

**Lake City Common Council  
Regular Meeting  
Monday, February 13, 2012  
Council Chambers 6:00 p.m.  
City Hall**

Members Present: Mayor Jerry M. Dunbar, Andru Peters, Mark Spence, Matt Powers, Phil Gartner, Mary Lou Waltman

Members Absent: Joel Beckman

Staff Present: City Clerk Kari Schreck, City Attorney Karen England, Planning & Community Development Director Rob Keehn. Public Works Director Scott Jensen

Mayor Dunbar 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 Dunbar led the Pledge of Allegiance.

Introductions

Introductions were made.

Disclose Conflicts and Relationships

Gartner will recuse himself from the vote and discussion on 6 e. Approve use of excess EDA reserves to fund proposed Lake City Downtown Facade Improvement Program for one-year trial period and 7 c. Bremer Quarry Presentation.

Review and Adopt Agenda

Dunbar noted that 5e Confirm appointment to Board of Adjustments, to insert the name of Chuck Solheid.

**Motion Waltman seconded Powers to approve agenda as amended. All ayes 6-0-0.**

Public Forum

Maren Holst spoke of concerns on Frac sand mining, hauling of and storage of silica sand.

Dunbar noted the Planning Commission may want to begin looking at this issue and report back to the council at a future date.

Approve 2013 Budget Calendar

A budget calendar will be established by the City Council annually in accordance with the City Charter Section 7.04. Council members may request additional time to review the budget support documents and may request information from staff earlier than the date noted on the budget calendar.

**Motion by Gartner, seconded Waltman to adopt the 2013 Budget Calendar as presented. All ayes 6-0-0.**

Adopt Resolution 12-011 amending the 2011 budget

The 2011 budgets were accepted by resolution. Any changes to the budgets must also be done by resolution. Four General Fund Department exceed Dept. budgets amounts and are off set against reserves. Planning and Police Salaries were over budget due to an employee retirement payout, Legal Professional fees were non-retainer expenditures and Fire Department Relief was State payment passed through to Fire Relief. General Fund expenditures as a whole were under budget and will add to General Fund Reserves. Electric Purchase Power exceeded budget due to increased sales resulting in increased purchased power. Marina Trailer Capital Outlay over budget was cost overruns of paving Marina Point. Garbage Contractual includes clean up days and is based on garbage billings.

**Motion Waltman, seconded Powers to adopt Resolution 12-011 amending the 2011 budget. All ayes 6-0-0.**

Conduct public hearing for 2012 street improvements and adopt Resolution 12-008 adopting a five year street reconstruction plan with intent to issue general obligation street reconstruction bonds

The Public hearing notice was read aloud by Public Works Director Jensen.

Adoption of a five year street reconstruction plan is required in order to fund the 2012 and 2013 mill & overlay projects with general obligation bonds.

The plan calls for projects of \$1.25 million for years 2012 and 2013 and \$250,000 projects for years 2014-2016.

Call public hearing to order

Receive public input- None given

**Motion Powers, seconded Gartner to close public hearing. All ayes 6-0-0.**

Waltman asked for clarification on the proposed action. Gartner stated that the action gives the legal authority to solicit for the bonds, but does not obligate the city to spend it

**Motion Gartner, seconded Powers to adopt Resolution 12-008 adopting a five year street reconstruction plan and approving the issuance of general obligation street reconstruction bonds. All ayes 6-0-0.**

Approve plans and specifications and authorize advertising for bids for 2012 mill & overlay project

Plans and specifications for the 2012 mill & overlay project are complete. The project is ready to advertise for and receive bids. The project is estimated to cost \$1.25 million including engineering and contingency.

Gartner requested that Bill Anderson from Yaggy Associates provide estimates of the segment construction costs. Segment 1- \$497,000.00, segment 2- \$462,000.00 segment 3-\$247,000.00, and segment 4-\$178,000.00. These costs do not include engineering and legal. A 15% contingency was budgeted for the project to cover those costs.

**Motion Waltman, seconded Powers to approve plans and specifications and authorize advertising for bids for 2012 mill & overlay project. All ayes 6-0-0.**

Staff was directed to keep the timeline in front of council.

Bremer Quarry Presentation

The issue of the Bremer quarry was originally the City's, as the city used to regulate land use within two miles of the City limits. The city issued a series of conditional use permits, beginning in 1983, to allow the quarry, but always established time limits to the permits, as well as limiting the size, in order to monitor the use. There have been concerns from the beginning about the impact of traffic, noise, and the size of the quarry, and meeting minutes from the Lake City Planning Commission indicate that the owner failed to meet several of the conditions placed on the property as part of the approval of the permit. In 2002 the City turned land use control over to Wabasha County and was required to follow the County's land use requirements. As of this date, the quarry has been expanded without a permit (though the owner is in the process of requesting one) and the proposal is to expand the quarry even more. The concerns about traffic through the City, near the school, are still an issue, especially since the proposed expansion will have the potential to increase traffic. Staff has also heard many concerns from the property owners surrounding the quarry that the increased activity is impacting them and that the proposed expansion will decrease their property values, though the City has no authority to address these concerns directly.

The Wabasha County Planning Board will hear the request for the conditional use permit on February 27<sup>th</sup>, and the County Board is anticipated to take action at its March 6<sup>th</sup> meeting.

Dennis and Ruth Weber, John and Lorraine Brinkman, Mary Roker, Pat Swanson, Sylvia and Roger Brown were in attendance and presented maps and dialogue on the potential impact of the quarry expansion.

Council member Peters left the room at 7:12 p.m.

Council member Peters returned at 7:16 p.m.

Approve use of excess EDA reserves to fund proposed Lake City Downtown Façade Improvement Program for one-year trial period.

The approved EDA Reserve Fund Policy states that as part of year-end financial procedures the EDA shall review with the Council any amounts that exceed the reserve fund balance level and shall recommend to the Council such proposed uses of those funds. Accordingly, the EDA Board discussed this issue at their January 5, 2012 regular meeting, and approved a motion to recommend that the excess reserve funds be used to fund the Lake City Downtown Façade Improvement Program. If approved, roughly \$100,000 would be transferred from EDA reserves to fund the Lake City Downtown Façade Improvement Program for a one-year trial period. A matching grant of up to \$10,000 could be awarded per applicant. Grant monies are given and not

paid back to the city. Waltman and Powers raised concerns over the use of tax dollars, the authority of the EDA to use those dollars in this proposed program. The exclusive use of property tax funds to only improve downtown businesses in this manner was raised. There are other areas in Lake City that could also use these funds but under this program are excluded with this proposal. Waltman asked specifically if it is legal to use taxpayer dollars to improve privately owned property. The City Attorney stated that she was not asked review this program. **Motion Spence, seconded Dunbar to accept the EDA board recommendation to use excess EDA reserves to fund the proposed Lake City Downtown Façade Improvement Program for a one-year trial period. Roll call vote: Spence, Peters, Dunbar voting aye, Waltman and Powers voting nay. Gartner abstained from vote and discussion. Motion carried 3-2-1.**

Adopt Resolution 12-009 receiving feasibility report and calling for hearing on MN State Aid System street improvements on March 12, 2012 at 6:15 p.m.

A feasibility report was prepared for the reconstruction of Monroe Street from 7<sup>th</sup> Street North to TH61 and Terrace Road. The condition of the above streets segments are considered poor enough to warrant reconstruction. Both sections are part of the Minnesota State Aid System in Lake City and are eligible for reconstruction using that funding. The mill & overlay of Park Street and three blocks of Chestnut are also included in this project as they are also MSAS segments. Total project estimate including engineering and contingency is \$583,116.25.

**Motion Gartner, seconded Spence to adopt Resolution 12-009 receiving feasibility report and calling for hearing on MN State Aid System street improvements on March 12, 2012 at 6:15 p.m. All ayes 6-0-0.**

Award 2012 Water Main Replacement project

The bid opening for the 2012 water main replacement project took place on Wednesday, February 8, 2012 at City Hall. The Best Value Committee reviewed the bids and interviewed the bidders on Friday, February 10, 2012. Each bidder is individually scored on 1) bid amount; 2) performance on three previous, similar projects; 3) risk assessment and mitigation; and 4) the interview. 6 quality bids were received and reviewed by the committee. The recommendation on the lowest responsible bid from the committee is for SL contracting firm out of Rochester Minnesota. Funding for the project is part of the 2012 water fund budget.

**Motion Gartner seconded Waltman to award 2012 Water Main Replacement project to SL Contracting for \$129,832.00. All ayes 6-0-0.**

Approve Trimension Designs proposal to provide architectural renderings of the proposed public safety building

Per direction from the City Council, Staff contacted Chris Peterson of Trimension Design to provide renderings of the proposed public safety building. The cost for the services will be \$5,440, which can be paid out of the capital project fund.

**Motion Spence, seconded Peters to approve Trimension Designs proposal to provide architectural renderings of the proposed public safety building at a cost of \$5,440.**

Gartner is concerned about the lien rights that are written into the proposal and would like the council to consider excluding this language in the proposal.

**Motion by Spence is withdrawn.**

**Motion Spence, seconded Peters to approve Trimension Designs proposal to provide architectural renderings of the proposed public safety building at a cost of \$5,440 with deletion of the section titled Lien Rights. All ayes 6-0-0.**

Approve ballroom lighting recommendation

Prior to the dissolution of the Ballroom Committee, a report containing a summary of projects completed, and those yet to be completed, along with future recommendations for the care and preservation of the ballroom were included in a report dated March of 2009. This report clearly detailed the type of light fixtures which would be appropriate in the ballroom. The City currently has \$3,200 in funds earmarked for this project, and will need approximately \$5,000 in additional funds to complete the project. The City's Design Review Committee met on January 23, 2012, to discuss the project. The recommendation of the Committee was for the City to install the light fixtures which were recommended by the Ballroom Committee, and to also add additional features such as dimmer switches for the lighting, ceiling medallions, and also purchase spare light bulbs and globes. Council suggested that this be part of the 2013 budget.

**Motion Waltman, seconded Peters to accept the proposal and recommendation to install new lighting in the ballroom at City Hall as recommended by the City's Design Review Committee. All ayes 6-0-0.**

Confirm appointment of to the Board of Appeals and Adjustments

Pursuant to 2.02 of the Lake City Charter, each year the Mayor presents to the City Council a list of persons for appointment. No board or commission member shall serve more than three full consecutive terms. The term will run from March 1, 2012 through March 1, 2015.

All board and commission appointments require Council confirmation.

**Motion Gartner, seconded Powers to approve the appointment of Chuck Solheid to the vacant position on the Board of Appeals and Adjustments for the term of 2012-2015 (F-1). All ayes 6-0-0.**

Approve 2012 Coalition of Greater MN Cities membership

The Coalition of MN Cities mission statement is as follows: CGMC cities are dedicated to a strong Greater Minnesota. Their mission is to develop viable, progressive communities for businesses and families through strong economic growth and good local government. They support fair property taxes, good land use planning, sensible environmental regulation, a balanced transportation system, and effective economic development tools to meet that goal. The CGMC offered the City of Lake City a phased-in membership rate as follows: 2011- 25% of the full rate of \$7,753 (\$1,934); 2012- 50% of the full rate (\$3,867); 2013- 75% of the full rate (\$5,815), and 2014- the full rate of \$7,753. Through effective lobbying, thorough research, timely communications, and active involvement in the legislative process, the CGMC gives cities an effective voice at the Capitol. This membership would be a supplement to our League of MN Cities membership and not a replacement. The 2012 budget includes \$3,870 for this membership.

**Motion Peters, seconded Spence to approve the 2012 membership in the Coalition of Greater MN Cities at a fee of \$3,867.**

Waltman inquired as to the necessity of 2 organizations which do very similar things and is it economically wise for the city to do so.

Gartner has an issue with the marketing of the CGMC, which has Flaherty and Hood, PA listed as the provider. Gartner states that this does not accurately represent scope of the organization. The CGMC states that they provide a missing service to small Minnesota cities. Gartner states that we do not need 2 services doing essentially the same thing.

Peters states that it is good to have 2 different voices at the capital lobbying on cities behalf.

Spence requests that the item be tabled until the City Administrator is able to be present to answer questions.

**Motion by Peters is withdrawn.**

**Motion Peters, seconded Spence to table the 2012 membership in the Coalition of Greater MN Cities at a fee of \$3,867 until the March 12, 2012 meeting. Roll call vote: Spence, Peters, Dunbar, Powers voting aye, Waltman, Gartner voting nay 4-2-0. Motion carried**

Powers requested the amount that the City pays the League annually.

Waive the second reading and adopt Ordinance 508, an ordinance vacating a portion of West Marion Street

AgPartners approached staff after a recent survey of their property that shows that the portion of West Marion Street that crosses their property had never been completely vacated. This unvacated Right-of-Way (ROW) impacts their operations in that they have the intention of expanding the number of silos on the property. As the owner of the property on both sides of the ROW, AgPartners would take total ownership of the vacated land, though the City will retain a utility easement over a portion of it. The stub of ROW is of little value to the City beyond the fact that it has utilities running through it, which would be protected by the proposed easement. This area is not a candidate for any kind of at-grade railroad crossing, and the ROW across the railroad tracks has already been vacated.

**Motion Powers, seconded Peters to waive the second reading of Ordinance No. 508, an ordinance vacating a portion of West Marion Street. All ayes 6-0-0.**

Update on Board and Commission duties

The Council has had continuing discussions regarding the duties and powers of City Boards and Commissions since May 2011. The Library board has been an advisory board in the council's

opinion. That is the direction the council would like the board to continue and directed the City Attorney England to craft language stating so. City Attorney will have the final draft at the March meeting as well as all other board and commission duties for the March 12, 2012 meeting.

#### Approve agreement with West Central Wisconsin Biosolids Commission

The proposed agreement has been reviewed by legal counsel for both the Commission and the City of Lake City. The current 10 year agreement with the West Central Wisconsin Biosolids Commission expired December 31, 2011. The city attorney feels and supports the contract that is provided to the council.

The agreement specifically states what the city can send them and that should hold true for both parties. The agreement does not state what they can send to the city. Gartner wants this clarified in the agreement. Gartner still has concerns with the language in the contract. Some of the language is too broad, and favors the vendor rather than being equally favoring both parties.

#### **Motion Powers, seconded Spence to approve the agreement with West Central Wisconsin Biosolids Commission.**

Peters voiced concerns with specific areas of the agreement transportation, rates & payment. Gartner has concern with the centrate testing which the city is responsible for doing.

Powers asked if there were other facilities that provide this service. Jensen stated that he knew of none. What are other cities doing with their waste? Jensen stated that some other communities are spreading the waste on farmland. Council requested Jensen bringing back any alternatives that may be available to the city at the March 12, 2012 meeting.

#### **Motion by Powers is withdrawn.**

#### **Motion Gartner, seconded Peters to table the agreement with West Central Wisconsin Biosolids Commission until the March 12<sup>th</sup> 2012 meeting. All ayes 6-0-0.**

#### Communication Updates

City Attorney report on various sidewalk closings within city limits  
City facilitates project update- Library

#### Consent Agenda

Approve January 9, 2012 Council regular meeting minutes

Approve expense claims

Adopt Resolution 12-012 authorizing joint powers agreement with Minnesota BCA

Approve waiver of fees for use of conference room by Lake City Bike Rodeo planning committee

Adopt Resolution 12-007 confirming board & commission reappointments:

#### PLANNING COMMISSION

2012-2015 (F1) Tom Dwelle

#### HERITAGE PRESERVATION COMMISSION

2012-2015 (F2) Susan Leuer

2012-2015 (F1) Kathy Martin

#### LIBRARY BOARD

2012-2015 (F1) Ferrel Rich

2012-2015 (F2) Bob Parrott

2012-2015 (F3) Jean Wohlers

#### CIVIL SERVICE COMMISSION

2012-2015 (F2) Bob Blattner

#### PUBLIC SAFETY BOARD

2012-2015 (F1) Rev. David Badgley

#### STREET/PARKS COMMISSION

2012-2015 (F2) Eugene Glander

2012-2015 (F2) Eugene Durand

#### UTILITY BOARD

2012-2015 (F2) Jim Leuer

2012-2015 (F3) Greg Langfield

#### MARINA BOARD

2012-2015 (F3) Mark Nibbe

#### AMBULANCE COMMISSION

2012-2015 (F2) Richard Wedge

BOARD OF ADJUSTMENTS

2012-2015 (F1) Dan Pritzl

Approve waiver of fees for use of conference room by Lake City Historical Society

Confirm appointment of Lois Borner to Heritage Preservation Commission

Confirm appointment of Kenneth Smith to Planning Commission

Confirm appointment of Dale Nibbe to Public Safety Board

Approve North 61 Properties Inc. Billboard License application

Adopt Resolution 12-010 accepting donation to city parks from Knobelsdorff Electric, Inc. for \$1000.00

Approve hiring of Joel Blomgren as EMT

Approve temporary part time position for the Ambulance Administrative EMT

Approve new meeting date for the Ambulance Commission

Allow The Railhouse Grill to close portion of parking lot and serve liquor for fundraising event for Shawn Schneider family

Approve street closing request for The Railhouse Grill fundraising event

Approve St. Patrick's Day parade permit for Jil Garry

Approve temporary liquor license for St. Mary's of the Lake Church

Approve Yacht Club Consumption & Display Permit

Approve hiring of John Bantley and Mike Brown as Hok-Si-La part-time employees for the 2012 season.

**Motion Gartner, seconded Waltman to approve the consent agenda as amended. All ayes 6-0-0.**

Miscellaneous Discussion

Dunbar recognized Water/Wastewater Supervisor Dave Finely for over 35 years of service.

Gartner noted that emergency after hours numbers for the utilities department do not always work. Staff will look into.

Gartner has concerns with the ServiceMaster court decision. Council should decide what direction the city takes.

Gartner requests that the city council review employee evaluations.

Gartner wanted requests on the bridge guardrail.

Gartner requests to be kept in the loop with employee probationary period.

Gartner requests information on the city email system.

Powers noted the temporary signs on 7<sup>th</sup> Street are up, but no trucks are allowed.

Informational Reports:

Revolving loan delinquency status report

Fire Department December 22, 2011

Planning Commission January 3, 2012

EDA January 5, 2012

Ambulance Commission January 9, 2012

Heritage Preservation Commission January 11, 2012

Marina Board January 17, 2012

Street & Parks Commission January 17, 2012

Board of Adjustments January 17, 2012

Library Board January 17, 2012

4th Quarter Concern Summary

Ambulance Commission January 30, 2012

Outstanding bond report

Investment report

Future Meeting Dates:

As presented.

Adjourn

**Motion Powers, seconded Waltman to adjourn at 9:35 p.m. All ayes 6-0-0.**

---

Jerry M. Dunbar, Mayor

ATTEST:

---

Kari Schreck, City Clerk