

**Lake City Common Council
Regular Meeting
Monday, June 13, 2011
Council Chambers 6:30 p.m.
City Hall**

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

Members Absent: None

Staff Present: City Administrator Ron Johnson, City Clerk Kari Schreck, Planning &
Community Director Rob Keehn

Mayor Dunbar called the meeting to order at approximately 6:30 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

None.

Review and Adopt Agenda

Dunbar requested to add to new business approve the hiring of Cyndi Anderson for part-time seasonal office staff at Hok-Si-La, and add to the consent agenda 3n, approve new Sunday liquor license for the Lake City Sportsman's Club, and 3o, approve peddler/solicitor license for Lorne Brinkman.

Motion Gartner, seconded Waltman to adopt the agenda as amended. All ayes 7-0-0.

Public Forum

Mike Dobbe provided his thoughts regarding the potential acquisition of the Bella Vista Condos.

New Business

Approve hiring of Cyndi Anderson for part-time seasonal office position at Hok-Si-La.

Motion Beckman, seconded Waltman to approve the hiring of Cyndi Anderson at Grade 1 Step B (\$8.21/ hr) for part time seasonal office position at Hok-si-la Park. All ayes 7-0-0.

Unfinished Business:

Update on Ordinance No. 500, an Ordinance amending the City's shoreland regulations

The Planning Commission's public hearing was held on June 7, 2011 at the regularly scheduled Planning Commission meeting approved with a 6-0 vote. Staff has forwarded the ordinance to

the Department of Natural Resources with a request for flexibility and is awaiting a response. They have 30 and up to 60 days to provide feedback.

Cities Facilities project update

Rob Keehn, Director of Planning & Community Development, requested that boards and commissions submit their facilities recommendations to Council. Staff is waiting for those meetings to be held and responses and recommendations forwarded back to his department.

Update on Board and Commission and liaison duties

Staff is working on at this time. City Attorney is out at this meeting, therefore another update will be presented at the June 27 meeting. Councilmember Waltman restated that council members are not members of the board or commission, and should not be active participants. They are there to observe and report back to the City Council on important projects. They are not to direct board or commission members. They are not to speak for council. They are not to direct votes or to put items on the agenda. Mayor Dunbar stated that liaisons are to serve as a conduit between the council and the board/commission.

Update on Revolving Loan Fund

City Attorney England was directed to work with EDA Director Sparks to provide a Revolving Loan Fund status report for this meeting. City Attorney England subsequently conferred with Administrator Johnson to review the RLF Guidelines, which clearly set out the process for collections. City Attorney England has been sent a Request for Legal Activity to begin collection on 3 Revolving Loan Fund accounts. This work is done outside the retainer as is stated in the Legal Services Agreement as follows: "2A. Representation of the City by the Attorney in civil litigation matters brought on behalf of or against the City, which in the opinion of the Attorney require specialized legal Counsel." Legal work will be outside retainer, but Guidelines state that the borrower is responsible for all costs related to collection. Council requested a detailed report to council and the steps taken- needs to come to council. Council has requested a quarterly review of this fund for future meetings.

Update on outstanding Request for Legal Activity requests

City Attorney England is unavailable at this meeting due to family emergency. This will return as an agenda item on the June 27th meeting.

Discuss code of conduct

City Administrator Johnson presented a draft code of conduct. Gartner and Waltman stated that they have some ideas/ concerns they would like to present for a redraft. Mayor Dunbar noted that all council members should forward comments to City Administrator Johnson for revisions. This item will then be presented at the June 27th meeting.

Adopt Resolution 11-026 approving of bonds to be issued by the Southeastern Minnesota Multi-County Housing and Redevelopment Authority to finance the acquisition and construction of Bella Vista Senior Apartments Project

Gartner, Waltman, and Beckman were appointed by the council to serve as a committee to work with SEMMCHRA at the May 27th meeting. Gartner stated that the committee agrees that the November 9, 1993 resolution states the following:

Property be substandard or deteriorated and cannot be redeveloped without governmental assistance, and that there is a shortage decent safe and sanitary housing available to elderly persons, and persons and families of low and moderate income in the City, at rental or prices they can afford, and must determine, pursuant to section 469.005, that there is a need for the HRA to exercise its powers in the City, and that the HRA would be the most effective, efficient and economical administrative unit to carry out he purposes of section s460.001 to 460.047.of housing. Gartner further states that the committee feels that the Bella Vista property does not meet this definition. The committee still has several questions as to whether or not this is a true 55+ project. This project lacks a definitive start and end date which is part of the criteria for defining a 55+ building project. The lost tax revenue will be spread across the current tax base which the committee feels is not fair.

SEMMCHRA represented by Executive Director Joe Wheeler is requesting adoption of Resolution 11-026. SEMMCHRA was approached by Alliance Bank to work on this project. There are 22 units available for this project. This is not a subsidized housing project. Rental rates will be around \$1200.00-\$1600.00 per month, for persons 55 years of age or older. Four units will be sold, the rest will be rented. The SEMMCHRA board created a new resolution, Resolution 11-031 (Lake City Resolution number), for Council consideration. Scott Peterson president of the Bella Vista association stated his concerns about the vacancies of building. Residents are just looking for a fair resolution to this. Gartner noted that he still had questions regarding the tax exempt versus taxable bond status of the project.

Mayor Dunbar called for a vote

Motion to adopt Resolution 11-026 dated May 23, 2011 approving of bonds to be issued by the Southeastern Minnesota Multi-County Housing and Redevelopment Authority to finance the acquisition and construction of Bella Vista Senior Apartments Project.

Motion called, once, twice, third call,- failed for lack of a motion.

Motion to adopt Resolution 11-031 dated June 13, 2011 approving of bonds to be issued by the Southeastern Minnesota Multi-County Housing and Redevelopment Authority to finance the acquisition and construction of Bella Vista Senior Apartments Project.

Motion called, once, twice, third call -failed for lack of a motion

During the meeting the Mayor assigned resolution number11-040. The number has been corrected to 11-031.

Motion Beckman, seconded Peters to adopt Resolution 11-032 stating the city council does not approve the issuance of Housing Revenue Bonds by the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (the "AUTHORITY") to finance the acquisition of, or in any way to undertake , (the" PROJECT") identified and described as the Belle Vista Condominiums (the Project) in the City of Lake City referred to as the Bella Vista Senior Apartments Project. All ayes 7-0-0.

During the meeting the Mayor assigned resolution number11-045. The number has been corrected to 11-032.

Capital and Finance Committee items

There were no meetings scheduled for May or June for the Council acting as the Capital and Finance Committee. Staff is requesting Council consider 1) approval of the April 11, 2011 and the May 9, 2011 meeting minutes, and 2) Assign dollar amounts for the 5 year Capital Plan for the Library and the Public Safety building.

Motion Powers, seconded Waltman to adopt the April 11, 2011 Capital Finance committee minutes as amended. All ayes 7-0-0.

Motion Powers, seconded Beckman to adopt the May 9, 2011 Capital Finance committee minutes as presented. All ayes 7-0-0.

Discuss the 5 year capital amounts

Mike Bubany, David Drown Associates, the city's Public Finance Advisor will have software that allows the council and public to see the effects of various capital expenditures upon property taxes at the meeting in July. It is a planning tool for future water/sewer/electric rates as well as other city services. Powers and Dunbar stated that perhaps Planning Director Keehn could come up with a cost per square foot for the potential facilities upgrades as an estimated cost per square foot be calculated as a best guess estimate for the July meeting with Bubany.

Consent Agenda:

- a. Approve expense claims
- b. Approve May 23, 2011 Council meeting minutes
- c. Approve Fire Department 1-4 day Temporary 3.2 Liquor license request for 7-16-11
- d. Approve the hiring of Marie Walch as a substitute library aide
- e. Approve the hiring of Mary Kay Johnson as a substitute library aide
- f. Approve the hiring of Mary Nelson as a temporary permanent part-time library aide
- g. Adopt Resolution 11-029 accepting the donation from the Kiwanis Club of Lake City in the amount of \$300 and amending the 2011 Library Budget
- h. Adopt Resolution 11-030 accepting the donation from Treats and Treasures in the amount of \$51.00 and amending the 2011 Library Budget
- i. Approve Knutson Plumbing Inc. plumber & drainlayer license for 2011
- j. Approve position description/pay grade and advertising for part-time police administrative assistant
- k. Approve handicap parking at Lincoln High School
- l. Approve renewals of 2011 liquor licenses for the term of July 1, 2011- June 30, 2012
- m. Approve new 3.2 off sale liquor license for Kwik Trip Inc. #844
- n. Approve new Sunday liquor license for Lake City Sportsmans Club
- o. Approve peddler/solicitors license for Lorne Brinkman

Motion Waltman, seconded Powers to approve the consent agenda as presented. All ayes 7-0-0.

Miscellaneous Discussion

Mayor Dunbar requested that the following items be added to unfinished business for future meetings:

- Review of current complaint policy

- Review of public forum policy time limits, repetitive items, items presentation forwarded to the clerk prior to meeting for inclusion in the packet.
- Benefits of membership with Coalition of Greater Minnesota Cities
- Should council review the 2005 comprehensive plan- there were 181 items listed that need attention.

City Administrator Johnson has scheduled representatives from Goodhue and Wabasha Counties to attend the August 8, 2011 council meeting to consider the open book process for the Board of Appeals and Equalization.

Mayor Dunbar reminded the public that June 14, 2011 is Flag Day. Thank you to the VFW for providing the flags around the city.

Thank you to the Library staff for their involvement for homeschooled children's program.

Informational Reports:

As presented

Future Meeting Dates:

As presented

Motion Beckman, second Powers to adjourn at 8.15 p.m. All ayes 7-0-0.

Jerry M. Dunbar, Mayor

ATTEST:

Kari Schreck, City Clerk