

Councilpersons:
First Ward: Friedmeyer, Wharton
Second Ward: Schmidt, Kruger
Third Ward: Bricher, Schoen

Mayor: Rollin Hall
City Atty: Peter Ekstrand
City Adm: Chad Springer
City Clerk: Susan Schamaun
Date: July 1, 2014

PROCEEDINGS OF THE CITY COUNCIL

The regular meeting of the City Council of the City of Wabasha was held on Tuesday, July 1, 2014, and was called to order at 7:00 pm by Mayor Hall.

All Councilpersons were present.

All present stood and recited the Pledge of Allegiance.

2. Guest Speaker: Ms. Sara George, Wabasha Farmers Market Manager, came forward and reported the Farmer's Market is open on Monday's by St. Elizabeth's Hospital from 1 – 5 pm and on Thursdays under the bridge from 1 – 5 pm. She stated new this year they can take credit cards, debit cards and EBT cards. She stated they are also looking for more vendors. They have a Facebook page www.facebook/wabashafm.

Guest Speaker: Senator Matt Schmit: Senator Matt Schmit came forward and gave a legislative update. He stated the session is done and he is now giving presentations around his district to keep people informed on what has happened, what is happening and the State's budget. He stated in the past the State had a huge deficit but the budget is now balanced and also for the years ahead. He stated they will be putting surplus funds towards education and infrastructure in the years ahead.

3. Public Comments: Mr. Jim Niemantsverdriet, 1603 River Drive South, came forward and stated he was a local business owner and was concerned after witnessing City vehicles pulling camper trailers out of the City's campground. He stated he felt the City was assuming liability for moving these trailers and stated he found out the City moves them for \$50.00 flat fee and felt that was not enough to cover the City's cost. He stated he was bringing this issue forward based on safety and liability issues for the community and the campers.

4. Changes or Additions to Agenda: City Clerk stated in 2010 the City Decertified TIF 2 and there is \$23,460 left in that account. Per Mike Bubany's recommendation, she requested Council approve a check be sent to the Wabasha County auditor for \$23,460 to close Fund 371. She requested it be added to the Consent Agenda.

Councilperson Kruger and Schoen moved to approve City Clerk's request to close Fund 371, TIF 2, and send a check to Wabasha County Auditor for \$23,460 and add to the Consent Agenda. Adopted unanimously.

5. Mayor's Presentation:

Mayor Hall announced that Wabasha is open for business despite the high water. He knows of no businesses closed due to high water and RJAC will continue with Music Under the Bridge on Friday night and the annual Fireworks event will be held but this year they will be at the High School. He recognized and thanked City employees Chad Springer, Tony Johnson, Mike Mroz and Pat Mueller who spent extra time this week-end dealing with utility issues.

6. Committee Reports and Wabasha Good News:

Utilities Commission: Councilperson Schmidt reported they met on June 24th and discussed several items:

- **Lift Station on 9th Street needs reshingling.**
- **Discussion on sewer access charges. Determined when contractor gets permit, he must either bring homeowner with him or bring a check from the owner for this charge. (People don't seem to be aware that when they connect to City water and/or sewer services, there is an access charge.)**
- **PeopleService Report on high water and the WWTP. The plant is taking in double the water it was designed to handle. City had to start bypassing on Lawrence Boulevard.**
- **Testing daily when bypassing and the City is MPCA compliant.**
- **Utilities Board Commissioner resigned.**

Street Commission: Councilperson Bricher Street Commission met on June 24th and Tony Johnson, Street Superintendent, reported on the BCI Flexpatch Warranty repairs. The patches that came up were replaced. Information was presented on river bank erosion from Mr. Dean Muerer and Mayor Hall. They requested looking into the costs of rip rapping and funding. It was reported Tony talked to two local contractors about concrete work on Bailey Avenue in the Industrial Court and neither contractor placed a bid. Commissioners were updated on the 2013 Street Project Punch List as well as the changes to the 2014 Mill and Overlay Street Project.

Police Commission: Police Chief Warren reported they met on June 19th. Officer Luke Fratzke submitted his resignation and it was accepted by the Commission. Officer Fratzke is going to work for the Wabasha County Sheriff's Department. They also approved Ben Swanson moving from part-time status to full-time status. The commission also approved replacement of a squad as well as replacing one shotgun. The Community Awareness Program will be starting up soon.

Planning Commission: Councilperson Friedmeyer reported the Planning Commission met on Tuesday, June 10th and continue to review and make revisions on the Interim Mining Ordinance.

Councilperson Friedmeyer stated the Ambulance Commission did not meet.

HPC: Councilpersons Schoen reported she did not attend the HPC meeting but reported they are sending 3 or 4 representatives to the State meeting which is funded by a grant.

Park Board: Councilperson Kruger reported they met on June 18th and Mr. Bill Hager was present to request the Park Board place a memorial in Heritage Park in recognition of Michael Duane Clickner. He also stated SEMMCHRA called to requested the City take care of the park in the Eagle Basin Addition. They would like the City to mow and trim and plow etc. He reported the dock by the Eagle Center has been repaired and the railing on the natural play area at Beach Park is being installed on July 7th.

7. Administrator's Report: Chad Springer, City Administrator, reported the service the City has received from PeopleService, Inc. has been very good and they have been putting in a lot of hours with the high water. The Street and Park Departments have been putting up barricades and distributing materials for sandbagging. He reported there was a diesel fuel spill (1,500-2,000 gallons) in the City's Wellhead Protection area and the City found out through receiving an emergency locate. He will be working with MN Rural Water in fixing that chain of command with the duty officer and reporting emergencies. Borings will take place to test area. Chad also reported he attended the League of MN

Cities annual meeting. A budget kick-off meeting was held with department heads. Chad reported department heads are tasked with working on their budgets and there will be a joint budget workshop set up for the end of July for Council and department heads. He reported he worked with Council President, John Friedmeyer, on Planning RFP's and they are currently advertised. The City's Facebook site is up and running and information on the flood, fireworks etc. is on there.

8. Consent Agenda:

Councilpersons Wharton and Schmidt moved to approve the consent agenda as presented with the approved request by City Clerk to close Fund 371 (TIF 2) and send \$23,460 to the Wabasha County Auditor: Motion adopted unanimously.

- 8.1 Approved the June 3, 2014, Regular Minutes and June 3, 2014 Improvement Hearing Minutes and June 3, 2014 Assessment Hearing Minutes
- 8.3 Resolution Appointing 2014 Election Judges
- 8.4 Planning Commission Appointments
- 8.5 Close Fund 371 (TIF 2) and send \$23,460 to Wabasha County Auditor
- 8.2 Warrants:

Mayors	General Fund	\$2,591.26
Police	"	\$6,368.02
Legal	"	\$3,500.00
Planning & Development	"	\$1,768.39
Street Dept.	"	\$12,951.62
Park Dept.	"	\$3,143.30
Engineering (General	"	\$315.00
2014 Street Project	"	\$2,431.59
2013 St. Project	"	\$474.50
Police – Mobile Data	Capital Outlay	\$1,025.10
Engineering (Wetland Delineation)	"	\$1,145.50
CSAH Project	"	\$64.25
Clean Up Day	"	\$1,389.39
Bldg. Inspections	"	\$916.06
Ambulance	"	\$6,419.00
Pool	"	\$1,374.84
Dog Pound	"	35.10
Auditor	"	\$610.00
Fire	"	\$2,952.87
Verizon (Water Dept Credit)	"	-24.82
Elections	"	\$235.20
Total	"	49,686.17

9. Public Hearing: None

10.1 Street Project Updates: MSA: Mr. Chuck Schwartz, came forward and reported that at 6:45 pm tonight there was an assessment hearing for the properties on Church Avenue, between Grant Boulevard and 7th Street, that were proposed to be added to the 2014 Street Project. There were no comments received. He presented a Resolution adopting the assessment Roll for these properties.

Councilpersons Schmidt and Kruger moved to adopt the Resolution Adopting the Assessment Roll as presented: Adopted unanimously.

RESOLUTION # _-2014

A RESOLUTION ADOPTING THE ASSESSMENT

WHEREAS, pursuant to proper notice duly given as required by law, the council has met and heard and passed upon all objections to the proposed assessment for Church Avenue between Grant Boulevard and 7th Street by regrading and improving the road surface.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WABASHA MINNESOTA:

1. Such assessment is hereby amended as noted below to reflect property information as provided by a property owner appeal.
 - a. _____
 - b. _____
 - c. _____
2. Such proposed assessment, a copy of which is attached hereto and made a part hereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.
3. Such assessment shall be payable in equal annual installments extending over a period of 10 years, the first of the installments to be payable on or before the first Monday in January 2015, and shall bear interest at the rate of 3.75 percent per annum from the date of adoption of this assessment resolution. To the first installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2014. To each subsequent installment, when due, shall be added interest for one year on all unpaid installments.
4. The owner of any property so assessed may, at any time prior to the certification of the assessment to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City of Wabasha, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption of this resolution. An owner may, at any time thereafter, pay to the City of Wabasha the entire amount of the assessment remaining unpaid, with interest accrued to December 31st of the year in which such payment is made. Such payment must be made before November 15th or interest will be charged through December 31st of the succeeding year.
5. The City Clerk shall forthwith transmit a certified duplicate of this assessment to the county auditor to be extended on the property tax lists of the county. Such assessment shall be collected and paid over in the same manner as other municipal taxes.
6. Payment schedule shall be based upon equal payments.

Adopted by this council this 1st day of July 2014.

10.2 CarQuest Paving:

City Administrator, Chad Springer, stated this issue was discussed at the last Council meeting and requested additional information from MSA. He stated Mr. Jeff Wallerich has stated the paving and the grade is not consistent with what he had prior to the project. He stated it was decided at the beginning of the project to change from a barrier curb to a surmountable curb. Kevin Burns, Project Manager for MSA, painted the line to cut and pave and Mr. Wallerich advised he wanted it to go back further in which it was moved back further. He stated the end product is within spec, which needs to be between 8 – 13% grade, with the final product being close to 13%. MSA acquired bids to redo this portion and the cost came in at a little over \$4,000 through the contractor. Tony Johnson, Street Superintendent, contracted a local contractor who quoted the work for \$2,200. In a phone conversation with MSA representatives, Kevin Burns and Jon Herdegen, it was determined MSA does not want to cover any of the costs for redoing the paving at CarQuest due to the work being within specs.

Mr. Springer stated it is Council's decision in how to move forward and if the City will cover any or all of the costs for repaving Carquest's area.

City Clerk was instructed to listen to tapes of public hearings for the street projects.

Mr. Chuck Schwartz stated MSA feels since it is within specs, it is not a mistake and they don't feel they should pay to fix it. He also stated that area is plowable, just not plowable the way Mr. Wallerich wants to plow it.

Attorney Ekstrand stated he can't give an opinion without knowing all the facts.

Mr. Wallerich came forward and stated he cannot easily plow this area. He stated about 20' from the sidewalk there is a 1' cutaway and the rest was probably 30 inches. He stated he told Mr. Burns he didn't think it would work. Mr. Burns remeasured and cutback more and Mr. Wallerich stated he thought he would have problems plowing.

Mayor Hall stated City Administrator, Chad Springer, will work with Attorney Ekstrand in determining how to move forward.

10.3 2nd Reading – Zoning & Shoreland Ordinance Proposed Amendments: Repealing Subd. 13, Business Park Overlay Design District:

It was stated the Port Authority and Planning Commission were recommending the Business Park Overlay District (Subd. 13.) be removed from the Zoning & Shoreland Ordinance.

Councilpersons Friedmeyer and Bricher moved to repeal Subd. 13, Business Park Overlay Design District, from the Zoning & Shoreland Ordinance based on the following findings of fact:

- 1. The BPODD is comprised of the same lands associated with the Wabasha Business Park Tax Increment Finance District;**
- 2. The design standards of the BPODD were initially adopted by the Wabasha Economic Development Authority (predecessor of the Wabasha Port Authority & Development Agency, i.e. "port authority") to provide a positive impression of the City in this new business district along U.S. Highway 61;**
- 3. The standards were later adopted as part of the Zoning Ordinance to be administered by the Planning Commission as part of a development review for the area covered by the overlay zone;**

4. With the exception of a building addition to the one business already located in the BPODD, no additional development has actually occurred in the district since the adoption of these standards;

5. The Port Authority requested that the Planning Commission repeal the Business Park Overlay Design District (BPODD) in its entirety for the facilitation of business growth and development (reference Port Authority Minutes from 3-11-14).
The MOTION was adopted unanimously.

10.4 Campground Taxes Discussion:

City Administrator, Chad Springer, reported staff met with Wabasha County Auditor, Denise Anderson, and Wabasha County Assessor, Loren Benz, to discuss personal property tax at the City's campgrounds. There are two taxes campers can be charged:

- 1) Mobile Home Tax – taxed same year and if campers have tabs, there is no tax.
- 2) Personal Property Tax – taxed following year.

The problem with the Personal Property Tax is when campers do not return, the County Auditor does not have the information to bill them. The City would have to acquire social security numbers from the campers which City staff does not want to be responsible for safekeeping that information. It was determined to rectify this problem, the City would raise campground rates by \$100 to cover the Personal Property Taxes and the County would bill the City to pay. Personal Property Taxes range from \$65 - \$96 depending on the site. The remainder of the funds collected would cover administrative fees by City staff to handle this process.

Councilpersons Schmidt and Kruger moved to approve adding a \$100 fee to all leased sites in 2015 to cover personal property tax statements due to the County . Adopted by the following vote:

Ayes: Schmidt, Kruger, Schoen, Friedmeyer, Bricher, Wharton

Nays: Mayor Hall

It was determined the Park Board would look at all fees and policies related to the campground such as rates, emergency moving of campers fee, and list out fees that are related to the campground.

10.5 Engineering Firm Recommendation/Legal Service Recommendation:

Chad Springer reported a Subcommittee interviewed candidates for engineering and recommend Bolton & Menk as the City of Wabasha Engineering firm.

Mr. Brian Malm, representative of Bolton & Menk, came forward and stated they have had three meetings with staff to go over their qualifications they offer the City. He stated they are a municipal engineering firm and have been in business for 65 years and have 15 offices in Minnesota with the closest one being Rochester. He stated he would be our point of contact with all issues associated with engineering. He stated they are willing to provide some services at no cost like meeting attendance.

Councilperson Bricher asked about the 2014 Street Project and if they would be taking that over.

Mr. Malm stated they have discussed that with staff and Bolton & Menk is comfortable with taking over that project in respect to contract administration and inspections. They have an inspector lined up.

Attorney Ekstrand asked if they would be relying on the specs they provide and asked if it would affect the warranty. Mr. Malm stated the warranty is in respect to the contractor. The contract is between the City and the contractor. Bolton & Menk would be acting as the City Engineering administering that

contract. Attorney Ekstrand stated this happened once before when Yaggy Colby did the specs and they wouldn't release them.

Councilperson Schoen asked Mr. Malm to inform Council on the services they provide like GIS Mapping. Mr. Malm stated Bolton & Menk is not here just to do projects for cities, their goal is to help cities manage their infrastructure. He stated one of the primary responsibilities as a city is to provide infrastructure to the public and they want to help manage that. In order to do that, they need data on that infrastructure. One of the most important pieces of data we use is the sanitary sewer map, your water main map, your storm sewer map, and all the mapping associated with the city. In order to access all that data, they use GIS, an electronic data base of all the information. He stated a few years ago, Bolton & Menk developed a web based GIS System that is similar to Google Maps. He stated their GIS system is then available to client cities via the web. Staff can then utilize the system to make maps, labels for zoning notices etc. Bolton & Menk provides this service at no cost and it helps staff be more productive.

Councilperson Schoen stated Bolton & Menk also have a well specialist, an environmental specialist, zoning specialist etc. They have so much access to so many specialists yet they are local with being located in Rochester. She stated they also have a municipal planner and traffic engineer. She stated the level of service they can provide based on what it would cost the City was a great value.

Councilperson Schmidt asked if references had been checked on Bolton & Menk and City Administrator, Chad Springer, stated they did check references and they were all positive.

Street Superintendent Tony Johnson asked about the water/wastewater aspect of engineering. Mr. Malm stated they do have a water/wastewater department and it is the largest department in the region.

Councilpersons Schoen and Wharton moved to appoint Bolton & Menk as the Engineering Firm to represent the City contingent upon review and acceptance of contract by Council. Adopted by the following vote:

Ayes: Schmidt, Bricher, Friedmeyer, Kruger, Mayor Hall, Wharton, Schoen

Nays: None

Chad Springer reported five legal firms submitted proposals. It came down to two firms and the subcommittee recommends retaining Attorney Peter Ekstrand at the current fee subject to a couple additions to the existing contract which are accounting for time on his invoices for civil services and that the data Attorney Ekstrand has on City business belongs to the City.

Councilpersons Wharton and Kruger moved to approve appointing Attorney Peter Ekstrand as the City's Attorney contingent upon acceptance of contract by Council. Adopted by the following vote:

Ayes: Friedmeyer, Kruger, Wharton, Bricher, Mayor Hall, Schmidt, Schoen

Nays: None

10.6 Joint Powers Agreement: KIS/AMUSA:

Chad Springer reported Ms. Kelly McDonald (present in the audience) approached the Port Authority looking for some loan funds in support of her new business that happens to be taking place just outside of the City limits. The Port Authority reviewed the business plan and in working with Attorney Ekstrand and Mr. Bob Deike, developed a Joint Powers Agreement in an effort to, as a City, loan funds outside the City limits.

Attorney Ekstrand stated he and Mr. Bob Deike felt that by developing a Joint Powers Agreement with

the County, the Port Authority could establish a basis for why we would give a loan to an outside company and show a benefit to the City. The benefit is indicated in the Joint Powers Agreement as the Economic Development, job opportunities, tax base increase, attracting other businesses, etc. Attorney Ekstrand stated the Port Authority approved subject the Council approving. He also stated he talked to the Wabasha County Administrator and he didn't have a problem with the Joint Powers Agreement as long as they were absolved of all liability like will act as the agent for the loan.

Chad stated the Port Authority isn't moving forward until all the pieces are in place to move the project forward and start the loan process. If the loan would move forward, there will be some negotiating and the Port Authority will do their due diligence. The business will be located in the former Arrowhead Bluffs Museum building.

Councilpersons Friedmeyer and Schoen moved to approve the Joint Powers Agreement between the Wabasha Port Authority and the County of Wabasha. Adopted by the following vote:

Ayes: Schoen, Schmidt, Bricher, Wharton, Kruger, Friedmeyer, Mayor Hall

Nays: None

10.7 Resolution for Fund Transfer:

Chad Springer reported staff has been looking at the fund balances to prepare for budgeting etc. A fund was found from 2004 that had a \$92,000 balance from a special levy. In recent years there has only been interest allocated to it. After talking to the City's auditor and working with Mr. Mike Bubany, we are recommending transferring this fund balance to the Business Park TIF Fund with the \$300,000 deficit. The City had planned to transfer \$200,000 from the Capital Improvement Plan to that TIF Fund to start to pay down that deficit and by transferring the \$92,000, less funds will have to be transferred to cover that deficit. He stated after the transfer, staff would like to purge that fund.

Councilpersons Schoen and Wharton moved to approve the transfer of Fund 360 in the amount of \$92,859.38 to Fund 380, Wabasha Business Park TIF. Adopted unanimously.

Coffee Mill Sewer Extension Discussion:

Chad Springer reported at the last Council meeting on June 3rd, Council gave direction to draft an ordinance giving Coffee Mill residents exception to hooking up to the City's sewer system contingent upon getting a state certified inspection of their sewer systems contingent upon certain stipulations. He stated he worked with Councilperson Schmidt and City Attorney Ekstrand on the proposed draft ordinance. He further stated this draft ordinance was presented to the Utilities Commission and no action was taken.

It was stated there are three residents in town that are having septic sewer issues and does Council want the ordinance to pertain to all City residents or just the Coffee Mill residents. The proposed draft ordinance just relates to Coffee Mill.

Attorney Ekstrand stated this can be considered the First Reading of this draft ordinance and it can be adopted after the Second Reading of the next meeting.

Councilperson Wharton stated he was not in favor of the draft ordinance and suggested giving the residents an extension to hook-up.

Attorney Ekstrand recommended sending this portion of the ordinance, if adopted, to be recorded against the properties it would affect. Council concurred.

It was also stated the Coffee Mill residents have proposed to pay a minimum sewer rate if the draft ordinance is approved. Attorney Ekstrand stated that will have to be added to the sewer rate ordinance. It was determined that the sewer rate ordinance should be brought back for consideration of amending it to state any property owner who has infrastructure in place, even though they are not hooked up, must pay a minimum sewer charge. It should be forwarded to the Utilities Commission.

10.9 Police Squad:

Police Chief Warren stated his 2008 Chevy Impala is up for rotation. This vehicle has 125,000 miles. He presented two bids:

- 1) 2015 Ford Taurus Interceptor \$24,822.80
- 2) 2015 Ford Explorer \$26,777.80

The Police Commission recommended the purchase of a new squad. Police Chief Warren stated he has funds in his Drug Fund to outfit the new squad. Some of the lighting and other things needed for the new squad will be taken from the old squad and transferred over.

Councilperson Kruger raised the concern about adequate room in the Ford Taurus for taller officers. Council determined the Ford Explorer afforded the department more room which would also be better resale and would afford more cargo room.

Councilpersons Kruger and Schoen moved to approve the purchase of a 2015 Ford Explorer as presented. Adopted by the following vote:

Ayes: Schoen, Wharton, Friedmeyer, Mayor Hall, Kruger, Bricher

Nays: Schmidt

11.1 Donations:

Councilperson Wharton and Schoen moved to approve the Resolution Accepting Donations: Adopted unanimously.

**CITY OF WABASHA
RESOLUTION NO. # -2014**

RESOLUTION ACCEPTING DONATIONS

WHEREAS, The City of Wabasha is generally authorized to accept donations of real and personal property pursuant to Minnesota Statutes Section 465.03 for the benefit of its citizens, and is specifically authorized to accept gifts and bequests for the benefit of recreational services pursuant to Minnesota Statutes Section 471.17; and

WHEREAS, The following persons and entities have offered to contribute the cash amounts set forth below to the city for the following:

<u>Name of Donor</u>	<u>Description</u>	<u>Amount</u>
Wabasha Warehouse Liquors	Fireworks	\$200.00
Joseph Sulentich	Library	\$100.00
Busch Auto	Summer Reading Program	\$ 50.00
Amy J. Schierts	Summer Reading Program	\$100.00
C.A.P.S.	Summer Reading Program	\$50.00
Friends of the Wab. Public Library	Summer Reading Program	\$30.00
Burkhardt-Roemer VFW Post 4086	Riverboat Days	\$800.00

WHEREAS, All such donations have been contributed to assist the city in the establishment and operation of recreational facilities and programs either alone or in cooperation with others, as allowed by law; and

WHEREAS, The City Council finds that it is appropriate to accept the donations offered.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WABASHA, MINNESOTA, AS FOLLOWS:

1. The donations described above are accepted and shall be used to establish and operate recreational facilities and programs either alone or in cooperation with others, as allowed by law.
2. The city clerk is hereby directed to issue receipts to each donor acknowledging the city's receipt of the donor's donation.

Adopted by the City Council of the City of Wabasha on July 1, 2014.

Other Business:

Having no other business, councilperson Wharton and Schoen moved to adjourn at 9:35 pm. Adopted unanimously.

Susan Schamaun, City Clerk