

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

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

Members Absent: None

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

Mayor Dunbar called the meeting to order at approximately 6:10 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.

Convene the Canvassing Board to approve the 2012 General Election results

The Lake City Council shall act as the Canvass Board and shall take the oath of office and publicly canvass the election returns by reviewing the abstract and write-in reports; and

- a. the board may ask to examine summary statements before it declares the results;
- b. when satisfied that the abstract reports are correct, the board (Council) signs the abstracts and they become the official results;
- c. in the case of a tie vote, the canvassing board determines the winner by lot;

If the Canvassing Board determines errors by election judges in counting, errors need to be corrected by following specific procedures as prescribed by law. (M.S. 204C.38; 204C.39; 205.185)

The Canvassing board read aloud the Oath of Office.

Approve the results for Mayor

Councilmember Beckman will abstain from the vote.

**Motion Gartner, second Waltman to approve the results for Mayor with Joel Beckman receiving 2347 votes and write in votes of 86. All ayes 6-0-1 (Beckman abstained).**

Approve the results for Council persons

Council members Waltman, Peters, and Spence will abstain from the vote

**Motion Gartner, second Powers to approve the results for Council persons Waltman 1898, Peters 1808, and Spence 1920 with write in votes of 203. All ayes 4-0-3 (Waltman, Peters, Spence abstained).**

Review and Adopt Agenda

Gartner requested that agenda items 5h. Adopt Resolution 12-074 amending 2012 Department Budgets, 5k. Adopt Resolution 12-076 amending 2012 Water Fund line item budgets,

5q. Confirm appointments to the Community-wide Memorial Committee be pulled for discussion.

**Motion Powers, second Spence to adopt the agenda as amended. All ayes 7-0-0.**

Public Forum

None

New Business:

Adopt Resolution 12-080 accepting election results from November 6, 2012 election

The City of Lake City on November 6, 2012 conducted a city wide election. In accordance with Minnesota Statute 205.185, the city shall canvass the results of the election between the third and tenth day after the election. The results of this election are hereby presented at the November 13, 2012 City Council meeting. The City Council serves as the canvassing board for city elections.

**Motion Gartner, second Waltman that the City Lake City Council, acting as the canvassing board for the City of Lake City, hereby adopts Resolution 12-080 accepting election results from the November 6, 2012 election. All ayes 7-0-0.**

Approve facade improvement grant of \$10,000 for building at 106 E. Center St. (Mississippi Mercantile building)

Greg and Jim Schreck have submitted a facade improvement grant application requesting \$10,000 to be used for costs associated with the removal of the existing metal siding on the front of the building, installation of a brick veneer front (similar to what was done on the Port 104 building) and a new architectural cornice and related work to their building located at 106 E. Center St. in Lake City. The applicants have personal funds to cover the matching amount required. Total costs associated with this project equal \$20,000. The applicants have provided a letter from their financial institution verifying that they have personal resources of at least \$10,000 available to cover the remaining project costs. The \$10,000 grant will be funded using EDA reserves. The request has been reviewed by: RLF Committee, Design Review Committee & EDA. There is one calendar year to complete the project and the no facade improvement funds are to be distributed until the project is complete.

**Motion Beckman, seconded Peters to approve a facade improvement grant of \$10,000 for the building located at 106 E. Center St. (Mississippi Mercantile building). All ayes 7-0-0.**

Approve Lake City Tourism Bureau, Inc. 2013 budget

Greg Schreck, President of the Tourism Bureau, presented the 2013 budget and a brief update on the group's 2012 accomplishments. At the June 22, 2009, Council Meeting, The requested budget amount shows an 8.34% increase from the 2012 budget. Individual line items have been reduced or increased based on what has actually been spent in those areas in 2012. There is no budgetary or fiscal impact. The amount used to fund the Lake City Tourism Bureau, Inc. is limited to the amount collected from the Lake City Lodging Tax.

**Motion Gartner second Peters to approve the Lake City Tourism Bureau, Inc. 2013 budget with a total of \$60,000 to the extent covered by lodging tax collected. All ayes 7-0-0.**

Approve use of EDA funds to cover costs of guardrail end treatment associated with Gilbert Creek bridge guardrail relocation project

EDA President Pat Murphy outlined the EDA request to use EDA funds to correct to the guardrail bumper. MnDOT would move the guardrail (approx. 100 ft.) to open the south

entrance of the pedestrian path. They would pay for the cost of relocation including the "labor cost" of installing the bumper. They are asking LC to pay for the ET2000 System (bumper) only which is \$2,363.75 from their vendor (H & R Construction Co. in Dalton, MN) under the state contract. The MnDOT bridge crew supervisor indicated that the installation could happen as soon as the end treatment system was made available. The EDA board is proposing to use leftover grant funds from the SHIP grant that was obtained by the EDA in 2011, as well as some excess reserve funds to purchase the ET2000 System and complete this project. Funding will be covered by unspent grant funds and EDA reserves. This was approved by the EDA at the November 1, 2012 board meeting. Beckman requests a written offer from MnDOT district 6 engineers. The city should not assume liability for the guardrail as MnDOT is requesting.

**Motion Beckman, second Gartner to approve the use, if necessary, of EDA funds to cover the costs of the guardrail end treatment associated with the Gilbert Creek bridge guardrail relocation project.**

**Roll call vote: Beckman, Peters, Spence, Gartner voting aye, Dunbar, Waltman, Powers voting nay. Motion carried 4-3-0.**

Public Works Director Jensen was directed to follow up on the letter sent to MnDOT and report back at the December 10<sup>th</sup>, 2012 council meeting.

Conduct first reading of Ordinance No. 514, an amendment to Title V – Public Works, Chapter 52.09, Storm Water Service, (D) Rates

Storm water regulations are creating a larger financial burden on the fund each year. This fund also supports annual storm water maintenance and repairs, including related labor costs, street sweeper replacement and maintenance, storm water capital expenses and is part of the debt funding package for the 2010 street reconstruction project on N. 7<sup>th</sup> St. Storm water rates have not been increased since their inception in 2005. An increase in rates is planned in the 2013 proposed budget.

Residential rate – monthly increase from \$2.00 to \$2.50

Commercial rate – monthly increase from \$5.00 to \$6.25

Small Industrial rate – monthly increase from \$10.00 to \$12.50

Large Industrial rate – monthly increase from \$20.00 to \$25.00

**Motion Beckman, seconded Spence to introduce and conduct the first reading of Ordinance No. 514, an amendment to Title V – Public Works, Chapter 52.09, Storm Water Service, (D) Rates. All ayes 7-0-0.**

The first reading of Ordinance 514 was read aloud by Clerk Schreck.

Discuss potential land purchase of Parcel 22.02633.00 adjacent to Underwood Park

The Street/Parks Commission held a special meeting on 11/5/12 to discuss the potential land purchase/swap of the parcel along N. 10<sup>th</sup> St. between Underwood Park and the former Home Pros building, parcel number 22.02633.00. At that meeting the Commission recommended to the Planning Commission and City Council the purchase of parcel #22.02633.00 of 4.84 acres owned by Dan and Sandy Pritzl for up to \$170,000 for the future use of a pool/recreational facility to be built by the city. Staff was directed to continue negotiations, and that the board should not be negotiating on the cities behalf. Staff should recommend considering a land swap with some of the Cemstone property the city owns. Council is concerned about taking property off the tax rolls. Staff should meet with and discuss with the owner of the subject parcel the interest in selling and the terms that might be acceptable to the seller.

**Motion Gartner, second Spence to direct staff to contact the property owner and ascertain potential interest in selling the property and terms to bring back to the council.**

**Roll call vote: Beckman, Spence, Peters, Dunbar, Powers, Gartner voting aye, Waltman voting nay, Motion carried 6-1-0.**

Adopt Resolution 12-079 adopting fees and service charges for 2013

Annually, fees and service charges are established and adopted by resolution. The proposed resolution establishing said fees and charges for 2013 is being submitted for Council adoption at this time.

**Motion Powers, seconded Gartner to adopt Resolution 12-079 adopting fees and service charges for 2013. All ayes 7-0-0.**

Approve Employee Personnel Policy

The Personnel Committee and city staff have been working on a new employee policy over the past several months. The Personnel Committee would like to see the policy be in place at the beginning of 2013. This document has been reviewed by legal and the League of MN Cities several times. The Personnel Committee has reviewed the entire document but requested to review the “working out of grade policy” before giving final approval to the document. The request is for Council approval contingent upon the Committee’s final approval.

Upon Council and Committee approval, document formatting will be completed for distribution to employees.

**Motion Gartner, second Waltman to approve the Employee Personnel Policy contingent upon final approval of the Personnel Committee. All ayes 7-0-0.**

Ambulance/police facilities update

Gail Reimersma, Ambulance Director requested that the council consider the use of a Marina building, the 8<sup>th</sup> Street quonset building, to house the ambulance until a permanent solution is found. Director Reimersma was directed to contact the Marina to discuss the use of the quonset building.

**Motion Powers, second Waltman to authorize the Ambulance Director and City Administrator to discuss with the Marina the potential use of the 8<sup>th</sup> Street quonset building. All ayes 7-0-0.**

Conduct first reading of Ordinance 515, amending ordinance regarding Library Board powers

As per Council direction, the following revision to § 30.053 POWERS is presented for consideration:

~~The Board shall have power to appoint a suitable librarian and necessary assistants and fix their compensation, all subject to Council approval. They shall have the exclusive control of the expenditure of all monies collected and placed to the credit of the Library Fund. They shall also have the supervision, care and custody of the rooms of the library, subject to the direction of the City Council. (1981 Code, § 515.07)~~

Replacing it with:

Subject to the direction of the City Council, the Library Board shall recommend the services that the library shall provide and the manner in which the services are provided. They shall recommend general policy concerning the library, recommend proposed rules governing operations of the library, and assist with short and long-range plans for the library. They shall provide assistance to City Council in the hiring process for a Library Administrator. They shall

review and recommend an annual budget. They shall implement those directives and assist with the supervision, care and custody of the library. Library Board Chair Pat Blum and Secretary Karen Cooper spoke in opposition to the Ordinance change. Council member Gartner is opposed to the wording of the Ordinance.

**Motion Beckman, second Waltman to introduce and conduct the first reading of Ordinance 515, an ordinance amending Section 30.053 of City Code regarding Library Board powers. Roll call vote Beckman, Dunbar, Waltman, and Powers voting aye, Spence Peters, Gartner voting nay, Motion carried 4-3-0.**

The first reading of Ordinance 515 was read aloud by Clerk Schreck.

#### 5. Consent Agenda

- a. Approve October 1, 2012 City Council special meeting minutes
- b. Approve October 8, 2012 City Council regular meeting minutes
- c. Approve October 8, 2012 City Council special meeting (budget) minutes
- d. Approve October 22, 2012 City Council special meeting minutes
- e. Approve expense claims 10.3.12-11.8.12
- f. Adopt Resolution 12-072 accepting donation from Goodhue County Cooperative Electric and amending 2012 Ambulance Department Budget
- g. Adopt Resolution 12-073 accepting donation from Ronnie Fick's Custom Concrete and amending 2012 Police Department Budget
- h. ~~Adopt Resolution 12-074 amending 2012 Department Budgets~~
- i. Adopt Resolution 12-075 designating City Administrator Ron Johnson as Lake City's alternate representative to SMMPA
- j. Accept \$700 in miscellaneous donations and approve designation toward replacement of Hok-Si-La Park entrance sign
- k. ~~Adopt Resolution 12-076 amending 2012 Water Fund line item budgets~~
- l. Adopt Resolution 12-077 Certifying Special Assessments to the County Auditor of Wabasha County for Nuisance Abatement
- m. Approve pay certificate #3 to Monarch Paving, Inc. for 2012 street reconstruction for \$319,290.96
- n. Approve pay request #3 to Pember Companies, Inc. for 2012 state aid reconstruction for \$371,896.23
- o. ~~Adopt Resolution 12-078 setting assessment of water service line repairs at 320 W. Lyon Ave. for \$8,700.00 (PIN 22.00526.00)~~
- p. ~~Approve trail easement agreement between The Jewel: A Golf Community Master Association, Inc. and City of Lake City~~
- q. ~~Confirm appointments to the Community-wide Memorial Committee~~
- r. Appoint Jeff Diepenbrock as Fire Chief, Greg Sievers as Assistant Fire Chief and Dan Moyer as Captain
- s. Approve pay request #9 to Griffin Construction Company for 2010 State Aid street reconstruction for \$12,051.05
- t. Adopt Resolution 12-081 amending 2012 Ambulance Department budget
- u. Approve hiring Quin Kehren as volunteer EMT

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

5o. Adopt Resolution 12-078 setting assessment of water service line repairs at 320 W. Lyon Ave. for \$8,700.00 (PIN 22.00526.00 was pulled by Mayor Dunbar from the consent agenda for action at the November 26, 2012 Special City Council meeting.

5p. Approve trail easement agreement between The Jewel: A Golf Community Master Association, Inc. and City of Lake City was pulled by Mayor Dunbar from the consent agenda for action at the December 10, 2012 City Council meeting.

5 h. Adopt Resolution 12-074 amending 2012 Department Budgets was pulled by Gartner for discussion.

The 2013 budget items that were identified by Council Members for follow up information were reviewed by Finance Director Pratt and city staff. After review of the September year to date financial information indicated that some line item budgets had either exceeded the budgeted amount or would exceed the budgeted amount the Resolution 12-074 was drafted.

**Motion Powers, second Waltman to approve consent agenda item Adopt Resolution 12-074 amending the 2012 Department Budgets. All ayes 7-0-0.**

5k. Adopt Resolution 12-076 amending 2012 Water Fund line item budgets was pulled by Gartner for discussion.

Various line items in the water fund exceeded budget due to a large amount of construction throughout the city and unforeseen repairs due to water main valve failure.

Maintenance and repairs is over budget largely due to the water main valve break at S. Lakeshore and Iowa St. That repair alone was over \$23,000.

Capital is over budget due to the large number of valves and hydrants needing replacement ahead of the 2012 mill and overlay and the reconstruction of Monroe St. and Terrace Rd.

Supplies and printing/publishing will be amended within the existing budget, having a zero net effect on the overall budget.

**Motion Beckman, second Spence to approve consent agenda item Adopt Resolution 12-076 amending 2012 Water Fund line item budgets. All ayes 7-0-0.**

5q. Confirm appointments to the Community-wide Memorial Committee was pulled by Gartner for discussion.

Gartner asked by there are no women on the committee, and why former Chief Schumann is on this committee as he is also serving on the Schneider Committee.

The committee's responsibility will include, but not be limited to, soliciting public input and recommending to Council a location, design layout, and potential funding sources for consideration of a memorial for all community members that lost their lives while serving.

The committee will be subject to the open meeting law and meetings will be posted as such.

**Motion Waltman, second Powers to approve consent agenda item Confirm appointments of Robert Hebert, Lyle Schumann, Dick Sitta, Jason Christensen and council member Mark Spence to the Community-wide Memorial Committee. that will be asked but not limited to soliciting public input, and recommend to the council a location, design layout, and potential funding sources for consideration covering a memorial for all community members that lost their life while serving. Roll call vote: Beckman, Spence, Peters, Dunbar, Waltman, Powers, voting aye, Gartner voting nay, Motion carried 6-1-0.**

6. Unfinished Business:

Continue discussion of 2013 budget

The 2013 budgets were discussed at Special Council meetings held on 7/30/12, 08/13/12, 09/10/12, and 10/08/12. The 2013 budget items that were identified by Council Members for follow up information were reviewed by Finance Director Pratt and city staff.

Discuss potential purchase of 215 West Center Street property

On 11.2.12, Featherstone Real Estate informed Administrator Johnson that the property adjacent to city hall at 215 W Center St. has been listed with her for showing to the city of Lake City prior to listing on the open market. The asking price is \$149,000. Discussion of a potential purchase of this property was brought up at the November 5, 2012 Special council meeting and also occasionally over the past few years at various Council meetings. Mayor Dunbar requested that this item be added to this agenda. Info on the property is as follows: Assessors estimated Market Value: \$134,200 Parcel size: 75' x 90'

**Motion Beckman, second Spence to have the City Attorney draft a 1<sup>st</sup> right of refusal contract and the City Administrator to obtain an appraisal and inspection on the subject property. All ayes 7-0-0.**

Select law firms of Schreiber & Jarstad, Ratwik, Roszak & Maloney, P.A., LeVander, Gillen & Miller, P.A., and Flaherty & Hood P.A. for interviews for provision of civil legal services

The committee of Beckman, Waltman and City Administrator Johnson used a rating schedule of schedule 40% perceived experience, 20% total number of attorney's available to serve the city, 25% price consideration, 15% location.

Motion Waltman, second Powers to conduct interviews of the following law firms for the provision of civil legal services: Schreiber & Jarstad, Ratwik, Roszak & Maloney, P.A., LeVander, Gillen & Miller, P.A., and Flaherty & Hood P.A.

Gartner recommended that the council consider adding Kennedy and Graven to the list to be interviewed. Discussion followed.

**Motion Waltman, second Powers to conduct interviews of the following law firms for the provision of civil legal services: Schreiber & Jarstad, Ratwik, Roszak & Maloney, P.A., LeVander, Gillen & Miller, P.A., and Flaherty & Hood P.A. Roll Call vote: Beckman, Spence, Dunbar, Waltman, Powers voting aye, Peters, Gartner voting nay. Motion carried 5-2-0.**

7. Communication Updates:

- a. Update on funding of Shawn Schneider Memorial
- b. Electric maintenance and operations- potential outsourcing
- c. Library Administrator vacancy

8. Miscellaneous Discussion

Thank you to Todd Hubbard for his years of service as Fire Chief.

Gartner wanted to know if the lights for the ballroom had been ordered. Council has not yet approved the purchase, and there are insufficient funds at this time to place an order.

9. Informational Reports

Heritage Preservation Commission- October 10 regular meeting minutes

Library Board- October 15, 2012 meeting minutes  
Ambulance Commission Minutes 10.15.12  
Ambulance Commission Special minutes 10.22.12  
Utility Board Minutes 10.24.12  
Street & Parks Commission- October 23, 2012 meeting minutes  
Personnel Committee- October 25, 2012 regular meeting minutes  
Ambulance Commission minutes 11.5.12  
Street & Parks Commission- November 5, 2012 special meeting minutes  
3rd quarter concerns summary  
CP Rail communications info

Future Meeting Dates

As presented

Adjourn

**Motion Beckman, seconded Powers to adjourn at 8:45 p.m. All ayes 7-0-0.**

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Jerry M. Dunbar, Mayor

ATTEST:

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Kari Schreck, City Clerk