ 40,000.00
Diesel Particulate Filters Stby Generators	18	\$ 60,000.00
Signal Loop Detector Replacement	18	\$ 10,000.00
Record Management	14	\$ 17,632.00
Agenda Software	12	\$ 20,000.00
WCAC Sign	10	\$ 12,000.00

# Capital Improvements Ranking

2013-2017

	<b>2014</b>	
Street Reconstruction - Various locations	44	\$ 2,500,000.00
Server Replacement	37	\$ 25,000.00
Overlay Taxi Lanes in East Hangar Area	36	\$ 100,000.00
Lift Station Construction and CRS	35	\$ 300,000.00
Sign Reflectivity/Replacement	35	\$ 10,000.00
Lakeland Drive Interceptor	35	\$ 3,000,000.00
Lakeland Drive Interceptor - CRS	35	\$ 300,000.00
Sewer Replacement on street being constructed	33	\$ 50,000.00
City Hall HVAC	30	\$ 320,000.00
Replace Htg./Cooling System (Civic Center)	29	?
PW Facility Siding and Painting	29	\$ 100,000.00
Outdoor Warning Sirens	26	\$ 5,000.00
Color Plotter Replacement	24	\$ 10,000.00
Airfield Electrical Back-up Generator	23	\$ 70,000.00
Storm Water Improvements - Western Interceptor (phase 2)	23	\$ 800,000.00
Storage Hazmat (Pool)	22	\$ 40,000.00
Downtown Gateways	21	\$ 150,000.00
Canine	21	\$ 9,000.00
Replace Doors (Civic Center)	21	\$ 30,000.00
Plant BIN computer/copy machine/printers (WWTP)	20	\$ 25,000.00
Storm Water Improvements - Area west of Menards (phase 1)	20	\$ 100,000.00
Signal Loop Detector Replacement	18	\$ 10,000.00
Signal Cabinet Replacement	18	\$ 30,000.00
Perimeter Fencing Phase 1 (10ft. High) (Airport)	18	\$ 325,000.00
Aquatic Center Site Rec. Improvements	16	\$ 60,000.00
Apron Expansion, Phase 1	16	\$ 300,000.00
Park Shelter Improvements (Gesch Park)	15	\$ 20,000.00
Auditorium - Alley Resurface	15	\$ 15,000.00
Terminal Irrigation System	15	\$ 60,000.00
Overlay driveway at old site (WWTP)	14	\$ 100,000.00
CR 116 Relocation for Rwy Extension	13	\$ 200,000.00
WCAC Sign - Electronic	11	\$ 32,000.00
Street Access to Downtown E&W ends	9	\$ 1,000,000.00
Aerial Photography (digital photo/contour maps)	9	\$ 15,000.00

## Capital Improvements Ranking

2013-2017

	<u>2015</u>		
Street Reconstruction - Various locations	44	\$	2,500,000.00
Overlay Taxi Lanes in East Hangar Area	36	\$	250,000.00
Lift Station Construction and CRS	35	\$	300,000.00
Sign Reflectivity/Replacement	35	\$	10,000.00
Sewer Replacement on street being constructed	33	\$	50,000.00
PCN HMI Computer Software upgrade	32	\$	128,000.00
PCM HMI Computer Hardware Costs	32	\$	82,000.00
Becker Avenue design	30	\$	300,000.00
Transportation Plan (City)	29	\$	50,000.00
Auditorium - Replace Roof	27	\$	30,000.00
Re-roof admin bldg. old site (WWTP)	27	\$	130,000.00
Railroad Crossing 10th ST Repairs	27	\$	300,000.00
Outdoor Warning Sirens	26	\$	15,000.00
Sidewalk/Bike paths - Reconstruction/Maintenance	25	\$	30,000.00
MgOH recirculation pump	23	\$	8,500.00
Concession Stand (DOAC)	20	\$	30,000.00
Storm Water Improvements - Ramblewood Slough	20	\$	100,000.00
Signal Loop Detector Replacement	18	\$	10,000.00
Signal Cabinet Replacement	18	\$	30,000.00
Parking Lot (PW Garage)	18	\$	70,000.00
City Hall Carpets	17	\$	25,000.00
Storm Water Improvements - Kennedy School	17	\$	100,000.00
Westwind Park Development	16	\$	100,000.00
Scoreboard Replacement	14	\$	50,000.00
Flooring-Bremer Room/Sunshine Room (Community Center)	14	\$	20,000.00
Kitchen Appliances (Community Center)	13	\$	15,000.00
Runway Extension - Grading	13	\$	500,000.00
Aerial Photography (digital photo/contour maps)	9	\$	15,000.00
Signal Interconnect 1st ST Signals	8	\$	150,000.00

## Capital Improvements Ranking

2013-2017

	<u>2016</u>	
Street Reconstruction - Various locations	44	\$ 2,500,000.00
Extend Sewer line to new WWTP from airport	37	\$ 385,000.00
Lift Station Construction and CRS	35	\$ 50,000.00
Sign Reflectivity/Replacement	35	\$ 10,000.00
Sewer Replacement on street being constructed	33	\$ 50,000.00
Becker Ave Construction	30	\$ 250,000.00
Roof Replacement (Fire Hall)	28	\$ 48,500.00
Outdoor Warning Sirens	26	\$ 5,000.00
Pool Water Heater	24	\$ 20,000.00
Tuckpointing (Civic Center)	21	\$ 100,000.00
Storm Water Improvements - Area west of Menards (phase 2)	20	\$ 300,000.00
Signal Loop Detector Replacement	18	\$ 10,000.00
Signal Cabinet Replacement	18	\$ 30,000.00
Lights (Blue Field Swannson Complex)	18	\$ 140,000.00
Perimeter Fencing Phase 1 (10ft. High) (Airport)	18	\$ 325,000.00
Driveway Resurfacing (Fire Hall)	17	\$ 10,000.00
Flooring-Bremer Room/Sunshine Room (Community Center)	14	\$ 20,000.00
Runway Extension - Paving	13	\$ 1,000,000.00
MALSR Approach Lighting	12	\$ 180,000.00

# Capital Improvements Ranking

2013-2017

2017

Street Reconstruction - Various locations	44	\$ 2,500,000.00
Lift Station Construction and CRS	35	\$ 250,000.00
Sign Reflectivity/Replacement	35	\$ 10,000.00
Sewer Replacement on street being constructed	33	\$ 50,000.00
Becker Avenue Construction	30	\$ 250,000.00
Outdoor Warning Sirens	26	\$ 5,000.00
Fuel System (Public Works)	26	\$ 250,000.00
Sidewalk/Bike paths - Reconstruction/Maintenance	25	\$ 30,000.00
MgOH recirculation pump	23	\$ 8,500.00
Signal Loop Detector Replacement	18	\$ 10,000.00
Signal Cabinet Replacement	18	\$ 30,000.00
Rice Park Spray Park	18	\$ 200,000.00
Tennis Court Resurface or Hardsurface	18	\$ 50,000.00

**PUBLIC WORKS/SAFETY COMMITTEE REPORT 12-05  
CITY OF WILLMAR  
TUESDAY, MAY 15, 2012**

A meeting of the Public Works/Safety Committee was called to order at 4:45 p.m. on Tuesday, May 15, 2012, by Chairman Doug Reese at the City Office Building. Members present were: Council Members Ron Christianson, Bruce DeBlieck, and Rick Fagerlie. Also present were: Council Members Jim Dokken and Tim Johnson, Charlene Stevens, City Administrator; Holly Wilson, Public Works Director; Dave Wyffels, Police Chief; Marv Calvin, Fire Chief; David Little, "West Central Tribune," and Janell Sommers, Recording Secretary.

**1. CONSIDER ADOPTION OF WATERSHERD MANAGEMENT PLAN FROM BARR (FOR INFORMATION ONLY):**

Barr Engineering presented the final Watershed Management Plan to the City Council on May 7, 2012. It was the recommendation of staff that the City adopt the plan in order to use it as the City's official guidance document for storm water management. The Storm Water Task Force and City Council will be receiving a copy of the plan in its entirety. A motion was made by Council Member Fagerlie and seconded by Council Member Christianson to adopt the plan as presented by Barr Engineering. Pursuant to discussion the motion was withdrawn. The committee felt the document should be reviewed by the Storm Water Task Force prior to its adoption by the City. It will be brought back to the committee at the second meeting in June.

**2. APPROVE PLANS AND SPECIFICATIONS AND CALL FOR BIDS -PROJECT NO. 1202 - MN/DOT WATER MAIN RELOCATION:**

Public Works Director Wilson requested approval of the plans and specifications for Project No. 1202 - relocation of the existing 16" water main near the Minnesota Department of Transportation's facility in Willmar. At the time of the construction of the Willmar High School, the City entered into an agreement with Mn/DOT for installation of the existing water main across their property. The agreement states that should Mn/DOT add on to their facility, the water main would be relocated at the City's expense. The relocation will be a directional bore and is estimated to cost \$120,000 to be funded by Willmar Municipal Utilities in their capital expenditures budget. In order to proceed with the project, the plans and specifications need to be approved and a bid opening date set. It was noted another agreement similar to the first one will be forthcoming.

A motion was made by Council Member Christianson, seconded by Council Member Fagerlie, and passed for the following

**RECOMMENDATIONS:**

Approve plans and specifications for Project No. 1202 and authorize advertisement for bids to be opened June 20, 2012. (Resolution)

**3. DECLARE COSTS TO BE ASSESSED - PROJECT NOS. 1201 A & B:**

Bids were opened April 24, 2012 for the 2012 Improvements. Staff has compared the costs for 2012 construction to 2011, and assessment rates have increased slightly for overlay increasing from \$25.46 per foot to \$26.08. The reconstruction assessed rate also increased as most of the reconstructed streets are avenues leaving less assessable footage due to address. In 2011 it was \$59.76 and this year is proposed at \$67.17. It was the recommendation of City staff to assign the rates for this year's road reconstruction as stated. The total for assessable footage to be collected is \$600,073.01 with the City's portion being \$617,859.12 not as a benefitted property owner. After discussion, a motion was made by Council Member Christianson, seconded by Council Member DeBlieck, and passed for the following

**RECOMMENDATION:**

To declare the cost to be assessed and order preparation of the assessment roll. (Resolution)

**4. MISCELLANEOUS ITEMS:**

Public Works Director Wilson informed the committee that staff is in the process of preparing RFP's to include the design portion of the Lakeland Drive Interceptor Project. The interceptor would be placed in Lakeland Drive from Willmar Avenue to Civic Center Drive in conjunction with its reconstruction. The construction management portion will be solicited as a separate proposal at a later date. The RFP's will go out in July with design work taking place in 2012-2013 and construction beginning in 2014. This was for information only.

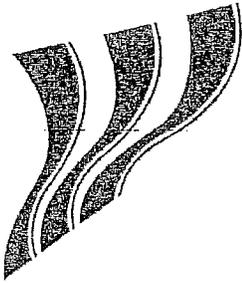
There being no further business to come before the committee, the meeting adjourned at 5:15.p.m.

Respectfully submitted:

A handwritten signature in cursive script that reads "Holly Wilson". The signature is written in black ink and is positioned above the printed name.

Holly Wilson, PE  
Public Works Director

Janell Sommers  
Recording Secretary



CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: \_\_\_\_\_

Meeting Date: May 15, 2012

Attachments: Yes  No

CITY COUNCIL ACTION

Date: May 21, 2012

- Approved       Denied  
 Amended       Tabled  
 Other

Originating Department: Public Works

Action Requested: Consider Approval of Watershed Management Plan

Guiding Principle: Barr Engineering submitted to the City Council the final Watershed Management Plan for the City of Willmar at the City Council meeting of May 7, 2012.

Introduction: The City Council entered into an agreement with Barr Engineering in February, 2010 to provide engineering services for Phases II and III of updating the City's Watershed Management Plan and Hydrologic/Hydraulic Modeling to reflect current conditions. Barr presented their findings to the City Council.

Background/Justification: In September of 2009 the City retained Barr Engineering to prepare Phase I of updating the City's Watershed Management Plan, performing water quality and water quantity modeling. In January of 2010 the City further requested Barr begin Phases II and II of the proposed work and entered into an agreement for the additional tasks.

Fiscal Impact: N/A

Alternatives: N/A

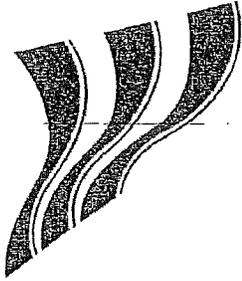
Staff Recommendation: Approve the Watershed Management Plan as presented by Barr Engineering

Reviewed by: Holly Wilson, Public Works Director

Preparer: Janell Sommers, Public Works Secretary

Signature:

Comments:



CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: \_\_\_\_\_

Meeting Date: May 15, 2012

Attachments: Yes  No

CITY COUNCIL ACTION

Date: May 21, 2012

- Approved       Denied  
 Amended       Tabled  
 Other

Originating Department: Engineering

Action Requested: Approve Plans and Specifications and Call for Bids for Project No. 1202 – Mn/DOT Water Main Relocation

Guiding Principle: The City Engineer hereby submits to the City Council the Plans and Specifications for Project No. 1202 – Mn/DOT Water Main Relocation to be approved and authorization given to advertise for bids.

Introduction: The City Engineer has prepared the plans and specifications for Project No. 1202.

Background/Justification: Staff was contacted by Mn/DOT officials regarding the upcoming addition to their District 8 Headquarters building. This addition requires the relocation of the existing water main. The plans and specifications for the improvements need to be approved and authorization received for advertisement for bids in order to proceed with construction in 2012.

Fiscal Impact: Sources of funding for the 2012 Improvement Projects include monies from the Willmar Municipal Utilities.

Alternatives: N/A

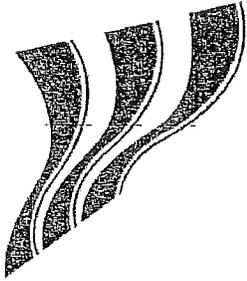
Staff Recommendation: Approve the Plans and Specifications for Project No. 1202 as presented and call for advertisement for bids.

Reviewed by: Holly Wilson, Public Works Director

Preparer: Janell Sommers, Public Works Secretary

Signature:

Comments:



CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: \_\_\_\_\_

Meeting Date: May 15, 2012

Attachments: Yes  No

CITY COUNCIL ACTION

Date: May 21, 2012

- Approved       Denied  
 Amended       Tabled  
 Other

Originating Department: Engineering

Action Requested: Declare Costs to be Assessed and Order Preparation of Assessment Roll - Project No. 1201

Guiding Principle: As required by Minnesota Statute 429, the City Engineer hereby requests the City Council Declare Costs to be Assessed for the 2012 Street and Other Improvements

Introduction: The City of Willmar opened bids April 24, 2012 for the 2012 Street and Other Improvements. The City Council is required to declare the costs to be assessed prior to the Assessment Hearing for Project No. 1201.

Background/Justification: The City Council ordered the 2012 Street and Other Improvements at the Improvement Hearing held March 5, 2012. Bids were opened and the amount received to perform the necessary improvements is known. Staff has prepared the assessable footage and amount for each affected lot. It is at this time costs for the improvements need to be declared and the preparation of the assessment roll ordered.

Fiscal Impact: Sources of funding for the 2012 Improvement Projects include monies from the Willmar Municipal Utilities, assessments, state aid and bond proceeds.

Alternatives: N/A

Staff Recommendation: Declare Costs to be Assessed and Order Preparation of the Assessment Roll in accordance with the requirements of Chapter 429, State of Minnesota Statutes.

Reviewed by: Holly Wilson, Public Works Director

Preparer: Janell Sommers, Public Works Secretary

Signature:

Comments:

**COMMUNITY DEVELOPMENT COMMITTEE  
CITY OF WILLMAR, MINNESOTA  
THURSDAY, MAY 17, 2012**

**MINUTES**

The Community Development Committee of the Willmar City Council met on Thursday, May 17, 2012, in Conference Room No.1 at the City Office Building. Chair Dokken called the meeting to order at 4:45pm.

**Present:**

Jim Dokken	Chair
Steve Ahmann	Council Member
Bruce DeBlieck	Council Member
Ron Christianson	Council Member
Megan Sauer	Planner/Airport Manager
Kevin Halliday	Clerk/Treasurer
Charlene Stevens	City Administrator

**Others present:** Steve Renquist – Economic Development, David Little – West Central Tribune, Mayor Frank Yanish, Tim Johnson – Council Member.

**1. PUBLIC COMMENTS (FOR INFORMATION ONLY)**

There were no public comments offered at this meeting.

**2. LAKELAND HOTEL SALES HISTORY (FOR INFORMATION ONLY)**

City Administrator Stevens reviewed the history of the Lakeland Hotel owners. The current appraised value of the property is \$449,000 with \$12,000 annual property tax (\$2,900 city share). This project fits into the downtown comprehensive plan and could cause positive momentum for future downtown development. The Committee discussed the difference between Section 8 housing and affordable housing. The redevelopment of the Lakeland Hotel is estimated at \$3 million, which will be paid for with private money. An abatement hearing is scheduled for June 4<sup>th</sup> for a 15 year abatement request.

**3. BUILDING INSPECTION SERVICE AGREEMENT (FOR INFORMATION ONLY)**

City Administrator Stevens proposed entering into a Building Inspector Services agreement with Kandiyohi County due to a retirement at the County Offices. City staff would offer up to eight hours per week of inspection or plan review, initially two – four hour morning sessions. Field inspections would be restricted to Willmar/Dovre/St. John's Townships. The agreement calls for an hourly rate for inspections of \$47.50 plus I.R.S. mileage costs. The Committee directed Ms. Stevens to proceed with the agreement.

**4. ISLAMIC SOCIETY CONDITIONAL USE PERMIT REQUIREMENTS (FOR INFORMATION ONLY)**

City Planner Sauer reviewed the progress to-date with the status of the Islamic Society purchase of the Lafayette School property. The parking plan has been approved by Public Works Director Holly Wilson, and construction has begun. Council member Christenson asked why sprinkling of the building is required as it wasn't needed when the facility was used as a daycare. Sauer informed the Committee that it was due to an occupancy change. Additional clarity was requested in the findings between exterior and interior amplified noise.

**5. PLANNING AND ZONING DISCRETION PYRAMID (FOR INFORMATION ONLY)**

The Planning Commission chair attended a Government Training Service Planning Seminar and remitted the "Planning and Zoning Discretion pyramid". The Committee discussed the various aspects of the pyramid. Council member Dokken asked what special training is available for various boards and Planning Commission members. Sauer informed the Committee of the citizen planner handbook and discussed limited funding which allows only a couple of commissioners to attend a planning session.

**6. DOWNTOWN TRASH COLLECTION ISSUES (FOR INFORMATION ONLY)**

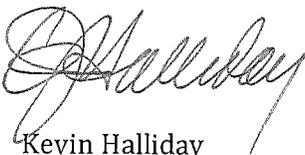
The Committee discussed an overflowing trash container in an alley in the downtown area. The business utilizes a private company with regular pick-up but occasionally exceeds the container limit. Staff acknowledged similar incidents throughout Willmar at rental complexes and residential areas. Council member Dokken suggested installing cameras in problematic areas and the need for consistent enforcement.

**7. MISCELLANY**

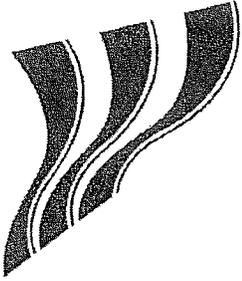
Council member Ahmann inquired about some flooding issues around a piece of equipment at the Airport. Staff explained the localizer equipment cabinet is often surrounded by water. The FAA is concerned about their expensive equipment being damaged. Staff has been aware of the issue, however the tile outlet is higher than the area being flooded, and the easy fix of discharging to the ditch is not feasible due to agreements with the abutting property owner to not increase the ditch water. Staff had requested funding for tiling improvements for 2012 and was not funded; they have requested it again for 2013. Chair Dokken suggested discussing the matter further at the Airport Commission meeting.

- 8.** There being no further business to come before the Committee, the meeting adjourned at 5:47pm.

Respectfully Submitted,



Kevin Halliday  
City Clerk/Treasurer



**CITY OF WILLMAR, MINNESOTA  
REQUEST FOR COMMITTEE ACTION**

**Agenda Item Number:** \_\_\_\_\_

**Meeting Date:** N/A

**Attachments:** \_\_\_Yes \_\_\_No

**CITY COUNCIL ACTION**

**Date:** May 21, 2012

- |                                   |                                 |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended  | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other    |                                 |

**Originating Department:** City Clerk-Treasurer

**Action Requested:** Motion for approval

**Guiding Principle:** Willmar Municipal Code Section 11-88

**Agenda Item:** Consideration of City Park Special Event by On-Sale Liquor License Holder Permit

**Background/Justification:** Dave Baker, of Baker's Eagle Creek Eatery LLC, a current on-sale liquor license holder, is requesting authorization to hold a concert in Robbins Island Park and to sell alcohol beverages at the event. The area proposed includes the beach parking lot with access to the beach restrooms, without blocking off the public beach, in conjunction with Willmar Fests Beach Party, Ski Show, and Fireworks.

**Fiscal Impact:** \$100.00 application fee. Public Works Maintenance staff needed to clean concert area post event. Police services to coordinate traffic and parking (signage where necessary). Massive portable restroom facility upgrade but not a cost to city.

**Alternatives:** Hold event in our indoor Civic Center Arena to contain noise.

**Staff Recommendation:** Approve the City Park Special Event

**Reviewed by:** Kevin J. Halliday

**Preparer:** City Clerk-Treasurer

**Signature:**

**Comments:**