

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

February 6, 2006
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Lester Heitke. Members present on a roll call were Mayor Heitke, Council Members Doug Reese, Ron Christianson, Denis Anderson, Cindy Swenson, Rick Fagerlie, Jim Dokken, and Steven Gardner; Present 8, Absent 1 – Bruce DeBlieck was excused from the meeting.

Also present were City Administrator Michael Schmit, City Attorney Richard Ronning, Fire Chief Marv Calvin, Public Works Director Mel Odens, Finance Director Steven Okins, Community Education and Recreation Director Steve Brisendine, and City Clerk Kevin Halliday.

Proposed additions to the agenda included appointments to Willmar Municipal Utilities/Kandiyohi Power Cooperative joint study group.

Council Member Fagerlie offered a motion adopting the Consent Agenda which included the following: City Council Minutes of January 23, Municipal Utilities Commission Minutes of January 23, Planning Commission Minutes of January 25, and Building Inspection Report for January, 2006; and Mayoral appointment of Hibo Ashau to the Community Education and Recreation Board. Council Member Anderson seconded the motion, which carried.

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

Center for Cross-Cultural Health update on highlights of the Skills to Action Program was presented by Scott Antilla of Harmony Works. The program puts young leaders/woman leaders into community contributing positions. Loudi Rivamonte, the Executive Director from St. Paul spoke on the success of the program which will soon be installed in eight states from Minnesota to Washington and Oregon. A main emphasis of the program is understanding cultures, promoting a “culture of inclusiveness” and guiding participants into “action” where everyone’s voice is heard and everyone’s opinion is valued. A manual is being written to be available within the next six months. This matter was for information only.

The Annual Departmental Report of the Convention and Visitors Bureau (CVB) was presented by Shari Courtney, Executive Director reviewing 2005 and the new target markets for the year 2006. Following the report, the Council requested Ms. Courtney promote use of the Blue Line Club/Civic Center space with possible equestrian shows. The Mayor noted that a Historic Preservation Committee is missing in the community and asked if the CVB could start the focus of the small tour of historic buildings. This matter was for information only.

The Community Development Committee Report for January 26, 2006, was presented to the Mayor and Council by Council Member Swenson. There were five items for Council consideration.

Item No. 1 Jan Ruby from Burlington Northern Santa Fe Railway appeared before the Committee to discuss the potential establishment of “Quiet Zones” within the City of Willmar. Train noise has become more of an issue in several neighborhoods due to the increase in train traffic. Thirty-five or more trains per day passing through town are not uncommon. Mr. Ruby informed the Committee that the City would need to do a risk analysis at City expense. Following the analysis, it

would be necessary to do a plan for risk minimization. All corrections to the warning system would be at City expense. The Committee discussed reducing the number of trains with a western loop that would connect the BNSF main line with the Sioux City line. Mr. Ruby said that would keep significant amounts of train traffic out of the community, but that the project was nothing that BNSF had in their near-future plans.

Comments were received from several residents that lived near the tracks. Joe Ulferts said that his family moved into Willmar three years ago and they live on 9th Street SW. He said they learned to live with the noise, but it affects their family and quality of life. Terry Spieker, a 29-year Gorton Avenue resident, said that the train horns seem louder and to be used for longer durations.

The Committee asked Mr. Ruby about the regulations for horns at crossings. Mr. Ruby reviewed the Federal regulations for mandatory horn use including the number of horn operations, the duration, and the required decibel level. He said the close spacing of crossings in Willmar exaggerates the situation. Mr. Ruby suggested the City speak with Lynn Liebfreid of BNSF Managed Public Projects and communicate with her about conducting a risk assessment.

Following discussion, the Committee was recommending the Council pursue the “Quiet Zone” concept and get information regarding risk assessment and next steps from the BNSF. Council Member Swenson moved to approve the recommendation of the Community Development Committee with Council Member Dokken seconding the motion, which carried.

Item No. 2 The Committee was provided with an update on the process for Veterans Home project pre-design. The list has been narrowed to three sites within the City. Those sites are a site on west Willmar Avenue, a site just east of the College on state property, and a site on the 60-acre former WRTC property. The review process for pre-design will determine a preferred site. At such time, the Veterans Home Board will come back to the City for additional discussions including means for local participation. This matter was for information only.

Item No. 3 The Committee discussed the following projects: industrial Park expansion, MinnWest Technology Campus, and DBI commercial development in southeast Willmar. This matter was for information only.

Item No. 4 Previously, the Committee had referred the issue of lighting to the Planning Commission for their review. Concern had been expressed regarding the amount of lighting and its impact on the night sky. The Committee had asked the Commission to look at ways to control lighting. Staff reported back that the Planning Commission had discussed this matter on several occasions. Research indicates that the City’s existing ordinance is very consistent with those from many other communities, and that it already requires directional lighting control. It was the opinion of the Planning Commission that the degree of regulation afforded by the current ordinance language was adequate. This matter was for information only.

Item No. 5 As a result of contact with the City’s lobbying firm, a resolution of appreciation was prepared for Senator Coleman thanking him for his efforts to secure the \$500,000 Wastewater Treatment Plant planning funds. The Committee was recommending to the Council to adopt a resolution of appreciation for Senator Coleman’s efforts to secure Wastewater Treatment Plant planning funds. Resolution No. 1 was introduced by Council Member Swenson, seconded by Council Member Christianson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 1

WHEREAS, the City of Willmar has initiated the process of planning for and designing new Wastewater Treatment Facilities; and

WHEREAS, various sources of funds are needed for the project to minimize the financial impact on City residents and businesses; and

WHEREAS, proposals for funding planning and engineering activities were submitted to our federal legislators as part of the project financing plan.

WHEREAS, as part of the 2006 federal appropriation the City of Willmar was granted \$500,000 from the State and Tribal Assistance Grant fund.

NOW THEREFORE BE IT RESOLVED, by the City Council, Willmar, Minnesota, that the City hereby expresses the community's appreciation to United States Senator Norm Coleman for his work on behalf of the City in securing a \$500,000 grant for Wastewater Treatment Plant planning and engineering.

Dated this 6th day of February, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

The Community Development Committee Report for January 26, 2006, was approved as presented and ordered placed on file in the City Clerk's Office upon motion by Council Member Swenson, seconded by Council Member Christianson, and carried.

The Finance Committee Report for January 30, 2006, was presented to the Mayor and Council by Council Member Anderson. There were six items for Council consideration.

Item No. 1 Staff presented the City of Willmar Investment Policy to the Committee for its annual review. There being no recommended changes, the Investment Policy was received for information only.

Item No. 2 The Committee was informed that pursuant to IRS regulations, the City is required to declare its intention to be reimbursed for bond issue costs incurred before the bond amount determination is complete. Examples of these costs include advertising, printing, staff time, etc.

The Committee was recommending the Council adopt a resolution declaring the City's intent to reimburse itself for preliminary bond issue costs incurred prior to the bond amount determination. Resolution No. 2 was introduced by Council Member Dokken, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 2

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

(For Resolution in its entirety see City Council Proceedings File dated
February 6, 2006, located in the City Clerk's Office)

Item No. 3 The Committee received an update on the City's progress in assuming the role of fiscal agent for the Economic Development Commission. In July, 2003, a Joint Powers Agreement was executed by the City of Willmar and Kandiyohi County establishing the Economic Development Commission, at which time the County acted as the EDC fiscal agent. As of January 1, 2006, the County is no longer performing that service and is in the process of transferring these duties to the City of Willmar. It is anticipated that the City will also be providing payroll services for the EDC as long as they can be reported under the City's Federal Identification Number. This issue is being addressed and should be resolved in the near future. This matter was for information only.

Item No. 4 The Committee reviewed with Staff an ordinance that would amend the present City sewer rates by 6.35 percent. The ordinance is part of an ongoing funding plan established in 2001 to enable the City to construct a new Wastewater Treatment Facility by the year 2010. This would be the fifth year of scheduled increases since the adoption of the Facilities Plan.

The ordinance was introduced for a public hearing by Council Member Dokken, seconded by Council Member Fagerlie, and carried for February 21, 2006 at 7:03 p.m.

Item No. 5 The Committee was reminded that the Senior Citizens Dining Program and the Firemen's Relief Pension information will be included on a future agenda for their consideration. This matter was for information only.

Item No. 6 The Committee acknowledged receipt of the following reports: November Rice Hospital Financial, unaudited December WRAC-8, unaudited December CVB, December Rice Trust, 4th Quarter Rice Trust, 4th Quarter Investment Activity, December 31st Cash/Investment Balance Portfolio, and 2005 Interest/Dividends.

The Finance Committee Report for January 30, 2006, 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 Fagerlie, and carried.

The Public Works/Safety Committee Report for January 31, 2006, was presented to the Mayor and Council by Council Member Reese. There were three items for Council consideration.

Item No. 1 The Committee considered a request from the Fire Department for permission to conduct a training burn at 621 SW 6th Street. The owner has requested it be used for training purposes. All necessary permits will be obtained and inspections performed prior to any training being conducted. Following discussion, the Committee was recommending the Council approve the training burn at 621 SW 6th Street. Council Member Christianson moved to approve the recommendation of the Public Works/Safety Committee with Council Member Anderson seconding the motion, which carried.

Item No. 2 The Committee reviewed the Improvement Report for the 2006 Projects, which includes reconstruction, overlay, new construction, street lighting, and miscellaneous projects. Staff briefly reviewed the streets to be constructed or reconstructed and the miscellaneous items proposed. The total estimated cost for the improvements is \$7,435,000 with the City's share being approximately \$1,990,000.

This year's improvements include reconstruction of various residential streets in both southwest and northwest Willmar, the overlay of Business 71 from the north end of the bridge to Ella Avenue and from Civic Center Drive to 26th Avenue NE along with several residential streets.

New construction of residential lots is being proposed by several developers. Duinick Bros. Inc. is planning the first phase of a business development in southeast Willmar. Street lighting is included for the new developments and also along County Road 5 for path lighting from 8th Avenue to Collegeview. Other work includes a signal system at 5th Street SE and 19th Avenue SE, an apron extension at the airport, and walk paths in conjunction with the local option sales tax.

The Committee was recommending to the Council to adopt a resolution ordering the improvements and calling for a public hearing on February 21, 2005 at 7:02 p.m. Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 3

RECEIVING PRELIMINARY REPORT AND CALLING PUBLIC HEARING ON YEAR 2006 IMPROVEMENT PROJECTS

WHEREAS:

1. The City Council deems it necessary and expedient that the City of Willmar, Minnesota, construct certain improvements to-wit: grading, gravel base, bituminous paving, curb and gutter, sidewalk, signal systems, street lighting, sanitary sewer, storm sewer, water main, sump pump drain tile, and service lines in the City as described in and in accordance with the preliminary plans and report prepared by the City Engineer.

2. The Council has been advised by the City Engineer that said Year 2006 Improvement Projects contained in the Preliminary Report are feasible and should best be made as proposed, and the City Engineer's report to this effect has heretofore been received by the Council, and filed with the Clerk-Treasurer; and

3. The statute provides that no such improvements shall be made until the Council shall have held a public hearing on such improvements following mailed notice and two publications thereof in the official newspaper stating time and place of the hearing, the general nature of the improvement, the estimated costs thereof and the area proposed to be assessed, in accordance with the law;

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

1. A public hearing will be held at the time and place set forth in the Notice of Hearing hereto attached to consider said proposed improvements.

2. The nature of the improvements, the estimated cost of each major portion thereof, and the areas proposed to be assessed therefore are described in the form of Notice of Hearing hereto attached (on File in the City Clerk's Office).

3. The notice of said public hearing shall be in substantially the form contained in the notice hereto attached (on file in the City Clerk's Office).

4. The Clerk-Treasurer is hereby authorized and directed to cause notice of said hearing to be given two publications in the official newspaper. Said publications shall be one week apart, and at least three days shall elapse between the last publication and the hearing. Not less than ten days before the hearing the Clerk-Treasurer shall mail notice of the hearing to the owner of each parcel of land within the area proposed to be assessed as described in the notice. For the purpose of giving such mailed notice, owners shall be those shown to be such on the records of the County Auditor or, if the tax statements in the County are mailed by the County Treasurer, on the records of the County Treasurer. As to properties not listed on the records of the County Auditor or the County Treasurer, the Clerk-Treasurer shall ascertain such ownership by any practicable means and give mailed notice to such owners.

Dated this 6th day of February, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Staff then presented the preliminary budget for the improvements proposed in the Improvement Report with an estimated total cost of \$5,426,000 (Duininck Project will be a second preliminary budget). The Committee was recommending the Council approve the preliminary budget for the 2006 Improvements totaling \$5,426,000. Resolution No. 4 was introduced by Council Member Christianson, seconded by Council Member Anderson, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 4

PRELIMINARY 2006 IMPROVEMENT BUDGET

PERSONNEL SERVICES		RECEIVABLES	
Overtime Reg. Employees	\$500.00	Property Owners	\$620,000.00
Salaries Temp. Employees	\$6,000.00	City (MUC)	\$45,000.00
Employer Pension Contr.	\$1,500.00	State (State Aid)	\$800,000.00
Employer Ins. Contr.		City (CIF)	\$525,000.00
TOTAL	\$8,000.00	City (LOST)	\$200,000.00
SUPPLIES		Other	\$200,000.00
Office Supplies	\$1,500.00	Developer	\$2,900,000.00
Small Tools	\$2,000.00	City (Utility fee)	\$136,000.00
Motor Fuels & Lubricants	\$1,000.00	TOTAL	\$5,426,000.00
Postage	\$2,000.00	FINANCING	
Mtce. of Other Improvements	\$2,000.00	Bonds	
General Supplies	\$3,500.00	State	

TOTAL	\$12,000.00	City	TOTAL	\$0.00
OTHER SERVICES				
Printing & Publishing	\$4,000.00			
Mtce. of Other Improvements	\$3,940,000.00		GRAND TOTAL	\$5,426,000.00
Other Services	\$960,000.00			
TOTAL	\$4,904,000.00			
OTHER CHARGES				
Insurance & Bonds	\$2,000.00			
Prof. Serv.	\$200,000.00			
Adm. OH (Transfer)	\$250,000.00			
Other Charges	\$50,000.00			
TOTAL	\$502,000.00			
GRAND TOTAL	\$5,426,000.00			

Dated this 6th day of February, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Item No. 3 City Administrator Schmit reviewed with the Committee the previous direction from the Council regarding the option chosen for siting the Wastewater Treatment Plant (WWTP) and indicated the project is in the planning phase at a point where costs can be estimated.

The WWTP Presentation was presented by Ken Sedmak, Sandy Kimmler, and Mike Gerbitz of Donohue and Associates and included a summarization of the plan, reasons for implementation, the conveyance system to get the flow to the site, and an overview of the WWTP facility itself. Preliminary user rates were also discussed, but until the financing structure is completed, the rates can only be estimated.

Discussion followed the presentation that addressed questions on other options, alternate sites, cost share, grants, and construction cost. The Committee defined action steps as (1) continue developing the plan as presented, (2) evaluate moving the plant closer to Willmar, or (3) use of the existing WWTP in conjunction with building a new industrial plant west of town.

The Committee discussed the implications of each option and agreed that the City should continue developing the plan as presented and draft the Facility Plan for review and approval, and was recommending the Council direct staff to move forward with the current plan and complete the Facility Plan.

City Administrator Schmit addressed the Council, summarizing the history of the WWTP facility and steps which lead to the contracting with a professional engineering firm to develop a new WWTP Facility Plan. Mr. Schmit detailed law changes such as new standards for the treatment of phosphorus and ammonia, which have added costs to the 2000 Facility Plan.

Council Member Anderson moved to delay Council action for 60 days to refine cost

estimates and examine alternatives with Council Member Reese seconding the motion. The Council discussed the benefits or setbacks with delaying the completion of the Facilities Plan.

Willmar Lakes Area Chamber of Commerce President Ken Warner appeared before the Mayor and Council who encouraged the Council to take a breather in the process and not to rush into this \$80 million proposal without more public input. Randy Alslaben, Director of Engineering for Jennie-O Turkey Store, recognized the hard work that lead to this juncture and the new challenges in regulations that face the Council. He noted the “sticker shock” to Jennie-O for nearly doubling the cost of treating their wastewater. Mr. Alslaben was recommending the Council check new technologies to reduce the financial impact and to be sure the facts are right before the City moved forward.

Following discussion, the vote on the motion to delay Council action for 60 days failed on a roll call vote of Ayes 3, Noes 4 – Council Members Swenson, Gardner, Dokken and Fagerlie voted “No.”

Council Member Christianson moved to approve the recommendation of the Public Works/Safety Committee with Council Member Gardner seconding the motion, which carried on a roll call vote of Ayes 6, Noes 0, Council Member Anderson abstained from voting.

The Public Works/Safety Committee Report for January 31, 2006, 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 Dokken, and carried.

The Mayor and Council considered a request from the VFW Post 1639 to renew a premise permit to the Gambling Control Board. Following discussion, Resolution No. 5 was introduced by Council Member Fagerlie, seconded by Council Member Gardner, read by Mayor Heitke, and approved on a roll call vote of Ayes 7, Noes 0.

RESOLUTION NO. 5

REQUESTING THAT THE MINNESOTA GAMBLING
CONTROL BOARD APPROVE THE APPLICATION FOR A
PREMISE PERMIT FOR THE VFW POST 1639

WHEREAS, the VFW Post 1639 has applied to the Minnesota Gambling Control Board to obtain a Premise Permit for a Premise Permit at the VFW Post 1639, 1108 East Highway 12, Willmar, Minnesota;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar that the City approves of the Premise Permit for the for the time period July 1, 2006, through June 30, 2008, VFW Post 1639 and respectfully requests that the State of Minnesota Gambling Control Board approve the Premise Permit to the VFW Post 1639.

Dated this 6th day of February, 2006.

/s/ Lester Heitke
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Mayor Heitke presented information regarding a service territory study between the Willmar Municipal Utilities and Kandiyohi Power Cooperative to extend their cooperative agreement. The Mayor recommended that City Administrator Schmit and one Council Member be appointed to serve on WMU/KPC study group. Council Member Anderson moved to appoint Council Member Reese to serve on the study group. Council Member Gardner seconded the motion, which carried.

Announcements for Council Committee meeting dates were as follows: Finance, February 13; Public Works/Safety, February 14; and Labor Relations, February 15, 2006.

There being no further business to come before the Council, the meeting adjourned at 10:03 p.m. upon motion by Council Member Reese, seconded by Council Member Fagerlie, and carried.

Attest:

MAYOR

SECRETARY TO THE COUNCIL