

**Lake City Common Council
Regular Meeting
Monday, September 26, 2011
Council Chambers 6:30 p.m.
City Hall**

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

Members Absent: None

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

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.

Council members had a moment of silence for Jon Bremer, long time planning commission member and contributor to the Lake City community.

Introductions

Introductions were made.

Disclose Conflicts and Relationships

None

Review and Adopt Agenda

Beckman requested the item 3b Approve Sept 12, 2011 Council regular meeting minutes be pulled for discussion.

Gartner requested that items 3a Approve expense claims and item 3g Accept quote from Whitewater Wireless, Inc. for 800MHz radios and related equipment for Public Works be pulled from the consent agenda for discussion.

Gartner also requested that a discussion on the recording of meetings be added. Mayor Dunbar stated that this can be discussed under miscellaneous discussion.

Motion Waltman, seconded Powers amend the agenda as amended. All ayes 7-0-0.

Public Forum

Greg Schreck stated that he was in attendance for the Pirates Landing wall agenda item. Schreck stated that he appreciated that council is considering getting the wall fixed, and requested that council consider a timeframe for completion of the project.

New Business

Set the date of December 12, 2011 for the Truth in Taxation hearing

At the meeting in which the proposed levy is adopted, the City is required to announce the meeting time and location of the subsequent meeting in which public testimony will be allowed and the final levy and budget will be discussed. December 12, 2011 is the last regularly

scheduled Council meeting before the levy and budget are certified to the home county. The notice of the Truth in Taxation hearing is required to be announced at the meeting in which the proposed levy is adopted. The proposed levy was adopted on August 22, 2011.

The setting and announcing of the Truth in Taxation hearing was overlooked at that meeting
Motion Gartner, second Powers to set the meeting date, time and location of the Truth in Taxation hearing for 6:30 p.m., December 12, 2011, in the City Hall Council Chambers. All ayes 7-0-0.

Mayor Dunbar subsequently announced the same.

Adopt Resolution 11-052 declaring cost to be assessed and ordering preparation of assessment roll

Council passed a motion related to this at the 9/12/11 meeting. The League of MN Cities suggests that best practices calls for declaring the cost to be assessed and ordering the preparation of the assessment roll be done by resolution. The City Attorney and City Administrator drafted Resolution 11-052 for Council consideration and approval. A couple of wording changes were agreed to by council.

Motion Powers, seconded Beckman to adopt Resolution 11-052 declaring the cost to be assessed and ordering preparation of the assessment roll for the 2010 Street Improvement Project as amended. All ayes 7-0-0.

Adopt Resolution 11-053 establishing a hearing on proposed assessments for 2010 Street Improvement Project

Council passed a motion related to this at the 9/12/11 meeting. The League of MN Cities suggests that best practices calls for establishing a hearing to consider and/or adopt special assessments be done by resolution. The City Attorney and City Administrator drafted Resolution 11-053 for Council consideration and approval.

Motion Gartner, seconded Peters to adopt Resolution 11-053 establishing a hearing to consider and/or adopt proposed assessments for 2010 Street Improvement Project at 7:00 p.m., October 24, 2011 in city hall. All ayes 7-0-0.

Recommend review for Charter Commission consideration

Council member Peters is requesting that Council consider forwarding to the Charter Commission a request to consider a review of city code 30.053 - Powers, to coincide with State Statute 412.621. Currently, he states, the Board is formed under State Statute #134.09 & 134.11. Council member Peters will not be pursuing the addition of a "Recall" provision in the Charter at this time as was mentioned at the 9/12/11 meeting.

Motion Peters, seconded Powers to recommend that the Charter Commission consider a review of city code 30.053 - Powers, to coincide with State Statute 412.621, with a review of said consideration to be conducted by the City Attorney. All ayes 7-0-0.

Approve purchase of radios and equipment for Assistance for Firefighters Grant program

The City of Lake City, on behalf of 11 agencies including Lake City Fire and Lake City Ambulance, applied for, and was awarded, a grant through the Homeland Security AFG program to enhance the agencies' ARMER systems. The federal share of the \$558,558 project is \$502,702 (90% grant). Although the application was on behalf of the many agencies, the city will be the purchaser of the radios. City's share of the cost of radios will approximate \$11,400 for both fire and ambulance- approximately \$90,000 was budgeted in 2011 for these purchases

resulting in substantial savings. This is for approximately \$114,900 in radio purchases. After delivery, conducting inventory and setup of radios, Wabasha County will be conducting training of all agencies, the cost of which, up to \$16,472, will be covered by the grant.

Motion Gartner seconded Peters to approve the purchase of radios and equipment for the Assistance for Firefighters Grant program totaling \$501,816.26 through Whitewater Wireless, utilizing authority given in MN Statute 471.345 Uniform Contracting Law, Subd 15 Cooperative Purchasing. All ayes 7-0-0.

Approve Assistance to Firefighters Grant Agency Agreement

The City of Lake City, on behalf of 11 agencies including Lake City Fire and Lake City Ambulance, applied for, and was awarded, a grant through the Homeland Security AFG program to enhance the agencies' ARMER systems. Although the application was on behalf of the many agencies, the city will be the purchaser and owner of the radios (until January 31, 2015).

Therefore, an agreement is needed to make sure the agencies are responsible for their share of cost of purchase, maintenance, inventory, and other items as stated in the agreement.

Motion Gartner, seconded Peters to approve the Assistance to Firefighters Grant (AFG) Agency Agreement. All ayes 7-0-0.

Approve revolving loan of \$15,000 to Lisa Possehl (The Scrapbook Store & More), related Development Agreement and execution thereof

The Scrapbook Store and More is a retail scrapbooking, card making and stamping supply store offering classes and products associated with these hobbies. The Scrapbook Store has been a standout business in Lake City for the past eight years with a robust client base and steady annual sales growth. Despite this success, the business closed its doors in May when the former owners relocated to Texas. Ms. Possehl will reopen the Scrapbook Store under a new name and new management to offer the goods and services that made the Scrapbook Store successful while also striving to find new products, classes and promotions to attract new clients and grow the business. Lisa Possehl has submitted a RLF loan application in the amount of \$15,000 to be used for costs associated with the reopening of the former Scrapbook Store located at 116 W. Center St. in Lake City. Ms. Possehl plans to use the funds to help cover the costs of site improvements and minor building renovations to the property as well as purchase inventory, machinery and equipment to grow the business. Total costs associated with this project equal \$31,100. The applicant has pledged adequate personal resources in the amount of \$10,100 and has secured private investments of \$6,000. RLF assistance is required to cover the remaining project costs. It was noted that the loan is contingent upon the review of the city attorney and approval. Council did request that collection of collateral documents and filing/ recording of them which is required, be brought back to council as an update with completion timeline, as well as what person, or department is in charge of said process and documents. Council also requests to be notified of action from the City Attorney's office as to approving agreement or not.

Motion Gartner, seconded Peters to approve the revolving loan of \$15,000 to Lisa Possehl (The Scrapbook Store & More); and approve the related Development Agreement and execution thereof upon city attorney approval. All ayes 7-0-0.

Unfinished Business:

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

Staff contacted the local DNR office for information about the review timeline for the shoreland ordinance, and was informed that due to staffing constraints, no timeline can be given. The State

rules related to shoreland management state that the Commissioner of the DNR has 60 days to approve or deny, in writing, a request for flexibility. A 60 day extension must be requested in writing. To date, Staff has received nothing in writing from the Commissioner of the DNR, and the first 60 days have passed. Staff will work with the City Attorney and the League of Minnesota Cities to determine whether this application is subject to the same “60 day rule” restrictions as local governments, and how the failure to respond on the part of the DNR impacts the adoption of the ordinance.

Motion Waltman, seconded Peters to recommend the City Attorney and the Community Development/Planning Director follow up on the 60 day rule and application thereof. All ayes 7-0-0.

Approve Lake Pepin Plaza 2012 budget

The development agreement between the City of Lake City and the SEMMCHRA dated November 1, 2004 Section 2.e. states: The Authority shall submit the annual budget for the Project to the City for the City’s approval by August 1 of each year commencing on August 1, 2005. At the September 12, 2011, City Council requested five years of financial and budget information before considering approval. Gartner stated that he doesn’t have enough information to support approval of the budget.

Motion Beckman, seconded Peters to approve the 2012 budget for Lake Pepin Plaza as presented. Roll call vote: Beckman, Spence, Peters, Dunbar, Waltman, Powers voting aye; Gartner voting nay. 6-1-0. Motion carried.

Update on Board and Commission duties

Council would like to see a copy of all board and commission duties at the November 14th, 2011 meeting along with a red-lined copy, and the proposed new duties, if any.

Hire RA Morton Construction Managers to prepare cost estimates and phasing proposals for a new public safety building.

In order to move forward with planning for a new public safety building, staff has worked with RA Morton Construction Managers to prepare a proposal to look at phasing and construction cost estimates. Council requests costs of phased construction, and if the project was done all at once.

Motion Powers, second Waltman to hire RA Morton Construction Managers to prepare cost estimates and phasing proposals for a new public safety building- cost not to exceed \$5,000. Roll call vote: Beckman, Peters, Spence, Dunbar, Waltman, Powers voting aye; Gartner voting nay. 6-1-0. Motion carried.

Gilbert Creek Bridge and Hok-Si-La Trail update

Preliminary estimates for future trail access to Hok-Si-La Park that includes construction, engineering, signage, permitting and contingency totaled \$472,932.50 . Dependent upon Department of Natural Resources and Corps of Engineer acceptance of the project, it is estimated the permit process would take 3 to 6 months. Design of the project would follow and take approximately 1 month if MnDOT would allow use of their CADD drawings related to the bypass lane currently in place. Review of construction plans by MnDOT would then take place and be expected to take 1 to 2 months. If Council approves moving forward with the project, grant funding would be sought immediately. The above items are expected to take 9 months not including grant funding. Council stated that the project, given the economy, may not be in the

city's best interest at this time. Yaggy Colby can schedule a pre application meeting with MnDOT and update council with MnDOT expectations. Council requested that Yaggy find out from MnDOT if there is a connection under the bridge.

Update on 2012-2013 mill & overlay projects

The Capital Improvement Plan, using the figure of \$1.25 million for 2012, and also \$1.25 million for 2013, will be addressed at the October 10, 2011 Capital Finance Committee meeting as well as financing of. This will become an action item for the October 24, 2011 council meeting.

Comprehensive Plan Update

Staff is continuing to finalize the plan for public review and comment.

Conduct second reading of Ordinance #504, modifying assessment procedures

City Council, during discussion of the special assessments for the 7th Street Project, at an earlier meeting, suggested modifying the existing assessment policy related to side yard assessments from one-third to one-half. (In addition, it was Council's intent at the time to assess \$13 per front foot). Council, at the 9/12/11 meeting, opted not to apply any future changes to the assessment process for the 7th Street Project. City Attorney England presents the proposed ordinance that strikes Section 2 C. Residential and replaces it with "Residential: These assessments will be made on a front foot basis except corner lots which shall be assessed for front footage plus one-half of the side footage with the other one-half of the side footage being borne by all properties in the improvement." AND strikes Section 3,3. And replaces it with: "Street improvements including grading, base, surfacing, curb and gutter and sometimes storm sewer laterals as part of a street project will be assessed on a front footage basis plus on-half the side footage for corner lots in accordance with the rules herein before and hereinafter set forth."

Motion Powers, seconded Peters to conduct second reading to adopt Ordinance # 504, modifying the assessment procedures to be used in the City of Lake City.

Ordinance #504 was read aloud.

Motion Powers, seconded Peters to adopt Ordinance #504, modifying the assessment procedures to be used in the city of Lake City. Roll call vote Beckman, Spence, Peters, Dunbar, Powers, voting aye; Gartner, Waltman voting nay. 5-2-0 Motion carried.

Direct staff to initiate proceedings to abate the nuisance conditions at the former Pirates Landing site at 102 East Center Street.

Due to the fact that the owner of 102 East Center Street has failed to abate the nuisance conditions related to the demolition of the structure formerly located on the site, staff is requesting that the City begin the process of abatement, with the intent of assessing the cost of abatement to the property owner. Staff has received a cost estimate to abate the Pirates Landing nuisance. In order to address a long-standing violation, staff is seeking to hire a contractor to complete the necessary work. A cost estimate for the abatement has been submitted to the City, and the cost will fall within the range of \$12,000 to \$18,000 depending on conditions that are currently unknown related to quality of backfill from the demolition, and the condition of the roof joists.

Motion Beckman, second Peters to direct staff to initiate proceedings to abate the nuisance conditions at the former Pirates Landing site at 102 East Center Street and for the City Attorney to go to the district court and request verification of ownership of the abatement

area. Roll call vote: Beckman, Peters, Dunbar, Spence, Powers voting aye; Waltman, Gartner. voting nay, 5-2-0 motion carried.

3. Consent Agenda:

- a. ~~Approve expense claims~~
- b. ~~Approve Sept 12, 2011 Council regular meeting minutes~~
- c. Approve hiring of Sally Houg-Massarro as Assistant Ambulance Director
- d. Confirm appointment of Tom Dwelle to Planning Commission
- e. Approve the release of a temporary construction easement in Lot 1, Block 1 of the Dallman Business Park
- f. Approve contract amendment A-4 with Olsson Associates for Underwood Substation engineering for \$9,613.45
- g. ~~Accept quote from Whitewater Wireless, Inc. for 800MHz radios and related equipment for Public Works~~
- h. Approve the hiring of Luke Wurst for Marina seasonal position at \$12.93/hr
- i. Adopt Resolution 11-051 accepting SHIP grant funding of \$948.13 and amending the 2011 Street budget
- j. Approve improvements to vacant lot adjacent to Fire Hall parking lot.

Motion Gartner, seconded Spence to approve the consent agenda as amended. All ayes 7-0-0

3a. Approve expense claims pulled by councilman Gartner for clarification on the Flaherty & Hood invoices. After discussion,

Motion Spence, seconded Waltman to approve the expense claims. Roll call vote: Beckman, Spence, Peters, Dunbar, Powers, Waltman, voting aye; Gartner voting nay. 6-1-0 motion carried.

3b. Approve Sept 12, 2011 Council regular meeting minutes

Council member Beckman requested clarification on the action taken related to Flaherty & Hood complete the grievance process? Council member Gartner stated that he did not intend that Council terminate the work of Flaherty & Hood related to the grievance.

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

3 g. Accept quote from Whitewater Wireless, Inc. for 800MHz radios and related equipment for Public Works

Wabasha County is soon to make the switch to the 800MHz radio system while Goodhue County has already done so. Public Works plans to purchase 8 portable radios that are 800 MHz capable and will move its repeater to the wastewater facility to allow for backup power in the event of a power outage. As required, existing radios will be converted to narrow band and will allow limited communication within the 800MHz system. Although the Whitewater Wireless quote is nearly \$4,000 more than the Hilltop Communications quote, acceptance of the Whitewater Wireless quote is recommended as all other area agencies are consistently purchasing Motorola equipment. This will allow interchangeability of equipment, chargers and other accessories as well as consistent radio set up and programming, which will be performed by Wabasha County only. Whitewater Wireless (Motorola equipment): Radios and chargers - \$16,319.81, move repeater and related equipment - \$13,561.96. Total - \$29,881.77. Hilltop Communications (Kenwood equipment): Radios and chargers - \$14,471.05, move repeater and related equipment

- \$11,415.25. Total - \$25,886.30. Council would like City Attorney to review the quotes with the Public Works Director and bring back recommendation for the October 10, 2011 meeting.
Motion Gartner, seconded Spence to table the approval of the quote from Whitewater Wireless, Inc. for 800 MHz radios and related equipment for Public Works. All ayes 7-0-0.

Miscellaneous Discussion

Noted for the minutes is the fact that the video or audio tape recording system did not engage after the September 26, 2011 closed session as scheduled. Council would like the video person to stay through the closed session, to be able to record the meeting once it is again opened.

The grievance filed by IBEW 949 was discussed. Council requests an opinion from Flaherty Hood with the recommendation, why, and cost estimates of moving forward. There is Council consensus to have this as an agenda item for the October 10th, 2011 meeting.

Council would like the ballroom policy reviewed in light of the proposed building security enhancements.

October 10, 2011 Council member Beckman will give a presentation at 7:00 p.m. on Market Value Homestead Credit.

Mayor Dunbar suggested that the Coalition of Greater Mn Cities provide a review of their work in 2011, and what is planned for 2012. He suggested November 14, 2011 at 7:00 p.m. Staff will set up.

2012 goals due to City Administrator Johnson by October 17, 2011.

Retreat meeting is scheduled for November 28th at 5:00 p.m. for discussion of the 2011, 2012 goals.

Charter Commission requests that City Attorney attend a meeting. A legal review of responsibilities is in order.

Council member Spence extended a thank you to staff for installation of the new play equipment at Underwood Park.

Informational Reports:

As presented.

Future Meeting Dates:

As presented.

Adjourn

Motion Waltman, seconded Powers to adjourn at 9:15 p.m. All ayes 7-0-0.

Jerry M. Dunbar, Mayor

ATTEST:

Kari Schreck, City Clerk