

**Lake City Common Council
Regular Meeting
Monday February 8, 2016 6:00 p.m.
City Hall Council Chambers**

Members Present: Mayor Joel Beckman, Andru Peters, Mary Lou Waltman, Randy Klipfel, Greg Schreck, Russell Boe, Mark Spence

Members Absent: None

Staff Present: City Administrator Mark Sievert, City Attorney Sarah Sonsalla, City Clerk Kari Schreck, Public Works Director Scott Jensen, Planning and Community Development Director Rob Keehn, Police Chief Cory Kubista

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

Review & adopt or amend the agenda as presented

Beckman pulled item 11 from the agenda as it will be moved to a later date following further information Adopt Resolution 16-019 separating Patrick Befort from employment with the City of Lake City. The meeting will be closed pursuant to Minnesota Statutes Section 13D.05, subdivision 3, (a) unless the employee requests that it be open

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

Wabasha County Commission Cheryl Key and County Commissioner Michael Plante

Key and Plante addressed council with updates on what the County board is working on. The county adopted a one half percent sales tax to be used specifically for road and bridge infrastructure. The county adopted levy for 2016 was four percent. The County has a solid waste ordinance stipulating LaCrosse County as the County solid waste vendor. The City of Lake City is in Wabasha County but has been taking the waste to Goodhue County. There is an action item on the agenda allowing for the waste to be taken to LaCrosse.

Public Forum

Kenneth Smith spoke about the Public Safety building and requested that the council slow down Randi Kirchner Russ Malcomson requested consideration of about year round public restrooms facilities on the Marina property.

Award 2016 Reclaim project – Woodburn, Doughty and Walnut to Edge Contracting, Inc. for \$370,158.00

Jensen stated that the bid opening for the 2016 paving project on Woodburn, Doughty and Walnut was held Wednesday, January 27, 2016 at 1:00 p.m. The results tabulation was prepared by SEH, Inc. Two bids were received with Monarch Paving being the low bidder. The project will be administered through the Capital Projects fund with tax increment funds and an internal loan for project funding

Motion Schreck second Klipfel to award 2016 Reclaim project – Woodburn, Doughty and Walnut to Edge Contracting, Inc. for \$370,158.00. All ayes 7-0-0.

Award 2016 Paving project – Woodburn, Doughty and Walnut to Monarch Paving for \$304,693.03

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Motion Spence, second Waltman to award 2016 Paving project – Woodburn, Doughty and Walnut to Monarch Paving for \$304,693.03. All ayes 7-0-0.

Approve hire Matt Klees for the Police Investigator position from the Civil Service Commission's eligibility list

This position opened up due to the retirement of Investigator Kevin Dather. Investigator Dather will retire on 2-19-2016. On January 27, 2016 the Civil Service Commission held interviews, and ranked the eligible officers in order of recommended hire.

The position was posted and two candidates put in for the position. They were then interviewed by the Civil Service Commission, and ranked for hiring purposes.

The position will have a starting date of April 1, 2016. This position is Grade 12 step G.

Motion Spence, second Waltman to approve hiring of Officer Matt Klees as Police Investigator at Grade 12, step G from the Civil Service Commission eligibility list effective April 1, 2016. All ayes 7-0-0.

Appoint Matthew Swayze to the vacant Police Officer position from the Civil Service Commission Certified list of candidates

A position has opened for a Patrol Officer due to the retirement of the Investigator for the City of Lake City. A current patrol officer interviewed for the Investigator position creating the vacancy. It is the recommendation of the Civil Service Commission to fill the vacant position. Pursuant to Minnesota Statutes Section 419.06, subdivision 7, the Civil Service Commission is providing the City Council with the attached certified list of the three candidates standing highest on the list to fill the vacancy. In this case, Matthew Swayze is the highest ranking candidate on the list. From this list, the City Council is to make its selection and make the appointment. The Council may reject the candidate which would mean that the Civil Service Commission would need to go forward with a new selection process. The starting wage for a new hire is \$23.55 / hr. Effective start date is tentatively set for February 29th.

Motion Spence, second Klipfel to appoint Matthew Swayze to a Police Officer position at \$23.55 per hour effective February 29, 2016. All ayes 7-0-0.

Accept Horizon Commercial Pool Supply quote of \$57,965 for replacement of sand filters at O'Neil Pool and adopt Resolution 16-014 amending 2016 Pool Capital budget

In 2014 staff consulted with a pool supply company in regards to replacement of the two sand filters at the city pool. These original filters have begun to weep water (iron walls are deteriorating). Staff was advised that they could be replaced with one filter and \$20,000 was approved in the 2015 budget for the work. Upon consulting with two other pool companies, it was found that both filters would require replacement.

Quotes were received from Horizon Commercial Pool Supply (\$57,965) and Olympic Pools (\$73,708). The Commission felt it was necessary to replace the filters as failure of one or both would shut down the pool for an undetermined amount of time. If approved, lead time on the filters is 4 to 6 weeks plus installation. Approximately \$18,000 in 2015 Pool Capital budget was not expended. An

additional \$40,000 from General Fund Reserves would provide \$58,000 for the replacement. Street/Parks Commission recommended replacement of both filters at its 1-19-16 regular meeting.
Motion Waltman, second Spence to accept Horizon Commercial Pool Supply quote of \$57,965 for replacement of sand filters at O'Neil Pool and adopt Resolution 16-014 amending 2016 Pool Capital budget. Roll call vote: Beckman ayes, Boe aye, Peters nay, Spence aye, Waltman aye, Klipfel aye, Schreck abstain, Motion carried 5-1-1.

Adopt the budget calendar for preparing the 2017 budget

The Lake City Charter in Section 7.04 requires a budget calendar be established by the City Council annually. The budget calendar provides guidance during the budget process to help keep the preparation of the budget on track and help avoid last minute surprises. Staff provides information to the Council as support for budget decisions.

Motion Spence, second Waltman to adopt the budget calendar for preparing the 2017 budget. All ayes 7-0-0.

Consider City of Lake City participation regarding Mississippi Blufflands State Trail: MN DNR

Council members Schreck and Peters would like the council to address the aforementioned request. Because the DNR is currently doing a feasibility study on the future trail between Red Wing and Lake City, the Marina Board is considering improvements in the beach house area, and the City and MNDOT are working on plans for the improvement of TH 61, the identification and possible development of a trail head should be considered. There was much discussion as council has previously offered support of the trail. The specificity of the motion causes several council members concerns.

Motion Schreck, second Peters to direct staff to proceed with plans to develop a trailhead located near downtown and Ohuta Park and to refer same to the Marina Board for their consideration and recommendation.

Schreck asked for consideration of the motion to delete reference specific to the location

Motion Schreck, second Peters to direct staff to proceed with plans to develop a trailhead located within city limits.

Further council discussion regarding the new proposed motion ensued as some council members feel that the City Council has already supported the proposed trail. Peters withdrew his second and requested to table.

Motion Peters, second Schreck to table directing staff to proceed with plans to develop a trailhead located near downtown and Ohuta Park and to refer same to the Marina Board for their consideration and recommendation. All ayes 7-0-0.

Summary of the renovation to the Lake City Public library construction project

Administrator Bross gave a brief overview of the library remodel project now that the project is complete.

Approve agreement for professional services with Widseth Smith Nolting to commence the first phase of design and construction of a public safety building on North 10th street

The City Council directed staff at its January meeting to bring back a proposal from Widseth Smith Nolting that would describe the next step in the process of constructing a new public safety building on N. 10th Street. The proposal indicates what work needs to be completed to accomplish the next step, as well as the cost for each part of the process.

If approved, WSN would commence work to provide design and documentation to include:

Schematic design, Verification of previous programming efforts, Site requirements, Soft costs
The final deliverable for these services will be a detailed construction cost estimate for a site on N. 10th Street. The cost for services is \$30,513. Previous costs associated this project have been paid from the General Fund Reserve.

Council discussed with Dana Hlebichuk of WSN to work with staff and pursue grant dollars for the project.

Administrator Sievert reminded council that the workshop meeting held earlier that evening with representatives from Mayo Health Systems specific to the ongoing discussion regarding the Lake City Ambulance service, could present a changes in the service once a proposal is received by the city and could affect the future design of a building.

Motion Spence, second Waltman to approve agreement for professional services with Widseth Smith Nolting to commence the first phase of design and construction of a public safety building on North 10th Street. Roll call vote: Beckman aye, Schreck nay, Boe nay, Peters aye, Spence aye, Waltman aye, Klipfel aye. Motion carried 5-2-0.

Waive the second reading and adopt Ordinance 561, rezoning 311 S 8th Street and 722 W Dwelle Street from TN to LI

The owner of both residential properties, Mike Hagedorn, has submitted a request to the City to re-zone two residential properties in order to expand his operation of Lake City Recycling and Disposal, located on the adjacent property to the re-zoning request at 401 S 8th Street. Mr. Hagedorn intendeds to construct a storage garage on these properties after the homes are removed. Commercial and industrial type storage is not permitted in residential zoning districts, and is thereby the reason for the re-zoning request. The City's Comprehensive Plan supports the rezoning of land along South 8th Street by indicating that the area is appropriate for industrial, rather than residential land uses. The Planning Commission held a public hearing on this matter at their January 5, 2016, meeting, and recommends the City Council approve the re-zoning request. The City Council introduced this ordinance at their January, 2016, regular meeting.

**Motion Klipfel, second Waltman to waive the second reading of Ordinance 561.
All ayes 7-0-0.**

Motion Klipfel, second Spence to adopt Ordinance 561 amending Lake City Municipal Code Title XV: Land Use, Chapter 155: Zoning Ordinance, Section 155.22 Zoning Map, rezoning the properties at 311 S 8th Street and 722 W Dwelle Street from Traditional Neighborhood (TN) to Light Industrial (LI). All ayes 7-0-0.

Waive second reading of Ordinance 562 amending Special Ordinance No. 273, Northern States Power Gas Franchise and adopt.

In order to allow Northern States Power (Xcel Energy) to continue to collect gas franchise fees on behalf of the City, the City needs to amend Section 8 of its Special Ordinance No. 273. This was done in 2013 for a two year period (April 30, 2013 to April 30, 2015) and also in 2015 April 30, 2015 until April 30, 2016. Ordinance No. 273 is the Northern States Power (Xcel) franchise ordinance. The franchise established a specific franchise fee schedule – basically two percent of Xcel's gross revenues and \$.005 per therm for commercial customers. This fee arrangement was only effective through 2005. Thereafter, the franchise fee amount could be established by the Council, per a separately adopted fee ordinance. In past years, the Council has elected to continue the fee arrangement contemplated by Ordinance No. 273, by adopting fee ordinances with two year terms so that increases could periodically be considered, although none have been implemented.

The fee has remained the same for many years. City staff is recommending that the Council approve a one year period (commencing on May 1, 2016 to April 30, 2017). During this one year period, City staff will have discussions with Xcel about whether there should be a fee increase or other change in the fee structure.

Motion Spence second Schreck to waive 2nd reading of Ordinance No. 562 – Amendment to Special Ordinance No. 273; Northern States Power Gas Franchise. All ayes 7-0-0.

Motion Spence, second Klipfel to adopt Ordinance No. 562 – Amendment to Special Ordinance No. 273; Northern States Power Gas Franchise. All ayes 7-0-0.

Discussion of options concerning Ordinance No. 563.

On January 25, 2016, the City Council met with the Charter Commission regarding the Charter Commission's concerns with Ordinance No. 563. There was a long discussion about the role of boards and commissions in the City staff hiring process. Some clarifying language was added to Ordinance No. 563 regarding this issue. There were also some minor changes to Ordinance No. 563 that were requested by some Council members. These changes have been added. Finally, there was a discussion about whether prior to adoption, Ordinance No. 563 should be sent to the boards and commissions for further input on their responsibilities.

City staff is seeking direction from the Council about if Ordinance No. 563 is ready for adoption or if further changes need to be made or input from boards and commission sought.

Motion Waltman, second Klipfel to waive the second reading and adopt Ordinance No 563-An Ordinance Repealing Chapter 30 of the Lake City Municipal Code and Adopting a New Chapter 30 Relating to Boards and Commissions.

Roll call vote: Beckman aye, Boe aye, Peters aye, Spence aye, Waltman aye, Klipfel aye. Schreck abstain Motion carried 6-0-1.

Motion Waltman, second Klipfel to adopt Resolution No. 16-018 Authorizing Publication of Ordinance No. 563 by Title and Summary.

Roll call vote: Beckman aye, Boe aye, Peters aye, Spence aye, Waltman aye, Klipfel aye. Schreck nay Motion carried 6-1-0.

Approve contract for residential refuse service and recyclable materials services

The contract for residential refuse service and recyclable materials services was entered into August 30, 2012 with Lake City Recycling and Disposal of Lake City. The contract expired on August 30, 2015. City staff negotiated with LC Recycling regarding terms of the new contract that is set to commence on March 1, 2016.

Summary of changes:

1. Replaced all references to "Red Wing Incinerator" with "County of La Crosse, WI."
2. Clean-up Day containers shall be empty or weighed prior to start of event for accurate billing.
3. Residential refuse and recycling collection shall be completed over a 2 day period each week.
4. Contractor shall pay to the City \$350.00 per month for postage expense.
5. In future Contractor may be required to take all Goodhue County refuse to a Goodhue County facility.
6. Liability limits to be \$1,500,000 per occurrence (typically required by the City), instead of \$1,000,000 per occurrence.

Motion Waltman, second Klipfel to approve contract for residential refuse service and recyclable materials services. All ayes 7-0-0.

Consent Agenda

- a. Council retreat minutes January 11, 2016
- b. Council minutes January 11, 2016
- c. Council joint meeting with Charter Commission January 25, 2016
- d. Expense claims January 7, 2016-16- February 3 2016
- e. 2015 Investment Recap
- f. Request proposals for professional audit services
- g. Approve promotion of Mike Tucker from Water/Wastewater Foreman to Water/Wastewater Superintendent
- h. Approve request for the Lake City Sportsman's Club to conduct a raffle
- i. Approve request for the Louis McCahill American Legion Post #110 to conduct a raffle.
- j. Approve 1-4 day Temporary On-Sale Liquor license for St. Mary's of the Lake Catholic Church for February 13, 2016.
- k. Approve attendance to the Public Library Association conference in Denver, CO in April 2016
- l. Approve out of state travel to Toronto, Ontario, Canada to attend GFOA conference 2016.
- m. Approve grade/ step increase and 2% Cola for exempt employees as recommended by personnel committee
- n. Approve ICMA-RC 457 deferred compensation plan for City Administrator Sievert
- o. Adopt Resolution 16-006 allowing carryover cost Beach improvements Capital from the 2015 budget to the 2016 budget at an amount not to exceed \$325,000
- p. Adopt Resolution 16-007 approving a minor subdivision of 3200 Central Pt Road
- q. Adopt Resolution 16-008 approving Hok-Si-La Capital budget amendment
- r. Adopt Resolution 16-009 amending 2015 Garbage budget
- s. Adopt Resolution 16-010 approving 2016 seasonal hires for Public Works and Marina
- t. Adopt Resolution 16-011 accepting donations totaling \$5,350.00 for the renovation/addition of the Lake City Public Library
- u. Adopt Resolution 16-012 accepting monies from the library garage sale of \$1,025.00 for the renovation/addition of the Lake City Public Library
- v. Adopt Resolution 16-015 appointing City Administrator Mark Sievert as alternate representative to SMMPA
- w. Adopt Resolution 16-016 confirming board and commission reappointments
- x. Adopt Resolution 16-017 amending the 2015 Planning & Community Development General Fund Budget

Motion Spence, second Klipfel to adopt the consent agenda as presented. All ayes 7-0-0.

Communication Updates

Acknowledge the 2016 Pay Equity report.

Acknowledge MSRS language amendment for exempt employee group

Library January 2016 fundraising summary

PLEDGES IN JANUARY \$5,350.00

MONIES RECEIVED IN JANUARY \$5,350.00
TOTAL PLEDGES TO DATE \$295,983.00
TOTAL RECEIPTS TO DATE \$283,150.27

Miscellaneous Discussion
None

Informational Reports
As presented

Motion Spence, second Schreck to adjourn at 8:20 p.m. All ayes 7-0-0.

ATTEST:

Joel T. Beckman, Mayor

Kari Schreck, City Clerk