

**Lake City Common Council
Regular Meeting
Monday, July 8, 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

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.

Spence stated that he had a conflict and would abstain from item 6d Approve independent contractor agreement with Mark Spence to run various summer rec soccer camps and adopt Resolution 13-044 regarding the approval.

Add a Joint Powers Board discussion request by Peters.

Review and adopt/amend agenda

Gartner requested that 7h Authorize SEMMCHRA to conduct surveys necessary to fulfill preliminary application requirements of Small Cities Development Program (SCDP) 7o Hire 2013 summer rec coaches contingent upon receipt of necessary documentation from employees be pulled for discussion.

Council,by consensus, approved the agenda as amended.

Wabasha Commissioner David Harms- update

The County is in the process of exploring the Public Health and Social Services positions into one position.

The Frac Sand Ordinance (non- metallic mining) passed. No new mines can open within 1500 feet of another property. The moratorium on mining is still in place.

Joint Powers Board Agreement should be revisited to address the city's and county's changing needs.

Harms expressed interest in looking into combining the County shop into the Public Works facility.

Consensus from Council is that the Joint Planning Board reviews the enabling resolution which outlines its authority, planning staff as well as Wabasha County staff to have a meeting to discuss potential changes.

Senator Matt Schmit will be at the August meeting to present the legislative summary

Public Forum

None

2013 street project update- Bill Anderson, Yaggy Colby

Public Works Director Jensen reported that phase 1 is almost complete; however the project is approximately \$40,000.00 over budget. During phase 1 there were several areas where poor soils were found that needed to be replaced. Staff is recommending that full depth reclamation be completed on two streets and that two others are completed in a future project, 3 to 5 years out. Cost variations due to delaying the streets are the price of oil and inflation. At present Woodburn and Doughty would be completed in the future but staff will further inspect the streets before making a final determination

Motion Powers, second Waltman to eliminate Woodburn and Doughty streets from the 2013 street project and stay with budgeted dollars and send a letter to the affected property owners of Woodburn and Doughty streets with an explanation. All ayes 7-0-0.

Affirm the 2012 annual audit report

As part of the completion of the annual audit, the information is reviewed with the governing body. Steve Salveson, principal from Smith Schafer & Associates, LTD presented an overview of the audit. The city is in good financial condition.

Minnesota Statute 6.55 requires the audit of the financial records to be performed annually by a qualified preparer. The City of Lake City retained the services of Smith Schafer & Associates, LTD to perform the required audit in compliance with state statutes and audit standards. In addition, the audit must be filed with the State no more than 180 days after the end of the fiscal year. The audit was filed prior to the June 30, 2013 deadline. The cost of the annual audit is included in the 2013 budget.

Motion Waltman, second Peters to affirm the 2012 audit performed by Smith Schafer and Associates, LTD. All ayes 7-0-0.

Approve up to \$15,000 plus expenses for architectural services for planning phase of library renovation

At the March meeting of the City Council, Council requested the Library Renovation Committee to research three issues for the next steps towards the renovation of the LC Library:

- 1) Evaluate and recommend a location for the future library
- 2) Compare cost options, renovation versus build new
- 3) Recommend whether fund raising assistance from Crescendo Consulting was advisable

The committee recommends utilizing the existing space at with an approximate budget of \$1.7 million, and that the services of Crescendo Consulting would not be cost effective. The committee also recommends that the city obtain the services of Meyer, Scherer & Rockcastle, Ltd at a cost of \$15,000 plus expenses. MS&R has an extensive background with building and renovating libraries across the country.

Council requested an estimate of the anticipated expenses related to MS&R's proposal for the August Council meeting.

Council agreed that the funding for this work would come off of the up to \$1 million the Council agreed to contribute to the renovation project.

Motion Gartner, second Peters to approve up to \$15,000 plus expenses for architectural services with MS&R for the planning phase of the library renovation. All ayes 7-0-0.

Adopt Resolution 13-042 amending 2013 Parks capital budget by \$840

This item was approved in the 2013 Parks capital budget at \$6,000. Final cost of the new mower, after trade-in, was \$6,840.

Motion Spence second Waltman to adopt Resolution 13-042 amending 2013 Parks capital budget by \$840. All ayes 7-0-0.

Approve independent contractor agreement with Mark Spence to run various summer rec soccer camps and adopt Resolution No. 13-044 regarding the approval

It has been determined that for tax and insurance reasons, summer rec coaches should be considered City employees. This creates a unique situation for Council Member and coach Mark Spence. City Attorney Sonsalla has determined that, although Mr. Spence could be an employee and a Council Member according to state statute, the City Charter is more restrictive because it prohibits a member of the Council from being employed by the City. However, the City may enter into a contract with Council Member Spence for his services as an independent contractor. There is a statutory exception to the conflict of interest law that allows cities to enter into contracts with officials if competitive bidding is not required. Since the contract with Council Member Spence is for professional services and the amount does not exceed \$100,000, it is not required to be competitively bid and falls within this exception.

State statute requires that the interested council member abstain from voting and that the council approve the contract by a unanimous vote (Council Member Spence should abstain from voting).

After the contract is approved by the Council, state statute requires that a resolution be adopted by the council in order to address the conflict of interest issue (Council Member Spence should abstain from voting).

Mayor Beckman directed Council member Spence and the City Attorney to go to the conference room and attempt to work out the details of the agreement. They left the Chambers at 8:22 p.m.

7o. Hire 2013 summer rec coaches contingent upon receipt of necessary documentation from employees

Motion Gartner, second Powers to approve the hiring of 2013 summer rec coaches contingent upon receipt of necessary documentation from employees. All Ayes 6-0-0.

7. Consent Agenda

- a. Approve June 10, 2013 City Council budget retreat minutes
- b. Purchase excess liability coverage and waive the statutory limits on municipal tort liability established by MN Statutes 466.04
- c. Approve expense claims 6.7.13-7.3.13
- d. Approve a Minor Subdivision for property located at 1017 West Lakewood Avenue

- e. Amend 2014 budget calendar
- f. Approve pay certificate #1 to Monarch Paving, Inc. for 2013 street reconstruction for \$215,557.10
- g. Approve bridge inspection agreement between City of Lake City and Goodhue County
- h. ~~Authorize SEMMCHRA to conduct surveys necessary to fulfill preliminary application requirements of Small Cities Development Program (SCDP)~~
- i. Approve hiring Kim Olander, Rachon Mussell and Alex Shepherd as volunteer EMTs
- j. Approve The Railhouse Grill Inc. request for a combination liquor license
- k. Adopt Resolution No. 13-043 authorizing publication of Ordinance No. 522 (dangerous dogs) by title and summary
- l. Approve K & S Heating, Air Conditioning and Plumbing LLC license application
- m. Call for proposals to conduct employee classification and compensation study
- n. End PTO accrual for library employee currently accruing PTO on October 31st, 2013
- o. ~~Hire 2013 summer rec coaches contingent upon receipt of necessary documentation from employees~~

Motion Gartner, second Waltman to approve the consent agenda. All ayes 6-0-0.

Miscellaneous discussion

Peters requests that boards and commissions review trail extension plans to Hok-Si-La and plans around Gilbert Creek bridge area for potential future grant applications.

Thank you to all city employees and the Chamber for a successful Waterski Days.

7.h Authorize SEMMCHRA to conduct surveys necessary to fulfill preliminary application requirements of Small Cities Development Program (SCDP)

The Minnesota Department of Employment and Economic Development (DEED) administers the SCDP, and recently revised the program guidelines. The old guidelines allowed for county-wide or joint city applications, whereas the new guidelines require that each application target a specific area within the community for rehabilitation. The proposed surveys, proposed by SEMMCHRA are necessary in order for the city to identify areas of the community where there is a visible need for rehabilitation as well as a concentration of property owners who are eligible and interested in participating in the program. It was clarified that there would be no expense to city to conduct said surveys.

Motion Durand second Powers to approve consent agenda item Authorize SEMMCHRA to conduct surveys necessary to fulfill the preliminary application requirements of the Small Cities Development Program (SCDP). All ayes 6-0-0.

Informational Reports- as presented

Councilmember Spence and City Attorney Sonsalla returned to the meeting at 8:38 p.m.

Memo from the Planning Department regarding current practices for undeveloped subdivision in the Jewel.

The Planning Director was directed to review the current Ordinance and to speak with the Jewel HOA regarding mowing practices. Consensus is enforcement of the current Ordinance is necessary.

Approve independent contractor agreement with Mark Spence to run various summer rec soccer camps and adopt Resolution No. 13-044 regarding the approval (Continued)

Motion Waltman second Durand to approve independent contractor agreement with Mark Spence to run various summer rec soccer camps. Roll call vote: Durand, Peters, Beckman, Waltman, Powers, Gartner voting aye; Spence abstaining. 6-0-1.

Motion Durand, second Powers to adopt Resolution 13-044 regarding the approval of an independent contractor agreement between the City and Mark Spence.

Roll call vote: Durand, Peters, Beckman, Waltman, Powers, Gartner voting aye; Spence abstaining. 6-0-1.

Future Meeting Dates- as presented

Approve 6.10.13 Council meeting minutes

Motion Spence, second Waltman to approve the 6.10.13 council minutes as presented.

All ayes 7-0-0.

Mayor Beckman called a special meeting for July 22nd 2013 at 5:00 p.m.

Adjourn

Motion Peters, second Waltman to adjourn at 9:10 p.m. All ayes 7-0-0.

Joel T. Beckman, Mayor

ATTEST:

Kari Schreck, City Clerk