

**Lake City Common Council
Regular Meeting
Monday March 14, 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,

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

Motion Spence, second Waltman to pull item 4A Ambulance service discussion with Gold Cross Ambulance Service/Mayo Clinic medical transport.

City Administrator Sievert was directed at the February council meeting to open a dialogue with Gold Cross to explore options. The Mayor explained that voting aye, pulls the item from the agenda, and voting nay allows the time to stay on the agenda.

Roll call vote: Schreck aye, Spence aye, Peters nay, Beckman nay, Waltman aye, Klipfel nay, Boe nay. Motion carried 4-3-0.

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

Public Forum

Cindy McGrath, Tammy Peterson, Sarah Rybarczyk spoke in opposition of the Lake City Ambulance service discussion with Gold Cross Ambulance Service/Mayo Clinic medical transport.

Dan Coyle spoke supported the idea of a year round bathhouse facility on the Marina property.

Ambulance Service discussion with Gold Cross Ambulance Service/Mayo Clinic Medical Transport

At the February 8, 2016 City Council meeting, the City Council directed the City Administrator to work with Gold Cross Ambulance Service, which is owned by Mayo Clinic Health System, to explore options including advice, contract services and acquisition.

On February 17, 2016, Finance Director Pratt and Administrator Sievert met with Tom Fennell, Gold Cross Ambulance Service; Paul Drucker, Senior Director for Mayo Medical Transport; Chris Rustad, Gold Cross Administrator; Brad Hallum, Director of Ground Operations; and Trevor Coons, Operations Manager MCHS-Lake City. Based upon our discussions, a six month

(6) contract with Gold Cross Ambulance Service (Mayo Clinic Medical Transport) for Interim Management Support Services with the intent to move toward acquisition of the Lake City Ambulance Service by Gold Cross Ambulance Service (Mayo Clinic Medical Transport) could be an option. This process will allow both parties the opportunity to proceed at a reasonable pace to address all issues, concerns and questions and to determine if this is the right fit for both parties.

Motion Spence, second Waltman to table a six month (6) contract with Gold Cross Ambulance Service (Mayo Clinic Medical Transport) for interim Management Support Services with the intent to move toward acquisition of the Lake City Ambulance Service by Gold Cross Ambulance Service. Council appoints a subcommittee consisting of Council members Spence, Waltman, Administrator Sievert, and two Ambulance Commission members to work with the EMS Regulatory Board of the State of Minnesota to conduct an independent assessment of the current Lake City Ambulance Service, and once completed, a joint meeting to be scheduled with the Ambulance Commission and the City Council. Roll call vote: Beckman aye, Schreck aye, Boe aye, Peters aye, Spence aye, Waltman aye Klipfel aye Motion carried 7-0-0.

Approve Resolution 16-037 setting date for a public hearing approval of tax increment financing for the purpose of assisting the Hearth & Home Technologies expansion project of 2016

Hearth and Home Technologies opened its manufacturing operations in the City of Lake City in 1992 guarantying 75 new positions, but actually created 150 full-time positions by the end of 1992, and since that date, has been a major employer in this City. The Company currently employs approximately 280 persons and over 50% of the current employees live in Lake City. The Company has expanded their operations in Lake City numerous times over the past 24 years and has worked with the City of Lake City on three major building expansions resulting in a very strong public-private partnership. The parent company is relocating production lines from a Kentucky facility to another one of its locations, and will select Lake City as the expansion site if a satisfactory financial assistance package is provided. If Lake City is chosen as the expansion site the City of Lake City will retain the existing jobs and the addition of new production lines would result in the creation of approximately new jobs.

Motion Peters, second Klipfel to approve Resolution 16-037 setting date for a public hearing on May 9th 1016, on the approval of a tax increment financing for the purpose of assisting the Hearth & Home Technologies expansion project of 2016. All ayes 7-0-0.

Adopt Resolution 16-036 to be the local government project sponsor for the purpose of assisting the Hearth & Home Technologies expansion project of 2016

Brian English of Hearth and Home is looking for local funding options from the city.

Kevin Keller Department of Employment and Economic Development spoke about the job creation fund and specifically the city's role is to acknowledge, by Resolution 16-036 the desire of the city to see Hearth and Home Technologies expansion in Lake City.

Hearth and Home Technologies has an opportunity to expand its operations here in Lake City. A facility in Kentucky is looking to relocate its production volume to other facilities, which would include new positions. The Lake City facility is in competition with other facilities in the country. The Department of Employment and Economic Development have seen fit to help with the expansion through the Job Creation Fund. The State requires that the business have support from the local government. Hearth and Home Technologies opened its manufacturing operations

in the City of Lake City in 1992 guarantying 75 new positions, but actually created 150 full-time positions by the end of 1992, and since that date, has been a major employer in this City. The Company currently employs approximately 280 persons and over 50% of the current employees live in Lake City. The Company has expanded their operations in Lake City numerous times over the past 24 years and has worked with the City of Lake City on three major building expansions resulting in a very strong public-private partnership. The parent company is relocating production lines from a Kentucky facility to another one of its location, and will select Lake City as the expansion site if a satisfactory financial assistance package is provided. If Lake City is chosen as the expansion site the City of Lake City will retain the existing jobs and the addition of new production lines would result in the creation of approximately new jobs. They are asking that the city support them.

Motion Peters, second Spence to approve Resolution 16-036 to be the local government project sponsor for the purpose of assisting the Hearth & Home Technologies expansion project of 2016. All ayes 7-0-0.

Public Safety Building funding

Mike Bubany of David Drown and Associates met with Finance Director Pratt regarding the use of cash rather than bonding for the project. The Electric and Marina funds were identified as possible sources.

Introduce Ordinance 564 and conduct the first reading in summary, establishing a moratorium on development for un-zoned City parcels and adopt Resolution 16-030.

It has been brought to the attention of the City that a small number of properties located within the City limits have not been officially assigned a zoning district. In order to allow time for the City to review each property and make a recommendation on how it should be zoned, a short term (6 month) moratorium on development on these parcels is being recommended. This will allow the City's Planning Commission and Staff to conduct the required public hearings for the zoning enactment. A moratorium will protect the City from unauthorized development that could occur without zoning in place while the City is working on this project.

The non-zoned properties are identified in both the ordinance and the resolution and includes two properties currently used as single family residential, one vacant property, and three parcels that are used primarily for transportation related purposes or are mostly right of way.

Resolution 16-030 is a supplement to the ordinance, and was drafted to provide interim protection to the City for the time between when Council introduces, and subsequently adopts Ordinance 564.

Motion Klipfel, second Spence, to introduce Ordinance 564 and conduct the first reading by summary, establishing an interim ordinance imposing a moratorium on the development of un-zoned properties within the City. All ayes 7-0-0.

Ordinance 564 in summary form was read aloud by Keehn.

Motion Waltman, second Peters, to adopt Resolution 16-030 establishing an interim moratorium on the development of un-zoned properties within the City. All ayes 7-0-0.

Introduce and conduct the first reading in summary form of Ordinance No. 565 Amending Title VII, Chapter 74 of the City Code Relating to Snowmobiles and All-Terrain Vehicles AND

Approve License Agreement for ATV Route

The Chief of Police and the Public Safety Commission determined that it would be in the interest of public safety to designate certain ATV routes in the City. The routes were identified and have been added to the City Code as an amendment to Chapter 74. There were also some changes by the Legislature to state statutes regarding the definitions of the two ATV classes (Class 1 and Class 2). These changes have been incorporated into Chapter 74.

Motion Spence, second Waltman to introduce Ordinance 565 Amending Title VII, Chapter 74 of the City Code Relating to Snowmobiles and All-Terrain Vehicles and conduct the first reading in summary form. All ayes 7-0-0.

Ordinance 565 in summary form aloud by Clerk Schreck.

One of the ATV routes is over private property owned by Norman and Mary Ericson. The Ericson's are willing to allow the City and its users to use the path on their property as a designated route for ATVs. The City Attorney drafted a license agreement to be signed by the Ericson's and the City for this purpose and the Ericson's have signed this agreement. The City Council needs to approve this agreement and authorize the Mayor and the City Clerk to sign it.

Motion Spence, second Klipfel, to approve the License Agreement with Norman C. Ericson and Mary D. Ericson to allow a path on their property to be used as a designated route for ATVs and authorize the Mayor and the City Clerk to sign the Agreement. All ayes 7-0-0.

Approve Employee Hiring Policy

The City currently has two hiring policies, the Administrative Staff Hiring Policy and the Policy on Hiring Employees under the Jurisdiction of Boards and Commissions. In light of the new Chapter 30 that was adopted by the Council which addresses the duties and responsibilities of the boards and commissions, including their role in hiring of City employees, a review of both policies was conducted by the City Administrator and the City Attorney. It was decided that the two policies should be combined into a single policy that would apply to the hiring of all City employees. This was Personnel Committee topic review on January 17, 2016 and final review by email. The policy was drafted by the City Attorney and reviewed by the City Administrator and the Personnel Committee.

Motion Spence, second Klipfel to approve the Employee Hiring Policy. All ayes 7-0-0.

Award 8th St. Concrete Pavement Rehabilitation project to Doyle Conner Company for \$238,785.44

The bid opening for the 8th St. Concrete Pavement Rehabilitation project was held Wednesday, March 2, 2016 at 11:00 a.m. The attached tabulation was prepared by SEH, Inc. Five bids were received with Doyle Conner Company being the low bidder. This is a State Aid project and will be administered through the Streets Capital fund.

Motion Spence, second Waltman to award 8th St. Concrete Pavement Rehabilitation project to Doyle Conner Company for \$238,785.44. All ayes 7-0-0.

Adopt Resolution 16-019 separating Patrick Befort from employment with the City of Lake City
Mr. Befort was given an opportunity to close the meeting. Mr. Befort requested that the meeting remain open.

Mr. Pat Befort was provided a letter on or about January 21, 2016 advising him of the Personnel Committee's consideration of the recommendation and offered him the opportunity to address the Committee. The Personnel Committee reviewed and evaluated Mr. Befort's employment status at a meeting held on January 27, 2016, and approved the recommendation for the his discharge. Mr. Befort did attend the January 21, 2016 meeting. The conclusions of the Personnel Committee and Mr. Befort's health care providers concerning the Mr. Befort's inability to perform the essential functions of his job concluded that it was in the best interests the City that the employment of the Mr. Pat Befort be discontinued.

Motion Schreck, second Spence to table Resolution 16-019 separating Patrick Befort from employment with the City of Lake City. Roll call vote: Beckman nay, Schreck aye, Boe nay Peters nay, Spence aye, Waltman nay, Klipfel nay Motion fails 6-2-0.

Motion Beckman, second Klipfel to Adopt Resolution 16-019 separating Patrick Befort from employment with the City of Lake City. Roll call vote: Beckman aye, Schreck aye, Boe aye Peters aye, Spence nay, Waltman aye, Klipfel aye Motion carried 6-1-0.

5. Consent Agenda

- a. Approve council retreat minutes 2.8.16
- b. Approve council minutes 2.8.16
- c. Approve council retreat minutes Hwy 61 2.29.16
- d. Expense claims 2.4.16-3.9.16
- e. Appoint Amanda Ferguson to the Part-Time Police Officer position from the Civil Service Commission Certified List of Candidates
- f. Approve Corey Meincke as Hok Si La Street / Parks Laborer
- g. Approve promotion of Seth Eastwood to Wastewater Operator C effective January 3, 2016
- h. Approve Lake City Fire Department Officers for 2016
- i. Approve 2016 billboard license applications for Fairway Outdoor Funding, LLC and Jim Whiting Nursery & Garden Center, Inc.
- j. Approve request for the Lake City Lions Club to conduct a raffle.
- k. Adopt Policy for the Disposal of Obsolete or Excess City Personal Property.
- l. Approve request for Consumption & Display permit for Lake City Yacht Club
- m. Adopt Resolution 16-013 approving a Conditional Use Permit for 3200 Central Point Road
- n. Adopt Resolution 16-021 supporting inclusion of La Crosse Area Planning Commission as a financial party member of the MN High Speed Rail Commission
- o. Adopt Resolution 16-022 confirming new board and commission appointment(s)
- p. Adopt Resolution 16-023 supporting the 2016 Rochester Regional Airport Bonding Bill
- q. Adopt Resolution 16-024 support of bonding money for Parks and Trails

- r. Adopt Resolution 16-025 accepting the TZD Grant reimbursement from the State of MN, Office of Traffic Safety and amending the 2016 Police Department Budget in the amount of \$2115.80
- s. Adopt Resolution 16-026 supporting the master subscriber agreement for Minnesota Court data services for government agencies
- t. Adopt Resolution 16-027 accepting \$1,000.00 from the Friends of the Library to help pay for costs associated with the PLA conference
- u. Adopt Resolution 16-028 accepting donations totaling \$1,886.88 for the renovation/addition of the Lake City Public Library.
- v. Adopt Resolution 16-029 authorizing amendment of tax increment financing plan for Tax Increment Financing District No. 4 (Downtown)
- w. Adopt Resolution 16-031 confirming board and commission reappointments
- x. Adopt Resolution 16-033 amending Capital Projects Fund for 2016 Street Reconstruction project.
- y. Adopt Resolution 16-034 amending Street Capital Fund budget for 2016 S. 8th Rehabilitation project
- z. Adopt Resolution 16-035 setting Hok-Si-La Park Cabin Regular (off season) rate

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

Communication Updates

Hiawathaland Transit minutes from August 13, 2015 were reviewed. Amy Repinski will attend the April 11th city council meeting.

Miscellaneous Discussion

Waltman asked about the status of the Ambulance contracts with the townships. Administrator Sievert will look into.

Waltman asked about a process for how items get onto the agenda. Administrator Sievert stated that when he sends out information which has been requested by a council member, he sends the information to all council members. Councilmembers requesting something be put on the agenda should work with the City Administrator.

Informational Reports

As presented

Motion Schreck, second Boe to adjourn at 8:32 p.m. All ayes 7-0-0.

ATTEST:

Joel T. Beckman, Mayor

Kari Schreck