

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 DeBlicek, 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 7th 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 7th 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 22nd 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 7th 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 7th 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:

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

