

FINANCE COMMITTEE

MINUTES

The Finance Committee of the Willmar City Council met on Monday, March 10, 2014, in Conference Room No. 1 at the City Office Building.

Present:	Denis Anderson	Chair
	Audrey Nelsen	Member
	Ron Christianson	Member
	Jim Dokken	Member

Others present: City Administrator Charlene Stevens, Finance Director Steve Okins, Planning and Development Services Director Bruce Peterson, Public Works Superintendent Scott Ledebauer, and Accounting Supervisor Carol Cunningham.

Item No. 1 Call to Order

The meeting was called to order by Chair Anderson at 4:45 p.m.

Item No. 2 Public Comments

There were no comments from the public.

Item No. 3 Amend 2014 Leisure Services Budget (Resolution)

Staff explained that just under \$2,800 was expended recently from the 2014 Leisure Services Budget to upgrade some of the youth hockey equipment. Prior to this purchase, the Hockey Association expressed an interest in partnering with the City on the cost of this upgrade. Subsequently, the City has received donations of \$1,000 from the Willmar Blue Line Club and \$550 from ACMC to help offset this expenditure. Staff is proposing that the 2014 Leisure Services Equipment line item be increased by \$1,550 to reflect these donations. It was noted that the ACMC donation of \$550 was previously recognized by the Council.

Following discussion, Council Member Christianson made a motion to introduce a resolution to increase the 2014 Leisure Services Equipment Expenditures Budget by \$1,550 to reflect the donations as presented. Council Member Nelsen seconded the motion which carried.

Item No. 4 Snow Blower Purchase (Motion)

Staff presented a request to purchase a snow blower for the Public Works Department for \$158,225. Replacement of the existing 1999 Sno-Go snow blower has been anticipated and planned for in the 2014 CIP. Rather than trade the old unit in for a credit of \$20,000, it is recommended that it be retained to salvage numerous parts because their value far exceeds the trade value. It was noted that the 2014 CIP included \$200,000 for the purchase of the snow blower, so a savings in excess of \$41,000 will be realized in this transaction, not including the value of the salvage parts.

Following discussion, Council Member Christianson moved to approve the purchase of the snow blower for \$158,225 from MacQueen Equipment and to retain the existing 1999 Sno-Go snow blower for salvage parts. Council Member Nelsen seconded the motion which carried.

At this time, Chair Anderson commended staff for their vigilance in determining the substantial cost savings of \$146,000 when purchasing the Oil Distributor recently.

Council Member Christianson requested that proposed capital equipment purchases be brought to the applicable committee for approval, as well as to the Finance Committee for budget approval. Concerns were raised about the additional process this would involve. This matter will continue to be discussed.

Council Member Dokken arrived at this time.

Item No. 5 Public Works Garage Door Replacement (Resolution)

Staff presented a request to purchase two new garage doors and lifts for the Public Works Garage. Two of the main doors in the garage have been failing for some time and their replacement was anticipated and scheduled in the 2014 CIP. It was subsequently determined that due to ongoing and increasing problems with the lifts that they both should be replaced as well. The total cost for replacement of two doors and two lifts is anticipated at \$15,381.26. The 2014 CIP budgeted \$10,000 for two doors. It is proposed that \$5,381.26 be reallocated from unspent funds from previously purchased dump trucks which were part of the 2014 CIP as well.

Following discussion, Council Member Christianson made a motion to introduce a resolution approving the purchase of two doors and two lifts from Overhead Door Company for a total cost of \$15,381.26 and that \$5,381.26 be reallocated from unspent funds from the previously purchased dump trucks. Council Member Nelsen seconded the motion which carried.

Item No. 6 Fuel System Upgrade (Resolution)

Staff explained that shortly after the new fuel pumps were installed at the Public Works Garage in 2013, it became obvious that there were compatibility issues with the old software packages. These incompatibilities included some of the tank monitoring as well. Staff solicited proposals from three different firms to correct the problem and to make the system functional. It is being recommended that the fuel system upgrade be completed by Minnesota Petroleum Services for \$45,552.88. While this project was not part of the CIP, it is necessary nonetheless and it is proposed that unused funds from the recent purchase of an oil distributor for the Public Works Department be used for this upgrade.

Following discussion Council Member Christianson made a motion to introduce a resolution approving the fuel system upgrade. Council Member Nelsen seconded the motion which carried.

Item No. 7 Old Business (Information)

There was no old business.

Item No. 8 New Business (Information)

There was no new business

There being no further business to come before the Committee, the meeting was adjourned at 5:03 p.m. by Chair Anderson.

Respectfully submitted,



Carol Cunningham
Accounting Supervisor