

January 3, 2000

The special meeting of the Tracy City Council to discuss the City Attorney's contract was called to order at 5:30 p.m., Monday, January 3, 2000 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, M. Rialson, and D. Berndt. Absent were: J. Otto-Arvizu and R. Stobb. Also present were staff members: A. Koopman, J. Kerr and Frank Nielsen.

Mayor Hannasch stated that considering the type of work that is required of the City Attorney the council can't put a flat salary on the position. The goal was to try and iron out areas that needed to be discussed and resolved. The biggest issue was to determine the difference between ordinary services and extraordinary services.

Stobb arrived at 5:32 p.m.

Hannasch requested that the City Attorney try to provide an estimate in advance of any extraordinary services to be performed. He also asked that the attorney's responses and opinions be provided in a timely manner so that council members could review them prior to addressing issues in council meetings. Hannasch said he would like to see the City Attorney try to find resolutions to problems rather than looking for legal obstacles. In reference to enforcement of ordinances Hannasch stated that they should be enforced only when the council deems that they can't be resolved outside of court.

Hannasch thanked Kerr for his 26 years of service as the City Attorney. The mayor stated that Kerr's personality and his own were very similar which caused difficulty in their working together so Hannasch thought he Nielsen could develop a better working relationship.

Hannasch said he had looked at an attorney's contract from the City of Springfield which was set up similarly to Tracy's contract. In Springfield's contract extraordinary work was billed out to the parties involved and they pay \$1,980.00 per month, which is a close figure to what the City of Tracy pays. Hannasch then asked if Nielsen had any input or questions regarding the contract.

Nielsen stated that the problem was in defining ordinary compared to extraordinary services. He said that he and the council could discuss the issue for a long time but they may not come up with clear definitions. There are always issues that come up that haven't been dealt with in the past and those will have to be addressed on an individual basis.

Otto-Arvizu arrived at 5:38 p.m.

In reference to public nuisances Hannasch wanted to clarify that Koopman handled the nuisance process up until a court filing. Koopman replied that she did up until the summary enforcement which has to be filed in court. She said anytime a court appearance has been filed it has been considered an extraordinary service and has been billed back to the defendant. Kerr added that an example would be the Williams case which was a hazardous building, not a nuisance case, but Williams contested it and sued the City of Tracy. Both Kerr and Nielsen were involved in that case. Kerr said that where nuisances were involved Kerr drafted the initial paperwork as an ordinary service, but if it was determined that further action needed to be taken the additional work would be considered an extraordinary service. Otto-Arvizu asked if a judgement was brought against a party if the City wouldn't necessarily see the money right away. Kerr said that since there was a code enforcement budget that shouldn't it be used to handle such cases and when the money from the case came to the City the budget would be replenished. Koopman said that \$10,000 was budgeted last year for code enforcement and some was used to demolish hazardous buildings. She added that it has also been used to offset legal fees. Koopman stated that the code enforcement budget was part of the general fund so when reimbursements were deposited they went into the general fund and not specifically into code enforcement. Hannasch added that the council was not saying just because the money doesn't come back until taxes were paid or a property was forfeited that the legal fees wouldn't be paid right away.

Rialson asked if there were any other ordinances that came into play. Kerr replied that the building code is also an issue. Rialson asked if there were other cases. Kerr replied that capital improvements always involve a bond issue and require a contingency fund. They also involve administrative,

engineering and legal issues and the City Attorney has to make sure the contractor is in compliance with state law, provides a bond, and provides proof of insurance. With EDA capital projects there is also some use of legal assistance, for instance with O'Brien Court. The City Attorney is also present at general civil court appearances, and during Kerr's time as the City Attorney he said the City had been sued 3 or 4 times. Kerr stated that the attorney's contract lists other property matters as a catch-all category but what is not in the contract is third party reimbursement. Hannasch said maybe that catch-all category needed some work and added that the council and the attorney should be careful not to assume anything. He said that a specific situation can't be named until it presents itself but if the council is aware what is currently deemed as extraordinary they may have some basis for future issues.

Stobb said he was under the opinion that court appearances are extraordinary services but was unsure about the bond issue that had been discussed. To clarify, Kerr said he has little to do with improvement bonds but he works with performance bonds, making sure that those who bid on projects are bonded and insured. Plus he checks contracts making sure the specifications and conditions are accurate. Kerr also makes sure there is a guarantee of work for one year provided by any contractors. Hannasch said he thinks this is an important issue and that if people know they can get by with something they will try to get by with it, but if the attorney scrutinizes these things the council will come into it prepared.

Kerr stated that improvement bonds have contingency funds which cover administrative, engineering and legal costs. Koopman added that these costs are covered in addition to the contingency fund. Hannasch said he has seen cases where cities get into trouble with contractors for not having these types of issues covered. Rialson said he realizes that documents need to be investigated but he has trouble seeing them as extraordinary procedures and feels they should be processed as ordinary services. Kerr replied that it depends on who is involved in drafting the conditions of the contract. Kerr said he has drafted multiple contracts, for instance on the work done at the hospital. He added that sometimes there is no engineer involved in drafting a contract and it gets passed on to legal. Kerr questioned why legal fees weren't paid the same way as engineering fees and felt the council has no problem giving an engineer any amount of money asked for.

Hannasch asked on contracts such as this if there was any way of estimating the amount of time that would be spent on one. Kerr replied that if the scope of the project was known he could give an estimate. Rialson stated he had a hard time seeing contract work as an extraordinary service as it involves reviewing work that has already been done. Hannasch replied that the City would be leaving itself open to problems if contracts were not reviewed. Rialson said he was not saying it shouldn't be done, he just didn't feel it should be extraordinary service. Hannasch said he felt that anything not done on a regular basis could be deemed extraordinary. Nielsen said that an improvement project often involves more than just reviewing a contract but involves other services. Stobb asked if the council could make the distinction that reviewing of a document would be considered an ordinary service.

Otto-Arvizu asked if the council was looking at negotiating individual cases. Hannasch replied that in some instances the council would need to determine on a case by case basis, but if some service is performed twice this year and not again for three to four years it would be considered an extraordinary service. Nelson asked how many hours on average per month does the City Attorney work on City projects. Nielsen replied that in a memo submitted to the council it shows 330 hours worked in 1999 from January through November on ordinary services.

Hannasch said one thing they could look at was hours spent at council meetings by only requiring the attorney's presence for legal issues. Kerr said he only billed for time spent on preparation and the actual time present at City Council meetings. Nelson asked Kerr to explain exactly what he was looking for so time could be spent discussing that. Kerr replied that in a memo he had sent on August 3, 1999 regarding the 2000 budget he had addressed criminal prosecution. He said that Nielsen had spent a lot of time on contested cases. In 1999 there were 167.4 hours spent on criminal cases and Nielsen was required to prosecute all cases. Hannasch asked if all criminal cases had been classified under ordinary services. Kerr replied that they had. Nielsen stated that based on the numbers he had spent 60% more time on criminal prosecution in 1999 than he had in 1998. He said he could have easily billed out \$2-3,000 for one particular case. There were a couple cases that were headed for

court but had been settled a couple of days before the court date where he spent a considerable amount of time preparing. Rialson asked if someone were fined in a criminal case if any of the money came back to the City. Nielsen replied that it did. Koopman said she thought the City got about one-third. Nielsen said that it depended on who was involved in the case, for instance if it was a City officer, a county sheriff or a state patrol officer. He added that he receives a report from the county once a month. In 1997 the City received \$9118.00, in 1998 it received \$9473.00 and in 1999 approximately \$10,000. Hannasch asked if fines collected offset legal costs. Koopman replied that they didn't. He said that in Scott County prosecutors have been requesting the costs of prosecution be included in the amounts set for fines. Nielsen said it happens once in a while in Lyon County that costs are included in fines, particularly when a defendant doesn't show up in court, but he said rarely will a judge enforce the fee.

Kerr stated that he had asked for a larger budget figure for 2000. He said his office has no problem with communicating with the council on anything, but he said the problem is there is hardly ever a perfect document. For instance he often has to call an insurance company for a missing document, or send a letter requesting a notary signature on a form, or track down other missing information. Hannasch asked how long Kerr normally has to get a contract back. Kerr replied it is usually a very short time, but it depends on the scope of the project. Hannasch asked if a contract was received on a Monday if it would have to be returned within a week or if there would be time to address it at a council meeting. Kerr said normally there would be time for the council to address it. Hannasch stated that way the council could discuss classifying it as an ordinary or extraordinary service. Kerr said if it looks like extraordinary work he wouldn't have a problem contacting the council regarding that. But for instance in a case like Waste Connections some last minute issues came up that left little time for communication.

Kerr said he would like to get back to the point made by Nielsen and what to do if he has a 3 or 4 day court case. Koopman said that if the City Attorney can contact her office she can contact council members and inform them of any estimates ahead of time. Nelson asked if the council has a say in determining an ordinary or extraordinary service, or if the attorney determines this. Nielsen said together they could try to define this issue and make a list of examples. Berndt stated that the biggest thing is to know if it will be an ordinary or extraordinary service ahead of time. Nielsen said that certainly the council wouldn't be open to a contract stating that the attorney would get to decide this issue or vice versa.

Hannasch said he would like to see a preliminary agreement be made available to both parties before the January 24 council meeting so each side could work on the language of it. Koopman stated that Kerr and Nielsen could provide some examples of different situations. Hannasch said that the current contract would remain in place until a new one was established. Kerr said his office was willing to work with the council on the contract, and added that the City Attorney contracts had been drafted by him in the past so if there was any language that confused council members they should let him know. Stobb said that one thing to remember and is confusing is the catch-all phrase listed under both ordinary and extraordinary service descriptions.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

January 10, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, January 10, 2000 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, J Otto-Arvizu, D. Berndt, and R. Stobb. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch had a correction for the minutes from the minutes of the December 13 council meeting. The meeting began at 6:30 p.m. instead of 7:30 and Otto-Arvizu arrived at 6:32 instead of 7:32. Hannasch asked for a motion to approve the December 6 Truth in Taxation minutes and the December 13 council meeting minutes. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

The Mayor asked for any additions or deletions to the agenda. (11A2) Stobb had an addition to mayor/council communications and (11A3) Rialson had an addition to mayor/council communications. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Item 6A was tabled as Nancy Coleman with the Census Bureau was not present.

Chief Hillger had no additional comments to the tobacco sting report but asked if there were any questions. Hannasch asked if there was anything to report on the Tracy Liquor Store yet. Hillger replied that he had nothing yet. Chief Hillger indicated in his report to the Council that he felt uncomfortable sending a 16 year old into the Liquor Store, therefore, a compliance check was not conducted on the Liquor Store. Otto-Arvizu commented that she felt the Liquor Store needed to be held to the highest standards since it was owned by the City. Stobb said he was glad to see the results compared to last year's. Berndt stated that he felt every license holder, including the Municipal Liquor Store should be checked for compliance. Mayor Hannasch directed Chief Hillger to complete the compliance check on the Liquor Store before the next meeting.

Hannasch stated that he would like council members to review the police policy and procedure manual and write down any questions or comments. Stobb asked if every officer had a copy of the manual and if there was one on file with the City. Hillger replied yes to both questions. Stobb asked who ultimately had the responsibility to see that the policies and procedures were adhered to. Hillger answered that he did. Stobb also inquired if someone came in and asked to see if training in different areas had been completed by all officers what could Hillger provide. Hillger replied that he keeps records of all classes completed and that the state has records as well. Hannasch informed the council that action would be taken on the manual at the next meeting.

Hannasch asked council members for any questions or comments on the resolution to authorize advertisement for bids for the sewer separation project. Stobb asked if the specifications for the project had all been checked over. D. Polzine replied that he had reviewed them. Motion by Stobb, seconded by Berndt, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-1)

Hannasch asked for discussion about the resolution to submit a loan application from the drinking water revolving fund. Hannasch asked if the loan application was tied to bids on the sewer separation project. Koopman replied that the City would be getting bids for the whole project but that it would be paid for out of different revolving accounts. Motion by Stobb, seconded by Fraser, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-2)

The Consent Calendar included the following: Economic Development Authority minutes for November 26 and December 28, 1999; Planning Commission minutes for December 5, 1999; Cemetery Commission minutes for November 18, 1999; Multi-Purpose Center minutes for December 13, 1999; Municipal Accounts Payable; Police Activity Report; and Police monthly patrol logs. Motion by Nelson, seconded by Rialson, to adopt the above listed items. All voted in favor of the motion.

Hannasch asked if Senator Jim Vickerman had gotten back to Koopman regarding the bleacher safety issue. Koopman replied that he has been working with the League of Minnesota Cities on the issue.

The League is looking towards the Legislator to initiate a bill that would include a grandfather clause to allow the opening in bleachers not to exceed 9" and exempt 60" bleachers. The League will not oppose this legislation, however, they will not initiate it because of a potential liability issue with the Insurance Trust. Senator Bradley plans to initiate this legislation and is also looking to extend the deadline for compliance and looking for funding. Koopman spoke with Senator Vickerman on Thursday and he said he would fax a copy of the legislation to her as soon as it's available. Hannasch added that Vickerman had said the City of Windom is starting to see the urgency of the situation and is working on the issue.

Koopman said that Representative Dave Minge was in Tracy last Thursday and she questioned him on federal legislation regarding bleacher safety. He replied that it is being discussed but he didn't know any more than that. Otto-Arvizu asked if Minge had any guess on the time line. Koopman replied that he didn't. Koopman added that Senator Luther is trying to introduce this legislation at the national level and is looking at Minnesota as a model for that legislation.

Hannasch opened a public hearing at 7:45 p.m. to discuss Ordinance No. 271, an ordinance to rezone Lots 13 through 22 of Block 5, Original Plat from a CBD to an R-1 residential zone. Koopman said that the northern portion of the east side of the block would be rezoned but the southern portion would remain as a commercial zone, which includes the ADO building and the old Ohman Furniture building. Stobb said he was at the Planning Commission meeting and didn't hear any opposition to the change. Hannasch stated that since there were no comments from the public and declared the hearing closed and referred this matter to Council for their consideration. Motion by Stobb, seconded by Rialson, to adopt said ordinance. Kerr said that Hannasch may want to describe the lots to be rezoned for the record. Hannasch read from Ordinance No. 271 to rezone lots thirteen (13) through twenty-two (22) of Block five (5), Original Plat to be rezoned from CBD (Central Business District) to an R-1 (One and Two Family Dwellings) zone. All voted in favor of the motion.

Stobb asked to comment on the bleacher safety issue stating that the council didn't appropriate any funds for the year 2000 but knowing the law he asked if the council should start looking for bids on the project. Hannasch said the City did have estimates provided in the inspection report, but felt that the council needed to look at alternatives. Stobb said he was just thinking that if bleacher supply companies became aware of the situation they may start to increase rates. Otto-Arvizu said the City already has some preliminary work that needs to be done in the \$20-30,000 range and felt that should be focused on instead of getting bids on the whole project. Koopman replied that there are some maintenance issues with the bleachers but nothing in that dollar range. Otto-Arvizu said designating an area of bleachers for families with small children had been discussed but Senator Vickerman didn't feel it would be acceptable. She added that since the council doesn't know yet where the issue is going she wondered if getting bids at this point was necessary. Stobb replied that he thought it might be a good idea to be a step ahead. Koopman said that a copy of the City's bleacher report done by McNeil Environmental was at the League of Minnesota Cities to show the difficulty the bleacher compliance law can cause.

Koopman informed council members that the Tracy Area Chamber of Commerce was holding its Annual Banquet on Saturday, February 5, 2000. Social hour and a bidding for a silent auction will start at 6:00 p.m. with a dinner at 7:00 p.m. Koopman said anyone interested in attending should contact her office. The banquet is free for council members but if anyone wants to bring their spouse the cost is \$15.00.

Stobb stated that early last summer Leroy Johnson requested the City to assume ownership for the Judicial Ditches in the City. Stobb wondered if any progress had been made on the issue. Koopman replied that Kerr and she had met with Todd Hammer and Rick Maas On December 28 or 29 to discuss the issue and would be drawing up a proposal. Kerr added that Maas was going to draft an order and said they would be referring back to an agreement that Kerr had previously drafted concerning this issue. Kerr said they would come back to the council with a revised agreement between the City and County. Stobb stated that as long as the City is not charged any further assessments the time frame was not a big concern. Koopman said she was just waiting for the county to get back to her.

Rialson informed council members that there was an article in the Marshall *Independent* newspaper the previous week regarding the garbage contract in Milroy. Rialson contacted the City Clerk in Milroy about the contract and calculated out what it would cost citizens for garbage service. Rialson was very impressed with the figures and thought he would share the information with the council.

Mayor Hannasch appointed the following individuals to their respective positions for the year 2000:

City Clerk/Administrator - Audrey Koopman
 Public Works Director/Deputy Clerk - Donald Polzine
 Finance Director - David Spencer
 City Attorney - Frank Nielsen
 Assistant City Attorney - James Kerr
 Fire Chief - Keith Engesser
 Assistant Fire Chief - Dennis Vandeputte
 Fire Marshal - John Judkins
 Weed Inspector - Thomas Greenfield
 City Forester - Donald Polzine
 Building Inspector - Gary Garrels
 City Assessor - Orlin Bruss
 Civil Defense Director - Bryan Hillger

Motion by Rialson, seconded by Fraser, to approve the appointments listed above. All voted in favor of the motion.

The following council members were appointed to following positions:

President Pro-Tem - Russ Stobb
 Community Ed Financial/Advisory Board - Russ Stobb
 Planning Commission - Russ Stobb
 Economic Development Authority - Jan Otto-Arvizu, Marv Rialson,
 Claire Hannasch
 Attorney Meetings - Jan Otto-Arvizu, Claire Hannasch
 Hospital Advisory Board - Claire Hannasch

Motion by Fraser, seconded by Nelson, to approve the appointments listed above. All voted in favor of the motion.

Motion by Stobb, seconded by Nelson, to establish the second and fourth Mondays of each month at 7:30 p.m. in the Council Chambers of the Municipal Building as the time and place for City Council meetings. All voted in favor of the motion.

Motion by Berndt, seconded by Rialson, to adopt Robert's Rules of Order and the standard agenda format as the rules and order of business for Council proceedings. All voted in favor of the motion.

Motion by Stobb, seconded by Berndt, to establish the *Headlight Herald* as the official municipal newspaper. All voted in favor of the motion.

Motion by Stobb, seconded by Nelson, to establish Tracy State Bank, the 4-M Fund and Salomon, Smith and Barney as the official municipal depositories. All voted in favor of the motion.

Mayor Hannasch closed the City Council meeting to the public to discuss the strategy for Union Negotiations.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion.

ATTEST:

January 24, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, January 24, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, D. Berndt, M. Rialson and R. Stobb. Absent were C. Hannasch and J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

Mayor Pro-Tem Russ Stobb asked for any additions or corrections to the minutes from the January 3 and January 10, 2000 City Council meetings. Motion by Nelson, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Stobb asked for any additions or deletions to the agenda. The following deletion was made: (5A) a public hearing on a nuisance violation, which will be rescheduled for the next council meeting. Motion by Berndt, seconded by Rialson, to approve the agenda as now written. All voted in favor of the motion.

Paul Olson from R&H Management presented the results of the 1999 Tracy Community Survey collected in July of 1999. After passing out copies of a survey results report Olson summarized some key points to council members. Olson said they were very pleased with the response rate of almost 54% and stated that many smaller communities don't have such a good return rate. He added that this rate of return was well above what Minnesota Trade & Economic Development would look for when reviewing grant applications.

Stobb asked what the term LMI means. Olson replied it's a government term that stands for Low and Moderate Income. He referred to the original survey form where it asks for the number of persons in each household and the income level of each household. Olson said the state uses this information to analyze conditions in a community. He then passed out a much shorter summary of the survey report which points out some of the more interesting results. One of the things included in the survey was the age ranges of the community, 34% of which are 60 years and older. The income section is included in the second page of the summary showing that 37% of the City falls into the LMI category. Olson stated that the Broadacres area identified as section 3B of the geographic breakdown has a significantly lower income. He pointed out that if the City was interested in pursuing a Small Cities Development Program that a 37% rate of LMI households is not a good figure. In order for a grant application to be successful the average needs to be 51% or higher of LMI households. Olson added that he didn't point that out to scare the council from pursuing grants as there can be localized benefits, for instance if there is a particular area of the City that needs sewer replacement it may have a higher concentration of LMI households.

Olson stated that because the City was concerned with public support or opposition to community projects the third page of the summary shows kind of a three way split on the projects issue. Koopman asked when there is a "maybe" response if it was viewed as positive in terms of calculating responses. Olson replied that he tended to look at those responses on the positive side. Olson pointed out on the swimming pool issue there was again a three way split, but 42% said yes to downtown improvements which is a strong response. There was also strong support of housing repairs which could flow well into small cities grant applications. Berndt asked about page two of the summary which shows a strong support of downtown improvements but on page three there was a more negative response to rebuilding the downtown area. Olson replied that it could be attributed to that issue showing up in two different ways on the survey. Also responses for one question were grouped together with other issues showing only 25 people saying there should definitely not be improvements made to the downtown area. Responses to the other question were tallied individually.

Stobb referred to page two of the summary which stated that there was not a good chance to get grants on infrastructure. Olson replied that those types of grants look strongly at the LMI figures. Fraser asked if there were many cities that would meet the over 51% of LMI households figure. Olson said that many communities smaller than Tracy do, for instance in a town of about 600 citizens there is likely to be more income problems. Stobb asked that considering 54% of households responded to the survey has R&H Management ever done any follow-up and found significant differences that can impact things like grants. Olson replied that one of the things they have done is to follow up with a survey specific to certain issues, such as income conditions and household size,

and eliminating more general questions. Fraser asked how the state determines grants, and if it was based on surveys like this one. Olson answered that the state does use survey information and also some census information. For grants that depend on income conditions the state will go by survey information. Olson again mentioned that if there was an area of the City that has particular problems they could focus strictly on that area's income status.

Stobb asked if Olson had any suggestions regarding what to do based on the survey or how to decide what to do with the information. Olson replied that he hesitated to answer without knowing the types of project the City is looking at. For instance if the City was looking at water and sewer mains he would have certain suggestions, but if they were looking at housing improvements he would suggest different things. Olson added that he was available for consultation on any projects the City might pursue. Stobb asked how long the survey information would be valid. Olson answered that the Department of Trade & Economic Development would start getting dubious within a year and a half. He added that he would contact the state to get some feedback regarding the age of the information. Olson concluded by saying the survey report was not the most exciting reading but hopefully the council would find it useful as a decision making tool or to give some perspective on certain City projects.

Koopman referred to her memo regarding the AFSCME contract, stating that the contract had been ratified by union members. The contract represents a 3% pay increase for both 2000 and 2001. It also specifies that the City would continue to pay the employee's insurance premiums and added a \$350.00 cap for the insurance premiums of dependents. The contract now provides insurance coverage for part-time employees working a minimum of 20 hours per week with the employee paying 50% of the premium. Koopman added that she felt a need for the council to take action on a situation where a full-time employee's spouse works for the City on a part-time basis. The monthly premium costs to the City would be less if the part-time employee were allowed to remain as a dependent rather than securing single coverage. Motion by Nelson, seconded by Rialson, to approve the AFSCME contract and approve the request for a part-time employee to remain as a dependent of the full-time spouse for insurance purposes. All voted in favor of the motion.

Charlie DeSchepper presented the Tracy Ambulance annual report to council members. He stated there was a substantial loss of income in 1999 due in part to depreciation and payments to Medicare and Medicaid. There was also a significant reduction in long transfers due to out of town services taking the transfers. A positive note is that DeSchepper met with Koopman, Hannasch and the Hospital Administrator in November to try and turn this trend around. The ambulance service now has four RN's to ride along on transfers and DeSchepper should hear shortly about the application for an advanced license for EMT's to perform more advanced care techniques. He said the service lost in the neighborhood of \$65,000.00, money that could stay within the community. DeSchepper thanked the council, Koopman, Mayor Hannasch, and the fire and police departments for all their assistance over the past year. DeSchepper said he understood that John Olson, Hospital Administrator, was leaving and that Dr. Bucu would be the ambulance's new medical director. Dr. Bucu will be involved in the new licensing for EMT's and will set the medical direction of the nurses that ride along on transfers. DeSchepper said that in April there will be paramedic graduating from school and he hopes to retain the paramedic's services. DeSchepper will also apply for a part time ALS license. There are currently 26 fully qualified EMT's on the Tracy Ambulance Service who just finished a fund-raiser to put a ventilator into the ambulance. DeSchepper is also writing a grant for a new piece of equipment called a Pack-10 which will do pacing and has a key for the RN's or the paramedic to use in order to do a manual type of defibrillation. These functions may help to give a patient a better chance of survival. DeSchepper said the ambulance service is looking to the future and hoping to continue providing better and more advanced services.

Koopman informed the council of the plumbing license request from Crosstown Plumbing. The necessary fees and paperwork have been provided. Motion by Fraser, seconded by Nelson, to approve granting a plumbing license. All voted in favor of the motion.

Koopman stated that Rialson had questioned her about the resolution declaring a nuisance abated at 336 6th Street and the fact that a public hearing had been in the agenda for the same property. Koopman explained that the resolution referred to the garage which was now in compliance. The public hearing which will be held at the next council meeting is in regard to a unlicensed vehicle.

Motion by Rialson, seconded by Fraser, to adopt said resolution. (Res. No. 2000-3)

Motion by Rialson, seconded by Nelson, to adopt a resolution approving an application for a gambling permit from the American Legion Post 173. All voted in favor of the motion. (Res. No. 2000-4)

Motion by Nelson, seconded by Fraser, to adopt a resolution approving an application for a gambling permit from Sanders Eastside. All voted in favor of the motion. (Res. No. 2000-5)

Motion by Berndt, seconded by Nelson, to adopt a resolution approving an application for a gambling permit from the Municipal Liquor Store. All voted in favor of the motion. (Res. No. 2000-6)

The Consent Calendar included the following: Economic Development Authority minutes for December 17, 1999; Firemen's Relief Association minutes for January 3, 2000; County Court Report for November and December 1999; and Municipal Accounts Payable. Motion by Rialson, seconded by Berndt, to approve the above listed items. All voted in favor of the motion.

Koopman informed the council that a motion was needed to accept the tobacco compliance report. She added that all businesses were in compliance. Motion by Nelson, seconded by Fraser, to accept the report. All voted in favor of the motion.

Koopman stated that the cemetery superintendent contract was due to expire at the end of January. She said the only change in the new contract was a 3% increase in pay and added that the cemetery commission had approved the contract. Motion by Rialson, seconded by Fraser, to approve the new contract. All voted in favor of the motion.

Koopman presented the capital improvements budget indicating it represents a wish list and needs for different City departments or projects over the next five years. Stobb said he wondered if the figure for the police department squad car was big enough as they were short funding the last time a vehicle was purchased. Koopman said they were almost \$4000 short when they purchased the Explorer. Rialson asked the reason for the budgeted amount for the telephone system under Administration. Koopman replied that it was identified three years ago when the intercom system was not working. She said the amount could be eliminated because the intercom is now working.

Koopman noted that capital improvement budget should be officially adopted by the council. Nelson suggested eliminating the amount budgeted for the telephone system. Koopman replied that was correct. Stobb asked about the amount budget for Central Park lighting. Koopman stated that the park lighting was more than half finished. She said they probably didn't need to budget \$12,000 but it would be more like \$6000 to finish the project. Koopman added that the project would definitely be finished this year and hopefully there would be money left for playground equipment.

Fraser asked if the streets that were still gravel were budgeted to be paved. Koopman replied that it was up to property owners to petition for a particular street to be paved. Nelson asked about the large sum budgeted for two way radios by the street department and asked if the department had cell phones. Koopman replied that there was one cell phone available and she wasn't very impressed with the quality. She added that if the council was not comfortable with any budgeted amount they didn't have to approve it. Motion by Rialson to approve the capital improvements budget excluding the amount budgeted for the phone system, seconded by Fraser. All voted in favor the motion.

In regard to the informational letter from RLK Kuusisto about Phil Nelson's claim that water from the City's wastewater treatment facility contains excess nutrients causing excess cattail growth which is affecting his field. A study was done which indicates water from the upstream ditch is higher in nitrate and phosphorus than water that has been through the treatment ponds. A copy of this letter will be sent to Nelson for his review.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

February 14, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, February 14, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was J. Otto-Arvizu. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the January 24, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Hannasch added (11A1) a report on the League of Minnesota Cities Legislative Session; Koopman added (11A2) the County Planning Commission decision on the Urban Expansion District and (11A3) an update on the bleacher safety issue ; and Stobb added (11A4). Motion by Fraser, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Police Chief Bryan Hillger asked the council if they had any questions or suggestions for the Police Policies and Procedures Manual. Koopman stated that there was no reference to vehicle towing in the snow removal portion of the manual. She suggested adding at the end of section D of procedures the words "unless there is an accumulation of two or more inches of snow." Koopman also recommended in section F changing the word "may" to the word "shall." Hannasch stated that a new towing contract had not been signed with Dave Bosacker. Bosacker had requested that towing only be done in the day time instead of at night for visibility reasons. Hannasch said that Don Polzine had found that a satisfactory request. Hillger said the only problem the police department had run into is if it had snowed too much it was difficult to gain access to a vehicle to tow it. Hillger asked the council if they wanted to set a time limit, such as 12 hours from the time of ticketing, before towing. Polzine said there were cases where the city crew had to plow around a vehicle more than once or where a vehicle was blocking traffic.

Otto-Arvizu arrived at 7:37 p.m.

Hannasch said with approval from the council he thought that 12 hours from the time of ticketing was reasonable. Berndt asked if the time of issuance was written on the ticket. Hillger said he could instruct officers to write the time on the ticket and include the time the vehicle would be towed. Hannasch said one other thing he wanted to clarify was in the chain of commands portion of the manual. He noted that the policy states in everyday operations if the Police Chief was in charge. He also noted that the policy requires the Chief to report to the City Administrator. Otto-Arvizu asked if since the Chief answers to the City Administrator if some issue came directly to the City Office if it could be directed right to the Police Chief. Hannasch replied yes and he thought it important to keep the day to day lines of communication open. Hannasch thanked Hillger for his efforts in putting the manual together. Motion by Nelson, second by Rialson, to approve the Police Policies and Procedures Manual. All voted in favor of the motion.

Hannasch opened a public hearing at 7:45 p.m. regarding a nuisance complaint at 336 6th Street. Hillger reported that the nuisance vehicle had since been licensed and the porch had been cleaned up so he recommended abatement of the nuisance. Motion by Stobb, second by Fraser, to adopt a resolution declaring the nuisance abated. All voted in favor of the motion. (Res. No. 2000-7)

Koopman recommended to the council that Marge Robinson be appointed to the HRA Board. Motion by Nelson, second by Fraser, to appoint Robinson to the HRA Board. All voted in favor of the motion.

Koopman reported that Tim Byrne had submitted a written resignation from the Planning Commission effective immediately and Darin Vote also submitted his resignation. Motion by Stobb, second by Rialson, to authorize publication of the two openings on the Planning Commission. All voted in favor of the motion.

Motion by Rialson, second by Nelson, to approve a request for a plumbing license from Thomas L.

Sundahl. All voted in favor of the motion.

Homer Dobson presented an airport update to council members. He stated that several individuals have questioned if the airport is being fully utilized. Dobson said that during the past two years the airport has been used extensively compared to the previous few years. He added that some users don't register at the airport and read a list of the cities from which individuals had flown in from. Dobson stated that most of these individuals flew in to take care of business in Tracy and a couple of doctors servicing the Tracy Hospital frequently flew in. He said the increase in traffic over the last three years contrasts with the decrease in recreational flying. Several student pilots stop at the airport when doing their cross country training. Dobson stated that trainers like to have students stop in Tracy because they never have to make a cross wind landing with the three runways available.

Dobson said the airport is without a full time manager but Bill Baxter from Walnut Grove and he are both available for assisting in fuel and oil needs or any other assistance that is needed. Dobson reported that six of the individual hangars are rented as well as the shop space. There is also a good chance this summer that a local crop sprayer may be utilizing the airport. Dobson stated that one of the greatest assets is that the airport is available for health practitioners to visit Tracy. There was also a situation this past summer where the Red Cross was able to fly in and retrieve donated organs in a timely manner.

Dobson reported that the City Crew takes very good care of the airport and commended them for their efforts. He received a letter of inspection from the Department of Aeronautics as the airport is licensed by the State of Minnesota Department of Transportation which also provides funding for the airport. The Tracy Airport was inspected on August 16, 1999 and again on January 4, 2000. The inspection turned out well but the trees at the end of the north-south runway need trimming and they will need to watch for crops planted too close to the runways. Hannasch added that installation of the GPS (Global Positioning System) will have to wait until after the seal coating of the runways is done. Stobb asked when the seal coating is planned to be done. Polzine replied that it was planned for last year but all of the bids came in too high. Dobson clarified that he was not talking about instrumental landing equipment but about markings on the runways that would be easier to read.

Hannasch presented a resolution approving final payment and retainage release to Duininck Bros. Inc. for the 1998 street improvement project. Motion by Berndt, second by Stobb, to approve said resolution. All voted in favor of the motion. (Res. No. 2000-7)

The Consent Calendar included the following: Cemetery Commission minutes for January 20, 2000; Multi-Purpose Center minutes for January 10, 2000; and Municipal Accounts Payable. Motion by Stobb, seconded by Fraser, to approve the above listed items. All voted in favor of the motion.

Steve Larson presented a revised version of the initial garbage proposal to accommodate the needs of more citizens. The revised proposal extends the current contract three years. There is also a revision which removes the 10% increase or decrease for expenses clause. Instead Larson would rely on the increase of the consumer price index to cover any increases in expenses. Hannasch stated that after speaking to the Kiwanis organization members expressed an interest in having the issue brought to a public hearing. Hannasch said he would like to see the proposal published in the paper and would like a motion to waive the first reading and hold a public hearing at the Monday, March 13, 2000 City Council meeting as the second meeting in February has a full agenda. Rialson stated that he didn't think a public hearing was needed and made a motion to reject the proposal, seconded by Nelson.

Berndt stated that he thinks the public has to have a right to speak and voice their opinion and it is an injustice not to hold a public hearing. Fraser agreed with Berndt. Otto-Arvizu said she was not against holding a public hearing but felt that those with the strongest voices would sway the decision. Hannasch stated that if people weren't comfortable with coming to public hearing to speak they can send letters stating their opinion. Hannasch added that only letters that were signed would be accepted, no anonymous letters would be read or reviewed. Otto-Arvizu asked if it would be better to look at a referendum considering the scope of the issue. Hannasch replied that when he talked to the Kiwanis there were 23 people there and all wanted a public hearing. He said there were people on both sides of the issue but felt they all needed the opportunity to voice their opinions at a public

hearing. Rialson said he was not opposed to public hearings but since some are not able to attend asked if the council could just rely on information and telephone calls received by the public. Hannasch asked for a vote on Rialson's motion to reject the garbage proposal. Upon roll call, the following vote was recorded: voting aye: Rialson and Nelson; voting nay: Fraser, Berndt, Otto-Arvizu, Stobb and Hannasch. The motion failed.

Rialson made a motion to waive the first reading and set the second reading and public hearing on the revised garbage proposal on Monday, March 27, 2000 at 8:00 p.m., Nelson seconded the motion. All voted in favor of the motion. Stobb said he thought that asking the public to send letters about the issue was a good idea and asked if letters should be submitted to the City Office. Koopman said they should and asked that letter be received by March 24, 2000 no later than 4:00 p.m. in order to include them with the agenda. Hannasch stated that those who want to speak at the public hearing will need to sign in when they arrive at the meeting. Each person will get two minutes to speak and not be allowed to speak again until everyone was heard one time. Otto-Arvizu said that she thinks after the first five people on each side of the issue speak that most of the bases will be covered. Stobb asked if the letters received would be read at the hearing. Hannasch replied that as long as they were signed they would be read. Rialson stated it would be a good idea if the public was provided with the figures of what it will cost the City. He said if the trend continues it will cost between \$75-80,000 per year and added that he can't understand why the council would want to approve sending this money to a corporation in California. Rialson said in the last month or two Milroy signed with a local contractor for \$11.00 per month per household, Currie signed with a local contractor for \$11.50 per month and Marshall raised their rates with Waste Connections from \$10.50 to \$11.25.

Stobb said he had been thinking a lot about the issue and stated if all he were thinking about was his family he would leave the garbage service as is, but with such controversy over the issue he wants to hear public opinion. Rialson asked if the rates from other cities should be published for the public to see. Koopman asked if that wasn't information that would be available at the public hearing and added that when the City publishes a notice for a public hearing information for or against the issue isn't included, only the proposal is published. Rialson stated that he thinks the public needs this information beforehand. Hannasch said he had spoken to someone from another city that has to pay \$12.00 per month for garbage plus a \$3.00 charge for recyclables. Hannasch added that he looks not only at the price of the garbage service but also at the quality of that service, saying that it is not necessarily the cheapest but it is the best.

Hannasch reported that he attend the League of Minnesota Cities (LMC) Legislative Session. Having attended the previous year Hannasch thought this year's session was better and he had a better understanding of it. He said their were motions on the table to provide funding to Minnesota cities of 300 million dollars. There was also a motion to provide 100 million for sewer separation projects. Hannasch said the current governor doesn't want to put money into funding for different city projects. After speaking with a number of southwest Minnesota mayors there was discussion of setting up a meeting of the mayors in Region 8 to form a Southwest Minnesota Mayors Coalition. They felt they needed to unite with one voice to be stronger and get help for this area. Hannasch said that Senator David Minge would be holding a meeting in Granite Falls regarding what to do for small towns and cities in his area. Hannasch said he would be attending with three area business people and stated if anyone was interested they could attend the meeting on Monday, February 21 at 7:00 p.m. at the Minnesota West Community and Technical College cafeteria in Granite Falls.

Koopman stated that she and Hannasch attend the County Planning Commission meeting regarding Tracy's request for an Urban Expansion District. The Monroe Township Board presented strong opposition to the request and to no one's surprise it didn't pass.

Koopman reported that Representative Ted Winter contacted her with some proposed revisions to legislation regarding bleacher safety. One revision exempts bleachers that are 50 inches high or less. Another revision exempts bleachers with nine inch gaps or less if installed prior to 1999. A request is also being made to move the compliance deadline to August 1, 2001. These revisions are in house file #2846. Koopman said she appreciates Representative Winter keeping her up to date and she will continue to follow up on the issue.

Stobb wanted to remind everyone with Internet access to check in to the City of Tracy's website,

www.tracymn.com. Stobb said he called up the Internet site and was completely surprised by the changes made to the site. He said the site could be accessed by searching under government and added that there several different pages in the website such as a survey question regarding the swimming pool, information on Eastview lots, the EDA and much more. Nielsen asked if there had been a survey question regarding the garbage service yet. Koopman said she could request that it be next month's question prior to the public hearing.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

February 28, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, February 28, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, C. Hannasch, D. Berndt, J. Otto-Arvizu and R. Stobb. Absent were M. Fraser and M. Rialson. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the February 14, 2000 City Council meeting. Motion by Nelson, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Hannasch added (8B) City contribution to the Eastview lots for sale and (8C) request for membership to the Southwest Minnesota Arts and Humanities Council. Otto-Arvizu added (12A1) to Mayor and Council Communications. Motion by Nelson, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Chuck Schwartz with RLK Kuusisto reported that 10 bids had been received ranging from 1.139 million up to 1.63 million dollars. The following were the three low bids:

| | |
|---------------------|----------------|
| Scott Olson Digging | \$1,139,954.00 |
| Schoep & Sons | \$1,208,445.30 |
| Hjerpe Corporation | \$1,208,793.55 |

Schwartz stated that he received a call from Schoep & Sons the day after the bids were received questioning the validity of the Scott Olson Digging bid. The following day a letter was received from the attorneys of Schoep & Sons protesting the bid. Schwartz said he has not done any background checks on Scott Olson Digging.

Fraser arrived at 7:34 p.m.

Hannasch said he had discussed the situation with Nielsen to get some input on the matter. Nielsen stated that his understanding is the specs package is put into the hands of each bidding party and if any changes need to be made they are made by addendum. In this case there were two addendums to the specs book. Addendum number one specifies that it must be included with the specs book. Nielsen said his understanding is the low bidder did not include the pages of addendums one and two when he submitted his bid, but did include a bid bond and the signed pages acknowledging the receipt of the two addendums. Schwartz added that according to the procedures on how contractors must submit bids was followed correctly by Scott Olson Digging. According to Schwartz's interpretation the specs book did not need to be returned with the bid.

Nielsen stated that from a factual standpoint he doesn't believe there is an issue that Scott Olson Digging didn't understand the process as they acknowledged receipt of the addendums. Nielsen said he has been researching the issue but hasn't yet found any precedence for the situation with which to advise the City Council. Failure to attach the addendum pages to the specs book that didn't need to be returned to the City in the first place seems relatively minor. Otto-Arvizu asked if the council was required to make a decision immediately or if the issue could be tabled until more information could be obtained. Hannasch replied that with the time table and with the interest rates rising the council should act quickly. Accepting the low bid is still contingent upon Scott Olson Digging being a qualified bidder. Hannasch stated he felt it would be proper to award the bid contingent on the City engineers finding the low bidder is qualified. Hannasch added that when the bids were open last Tuesday if the attorney's letter had not been received Schwartz would have already begun the process of checking into Olson's qualifications.

Nelson made a motion to accept Scott Olson Digging as the low bidder contingent upon finding them qualified. Nelson added that he felt it was in the best interest of the City to pursue the lowest bid possible. Berndt seconded the motion. Otto-Arvizu said in looking at the worst case scenario with the legal action of Schoep & Sons she asked if they could stop construction and tie up progress. Nielsen replied that was a possibility. Hannasch said it's also possible that if the City had to rebid the project the low bid could come out 1/4 million dollars higher than the current low bid. Otto-

Arvizu asked for clarification that the specs book with the addendums attached was not required to be turned in with the bid. Phil Schoep with Schoep & Sons interjected saying the specs book specifies that addendums are part of the book and must be included. He then asked Schwartz to clarify why it says in the first addendum that the addendum must be included with the specs book. Schwartz answered the wording is included to protect the City from a contractor coming back later and saying they need to charge more because they weren't aware of the addendum. Schoep replied that he has previously lost a half dozen bids due to minor issues such as this which is why he was pursuing it. He added that part of addendum one is the pay scale, which he felt is extremely high, and addendum two is crucial because it has to do with the state highway. Schoep stated that he felt this is why the addendums are required to be included with the specs book.

Schwartz stated again that Scott Olson Digging had a copy of the acknowledgment of receipt for each addendum included with the bid. Schoep said that since the entire addendum was not included they had no choice but to raise a flag. Hannasch said that he appreciated Schoep raising the issue because if all of a sudden Olson Digging said they didn't receive the addendum and said they had to raise their costs they couldn't rebid. Otto-Arvizu addressed Schwartz saying she thought he was only going to investigate whether Scott Olson Digging was qualified to do the work or not. Schwartz replied that he will check references but since this issue has been raised he will also check into Olson Digging's acknowledgment of the addendums. Nelson asked if it specifies in the specs book that a bidder has to turn in the specs book with their bid. Schoep said that the addendum states that the addendum itself must be included in the specs book at the time of bidding. He said this gives the City a loophole by giving an option to select bidder one, two or three. Schoep apologized saying his company doesn't like to start a relationship this way and the company does quality work and has many satisfied customers.

Nielsen asked Schwartz if it was his understanding that the low bidder was going to comply with both addendums. Schwartz replied yes and that he would verify with Scott Olson Digging that they received both addendums. Polzine added that when Olson submitted the bid he included the signed pages stating that he had received both addendums. Stobb said he hadn't fully digested the letter from Schoep & Sons attorney but asked if it was stating that the bid from Scott Olson Digging had to be rejected. Nielsen replied that is what the letter stated and added that he is trying to reach a conclusion if the issue would give Olson an unfair advantage. Otto-Arvizu referred to Schwartz questioning the high pay scale and asked if the pay scale had to be followed. Schwartz replied that the PFA loan for the project required the pay scale. He stated that his original estimate for the project was 1.3 million but with rising construction costs he had raised the estimate to 1.4 million last fall. The low bid came in under the original estimate at 1.139 million. All council members voted in favor of Nelson's motion to accept Scott Olson Digging's bid contingent upon the bidder's qualifications.

Hannasch asked if anyone had any questions or comments regarding the City Attorney's contract. He referred to page four, paragraph eight, stating that the council was looking for verbiage that the attorney had to notify the City when services turned from ordinary to extraordinary. Nielsen said he could understand that and it was his intention that the contract be worded to cover such instances. Nielsen added that there would be rare instances where it would not be an option for the City to decide whether a service was ordinary or extraordinary, for instance during a prosecution if the defendant decides they want a jury trial the legal fees would become extraordinary. Hannasch said he did not want to end up in a situation where there \$3-4000 in legal fees that the council was not notified about. Nielsen replied that unless it's one of the rare instances where there isn't a choice, the council should have been notified in advance of any extraordinary fees.

Stobb asked how closely Exhibit B (page 8) falls in with what was done during the past year. Nielsen replied that he wasn't sure since Jim Kerr did much of the work and he wasn't sure how Kerr did the billing. For example hazardous building cases were always billed as extraordinary fees. Hannasch said that considering what happened the past year if a similar situation ever came up the council would be more aware. Motion by Nelson, second by Fraser, to accept the City Attorney's contract as written. All voted in favor of the motion.

Nicole Larson presented the audit report for fiscal year 1999. She stated that the council had already received copies of the audit and she passed out copies of graphs showing historical trends. Larson said the audit itself was quite voluminous and that she was available anytime for questions. Larson

referred to page two of the audit which is an opinion of the financial statements. She pointed out that there is no historical data of fixed assets. Prior to 1985 there are no records of assets purchased. The only option would be to do an inventory and estimate value. Larson said page four shows a consolidated balance sheet with separate columns for the different types of funds. She added that details for each fund could be found later in the report. Larson reported that overall assets were up \$70,000 which is a less than 1% increase and liabilities were down \$260,000 which caused the fund equity to go up.

Page five of the audit report is a combined statement of funds, revenues and expenditures. Larson stated that one of the changes is that local and county revenue is up, but local government aid is going down so the two balance out. Page seven shows a revenue and expenditure report for Enterprise Funds. The interest is down because of less debt and there was also an increase in deputy registrar revenue. Page 17 shows enterprise funds, categories of investments, bank balances and deposits. All are insured as required by the State of Minnesota. Pages 21 and 22 show different details of remaining debt with a complete amortization schedule. Page 28, item number 15, shows four funds with a deficit fund balance, but they are improving and work is being done to get them in line.

Larson referred to the graphs she distributed stating the pink graph shows details of the types of funds on one side and on the reverse side combines the funds from 1995 through 1999. Most of these funds show a steady increase. The two pie graphs show a percentage of how much is going into each fund. The green graph shows expenditures, on one side detailing the funds and on the other combining the funds. The debt service has some large jumps because of the refinancing done last year, but most are steady. The orange graph show assets and that cash is steadily increasing. There are not a lot of changes in assets, but the changes are all positive. The blue graph show liabilities and a significant decrease in accounts payable. In 1997 the City still had the hospital fund. Larson pointed out that accrued salaries are steadily increasing due to a lot of employees who have been with the City for a long time.

Otto-Arvizu asked about the four deficit fund balances on page 28 and why O'Brien Court has a deficit considering the facility is full. Larson replied that the City is catching up on the fund and the deficit is due to earlier years. This past year took almost \$26,000 off of the deficit on this fund. David Spencer added that on the prospectus for O'Brien Court it show all the apartments being filled immediately, which didn't happen but now there is a waiting list. On a positive note Spencer said that on page 107 of the report there was an 80% increase in liquor store profits for 1999. Larson thanked the City office staff for their assistance in doing the audit. Motion by Nelson, seconded by Stobb, to approve the 1999 audit. All voted in favor of the motion.

Hannasch listed the board and commissions vacancies and applications:

| | |
|----------------------|---|
| Planning Commission: | Three vacancies - Tim Byrne Darin Vote Deb Larson (undecided about re-applying) Two applications received - Al Landa - appointed to 4 year term Pat Peterson - appointed to 2 year term |
| Cemetery Board: | One vacancy - Dick Kelley agreed to serve another 5 year term |
| Library Board: | Two vacancies - no applications received Frank Nielsen agreed to apply - appointed for a 3 year term |
| Police Commission: | One vacancy - One application received Robert W. Nelson - appointed for a 3 year term |
| H.R.A. Board: | One vacancy - No applications received |

Senior Center Board: Two vacancies -
Gena Hamilton
Doris Grinde

No applications received

E.D.A. Board: One vacancy -
Claire Hannasch reappointed for a 5 year term

Hospital Community Board: Two vacancies -
Dave Leversledge
Linda Fultz

No applications received

Motion by Fraser, seconded by Stobb, to approve the above appointments. All voted in favor of the motion.

Hannasch stated that in 1999 the City Contribution to the Eastview Addition lots was \$1000.00 rebate to each party that began construction on a purchased lot in 1999. The EDA approved an increase to \$1999.00 for the year 2000 and asked the City Council's approval of the increase. Otto-Arvizu asked what a buyer would pay after the rebate. Hannasch replied it would be \$7001.00 if the buyer started construction in the year 2000. Motion by Stobb, seconded by Nelson, to approve the rebate increase. All voted in favor of the motion.

The Southwest Minnesota Arts and Humanities Council requested a \$100.00 of the City of Tracy. Motion by Nelson, seconded by Berndt, to approve the request. All voted in favor of the motion.

Koopman presented a resolution to approve final payment and retainage release for the 10th Street Watermain Replacement Project. Koopman said a copy of the resolution had not been included with the agenda but the amount of the final payment is \$2361.18. Motion by Nelson, seconded by Fraser, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-8)

A resolution approving a budget adjustment for a computer program for deputy registrar records was introduced. David Spencer, Finance Director, stated that his computer was due to be replaced and his old computer could handle the DOS based system for deputy registrar program. He added that the cost of the program and maintenance shouldn't go over \$2500 for everything this year. Motion by Stobb, seconded by Fraser, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-9)

The Consent Calendar included the following: Planning Commission minutes for February 7, 2000; Monthly financial report for January; Fireman's Relief Association minutes for February 7, 2000; and Municipal Accounts Payable. Motion by Nelson, seconded by Berndt, to approve the above listed items. All voted in favor of the motion.

Otto-Arvizu addressed Mayor Hannasch saying in the past he was concerned that she didn't want to hear what the public had to say. She stated that she welcomed hearing from people and receiving signed letters. As a third avenue for the public to speak out Otto-Arvizu asked Hannasch what his thoughts were on signed petitions. Hannasch replied that he felt a petition would have to be printed in the newspaper for all to see and his concern was that it was awfully easy for people to sign without fully understanding what is involved with an issue.

Nelson said he had seen the petitions going around regarding the garbage service and there were a lot of signatures. Otto-Arvizu said that petitions are legally valid according to attorneys. Nelson said he thinks it's the same as sending a signed letter. Stobb stated that he thinks a letter signed shows a lot more depth of feeling about an issue than simply signing a petition. Berndt asked if there was any way to see the petition. Nelson said he thought there were three or four such petitions going around. Hannasch said he was against the petition forum but in favor of a letter forum. He felt a

petition doesn't say what a person really feels about an issue. Fraser asked if a petition was presented at the public hearing if it would be accepted. Hannasch replied he would acknowledge it but it wouldn't carry any weight with him personally. Nelson said that it wasn't right to completely discount a petition. Otto-Arvizu asked Koopman if petitions couldn't be used for referendums. Koopman replied that a referendum could be started by petition. Hannasch said he had recently seen a petition that was so full of errors it couldn't be viewed as valid. Otto-Arvizu asked if that made every petition wrong. Hannasch replied no.

There being no further business motion by Nelson, seconded by Fraser, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

March 13, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, March 13, 2000 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt and R. Stobb. Also present were staff members: A. Koopman, D. Polzine and F. Nielsen.

The Mayor asked for any corrections or additions to the minutes for February 28, 2000. Motion by Fraser, seconded by Nelson to approve said minutes as written. All voted in favor of the motion.

The Mayor asked for any additions or deletions to the agenda. The following additions and deletions were made: ADD: (6B) Call for a special City Council meeting; DELETE: (4A) Letter of Agreement for Engineering Services for Sewer Separation Project and (7A) A resolution accepting bid. Motion by Nelson, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

Steve Larson, Larson Services, Inc., presented a revised proposal for garbage service. He stated that they would freeze prices during the three year extension. The existing contract would continue with an annual increase based on the Consumer Price Index, but they would be frozen at the 2003 rate. He also stated that apartment houses being served by one water meter could chose to have a 90 gallon container rather than two 60 gallon containers for each apartment. Mr. Nelson questioned who made this agreement. Mr. Larson stated that he met with Mayor Hannasch and Dan Ritter and this was the proposal that they agreed to. Mayor Hannasch noted that this was merely an offer for the Council's consideration, not an agreement. Mr. Nelson also questioned why we don't pay the same rates as Marshall. Mr. Larson noted that Marshall pays \$13.85 compared to ours at \$14.33 and explained that Tracy is further from the landfill. Mr. Larson noted that he has placed the 60 gallon containers around town so people can get an idea of the what the container looks like. A brief discussion followed on alley service. No action was taken.

The Mayor made the following board and commission appointments:

| | |
|--------------------------|---|
| Planning Commission | Deb Larson |
| HRA Board | Netter Holm |
| Library Board | Debbie Miller |
| Hospital Community Board | Linda Fultz (Walnut Grove Representative) |
| | Rose Wheeler (Balaton Representative) |

Motion by Fraser, seconded by Stobb to approve the above listed appointments. All voted in favor of the motion.

The Mayor called for a special meeting to consider the award of the bid for the sewer separation project. He stated that the meeting would be canceled if we don't have all the necessary information on the pending litigation.

The Consent Calendar included the following: Cemetery Commission minutes for February 17, 2000, County Court Report, Multi-Purpose Center minutes for February 14, 2000 and Municipal Accounts Payable. Motion by Nelson, seconded by Fraser to approve the above listed items. All voted in favor of the motion.

The Groundskeeper Contract between the City and Thad Lessman was submitted to the Council for their review. It was noted that the only change relates to an increase of 3% for each mowing. Motion by Berndt, seconded by Fraser to approve said contract. All voted in favor of the motion.

The City Attorney informed the Council that he received notice from the attorney for Schoep and Sons, Contracting, stating that he was authorized to initiate legal proceedings for a temporary injunction to prevent the City from entering into a contract with Scott Olson Digging, Inc. for the sewer separation project. A hearing is scheduled at 10:45 tomorrow morning. He noted that the City will vigorously contest this action, however, he did not know what the Judge would say or decide.

The City Administrator informed the Council that the work conducted by the City Attorney on the pending litigation of the sewer separation project will qualify as non-ordinary in his contract with the City.

Chuck Schwartz, RLK Kuusisto Engineering, informed the Council that he began checking Scott Olson's references and based on his qualifications, they recommend awarding the bid to Scott Olson Digging, Inc., Huron, SD. The council delayed action until the next meeting.

There being no further business, Nelson moved and Fraser seconded to adjourn. All voted in favor of the motion at 8:00 p.m.

ATTEST:

City Administrator

Mayor

March 27, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, March 27, 2000 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present were staff members: A. Koopman, D. Polzine and F. Nielsen.

The Mayor asked for any additions or corrections to the minutes for March 13, 2000. Motion by Fraser, seconded by Berndt to approve said minutes as written. All voted in favor of the motion.

The Mayor asked for any additions or deletions to the agenda. The following addition was made: (11-A) Marv Rialson. Motion by Stobb, seconded by Berndt to approve the agenda as now written. All voted in favor of the motion.

The Council was informed that Judge Harrelson ruled in our favor by denying the temporary injunction to accept the bid for the sewer separation project. Motion by Stobb, seconded by Fraser to adopt a resolution accepting the bid submitted by Scott Olson Digging, Inc., Huron, SD in the amount of \$1,139,954.00 for the sewer separation project. All voted in favor of the motion. (Res. No. 2000-10)

The City Administrator reported that a quote was received from Valley View Associates in the amount of \$8,100.00 for the installation of a PVC membrane in the baby pool. She explained that the baby pool has been leaking excessively. Last year they had to completely refill it every third day and in prior years they had to keep adding water to maintain a constant level. The membrane provides a 10 year warranty against leakage. After a brief discussion, Nelson moved and Rialson seconded to approve the expenditure of \$8,100.00 for installation of a PVC membrane. All voted in favor of the motion.

The Mayor appointed the following individuals to the Multi-Purpose Center Board: Genna Hamilton and Esther Hinz. Motion by Berndt, seconded by Nelson to approve said appointments. All voted in favor of the motion.

The Tracy Eagles Club submitted their application for renewal of their Private Bottle Club license. Motion by Nelson, seconded by Stobb to grant said license. All voted in favor of the motion.

Tracy Lanes and Sanders Eastside submitted their applications for renewal of their Set-Up license. Motion by Rialson, seconded by Nelson to grant said licenses. All voted in favor of the motion.

Mayor Hannasch outlined the terms of a contract with the Southwest Regional Development Commission to conduct a labor survey. The survey recipients would be randomly selected from a 30 mile radius excluding Marshall area. The cost of the survey will be \$2,676.00. Motion by Fraser, seconded by Stobb to enter into an agreement with the SRDC to conduct a labor survey. All voted in favor of the motion.

Motion by Nelson, seconded by Stobb that funding in the amount of \$2,676 be provided from the EDA fund for the labor survey. All voted in favor of the motion.

A brief discussion followed on the winter parking ban. Ms. Arvizu requested that proper notification be given by means of the radio, newspaper and television if the parking ban is lifted prior to March 1st.

A sponsoring unit of government resolution was introduced. Mayor Hannasch explained that the City is asked to issue a sponsoring resolution on behalf of Tracy Minntronix who is requesting financing through the Southwest Minnesota Foundation's partnership with the State of Minnesota Challenge Grant Program. Motion by Fraser, seconded by Stobb to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-11)

A resolution supporting legislative action in 2000 to increase State Highway and Transportation funding was introduced. Motion by Nelson, seconded by Fraser to adopt said resolution. (Res. No.

2000-12)

A resolution authorizing the sale of obsolete equipment was introduced. Motion by Nelson, seconded by Stobb to adopt said resolution. All voted in favor of the motion. (Res No. 2000-13)

The Consent Calendar included the following: Planning Commission minutes for March 6, 2000, Monthly Financial Report, Multi-Purpose Center minutes for March 13, 2000, County Court Report, Police Activity Report, Cemetery Commission minutes for March 16, 2000, Firemen's Relief Association minutes for March 6, 2000 and Municipal Accounts Payable. Motion by Fraser, seconded by Stobb to approve the above listed items. All voted in favor of the motion.

Mr. Rialson noted that according to the contract, Larson's Service is suppose to provide a copy of the commercial customers rates annually. They have not been received and he requested that a copy be provided. He also requested that the City Attorney give his opinion on whether it is legal to assess the residents of Tracy to pay for a cost of living increase to a corporation. Motion by Rialson, seconded by Nelson to direct the City Attorney to proceed with this research. All voted in favor of the motion.

Mayor Hannasch stated that any one wishing to speak at the public hearing on the garbage contract would be limited to two minutes and would not be allowed to speak a second time until everyone has had at least one opportunity to speak.

Steve Larson, Larson's Service, explained that there are three issues that need to be addressed tonight namely 1) Three year contract extension 2) size of container that will be provided by the contractor at no charge and 3) whether the City wants to continue with alley service. He stated that when he presented the proposal to residents, he received a lot of support, in fact, some after signing the petition had asked for their names to be removed.

Dan Anderson, 260 Emory St., stated that he supported the proposal. He noted that good serviced that we receive. He felt with Larson living in the community issues were dealt with immediately. He also commended Larson for his involvement in the school and the community.

Keith Stanton, 325 6th St., stated that he agreed with everything Mr. Anderson said concerning service, etc. but contended that the rates were high in comparison to other communities and felt that the contract should expire then put it out for bids.

John Coulter, 201 Craig Ave., informed the Council that he has a family of six and was looking forward to a bigger container. He felt that garbage was a steal and was an excellent addition to the community. He supported the proposal by saying "I want this".

Al Schmidt, 273 7th St., said that he was very definitely in favor of the proposal. He has a family of five and lives on a corner lot. When the wind blows he loses the lids from his garbage cans. He felt that a some people dump their excess garbage in the ditch because they are limited to 30 gallons. He also didn't feel that recycling would be impacted by the larger container. He said he was all for it.

Trudy Williams, 613 4th St., stated that she wanted the bigger container and explained that she was visiting recently and they had a 90 gallon container which was nearly as tall as she was and found it to be very easy to maneuver. She also liked the idea of having a larger container. She said she was all for it and liked the idea of not paying more but having more room.

Pearl Moon, 205 3rd Street E., didn't like the idea of a 60 gallon container. She stated that they don't enough room in their garage and would have to back the car out in order to remove it. She would like a smaller container.

John Moon, 205 3rd St. E., stated that the larger container measures 32" wide and their garage door is only 30 inches. He said that he didn't want to have the garbage container setting outside. He also questioned who would wheel the container out when there is an accumulation of snow. He contended that with a bag you don't have to go out and bring it back. He felt that the container was

too big and there was no room in his garage.

Dan Rolling, 400 Adams, stated that he don't have a problem with Larson's Service but did have a problem with not bidding this service.

Dean Beierman, 385 Hollett Street, stated in his opinion, if it works, don't fix it. He said he has six people in his family and felt that this proposal would be a great benefit. He felt we were getting the best service for the least amount of money.

Paul Knoblauch, 312 E. Hollett St., stated that when Larson's contract was approved, he felt it should be only a one year contract. He noted that after our contract was approved, Larson went to Lynd and agreed to provide their service for \$1.00 less. Where he lives, he indicated that it would be take two blocks of resident's garbage to fill one 60 gallon container. He felt that the City should let the contract run its term and then write a new contract.

There being no further public testimony, the public hearing was declared closed and referred to Council for their consideration.

Steve Larson responded to some of the concerns that were previously stated. He explained the container, that the contractor will be providing at no charge, is actually five inches narrower and taller than the ones on display throughout the city. He also addressed the matter of Lynd's garbage service being less per month than Tracy's. The reason was that Tracy is 22 miles from the landfill compared to Lynd at five miles. He reiterated that the residents will be receiving twice the capacity for the same price that they are now paying and that the prices would be frozen during the contract extension. If someone has a disability, he doesn't have a problem with manually picking up their garbage. He stated that he will work with them and that is part of his service. He also noted the savings available to the multiple dwellings. When there is a four inch snowfall and the residents can't get their cart out, they can use a bag and he will pick it up..

Mayor Hannasch stated that he contacted other communities and found the Granite Falls, Pipestone and Worthington were paying higher rates for garbage than Tracy was.

Mr. Berndt acknowledged some of the comments of putting this service out for bids. He felt that we have to work with the businesses that we have in town that gives us good service. He stated that this was a win-win situation and therefore moved to approve the garbage proposal as submitted by Larson's Services. The motion was seconded by Stobb. Mr. Rialson stated that we have heard testimony and received letters from about 40 residents who support the proposal and I go along with most of their thoughts that it will be a savings to go from a 30 to a 60 gallon container. Also, letters from 27 business people supporting the proposal. We also have received letters and a petition from about 150 residents opposing the proposal. He contended that the ratio equals about 2 to 1 in opposition. He did not see how any Council could vote for a proposal when the majority of the people don't want it. Those that signed the petition wanted the contract to run out and then open it up for competitive bids. He stated that we will continue to have problems with the garbage issue until we let the free enterprise system work. He expressed concern on the burden these containers would create for the elderly and stated that these are the people he represents.

Mayor Hannasch stated that he contacted some of the people that were on the petition and asked for their opinion on the garbage issue. One person stated that they were told that the petition was initiated by the City Council to get a feeling of whether we should bid it now or give an extended contract. That was not the wording on the petition and then the person afterwards acknowledged that they did not read the petition but just listened to the person who presented it and then signed it. Some people understood that if they didn't sign it our garbage rates would go up. Mayor Hannasch acknowledged that our rates may go up for the next three years but then they will be frozen. He also stated that it takes a lot more effort to write a letter to the City Council than it does to sign a petition. He recognized that the petition has a total of 136 signatures, but we also have a total of 80 letters, 69 of which support the proposal, 3 concerned about container size and 10 opposed. He felt from that stand point the public has spoken and there are more people in favor than there are opposed. Mr. Rialson questioned how he could say that when the people signed the petition did so in good faith and wanted to be recognized as opposing this proposal and contended that it was a big lie.

Mayor Hannasch stated that everyone was not given an opportunity to sign this petition. If felt to make a petition really work, every one has to have an opportunity to say yes or no to the petition. Mr. Rialson disagreed. He felt that a petition was a legal document used to express their opinion.

Mr. Berndt stated that he was contacted by four people who signed the petition and they said that they did not know what they were signing. They were told that if they didn't sign it their rates would go up. He felt that the individuals that circulated the petition were not being honest. Plus, after checking some of the neighborhoods, he found that some of the properties were skipped. Mr. Rialson stated that he didn't know who took the petition around, but apparently they did not go door to door, and contended they don't have to. Al Schmidt commented on the petition and stated that the day they came to his house they referenced the rate hikes and the contract, but didn't say anything about the container. Mr. Rialson stated that no one should sign a petition unless they read it. Mayor Hannasch felt when there is a petition, it should be published in the paper so everyone knows what it says. There were some council members that never saw the petition until last Friday night. He reiterated that the letters carry a lot more weight in his opinion than the petition does.

Ms. Arvizu expressed concern that the larger container would jeopardize the volume base State mandate.

Mayor Hannasch stated that he didn't believe that people would fill up the container just because it's Monday. He explained that he puts out whatever amount he has accumulated along with his recycling every Monday. If he has more he'll buy extra tags and put them out so he doesn't have any accumulation in his garage. He felt that this is what people will do. They will put out the garbage they have. Those with larger families this will be a big plus for them. He thought those that signed up for the 15 gallon container would stay with that amount, even though they will have a larger container. He also stated that those that are currently recycling would continue to recycle because they are environmentally conscious. He thought that the residents of Tracy are more aware of recycling than they are to fill up a 60 gallon container.

Mr. Stobb stated that he had two concerns about the garbage issue. One was the commercial enterprises, locking them in for an additional three years, but based on the response, he didn't think that should be a concern. He still has a concern about the smaller households and/or the older residents. A concession has been made with the smaller container. He suggested that maybe the 15 gallon users wouldn't put their garbage out every week or as frequently as necessary. He was impressed with the number that have responded positively about the extension. He also recognized the number of people on the petition who were against the proposal. When he asked individuals about the petition, he found that there were a whole lot more that hadn't seen the petition compared to those that have and suggested that it may have been a flaw in the petition system.

Mr. Nielsen requested Mr. Larson to clarify in the existing contract he has the 10% increase/decrease provision plus the cost of living adjustment. In his proposal they are eliminating the 10% increase/decrease right away but the cost of living increase would continue during the existing contract but would be dropped during the extension. Mr. Larson verified that this is correct. He also addressed the automatic change in the rates from 15 gallon to a larger container if they are found to be abusing this privilege. He stated that the existing ordinance already has a provision in there addressing this issue that requires proper notice and hearing.

The question was then called. Upon roll call, the following vote was recorded: voting aye: Berndt, Fraser, Stobb and Hannasch. Voting nay: Nelson, Otto-Arvizu and Rialson. The motion carried.

A brief discussion followed on alley pickup. It was agreed that there would be no change in the current policy.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion.

ATTEST:

April 10, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, April 10, 2000 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present were staff members: A. Koopman, F. Nielsen and D. Polzine.

The Mayor asked for any additions or corrections to the minutes for March 27, 2000. Motion by Berndt, seconded by Fraser to approve said minutes as written. All voted in favor of the motion.

The Mayor asked for any additions or deletions to the agenda. The following addition was made: (7A) Airport Improvement Project. Motion by Fraser, seconded by Rialson to approve the agenda as now written. All voted in favor of the motion.

Mayor Hannasch briefly reviewed the memo prepared by City Attorney Nielsen concerning an escalator clause in municipal contracts with private parties. In Mr. Nielsen's opinion, the CPI can be used for determining an inflationary factor for contractual terms. Motion by Rialson, seconded by Berndt to accept said report. All voted in favor of the motion.

Mr. Nielsen reviewed the proposed amendments to the garbage contract. He noted that there may be some verbiage changes concerning container size, and rates listed. Motion by Berndt, seconded by Fraser to approve the amendments to the garbage contract.

Mayor Hannasch requested Council members to place an issue on the agenda by Friday if they wish to discuss it at the Council meeting and felt that Mayor Council Communications should be reserved for informational items only, however, he requested that if members want to share any information they should state the subject matter prior to approval of the agenda.

The Board of Review was scheduled on Thursday, May 4, 2000 at 7:00 p.m. Motion by Stobb, seconded by Nelson to appoint Marv Rialson, Mike Fraser and Dave Berndt to serve on said board. All voted in favor of the motion.

Mr. Polzine informed the Council that a 6" water main under the DM&E Railroad track broke and forced the City to plug the 6" line on both sides of the tracks. He recommended extending a 12" watermain line from County Rd. 11 to the existing 12" watermain that extends out to Greenwood Avenue. The replacement of the line under the tracks would take place sometime in the future when the County road is reconstructed. The estimated cost is \$55,000. The City is waiting for approval from the Department of Health to see if we can incorporate this improvement with the watermain portion of the Sewer Separation Project. Motion by Rialson, seconded by Fraser to approve said project. All voted in favor of the motion.

Motion by Stobb, seconded by Fraser to grant a plumbing license to Sanderson Mechanical, Balaton. All voted in favor of the motion.

Motion by Nelson, seconded by Stobb to grant a Split Liquor and Sunday Liquor license to Marilyn Frederickson for a fine dining establishment located in the old 21st Century Bank building. All voted in favor of the motion.

Mr. Polzine informed the Council that there is a new process that is now being recommended for airports rather than seal coating, that is called microsurfacing. Last year we received bids to seal coat the runway but we rejected them because they came in too high. Microsurfacing is a thin overlay of material that is cured chemically, not thermally like seal coating. There is a potential that minor cracking may develop and crack sealing next year would be recommended. Microsurfacing is eligible for grant funds through the Department of Aeronautics. After a brief discussion, Stobb moved and Nelson seconded to pursue the concept of microsurfacing. All voted in favor of the motion.

Motion by Berndt, seconded by Fraser to approve the Municipal Accounts Payable. All voted in favor of the motion.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 8:02 p.m.

ATTEST:

City Administrator

Mayor

April 24, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, April 24, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the April 10, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Under Legal Issues (4A) Hannasch added an Engineering Report by Pat Windler and changed the trailer court water bill to (4B) and he added (10B2) under Mayor and Council Communications. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Pat Windler, representing RLK Kuusisto, appeared before the council to present an engineering report. Windler stated that what should have been a simple seal coat project of some downtown streets and the airport runway has gotten more complicated. Last year the bid request was sent out late and only one bidder responded with a very high rate. This year the street seal coat and the airport are going to be bid as separate projects. The downtown streets will be a normal seal coat project but Windler said there was a concern with the airport which is a unique project because of the wide expanse and the width of some of the cracks in the runway which don't lend well to normal repairs. RLK contacted a state official experienced with airport maintenance who suggested micro-surfacing the runways. This process sets the pavement chemically rather than by heat so it hardens more quickly. There are only three or four contractors in the Midwest who do this type of surfacing. The state pays \$1.50 per square yard but when RLK contacted a contractor he gave a rate of \$4.00 per square yard. Windler stated that normal seal coating would not be eligible for funding by the state but micro-surfacing would be eligible for 60% funding.

One problem with seal coating very wide cracks on a runway is that landing planes can catch the filler in the cracks and it can wrap around the wheels or axles of the plane. RLK put together some dollar figures for the different surfacing options:

| | |
|-------------------------|-------------------------------|
| Overlaying (two inches) | - \$180,000 or \$5.50/sq. yd. |
| Micro-surfacing | - \$135,000 or \$3.80/sq. yd. |
| Seal-coating | - \$ 53,000 or \$1.60/sq. yd. |

There is approximately seven acres of pavement at the airport. Windler is going to contact the Department of Aeronautics about funding assistance. RLK is also going to check into the possibility of other airports joining in the micro-surfacing project to help reduce the costs. Windler asked for the opportunity to follow through with the investigation of all these options before RLK makes a recommendation. He added that one other option is to have a contractor mill the cracks down three or four inches and then seal coat. One advantage to this is a contractor will be in town with the equipment available already which could reduce the costs.

Berndt asked for clarification if the micro-surfacing was eligible for state funding. Windler replied that it is. Otto-Arvizu asked if the overlay was also eligible. Windler said he believes it is but needed to ask for sure. He said the state has some strange criteria for eligibility on these projects. The seal-coating would not be eligible for state funding. Windler added that on the overlay they could possibly go with an inch and a half overlay instead of two inches. He stated that since oil prices have increased the contractor rates have fluctuated anywhere from 5-20%. Otto-Arvizu asked if there was anything accounting for the severe cracks in the runways. Windler replied that after talking with state officials that almost all airports in Minnesota experience the same thing due to the large expanse of pavement and expanding and shrinking of the ground. There is almost eight inches of blacktop on the runways which is affected by fluctuation in temperatures. Windler said a drain tile system beneath the runways might help. Otto-Arvizu stated that she thought there was some tiling done at the airport. Polzine replied that there was along the sides but not underneath.

In looking at the current costs the City’s portion for repairs would have to come out of the permanent improvement fund. Hannasch said that comparing the different options the cost to the City would be about the same for each option with state funding taken into consideration. Windler stated that RLK would like to continue looking into the different options for the airport. They will go ahead and request bids for the seal-coat project for the downtown area.

Windler stated that Schwartz, Koopman and Polzine have been discussing some additional water main extensions. Since bids for the sewer separation project came in lower than expected there was funding available for other projects. The Department of Health was contacted and asked if it was permissible to use funding for additional work. Windler provided some estimated costs to install a 12 inch water main along 4th Street and the Railroad. A concern for installing the 12 inch pipe was for fire safety:

| | |
|----------|-----------------------|
| \$55,000 | est. for project |
| 5,400 | RLK’s design fee |
| 2,900 | inspection/field work |
| 1-2,000 | easement |

In piggybacking this project with the sewer project RLK did not feel it would be a problem to get the contractor to do the work. Koopman asked if the Department of Health would give written verification that the additional project would be funded. Windler replied that it would. Stobb stated that he hoped the gravel road running west would be in better shape after the project was finished as some businesses use the road.

Hannasch informed the council that a year ago when he bought the trailer park it was with the understanding that it had a clear title. There is currently an outstanding City utility bill against the property. At the time he bought title insurance and thought the insurance or the bankruptcy process would take care of any outstanding fees. Hannasch said he was waiting for his attorney to get back to him within the week and added that since he bought property with a clear title he felt it shouldn’t be his responsibility. Otto-Arvizu asked how much the utility bill was. Hannasch replied \$1254.57. Otto-Arvizu said that she thought some of the bill had been forgiven. Koopman replied that only Jack Schaefer’s portion had been. Hannasch said that he would have more information at the next council meeting.

Hannasch presented a variance request from Harvey and Ina Rykhus at 185 2nd Street for a seven foot front yard and five foot back yard variance. The Planning Commission approved the variance and the owners of neighboring properties had been notified and no objections received. Motion by Nelson, second by Rialson, to approve the variance. All voted in favor of the motion.

Hannasch reported a need for a building inspection at 336 6th Street. He said after viewing the house he felt it was a public nuisance and potentially hazardous because the back basement door is falling in and the porch has holes and boards falling in. Because of this potential hazard Hannasch suggested having the City building inspector and fire marshal inspect the house. Motion by Stobb, second by Rialson, to pursue the inspection. All voted in favor of the motion.

Hannasch presented a resolution to close the 1998 Street Reconstruction Fund and transfer the remaining funds of \$62,070.87 into the 1998 Bond Fund. Motion by Berndt, second by Fraser, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-13)

Hannasch presented a resolution approving a loan repayment in the amount of \$32,550 including interest with funds transferred from the Surcharge Fund to the Utility Fund. Motion by Rialson, second by Nelson, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-14)

The Consent Calendar included the following: Planning Commission minutes for April 3, 2000; Fireman’s Relief Association minutes for April 3, 2000; Police Activity Report; Economic Development Authority minutes for March 17, 2000; Multi-Purpose Center minutes for April 10, 2000; County Court Report; Monthly financial report for March; and Police Commission minutes for April 6, 2000. Motion by Fraser, seconded by Nelson, to approve the above listed items. All voted in favor of the motion.

Koopman informed the council that last year at budget time the City finally received the recommended wage and salary chart for City employees from Labor Relations. Employees advance through the chart based on a satisfactory performance evaluation. Currently the City does not have an evaluation system in place. A quote was received from Labor Relations, Inc. in the amount of \$9,250.00 to develop a performance evaluation format for each position and will train those doing the evaluating. Koopman said there are sufficient funds available for this project. Hannasch added that the City Council would take part in the training. Koopman said the League of Minnesota Cities use to provide this service for free but doesn't any longer. It is a very specialized field and she added that Lyon County has used Labor Relations.

Koopman replied that she would modify the job descriptions and Labor Relations would develop a format for the evaluation of each job. Stobb asked if anything was said about further training down the road with employee turnover. Koopman said that is was her hope that once a system was in place the City would be able to handle training in house. She thought they would also be able to videotape the training sessions as well. Rialson stated that he thought it seemed a high price to pay for the service especially if Koopman was updating the job descriptions herself. Koopman replied that she had asked Labor Relations what the cost savings would be if she did the job descriptions herself but the representative couldn't give her an estimate without looking into the situation. Hannasch asked if Koopman could get a dollar figure by the next meeting. Rialson said that since Labor Relations have probably developed systems for other cities for similar jobs it probably wouldn't be much work for them to create the evaluations.

Stobb said he would like to see an evaluation system in place because of possible lawsuits over a review or dismissal. Hannasch said he would like to table to issue until the next meeting in order to get more information and cost estimates. Motion by Rialson, second by Nelson, to table to issue. Berndt asked to add to the motion that Koopman would get more information from Labor Relations. All voted in favor of the motion as amended.

Hannasch stated that the City has not had any formal or informal training for those involved with the City Emergency Plan. Chief Hillger scheduled a training meeting on Tuesday, April 25 at 7:30 p.m. and Hannasch asked council members to attend if they were able.

Hannasch said he was fortunate to see the Wizard of Oz production at the elementary school. It shows what a city can do when people pull together. Stobb said there were a lot of people behind the scenes who helped to put the production together.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

May 8, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, May 8, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the April 24, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Under (4A) Hannasch added a request for a cigarette license from Cenex. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Hannasch presented a request to inspect three hazardous buildings. The first on the corner of 3rd Street and Emory Street had fire damage. The second building is located at 8th and Rowland Streets. The house at 336 6th Street had already had a motion passed to inspect it but needed a motion to have the fire marshal contact the property owners for permission to enter it. Koopman added that if the owners refused inspection the City would have to proceed with an administrative search warrant. Motion by Stobb, second by Fraser, to have the three buildings inspected by the fire marshal and the City building inspector and to have the fire marshal contact the property owners for permission to enter. All voted in favor of the motion.

Hannasch presented a request by Cenex Harvest States for a license to sell cigarettes. Motion by Rialson, second by Fraser, to grant said license. All voted in favor of the motion.

A resolution to approve a budget adjustment in the amount of \$2036.00 from the cash reserve to the General Fund Planning budget was introduced. Motion by Berndt, second by Rialson, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-15)

The Consent Calendar included the following: Fireman's Relief Association minutes for May 1, 2000 and Municipal Accounts Payable. Motion by Nelson, seconded by Fraser, to approve the above listed items. All voted in favor of the motion.

Mayor Hannasch removed himself from the chair and turned the meeting over to Mayor Pro-tem Stobb. Stobb asked Hannasch what new information he had received in regard to the trailer court water bill. Hannasch said he had talked to his attorney who was still trying to determine if the title insurance will cover the bill. The title insurance will not cover assessments but at the time of purchase the bill had not been assessed. The information about the outstanding bill was supposed to have been presented to the bank at the time of the sale. All other outstanding bills were turned over to the bankruptcy proceedings. Hannasch said that if the bill was forgiven by the City and the title insurance was deemed to cover the bill the check would be made out to the City of Tracy by the insurance company. Hannasch said he was concerned that since property taxes were coming due on May 15 that he would like to see the issue voted on before then. He is selling the property so the assessments must be paid off before the deal can be closed. Hannasch said he does not feel this was a bill incurred by him since it happened before he took possession and he was told at the time of purchase that the title was free and clear. He also checked with the Assistant City Attorney and asked if the bill could be forgiven and was told that the Council could vote to forgive the bill.

Otto-Arvizu expressed concern that there have been other cases where a landlord has had his property assessed due to a tenant's water bill and the council has been firm on the policy that it is the landlord's responsibility. She added that Hannasch was aware at the time he purchased the trailer court that there was an outstanding water bill. Otto-Arvizu asked why it should become the City's problem. She felt that Hannasch should take it up with the person he bought the property from. Hannasch replied that because of the bankruptcy proceedings he could not go back to the previous owner. He added that since he bought it with what he thought was a clear title and bought title insurance that he should not be responsible for the bill. Nelson stated that Hannasch was aware of the bill when he bought the property. Rialson asked Hannasch who told him the title was clear.

Hannasch replied it was the auction service on the day of the sale. Otto-Arvizu stated that her other concern was that the only leverage the City has in collecting delinquent water bills is to assess them.

Stobb said it seems that there are a lot of unknowns in the situation, such as the insurance company who may or may not pay on the title insurance. He asked if the council was in a position to make a decision since that factor was unknown. Berndt asked Koopman if the bank should be liable. He was with the understanding that an auctioneer can't sell a property unless it has a clear title. Koopman replied that it is not a special assessment under Chapter 429. It is actually a lien rather than an assessment. Berndt told Hannasch he should go back to the bank with this situation. Nelson said he thought that Hannasch had voted to put the water bill as an assessment on the property at a previous council meeting. Stobb asked if there was a motion. Nelson made a motion that the council stand its ground, stating that Hannasch knew the bill was outstanding. Nelson stated that Hannasch would have to pay it and to get recourse from the insurance company if he could. Rialson seconded the motion. All voted in favor.

Rialson asked why garbage pick-up wasn't billed at a commercial rate at the trailer court. Hannasch replied that it was a residential situation. Rialson said there were other apartments on the list of commercial garbage rates. Koopman said the City Ordinance states that there is a mandatory pick-up for residential facilities and the fees can only be collected with the water billing. Nelson asked why he couldn't get a dumpster on his street for six or seven homes to use. Koopman replied that each home has a separate water billing and so is billed individually for garbage pick-up. Hannasch stated that there was only one water meter for the trailer court and he is billed for garbage for the number of occupied homes. Koopman said she was concerned that if the council started making exceptions it would create a lot of problems.

The original cost of a performance evaluation system was \$9250.00. Koopman checked further with Labor Relations and they informed her if she did the job descriptions herself the cost would be \$7500.00. Labor Relations would conduct training sessions but the information Koopman received did not specify the number of hours. She felt that training wouldn't be complete until the supervisors felt comfortable with the evaluation system. Rialson said he felt the company should provide more detailed information. Koopman did say the information stated that the program would take 12 weeks from start until completion so there is substantial time involved.

Hannasch said he felt the evaluation system would give the City guidelines on how to handle employees or proceed with dismissals. Otto-Arvizu said she was in favor of having a system that is tried and true in other communities and made a motion to approve the performance evaluation system. Stobb seconded the motion. Fraser asked what the City would be getting for its money. Koopman replied that for each job description there would be a specialized evaluation specific to that job and its duties and responsibilities. Otto-Arvizu asked who would be trained to evaluate. Koopman replied the department heads and the City Council. Stobb asked if any of the department heads had done any evaluating on their own. Koopman replied no and said she felt this system would give structure to both the employee and supervisor. She felt an evaluation system is something that has been needed for a long time. Fraser asked if the \$7500.00 was the bottom line cost. Koopman replied that it was. All voted in favor of the motion to proceed with the evaluation system.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

May 22, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, May 22, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was: J. Otto-Arvizu. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the May 8, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Hannasch stated that (4B) the public nuisance issue should be corrected to read Pfannschmidt and (5C2) the Land Use Plan issue is tabled until the next council meeting in June. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Nielsen addressed the issue of vehicles being licensed with collector plates in order to store them in the open. He referred to the property owned by Joe Smarzik on Highway 14 where two parked cars had been issued collector plates. Nielsen informed the council that Jim Kerr has been doing some investigating regarding the storage of collector vehicles and found that the statute says that the cars must be stored within a screened in area, either by a fence, garage or a shed.

Otto-Arvizu arrived at 7:33 p.m.

Nielsen suggested that the council may want to consider sending a letter to Smarzik stating that the screening requirement is not being met. Motion by Rialson, second by Berndt, to send a letter to Smarzik regarding the statute. All voted in favor of the motion.

Chief Hillger stated that a couple of weeks prior he had received a nuisance complaint from a neighbor to the Pfannschmidt property. A court order had been issued back on October 22, 1998 regarding a public nuisance on the Pfannschmidt property. Hillger took some photos on May 19, 2000 which he passed around to council members. They showed a pickup filled with trash and debris on which the license had expired, old tires, old eave spouts and an enclosure filling up with garbage which according to the court order was to be cleaned out. The court order also states in the last paragraph that if the City finds an ongoing public nuisance that a list of nuisances must be sent to the court and to Pfannschmidt. Pfannschmidt has seven days to file an appeal in court or a specified number of days to clean up the property or the City will clean it at the property owner's expense. Motion by Fraser, second by Rialson, to send a letter to Pfannschmidt and Lyon County Court including a list of public nuisances. All voted in favor of the motion.

Charlie Deschepper approached the council with a request to borrow \$11,000 for the purchase of a back-up ambulance for Tracy Ambulance Service. The amount of the loan would be paid back with interest over a two (2) year period. Deschepper said the service is doing more transfers with the ALS license they acquired and there is a greater need for a back-up ambulance. Hannasch stated that the ambulance service has currently paid up all debts. Motion by Berndt, second by Stobb, to approve a loan in the amount of \$11,000 to the Tracy Ambulance Service. All voted in favor of the motion. Deschepper added that the ambulance will be a 1991 or 1992 model and will retain its value should they decide to trade it in down the road.

Dan Reiner introduced himself to council members as the new Tracy Hospital Administrator. Reiner requested to borrow \$66,000 from the term loan agreement with Sioux Valley Health Systems. He explained there are two purposes in borrowing additional money, the first being the electrical facility in the hospital building has limitations which prevent adding any equipment. The generator kicks on when there are too many amps being drawn. The proposed plan is to have NSP add a second transformer and to add onto the system to facilitate extra electrical demands over the next three to five years.

The second purpose of the funding would be to purchase a fixed sterilizer for cleaning surgical instruments. The current sterilizer was purchased between 1960 and 1965 and the hospital would like

to purchase a new one and use the old one as a backup in case one is broken. The cost of a new sterilizer is \$41,418.00. Reiner added that if approval was not given the hospital would likely experience electrical problems during the summer with air conditioning in use and the hospital would have to keep backup packages of surgical instruments in stock at a high cost in case the sterilizer failed.

Hannasch said the funding request was discussed at length the previous week. One concern was when bringing in new hospital staff potential employees look at the kind of operation that is being run. Reiner said the hospital currently has a surgeon out of Canby and a backup surgeon from Worthington. Motion by Stobb, second by Fraser, to approve the loan request. Stobb asked if the City was buying the sterilizer or the hospital. Reiner replied that the hospital facility is owned by the City so anything equipment that is permanently fixed is also owned by the City. The City then leases the facility to Sioux Valley Health Systems. The terms of that lease are adjusted any time new assets are acquired. All voted in favor of the motion.

Reiner said the hospital shows Sioux Valley that new revenue will be generated through any enhancements to the facility and how the hospital will be better able to serve the community. With Sioux Valley providing tertiary care Tracy Hospital will more likely be a source that patients turn to instead of going to a larger facility. Reiner stated that his goal is to create a complete medical delivery system, not a disjointed system. Stobb asked in going back to when the lease was signed was a check received by the City for equipment. Koopman replied that it was. Stobb then asked if the sterilizer was the City's purchase or Sioux Valley's. Reiner stated that down the road the hospital was looking at acquiring lasers which are mobile and therefore Sioux Valley would purchase. The hospital is also discussing purchasing a cat scan in the future which would be a permanent fixture and Reiner would look to the City to purchase it. Other goals are to stabilize the medical staff, make outpatient improvements, and to continue bringing specialists into the hospital, however a facility capable of supporting specialist work is needed.

Koopman presented a request from Linda Guild for an eleven foot variance in order to build a garage. Koopman indicated that the Planning Commission approved the variance and that no objections had been received. Motion by Stobb, second by Rialson, to approve the variance request. All voted in favor of the motion.

Koopman introduced a proposal by the Planning Commission to charge a \$25.00 fee for variance requests and a \$50.00 fee for special use and conditional use requests. The intent is to recover costs involved with the application process. Motion by Stobb, second by Fraser, to approve the above listed application fees. All voted in favor of the motion. Koopman stated that the fees would become effective June 1, 2000.

Hannasch stated that with the sale of the trailer court to be finalized on June 1, 2000 it was recommended to bring the Trailer Court Evacuation Plan and review the procedures. The plan was approved one year ago. Motion by Berndt, second by Stobb, to approve the plan. Otto-Arvizu asked about the portion indicating the police dispatch would be contacted by the trailer park owner. Hannasch said that Dean Kaiser will be the manager and he would also be working with Kaiser. Otto-Arvizu was concerned with the time lines stated in the plan, that after ten minutes if the park owner had not contacted police dispatch an officer would patrol the park and give warning over the public address system. Her concern was that it would be too late should severe weather arrive. Koopman said she thought it might be a typographical error and should read that the police will contact the owner regarding an emergency.

Stobb asked if the owner would go out and give warning to residents. Hannasch said he had done that himself two weeks ago. Koopman said the plan could be modified. Hannasch said item II could be changed to read the police will contact the owner or park manager when a severe weather warning is issued. Otto-Arvizu said she felt that would be better since the county is good about issuing warnings to emergency personnel before sirens are sounded. Hillger added that when severe weather is approaching one of the first things an officer does is to unlock the shelters. He suggested that the park owner should show any new residents where the shelters are and give a yearly reminder to all residents. Hannasch asked for a motion to revise the evacuation plan. Stobb asked if the police would still go out and patrol the park. Hillger said that the officer on duty makes five or six phone calls in

case of severe weather and would patrol the park if no one was available to warn residents. Berndt made a motion to revise the evacuation plan as stated above, Stobb seconded. All voted in favor of the motion.

Koopman stated that the Police Commission had discussed establishing vehicle noise laws enforcement for semi 's and other loud vehicles coming into town. Some residents had complained of windows rattling due to the excessive noise. Koopman said it would be difficult to enforce but hopefully posting signs would help. The signs are posted by the state at no charge to the City but a permit is required. Motion by Stobb, second by Berndt, to approve posting noise laws enforced signs. All voted in favor of the motion.

Koopman presented a request for a plumbing permit from Feder Plumbing & Heating. Motion by Rialson, second by Nelson, to approve issuing a permit. All voted in favor of the motion.

Polzine reported that three quotes had been received for the street and alley seal coating project. Mooreseal, Inc. out of Marshall was recommended by RLK Kuusisto with a bid of \$21,393.75. Polzine added that there will be a \$1210.00 deduction in price if the City picks up the excess pearock. Motion by Stobb, second by Fraser to accept the Mooreseal bid. All voted in favor of the motion.

Polzine stated that the recommendation for the airport project was to mill down all cracks in the pavement three inches in two foot wide sections and next year to do a conventional crack and seal coat. This procedure will be state funded for 60% of the cost with the City paying 40%. This year's portion of the project will cost \$20,605.00 with the City paying \$8242.00. Next year's project will cost \$64,608.74 with the City's share being \$28,843.84.

The proposal will be send to the state for approval and negotiations for the milling project will be made with the contractor doing the water and sewer project this summer. Motion by Nelson, second by Rialson, to approve the airport project. All voted in favor of the motion. Hannasch said this is a substantially less costly procedure than discussed at the previous council meeting. Stobb asked how long the repairs would take care of the problem. Polzine replied it would last 5-7 years. He added that the next time the council may want to consider doing one of the newer processes to fix the airport surface, but since it is such a big investment already Polzine didn't think they should let it go without any repairs.

The Consent Calendar included the following: Planning Commission minutes for May 1, 2000; Multi-Purpose Center minutes for May 8, 2000; monthly financial report for April; Police Activity report; Police Commission minutes for May 11, 2000; Cemetery Commission minutes for April 20, 2000; Economic Development Authority minutes for April 21, 2000; and Municipal Accounts Payable. Motion by Nelson, seconded by Fraser, to adopt the above listed items. All voted in favor of the motion.

Koopman addressed the issue why the trailer court garbage bill was not listed on the commercial garbage list. She noted that all residential properties and billed directly through the water bill. Those apartment buildings that were included on the commercial list are being charged a rental fee for their dumpster.

Koopman informed the council that it was time for a City wide inspection for nuisances. There are several properties showing neglect. She stated the approval of the council was needed to conduct the initial inspection during the last week of May. There was a general consensus among council members to approve the inspection.

Since both Stobb and Hannasch were going to be out of town during the second Monday of June, Koopman suggested having only one June meeting on the 26th. She said it is not a busy time of year so one meeting should be sufficient. Motion by Berndt, second by Rialson, to hold only one June meeting on the 26th. All voted in favor of the motion.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

June 26, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, June 26, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was: J. Otto-Arvizu. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the May 22, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Hannasch added (10.A.3) the annual SRDC meeting. Motion by Fraser, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Otto-Arvizu arrived at 7:32 p.m.

Hannasch presented the Tracy Ambulance Service agreement with the City. Motion by Fraser, second by Stobb to approve the agreement. All voted in favor of the motion.

Motion by Stobb, second by Rialson, to approve the Grant of Utility Easement for the Eastview Addition. All voted in favor of the motion.

Hannasch informed the council that Nielsen had recommended some changes to the Northern States Power Franchise Ordinance. The changes made were mainly to some of the wording in the ordinance. Hannasch recommended waiving the first reading and setting the second reading and public hearing for the July 24, 2000 council meeting. Stobb said he thought the changes looked reasonable and asked if they had been presented to NSP yet. Hannasch replied that they hadn't. Stobb made a motion to waive the first reading and set the second reading and public hearing for Monday, July 24, 2000 at 7:45 p.m. Berndt seconded the motion and all voted in favor.

Nielsen briefly reviewed the Engineering Agreement for the sewer separation project. In 1997 an agreement had been written up for the project but at the time the project didn't go through. There had been discussion of drawing up a new agreement but the decision was made to use the previous agreement and update the fee structure. Motion by Rialson, second by Berndt, to approve the agreement as now written. Stobb added that the fees in the agreement are the same as in the proposal. All voted in favor of the motion.

Koopman informed the council that a letter had been sent to Jeffrey Cauwels on May 17, 2000 regarding the condition of a house on his property at 336 6th Street. The letter required a response within three days of its receipt. To date no response has been received. The letter also stated that the cost of an Administrative Search Warrant would become the responsibility of the property owner should one be required. Hannasch added that there are taxes due on the property and Cauwels had told him he could not put enough money into the house to make it liveable. Motion by Stobb, second by Fraser, to proceed with the Administrative Search Warrant. Otto-Arvizu asked if the search warrant was being based on the outside condition of the house. Koopman read Chief Hillger's report regarding the condition of the exterior of the house. All voted in favor of the motion.

Hannasch opened discussion regarding the petition received from Gary Tholen and other property owners on Circle Drive and North Street. The petition requested a refund of assessments for a street project done in 1992. Hannasch said his major concern is that the project was done in 1992 and there were different circumstances surrounding the project. Otto-Arvizu said one historical thing she can remember about the project is that Circle Drive previously had an asphalt curb. The curb and gutter installed during the project were brand new. Hannasch said that the project entailed a large number of people being assessed, all the way to 6th Street, at a total project cost of \$655,000. Only 3.53% of the total project was assessed to Circle Drive and North Street. Hannasch added that people on 6th Street are being assessed the same amount for drainage. Since the current sewer separation project is mandated by the state the City had to move quickly to met the deadlines set by MPCA.

Fraser stated that when Tholan called him the concern was the assessment for the street and curb and gutter portions of the project. Stobb asked if the street portion of the current project could be assessed. Koopman replied that it couldn't be done at this point because no public hearings were held prior to the project starting. Hannasch added that because of the time frame to complete the project and the limited time in which to get the loan, the City had to move quickly and did what was in the best interest of the whole community. Hannasch said that sewer project should also benefit Circle Drive and North Street by eliminating some of the sewer problems in that area.

Rialson asked if when the \$10.00 surcharge was being discussed if it was ever mentioned that any of the money might be used for curb and gutter. Koopman replied that it hadn't. She said this was a unique project and the City had been mandated to proceed with it. If it had not been mandated Hunter Street is probably the only one that would have been done at this time because the other streets were in good condition. Polzine said that as part of the 1992 Street Project 2nd Street and Rowland Street were also assessed. He added that for the current Sewer Separation Project the only areas where curb and gutter and being torn up and replaced is where sewer and water lines are going. Prior to the current project the City was replacing the water lines because the streets needed to be replaced and now just the opposite is being done, the streets are being torn up because the City is mandated to replace the sewer and water lines. Polzine stated that only one-half of the 2nd Street, 3rd Street and Rowland Street curb and gutter is being torn up.

Otto-Arvizu said she remembered that a special request was made at the public hearing for the 1992 Street Project by the residents on Circle Drive. Polzine added that four out of the five residents on Circle Drive requested their street be completely rebuilt. Hannasch said that he sympathized with the petitioners but the two projects are not similar in the way they were set up. Fraser stated that there would be no way to go back and reimburse people without going through the whole project. Polzine added that there were about 500 properties assessed for the 1992 project. Hannasch said he feels no action should be taken. Motion by Nelson, second by Otto-Arvizu, to take no action on the petition. All voted in favor of the motion.

Polzine requested authorization to purchase a mower for the swimming pool. He said there was a 1997 John Deere with 117 hours available at Tracy Equipment for \$2000.00 with the trade-in. Motion by Nelson, second by Rialson, to approve the purchase of the lawn mower. All voted in favor of the motion.

Motion by Fraser, second by Stobb, to approve the following liquor license renewals for July 1, 2000 through June 30, 2001:

OFF SALE NON-INTOXICATING MALT LIQUOR: \$40.00

FOOD N FUEL - 701 CRAIG
TRACY EAGLES CLUB - 154 4TH
SANDER'S EASTSIDE - 22 MORGAN
AMOCO - 301 CRAIG

ON SALE NON-INTOXICATING MALT LIQUOR: \$85.00

TRACY EAGLES CLUB - 154 4TH
SANDER'S EASTSIDE - 22 MORGAN
TRACY LANES - 242 MORGAN
PIZZA BARN - 614 CRAIG

All voted in favor of the motion.

Motion by Stobb, second by Nelson, to approve a request from Glen Larson d.b.a. Enviro Pump-Plus for a plumbing license. All voted in favor of the motion.

Motion by Stobb, second by Rialson, to adopt a resolution to approve a gambling license for the American Legion Club. All voted in favor of the motion. (Res. No. 2000-16)

Polzine presented a requested authorization to dust coat 10th Street. He said the street is used as a shortcut to Highway 14 by a lot of people. Calcium Chloride is no longer being used, instead soybean oil would be used which is a little more expensive at a cost of about \$700.00 to do 10th Street. Nelson asked if the dust coat would last all season. Polzine replied that it would. Motion by Nelson, second by Stobb, to approve dust coating 10th Street. All voted in favor of the motion.

Motion by Rialson, second by Fraser, to adopt a resolution approving a budgeted transfer in the amount of \$10,000 from the General Fund to Code Enforcement. All voted in favor of the motion. (Res. No. 2000-17)

Hannasch presented a resolution approving a budget adjustment for the retrofitting of the lighting systems in the City owned buildings. The loan funds for the project were received from NSP for the project and approval is needed to increase the General Fund revenues by \$48,200.00 and increase the General Fund Municipal Building expenditures by \$48,200.00. Motion by Nelson, second by Fraser, to approve the above resolution. (Res. No. 2000-18)

A resolution was presented to enter into an agreement with American Engineering Testing, Inc. for field and laboratory testing services. This testing is associated with the sewer project to do soil testing. Motion by Rialson, second by Nelson, to adopt said resolution. (Res. No. 2000-19)
Motion by Nelson, second by Stobb, to adopt a resolution accepting the offer of the Minnesota Public Facilities Authority to purchase a \$266,295 General Obligation Water Revenue Note, Series 2000A, providing for its issuance, and authorizing execution of a project loan agreement. All voted in favor of the motion. (Res. No. 2000-20)

Motion by Nelson, second by Rialson, to approve a resolution accepting the offer of the Minnesota Public Facilities Authority to purchase a \$1,434,769 General Obligation Sewer Revenue Note, Series 2000B, providing for its issuance, and authorizing execution of a project loan agreement. All voted in favor of the motion. (Res. No. 2000-21)

The Consent Calendar included the following: Police Commission minutes for June 8, 2000; Cemetery Commission minutes for May 25 and June 15, 2000; Multi-Purpose Center minutes for June 12, 2000; Police Activity report for May; Economic Development Authority minutes for May 18, 2000; monthly financial report for May; Fireman's Relief Association minutes for June 5, 2000; County Court report for April and May; and Municipal Accounts Payable. Motion by Fraser, seconded by Stobb, to approve the above listed items. All voted in favor of the motion.

Hannasch stated that the Land Use Plan put together by the Planning Commission had been distributed at the last meeting but tabled to give the council time to read it. Motion by Berndt, second by Fraser, to approve the Land Use Plan. Stobb said he hoped the council would remember the plan was available and would use it when appropriate issues come up. All voted in favor of the motion.

Koopman wanted to remind the public not to blow grass clippings into the street. The grass clippings are clogging the sewers. She asked people to mow two rows away from the street. Koopman added that the same should apply to snow blowing. She hoped the council would consider making a resolution and said the City may have to adopt an ordinance to reinforce the issue. For right now Koopman asked for public cooperation in not mowing towards the street. Hannasch said he would like to see a newspaper article notifying the public of the problem.

Hannasch said there is an increasing problem with people letting their dogs run loose and not cleaning up after them. This is of particular concern in parks where children may step in or handle dog feces. Koopman said there is a big problem on City property. Polzine said there is a problem right downtown on land the City crew has to mow or walk on. Hannasch said the City may have to post notices for those whose dogs are defecating on public or private property. He said the culprits are the owners of the dogs and added that it is a misdemeanor to let the dogs run and not clean up after them. Koopman stated it is a nuisance under City ordinance. Stobb suggested approaching it the same as the mowing issue right now and send out warnings. Hannasch said if it continues to be a problem the City may have to take steps to strongly enforce the ordinance.

Hannasch informed the council that the Southwest Regional Development Commission would be holding its annual meeting on Thursday, July 13, 2000. He said the SRDC would be appointing a new director. Hannasch said he won't be able to attend but asked any council members able to go to let Koopman know by Thursday if they would be attending. Stobb said he could possibly attend and would let Koopman know.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

July 10, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, July 10, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the June 26, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Koopman added (8B) a resolution approving payment of contractor's estimate #1 for combined sewer separation project. Motion by Rialson, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Jodi Reng presented the Plum Creek Library System Agency Agreement to the City Council. She stated that the Plum Creek System had been started in 1974 and the original agreement had been signed by participating libraries on behalf of their City Councils. Until now the agreement had not been reviewed since it was originally written. There are currently 60 signatories on the new agreement. Reng informed the council that the back page attached to the agreement is not part of the agreement but lists the services provided by the Plum Creek Library System. The reason they were not included in the agreement is to make the services more flexible in that they can be changed or added to without obtaining signatures from all the signatories every time a change is made.

Reng stated there are two types of library systems, Federated and Consolidated. A Consolidated system where tax money earmarked for libraries is sent to a central location and a library board makes all decisions and distributes money as needed. Plum Creek is a Federated system where the tax money collected from a community is spent in that community except that each library sends \$500.00 per year to Plum Creek to maintain a database. The Plum Creek System provides access to over 600,000 items available within the system. Plus with an in-house delivery system requested items can be delivered that day or the next. With an outside delivery service it would take up to nine days. Plum Creek also has access to MnLink which is a statewide system with over 28 million items available.

The challenge of a library is to be able to answer any question, at any time, on any subject, by any patron. Reng informed the council that the Plum Creek System has three trained scientists available to answer and research questions. Internet access and training is also available through the system. Reng directed attention to pages two and three of the agreement which states how the system will run. She said one change from the old agreement is on page 4, number 6, which specifies that the agreement will be reviewed every five years. Reng also stated that if a library wants anything reviewed in the agreement they just need to let her know.

Some stipulations are that a library needs to be open at least 20 hours per week, use the Dewey Decimal System and distribute and use the Plum Creek Library card, which is honored at all libraries in the state, at SSU, all Minnesota West campuses and at the U of M campuses. The Plum Creek system asks libraries to purchase and maintain necessary technology, which Reng admits is vague but technology changes so quickly there is no way to specify what is needed. She said if a major change is made in technology Plum Creek will write grants to make that technology available.

Reng said it is necessary for each library to keep up its maintenance agreement in order for the whole system to work. If a library does not make payments it will not be eligible to participate in the system and its services. There being no questions from council members, motion by Nelson, second by Fraser, to approve the agreement. All voted in favor of the motion.

Hannasch opened a public hearing at 7:46 on the nuisance violations. Chief Hillger reported that after re-surveying the nuisances submitted on June 11, 2000 the following nuisances had been abated:

03. 680 Greenwood Street
05. 901 S. Center Street
06. 1st Street East - Janet Hall property
09. abated - 6/8/00
10. 101 E. Morgan
11. abated - 6/8/00
13. Calico Ribbon property
15. South Street - Stripling vacant lot
17. 33 Morgan Street
18. 50 Morgan Street
20. 260 2nd Street
23. 680 3rd Street
24. 336 Hollett Street
25. 384 Emory Street
27. 366 Rowland Street
29. 484 Emory Street
30. 512 Emory Street
32. 325 5th Street
36. 349 6th Street
37. 284 7th Street
40. 237 8th Street

Motion by Stobb, second by Berndt, to adopt a resolution declaring the above listed nuisances abated. All voted in favor of the motion. (Res. No. 2000-22)

Yong Lor approached the City Council to represent herself for a nuisance at 348 8th Street and on behalf of Chor Lor of 336 8th Street. She told council members that Chor Lor had renewed his vehicle license on June 29, 2000 and purchased insurance for the vehicle and she showed the paperwork to Hillger. Yong Lor said shortly after she purchased the vehicle it broke down and she did not transfer the title. In the meantime the title had been destroyed and she was waiting for a duplicate. Nelson said it can take 6-8 weeks to get a duplicate title and made a motion to grant a 60 day extension to get the title so the nuisance can be abated.. All voted in favor of the motion. Hillger recommended adding #35 to the abated list.

Hannasch said he had received some phone calls about the nuisance ordinance from people blaming the City or the Police Department. He said the Police and City are only enforcing what is already a City Ordinance and it is important that people realize they are not being picked on. Hannasch said it's also important that people correspond directly with the Police Department or City office regarding nuisances.

Hillger stated that at 350 Adams Street three of the unlicensed vehicles had been removed but a brown Buick, MN license plate 185-JTS with expired license plates still remain. Motion by Rialson, second by Nelson, to issue an order of abatement. All voted in favor of the motion.

Hillger reported that the Police Department had received some complaints that vehicles located at Don's Repair were blocking visibility at the intersection of Greenwood Avenue and 4th Street and also there are several vehicles with expired licenses. Hillger said that Don's Repair is a repeat offender but the council would need to consider how long vehicles can be held at a repair shop. Hannasch said if a vehicle's license expires it would not benefit a customer to wait to license it until it was repaired as the cost would be the same. Hannasch said Don Jacob had told him he planned to sell several vehicles this fall. Motion by Nelson to proceed with abatement order and to check on ownership of vehicles with expired license. Rialson seconded the motion. Hillger said that it needs to be the responsibility of Don's Repair to contact the owners since the vehicles are on his property. If an owner does not license a vehicle Jacob can contact the Police Department and it will be treated as an abandoned vehicle. Nelson stated his motion should be changed to that effect and Rialson seconded the change. All voted in favor of the motion. Otto-Arvizu asked what should be done about the right-of-way at the intersection being blocked. Hillger indicated he would work on getting it corrected.

Some of the items had been removed at 200 E. Morgan Street by some old bed parts and a car door

were still there. Motion by Rialson, second by Nelson, to proceed with an abatement order. All voted in favor of the motion.

There is an unregistered van, expiration March of 1994, still located at 237 E. Morgan Street. Motion by Stobb, second by Fraser, to proceed with an abatement order. All voted in favor of the motion.

Hillger reported there is a pull type packer, a snow plow and an oil tanker belonging to the City parked at the intersection of South and Center Streets. According to Don Polzine the City still uses the packer and plow. Nelson asked if there was another area the equipment could be stored at. Polzine said it could be moved to the compost dump.

Hillger stated there is a white Hyundai with expired license plates belonging to Fredy Tome, a former resident of 78 South Street. It is currently parked on the property just east. The nuisance letter was returned as undeliverable. Motion by Nelson, second by Rialson, to proceed with an abatement order. All voted in favor of the motion.

John Coulter arrived to the council meeting stating that Yer Hang had asked him to come on his behalf regarding the nuisance at 301 2nd Street. According to Coulter, Hang said he would do what he needed to obey the law. Hillger said Hang would need to remove the branches and an old tire and rim and the nuisance would be abated.

At 59 Morgan Street there is still an unregistered vehicle and some debris remains. Motion by Stobb, second by Nelson, to proceed with an abatement order. All voted in favor of the motion.

Hillger reported that there was still an unregistered vehicle debris at 58 Morgan Street and he recommended proceeding with an abatement order. Motion by Fraser, second by Rialson, to proceed with an abatement order. All voted in favor of the motion.

At 224 Emory Street one vehicle had been removed but an old unregistered Ford pick-up is still there. Motion by Fraser, second by Stobb, to proceed with an abatement order. All voted in favor of the motion.

There are still arson proceedings going through court for 472 3rd Street. Koopman said that once the arson proceedings are finished the City will proceed with a hazardous building investigation. Hillger recommended putting the nuisance on hold. Motion by Nelson, second by Stobb, to delay action on the nuisance. All voted in favor of the motion.

Hillger stated that a vehicle with expired registration and debris was still present at 384 Harvey Street. Motion by Nelson, second by Rialson, to proceed with an abatement order. All voted in favor of the motion.

There are still trash and weeds present at 330 4th Street and Hillger was concerned with rocks along the steps leading to the house as emergency personnel could injure themselves should they need to enter the house. Motion by Fraser, second by Nelson, to proceed with an abatement order. Otto-Arvizu asked if a notice had been sent to both the renter and owner. Koopman replied that was true with all the properties that received nuisance letters. All voted in favor of the motion.

Hillger reported there is still weeds and debris at 451 5th Street. Motion by Rialson, second by Nelson, to proceed with an abatement order. All voted in favor of the motion.

There is no change at 313 4th Street, an unregistered van, motorcycle parts, tires, etc. are still present. Motion by Fraser, second by Nelson, to proceed with an abatement order. All voted in favor of the motion.

Hillger stated there is still an accumulation of garbage at 201 7th Street where a garbage can was moved to the center of the yard and additional debris was added. Motion by Stobb, second by Fraser, to proceed with an abatement order. All voted in favor of the motion.

At 756 Morgan Street old tires, rims and weeds are still present. Motion by Stobb, second by Rialson,

to proceed with an abatement order. All voted in favor of the motion.

Hillger stated that John Coulter had addressed the nuisance at 301 2nd Street and recommended considering it abated.

Hillger reported that there was no change to the wee hatchery property behind the John Deere property. Koopman stated that an attorney from 21st Century Bank called saying there was some confusion as to who owns the property. Hillger said he would check into who owns the unregistered vehicle located on that property. Motion by Nelson, second by Rialson, to put the nuisance on hold. All voted in favor of the motion.

Hemmingsen RV/Auto notified Hillger they would have the tires removed as soon as a service came through town that hauls old tires. The wrecker will be removed when the trees are cut in a couple of weeks. Motion by Berndt, second by Stobb, to take no action on the nuisance. All voted in favor of the motion.

Downtown Auto still has seven vehicles with expired registration. Motion by Nelson, second by Rialson, to proceed with the abatement order and direct Downtown Auto to contact their customers about licensing the expired vehicles. All voted in favor of the motion.

Polzine informed the council that the City engineers had estimated the pavement milling at the airport to be around \$24,000. When they received two quotes one was for \$54,000 and one was for \$60,000. The contractors informed them that there is no such thing as a 24" mill, 16" is the widest and Polzine said that should be satisfactory for the cracks on the runway. Both contractors had a large amount in their bids for traffic control, one had \$9500 and one had \$3000. The only requirement for traffic control is a large yellow "X" that is three feet wide and 30 feet long. Also the contractors estimated 6075 feet of cracks that needed repairing. When Polzine and Chuck Schwartz measured they came up with 4100 feet. The engineers spoke with the low bidder who accepted the fee of \$24,385.50 based on the changes to their estimate. RLK Kuusisto recommended awarding the bid to Moorseal, Inc, of Marshall. Motion by Nelson, second by Berndt, to accept the bid. Polzine added that the milling would be done this year and next summer they would have the cracks filled and seal coated. All voted in favor of the motion.

Motion by Nelson, second by Rialson, to approve the list of requests for Box Car Days. All voted in favor of the motion.

Polzine presented a resolution approving a change order for the sewer separation project. He said two items had been discovered while working on the project. The first is two sanitary sewer manholes on 2nd Street were not included in the original project but need replacing at a cost of \$4,320.00. The second item was discovered when uncovering some pipe between 5th Street and Harvey Street which is a foot and a half lower than the new pipe being installed. The cost to correct this problem will be \$22,287.80. The crew discovered on Harvey Street there was 200 feet of 24 inch sewer pipe and it was arched over another pipe running perpendicular which is part of the problem with water back-up. Also they found that some manholes had been overlaid with just a piece of plywood covering them up.

Otto-Arvizu asked if they had funds to cover the changes. Koopman replied the contingency fund would cover it but it was about half used up. Motion by Nelson, second by Rialson, to approve the adopt said resolution. All voted in favor of the motion. (Res. No. 2000-23)

Nelson asked if the contractor was doing a good job. Polzine replied they were doing very well. Next week they would be pushing the pipe under the highway and he figured they should be done with all the pipework before the first of August. Polzine added that if they can get the subcontractors to come at the right time they may be completely finished before Box Car Days. Nelson said he noticed they were doing an excellent job with clean-up. Polzine said the weekly meetings every Thursday were helping a lot.

Motion by Nelson, second by Berndt, to adopt a resolution approving payment of the contractor's

estimate No. 1 for the sewer separation project in the amount of \$316,303.31. All voted in favor of the motion. (Res. No. 2000-24)

The Consent Calendar included the Municipal Accounts Payable. Motion by Berndt, seconded by Stobb, to approve the above listed item. All voted in favor of the motion.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

July 24, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, July 24, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the July 10, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added were (4D) Schoep & Sons; (6D) a variance request from Robert and Donna Caron; (7A) a swimming pool report by Shorty Engel; and (11A.1) a report on the Southwest Mayors' meeting. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

A list was received from Steve Larson regarding a number of people who are currently paying the rate for the 15 gallon (20 pound) garbage service but dumping more than the rate allows. Hannasch stated that the City has never developed a process to deal with violators. The list included 32 households that were nearly filling the 65 gallon container distributed by Ritter's Sanitary Service. Hannasch said the council needed to come up with a system to enforce the rates but didn't feel they could make it retroactive to current offenders but would apply to future offenders. Hannasch suggested that first time violators be moved to the higher garbage rate for the period of six months with a fine of \$25.00. After six months the individual could choose to return to the smaller garbage rate. Hannasch suggested that the second offense would result in a switch to the higher rate and a \$50.00 fine.

Otto-Arvizu said she realizes that putting out more garbage than they are paying for is wrong but she would hate to see the council be punitive. She said she would like to see first-time violators receive a warning letter and second-time violators be charged to higher rate for six months. Since a form letter would be used there wouldn't be a lot of administrative time put into it. Otto-Arvizu said her concern is there is no line of demarcation on the garbage containers for people to refer to. Fraser concurred those were his thoughts. Koopman stated that there were at least 30 more households who were technically over the limit but Larson gave them the benefit of the doubt. Koopman said she feels that people are aware when they go over the limit as they were limited to 15 gallons before the containers were distributed.

Rialson thought it would be easy to mark the inside of the containers as he was not sure people knew how high they could fill them. He suggested marking the containers at the 20 gallon level since garbage has a lot of wasted space and the containers are smaller at the bottom. Hannasch asked who would mark the containers. Rialson suggested the garbage service since they know who has the 15 gallon rate. He said the other option would be to provide a 15 gallon container. Hannasch said the containers would be measured approximately one-third of the way up. He said that he was disappointed at the number of violators and added that the City needs a resolution for how to handle this because it can be considered stealing services. Rialson said he spoke with one of the people on the list who told him it was purely accidental that they were over the limit due to a situation out of their control.

Stobb said there may be some confusion amongst the public. If someone is gone for a week or misses a week are they technically breaking an ordinance? It may not be obvious to them. Stobb said as he looked over the list he didn't feel they were dealing with a list of hard core criminals. Hannasch agreed but said that violations have happened frequently and that's why the police were involved in inspecting those with the 15 gallon rate. Stobb felt a letter informing offenders was appropriate. Hannasch stated that a fine imposed makes people think about their actions. Otto-Arvizu felt that a first-time offender should receive a letter and a second offense should result in a fine. Chief Brian Hillger stated that there should be some sort of penalty for the first offense otherwise people will sign up for the 15 gallon rate until they are caught.

Rialson made a motion that the first offense result in a \$10.00 fee and a three month increase to the higher garbage rate and the second offense result in a \$20.00 fine and a six month increase to the

higher garbage rate. The motion was seconded by Nelson. Berndt said he was concerned that a three month increase was not a strong enough penalty and didn't feel it was fair to those already paying for the 65 or 90 gallon rates.

Hannasch tabled discussion to open the public hearing on the NSP franchise ordinance.

Nielsen reported that he had finally received a response from a NSP representative in Sioux Falls. The materials that Nielsen sent to NSP ended up in the legal office and no action had been taken on them. After a long conversation with the NSP representative, he and Nielsen got a better viewpoint of each other's concerns about the franchise ordinance. NSP will be sending a revised ordinance so Nielsen recommended tabling the issue until the next City Council meeting. Hannasch closed the public hearing and set another public hearing for the August 14, 2000 meeting at 7:45 p.m.

Hannasch directed discussion back to the garbage violation issue. Berndt stated that a penalty larger than \$10.00 was needed. His concern was that some of those on the list have larger families than many who are currently paying for the larger garbage service. Berndt said his understanding was that the 15 gallon rate was set up for the elderly and single people. Fraser asked Rialson if he intended to include a warning letter in his motion. Rialson replied that the warning letter would be for those on the current list of violators, after that the first offense would be a \$10.00 fine and three months at the higher garbage rate and the second offense would be a \$20.00 fine and six months at the higher garbage rate. Hannasch asked if a third offense would result in permanently fixing the higher rate and a larger fine.

Stobb said he didn't want to be real harsh but felt more of a deterrent was needed. Hillger stated that he thought there was a provision in the City Ordinance for prosecution of a third violation. Otto-Arvizu asked if it would be a misdemeanor or a gross misdemeanor. Nielsen stated that it would be charged as a misdemeanor. Otto-Arvizu said she didn't think it would ever get to that point since part of the penalty would be charging the customer for the higher garbage rate so they would be allowed to fill the container. Koopman said first time offenders can apply again for the lower rate if they choose so there is a possibility for repeat offenders. Hillger said there is also a provision for citizens to request a hearing if they feel the need.

Homer Dobson asked to verify if his name was on the list of violators and asked that the address be verified. The address listed was for Dobson's rental property. He asked if he was going to be penalized for something his renter had done. Hannasch asked if Dobson receives the utility bill for the rental property. Dobson replied that he gets the bill and the renter pays him. He added that the renter signed up for the type of garbage service. Dobson asked if he would be prosecuted for what the renter does. Hannasch replied that is where a hearing should be requested. Nielsen stated that the purpose of a hearing would be to inform the council of the situation. He added that this is an administrative process, not a criminal process, and told Dobson he would have to take some responsibility to come down and explain the situation. Nielsen said he can't say that Dobson would receive a penalty or be prosecuted.

Koopman said that when the council first adopted the garbage contract they were limited to switching garbage service during May of each year. Since the difference between the lower and higher rate is approximately two dollars per month she didn't feel it would be a major hardship to impose the higher rate for a year. Otto-Arvizu asked Koopman if her suggestion was to send a letter to the current offenders. Koopman replied that her concern was the administrative time it would take to switch someone under penalty for three or six months at a time and then switch them back. It may lead to a lot of confusion. Rialson stated that if the containers were marked he didn't think there would be a continuing problem.

Larson reported that because of the number of people they noticed exceeding their 15 gallon service they decided to spot check all those signed up for that smaller service. He said they let it go if the container was one-third or one-half full. Larson felt that a mark on the inside of the container would wear off. Larson said they took pictures of the real offenders where the containers were overflowing. Stobb asked if the people on the list had put garbage out the week before. Larson replied that they all had and suggested that people call him if they missed a week. He said he had a case where a large amount of garbage was left in a dumpster so he dug out a name and contacted the person. She said

she had forgot to leave out her garbage for two weeks and thought it would be okay to leave it in a dumpster. Larson said he let it go as they try to be lenient. He said they don't want to have to go as far as prosecuting but people need to be responsible.

Hannasch said he feels if the City communicated the rules to the public and put some common sense into the situation the public would also use common sense. Otto-Arvizu asked about May being the designated month the change service. Koopman's thought was that there would be more continuity and less confusion if all the changes were made in May. She added that the City can make a note on the water bill about penalties for exceeding the service chosen. The penalty could be to charge the equivalent of one year of the difference between the lower and higher rates plus a designated fine. Koopman said she thinks people know when they're in violation because they were limited to the 15 gallons of garbage before the containers were distributed. She added that Tracy is one of the few communities that offers multiple rates for garbage service and going to a single rate would eliminate the current problems.

Rialson amended his motion to leave the fines the same but to bump the rate change to a duration of one year. So the first offense would be a \$10.00 fine and the cost of one year at the higher rate and the second offense would be a \$20.00 fine and the cost of one year at the higher rate. Stobb added that the garbage rates would change. Koopman said to specify that the charge would be the value of the current garbage rate. All voted in favor of the motion.

Mayor Hannasch asked for three volunteers to meet in response to a letter sent by Virginia Garvey regarding her complaints about the garbage service. The volunteers would meet with Garvey and Larson to try and determine what Garvey's problem is. Otto-Arvizu said in terms of the committee she thinks it would be good to determine what to do in cases of handicapped or frail persons. Fraser, Berndt and Stobb volunteered to be on the committee. Hannasch asked them to meet before the August 14 City Council meeting. Nielsen asked if the committee would be given authority just to investigate or to make a decision regarding the situation. Hannasch said he would like them to only investigate and to bring information back to the council.

Larson asked to give some information about the problem. He said he has been to Garvey's house, has written long-hand communications because of her hearing impairment, he cleaned out two years worth of garbage from her garage at no cost, he has picked up garbage and recyclables behind her home and at her doorstep. Larson said Garvey has continued to harass him and write letters about him. Recently he received a call from an attorney with a senior citizens league to investigate if he held a bias against senior citizens. Otto-Arvizu asked Larson if he was willing to pick up the garbage where she wants. Larson replied that he has bent over backwards for her and nothing he has done is to her satisfaction. He added that he would not go behind her house anymore to pick up her garbage. Stobb asked if he was willing to attend the meeting with Garvey. Larson replied that he would be there.

Rialson said he was concerned about the language in the City Code in regards to it stating if someone uses a larger container than signed up for. His question was that everyone is currently using the same size container so he felt the wording should be changed to reflect the amount of garbage instead of the size of the container. Nielsen said the wording was intended to cover the use of containers.

John Judkins reported on the hazardous building inspection at 336 6th Street. He stated that he had photographs available if council members wanted to see them. Gary Garrels, Chief Bryan Hillger, Keith Engesser and Judkins all inspected the house owned by Jeff Cauwels. They had gotten an administrative search warrant since permission was not given by Cauwels to enter the house and inspected the inside and outside as requested by the City. Judkins stated that he had condemned the property as a hazard to public safety and health. Jim Kerr had asked him if the house could be declared a fire hazard. Judkins replied that he couldn't because the gas was turned off and the house was emptied of anything that might ignite a fire.

Hannasch asked Nielsen what steps should be taken. Nielsen replied that he could prepare an order to repair or demolish the building within a set period of time. Rialson asked if there was a garage on the property. Judkins replied that there was a detached garage. Koopman added that the garage was previously under a nuisance violation. Judkins stated that the search warrant was still in effect so he could inspect the garage. Hannasch asked if the garage could be included in a motion to order

destruction of the house. Nielsen replied that it could be included as two hazardous buildings on one property. Judkins stated that he would like to take Hillger and Engesser with him to inspect the garage. Motion by Rialson, second by Berndt, to proceed with an order. Nielsen asked if the order would state the building was to be repaired or razed. Rialson replied that it would be to strictly demolish the building. Hannasch added that Cauwels told him he couldn't afford to repair the house. Nielsen asked what the time frame would be. Rialson asked what was normally stated. Nielsen said they often use either 30 or 60 days. Rialson said to allow 60 days which would give the owner almost until October. All voted in favor of the motion.

Hannasch reported that the City had received a request to give a tax forfeited property to Irene and Guys Bakker so they could build a \$121,000 handicapped accessible home. Koopman stated that it was one of 17 lots the City acquired in 1990. The policy in 1990 was to donate the lot as long as they built a house that would cost in excess of \$25,000. Koopman added that \$25,000 wouldn't go very far these days. The City accepted a \$500.00 bid for a piece of tax forfeited property in 1993 or 1994. Koopman said the only concern is the EDA is currently offering Eastview lots for sale. Hannasch said the Bakker's wanted to build in Eastview but they didn't plan to build a garage and the EDA preferred any new homes in that addition have garages. Discussion was held at an EDA meeting about establishing a covenant in regard to requiring that garages be built on all Eastview lots. Hannasch asked if the EDA would be allowed to establish a covenant for Eastview or if it was something that would have to be enforced City wide. Nielsen replied that property owners are the ones who establish covenants.

Stobb thought it was a good idea to get a house onto the lot. He made a motion to approve giving the lot to the Bakkers on the condition that they build within the next two years. Rialson seconded the motion. Otto-Arvizu said she thought there was a policy that a property must technically be sold for at least a dollar. Nielsen stated that as an attorney he wouldn't recommend just giving the property away. It is the duty of the City to sell the property for as much as it can bring. If it is determined that a property has no value it can be given away, but considering this particular one is a 100 x 140 foot lot it has value. Otto-Arvizu stated that the City took offers on the property by the swimming pool. Koopman said the City could do the same thing and put the lot in question up for sale with the condition that the buyer must build on it within two years. Don Polzine said for clarification that the lot is on Randall Street, not on Oak Street. Stobb rescinded his prior motion and made a motion to advertise the property for sale with sealed bids and a home valued over \$100,000 must be built within two years. Koopman said the bids should be in by August 9, 2000. Otto-Arvizu informed the council that the deal must be set by September 1, 2000 or the money to build the home would no longer be available. Rialson seconded the motion. All voted in favor of the motion.

Nielsen received word from the attorney for Schoep & Sons that their client was willing to dismiss their case regarding the sewer separation project bid at this time with prejudice and each side would bear the legal costs already expended. Otto-Arvizu asked how much had been expended. Nielsen replied that there was a court filing fee of \$132.00 but also attorney's fees which were not yet submitted. Otto-Arvizu asked if any attorney's fees could be recovered. Nielsen said he didn't believe they would be. Otto-Arvizu made a motion, and Berndt seconded, to accept the offer that Schoep & Sons dismiss the case with prejudice. All voted in favor of the motion.

The Chamber of Commerce submitted a request to close 3rd Street from the alley between Rowland and Morgan Street down to South Street from 8:00 a.m. to 8:00 p.m. on Thursday, August 10, 2000 for Crazy Days. Motion by Berndt, second by Stobb, to approve the request. All voted in favor of the motion.

The Chamber of Commerce submitted a request for a liquor license for the softball complex during the Box Car Days festivities. Motion by Rialson, second by Fraser, to approve the request. All voted in favor of the motion.

Greg and Marilyn Frederickson submitted a request to use the City sewer pipe running under the Tracy Public Library for their new restaurant, Maxine's, in the building next door. In a memo from Nielsen he suggested that if the council chose to grant the request they should have an easement document drawn up which specifies that Maxine's would be responsible for any maintenance or repair to the sewer line. Greg Frederickson was agreeable to that arrangement. Motion by Rialson, second

by Berndt, to grant the request. Koopman suggested making the maintenance of the sewer line the responsibility of Maxine's part of the motion. Nelson asked Polzine if he foresaw any problems. Polzine replied that he didn't. Nielsen asked if there is a basement underneath the library. Polzine stated there is but it is unfinished therefore nothing could be badly damaged if there were problems. All voted in favor of the motion.

The Planning Commission recommended granting a four foot side yard variance request from Robert and Donna Caron in order to build an addition onto their home. Included with the request was a petition signed by the owners of neighboring properties requesting that the appeal period be waived. Motion by Berndt, second by Fraser, to grant said variance request. All voted in favor of the motion.

Shorty Engel reported to the council that he had recently visited the Slayton swimming pool and had been introduced to Tom Schaffer of USAquatics, the company that built the pool. Engel asked Schaffer how much his company would charge to build a pool complex. Schaefer replied they could build one for 1.1 million. Engel said the best quote they had received so far was 2.3 million. Hannasch, Koopman, Con Rettmer and Engel met with Schaffer and the project engineer from USAquatics to discuss the Tracy pool. The USAquatics representatives took pictures of the pool site and asked the group if they were interested in a pool study. They said first they would do a needs assessment and study and evaluate what Tracy could use for pool facilities and what the pool site needs to bring it up to state codes. Second USAquatics would do a needs analysis for a fee of \$2000 and would take the results of the needs assessment and draw up three or four schematic designs. The cost of the designs would be \$3800. If at some point the City had USAquatics build a pool complex the \$5800 fee would apply as a 6% rollover.

Hannasch said if USAquatics gave a bid of 1.1 million and the actual cost came out to 1.25 million the fee would not change. He added that local contractors would be largely used for the project. Hannasch stated that an indoor pool had been discussed but after speaking with other communities staffing was a continual problem. Engel said that USAquatics would have a study completed within 30 days. Stobb asked if the three or four designs would entail a traditional pool or an aquatics center. Engel replied that they would aquatics center designs. One good thing is that the current pool would not need to be demolished, it could be used in the design and the bottom would be taken out. Stobb said he had spoken to Slayton's mayor who had nothing but good things to say about USAquatics. The bid Slayton received was what they paid, there were no additional costs. Motion by Stobb, second by Otto-Arvizu, to approve the pool study. All voted in favor of the motion.

Koopman presented a resolution approving change order number three for the sewer separation project. An additional 1000 feet of twelve inch watermain is needed south of the railroad tracks to increase pressure flow at a cost of \$37,223.30. Stobb asked if the money would come out of the contingency fund. Koopman replied that the work was part of the original bid so the money is available. Motion by Rialson, second by Stobb, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-25)

The Consent Calendar included the following: Municipal Accounts Payable; Multi-Purpose Center minutes for July 10, 2000; Economic Development Authority minutes for June 16, 2000; monthly financial report for June; Police Activity report for June; Fireman's Relief Association minutes for July 10, 2000; and Police Commission minutes for July 12, 2000. Motion by Berndt, seconded by Stobb, to adopt the above listed item. All voted in favor of the motion.

Hannasch reported that in March the first Southwest Mayors Meeting was held with 17 cities represented of the nine southwest counties. Another meeting was held in June in Pipestone. Representatives from Marshall, Worthington, Luverne and Pipestone were encouraged by the meeting. The next one will be held in Windom in September. Hannasch said southwest Minnesota cities are going to have to unite if they are going to accomplish anything in St. Paul. Area cities must be willing to invest in businesses to bring in new business and keep the old. Southwest mayors are planning to meet four times a year. Stobb said he heard similar things at the Southwest Regional Development Commission's meeting he attended in Heron Lake, that we work together and look for ways to change the trend of decreasing population in this area. Hannasch said they must also work to get a voice heard in the legislation. Stobb said Dean Barkley was the speaker at the meeting he attended who said transportation was important to southwest Minnesota but communication was even

more important with all the advances being made.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

July 31, 2000

A special meeting of the Tracy City Council was called to order at 7:00 p.m., Monday, July 31, 2000 in the Council Chambers of the Municipal Building. The following Council members were present C. Hannasch, B. Nelson, M. Fraser, J. Otto-Arvizu and R. Stobb. Members absent: D. Berndt and M. Rialson. Also present were Police Commission members: S. Larson, G. Surprenant and B Nelson. Staff members present: A. Koopman, F. Nielsen and B. Hillger.

The purpose of the meeting was to discuss the possibility of contracting with the Sheriff's Department for police protection. Chief Hillger informed the Council since he has become Chief, he has gone through the hiring process four times. The first and second time there were approximately 70 applicants. The third time there were only four applicants and the fourth time only three applicants applied. The last officer left after eleven months of employment. After the last officer left, he advertised for his replacement and received only one application. After re-advertising he has received only three requests for applications and has not received any applications back to date. He contended that he cannot provide good law enforcement without qualified officers and it's becoming more and more difficult to find them. He recommended pursuing a contract with the Lyon Council Sheriff's Department for police protection in the City.

The discussion included negotiating a contract consisting of 140 hours of coverage which would equal three and one-half officers. There would be very little difference in the current coverage the City receives. At an earlier meeting, Sheriff Stokke indicated that \$50,000 is normally a ballpark figure for the cost of an officer under contract. It was noted that if the City does contract with the County we would have access to a full-time investigator.

B. Nelson stated that he felt it was a great idea. After further discussion, Fraser moved and Nelson seconded to pursue negotiating a contract with Lyon County Sheriff's Department for police protection in the City of Tracy.

Mr. Nielsen suggested looking at other alternatives. For an example he suggested maybe an agreement could be reached between Walnut Grove, Tracy and Balaton for police protection.

Chief Hillger pointed out that there just are not enough applicants and contended that it may only get worse. Part of the problem is due to the COPS Grant, the Highway Patrol is hiring another 60 officers and the DNR has appropriated funds for an additional 30 Conservation Officers. Plus, a number of officers are taking advantage of early retirement. We can't compete financially with the larger communities or the Sheriff's Department.

After further discussion, all voted in favor of the motion to pursue a contract with the Sheriff's Department for police protection in the City.

The Mayor appointed the following Committee to meet with the Sheriff's Department to discuss contracting: B. Nelson, R. Stobb, C. Hannasch, A. Koopman. B. Hillger and the Police Commission.

248

The meeting was scheduled on Monday, August 7th at 7:30 p.m.

There being no further business, Nelson moved and Stobb seconded to adjourn. All voted in favor of the motion at 7:40 p.m.

ATTEST:

City Administrator

Mayor

August 14, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, August 14, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Absent was M. Fraser. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the July 24, 2000 City Council meeting. Motion by Berndt, seconded by Nelson, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added were (4C1) VFW Building; (4C2) Cauwels property; (6C) Humane Society; and (11B) DTG. Motion by Rialson, seconded by Stobb, to approve the agenda as now written. All voted in favor of the motion.

Hannasch reported that a bid had been submitted by North Star Modular Homes on behalf of Guys and Irene Bakker in the amount of \$250.00 for a lot in the Youman and Randall Addition. Koopman stated that it was the only bid received by the City. Motion by Rialson, second by Nelson, to accept the bid. All voted in favor of the motion.

A proposal to modify a City easement in the area of Lots 1 & 2, Block 1 of the Maerten's Addition was discussed. Nielsen stated that the original easement covered a very broad piece of undeveloped property when it was established back in 1912. Now there are around 20 homes located in the area in question. As the easement is currently written it would run through the foundations and yards of several homes. Polzine said from the City's viewpoint he was comfortable with narrowing the easement as shown in a plat map distributed to council members. Nielsen added that the easements shown on the map would be kept as is, but the easement in question would be narrowed. Motion by Stobb, second by Nelson, to approve the easement change. All voted in favor of the motion.

Hannasch asked if Police Chief Hillger had any information to provide regarding four unabated public nuisances. Hillger said he had spoken with Dale Johnson Jr. regarding the unlicensed cars at 410 Craig Avenue. Johnson said he would be contacting the owners of the vehicles to come and get them.

Koopman referred to the nuisance at 330 4th Street and said the owners, Per and Elaine Wickstrom, had issued an eviction notice to the current occupant, Robert Schaefer. Schaefer has so far ignored the notice. Nielsen recommended proceeding with legal action and letting the owners and occupant work out the situation themselves.

Hannasch asked if Johnson had given a timeline when he would have the unlicensed vehicles removed from his property. Hillger replied that he didn't and recommended proceeding with his nuisance as well. Nielsen asked about the unlicensed vehicle at 348 8th Street since the owner was given a 60 day extension. Hillger said he would have to check when the 60 days expire. Motion by Berndt, second by Stobb, to proceed with the nuisances at 330 4th Street, 451 5th Street and 410 Craig Avenue. All voted in favor of the motion.

Hannasch referred to memos received by Jim Kerr and Joe Smarzik's attorney, Judith Christianson, in regard to the unabated nuisance at the old VFW building. Hillger passed around several photos of the location. Hannasch stated that the memo from Kerr explains the photos very well and added that the nuisance issue has been going on for a very long time. Stobb asked if Christianson had said the vehicles were licensed. Otto-Arvizu added that Christianson stated the vehicles are operational. Koopman reported that one of the vehicles has a flat tire and there were windows out on some. Hannasch stated that photo number three shows how Smarzik is trying to mask the problem. He added that the letter from Christianson says otherwise, but he feels the nuisance has not been abated and suggested proceeding with whatever legal avenue the City had to take.

Otto-Arvizu said she was not sure who should be addressed, but in following the memos between Kerr and Christianson Otto-Arvizu asked if the fence was in question since it was being propped up. Nielsen stated that according to the court order all the machinery north of the fence was supposed to be removed and the vegetation cut and sprayed. Instead Smarzik used the fence to hide everything.

Hillger added that there is some reference to making the vehicles licensed and operational or storing them in accordance to the City ordinance. Nielsen said he was not sure if it was the ordinance or the statute which referred to storing of unlicensed vehicles. Motion by Nelson, second by Rialson, to take action on the unabated nuisance. Otto-Arvizu asked if they were referring to the property on Highway 14 or on 5th Street. Hannasch replied it was the Highway 14 property. Stobb asked if the inside of the building had ever been inspected. Koopman replied that they never received a search warrant to inspect.

Hannasch tabled the discussion at 7:45 to hold a public hearing on the NSP franchise ordinance. Nielsen reported that he had not yet received a revised ordinance from NSP. Hannasch asked if there was anything the council could do until the ordinance was received. Nielsen replied that in the last conversation he had with the NSP, the representative said that NSP realized there were some issues that they were not satisfied with either. Nielsen suggested waiting until the amended copy was received. Hannasch said the public hearing would be continued at the August 28, 2000 meeting at 7:45 p.m.

Hannasch routed discussion back to 2000 nuisances and asked for information on the property at 451 5th Street. Hillger reported that there was debris on the back steps and sidewalk and noxious weeds along the fence line at the side and back property lines.

Koopman passed around photos taken by Kerr of the garage on the Cauwels property at 336 6th Street. Otto-Arvizu asked if the large garage doors were just leaning against something or if they were attached to the garage. Hannasch said they are attached overhead doors and won't drop off but they don't close all the way. He added that the owner nailed plywood over one door and the whole property is overgrown with weeds and hasn't been taken care of at all. Otto-Arvizu asked if the garage was secure and if the pictures were taken through an open door. Hannasch replied that the pictures were taken through a window.

Hillger stated that Gary Garrels, John Judkins and he barricaded the front door of the house with boards but Cauwels took the boards off to retrieve a refrigerator. Hannasch said the house is boarded up again and felt that the council should proceed with the garage. Otto-Arvizu asked Nielsen if a house is condemned and the garage is secure is it within the council's realm to condemn the garage just because it isn't pretty. Hannasch stated that the overhead doors won't close all the way so it is not secure. Hillger added that children always find a way into abandoned buildings whether they're secure or not. Stobb asked if the council should have a written recommendation from the building inspector and fire marshal before taking action. Rialson made a motion to get a written inspection on the garage before taking action and Nelson seconded. All voted in favor of the motion.

Linda Guild of 638 4th Street approached the council regarding the written warning she had received for overfilling her garbage dumpster. She stated that she paid her bill once a month but doesn't put her garbage out every week. Guild asked to see the picture taken of her dumpster and after viewing it stated that it couldn't be considered 75% full when there were only two rugs and two small bags of garbage in it. Hannasch replied that since Ritter's Sanitary services around 800 properties there is no way for them to keep track of who puts their garbage out every week or not. He added that he wouldn't want garbage sitting around for a month at his home. Guild replied that she was not always home to set out her garbage but has since changed to alley service so her pick-up day is now Wednesday. Hannasch admitted there were probably a few people caught in a similar situation when the inspections were done.

Erwin Domine of 460 Monroe Street stated that he received a letter from Koopman which was quite a shock. He said he doesn't recall signing up for any particular garbage service and hauls his own garbage in a trailer. Domine said he will continue to haul his own garbage as long as the City of Tracy sees fit to instill such an ordinance. He said he contacted Koopman and asked her to show him where he signed for the 15 gallon service. Koopman stated according to policy at the time that letters were sent to all consumers to select a garbage rate and if no response was received the highest rate would be charged. Since Domine was listed with a 15 gallon rate he must have returned the letter. Domine asked to see the letter but Koopman informed him that the records were not permanent and had been destroyed. Domine said he was not going to patronize a service where it is a misdemeanor to overfill a garbage container. Hannasch said at the time of the inspections Domine's container was overfilled.

Domine replied that the City now has cops sticking their head into garbage cans and it is tearing the town apart. He added that he has lived in Tracy for 50 years and never had any problems until now. Domine said he will continue hauling his own garbage and discontinue paying for garbage service.

Brenda Beck submitted a request for a liquor license. Beck is in the process of purchasing the Pizza Barn and wants to turn it into a bar and restaurant with an arcade in the basement. Koopman stated that Beck filled out an application and paid the license fee. There are no background incidents to report. Rialson asked if the application was for Sunday liquor too. Koopman replied that it was. Motion by Nelson, second by Rialson, to grant said license. All voted in favor of the motion.

Hannasch reported that a special use permit request had been received by Steve Ostgaard to run an endmill sharpening business at 245 North Street. Hannasch stated that the permit had been approved by the Planning Commission. He added that it had been brought to his attention that the business would be located in the home of Ostgaard's mother. Hannasch explained that an endmill is a drilling and shaping bit used by tool and die companies. Ostgaard had been employed by a endmill sharpening business and decided to start his own service. Stobb added that only family members would currently be employed in the business but if it were to grow Ostgaard would plan to move to a different location. Motion by Stobb, second by Berndt, to approve the special use permit. All voted in favor of the motion.

A variance request was received from Darwin Saxton at 344 Rowland Street to construct a garage with a four foot side yard. The request was approved by the Planning Commission. Motion by Nelson, second by Rialson, to grant said variance. All voted in favor of the motion.

Hannasch reported that a letter had been received from the Human Society in Marshall asking the City to pay for stray dogs taken to the Lyon County Dog Pound. Hannasch said it was unusual to receive the request totaling \$1987.50 in the middle of the year. Otto-Arvizu said she thought the bill was for the year 2001. Hannasch replied that it was for the year 2000, and a request for 2001 would be made later this summer. Rialson asked who had been paying the cost up to now. Koopman answered that Lyon County and donations had been covering the costs. Stobb said he thought it was strange that the letter didn't indicate when the county was stopping payments to the pound and he thought the City should get more information about the fee other than it was based on 1999 figures. Stobb made a motion that the council get more information from the Humane Society before taking action and Rialson seconded. All voted in favor of the motion.

Motion by Stobb, second by Berndt, to adopt a resolution approving the payment of estimate no. 2 in the amount of \$309,562.55 to Scott Olson Digging, Inc. for the sewer separation project. All voted in favor of the motion. (Res. No. 2000-26)

Motion by Berndt, second by Stobb, to adopt a resolution approving payment to Moorseal, Inc. in the amount of \$7,709.06 for City street crack filling and seal coating project. All voted in favor of the motion. (Res. No. 2000-27)

Stobb reported that Berndt, Fraser and he had met with Virginia Garvey and Steve Larson to discuss a complaint received from Garvey regarding the garbage service. It is the recommendation of the committee that Larson not step on Garvey's property any longer. A generous offer was received from Otto-Arvizu and her husband that they would make sure Garvey's garbage was set out and the container was returned to a convenient location each week. Hannasch thanked Otto-Arvizu for her offer. Otto-Arvizu stated that Garvey did accept the proposal.

Nelson, Koopman, Stobb, Hannasch and Hillger attended a meeting to discuss a possible contract with the Lyon County Sheriff's department for officers to patrol Tracy. Hannasch said that some figures are available but the committee is still negotiating. Koopman, Hannasch, Hillger and Stokke will meet again to further discuss the contract.

The Consent Calendar included the following: monthly financial report for July; County Court report; Cemetery Commission minutes for July 20, 2000; Election Judges Slate; Planning Commission minutes for July 24 and July 31, 2000; and Municipal Accounts Payable. Motion by Nelson, seconded by Rialson, to approve the above listed items. All voted in favor of the motion.

Koopman introduced the 2001 budget requests from department heads. She said no action would be taken now but provided copies for the council to review. Koopman overviewed the major budget changes for each department. Under the Administration department there was a reduction of \$11,500 under Other Contractual Services due to the \$10,000 fee for a study that was done in the year 2000.

Con Rettmer presented the reasons for the EDA's request for a \$25,000 increase in the Revolving Loan Fund. Since the EDA issued their first business loan in 1991 there have only been two failures, a \$2000 loss and a \$7000 loss. Rettmer reported that there are currently 20 loans on the books and the end of the year should bring the loan fund to a balance of \$46,133.16. The EDA is requesting \$30,000 for the Revolving Loan Fund in order to build up a reserve in the account. Koopman asked him what the return is on a monthly basis. Rettmer replied the EDA receives \$2920.00 each month.

Koopman stated that an additional \$25,000 was added to the Municipal Building budget in order to retrofit the bleachers as required by Minnesota state legislation. There is also an additional \$7500 under Equipment & Improvements finish replacing windows in the building.

Hillger reported that his budget request included a \$3000 increase for Overtime Wages due to the fact that overtime wages cover holiday pay which doesn't leave a lot of extra. Stand-by Wages were increased by \$1000 and office supplies were increased by \$400.

Keith Engesser presented a budget request to increase the City Fireman's Relief Fund by \$2500. The Fire Department is also requesting a \$1000 increase in equipment replacement to save up for new fire trucks and a \$1500 increase in equipment & improvements purchase new radios for weather spotting. Engesser said a new pumper truck is going to cost around \$200,000.

Don Polzine reported few changes for the Street and Parks department. There is a \$690 increase for communications due to the need for a second cell phone. Under equipment and improvements there is extra money budgeted to build new bathrooms in Central Park near the picnic shelter. Otto-Arvizu asked if new bathrooms were preferable to repairing those in the band shelter. Polzine replied that the band shelter bathrooms are in very bad shape and since they are in the basement there is no way of policing when kids go into them. There have been several times when they have had to be locked up because of vandalism. Koopman added that they are also not handicapped accessible. Stobb asked if the money budgeted for the bathrooms was in addition to the Planning Commission funds. Koopman replied that the money would be combined and that much of the Street and Parks department funds would come from excess money budgeted last year to purchase the state shop which was given to the City.

Koopman stated that there was additional money budgeted for the Swimming Pool because they are looking into purchasing heaters for the pool. Revenue for swimming lessons is being lost because of the cold water.

Koopman informed council members that under the Unallocated funds the \$17,000 listed under Transfers-Out is the City's contribution to the Senior Center. Because of a state health inspector's report some improvements need to be made at the Senior Center. Additional funds were requested in the Senior Center budget for the repairs.

Polzine stated that the Utilities budget was relatively unchanged except for Transfers-Out with an increase of about \$10,000 due to the jump in the bond payment amortization schedule.

Koopman said she would have her budget recommendations ready for the September 11 meeting but the budget has to be certified by September 15, 2000 so that doesn't leave a lot of time. A special meeting may be required to review the budget.

Koopman stated that she had received a few calls concerned with the digging that DTG was doing around the City to install underground cable lines. Several people had complained about the condition of streets, property and public right-of-ways. Koopman asked that people be patient because there are many areas that DTG has to go back to in order to tie in cable lines. She added that the work is guaranteed for a year so the City is covered.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

August 28, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, August 28, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the August 14, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added were (4B) A report from Rialson; (6C) Cigarette license request; (7B) Sheriff's contract; and (11A.2) Information on Worthington. Deleted was (5A) the public hearing on the NSP Franchise, which will be rescheduled when information is received by the City. Motion by Rialson, seconded by Nelson, to approve the agenda as now written. All voted in favor of the motion.

An inspection report was received about the garage at 336 6th Street. The report indicated that the garage is a hazard to public safety and Hannasch recommended taking action to get the garage demolished along with the house. Motion by Stobb, second by Fraser, to proceed with all necessary legal action. All voted in favor of the motion.

Rialson reported that two couples came to him regarding the poor condition of a house and garage at 174 Center Street. Rialson stated that the garage is open and full of garbage which kids are playing in and throwing into the alley behind the house. This is causing a driving hazard in the alley. Rialson made a motion to have the house and garage inspected. Nelson seconded the motion. Rialson said the people who contacted him about the house also complained that the grass was very long, which has since been mowed, but there are weeds four to five feet high. He thought the house should be inspected on the inside if they could get in. Koopman stated they would not be able to get inside without a search warrant but they could inspect it from the outside. All voted in favor of the motion.

Hannasch stated that since there had been some discussion about a uniform garbage rate he had received several phone calls, both pro and con. Hannasch said he feels that when the council made the decision several years ago to go with a split rate he thought it was a good idea. Now that there have been people violating the ordinance and confusion about the system it would be simpler to go with one rate. Hannasch said he did have one caller who suggested giving the one rate system a six month trial period. He added that Worthington was on a split rate system for a number of years but went back to one rate.

Rialson stated he had some questions about the proposal. According to the memo received by the council it came from the City Administrator. He asked if Koopman was the one submitting the proposal. Hannasch said he was the one who proposed the one rate. Rialson said that Koopman's signature was on the memo. He stated he had the City Administrator's job description and it doesn't say the position has the authority to propose changes to the council. Hannasch said he gave the information to Koopman and it was his recommendation to put the proposal on the agenda. Koopman stated that the memo she sent was not proposing a change but it was her job to provide information to the council and how that information was gathered. She further specified that the memo does not state she is proposing the uniform rate. Koopman added that she frequently sends memos containing information pertinent to agenda topics.

Hannasch said the uniform rate they arrived at lies between the current highest and lowest rates. Hannasch stated that he doesn't believe two extra dollars a month for garbage service would create a hardship for anyone but would eliminate a lot of problems. He added that if it did create a hardship for anyone they should contact the City to discuss their situation. In response to the complaints about the police becoming involved with the garbage violations Hannasch said that the police are responsible for enforcing ordinances. He considers it a problem when about 30% of the people signed up for the small garbage rate were in violation.

Rialson stated that the multiple rate system was in use for two years and there weren't any problems

until it was insisted that every customer receive a big, clumsy, ugly blue container. There were problems with people who didn't understand. Rialson said he would like to give the penalty system a chance to work. Fraser concurred saying he had a few phone calls and he would like to give the system at least a six month trial. Otto-Arvizu said she would second that and added that she would like to see the contract finished out as is. She addressed Mayor Hannasch stating that he had made two comments that the garbage issue should not be brought up anymore yet it continues to be brought up on the agenda. Otto-Arvizu added that she felt recycling would be further reduced by going to one rate and asked Steve Larson how recycling was progressing. Larson replied that he had never seen it as good as it is right now.

Hannasch said two weeks ago there were two people who spoke to the council about the garbage violations and complained about police involvement in inspecting containers. He felt that the single rate would eliminate that issue. Hannasch added that he didn't disagree with Fraser about a six month trial period but if people decided they only wanted to put out garbage once a month they should switch to the higher rate. Motion by Otto-Arvizu to continue with the garbage contract in its present form, second by Nelson. Berndt asked if that meant continuing with the fines they established for violations. Hannasch replied that the fines are part of the ordinance. Stobb pointed out that those in violation were not hurting the City or Ritter's Sanitary Service but were "stealing" service and hurting other citizens. All voted in favor of the motion.

Hannasch presented a request from the Chamber of Commerce for a dance license. Motion by Nelson, second by Stobb, to approve the request. All voted in favor of the motion.

Brenda Beck submitted a request for a cigarette license for her new business The Pool Hut, formerly the Pizza Barn. Beck hopes to be open by Labor Day weekend. Motion by Rialson, second by Berndt, to approve the license request. All voted in favor of the motion.

The Southwest Regional Development Commission yearly report was tabled until 8:00 p.m.

Hannasch reported that a meeting was held to negotiate the contract with the Lyon County Sheriff's department. Attending were Hannasch, Koopman, Sheriff Stokke, Jerry Gladis and Mark Jorgenson and Steve Larson. The total proposed by the county was \$185,000 which is equal to \$50,000 times 3.7 full time officers and \$7500 in variable costs. The City of Tracy would get two sets of vehicles and the county requested that Tracy give them one and one-half sets of vehicles. The figure came out to \$26.44 per hour plus giving up the Tracy Police vehicles. Hannasch proposed a counteroffer of \$25.00 per hour and seeking compensation for the police equipment, perhaps by installment payments. Lyon County currently has contracts with Cottonwood, Russell and Lynd. Cottonwood is contracted for \$23.65 per hour and Russell and Lynd are each contracted for \$24.03 per hour. Jorgenson had stated that Cottonwood has been contracted for several years which is the reason for the lower rate.

Koopman stated that true cost of putting officers on the road is \$26.44 per hour but it is a considerably higher amount than charged to the other communities. Gladis had stated he felt that when each contract came due it should be increased to the true cost of operations so that all cities had the same rate. Koopman was invited to the County Commissioners meeting on Tuesday, September 5, to present a proposal on behalf of the City of Tracy.

Hannasch said the City had only received five applications for the two positions open in the Police Department. This is a big concern as it seems as soon as there is an opening at the county level many officers apply there. An incentive at the county level is officers get their own car and the pay scale is better.

Otto-Arvizu asked how many hours the proposed contract was for. Koopman replied that the City was looking to contract 140 hours. Otto-Arvizu asked if that means an officer would be located in the city for all of those 140 hours. Koopman replied that the contract would include 140 hours of active duty in the City. Berndt asked who picked the hours. Koopman replied that the sheriff's department would prepare the schedule. Berndt asked if Russell and Lynd contracted for \$24.03 why Tracy wasn't going to ask for the same rate. Koopman said she agreed and they made that argument at the meeting with county officials. One County Commissioner was shocked that not all the contracts were the same.

Koopman said she was surprised that the same scrutiny of operating costs wasn't given when the county was contracting with Russell and Lynd. Berndt asked if the county purchased their equipment. Koopman replied that Russell was the one with a vehicle but the county did purchase it from them. Berndt questioned why the county couldn't purchase Tracy's vehicles. She said they tried to stress that the hourly fee would be acceptable with the understanding that all contracts next year would be changed to reflect the same cost.

Berndt said he didn't want to see officers only patrolling during afternoon hours. Koopman said they would actually have officers located in Tracy. Hannasch added that officers would be required to have a ten minute response time which would limit where they could reside, but Tracy can't force an officer to live within city limits. Otto-Arvizu asked how the officers' presence would be guaranteed. Koopman replied that the City would contract for 140 hours where an officer would be on duty within city limits and require a ten minute response for on-call time. Stobb said the council would want some evidence that the officers' presence is proven and the City is getting the hours paid for. Koopman replied that the county would be held accountable and would have to keep records of the hours put in. Otto-Arvizu asked about the ten minute response time stating that when she was on the ambulance service there was always an officer on the scene with oxygen, a defibrillator or a crash kit before the ambulance arrived. An officer wouldn't always be there if they had ten minutes to respond. Otto-Arvizu said she had no problem giving mutual aid to other communities but she didn't want to see officers just swinging through town while patrolling other areas of the county and said she would like this nailed down in the contract. Koopman stated that she agreed it would have to be very clear in the contract that while an officer is on duty he is expected to be within city limits. Hillger pointed out that Sheriff Stokke had stated an officer may have to go on a call outside of Tracy if no other officer was available.

Berndt asked what was being done with the applications that had been received, if there was any interviewing being done. He thought that the City should be proceeding with the applicants in case a contract can't be negotiated. Nelson asked what if an officer was hired then two months down the road the City decided to contract with Lyon County. There would be no guarantee that the officer would be hired by the county. Koopman said she would get more information after the County Commissioners meeting next Tuesday. Stobb asked how long does it take to process applications. Hillger replied roughly six weeks. Stobb asked if the council would have an answer within six weeks from the county. Koopman said it may be the first of the year before everything was worked through. Hillger said the sheriff's department already has an eligibility list but that is no assurance that the applicants would still be available.

Stobb stated that the City was asking for 140 hours of coverage per week, and since there is 168 hours in a week that would average out to only four hours of on-call time per day. Hannasch stated that with schooling, vacation, etc. the average on-duty time over the past year has been 147 hours per week. The City would be getting close to the same coverage as it is currently getting with four full time officers. Berndt asked what would happen with the police secretary position. Hillger replied that Janell Hemish had already resigned from the position.

Stobb said he would like some assurance that the four wheel drive vehicle would stay in Tracy. Hannasch said the Tracy Ambulance Service also requested it stay in Tracy and expressed interest in buying the vehicle when its service time was up. The county has already said it will not replace it with another four wheel drive vehicle.

Berndt stated that he was not in support of contracting with the county but felt that the City should counteroffer with a figure of \$24.03 per hour plus require the county to purchase police equipment. Nelson supported that idea. Stobb said that since they are still negotiating it makes sense to go back with the same amount the other towns contracted for.

Aaron Reeves introduced himself as the new executive director of the Southwest Regional Development Commission. He passed out a yearly report to council members. Reeves explained the report describes the activities and money spent by the commission over the past year. He said he wanted area city councils to take a look at what the Development Commission was doing and offer suggestions or ideas or to let him know if changes were needed. The Development Commission is currently starting county-wide meetings at the end of September to set the legislative agenda. Some

of the topics that will be discussed are telecommunications and electric company deregulation. The plan is to discuss what bills our representatives should be drafting and supporting. Members of the development commission will be available to attend legislative committee meetings to let other representatives know what our region wants. Reeves wanted to stress that the Commission is here to help. Hannasch stated that after the council had a chance to review the report they may have questions. Reeves added that he is trying to focus on things that will benefit the region as a whole, not just larger cities, so the Development Commission needs to make sure every community is involved.

Hannasch referred back to discussion on the police department. He suggested proceeding with the applications that had been received, stating that the council owes it to Tracy citizens to pursue all options.

The Consent Calendar included the following: Economic Development Authority minutes for July 21, 2000; Fireman's Relief Association minutes for August 7, 2000; Multi-Purpose Center minutes for August 7, 2000; and Municipal Accounts Payable. Motion by Fraser, seconded by Nelson, to adopt the above listed items. All voted in favor of the motion.

Koopman reported that the 2001 budget in its current form represents a 6.8% increase. The debt Levy increased by 2.7% and the General Fund increased by 14%, which is mostly due to the bleacher retrofit. The Community Education budget won't be finalized until some swimming pool issues are worked through. There was a sizeable increase in Health Insurance premiums for City employees so money was budgeted to reflect the increase. The City is looking into other firms or another plan with the current company with lower premiums so the budget will be reduced before it is finalized.

Nelson said the EDA had requested \$30,000 for the revolving loan fund which had been cut to \$25,000. He suggested that it should be left at \$30,000 in order to assist in bringing more business into Tracy. All council members agreed with Nelson. Stobb referred to the swimming pool budget being reduced from \$40,000 to \$20,000 and asked if funds were being removed that could be used to renovate the pool. Koopman replied that she originally put the budget at \$40,000 but after looking at the current funds there is sufficient monies to purchase heaters and other equipment without increasing the budget. In addition they will continue to levy at the full budget for the police department in case a contract doesn't work out with the Lyon County Sheriff's Department. If it does work the extra revenue could be used for the pool. Hannasch said there had been a meeting earlier in the day regarding the swimming pool and things looked favorable to possibly build an aquatic center at one-half the price as previously quoted. And with the heaters installed it will keep people coming to Tracy to swim.

Fraser questioned the City aid to the Fireman's Relief Association. The fire department had requested \$5000 and the budget had been set at \$3000. Koopman replied that a couple of years ago there was a real drop in the stock market and the City had to come up with funds to cover the fireman's relief. At that time it was agreed that Schedules I and II would be used as a guide to determine the City's annual contribution to the Relief Association. Because the Schedule I and II reflected zero contribution, the Administrator agreed that she would recommend a minimum contribution of \$2,500 which she not increased by \$500. The problem is the more that is contributed by the City the more is required in the future, which would be okay if the bond market were to stay constant. Fraser asked if the proposed budget meets the needs of the relief association. Koopman replied that it exceeds the needs. Hannasch stated that a retiring fireman receives \$1200 for every year of service to the department. But the more funds put into the relief association the faster and higher the retirement amount climbs.

Otto-Arvizu asked if the state determines the figure. Koopman replied that Schedules I and II are prepared by our auditors. Rialson asked if the amount was paid out in a lump sum. Polzine replied yes and added that \$1200 per year of service is received only if a fireman has put in 20 years or more. Otherwise it is scaled down. Koopman stated that the budget would be on the agenda from now until December when it is finalized.

Koopman reported that she had spoken to Mark Farrell, a representative of the Human Society, and learned that Lyon County still contributes funds but only for animals picked up outside of city limits.

Koopman said many communities are trying to have the sheriff's department collect the fine and present a receipt to the Humane Society prior to picking up the animal. The bill received from the Humane Society is \$1987.50. Motion by Otto-Arvizu, second by Stobb, to approve payment to the Humane Society. All voted in favor of the motion.

Hannasch reported that three council members terms expired this year and applications for the positions would be accepted starting August 29 through September 12. Rialson, Berndt and Fraser's terms are ending this year. Hannasch encouraged anyone interested to apply at the City Municipal Building.

Hannasch informed the council that every year area mayors receive an invitation to Worthington's Turkey Days. He is unable to attend this year and asked if one of the council members and their spouse would like to go. The event will be Saturday, September 16, and includes happy hour and dinner, a bus trip downtown to watch the parade, and then a bus ride to the country club. Events would begin about 10:00 a.m. and end around 6:00 p.m.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

September 11, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, September 11, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the August 28, 2000 City Council meeting. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. There being none, motion by Fraser, seconded by Berndt, to approve the agenda as written. All voted in favor of the motion.

Mayor Hannasch informed the council that a hazardous building inspection report had been received from the City Building Inspector and Fire Marshal on the property at 174 Center Street. According to the report Garrels and Judkins felt the house and garage were more of a nuisance than a health and safety violation. Koopman passed around photos of the buildings. Stobb asked if only the garage was inspected. Hannasch replied that the garage was open to inspect but they didn't have a warrant to inspect the inside of the house.

Garrels said the house in their opinion was not a safety hazard. He did say there was plywood over the front windows which was possibly blocking egress emergency exits, but there were windows accessible on back side. Upon looking into the house through the windows it looked relatively clean and the house is secure. Garrels said the mess is around the exterior of the house and in the garage. Hannasch asked Chief Hillger if there had been any break-ins reported. Hillger replied there weren't any in the house but there had been reports of kids in the garage throwing out garbage. Hannasch asked if there were any doors on the garage. Garrels replied there weren't and the garage is wide open. Hannasch asked if the owners were to clean and fix up the garage would they have to secure it. Garrels replied that it wasn't worth fixing in his opinion but they would be required to secure the garage.

Hannasch asked if the pails in the garage were filled with hazardous material. Garrels replied that it looks like waste oil. Motion by Stobb to proceed with serving a notice of public nuisance and order the owner to clean up the property and either secure the garage or raze it. Rialson seconded the motion. All voted in favor of the above stated motion. Hannasch asked Koopman to contact Nielsen and proceed with a nuisance notice.

Motion by Nelson, second by Fraser, to adopt a resolution approving the payment of estimate no. 3 in the amount of \$170,110.90 to Scott Olson Digging, Inc. for the sewer separation project. All voted in favor of the motion. (Res. No. 2000-28)

The Consent Calendar included the following: Cemetery Commission minutes for August 17, 2000; and Municipal Accounts Payable. Motion by Berndt, seconded by Nelson, to approve the above listed items. All voted in favor of the motion.

Hannasch referred to Koopman's memo regarding the meeting with County Commissioners to discuss the possible contract with the Lyon County Sheriff's Department. The County Commission stood firm in their request for \$26.44 per hour to contract officers. Koopman's memo explains the commissioners' reasons for the cost, the primary reason being that \$26.44 per hour works out to be the actual cost of service.

Koopman explained that the city would contract for 140 hours per week of active duty. Active duty was defined as being physically on duty within the city limits. The contract would include 28 hours per week of on call time which would require a deputy to respond within 10 minutes. If an officer were called out of town on an emergency an on-call officer would be used. The goal is to receive the same type of law enforcement coverage as the City currently has. Koopman said she feels that a lot of people don't understand what type of contract the City is trying to obtain. The City will still need to negotiate the sale of police vehicles and come to an agreement on the rental of office space if plans

are to have an office in Tracy.

Hannasch informed the council that officers are coming to test this coming Saturday. Hillger stated that he sent out five letters in response to applications received and hoped that all five would show up for testing. Stobb asked in reference to Koopman's memo if the consensus of the commission meant the County Commission or the Police Commission. Koopman replied it was the County Commission and they agreed on contract terms by consensus rather than by motion since they are still in negotiations. Fraser asked Koopman if she got the feeling that the \$26.44 per hour rate was non-negotiable. Koopman replied yes and said she felt the commission gave her legitimate documentation in regard to their reasons for the price. The difference in price compared to the other cities who have contracted was due to the contract terms required by Tracy. Tracy is requesting 140 hours per week plus a 10 minute response time. The other cities don't have this requirement. Lynd and Russell contracted for 20 hours per week and Cottonwood contracted for 200 hours per month.

Berndt asked if another meeting had been set up with the County Commissioners. Koopman replied that she needed the council's approval to pursue the contract. Berndt suggested waiting at least until Saturday to see if there were potential officers. He also said the council should get some numbers for the office space rental and equipment purchase before pursuing any further. Hannasch replied that these things were part of the negotiations and part of the reason for meeting with the county commission. Koopman stated that the real question is if the City is seriously planning to contract with Lyon County or would they be wasting a lot of time and energy just fishing for costs. She added that by contracting they would be saving the City approximately \$7500 per year. Koopman said she knows this is not a monetary issue but in looking at the big picture it's something to consider.

Berndt said his concern is protection. In looking at the hours can the sheriff pull an officer out of town to do a transport on our hours. Koopman replied that she had stated at the county meeting that the City would require coverage within City limits. Under the normal course of duty someone would have to be on call but that time does not apply to the 140 hours of on duty time. If an officer was called out to do a transfer it would have to stipulated that it was not on duty time. Berndt asked if the 140 hours could be any time of day. Koopman said the City can request that officers be on duty during heavier traffic times and ask that certain hours be covered. Otto-Arvizu stated that she had expressed her concerns at the last meeting and felt that through Koopman's memo the County Commissioners had addressed those concerns. She added that during special events there are often two officers on duty and asked if the City could request that. Koopman said she could address it with the county. Otto-Arvizu said she would like to see a continuation of positive interaction with City youth. Koopman replied that the county did have the D.A.R.E. Program but they are currently without a trained D.A.R.E. officer.

Rialson asked if a decision had to be made immediately or if the council could wait to see what happened with the interviews on Saturday. Hannasch said he was concerned that if the council waited they could lose two weeks if there weren't any qualified officers available. Stobb said he feels that somewhere down the road the City will contract with Lyon County. But as time has gone on he has heard more and more sentiment about keeping the Tracy Police force. Stobb said he was leaning towards maintaining the City police and made a motion to make hiring two officers the first priority and if qualified officers are not found to pursue a contract with the county at the next County Commissioners meeting. Hannasch stated he thought that was a sensible motion. Rialson seconded the motion. Stobb added that he felt it was a good idea to inform the applicants of the situation. Hannasch said he thought if it was the council's consensus to keep the police department in Tracy it should be pursued. He added that many other communities are also finding qualified officers hard to come by. Stobb said to him it was worth the \$7500 to keep good officers in Tracy.

Koopman asked what the council planned to do if there were only two individuals that qualified. She asked if that would be a fair enough comparison to fill the positions and should they put everything on hold when they're not sure the positions will be filled. Hannasch asked Hillger if he would be able to tell from the testing if an applicant was qualified. Hillger replied that he wouldn't have accepted an application if someone wasn't qualified. What needs to be determined now is if an officer is compatible with Tracy. All the applicants are either currently licensed or eligible to be licensed. The process now involves weeding out who would work best in the Tracy community.

Hannasch stated that if the council continues to pursue a contract with Lyon County nothing would take place until a contract is signed. In addition there is the possibility that if someone is hired by the City they could also be hired by the county. Nelson stated that the council needed to decide if the City is going to contract with the county or keep the police department. He felt it is an either/or situation that should be decided tonight. Hannasch said he thought the options should be looked at first. Nelson stated if he was an officer he would not come to interview in Tracy since there is a chance of contracting with the county. Berndt asked Hillger if the county currently has officers available why they weren't used for Box Car Days. Hillger replied that he had assurance from Stokke that he would have officers in the area over the weekend, but Hillger had former and local police officers willing to cover in Tracy.

Hannasch stated that more and more cities will probably going with the county because of a shortage of officers. Rialson called for a vote on Stobb's motion. All voted in favor of the motion.

Stobb said he agreed 100% that there is a shortage of officers, but if it happened that officers with experience applied and were qualified he stated he would like to see starting them at something higher than entry level salary. Hannasch said they would have to check on the legalities with the police union. Hillger stated that he didn't think the union would be involved in this issue. There are a lot of police forces hiring laterally. Koopman said that the pay scale even at six years of service is less than the starting salary at the sheriff's department. Stobb said he had to believe that not every officer wants to be located in a big city. Hannasch said he believes the appeal at the county level is that each officer has his own vehicle to identify with. There is a pride in ownership factor.

Stobb said he didn't know what the rest of the council thought about salaries but he made a motion that if an officer has experience to look at starting at a higher wage. Nelson asked who would decide what starting pay should be. Stobb said that since the Police Commission is involved in the interviews they could make a recommendation. Hannasch added that they wouldn't want to start anyone at a higher salary than the lowest paid officer. Berndt seconded Stobb's motion. Hannasch asked if this issue would go to the Police Commission. Stobb said he trusted that body to make that judgement. All voted in favor of the motion.

Hannasch introduced a resolution adopting the proposed tax levy for 2000, collectible in 2001. The proposed increases would include a 2.7% increase in Debt Service and a 17.6% increase in the General Fund which equals an 8.1% increase overall. Motion by Nelson, second by Stobb to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-29)

Motion by Nelson, second by Fraser, to adopt a resolution authorizing a tax rate increase for the 2000 tax levy, collectible in 2001. All voted in favor of the motion. (Res. No. 2000-30)

Koopman asked for the council's approval to set the Truth in Taxation Hearing for December 4, 2000 and if needed a continuation hearing for December 11, 2000. Motion by Rialson, second by Nelson, to approve the hearing dates. All voted in favor of the motion.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

September 25, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, September 25, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was J. Otto-Arvizu. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the September 11, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added was (6B) Job Descriptions. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Hannasch referred to a memo received from Jim Kerr regarding the public nuisances enforcement procedure. Hannasch said the recommended changes had not yet been discussed with the council.

Otto-Arvizu arrived at 7:32.

Hannasch stated he would like to see the City continue to file the notices of public nuisance violation without the involvement of the City attorney. Rialson said he agreed with Hannasch and asked why the Downtown Auto notice had been sent to Dale Johnson, Jr. instead of the property owner. Hannasch replied that Johnson is the proprietor of the business. Koopman added that Adeline Johnson is the lienholder on the property.

Koopman said in the past she has prepared the notices of abatement and most of the nuisances have been taken care of immediately. Kerr's office has only become involved where nuisances are not abated. The only time there is a problem is when there is a lien holder. If there is a lien holder, it would delay the procedure by 20 days. Rialson asked if it would be a good idea when the City is in doubt of ownership to investigate further. Koopman replied that she bases ownership on the list received from Lyon County stating who receives the property tax statement. She added that the majority of the time it works more than sufficiently. Hannasch stated that usually a nuisance is abated prior to the City attorney getting involved. Rialson said that for the last ten years he has been a part time employee of the county and has sent out many notices. He said that office personnel can look up on the computer to see property owners. Hannasch replied that Gwen Johnson is the owner of the Downtown Auto property and the City wasn't aware there was a lienholder. Motion by Rialson, second by Nelson, to continue processing nuisance notices as before. All voted in favor of the motion.

Chief Hillger reported to the council that he conducted the written and physical exams on Saturday, September 16, for three of four applicants that showed up. The oral interviews will be done on September 26. Hillger asked the council to give the Police Commission pre-approval to offer a position to any candidate that may qualify. Otto-Arvizu asked when the background checks would be done. Hillger said he was already in the process of getting criminal histories and driving records for the candidates. Otto-Arvizu asked what else was needed for the background check. Hillger replied that he would be contacting schools and visiting the home towns of the candidates. The candidates will be required to pass a psychological and physical exam. If any candidate is offered a position it will be contingent upon passing these exams. Hannasch said it was his understanding that the job must be offered before some of the exams could be conducted. Motion by Stobb, second by Rialson, to give pre-approval to the Police Commission. All voted in favor of the motion.

Hannasch reported that Koopman had finished revising the job descriptions for City employees. He asked if the council wanted to review the descriptions before they were sent to Labor Relations. Koopman said the job descriptions will be sent to each employee to review and she wanted to know if the council as a body wanted to approve them. Stobb said he was curious about employee reactions but felt that department heads would have a better handle on what should be included in the descriptions. Koopman stated that employees can submit any changes or requests in writing. Berndt said he doesn't feel the council needed to review the job descriptions at this point. Stobb said he would like to see the finished product.

Hannasch presented a resolution closing the Tracy Medical Center Fund and establishing the Tracy Medical Services Improvement Fund and Tracy Medical Services Trust Fund. The thought was to establish a separate fund for remodeling and repairs. The improvement fund would total \$267,684.79 to be used for improvements to the hospital facility. Motion by Berndt, second by Nelson, to adopt said resolution. Stobb asked if the resolution came from the hospital board. Koopman replied that it came from a subcommittee of the hospital board. Before all funds were in a lump sum. The division will create a better audit trail. All voted in favor of the motion. (Res. No. 2000-31)

Don Polzine reported that everything looked good regarding the airport improvement project. Hannasch stated that the project was done for \$2500 less than the bid amount. Motion by Rialson, second by Fraser, to adopt a resolution approving payment to Moorseal, Inc. in the amount of \$21,913.78. All voted in favor of the motion. (Res. No. 2000-32)

Motion by Nelson, second by Stobb, to adopt a resolution authorizing a gambling permit to the American Legion for the Pool Hut. Hannasch stated that the American Legion will handle all of the proceeds. All voted in favor of the motion. (Res. No. 2000-33)

The Consent Calendar included the following: Fireman's Relief Association minutes for September 5, 2000; Municipal Accounts Payable; and Economic Development Authority minutes for August 25, 2000. Motion by Rialson, seconded by Fraser, to approve the above listed items. All voted in favor of the motion.

Hannasch asked if there was any discussion or questions regarding the 2001 budget.

Koopman reported that the Regional League Meeting was scheduled for Wednesday, October 25, 2000 in Edgerton. There will be an afternoon session starting at 2:00 p.m. and a social hour, dinner and evening program starting at 5:20 p.m. Anyone interested in going will need to notify the City Office by October 10 in order to RSVP.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

October 9, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, October 9, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was J. Otto-Arvizu. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the September 25, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added was (8D) the election judges slate to the Consent Calendar and (10B) new business by Rialson. Motion by Fraser, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Shorty Engel presented a feasibility study to council members prepared by Tom Schaefer and Bill Deneen with USAquatics for the Tracy Swimming Pool. The first thing done was an analysis of the existing pool. Schaefer and Deneen studied the swimming pool, wading pool, bath house, volleyball courts and the parking area. Next a needs assessment was done and a list of necessities and a wish list were developed. USAquatics came back with five layout plans. At a second meeting layout number five was approved as modified. The existing bathhouse would be used but modified, a wading pool starting at zero depth up to 1.6 feet would be built, a lap pool in the middle section with a diving well that would include a diving board and a drop slide, twist slides, and a volleyball complex. The entire complex would be fenced in with twelve foot fencing around the volleyball court and eight foot fencing around the remainder. A concession stand would be available to both those inside and outside the complex.

The estimated cost is \$1,435,000 with a contingency of \$65,000. Schaefer said these figures were set on the high side so there wouldn't be any surprise costs. This estimate is quite a bit lower compared to the 1997 project which was estimated at 2.4 million. The swimming pool committee will be talking to Currie, Garvin, Walnut Grove and Balaton to see if they are interested in participating in funding for the project. They will also be talking to the school to see if funding would be available through the school district. The groups will need to notify the swimming pool committee by November 15, 2000 if they will be participating.

The referendum is scheduled for February 6, 2001. If the referendum passes, construction would begin August 27, 2001 and would be completed sometime in May of 2002 so no part of regular swimming season would be missed. Fraser asked what USAquatics' fee will be. Koopman said the City paid \$5800 for the study which will be applied to the fee and based on a one million dollar project the fee would be \$60,000 so it will be slightly higher than that. Nelson asked what the average attendance at the pool was over the summer. Engel replied 200 to 250 per day. Hannasch asked what Slayton's attendance was. Engel said they had 250 people on a bad day. He said prior to building their new pool Slayton had about the same attendance as Tracy. He added that Slayton opens for lap swimming at 6:30 a.m. and sets aside morning time for seniors. Hannasch said he was surprised at the number of seniors that use Slayton's pool. Engel stated that USAquatics bases their statistics on the pool complexes they've built in the past.

Hannasch said Slayton decided against putting a concessions stand in but feel they made a big mistake. Engel added that Glencoe's pool was built at the same time and they did add a concessions stand which paid for itself within a month. Stobb asked what the estimated lifetime of the new pool would be. Engel replied it should last for 35 to 40 years. Stobb said in the proposal it indicates the splash pool would go to a two foot depth. Engel replied that was the correct figure. Hannasch said he felt the project was a doable thing. USAquatics put together a good plan that was based on what the City said it could spend. Engel stated that Slayton and Glencoe had a lot of items, such as umbrellas, donated which reduced the overall cost. The Swimming Pool Committee put a 1.4 million figure on the project to make sure everything was covered. Stobb asked if when the City started looking at funding if USAquatics would have ideas for funding. Koopman replied they can probably offer suggestions but they don't specialize in financing.

Hannasch read the resolution authorizing the submission of a referendum to the voters of the City of Tracy which will read:

“Shall the City Council of the City of Tracy, Minnesota be authorized to issue general obligation bonds in the amount not to exceed \$1,500,000.00 for the purpose of constructing an aquatic center.”

Nelson stated that he thinks the pool is a very big expense for Tracy to take on, but as long as it's being put to the citizens to vote on he made a motion to adopt the resolution. Fraser seconded the motion. Stobb asked if the pool committee would be involved in getting information to the public. Hannasch replied that the committee would be enlarged and will focus on informing the public. He said he received a call from someone who asked why the City wasn't looking at an indoor pool. Hannasch said after consulting Granite Falls representatives about their indoor pool they indicated many problems, the biggest problem being staffing. Plus the cost of an indoor pool is three times that of an outdoor pool. All voted in favor of the above stated motion. (Res. No. 2000-34)

Chief Hillger reported that one officer that was offered a job had completed his medical and psychological screenings and he was waiting for the results. The other officer was due to have his medical screening on October 18, and he has a current psychological screening and will be getting the results to Hillger. If all goes well the first officer will be on the department within two weeks and the second will be within three to four weeks. Koopman said the other item to address is the police pay scale. Hannasch reported that the new pay schedule lowered the starting salary of police officers. This concerned Hillger because of the difficulty in recruiting new officers. Hannasch said after looking at the Police Union contract the City is not allowed to reduce the starting pay and has to go with the original salary schedule. The starting salary will be \$11.78 per hour. Koopman said it would be wise to make a motion stating the police salaries will comply with the union contract instead of what is in the budget. Motion by Nelson, second by Rialson, to use the pay scale as outlined in the Police Union contract. All voted in favor of the motion.

Hannasch introduced a proposal to do a topographic survey of the athletic field complex which includes the swimming pool site. The survey will need to be done prior to starting the swimming pool project if the referendum passes. Hannasch said even if the referendum does not go through the City would then have the information on file. The reason for doing the survey this early is the cost savings by doing it before winter sets in. The cost now would be \$3400 and it would be much higher if it needs to be done during the winter months. Nelson said he doesn't see a need to spend the money until the council finds out if the referendum passes. Rialson asked what the purpose of the survey would be. Hannasch said it needs to be done before the swimming pool plans can be completed. Koopman added that the reason for doing it now is that the cost will approximately double if done after the referendum. Berndt asked how long the survey would be good for. Koopman replied that it wouldn't change unless there was a tornado or earthquake that altered the topography.

Nelson said he felt the survey could be done after they find out if the referendum passes. He didn't see a point in wasting the money on it if the project may not even be done. Koopman said the survey is also needed for bidding before the plans can be completed. She said USAquatics would begin drawing the plans in February and once there is snow on the ground it will be more difficult to do a survey. Nelson said the ground level is still there, it would just take some digging to get down to it. Nelson made a motion to wait until the referendum is voted on before doing the survey. Rialson seconded the motion. Upon roll call, the following vote was recorded: voting aye: Berndt, Fraser, Nelson, Stobb and Rialson; voting nay: Hannasch. The motion passed.

Hannasch presented a resolution opposing the concept of allowing wine to be sold, for off premise consumption, at any outlet other than the municipal liquor store. Rialson asked who proposed the resolution. Ron Radke informed the council that he proposed it as part of the Municipal Beverage Association. Legislation is being pushed to allow the sale of wine in grocery stores. The Municipal Beverage Association is trying in part to cut down on youth access to alcohol. If the legislation goes through it is likely wine would be followed by beer then liquor. This would mean 1000 more liquor outlets in the state of Minnesota.

Stobb said he agreed with the first paragraph of the resolution. Nelson said the grocery stores would

have to follow the same rules and regulations for selling wine as any liquor store. He didn't feel the City should step on any toes and added wine sales could be enough to keep a small store alive. Hannasch said Minnesota is one of the few states that doesn't allow wine sales in grocery stores. He added that having only one outlet for wines sales would reduce the chances of underage access. Hannasch stated that passing the legislation to allow wine sales in grocery stores would lead to beer and liquor sales as well and added he felt the proposed resolution was a good one. Radke said the number one thing is that the legal blood alcohol limit will be established at .08 and it is preached over and over to limit youth access to alcohol. Fraser asked why there is going to be such a big push to pass this legislation. Nelson asserted that youth are not purchasing alcohol so much as getting it from their parents' liquor cabinets. Radke said the opinion of his organization is that it will be harder to control sales of wine in grocery stores.

Rialson said he would like more information and to visit with grocery store owners to find out what they're thinking. Stobb asked if the state approved the legislation allowing wine sales in grocery stores if the resolution would prevent local stores from selling. Radke said the resolution just supports legislation against allowing wine sales at other outlets. Rialson stated then the state law would take precedence over the resolution. Stobb asked if it was necessary to include the second paragraph, stating it seems like an ulterior motive by including the financial status. Koopman replied that it was drawn up based on a form resolution presented by the Municipal Beverage Association. Nelson said he felt the issue should be checked into more thoroughly. Radke requested a decision be made in time for the legislative session which opens in January. So far 20 towns have passed a similar resolution, and those without municipal liquor stores would be limiting sales to local liquor stores. Motion by Stobb to approve the resolution. Based on state law taking precedence Berndt seconded the motion. Upon roll call, the following vote was recorded: voting aye: Berndt, Hannasch, and Stobb; voting nay: Fraser, Nelson, and Rialson. There being a tie vote the motion failed. Stobb asked if the council wanted to bring the issue back to the table with more information. Nelson stated the issue was over.

Hannasch presented a resolution approving the payment of estimate no. 4 in the amount of \$234,243.92 to Scott Olson Digging, Inc. for the sewer separation project. Nelson asked if everything was completed. Koopman replied that the engineers would be coming the next day to inspect. Nelson commented that the streets looked great. Motion by Nelson, second by Berndt, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-35)

The Consent Calendar included the following: Multi-Purpose Center minutes for September 11, 2000; Fireman's Relief Association minutes for October 2, 2000; Municipal Accounts Payable; and the Election Judges Slate. Motion by Berndt, seconded by Nelson, to adopt the above listed items. All voted in favor of the motion.

Hannasch asked if there was any discussion or questions regarding the 2001 budget. Koopman said she would be presenting some revisions at the next council meeting.

Rialson said he wanted to announce to the general public that the County Commissioners voted last Tuesday to give the recycling contract to a local firm. The information wasn't in last week's *Headlight Herald* and Rialson wanted to let the public know. Two quotes had been received, one from Ritter's Sanitary Service and one from a firm that services Currie and Redwood. Commissioners awarded the contract to the Currie/Redwood firm. Rialson made a motion that the council send a thank you letter to the County Commissioners thanking them for supporting a local company. Nelson seconded the motion. Upon roll call, the following vote was recorded: voting aye: Nelson and Rialson; voting nay: Berndt, Hannasch, Fraser, and Stobb. The motion failed.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

October 23, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, October 23, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, J. Otto-Arvizu, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was M. Fraser. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the October 9, 2000 City Council meeting. Motion by Berndt, seconded by Stobb, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added was (5B) request to consider the purchase of a vehicle for the utility department. Motion by Berndt, seconded by Rialson, to approve the agenda as now written. All voted in favor of the motion.

Hannasch informed the council that a number of citizens had asked him why they couldn't park on the streets during the winter months when there is no snow on them. He met with Chief Hillger, Don Polzine and Audrey Koopman to discuss the issue and try to come up with an ordinance that all departments are comfortable with. A major concern with the current ordinance, which indicates if there is two or more inches of snowfall there shall be no parking on streets, is that if there is another winter like that in 1996 just the wind blowing will cover the streets in snow without an additional accumulation. Hannasch said the issue would have to be presented at a public hearing in order to change the ordinance.

Otto-Arvizu said she is certainly in favor of making changes. Stobb concurred saying he is 100 percent behind it as well. He asked how the City would let people know when the plows will be out. There are currently cable TV and radio notices. Hannasch said the City can try to get the message out to everyone but there will still be parking tickets issued and people who will say they didn't get the message. He added that the City will still need to enforce the ordinance. Otto-Arvizu said the City would have to look to the common sense of the constituents. If the City Council can use common sense in drawing up the ordinance the citizens can use their common sense and be aware of weather conditions. Stobb asked if changing the ordinance could lead to more towing of vehicles and if the City was prepared for that. Hannasch said it may lead to more towing incidents but the ordinance will still need to be enforced. Rialson made a motion and Stobb seconded to waive the first reading and set the second reading and public hearing at 7:45 p.m. on November 13, 2000. All voted in favor of the motion.

Nielsen informed the council that Jim Kerr has been working on most of the outstanding public nuisances. He referred to Kerr's memo which lists the status of pending public nuisances and hazardous building issues. The public nuisance at Joe Smarzik's property on Highway 14 went to court and a judgement was issued to clean up the property. Nielsen stated part of the work has been done and part has not. Smarzik was given 30 days to clean up the property and if not done the City was given the authority to clean it. Hannasch said the City should take action. Smarzik has consistently defied the City Council and ignored orders of abatement. He has taken steps to camouflage the problem by putting up a fence. Stobb asked if the court order addressed the fence as something that needed to be removed. Nielsen said the fence was talked about but only as a demarcation line stating that the garbage, vehicles, weeds and debris north of the tin fence had to be removed. Stobb said Kerr's recommendation is to remove the fence for salvage. Koopman said Kerr included that in the memo because the fence is propped up and not secure. Otto-Arvizu said the council had a similar issue where a fence had been made up of 4 x 8 sheets of plywood and they determined it was hazardous because it could be blown over in a strong wind. Hillger said when he first started working on the nuisance the fence was laying on the ground, previously blown over by wind. He said he didn't know if it was anchored down now. Hannasch said it is held up by three small metal posts which won't hold a fence of this size. Nielsen said if the fence does blow down again the court order states any future nuisances on the property can be cleaned up by the City without going to court again.

Otto-Arvizu asked if it would be appropriate to have the City building inspector look at the fence to determine if it is secure. Hannasch said the council could vote to start cleaning up the property and

it is likely the fence is being propped against some of the debris that will be removed and then it would be a nuisance issue. Otto-Arvizu asked who would deem the fence a nuisance and stated that Garrels could determine if it was. Hannasch said he thought maybe Hillger could make the determination. Rialson moved to have the City clean up the Smarzik property on Highway 14. Nelson seconded the motion. Otto-Arvizu asked if the council would need a side motion regarding the fence or if it could be included with the motion on the table. Hannasch said the council could include that if the fence is not secure it could be cleaned up along with the rest of the debris. Rialson amended his motion to include the fence. All voted in favor of the motion.

Nielsen said he didn't believe any other nuisances listed on Kerr's memo required council action. Kerr was just informing the council of the status of each issue. Hannasch stated he had information regarding the Dale Johnson, Jr. property. The vehicle with license plates expiring in 2000 on the property belongs to Dennis Johnson and was recently moved there temporarily until the tire could be fixed.

Hannasch asked about the status of Jeffrey Cauwels property. Nielsen said Cauwels had been served papers on September 18, 2000 and had 20 days to respond. If he doesn't respond Kerr will proceed with a motion for default judgement.

Nielsen stated that as long as the Dale Johnson Jr. property had been cleaned up the attorney's fees and costs would need to be collected. Hannasch said that since errors were made and there had been a lack of communication over the issue he didn't feel that the legal fees should be put upon the Johnson family. Hannasch said he thought the Johnson's and Chief Hillger had both stated the nuisance was abated before any action was taken. Hillger confirmed saying he had brought in a memo about the nuisance abatement. Motion by Rialson, second by Nelson, not to bill the Johnson family for legal fees incurred. All voted in favor of the motion.

Koopman presented a proposal from Kinner & Company Ltd. to provide audited financial statements for the fiscal years 2000, 2001 and 2002. The proposed fee is \$9,380 per year for an increase of \$5,180 from the previous years. Koopman said the City had send out requests for proposals to three local firms and Larson's was the only proposal received. Hannasch asked if there was any explanation why there was such an increase. Berndt asked if the council could get a response from Kinner & Company regarding the cost increase. Koopman said she would ask them. Hannasch tabled the issue until the next meeting.

Don Polzine presented two bids for a vehicle to replace the 1993 Ford pickup currently used by the utility department. Salmon's provided a bid for a 2001 Chevy pickup at a price of \$17,465 less a trade amount of \$4620.40 for a total cost of \$12,844.60 plus tax and license. And they gave a bid for a 2001 Dodge Ram pickup at a price of \$17,475 less a trade amount of \$5600 for a total cost of \$11,875.00 plus tax and license. Polzine recommended purchasing the Dodge. Motion by Stobb, second by Berndt, to approve the purchase of the 2001 Dodge pickup. Stobb asked if the money was in the budget. Polzine replied there is \$15,000 available. All voted in favor of the motion.

Hannasch presented a resolution approving an increase of pledged securities at Tracy State Bank in the amount of \$500,000. Motion by Nelson, second by Rialson, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-36)

Hannasch presented a resolution supporting the DM&E Railroad expansion project. He informed the council that the Surface Transportation Board has given approval for the project and people have until January, 2001 to give their approval or disapproval. Hannasch said he thinks the railroad will be a boost to local economy. Motion by Otto-Arvizu, second by Stobb, to adopt said resolution. All voted in favor of the motion.

The Consent Calendar included the following: Cemetery Commission Minutes for September 21, 2000; Swimming Pool Report; Planning Commission Minutes for October 2, 2000; Municipal Accounts Payable; Multi-Purpose Center minutes for October 9, 2000; and Economic Development Authority minutes for October 9, 2000. Motion by Berndt, seconded by Rialson, to adopt the above listed items. All voted in favor of the motion.

Hannasch informed the council that the overall levy decreased from 8.1 to 7 percent. This figure does include the \$5,180 increase for the audit. Stobb said it was good to see a reduction on health insurance costs. He asked if the coverage was the same or was the company changed. Koopman replied the company was still Principal Financial but they City had changed plans. Stobb asked if the employees were aware and okay with the changes. Koopman said an employee meeting was held and employees approved the new plan.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

November 9, 2000

Motion by Rialson, seconded by Stobb to adopt a resolution certifying that the General Election was in all respects duly and legally conducted on November 7, 2000 and that the following results for City Council were canvassed and officially counted:

| NAME | TOTAL |
|-----------------------|--------------|
| Dave Berndt | 530 |
| Michael Fraser | 506 |
| Robert Caron | 412 |
| Steve Ferrazzano | 314 |
| Renee L. Rosenberg | 205 |
| Greg Torkelson | 177 |
| Marvin VanAcker | 169 |
| Robert Willard Nelson | 89 |
| Darold Goettig | 86 |

WRITE INS:

| | |
|----------------|----|
| Matt Olson | 36 |
| Mike Olson | 2 |
| Russ Roots | 2 |
| Leroy Johnson | 1 |
| Steve Jones | 1 |
| Larry Retzlaff | 1 |
| Rick Horner | 1 |
| James Miller | 1 |
| A. Thomas | 1 |

Dave Berndt, Michael Fraser and Robert Caron are hereby declared the winners of the City Council positions and shall serve a four year term commencing on the first meeting in January, 2001. All voted in favor of the motion. (Res. No. 2000-37)

There being no further business, the meeting was adjourned.

ATTEST:

City Administrator

Mayor

November 13, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, November 13, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, M. Rialson and R. Stobb. Absent was J. Otto-Arvizu. Also present were staff members: A. Koopman and F. Nielsen.

Mayor Hannasch asked for any additions or corrections to the minutes from the October 23, 2000 and November 9 Council meetings. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added by Hannasch was (11A) a report on the statewide EDA conference he attended on November 2nd and 3rd. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Cathy Nelson with ECCO submitted a request for the price to purchase the southern 100 feet of Lots 1,2 and 3 in Block 8 which lies south of their property. Koopman said it would be difficult to determine a price without an appraisal. Hannasch asked if the City would have to hire a certified appraiser. Koopman replied they would. Motion by Nelson, second by Rialson, to hire a certified appraiser to determine a property price. All voted in favor of the motion.

Hannasch presented a request to enter into an agreement with Sabongi Consulting, Inc. For a price of \$18,000 Sabongi would set up an agenda in an effort to promote business development and expansion and to promote the City of Tracy itself. Sabongi would aid in obtaining low interest loans and available grants. The only other bid received was from a firm in Marshall for about \$7000 more than the Sabongi bid. Hannasch recommended taking action soon because the agenda would include a series of meetings involving all Tracy citizens, from seniors to merchants to youth, and the meetings have better attendance when held in winter.

Hannasch reported that at the first meeting Sabongi stated the cost would be between \$16,000 and \$20,000. At the second meeting a firm cost was requested and Sabongi said it would be \$18,000. Hannasch said the City would get a figure in writing before an agreement was made. Nelson stated that Sabongi, Inc. was consulting with many cities. Nelson said he had done some checking and the people he spoke to thought the firm was doing a great job. Fairfax was pleased with the work and Montevideo had their entire downtown area redone. Hannasch said it was time to bring some new life into Tracy and Sabongi would set up a theme that the whole City would be involved in, merchants in particular. The cities of Windom, Montevideo, Granite Falls and Sleepy eye have all used Sabongi and have said he's very direct and good to work with.

Nelson said the firm goes in and measures each available vacant business so the information is available to prospective buyers. This information is not currently readily available. And Nelson said the firm would work closely with the EDA. Stobb said he thinks it's a good idea to be pro-active on this issue. He asked what the council was to be voting on at this meeting. Hannasch replied they were voting to approve that Sabongi draw up an agreement with the City. Nelson said he was in favor of hiring Sabongi. He said at first he had mixed feelings about spending the \$18,000 but after talking to people about the firm he thinks they would do a good job for Tracy. Stobb asked if a contract would follow for the council's approval. Nelson made a motion to proceed and get Sabongi's estimates in writing. Fraser seconded the motion. Berndt asked for clarification that the council was not authorizing spending \$18,000 at this time. Hannasch said that was correct. All voted in favor of the motion.

Hannasch informed the council that Gloria Hamilton made the decision to resign from the library board due to health concerns. A memo from the Library Board also stated that the board had passed a motion to ask the City Council to acknowledge Hamilton for her years of service. Motion by Rialson, second by Fraser, to adopt a resolution extending appreciation for Hamilton's service to the Library Board. All voted in favor of the motion. (Res. No. 2000-38)

Hannasch reported that the Planning Commission was recommending to the City Council to approve that a loading zone be established in front of the ECCO building at 144 4th Street. The loading zone

would be posted from 8:00 a.m. to 5:00 p.m. for handicapped persons. The Planning Commission was recommending this as an alternative to a handicapped parking space so the space could be used by anyone after hours. Stobb asked if ECCO would keep the current handicapped parking spot and having the additional loading zone. Hannasch replied that they would. Fraser asked if a sign would be posted. Hannasch replied that there would be a sign with the hours posted. Motion by Fraser, second by Stobb, to approve the loading zone. All voted in favor of the motion.

Don Polzine presented a request to purchase a new snow blower. He reported that there was currently \$10,000 in the Capital Improvements budget. RDO Equipment out of Marshall has a 1998 holdover model that is brand new which they priced below cost at \$2500. With tax the cost will be \$2662.50. Nelson asked if the holdover would have a warranty. Polzine said it would have full warranty. He added that he and Paul Desmith took a look at it and it looked to be a good blower. Motion by Stobb, second by Rialson, to approve the purchase of the snow blower. All voted in favor of the motion.

Hannasch opened a Public Hearing at 7:45 on Ordinance No. 273, an ordinance amending City Code Section 7.10, PARKING AND TRAFFIC CODE. The amendment would allow parking on City streets during the winter months but would require that vehicles be removed when snow removal operations were commencing. Hillger said there will be a \$50.00 fine for a snow removal violation. Koopman asked if there is an administrative fee attached to the fine. Hillger replied that he thought it was a \$5.00 fee if the fine was not paid. Hannasch asked if there was anyone who wished to speak about the issue. There being no public testimony, the hearing was declared closed and referred to the Council. Hannasch said it's important that people know the council is giving them more freedom with parking but also more responsibility. Cars will be ticketed and towed.

Polzine said he had a few calls from people who didn't want the ordinance changed. One person was concerned that if trucks had to plow around a car the snow would end up in his driveway. A couple others said the ordinance had been in effect for 20 years so why change it. Hannasch said every call he received about the change was positive. Polzine said the owner of a vehicle he had to plow around said he didn't hear the plowing notice on TV. Polzine asked if the amendment didn't work if the council could change it back. He said he read the whole ordinance and asked if the portion that states if there is two inches of snow there will be no parking for 48 hours or until the snow has cleared. Koopman said the change would amend that Subd. Polzine said his crew has the most trouble in the downtown area with removing windrows because of people parking on the streets. Hannasch said he encourages business owners and their employees to use parking lots not only to eliminate snow removal problems but to make room for customers. He said the only time there is a big problem is when there is a lot of snow and big windrows. Polzine asked if the council felt there would be more towing and ticketing done with the change to the ordinance. Hannasch replied that would have to be determined throughout the winter.

Nielsen said it seems to him if cars are parked to impede snow removal they are in violation of the ordinance as rewritten. Hannasch said it's important that the public be aware of the changes taking place. Koopman said it would also be wise to state that it doesn't actually have to snow before snow removal is required. Strong winds cause snow buildup on streets. Stobb asked if there was going to be any additional signs placed around town, for instance placed at the main entrances to Tracy. Not all people will be aware of the change to the ordinance. Hannasch said he didn't think that would be beneficial because all the sign would say is that a snow removal ordinance was in effect. Polzine asked if there is still a welcome wagon that could inform new residents of the ordinance. Hannasch said it had been discussed that when a new resident contacts the City office to get water turned on they could be given a copy of the ordinance. Stobb asked if a short version of the ordinance could be put on the next water bills. Koopman said there wouldn't be enough room to put enough pertinent information on the bills.

Rialson said he thinks the only problem is where there is snow late in the night and people don't hear the warning of snow removal and don't know until morning. Polzine added that not everyone may have a TV and sometimes removal begins at 2:00 a.m. Hannasch said that if the forecast calls for snow it's better to park where it's safe. Polzine said visitors to town are always a problem. Hannasch said a lot of cities have ordinances like this. It gives residents more freedom but more responsibility. Motion by Rialson to adopt said ordinance, seconded by Nelson. All voted in favor of the motion.

Koopman presented a request to offer a FLEX benefit plan to City employees. She said that so far six employees expressed interest in the plan and she expected more would participate. There would be an initial set-up cost of \$500.00 and a fee of \$10.00 per month to maintain the plan which would be paid by the City. In the long run there will be a savings to the City because FICA and Medicare costs won't have to be paid on the dollar amounts put into the plan. The first year this benefit is offered, it would cost the City \$50.15, thereafter, there would be a savings of roughly \$450.00 per year? Motion by Fraser, second by Nelson, to approve the FLEX benefit plan. All voted in favor of the motion.

Hannasch informed the council that the issue of the resolution opposing the concept of allowing wine to be sold in grocery/general food stores would be tabled until the next meeting. Nelson had brought up that the resolution was defeated at the previous council meeting and could not be brought back. Hannasch said he wanted to check on the legality before the next meeting. Rialson stated that he believed Nelson was correct.

Motion by Nelson, second by Fraser, to adopt a resolution approving pay estimate no. 2 (final payment) to Moorseal, Inc. in the amount of \$20,990.94 for the City street crack filling and seal coating project. All voted in favor of the motion. (Res No. 2000-39)

Koopman informed council members that they had previously approved a resolution determining the necessity for the issuance of general obligation bonds and calling for a special election, but state law requires specific wording. A new resolution was rewritten to reflect the necessary information and would rescind the previous resolution. Rialson said he still had questions about absentee ballots and asked when the ballots would be available. Koopman replied they would be available as soon as they were printed. She said there should be more than enough time for people to return them. Rialson said his concern was that it takes at least a week, sometimes two weeks, before residents get their newspapers forwarded down south. Koopman said residents could send a request for absentee ballot any time, all they need is their name, signature, Tracy address and the mailing address they want their ballot sent to. Rialson asked if married couples needed to each send a request. Koopman replied they would need to send separate request for signature verification. Motion by Fraser, second by Stobb, to adopt the revised resolution. All voted in favor of the motion. (Res. No. 2000-40)

Motion by Rialson, second by Fraser, to adopt a resolution approving budgeted transfers totaling \$368,870. All voted in favor of the motion. (Res. No. 2000-41)

Koopman presented a resolution approving the payment of estimate no. 5 in the amount of \$72,085.34 to Scott Olson Digging, Inc. for work completed on the sewer separation project. Koopman said that we will be requiring lien wavers from contractors prior to release of this payment. Nelson asked if the City would still hold back the retainer. Koopman replied it would be held until the items on the punch list are completed. Motion by Nelson, second by Stobb, to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-42)

Koopman informed the council that the state had made some changes regarding the handling of government records. Formerly she as the City Administrator was appointed as the Designated Authority. The title has now been changed to Data Practices Compliance Official. Motion by Stobb, second by Rialson, to approve the resolution designating the City Administrator as the Data Practices Compliance Official. All voted in favor of the motion. (Res. No. 2000-43)

The Consent Calendar included the following: Monthly Financial Report for October 2000; and Municipal Accounts Payable. Motion by Fraser, seconded by Rialson, to approve the above listed items. All voted in favor of the motion.

Hannasch stated that Koopman had contacted Gerber & Haugen, CPA's out of Slayton who said they would have a proposal prepared by the next council meeting to prepare the City's audit. Motion by Nelson, second by Rialson, to seek proposals for City auditing services. Koopman said the only other firm she contacted is Gerber & Haugen. Minehart, McKee & Associates said they couldn't take on any other business at this time. Stobb asked if there would be any problem since Kinner & Company's bid was already public information. Koopman said there was a problem last time the audit was bid when Kinner knew what Gerber & Haugen had bid. Rialson said by the same token Kinner

has a chance to rebid.

Hannasch said one of Kinner's complaints was that the audit had to be done by April 30. This is state law and can't be changed by the City. Koopman said that the memos from Kinner & Company explaining their price increase listed items that were established in the original proposal. Fraser asked what the deadline for a decision was. Koopman said a decision would have to be made at the next council meeting because preliminary auditing begins in December. All voted in favor of the above stated motion.

There were no updates for the 2001 budget.

Hannasch reported that he and Con Rettmer attended the statewide EDA Conference. There were a number of meetings that looked to provide valuable information for rural areas. Hannasch said he was disappointed in the meeting he attended about moving metro businesses into rural areas. He said their idea of a rural area is 50 miles outside of the metro area. Hannasch said he discovered that the southwest area is greater Minnesota not rural Minnesota.

Above all Hannasch said we're going to have to work at making improvements ourselves. He added there are grants available and we may not get everything we want but if we don't ask we won't get anything. Hannasch spoke to a Cargill representative who said Cargill is looking to develop businesses in greater Minnesota. Hannasch asked what their criteria would be in terms of location. They replied that their needs would be #1) water, #2) rail, #3) availability of product and #4) employee availability. Hannasch said water has always been a problem in this area.

Another field Hannasch said is high tech fiber optics. He feels the Sabongi Corporation could help Tracy in this respect. There is a lot of opportunity here but the City must continue working on it. Stobb asked if the grants Hannasch learned about at the meetings fit in with the Sabongi wants to do. Hannasch replied that the grants were geared towards housing and bringing new business into Tracy but not so much revitalization. He said that Sabongi had suggested if Tracy has received grants and has done a good job with them it will look favorable on getting others.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

November 27, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, November 27, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the November 13, 2000 City Council meeting. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added was (4B) the County Judicial Ditch Agreement. Rialson requested that (4A) a legal issue to reconsider a resolution opposing the concept of allowing wine to be sold in grocery and general food stores be stricken from the agenda. He stated that according to *Roberts Rules of Order* the issue should not be brought before the council again. Hannasch retorted saying the council had received copies of regulations from the League of Minnesota Cities (LMC), which follows *Roberts Rules of Order*, that state a motion to reconsider can be brought before the council and the issue would stay on the agenda. Rialson said there are several reasons why this issue should not be on the agenda. Hannasch said they could be discussed when the issue was on the table. Rialson stated he had valid reasons that the issue should not be brought to the table at all. He said nowhere does it say in *Roberts Rules of Order* that an individual can request that a dead issue be brought before the council. Hannasch said that the council received copies of the rules in the agenda packets that say a motion to reconsider can be brought to the council. Rialson said he was not arguing that the information was not valid but *Roberts Rules* is very definite about how an issue can be brought back to the agenda. Stobb said he thought that at the last meeting it was agreed that the issue would be discussed at the present meeting. Nelson said it should never have been put on the agenda at the last meeting. Rialson said according to *Roberts Rules of Order* in order to have a motion to reconsider someone on the prevailing side may move to reconsider and that the motion must be brought up at the meeting at which the motion failed.

Otto-Arvizu asked if the handout that came from LMC was LMC's interpretation or if it came directly from *Roberts Rules of Order*. Rialson and Nelson were both in agreement that the issue should be stricken. Hannasch said his question was why no one brought the issue up prior to the meeting so everyone could be prepared. He said by waiting until the last minute it only causes problems during the meeting. Nelson said it was brought up at the last meeting. Koopman said she had spoken with Frank Nielsen and he at no time indicated there would be a problem. Had she known there was a dispute about the validity of the motion she would have had Nielsen present at the meeting. Hannasch said he felt the dispute should have been discussed prior to the meeting so people could prepare and in order to be fair to all members of the council. Hannasch said he would delete (4A) from the agenda. Motion by Berndt, seconded by Fraser, to approve the agenda as amended. All voted in favor of the motion.

Hannasch said the County Judicial Ditch Agreement was presented to Koopman earlier in the day. Koopman said that back around 1995 or 1996 an agreement was made whereby Lyon County bill the City for all costs associated with the repair and maintenance of the ditches within the City. This agreement was never adopted due to opposition of the ditch owners at that time. At a previous meeting LeRoy Johnson requested the Council to reconsider this agreement. The present agreement was drafted and presented to the County Attorney who in turn recommended three amendments which have now been incorporated. Koopman's suggestion was to waive the first reading and set the second reading and public hearing at the next council meeting. Motion by Otto-Arvizu, second by Rialson, to do so. Koopman asked for a time for the public hearing. All agreed to 7:45 at the December 11, 2000 council meeting. Otto-Arvizu asked who would determine a need for any work to be done on the ditches. Koopman said the county would be the regulating authority and instead of distributing the costs among property owners the City will be financially responsible. Polzine said the county almost has to assume authority since a large portion of the ditch is not within City limits. All voted in favor of the motion.

Charlie DeSchepper presented a request to council members for the use of City property at the corner of Center and South Streets and he asked what the cost of this property would be. DeSchepper

informed the council that he had applied for and received a grant to build a new ambulance garage. Hannasch asked the cost to build and what the grant amount was, and he asked how future costs would be handled. DeSchepper replied that the amount of the grant would be determined by the cost of construction and the maintenance costs would be covered by the rent paid to occupy the current building. Hannasch suggested holding a special meeting between the City Council and Tracy Ambulance Service. His concern was that a lot of times there is a matching grant funds requirement. DeSchepper said the grant he applied for is available and does not require matching funds. Otto-Arvizu asked if the cost to build would be paid in full. DeSchepper replied that it would and the ambulance service is not asking for money.

Rialson said DeSchepper should be commended on getting the grant and thinks the site would be a good location being on two county roads. Otto-Arvizu said the current building is difficult to get in and out of and the exits come into side streets and visibility is poor. She thinks the proposed site is excellent. Nelson asked if it was true one exit had been blocked off. Hannasch said it wasn't actually an exit but through a parking lot. Nelson asked who made that decision. Hannasch replied that the City did and the Public Works department was consulted. Nelson asked if the council should have been consulted about the issue. Polzine said it never was established as a street or alley.

Stobb asked if a motion should be made contingent on if the ambulance service gets the grant. Nelson said if the City owns the property he would make a motion to let the Tracy Ambulance Service purchase it. Rialson said he made a motion to donate the land. Nelson amended his motion to donate the property contingent upon the ambulance service receiving the grant to build a new garage. Rialson seconded the motion. Stobb said he remembered making the property in question available to the EDA when they were looking for a townhouse site. He asked if that would be a problem and if the EDA had possession of the property. Koopman said the City still owns the property. All voted in favor of the above stated motion.

Polzine reported on the bleacher situation in the Prairie Pavilion. The law for bleacher compliance goes into effect January 2001 and the City must be in compliance by January 2002. He proposed removing the balcony section and permanently attached the bleachers to the wall on the West side. Polzine said it would be a good winter project and he would like to get started as soon as possible. Nelson asked who would be doing the work. Polzine replied the City crew would be. He added that with there being essentially two floors instead of one there won't be much seating lost and most events use both sides. Currently the only event where the bleachers are pulled out is for wrestling matches. Polzine said there is time to do the project over the winter months so they wanted to begin soon. Motion by Nelson, second by Fraser, to remove the balcony section and stabilize the bleachers. Stobb asked if new bleachers were needed. Polzine said the current bleachers are sound and all they need are guard rails and the bolts need tightening which get loose from pulling them in and out. Stobb asked if the work would interfere with events in the Pavilion. Polzine said his crew would work around practices. All voted in favor of the motion.

Koopman presented a draft of the Water Conservation Plan that had been introduced by Eric Wharton. The draft reflects several changes, the most prominent of which is on page two. Starting in May of 2001 there will be an educational mailing and a write-up in the newspaper once a year regarding water conservation and an emergency water supply plan. On a yearly basis the City will update the conservation plan as needed with a complete update every 10 years. Motion by Stobb, second by Fraser to adopt the Water Conservation Plan. All voted in favor of the motion.

A proposal for a Master Plan was received from Sabongi Consulting. The cost of implementation is not to exceed \$18,000. Motion by Nelson, second by Rialson, to approve the plan. Hannasch said the consulting firm will be holding meetings for business owners and would like representatives from all age groups involved, from youth to senior citizens. Stobb asked where in the budget the money would come from. He also had a concern that the City would be purchasing a plan that will need to be carried out. Stobb asked if there were groups of people that will get involved and follow through with the plan. Hannasch said this would be developed through the plan. Meetings will be held to work on getting people involved and Sabongi will assist in getting grants to fund different projects. Koopman said because the levy had already been certified reserve funds will have to be used. This will be reflected on the 2001 budget.

Otto-Arvizu asked if there will be people to push forward with the project. Hannasch said he has met with several people who are very excited about the plan. Otto-Arvizu asked if Sabongi would be helping to look for grants or helping to write them. Hannasch said Sabongi is not an expert in writing grants and would work more in the capacity of locating available grants. Otto-Arvizu asked if the EDA Director or someone else within the City would write them. Hannasch said usually professional grant writers are contracted and get a percentage of the grant. He added that the money paid to grant writers would be rolled through the project.

Rialson asked about the surveys done by the firm in Ivanhoe and if that firm was supposed to help the City with grants. Koopman replied that they only did the surveys. There were no other ties with the company. She added that anyone on staff capable of writing any grants will do so. Nelson said he thinks Sabongi gives an excellent presentation and thinks business owners should meet with Sabongi. Hannasch said several business owners had met with Sabongi and were very interested in the project. All voted in favor of the motion to approve the project.

The Consent Calendar included the following: Fireman's Relief Association minutes for November 6, 2000; Cemetery Commission minutes for October 19, 2000; Economic Development Authority minutes for October 20, 2000; Planning Commission minutes for November 6, 2000; and Municipal Accounts Payable. Motion by Nelson, seconded by Fraser, to adopt the above listed items. All voted in favor of the motion.

The Truth in Taxation Hearing was set for Monday, December 4, 2000 at 7:30 p.m. in the Council Chambers of the City Municipal Building.

Koopman reported that proposals for auditing services was received from Gerber & Haugen in the amount of \$9300. The bid that had been received from Kinner & Company Was \$9380. With a difference of only \$80 Koopman recommended staying with the local firm Kinner & Company. Motion by Stobb, second by Nelson, to approve Kinner & Company's bid. All voted in favor of the motion.

Hannasch presented a Senior Nutrition Services agreement received from Western Community Action. This agreement must be approved yearly for use of the building space for senior dining and to get reimbursement for meals prepared and transported to Walnut Grove. Motion by Berndt, second by Fraser, to approve the agreement. All voted in favor of the motion.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

December 4, 2000

The public Truth in Taxation hearing of the Tracy City Council was called to order at 7:30 p.m., Monday, December 4, 2000 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, D. Berndt, J. Otto-Arvizu, and M. Rialson. Absent were: R. Stobb, B. Nelson and M. Fraser. Also present was staff member: A. Koopman.

Koopman stated that the hearing was held each year in compliance with state law since 1988 to provide information on proposed property taxes. Koopman stated that all local governments are required to report proposed levies and certify them with County Auditor by September 15th of each year. A notice was posted at the Senior Center, the library and at City Hall regarding spending and taxing decisions. The notice includes only tax dollars spent by the City.

Koopman reported there was an overall levy increase of 6.2%. She said the largest cost savings for 2001 was due to a reduction in administrative and community education expenses. Some large expenses that had been budgeted for 2000 were window replacement in the police department and second floor of the Prairie Pavilion, a skid loader purchase and a new pickup purchased for the water department. Koopman stated that of 38.9% of the overall levy will go to the General Fund. She added that 63.3% of City revenue is generated by state aid, 12.3% is generated by local taxes and the remainder is covered by income generated by City operations.

The increase in the City budget is due in part to the 2.7% debt service, a 12.2% increase in the General Fund, the money budgeted for the bleacher retrofit in the Prairie Pavilion and an increase in the EDA's revolving loan fund to \$25,000. There is a debt obligation of 58.8% of the levy equaling \$2,285,500. Koopman reported that the existing debt would be paid off in the year 2008. She referred council members to a chart showing the City debt obligation pointing out a sizeable decrease in debt in the year 2002. Koopman said in order to maintain a steady rate of debt payment the budget would be adjusted in 2002. The drop is due primarily to large number of deferments in the 1996 bond fund. The deferments were created with the development of the Eastview Addition.

Otto-Arvizu asked if because of the assessments on the Eastview properties and the lots not selling if the City will recapture the debt when the lots do sell. Koopman replied that whatever the lots are sold for will go into the bond fund. She added that in order to cover the shortage in the bond fund the City will have to increase the tax levy. Otto-Arvizu said hopefully increasing the tax base will help to offset the debt.

Rialson asked if the pool referendum passes if it will change the tax levy. Koopman replied that it would. Otto-Arvizu said the City has always tried to maintain a fairly constant level when budgeting. Koopman stated that the night's discussion was only for the proposed levy.

Paul Knoblauch, 312 E. Hollett Street, stated that he doesn't see how the City will get out from under the Eastview bond. Otto-Arvizu said there have been some proposals that haven't materialized but the EDA is hoping that once a house is built others will follow. Knoblauch stated that people like people and asked if a developer could be persuaded to come in and build, for instance Robert Carr. Knoblauch also asked if around \$160,000 had been spent on utilities out of the surcharge fund at Eastview. Koopman asked if he meant the storm sewer that was installed. Knoblauch replied yes. Koopman said she didn't believe that money came out of the surcharge fund. Knoblauch said he thought the City used some money that had been set aside. Otto-Arvizu said the City has sometimes used some money from the surcharge fund on a loan bases for things like engineering costs. Koopman stated the City was not even breaking even now on lots. The original price was around \$13,500 per lot. Otto-Arvizu said that the EDA was hoping to get people interested in building by reducing the lot price. Hannasch stated the asking price is now \$9000 but there is a rebate of \$5600. Koopman said she thought a lot price was \$7600 with a \$1000 rebate. Otto-Arvizu added the rebate is based on the buyer building a home within one year of purchase.

Knoblauch said he would like to see zero dollars budgeted. He added when he was on the City Council they sometimes did not increase the levy at all. Knoblauch said the City of Slayton is known to not increase their tax levy. Koopman said spending had been reduced in the General Fund and had it not been for the bleacher retrofit and increasing the EDA Revolving Loan Fund there would have

been a reduction in spending for 2001. Knoblauch said he noticed there were different categories in the budget where spending had increased. Koopman replied the overall levy originally had an increase of 8.1% which was reduced to an increase of 6.2%. The budget is \$5,136,000 and the levy is \$430,707. Knoblauch asked what the increase in total spending is. Koopman said in terms of the General Fund it is \$26,463.

There being no further discussion, motion by Rialson, seconded by Berndt to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

December 11, 2000

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, December 11, 2000 in the Council Chambers of the Municipal Building. The following council members were present: B. Nelson, M. Fraser, C. Hannasch, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present was staff member: A. Koopman.

Mayor Hannasch asked for any additions or corrections to the minutes from the November 27, 2000 City Council meeting. Motion by Fraser, second by Berndt, to approve said minutes as written. All voted in favor of the motion.

Hannasch asked for any additions or deletions to the agenda. Added were two issues by Hannasch and one each by Rialson and Nelson under Mayor and Council Communications. Motion by Fraser, second by Stobb, to approve the agenda as amended. All voted in favor of the motion.

Hannasch reported that the City received an appraisal of the vacant lot by the ECCO building listing a appraised value of \$4500. Koopman said the property is located directly south of ECCO. She stated she had not contacted them yet but ECCO is requesting an asking price for the property. Hannasch said he thinks \$4500 is a fair price. Otto-Arvizu stated that ECCO is a non-profit organization so the property would not be on the tax roll. Koopman said it is a tax-forfeited property so it is not taxable now. She added that the advantage to the City is ECCO plans to expand and employ more people. Hannasch asked for a motion to sell the vacant lot for a market value of \$4500. Rialson made that motion and Nelson seconded. Hannasch said he thinks the sale of the lot will help ECCO expand their business. All voted in favor of the motion.

Motion by Fraser, seconded by Stobb, to approve cigarette license renewals to the following businesses:

Cenex Harvest States
Tracy Food Pride

Eagles Club
Food N Fuel
Sander’s Eastside
The Mediterranean Club
Amoco
Tracy Liquor Store
The Pool Hut

All voted in favor of the motion.

Motion by Berndt, seconded by Stobb, to approve plumbers license renewals to the following businesses:

Anderson Plumbing & Heating
Enviro Pump-Plus
G&H Plumbing & Heating
Heartland Mechanical
Jenniges Plumbing & Heating
Olson Hardware
Sanderson Mechanical
Swish’s Plumbing & Heating
Weedman Service Co.
Wood’s Plumbing

All voted in favor of the motion.

Motion by Stobb, seconded by Fraser, to approve a dance license renewal to the following businesses:

The Mediterranean Club
Hollywood Ballroom

All voted in favor of the motion.

Motion by Berndt, seconded by Fraser, to approve a split liquor license renewal for the following businesses:

The Mediterranean Club
The Pool Hut
Maxine’s

All voted in favor of the motion.

Motion by Berndt, seconded by Rialson, to approve a Sunday liquor license renewal for the following businesses:

The Mediterranean Club
The Pool Hut
Maxine’s

All voted in favor of the motion.

Hannasch presented a resolution adopting the final 2001 tax levy which levies the following sums of money:

| | |
|-----------------------|------------------|
| Debt Service | \$253,222 |
| Permanent Improvement | \$ 10,000 |
| General Fund | <u>\$167,485</u> |
| TOTAL LEVY | \$430,707 |

Motion by Stobb, second by Fraser, to adopt the tax levy resolution for 2001. All voted in favor of the motion. (Res. No. 2000-44)

A resolution was presented adopting the 2001 budget including the following expenditures:

| | |
|---------------------------|--------------------|
| General Fund | \$1,365,878 |
| Public Enterprise | \$2,562,040 |
| Debt Service & Bond Funds | \$ 792,074 |
| Other | \$ 416,887 |
| TOTAL | \$5,136,879 |

Motion by Rialson, second by Fraser, to adopt the resolution adopting the 2001 Budget. All voted in favor of the motion. (Res. No. 2000-45)

The Consent Calendar included the following: Cemetery Commission minutes for October 19, 2000; Multi-Purpose Center minutes for November 13, 2000; Fireman's Relief Association minutes for December 4, 2000; Economic Development Authority minutes for November 17, 2000; and Municipal Accounts Payable. Motion by Berndt, seconded by Fraser, to approve the above listed items. All voted in favor of the motion.

Hannasch informed council members that they were invited to a retirement party for County Commissioner Jasper Vandelanotte on Tuesday, December 19 from 2:00 to 4:30 p.m. The event will be held on the second floor of the Lyon County Government Building.

Hannasch thanked council members for their hard work over the past year and wished them and Tracy citizens a Merry Christmas and happy holiday season.

Nelson informed council members he was officially resigning from the City Council effective December 31, 2000. Nelson sold his home and is moving out of town. Hannasch said he would contact the City Council candidate who had received the next highest number of votes in the 2000 Council election to see if he would be interested in finishing out Nelson's term until 2002. Koopman stated the council would need to adopt a resolution declaring a vacancy exists on the City Council. Motion by Fraser, second by Stobb to adopt said resolution. All voted in favor of the motion. (Res. No. 2000-46)

Rialson stated this was his last meeting with the Tracy City Council. He thanked the residents of Tracy for allowing him to serve over the last six years. Rialson said this term capped off over 60 years of community service. He started as a clerk in Monroe Township in the 1940's. Rialson said he enjoyed working with all council members.

Prior to the public hearing, Koopman provided some background information regarding the judicial ditch drainage system. She stated that the proposed resolution has come after the end of a lengthy process which began in 1996 and was more recently reintroduced by Leroy Johnson. The issue in question regards payment of assessments on judicial and county ditches. The proposed resolution would mean a more equitable distribution of costs by having Lyon County cover all costs incurred by the drainage ditches whether they be within City limits or out. Currently property owners of the ditches pay a surcharge but none of the surcharge funds go towards maintenance and improvements of the ditches. The resolution would mean 100% of ditch costs would be paid by the City of Tracy. This change would only affect properties within City limits. If approved by county commissioners the resolution will require the amendment of two City ordinances which are the assessment of storm sewer costs and the distribution of surcharge funds. Koopman said there is every indication that the county will approve the resolution and it would go into effect January 1, 2001.

Hannasch opened the public hearing at 7:45 on a resolution authorizing the City of Tracy to assume the responsibility for all pro rata apportioned costs of repair and maintenance of ditch systems within the City of Tracy. There being no public testimony the hearing was closed. Hannasch said all costs and assessments would be brought to zero starting in 2001 in order to begin with a clean slate. He said

in 2000 everyone with property along the ditches received a hefty assessment. Stobb asked how this would benefit citizens if an improvement to the ditches was made. He asked if the cost would be equally distributed among citizens. Koopman replied that any improvements would be paid through the surcharge fund much like the sewer separation project in 2000. Motion by Stobb, second by Rialson, to adopt the above stated resolution. All voted in favor of the motion. (Res. No. 2000-47)

The meeting was then closed to discuss labor negotiations.

There being no further business motion by Rialson, seconded by Nelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor