

Councilpersons:
First Ward: Gallenberger, Gibson
Second Ward: Schmidt, Hiers
Third Ward: Meurer, Bricher

Mayor: John Meisch
City Attny: Peter Ekstrand
City Adm: David Schmidt
City Clerk: Susan Schamaun

Date: May 04, 2010

PROCEEDINGS OF THE CITY COUNCIL

The regular meeting of the City Council of the City of Wabasha was held on Tuesday, May 04, 2010 and was called to order at 7:00 pm by Mayor John Meisch.

Roll call found Councilpersons Gallenberger, Gibson, Schmidt, Hiers, Meurer, Bricher and Mayor Meisch present.

Mayor Meisch called for citizen comments. Mr. Blaine Marcou, Chief Manager for Big Jo Ltd., the development company for the Grand Eagles Hotel, came forward and requested a 60 day extension to complete a partnership and to complete working drawings, which would put the financial deadline at July 1, 2010, which would also move the completion date to Memorial Day, 2011.

Attorney Peter Ekstrand recommended the City's TIF Attorney, Bob Deike, review this request and advise Council.

After discussion, Mayor Meisch made directive to have Mr. Bob Deike review the request and forward his assessment to Council for the June 1, 2010, Council meeting. Mayor Meisch stated all Council questions can be forwarded to Attorney Ekstrand whereby he will forward to either City staff or to Mr. Bob Deike.

Mayor Meisch called for other citizen comments. Hearing no other public comments, he called for the Consent Agenda.

**Councilpersons Schmidt and Bricher moved to approve the following consent agenda as amended:
Adopted by the following vote:**

Ayes: Gibson, Schmidt, Hiers, Bricher, Gallenberger and Mayor Meisch

Nays: None

Approved the April 20, 2010 Regular meeting minutes.

Authorized \$2,000 donation towards Fourth of July fireworks.

Approved Liquor License and 3.2 Beer License renewals as presented contingent upon receipt of liquor liability Certificates of Insurance to the City Clerk.

Approved not waiving the monetary limits on municipal tort liability limits established by Minnesota Statute 466.04.

Approved the following warrants as presented:

Mayors	General Fund	
Legal	"	1,374.56
Fire Dept.	"	\$2,300.00
Police	"	782.68
Ambulance	"	1,335.48
Park	"	1,013.83
Pool	"	1,293.92
Streets	"	900.12
Emergency Management	"	2,293.05
Total		4.06 11,297.70

5.1 Auditor's Report

Mayor Meisch introduced Mr. Andy Berg, Abdo, Eick & Meyers, to present the City's 2009 Financial audit.

Mr. Andy Berg came forward and gave the following report on the City's 2009 Management Letter::

- The audit went well and there were no disagreements.
- The City had 3 findings:
 - Material audit adjustments and staff is learning to make entries and he anticipates journal entries will go down with the education of staff.
 - Size of City in regards to the preparation of drafting of financial statements with disclosures.
 - Segregation of accounting duties: 2 people doing all accounting duties
- MN Legal Compliance Findings:
 - Various disbursements not made on time in which a Claims and Disbursements Resolution is being passed tonight to address this.
 - Elected Out of State Travel Policy in which a Policy has been adopted to address this.

Mr. Andy Berg continued to outline pages 12-20 of the Management Letter. After review of the Management Letter, it was determined more information would be brought back on the vacant lot listed on page 15 under Nonmajor Special Revenue funds with a deficit of \$735.00 Mr. Andrew Berg recommended the City close the Vacant Lot fund with an interfund transfer.

Mayor Meisch thanked Mr. Andy Berg for coming to the Council meeting and presenting the 2009 Financial Report.

Mayor Meisch stated Council was going to pursue RFP's for all professional services. He also brought forward the fact that Mr. Andy Berg on behalf of Abdo, Eick & Meyers has indicated he would be willing to submit a 3-year fixed rate for audit services. Mayor Meisch cautioned that during these tough economic times some consistency in some of these areas is going to be extremely important.

5.2 Marina Franchise Agreement Amendment

Mayor Meisch stated the marina operators have appeared before the Wabasha Port Authority and the Planning Commission for the review and consideration of a support building for fuel service and construction of eight campsites. The Planning Commission held a public hearing on April 13th and approved a CUP for the proposed upgrades. In order to have the campsites, Council needs to approve the change to the franchise agreement.

Councilperson Bricher stated the reason the campsite issue is separate from the support building for the fuel service is because the existing marina didn't have a CUP for its existence. It is a safe thing to do because it is getting the gas away from where the boats are parked. He further stated Mr. Wickersham, owner of the marina, presented a set of rules for the proposed campsites. Councilperson Bricher stated owners of the surrounding properties were concerned about after hours partying and noise.

Councilperson Gallenberger stated neighbors have problems with noise now with new owners where in the past they did not have a problem with noise with the old owners.

Councilperson Meurer asked about public access to the point on the dike and asked if reasonable access could be considered hiking down there and fishing. Attorney Peter Ekstrand stated that would be considered reasonable access. Mayor Meisch stated the owners discussed a gate due to not wanting cars or trucks driving down into that area but it was not a problem if the public wanted to walk down and fish.

Councilperson Gallenberger stated the Port Authority held a meeting whereby the Wickersham's attended as well as several neighbors. There were also a number of letters received. There was a lot of conflict prior to the meeting but after the meeting, everyone seemed satisfied as they were under the impression that they were going to go up on the dike in the trees out of their view. The location of the campsites has moved and the neighbors are not feeling good about the project again.

Councilperson Bricher stated he is disappointed in the way the Wickersham's run their businesses. He has been dealing with them for the last 1.5 years and they have not finished a project at the National Eagle Center that was started last October and they are not done yet and they should have been done by the end of the year.

Councilperson Gallenberger stated the Planning Commission has certain rules they go by and if you meet those rules, they have to pass what it is they are asking for. If neighbors come and are voicing opinions, it really isn't in the rules to fail a project due to neighbor's opinions. She stated it is Council's responsibility to review and take into consideration the neighbor's opinions and make a judgment. She stated there are three blocks worth of neighbors who are complaining and are against the project.

Police Chief Kruger stated there are no more complaints at this campsite compared to the City's campground.

Councilpersons Meurer and Gibson moved to table the Marina Franchise Agreement Amendment until the next Council meeting on June 1, 2010, and also to forward to Council for review the letters that were submitted to the Planning Commission as well as the map submitted to the Planning Commission for the CUP and proposed rules. The motion was adopted unanimously.

Mayor Meisch directed staff to invite Mr. Wickersham to the next Council meeting as well as encourage neighbors to attend.

5.3 Anderson House TIF Termination Discussion

A memo was distributed from Mr. Robert Deike, the City's TIF Attorney, which states what TIF monies the City should pay since the group that owned the Anderson House went to foreclosure.

Attorney Peter Ekstrand read the following from Mr. Deike's memo and stated based on the following, he recommends the City authorize Mr. Deike to draft the termination letter:

"under the terms of the tax increment note the City can consider the note terminated. Although the note does not specifically require notice of termination to be given to the note holder, if the City decides to deem the note terminated it should notify Mr. Hall and Summerhouse Hotels of that decision."

Councilpersons Meurer and Gallenberger moved to authorize Mr. Robert Deike, the City's TIF Attorney, to draft the Anderson House TIF termination documents to be signed by City Administrator, David Schmidt, and authorize final payment. The motion was adopted unanimously.

5.4 Claims & Disbursements Resolution

Mayor Meisch stated as the City moves forward to rectify findings in the audit, the following resolution is being presented to allow payment of certain regular or cyclical payments which are outlined in order to pay just debts in a timely manner and staff would present Council a lists of claims paid and an explanation of the payment at

the first Council meeting after payment of the claims.

Councilpersons Schmidt and Hiers moved to approve Resolution #764 Policy to Allow Payment Before Council Authorization: Adopted unanimously.

RESOLUTION # 764 POLICY TO ALLOW PAYMENT BEFORE COUNCIL AUTHORIZATION

WHEREAS, the City Council of the City of Wabasha is required to review expenditures before payments are made, and

WHEREAS, business and contractor billing cycles are not always in step with the City payment schedule, and

WHEREAS, some businesses and contractors demand payment upon job completion, and

WHEREAS, some businesses and contractors include finance charges for bills not paid within 10, 15, 20 or 30 days, and

WHEREAS, the City Administrative Staff will present to the City Council at the first council meeting after payment of claims a list of the claims paid and an explanation of the payment.

WHEREAS, it is in the City's best interest to pay just debts in a timely manner.

THEREFORE, BE IT RESOLVED that the City Council of the City of Wabasha authorizes the City Clerk-Treasurer to make payment of regular payroll expenditures, regular cyclical payments such as, but not exclusively, utility bills and payments for currently budgeted goods and services such as rubbish removal and phone service, without prior approval by the City Council.

Adopted by the City Council of the City of Wabasha this 4th day of May 2010.

ATTEST: _____
Mayor John Meisch Susan Schamaun, City Clerk

CLAIMS & DISBURSEMENTS FOR THE CITY OF WABASHA

- | | |
|---------------------------|-------------------------|
| 1) Kwik Trip, Inc. | Gas |
| 2) Marathon Petroleum Co. | Gas |
| 3) Verizon Wireless | Cell Phone |
| 4) HBC | Phone |
| 5) Xcel Energy | Utilities |
| 6) Rubbish Removal Co. | Garbage/Rubbish Removal |

Councilperson Gallenberger stated Council will be seeing these disbursements on a monthly basis.

5.5 Cooperative Fire Agreement

Per Attorney Peter Ekstrand, this Cooperative Fire Agreement between the Village of Nelson, Wisconsin, and the City of Wabasha, Minnesota, is the same agreement that was entered into years ago but was dropped and it is similar contractually to what we hold with other communities.

Councilpersons Meurer and Schmidt moved to approve the Cooperative Fire Agreement between the Village of Nelson, Wisconsin, and the City of Wabasha, Minnesota: Adopted unanimously.

ATTACHMENT A = Cooperative Fire Agreement

Round Table

Councilperson Hiers asked about costs for the proposed Jaycee Park campground. David Schmidt stated staff has checked utilities and things seem good as far as sewer and water. He stated Phil Rosendale, Zoning Administrator, and David Vosen, Utilities Superintendent, have went out this past week to shoot elevations. The City will have to comply with stormwater management guidelines. The next step will be designing, with the site we have, how big of a ponding area we have to have as well as how to connect sewer and water, and that will start telling us, along with the MN Department of Health, how big the sites have to be and then information on costs will start to come in and that information will be forwarded to Council.

Councilperson Meurer stated he has received complaints of vehicles speeding on Seventh Street West, Gambia Avenue, River Drive South, Roque Avenue and Grant Boulevard and asked Police Chief Kruger to patrol these areas.

Councilperson Gallenberger encouraged citizens to run for office to run their City. She stated people have to register early this year to run for office. She stated the filing date runs between May 18th and June 1st and there are openings in every ward including the Mayor position. She encouraged citizens to contact the Mayor and councilpersons if they had any questions.

Councilperson Gibson stated the HPC works on signage for the historic part of the City and there are a number of signs that are not permitted. She stated it is an ordinance that signage in the downtown area must come before the HPC to be approved. The HPC has just finished updating the ordinance and clarifying some issues with signage and they will be sending out letters to let some people know they are not in compliance. Due to the recent changes in the Sign Ordinance, she recommended not charging the normal \$50 permit fee for these signs and give them 90 days to come to HPC to have their signs approved.

After discussion, **Councilpersons Gibson and Bricher moved that due to the recent changes in the Sign Ordinance and the large number of pre-existing signs in the Historic District which have not received a permit, City Council will approve a one-time waiver of the usual \$50 permit application fee for those signs within the Historic District that are cited as non-compliant in a letter as issued by staff as not having a sign permit, and where an application for a permit is received within 90 days of the date of the letter notifying them of non-compliance. All applicants will still be required to go before the HPC for design review as required by the normal application process.**

The motion was adopted by the following vote:

Ayes: Schmidt, Hiers, Bricher, Meurer, Gibson, Mayor Meisch

Nays: Gallenberger

David Schmidt stated RFP's are done and asked for Council direction. It was determined to put the RFP's on the June 1, 2010 Council agenda.

Mayor Meisch asked Council direction on a 3-year contract with Abdo, Eick & Meyers, the City's auditors. Councilperson Gallenberger stated the way things are going, that might be the way to cut deals and they have done a good job for the City and she would have no problem with it. Mayor Meisch stated he felt the City must do everything it can to cut costs but at the same time, there is some importance with consistency especially with their knowledge of what's going on financially with the City. It was determined to contact Abdo, Eick & Meyers and ask them to submit a 3-year fee contract.

Having no other business, Councilpersons Schmidt and Hiers moved to adjourn at 8:25. Adopted unanimously.

Susan Schamaun, City Clerk