

**Lake City Common Council
Regular Meeting
Monday, June 10, 2013 6:00 p.m.
City Hall Council Chambers**

Members Present: Mayor Joel Beckman, Andru Peters, Phil Gartner, Mark Spence, Matt Powers, Mary Lou Waltman, Gene Durand

Members Absent: None

Staff Present: City Administrator Ron Johnson, City Attorney Sarah Sonsalla, Planning and Community Development Director Rob Keehn, Public Works Director Scott Jensen, City Clerk Kari Schreck, Police Chief Gary Majchrzak, Sergeant Cory Kubista

Mayor Beckman called the meeting to order at approximately 6:00 p.m. in the Council chambers of city hall with a quorum present.

Pledge of Allegiance

Mayor Beckman led the Pledge of Allegiance.

Introductions

Introductions were made.

Public Forum

None

Review and adopt/amend agenda

Motion Spence, second Powers to approve the agenda as presented. All ayes 7-0-0.

Recognize Gary Majchrzak for his 33 years of service. Gary is retiring as of June 30, 2013.

Appoint Cory Kubista as Chief of Police effective June 30th

Pursuant to Minnesota Statutes Section 419.06, subdivision 7, the Civil Service Commission has provided the City Council a certified list of the three candidates standing highest on the list to fill the vacancy. In this case, Sergeant Cory Kubista is only one candidate on the list. From this list, the City Council is to make its selection and make the appointment. The Council may reject this candidate which would mean that the Civil Service Commission would need to go forward with a new selection process. If Sergeant Kubista is appointed, the recommendation from the Civil Service Commission is to waive the background check and require him to be on probationary status for a period of one year. His start date would be June 30, 2013.

Motion Spence, second Gartner to appoint Cory Kubista as the Chief of Police with a starting date of June 30, 2013, subject to serving a one year probationary period. All ayes 7-0-0.

Motion Gartner, second Waltman to place Chief Kubista at Grade 17, Step D beginning June 30, 2013. All ayes 7-0-0.

Adopt Resolution 13-037, authorizing sale of \$365,000 general obligation improvement refunding bonds, series 2013B

A bond recommendation was presented by Mike Bubany, David Drown Associates, for refunding of the 2006A GO improvement bonds, series 2006A. The bonds were originally issued in 2006 for the 10th Street improvements. A Standard and Poor's rating of AA- was reported by Bubany for this potential refinancing. The city is in very good financial condition. The interest rate is 2.4951%. The debt service fund will pay a lower interest rate over the remaining life of the bond.

Motion Spence, second Durand to adopt Resolution 13-037, and authorizing sale of \$365,000 general obligation improvement refunding bonds, series 2013B. Roll call vote: Durand, Spence, Beckman, Waltman, Powers voting aye; Gartner, Peters voting nay. Motion carried 5-2-0.

Adopt Resolution 13-039, authorizing sale of \$1,580,000 general obligation street reconstruction bonds, series 2013A

A bond recommendation will be presented by Mike Bubany, David Drown Associates, for sale of \$1,580,000 general obligation street reconstruction bonds, series 2013A. Project costs including construction, engineering, and contingency and bonding expenses are estimated at \$1,580,000. The interest rate is 1.9213% from UMB Bank N.A.

Motion Gartner, second Spence to adopt Resolution 13-039, authorizing sale of \$1,580,000 general obligation street reconstruction bonds, series 2013A. All ayes 7-0-0.

Approve quote to draft preliminary floor plans of the Public Safety Facility

The committee felt it was far enough along to request a preliminary drawing of the proposed public safety facility, PD, EMS, EOC and FD. Mr. Wirtanen, Ambulance Commission member and Public Safety Facility chairperson, had earlier completed square foot drawings for the ambulance on the (former) French property. The committee felt Mr. Wirtanen's background will help facilitate the drafting of good working drawings not to exceed \$3,000, plus printing expenses. During discussion, it was brought up that there could be a conflict of interest as Mr. Wirtanen is on the Ambulance Commission.

Motion Spence, second Peters to table item for City Attorney to review for potential conflict of interest. All ayes 7-0-0.

City Administrator will work with staff on contacting some architects or construction management firms to conduct similar work.

Introduce and conduct first reading of Ordinance 524 amending Chapter 95 of City Code relating to dangerous dogs

Chapter 95 of the City Code regulates dangerous animals. In reviewing the current regulations, City staff and the City Attorney noted certain inconsistencies with applicable state law, as well as the absence of a process for appealing potentially dangerous dog designations. Minnesota Statutes section 347.565 requires local law enforcement agencies to enforce the state law, regardless of whether the city has adopted the statutory provisions in a local ordinance. Therefore, it is important that the City's ordinance be consistent with the state law. The Police Chief and the City Attorney are proposing adoption of the attached Ordinance. The Ordinance amends Chapter 95 of the City Code. It amends certain definitions to be consistent with the

definitions in the state statute. It also clarifies the process for designating a dog as potentially dangerous or dangerous and the right for an owner to appeal such a designation to the Public Safety Board. The Ordinance also eliminates the broader category of dangerous “animals” and limits such a designation to dogs only.

Motion Gartner, to introduce and conduct first reading of Ordinance 524 amending Chapter 95 of the Lake City Municipal Code relating to the regulation of dangerous dogs.

Motion Gartner, second Waltman to waive the 1st reading of Ordinance 524. All ayes 7-0-0.

Adopt Resolution 13-035 amending 2013 Economic Development Authority Budget

The 2013 Economic Development Authority budget line (Travel, Meetings, and Conferences) has been exceeded due to the addition of Economic Development Association Minnesota meetings attended by Sparks as a result of the Executive Director Sparks election to the EDAM Board of Directors in 2013. The 2013 Economic Development Authority budget line item (Communications) has funds which can be moved to cover the shortage.

Motion Powers, seconded Spence to adopt Resolution 13-035 amending the 2013 Economic Development Authority Budget. All ayes. 7-0-0.

Adopt Resolution 13-038 ordering abatement of conditions creating a nuisance and hazardous property existing at 600 W. Lyon Avenue

The property located at 600 West Lyon Avenue has fallen into a state of disrepair over the years and has now been deemed both a nuisance and a hazardous property by the City’s building official. The City has notified the owner on multiple occasions of the need to abate the nuisances and repair the property, but no action has been taken. Adoption of the resolution will allow the City Attorney to proceed with the service of the abatement order on the interested parties. If the interested parties do not respond within 20 days, the City may file the order in District Court. The City will then be able to file a motion for a default order that will allow the City to either remove or repair the building and to assess both its costs in obtaining the order and the removal/repair costs against the property.

Motion Gartner, second Powers to adopt Resolution 13-038 ordering the abatement of conditions creating a nuisance and hazardous property existing at 600 W. Lyon Avenue. All ayes 7-0-0.

Adopt Resolution 13-040 amending 2013 Public Works line item budgets

Several tools and equipment have been replaced in Electric that pose safety issues and/or have worn out. Recently a 30+ year old phasing tool, which is used on a regular basis, failed. Replacement in excess of \$3,000 is required. Line items in Electric and Garbage have exceeded budget. Utilities have exceeded in Garbage related to the compost site. Both amendments are being made within the current year’s budget and will have no net effect to the funds.

Motion Gartner, second Waltman to adopt Resolution 13-040 amending 2013 Public Works line item budgets. All ayes 7-0-0.

Approve amendment to agreement for civil legal services

The Agreement for Legal Services calls for a review of the billing statements after the initial three months of services under this agreement. A section further spells out how the agreement

should be adjusted based on the number of retainer hours provided. Using this formula based on the number of hours provided, the new amount would be adjusted to \$7,968. Kennedy & Graven would be amenable to adjusting the retainer to \$5,000 per month for the months of April- June, with another review at the end of June. They would be agreeable to this provided that it is understood that any real estate matters (i.e. purchase/sale of property, drafting of easements, etc.) would fall outside of the retainer and be charged at the non-retainer rate of \$155/hr. as per the agreement. The cost would be an additional \$1500 per month plus any applicable real estate related non-retainer costs. The legal services task force (Beckman/Waltman) met and is recommending Council approval of the revised terms of agreement.

Motion Gartner, second Powers to approve the amendment to agreement for legal services with Kennedy & Graven. All ayes 7-0-0.

Approve Promissory Note for Ambulance

The City of Lake City, as part of the 2012 Budget, approved the purchase of an Ambulance. The purchase price was to come from a Promissory Note between the City of Lake City and the Lake City Marina to be repaid over five years at an appropriate interest rate. The Marina Board is aware of the promissory note and allowed the Council to set the interest rate. The interest rate of 3% was arrived at by reviewing the most recent bond issue interest rates. The amount of the annual repayment will be included in the subsequent years' proposed budgets.

Motion Gartner, second Powers to approve the Promissory Note between the City of Lake City and the Lake City Marina for \$160,695.00 at 3% interest to purchase an Ambulance. All ayes 7-0-0.

Approve lease with Burckhardt Properties LLC for garage storage of ambulance at \$200 per month

The ambulance is in need of secure, temperature controlled, indoor storage for the backup ambulance. The building located at 1215 N 7th St in Lake City will provide a single garage stall with temperature control and security for \$200 a month rent plus utilities. The building is insulated and utilities should be minimal. The old 273's transmission failed and has been stored at Public Works. Kennedy & Graven has been requested to review the agreement

Motion Gartner second Powers to approve a lease with Burckhardt Properties LLC for garage storage of ambulance at \$200 per month, effective July 1, 2013, contingent upon approval by Kennedy & Graven as to form and content. All ayes 7-0-0.

Consent Agenda

- a. Approve May 13, 2013 City Council regular meeting minutes
- b. Approve May 13, 2013 City Council budget retreat meeting minutes
- c. Approve expense claims 5.9.13-6.6.13
- d. Request proposals for professional audit services
- e. Confirm appointment of Erik Brunkow to the Utility Board
- f. Approve two employees' participation in Caselle software training
- g. Approve hiring Lauren Webb as volunteer EMT
- h. Approve hiring Pool/Recreation seasonal employee Kathleen Tesch
- i. Hire two police reserves officers already approved by the Civil Service Commission

- j. Adopt Resolution 13-029 approving 2013 seasonal/temporary hires for Public Works and Marina Departments
- k. Adopt Resolution 13-033 accepting donation of \$1,050 and amending 2013 Parks budget
- l. Adopt Resolution 13-034 accepting donations for Summer Reading Program and amending 2013 library budget
- m. Approve City Administrator attendance at International City/County Management Association Annual (ICMA) Conference
- n. Approve exempt employee group participation in MN State Retirement System (MSRS) Health Care Savings Plan
- o. Adopt Resolution 13-036 certifying special assessments to Wabasha County Auditor for nuisance abatement - snow removal during the 2012-2013 winter season
- p. Approve attendance at Rural Executive Management Institute Training

Motion Waltman, second Spence to adopt the consent agenda as presented. All ayes 7-0-0.

Communication Updates

- a. Library facility committee- update in July
- b. Public Safety facility committee update - Carl Wirtanen
Committee selected the 10th Street lot the city currently owns. Police, Ambulance, EMS, and Fire would all be re-located to this site is the assumption they were working with.

Miscellaneous discussion

Thank you to Nick Albright who has videotaped city meetings since 2011.

Reminder to council members to R.S.V.P. to the City Administrator regarding riding in the Waterski Day parade.

Informational Reports- as presented

Future Meeting Dates- as presented

Motion Waltman, second Powers to adjourn at 7:45 p.m. All ayes 7-0-0.

Joel T. Beckman, Mayor

ATTEST:

Kari Schreck, City Clerk