

January 11, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, January 11, 1999 in the Council Chambers of the Municipal Building. The following Council members were present: J. Almlie, B. Nelson, M. Fraser, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Also present were staff members: A. Koopman, D. Polzine and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for December 14, 1998. Motion by Fraser, seconded by Nelson to approve said minutes as written. All voted in favor of the motion.

The City Administrator administered the Oath of Office to Mayor Hannasch and Council members: B. Nelson, J. Otto-Arvizu and R. Stobb.

The Mayor asked for any additions or deletions to the agenda. The following additions were made: (10A) Charlie DeSchepper and (11 C-6) Hospital Advisory Board appointment. Motion by Rialson, seconded by Stobb to approve the agenda as now written. All voted in favor of the motion.

Bernie Holm, Chairman of the Police Commission, informed the Council that Jason Lichty has resigned. The Commission recommended that Tony Rolling, who was employed under the COPS grant be moved into Mr. Lichty’s position and become a permanent full-time employee. He also informed the Council that the Commission along with the Police Chief is recommending that we not hire a replacement and forfeit the remainder of the COPS grant. Motion by Rialson, seconded by Stobb to accept the Police Commission’s recommendation. All voted in favor of the motion.

The City Administrator reported that a letter has been received from Mark Jorgensen, Lyon County Administrator, stating that D & G Excavating has been hired to removed the two structures on tax forfeited properties in the City. The County would like to transfer these lands to the EDA and remove them from the tax forfeited list. No action was taken.

The Consent Calendar included the following: Multi-Purpose Center minutes for December 14, 1998, Planning Commission minutes for January 4, 1999, and Cemetery Commission minutes for December 9, 1998. Motion by Berndt, seconded by Nelson to approve the above listed items. All voted in favor of the motion.

Motion by Rialson, seconded by Fraser to approve the Police Commission minutes. All voted in favor of the motion.

Charlie DeSchepper, representing the Ambulance outlined the benefits the ambulance service could receive if the City purchased a four-wheel drive vehicle for the squad car. He contended that when we know a storm is coming, the vehicle could be equipped so it could be the first to arrive on the scene. Mayor Hannasch suggested that if a four-wheel drive vehicle is purchased, that it be kept for three years rather than trading in two years. Mr. DeSchepper also stated that the ambulance would contribute \$1,000 towards the purchase of a four-wheel drive vehicle. After a brief discussion, Nelson moved and Rialson seconded to accept the quote submitted by Salmon Motors for a Ford Explorer XL package with XLS Power Group in the amount of \$24,764.00 and keep it for three years before trading. All voted in favor of the motion.

The following quotes were received for the purchase of a 1999 ½ ton pickup for the Street Department:

Salmon Motors (Jeff)	\$12,030.00
Salmon Motors (Dean)	\$12,598.00

Motion by Stobb, seconded by Berndt to accept the low quote from Salmon Motors in the amount of \$12,030.00 plus tax. All voted in favor of the motion.

The City Administrator reported that she attended a meeting on feedlot regulations. She stated that a Task Force was formed consisting of representatives from each township in Lyon County. The Cities in Lyon County were not notified of any of the task force meetings, therefore did not provide any input concerning setbacks until now. The meeting resulted in scheduling a joint meeting with the task force and all the cities in Lyon County sometime during the last week in January.

John Almlie thanked the staff and council members for working with him during his term as Mayor.

Mayor Hannasch stated that it was a privilege and honor to be able to serve as Mayor. He noted that he has had an opportunity to meet with all the Department Heads and individual Council members and advised everyone to work together.

The Mayor appointed the following individuals to their respective positions:

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

Motion by Fraser, seconded by Berndt to approve the above listed appointments.

Motion by Fraser, seconded by Nelson to approve the following appointments:

President Pro-Tem	Russ Stobb
Community Ed Advisory Board	Russ Stobb
Planning Commission	Russ Stobb
Economic Development Authority	Marv Rialson
	Jan Otto
Attorney meetings	Claire Hannasch
	Jan Otto-Arvizu
Hospital Advisory Board	David Berndt

All voted in favor of the motion.

Motion by Berndt, seconded to Rialson 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 Council meetings. All voted in favor of the motion.

Motion by Rialson seconded by Berndt to adopt Robert's Rules of Order and the standard agenda format as the rules and order of business for Council proceedings and direct the staff to prepare the agenda on the Wednesday prior to the Council meetings with a supplemental agenda prepared on Friday if necessary. All voted in favor of the motion.

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

Motion by Berndt, seconded by Stobb to approve Tracy State Bank, 21st Century Bank, the 4-M Fund and Salomon Smith and Barney as the official municipal depositories. All voted in favor of

the motion.

Mayor Hannasch reminded the Council if anyone is interested in attending the Newly Elected Officials Conference, they should notify the Administrator's office.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 8:18 p.m.

ATTEST:

City Administrator

Mayor

January 25, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, January 25, 1999 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, D. Berndt, J. Otto-Arvizu, M. Rialson and R. Stobb. Members absent: M. Fraser. Also present: A. Koopman and D. Polzine.

The Mayor asked for any additions or corrections to the minutes for January 11, 1999. Motion by Rialson, seconded by Stobb 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 were made: (9A) Nuisance complaint; (10B-2) Hospital Advisory Board appointment and (10B-3) M. Rialson. Motion by Berndt, seconded by Stobb to approve the agenda as now written. All voted in favor of the motion.

Charlie DeSchepper submitted the annual ambulance report to the Council for their review. The City commended the ambulance volunteers for their efforts. Motion by Stobb, seconded by Berndt to accept said report. All voted in favor of the motion.

Mayor Hannasch reported on the feedlot meeting he and the Administrator attended. He stated that all the cities present agreed to a one mile set back with the distance between one and two miles requiring a conditional use permit. The Administrator noted that the setbacks would apply to any residential area/zone. The City also questioned the provision included in the Task Force's proposed ordinance which allows a one time expansion of a non-conforming use up to a maximum of 2000 animal units. Each City was instructed to notify the Planning and Zoning Commission at their next meeting on February 9th of their position concerning setbacks. Motion by Stobb, seconded by Rialson to approve the setbacks as outlined above and accept said report. All voted in favor of the motion.

A report outlining the legal fees for 1998 for extra ordinary services was submitted to Council for their review. Motion by Rialson, seconded by Stobb to accept said report. All voted in favor of the motion.

George Hebig, Chairman of the Gym Committee, informed the Council that the Grand Opening for the Prairie Pavilion was held yesterday and encouraged both the Council and the public to considering pledging towards the needed improvements. They have raised approximately \$25,000 and their goal is \$100,000. Motion by Rialson, seconded by Berndt to accept said report. All voted in favor of the motion.

Jack Schaefer requested to be placed on the agenda to report on the trailer court, however, he did not show. A brief discussion followed on the water bill that Mr. Schaefer paid. Motion by Stobb, seconded by Berndt to appoint J. Otto-Arvizu and Mayor Hannasch to met with Mr. Schaefer to see if this matter can be resolved and report back to the Council. All voted in favor of the motion.

Dave Bosacker, Midstate Equipment Consignment, agreed to provide towing service for the City. Motion by Berndt, seconded by Stobb to enter into an agreement with Mr. Bosacker for towing service for 1999. All voted in favor of the motion.

Southwest Minnesota Arts and Humanities Council submitted a request for donation of \$100. Motion by Stobb, seconded by Berndt to approve said request. All voted in favor of the motion.

A resolution increasing pledged securities was introduced. Motion by Stobb, seconded by Rialson to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-1)

The Consent Calendar included the following: Municipal Accounts Payable, Police Commission Minutes for January 14, 1999, Economic Development Minutes for December 18, 1998 and Firemen's Relief Association Minutes. Mrs. Otto-Arvizu reported that all delinquent loans now held by the Economic Development Authority are either current or active. She also reported that the four-plexes in the Eastview Addition have accumulated a surplus, however, the four-plexes on 5th Street

are struggling financially and the surplus from the Eastview four-plexes is being used to supplement the 5th Street four-plexes. She noted that she wanted to make the Council aware of this situation. Motion by Berndt, seconded by Rialson to approve the above listed items. All voted in favor of the motion.

The City Administrator reported that the deadline for the Order of Abatement served on Rick Bjorkland has expired and an unlicensed vehicle still remains. Motion by Rialson, seconded by Berndt to proceed with the necessary legal action. All voted in favor of the motion.

The Capital Improvement Budget for 1999 through 2003 was submitted to the Council for their review. Motion by Otto-Arvizu, seconded by Stobb to approve the Capital Improvement Budget for 1999 through 2003. All voted in favor of the motion.

The Mayor informed the Council of an orientation meeting held by the Regional Development Commission on February 6th. Any Council members who plan on attending should contact the Administrator’s office.

Due to accepting another employment position, Mr. Berndt was unable to serve on the Hospital Advisory Board. Motion by Stobb, seconded by Otto-Arvizu to appoint Brad Nelson to serve on the Hospital Advisory Board. All voted in favor of the motion.

Mr. Rialson noted that we have been operating with a new garbage contract for six months and one of the provisions requires a list of the businesses and their rates. The Administrator stated that she will contact Mr. Larson to request a list of businesses and submit them at the next meeting.

The Administrator informed the Council that Senator Vickerman has drafted legislation for 2.3 million dollars for the City’s sewer separation project, with 1.5 million in the form of a grant. A hearing was requested on January 22nd. Representative Schumacher is drafting legislation to provide funding for wastewater projects for small cities.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 8:27 p.m.

ATTEST:

City Administrator

Mayor

February 8, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, February 8, 1999 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 J. Kerr.

The Mayor asked for any additions or corrections to the minutes for January 25, 1999. Motion by Nelson, seconded by Stobb to approve said minutes as written. All voted in favor of the motion.

The Mayor asked for any additions or deletions to the agenda. Motion by Fraser, seconded by Berndt to approve the agenda as written. All voted in favor of the motion.

The City Attorney's contract for 1999 was reviewed by Council. Nelson moved and Rialson seconded to table action until the next meeting when a complete contract can be provided. All voted in favor of the motion.

The Cemetery Superintendent contract for 1999 was reviewed by the Council. Motion by Berndt, seconded by Stobb to approve said agreement. All voted in favor of the motion.

Richard Weedman, Lamberton, submitted a request for a plumbing license. Motion by Rialson, seconded by Nelson to grant said license. All voted in favor of the motion.

Eric Wharton, RLK Kuusisto Engineering, reviewed the Water Conservation Plan which has been approved by the Department of Natural Resources. He noted that the City is well positioned compared to other communities with the new water system we have in place. A brief discussion followed on the 27% unaccounted water. A portion of this comes from unmetered water, such as flushing hydrants, filling fire and water trucks and street sweeping. He briefly reviewed the need to prepare a Well Head Protection Plan and recommended appointing a representative from the Council to review the plan with the Public Works Director and Administrator then recommend an implementation schedule.

Mr. Wharton also reported on the special legislation is being sought for the sewer separation project. Bills have introduced in both houses and Senator Vickerman and Representative Winter are doing the best they can. MPCA has notified the City that we qualify for a low interest loan which we will look at for the water main portion of the project. He noted that it will take the engineers approximately two months to complete the plans and specs. No action was taken.

Jack Schaefer updated the Council on the status of the Trailer Court. He noted that it is being sold on auction on March 19, 1999. Mayor Hannasch informed Mr. Schaefer that Mrs. Otto-Arvizu and himself were appointed to meet with him but he was unable to contact him. Mr. Schaefer provided a number of documents for the Council's review. It was the consensus that a meeting be scheduled on Wednesday, February 17th at 8:00 a.m. with Mr. Schaefer, Mrs. Otto-Arvizu and Mayor Hannasch.

A resolution authorizing the Lyon County Auditor to terminate a Senior Citizen Deferment was introduced. Motion by Rialson, seconded by Berndt to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-2)

A resolution authorizing the final payment to Duininck, Inc. for the 1998 Street Project was introduced. Motion by Nelson, seconded by Stobb to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-3)

The Consent Calendar included the following: Cemetery Commission minutes for January 21, 1999, Multi-Purpose Center Board minutes for January 11, 1999 and Municipal Accounts Payable. Motion by Rialson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Mayor Hannasch provided copies of a letter he sent to the Department of Commerce concerning the sale of 21st Century Bank.

Mayor Hannasch informed the Council on a meeting he attended in Fulda concerning the services that the Regional Development Corporation provides.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 8:30 p.m.

ATTEST:

City Administrator

Mayor

February 22, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, February 22, 1999 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 and R. Stobb. Members absent: M. Rialson. Also present were staff members: A. Koopman and J. Kerr.

The Mayor asked for any additions or correction to the minutes for February 8, 1999. 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 additions were made: (5B) Frog Alley report; (7A) A resolution declaring property no longer needed for public purpose and (10A) Correspondence from DM&E Railroad. Motion by Nelson, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

The City Attorney's contract for 1999 was reviewed by Council. Motion by Otto-Arvizu, seconded by Stobb to approve said contract. All voted in favor of the motion.

Con Rettmer, Economic Development Director, informed the Council that the brochure offering 23 incentives to build a home in Tracy is now complete. Each business offering an incentive has received copies for distribution as well as Schwan's and the Corn Plant. This brochure will appear as an advertisement in the Independent every other Wednesday and Saturday, the Headlight Herald and Plus. They plan to advertise for two months to see if there are any results. He noted that the EDA has reserved a booth at the Marshall Home Show scheduled on March 12th through the 14th.

Mr. Rettmer also reported on the four-plexes. Financial projections were presented for both the Eastview Apartments and the 5th Street Apartments. He noted that the Eastview Apartments were financed with Essential Function Bonds purchased by the local banking institutions, whereas the 5th Street Apartments were financed with a bond pledging the full faith and credit of the City. The Eastview Apartments have been fully occupied the majority of the time since they have been constructed. The 5th Street Apartments have two vacancies. He stated that they can cash flow with two vacancies, however, they will not be building any reserve fund. As an alternative, he suggested using some of the monies from the Down Payment Assistant Plan if there is a financial need. No action was taken.

Jan Otto-Arvizu and Claire Hannasch reported on their meeting with residents from Frog Alley. Mrs. Otto-Arvizu noted that there is one meter for the entire trailer park and questioned if there are shut-offs to individual trailers. If shut-offs are available for individual trailers, it would be easier to control non-payment. She also noted that one trailer was purchased from the owner of the park with the condition that he would pay the electric bill for all the security lights in lieu of rent. This amounts to a sizeable sum and suggested that as a solution, all the security lights be disconnected from his meter. Mr. Kerr suggested that as long as this property is going through bankruptcy, that the trustee be contacted concerning the outstanding obligations. Mayor Hannasch also suggested that the EDA be directed to look into the feasibility of purchasing the trailer court at the bankruptcy sale scheduled on March 19th. He contended that if DM&E proceeds with their renovation project they will need housing. Mr. Rettmer expressed a concern that if the City purchases this property it would be removed from the tax rolls and questioned how many more tax exempt properties should we have. Mayor Hannasch also noted that there are several trailers owned by Wil-Pro that are not in very good condition and suggested that they be inspected to determine if they are a nuisance or dilapidated. The City Attorney was directed to contact the Trustee to see what the City can do concerning the residents and report back at the next meeting. Mr. Spencer was directed to contact the other two residents for non-payment of their water bill and inform them payment is due now with another payment due on March 10th. They are hoping that Jack Schaefer will be paid back the \$789 he paid for the delinquent water bill. The late fee and penalties have been waived. Mr. Kerr will also check with the Trustee whether the utilities can be discharged when filing for bankruptcy. It was the consensus that no further action will be taken until Mr. Kerr reports at the next meeting. The EDA was also directed to report at the next meeting.

Motion by Stobb, seconded by Nelson to direct the Fire Marshall and Building Inspector to inspect

all the homes owned by Wil-Pro to determine whether they are a nuisance or dilapidated. All voted in favor of the motion.

The City Administrator questioned whether the Council was interested in purchasing umbrella insurance. Currently the City’s insurance limits is \$750,000. The umbrella insurance would provide coverage up to \$1,000,000 for an additional premium of \$3,000 to \$4,000. Mr. Kerr noted that by increasing the limits, we would also increase the liability exposure. Motion by Nelson, seconded by Berndt to leave the coverage at \$750,000. All voted in favor of the motion.

Mayor Hannasch appointed an interview committee consisting of Jan Otto-Arvizu, Dave Berndt and Mike Fraser to interview applicants for the Library Board, Senior Center Board and Police Commission. Multiple applications were received for these boards. The interviews were scheduled on Saturday morning beginning at 9:00 a.m.

Motion by Stobb, seconded by Berndt to approve the following appointments:

Planning Commission	Dan Anderson
Cemetery Commission	Marlene Buck
E.D.A. Board	Jim Garvin

All voted in favor of the motion.

A resolution declaring property no longer needed for public purpose was introduced. Motion by Berndt, seconded by Nelson to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-4)

The Consent Calendar included the following: Firemen’s Relief Association minutes for February 1, 1999, Planning Commission minutes for February 1, 1999, Economic Development Authority minutes for January 15, 1999, Monthly Financial Report, Municipal Accounts Payable, Police Commission minutes, Multi-Purpose minutes for February 8, 1999 and Y2k Quarterly Report. Motion by Berndt, seconded by Fraser to approve the above listed items. All voted in favor of the motion.

Mayor Hannasch reviewed correspondence received from DM&E Railroad. He also stated that he was trying to organize a meeting with all the Mayors from Brookings to New Ulm concerning the proposed renovation to the railroad.

There being no further business, Nelson moved and Berndt seconded to adjourn. All voted in favor of the motion at 8:37 p.m.

ATTEST:

City Administrator

Mayor

March 8, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, March 8, 1999 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 and R. Stobb. Also present were staff members: A. Koopman and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for February 22, 1999. 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 agenda. The following additions were made: (10A-2) Parking violation report and (10A-3) Newly Elected Officials Conference report. Motion by Berndt, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

Mr. Kerr reported on the mobile home park. He stated that Norwest Bank in Marshall has a \$40,000 mortgage on the park and possibly holds the contract for deed on the Stowell property. If the park at the March 19th auction does not bring more than the amount of the mortgage, then the Trustee may abandon that property. The Trustee has already given notice of intent to abandon the Stowell property because of alleged hazardous materials. MPCA is aware that there is potential for hazardous material at this site. Mr. Kerr strongly urged someone from the City to be present at the auction to talk to the Trustee. Mr. Kerr noted that funds may be available for cleanup of these materials, however, currently the City does not have any direct responsibility. Mrs. Arvizu questioned if as a community we have a concern on the alleged hazardous materials leaching into the drainage ditch shouldn't MPCA be notified? She was informed that MPCA has been notified and will investigate. It was the consensus that if nothing is done before April 1, 1999, the City Administrator was directed to follow up with MPCA.

Con Rettmer, representing the EDA, reported that the EDA did not feel it was in the best interest of the City to purchase the mobile home park. He explained that the projected taxes due in 1999 equaled \$1,488 which would not be collectable if owned by the EDA. He also stated that the benefit received from the railroad project would only last between one to one and one-half years. Norwest Bank will bid the amount they have against it to prevent any low ball price. No action was taken.

A brief discussion followed on adopting the 1997 Minnesota State Building Code and Uniform Fire Code. It was the consensus to purchase sufficient copies of both codes and set up a meeting with the Building Inspector, Fire Chief, City Attorney and City Administrator then place it back on the agenda for further consideration.

A Certificate of Appreciation was presented to Dallas Petit for his service on the Planning Commission.

Motion by Stobb, seconded by Berndt to appoint Darin Vote to fill the unexpired term on the Planning Commission. All voted in favor of the motion.

Gary Garrels, Building Inspector submitted a report on alleged nuisances at the mobile home park. In his report, he stated that there appears to be some nuisances in the occupied homes. It was the consensus to direct the Chief of Police to conduct an investigation to determine if a nuisance exists.

The City Administrator informed the Council that the Multi-Purpose Center is requesting an additional parking spot to be designated as a loading zone for Meals on Wheels. She explained that they now have two routes and require the additional space. Motion by Stobb, seconded by Berndt to designate an additional parking space to be used as a loading zone, Monday through Friday from 10:30 a.m. to 12:00 p.m. and a temporary sign being used for specified periods of time for evening meals. All voted in favor of the motion.

The Consent Calendar included the following: Planning Commission minutes for March 1, 1999 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 invited the Council to attend a meeting on Thursday, March 11, 1999 at 6:00 p.m. at the Mediterranean Club with the DM&E Railroad.

The Council expressed concern that Judge Marshall only charged a defendant for one of two winter parking ticket violations. Apparently Judge Marshall didn't feel that the City provided adequate notice of the City's parking ordinance. Motion by Berndt, seconded by Nelson to send a letter to Judge Marshall questioning why he was not supporting our officers after they have been given a directive to enforce the ordinance. Mrs. Arvizu indicated that our ordinance is very restrictive and suggested that signs be placed at each entrance into the City stating what our parking restriction are. All voted in favor of the motion.

Motion by Otto-Arvizu, seconded by Stobb to refer the matter of parking restriction signs to the Planning Commission. All voted in favor of the motion.

Mayor Hannasch reported that the Newly Elected Officials conference he attended was very beneficial and encouraged other council members, if given an opportunity, should attend this conference. All voted in favor of the motion.

There being no further business, Nelson moved and Berndt seconded to adjourn. All voted in favor of the motion at 8:24 p.m.

ATTEST:

City Administrator

Mayor

March 22, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, March 22, 1999 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. Members absent: J. Otto-Arvizu and M. Rialson. Also present were staff members: A. Koopman, D. Polzine and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for March 8, 1999. 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 additions were made: GIS Report and City Administrator comments.. Motion by Berndt, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

Eric Wharton, Kuusisto Engineering, updated the Council on the progress the County has made in the Geographical Information System (GIS). He explained that this is an integrated mapping system and they are trying to involve all interested parties to determine how they want to use the system. He noted that it has the potential to be a valuable planning tool. No action was taken.

The final pay request for Quam Construction was presented to Council for the 4th Street East sewer. Motion by Stobb, seconded by Berndt to approve payment in the amount of \$2,500.00 to Quam Construction. All voted in favor of the motion.

Mr. Wharton also reviewed the Emergency Water Conservation Plan. This plan has been accepted by the DNR and was being submitted to Council to review and adopt. A discussion centered around the adoption of an inner wellhead protection plan which has to be adopted by June 1st. A concern was raised on the amount of unaccounted water which equaled 27% in 1995 and dropped to under 24% in the last three years. He also reviewed the corrosiveness of the water and suggested that we may want to look at reducing the high copper levels. He contended that this would be a good trigger to receive PFA funding. He also suggested that the Council give careful review of the rate structure. He stated that the rates should equal enough to pay for the water system and the rate structure should establish a uniform rate. The City's water rates are very low compared to other communities. The next step includes approving the plan and preparing an implementation schedule. No action was taken.

Mr. Wharton updated the Council on the status of the special legislation the City is trying to receive to provide funding the sewer separation project. Council members were encouraged to contact our local legislators to receive their support.

The County requested an easement on County Road 73 in the vicinity of the well site. Mr. Wharton recommended granting a fifteen foot easement. It was the consensus to submit a completed easement to the Council for their review at the next meeting.

The Community Plan and Partnership Agreement with the DM&E Railroad was submitted to the Council for their review. Mayor Hannasch explained that it is important to get this agreement signed. He stated that this agreement after it is signed is binding on DM&E, however, the City can make changes. Mr. Kerr stated that he was very concerned about the makeup of the agreement. He informed the Council that he was involved with the improvement to the grade crossing on Center Street in 1975. There was an order from the Public Safety Commission that required lights and short arm gates which have now been removed. He also contended that the City can not unilaterally decide on these crossing because they all involve County roads. He suggested that this matter be reviewed with the County and use the State to see if the technology the railroad is offering is the best. Both Mr. Nelson and Mr. Berndt agreed that we should do more checking and do it right before we make any commitments. Mayor Hannasch contended that the longer we delay the more possibility there will be to opposition and he was very much in favor of this rail project. It was the consensus to complete all research and place it on the agenda on April 12th.

Dick Stelter introduced the new Lyon County Enterprise Facilitator, Jackie Turner-Lovsness. Ms.

Lovsness gave a brief overview of the services they offer. No action was taken.

Motion by Nelson, seconded by Berndt to grant a Private Bottle Club license to the Tracy Eagles Club. All voted in favor of the motion.

Motion by Stobb, seconded by Berndt to grant a set-up license to Tracy Lanes and Sander’s Eastside. All voted in favor of the motion.

Motion by Berndt, seconded by Fraser to grant a plumbing license to Wood’s Plumbing and Heating, Balaton, MN. All voted in favor of the motion.

Mr. Polzine presented bids for a snow blower. He recommended accepting the State bid for the Snogo WK-800 in the amount of \$57,412. It was suggested that the final commitment to purchasing this blower be delayed until the legislature decides whether to abolish the sales tax on local government purchases. Motion by Berndt, seconded by Nelson to approve the purchase of a Snogo blower at a cost not to exceed \$57,412. All voted in favor of the motion.

A resolution supporting the repeal of the State sales tax for local government purchases was introduced. Motion by Nelson, seconded by Berndt to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-5)

A resolution approving change in pledged securities was introduced. Motion by Fraser, seconded by Nelson to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-6)

The Consent Calendar included the following: Firemen’s Relief Association minutes for March 1, 1999, Cemetery Commission minutes for March 4, 1999 and Municipal Accounts Payable. Motion by Nelson, seconded by Fraser to approve the above listed items. All voted in favor of the motion.

Dave Berndt, Mike Fraser and Brad Nelson agreed to serve on the Board of Review scheduled on Tuesday, April 13, 1999 at 7:00 p.m.

Mayor Hannasch informed the Council that he has received nothing but positive comments on the DM&E meeting he held with the other communities. He explained that the railroad project would be very beneficial to this area. They discussed creating a coalition and he stated that he would like to see Tracy’s involvement.

The City Administrator explained that the hospital purchased a new backup generator and plan to sell the old one. The City would like to keep it as a backup for the Municipal Building. Motion by Nelson, seconded by Fraser to inform the Hospital Advisory Board that the City wants to keep the backup generator. All voted in favor of the motion.

There being no further business, Nelson moved and Berndt seconded to adjourn. All voted in favor of the motion at 8:48 p.m.

ATTEST:

City Administrator

Mayor

April 12, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, April 12, 1999 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 J. Kerr.

The Mayor asked for any additions or corrections to the minutes for March 22, 1999. Motion by Fraser, seconded by Nelson to approve the agenda as now 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: DELETE: (6A) R & H Management Services; ADD: (6A) Central Park Lighting : D. Anderson; (7C) Sump Pump removal from sanitary sewer system and (7C) Trailer Park Evacuation Plan. Motion by Nelson, seconded by Berndt to approve the agenda as now written. All voted in favor of the motion.

Mayor Hannasch presented a Commendation Award to David Borchert and the Tracy Ambulance Service for their assistance in saving the life of a 15 year old boy at the track meet last week.

Roy Srp, DM&E Railroad, informed the Council that additions can be made to the agreement after it is signed. Mr. Kerr recommended that in addition to the letter dated April 2, 1999, sent by Kevin Schieffer, President and Chief Executive Officer, he recommended that the City be given written assurance and clarification by DM&E that the Center Street crossing would be designed for whistle free status and pre-wire the site for any necessary whistle free technology, and install any necessary foundations for the gate pedestal sufficient for whistle free standards. Provide written definitions describing "flashing red lights with gates" and "whistle free" flashing lights with gates which would clarify the terms "gates" and "full gates". Mr. Srp assured the Council that DM&E will approve what the City wants. He also stated that anything that the State mandates will be met by DM&E. After further discussion, Rialson moved and Stobb seconded to approve signing the Partnership Agreement with DM&E and include the recommendations listed in Mr. Kerr's memo dated April 12, 1999, plus those changes listed in the DM&E letter dated April 2, 1999. All voted in favor of the motion.

A slope easement for County Road 73 was submitted to Council for their review and approval. Motion by Rialson, seconded by Berndt to approve said easement. All voted in favor of the motion.

The City Administrator reported that the Planning Commission is requesting authorization to purchase six lights for Central Park. The cost is \$1,425 per light plus approximately \$3,700 for cement pads and wiring materials. The labor to install the wiring will be donated by G&R Electric and Hebig Electric. Motion by Berndt, seconded by Fraser to authorize said purchase. All voted in favor of the motion.

Tom Quinlivan, Hospital Administrator, requested the Council's approval to spend \$130,000 for capital improvements at the hospital. Motion by Nelson, seconded by Fraser to approve said expenditure. All voted in favor of the motion.

Nichole Larson, Kinner Holmberg, LTD, presented the City's 1998 audit report. Motion by Fraser, seconded by Stobb to accept said report. All voted in favor of the motion.

The staff recommended the Council consider an increase of \$.35 in the water rates and increase the base sewer rate by \$2.00, plus an additional \$.20 per unit based on the average winter usage with no declining scale. The staff also recommended various increases in miscellaneous charges. Motion by Nelson, seconded by Stobb to accept the staff's proposal and prepare an ordinance for the Council's review at the next meeting. All voted in favor of the motion.

Motion by Rialson, seconded by Berndt to appoint Fylla Paulson and Gloria Hamilton to serve on the Library Board. All voted in favor of the motion.

The Committee recommended reopening the position for Police Commissioner and wait until the

next meeting before making the appointment. There has been some confusion concerning who has applied. Mr. Rialson stated that he was in favor of this. Mr. Rialson then stated that Mr. Kerr is not a policy maker and should not have said that Mr. Holm could re-apply after he withdrew his application and contended that this matter should have been brought to Council for their consideration. Mayor Hannasch stated that he requested a legal opinion from Mr. Kerr concerning the re-application and agreed that Mr. Holm could re-apply. After further discussion, Nelson moved and Rialson seconded to appoint Glen Surprenant to the Police Commission. Upon roll call, the following vote was recorded: voting aye: Fraser, Nelson, Rialson and Stobb; voting nay: Berndt, Arvizu and Hannasch. The motion carried.

Motion by Rialson, seconded by Nelson to appoint Ruth Helgemo to serve on the Multi-Purpose Center Board. All voted in favor of the motion.

The Planning Commission recommended that the American Legion use temporary signage for handicap parking spaces. Questions were raised on legalities. It was the consensus to place this matter on the next agenda when more information is available.

Don Polzine reported that the sump pumps have to be removed from the sanitary sewer due to the amount of water that is entering the system. It was the consensus to require removal by April 19th.

The Trailer Park Evacuation Plan was presented to the Council for their approval. Motion by Berndt, seconded by Fraser to approve said plan as submitted. All voted in favor of the motion.

A resolution declaring property no longer needed for public purpose was introduced. Motion by Rialson, seconded by Berndt to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-7)

A resolution approving budget adjustment and authorizing the purchase of computer hardware upgrades was introduced. Motion by Nelson, seconded by Fraser to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-8)

The Consent Calendar included the following: Multi-Purpose Center minutes for March 15, 1999, Municipal Accounts Payable and Firemen's Relief Association minutes for April 5, 1999. Motion by Berndt, seconded by Rialson to approve the above listed items. All voted in favor of the motion.

The City Administrator recommended purchasing the sirens from the Equipment Replacement Fund and paying said fund back over a five year period. Motion by Nelson, seconded by Berndt to approve said recommendation. All voted in favor of the motion.

The City Administrator informed the Council that the League of Minnesota Cities Conference is scheduled June 15th through the 18th. Anyone wishing to attend was directed to notify her office.

Marv Rialson, Dave Berndt and Brad Nelson were appointed to meet with Jack Schaefer concerning the trailer park water bill and report at the next meeting.

The City Administrator informed the Council that Rosanne Sell has submitted her resignation. She noted that Madonna Peterson will assume the full-time position and questioned whether we should hire another full-time person rather than part-time. She noted that funding for a full-time position is not included in this year's budget. After a brief discussion, Nelson moved and Berndt seconded to advertise for a full-time position. All voted in favor of the motion.

Mayor Hannasch suggested the Council consider converting the area abutting South Street where the building was removed into a gravel parking lot. This matter will be discussed further at a future meeting.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 9:25 p.m.

ATTEST:

April 26, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, April 26, 1999 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman, D. Polzine and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for April 12, 1999. 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 additions were made: (6A) Jack Schaefer's water bill; (5C) Request authorization to prepare plans and specs for the sewer separation project and (5H) Request authorization to purchase a second defibrillator. Motion by Fraser, seconded by Rialson to approve the agenda as now written. All voted in favor of the motion.

Dennis Healy, R&H Management, presented a proposal to conduct a community survey at a cost not to exceed \$1,800. The City would be responsible for distributing and collecting said survey. This information would be used to provide data for grant applications. He noted that in a meeting with the City Administrator and Mayor, they discussed the possibility of exploring funding for swimming pools and bike trails. He contended that this survey is a good planning tool which helps you to determine community's needs. Mr. Kerr questioned if grants were available for the sewer separation project. Mr. Healy responded that grants are awarded based on how existing rates compare with the percentage applied to the median household income. After further discussion concerning various forms of grants, Fraser moved and Stobb seconded to proceed with a community survey at a cost not to exceed \$1,800.00. All voted in favor of the motion.

Jackie Fowler, Dakota Telecommunications Group (DTG) presented a formal request for a non-exclusive cable TV franchise. In addition to cable TV, they offer a wide variety of services including, but not limited to dial tone, long distance and internet. She contended that the multiple services they provide represents a savings to the consumer. All legal fees associated with the franchise will be paid DTG. They also proposed to install their lines underground wherever possible. After some discussion, Nelson moved and Rialson seconded to proceed with the process of issuing a franchise. All voted in favor of the motion.

Eric Wharton, RLK Kuusisto Engineering, informed the Council that plans and specifications should be prepared for the sewer separation project so they can be submitted to MPCA for their review. PFA funding will be used to finance this project, thereby allowing the water main portion to be completed simultaneously. Questions were raised on whether the street restoration work should be assessed against the benefitting property owners. This decision will be made after the plans and specifications are completed. He reported that it is unlikely that the City will receive any funding through the special legislation that the City applied for. A brief discussion followed on the PFA financing. Fraser then moved and Stobb seconded to authorize the preparation of plans and specifications for the sewer separation project. All voted in favor of the motion.

The Planning Commission recommended granting a 20" side yard variance and a 7-1/2' back yard variance to Deb and Maurel Ohman, 224 Union Street. Motion by Stobb, seconded by Fraser to accept the Planning Commission's recommendation to grant said variance. All voted in favor of the motion.

The Planning Commission recommended granting a three foot back yard variance to Bettie Johnston, 201 Hollett Street. Motion by Rialson, seconded by Berndt to accept the Planning Commission's recommendation to grant said variance. All voted in favor of the motion.

Motion by Rialson, seconded by Berndt to appoint Anne Algyer to serve on the Multi-Purpose Board. All voted in favor of the motion.

Chief Hillger presented proposed locations for the two new civil defense sirens. He recommended that they be placed on two existing siren poles which are located in Sebastian Park and Greenwood area. By Council consensus, these locations were approved.

Tony Rolling, representing the Tracy Police Department, requested the Council to contribute towards the purchase of a second defibrillator. He stated that the Tracy Ambulance Service would provide assistance to securing a matching grant. Motion by Stobb, seconded by Nelson to contribute \$500 of unallocated funds towards the purchase of a second defibrillator. All voted in favor of the motion.

Mayor Hannasch read a letter received from Mark and Helen Guetter thanking the police department and ambulance service for their quick response in saving their son's life. They also donated \$200.00 to the ambulance service.

A committee consisting of Dave Berndt, Marv Rialson and Brad Nelson recommended reimbursing Jack Schaefer a total of \$719.52 for the trailer park's water bill. Motion by Nelson, seconded by Rialson to reimburse Mr. Schaefer \$719.52 and assessing said amount against the property. Mr. Kerr questioned why this amount was not included in the bankruptcy proceedings and suggested that the Trustee be contacted concerning this matter. Mr. Kerr contended that the water bill should be considered as an operational cost. A brief discussion followed on the ability to assess this amount against the property. All voted in favor of the motion.

An ordinance amending City Code Section 6.14 WATER AND SEWER USAGE RATES was reviewed by Council. Mr. Rialson stated that he has heard concern expressed on the connection/disconnection fee of \$40.00 indicating that it was too high. Mr. Stobb suggested that reference to an annual rate increase of \$.05 be included in the proposed ordinance. Motion by Nelson, seconded by Berndt to include a \$.05 per unit annual rate increase for both water and sewer. All voted in favor of the motion.

Mayor Hannasch reported that the repeal of sales tax for local governments did not become law..

Charlie DeSchepper stated that on behalf of the Tracy Ambulance Service, they would like to donate the \$200 they received from the Guetter family towards the purchase of the second defibrillator.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 9:30 p.m.

ATTEST:

City Administrator

Mayor

May 10, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, May 10, 1999 in the Council Chambers of the Municipal Building. The following Council members were present: R. Stobb, B. Nelson, M. Fraser, D. Berndt, J. Otto-Arvizu and M. Rialson. Absent: C. Hannasch. Also present: A. Koopman and J. Kerr.

Mr. Stobb asked for any additions or corrections to the minutes for April 26, 1999. Motion by Fraser, seconded by Berndt to approve said minutes as written. All voted in favor of the motion.

Mr. Stobb asked for any additions or deletions the agenda. The following additions were made: (11A) Administrator comments and M. Rialson comments. Motion by Berndt, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

Mr. Kerr informed the Council that legal counsel specializing in cable TV franchising will be needed to consider DTG's cable TV franchise proposal. He recommended Brian Grogen with the firm of Moss & Barnett. He noted that legal services will be reimbursed by the company. Motion by Rialson, seconded by Nelson to retain Brian Grogen as legal counsel for the City's franchise. All voted in favor of the motion.

Mr. Kerr noted that the next step in the franchise process is to publish a Notice of Intent to franchise. He assured the Council that Mr. Grogen could provide this notice.

A resolution approving change in pledged securities was introduced. Motion by Fraser, seconded by Berndt to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-9)

The Consent Calendar included the following: Monthly Financial Report for February and March, Economic Development Authority minutes for April 16, 1999 and Municipal Accounts Payable. Motion by Berndt, seconded by Rialson to approve the above listed items. All voted in favor of the motion.

The Council again reviewed proposed amendments to Section 6.14 of the City Code relating to water and sewer usage rates. The Administrator stated that another Subd. was added that addresses an annual increase effective July 1st of each year and suggested that the actual increased amount be listed in the ordinance. After a brief discussion, Nelson moved and Rialson seconded to waive the first reading and set the second reading and public hearing at 7:45 p.m., Monday, May 24, 1999 and include increased amounts for a five year period. All voted in favor of the motion.

The City Administrator informed the Council that Jamie Leonard has been hired as the Administrative Assistant and will begin her employment on May 24th.

Marv Rialson informed the Council that he has been contacted concerning the location of the siren in the Greenwood area. Apparently Jim Wyffels objected to the proposed location and requested that the Council consider another location. Mr. Nelson, Mr. Rialson and Chief Hillger agreed to look into this matter and report back at the next meeting.

Chief Hillger reported that the nuisance at 330 4th Street has been abated. He also reported that the nuisance at 58 Morgan still exists. After a brief discussion, Rialson moved and Nelson seconded to adopt a resolution declaring a nuisance exists at 58 Morgan Street and issue an Order of Abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-10)

It was the consensus to direct the Police Department to begin a city-wide survey for nuisances during the week of May 24th.

There being no further business, Rialson moved and Nelson seconded to adjourn. All voted in favor of the motion at 8:03 p.m.

ATTEST:

May 24, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, May 24, 1999 in the Council Chambers of the Municipal Building. The following Council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman, D. Polzine and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for May 10, 1999. 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 additions were made: (6C) HRA appointment; (11A) City Dump : D. Polzine, Diving Board at Swimming Pool and Dilapidated Building demolition. Motion by Berndt, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

Mayor Hannasch presented an award to former Mayor Almlie in appreciation for his years of service as Mayor.

An ordinance amending City Code Section 3.30, BUILDING CODE, was introduced. Motion by Rialson, seconded by Nelson to waive the first reading and set the second reading and public hearing at 7:45 p.m., Monday, June 14, 1999. All voted in favor of the motion.

An ordinance amending City Code Section 3.50, FIRE CODE, was introduced. Motion by Berndt, seconded by Rialson to waive the first reading set the second reading and public hearing at 8:00 p.m., Monday, June 14, 1999. All voted in favor of the motion.

Jan Otto-Arvizu arrived at 7:40 p.m.

Leroy Johnson, informed the Council that he is looking for equalization in taxation for the maintenance, repair and improvement to the water drainage systems within the City. He noted that we have an internal storm sewer system plus three Judicial Ditch systems all located within the City. Repair to the storm sewer system is paid for through the surcharge fund, whereas, only the benefitting property owners pay for assessments associated with repair or maintenance of the ditch systems. Improvements made to the ditch system are paid 100% by the benefitting property owners, but improvements to the storm sewer system is shared on a 50/50 basis between the benefitting property owners with the remainder being collected through ad valorem taxes. He noted that in 1994 this matter was considered by the Council and approved by the County, however it failed because at that time the ditch systems functioned independent of each other. He contended that consideration of the proposal is more timely now because the viewers just completed a redetermination of benefits on the three ditch systems, plus the County just recently completed consolidating the three ditch systems into one. In addition, the property owners received a one-time assessment that balances the books on each of the ditches for all past expenses associated with individual ditches. This matter was briefly reviewed by the County Commissioners and they have given their blessing. It was the consensus to determine what action with the County is necessary, then place this matter back on the agenda when more information is available.

The Mayor opened the hearing to public testimony at 7:45 p.m. on Ordinance No. 267, an ordinance amending City Code Section 6.14, WATER AND SEWER USAGE RATES. Marv VanAcker, 77 Morgan Street, did not object to the increase in water rates, however, he felt that the \$100.00 deposit for rental property was too high. He also indicated that the proposed fee of \$20.00 for turning water off for plumbing repair was unnecessary because that's what City employees are getting paid for. He also indicated that the disconnect and reconnect fee of \$40.00 was too high. He contended that the amount of time associated with connecting or disconnecting was less than the \$40.00 fee proposed. John Almlie, 372 1st Street East, stated that it is too bad that we have to raise rates to accommodate a State Government that is unwilling to provide financial assistance for the City's project, but we have to go ahead with the plans to complete the sewer separation project because it is required by the government. Mayor Hannasch stated that we haven't had an increase in rates for 10 years. If you consider what inflation has done during this period, the proposed rate increase is not out of line. He further stated that if the City would have implemented an annual increase the

rates would be higher than are currently being proposed. Mr. Almlie agreed and reiterated that it is regrettable that the State first says they will provide funding, then they don't. Norm DeBlieck, 767 N. 3rd Street, stated that he was concerned with the reconnection and disconnection fee of \$40.00 that is being proposed. He contended that this is too large an increase. He explained that the people that go South for the winter are on fixed incomes. Mayor Hannasch pointed out that there is a fixed cost that continues year around whether they live here or not. Mr. DeBlieck said that 200% increase is just too much. Marlo Tripplet, 460 Madison Street, stated that he can't see why the reconnection and disconnection fee should be so high. He explained that the people that go South are not well off and live on fixed incomes. He said that they go there to save money on fuel and other items. John Almlie stated that with the inflated gas prices, it cost him \$40.00 more to get home which is equal to the proposed increase. There being no further public testimony, the Mayor declared the hearing closed and referred to the Council for their consideration. Mr. Rialson stated that we are discriminating against approximately 30 families with the proposed \$40.00 reconnection and disconnection fee. After a brief discussion, Rialson moved and Fraser seconded to set the reconnection and disconnection fee at \$30.00. Upon roll call, the following vote was recorded: voting aye: Berndt, Fraser, Nelson, Otto-Arvizu, Rialson and Stobb; voting nay: Hannasch. The motion carried.

Motion by Stobb, seconded by Berndt to adopt Ordinance No. 267 as amended. All voted in favor of the motion.

Mr. Kerr reviewed the Notice of Intent to franchise. He also reviewed the proposed schedule. Motion by Stobb, seconded by Rialson to publish the Notice of Intent to franchise with the time to summarize applications set for 7:45 p.m. on July 26th. All voted in favor of the motion.

The City Administrator informed the Council that she has received a proposal to retrofit the lighting fixtures in City owned buildings. She requested authorization to secure proposals for this project. Motion by Rialson, seconded by Nelson to advertise for proposals to retrofit the lighting fixtures in City owned buildings. All voted in favor of the motion.

Motion by Fraser, seconded by Rialson to appoint Claire Hannasch to fill the unexpired term of Bob Reiter on the EDA Board. All voted in favor of the motion.

Motion by Rialson, seconded by Berndt to appoint Diane Kamrud to serve on the HRA Board. All voted in favor of the motion.

A resolution declaring nuisances abated at 330 4th Street and 58 Morgan Street was introduced. Motion by Stobb, seconded by Rialson to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-11)

The Consent Calendar included the following: Police Commission minutes for April 22 and May 13, 1999, Municipal Accounts Payable, Firemen's Relief Association minutes for May 10, 1999, Cemetery Commission minutes for May 6, 1999 and Monthly Financial Report. Motion by Berndt, seconded by Fraser to adopt the above listed items. All voted in favor of the motion.

Mayor Hannasch recommended moving the siren in the Greenwood area approximately one and one-half blocks North of its current location. Motion by Otto-Arvizu, seconded by Berndt to approve said siren location. All voted in favor of the motion.

Don Polzine informed the Council that illegal dumping has occurred at the City Dump. He noted that the only things allowed are trees plus yard and garden wastes. They have found lumber, a sump pump and plastic bags. Every week they have to haul out debris that was dumped illegally which costs the City money. He recommended that we begin locking the dump and opening in only on designated times, namely Wednesdays from 4:00 p.m. to 6:00 p.m. and Saturdays from 1:00 to 4:00 and use the summer help to monitor dumping. Mr. Polzine also noted that the key will not be given out for dumping purposes at any other times than designated hours. The Council agreed with his recommendation.

Mr. Polzine informed the Council that the diving board needs to be replaced. He received three

quotes and recommended accepting the quote submitted by Les Lee Swimming Pool and Supplies in the amount of \$900. Motion by Rialson, seconded by Stobb to approve said purchase. All voted in favor of the motion.

Mr. Polzine noted that the condition of the pool deteriorates more each year.

The City Administrator informed the Council that a bill in the amount of \$3,950 was received from the County for our share of the demolition of the tax forfeited dilapidated buildings. Motion by Rialson, seconded by Nelson to approve payment in the amount of \$3,950 to Lyon County. All voted in favor of the motion.

Russ Stobb reminded the public that the City-wide inspection will be conducted this week.

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

ATTEST:

City Administrator

Mayor

June 14, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, June 14, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, M. Fraser, D. Berndt, M. Rialson, R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

The Mayor asked for any additions or corrections to the minutes for May 24, 1999. 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 deletions were made: (7A) Urban Expansion District. The following additions were made: Rialson requested to add comments under new business. Motion made by Berndt, seconded by Rialson to approve the agenda as now written. All voted in favor of the motion.

The Planning Commission recommended granting a request from the American Legion for a handicapped parking space located north of the parking lot in front of the American Legion building. Motion made by Rialson, seconded by Stobb to approve designating a handicapped parking space in front of the American Legion. All voted in favor of the motion.

The Mayor introduced a resolution to increase pledged securities at Tracy State Bank by \$500,000.00. Motion made by Fraser, seconded by Berndt to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-12)

Mayor Hannasch presented a resolution of application to the Minnesota Public Facilities Authority for a loan from the Water Pollution Control Revolving Fund. Koopman explained it was required as part of the PFA application for funding the sewer separation project. Motion made by Stobb, seconded by Rialson to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-13)

The Consent Calendar included the following: Multi-Purpose Center minutes for May 10, 1999, Monthly Financial Report, Municipal Accounts Payable, and Y2k Quarterly Report. Motion by Berndt, seconded by Fraser to adopt the above listed items. All voted in favor of the motion.

B. Nelson arrived at 7:35.

The Mayor asked for input regarding collection of the proposed city-wide survey, and any suggestions for a community group to do the collecting and what kind of monetary compensation to offer. All agreed an adult civic organization would be able to assist residents in answering survey questions. Hannasch suggested the Lions Club as one of the larger and more active groups of the community, or the fire department or Kiwanis Club. Koopman added that the surveys would be mailed out following a feature article in the *Headlight Herald*, and citizens would be able to direct any questions to those collecting the surveys. Koopman also stated because the final draft is not finished yet it will be 2-3 weeks before the surveys are sent out.

Mayor Hannasch suggested offering \$500.00 to any organization who agrees to collect the surveys. Motion made by Stobb, seconded by Rialson to appropriate \$500.00 for survey collection and open up the collection opportunity up to any interested adult civic group. All voted in favor of the motion.

Rialson related that since the restricted hours of the city dump were put into effect he has had several phone calls and personal conversations with citizens displeased with the new hours. Rialson thinks the problems with illegal dumping occur during nighttime hours and sees no problem with having the street department open the gates at 8:00 a.m. and closing them at 5:00 p.m., plus 1:00 - 4:00 p.m. on Saturdays. He also suggested posting a better sign explaining the restrictions and stating the penalties of dumping illegal items. Rialson added in regard to the current hours, Wednesday is golf day for a lot of citizens and many are out of town on weekends, so they wouldn't be able to utilize the dump with restricted hours.

Kerr indicated that there is currently no ordinance for illegal dumping at the City dump, and suggested passing an emergency ordinance specific to the dump. Hannasch reiterated that the illegal

dumping probably took place during late evening or early morning hours, and proposed trying the daytime hours for three months to see how it goes.

Kerr stated an emergency ordinance could be enacted immediately. The ordinance will include what items can be dumped - leaves, grass clippings, branches, yard and garden waste - and will state that nothing can be left in garbage bags.

Mayor Hannasch halted discussion to open the hearing to public testimony at 7:50 p.m. on Ordinance No. 268, an ordinance amending Tracy City Code Section 3.30, BUILDING CODE to update from 1994 to 1997 building code regulations adopted by the State of Minnesota. Gary Garrels explained that by updating the building codes the City would be using the latest documents available, several items having been revised over the last three years.

The Mayor closed the public hearing and asked for comments from members of the City Council, adding that the ordinance had been recommended by the Planning Commission. Motion made by Rialson, seconded by Stobb to adopt Ordinance No. 268. All voted in favor of the motion.

Discussion of the city dump resumed. The Administrator suggested posting hours instead of specifying hours within the Ordinance, that way hours could be changed as needed. Kerr referred to penalties for illegal dumping, indicating that a \$200.00 fine is only a petty misdemeanor and that he would like to see the penalty designated a misdemeanor so it is consistent with other ordinance penalties. Mr. Kerr indicated he would have the ordinance drawn up by the next meeting. It was the consensus to set the hours at 8:00 a.m. to 5:00 p.m. Monday through Friday and 1:00 p.m. to 4:00 p.m. on Saturday.

Mayor Hannasch opened the hearing to public testimony at 7:58 p.m. on Ordinance No. 269, an ordinance amending City Code Section 3.50, FIRE CODE. Keith Engesser, Tracy Fire Chief, requested the fire code be updated due to new technology and new codes. He also stated that several items in the Building Code refer to the Fire Code, and expressed a need to update the Fire Code to coincide with the updates in the Building Code. Kerr read a revised Subd. 5A to Council members which adds a reference to Article 52 of the Minnesota Uniform Fire Code and allows a risk assessment to be performed by the Fire Chief for any proposed above-ground storage tanks for flammable or combustible liquids. Engesser added this would help the fire department have more control and be tougher on fire code issues.

Kerr also read a revised Subd. 12 which establishes a board of appeals consisting of the Mayor, City Council members, and the Fire Chief or the Chief's designated representative, should an application or permit for an above ground storage tank be denied and contested.

Mayor Hannasch closed the public hearing and added some words of praise for the Tracy Fire Department, stating the City was lucky to have such a capable and knowledgeable chief and group of firefighters working in the City of Tracy. He further asked for any discussion or questions from Council members regarding Ordinance No. 269. Motion made by Stobb, seconded by Rialson to adopt Ordinance No. 269. 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.

ATTEST:

City Administrator

Mayor

June 28, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, June 28, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, M. Fraser, B. Nelson, and R. Stobb. Members absent: J. Otto-Arvizu and M. Rialson. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for June 14, 1999. Motion by Stobb, 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 additions were made: (4C) Harmon Cable intent to sell: Jim Kerr; (11A2) Letter to the editor. The following deletions were made: (7B) Request approval for amendment to the Fire Department Relief Association. Motion made by Nelson, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

The Mayor read an emergency ordinance to council members relating to the City landfill. The ordinance declares an existing emergency which is the consequence of indiscriminate dumping, specifies items permitted in the landfill, states that landfill hours will be posted and asserts that any violation of the emergency ordinance shall be a misdemeanor. Motion made by Nelson, seconded by Stobb to approve the emergency ordinance as written. Before a vote was cast, Kerr stated that 2/3 of council members must be present to vote on an ordinance. Mayor Hannasch tabled the vote until another council member arrived.

Koopman reiterated a proposal to retrofit the lighting systems in City buildings stating that there would be substantial savings using a local contractor. The deadline for contractor bids had been June 21, 1999, however there was some confusion among local contractors regarding that deadline and Koopman suggested re-publishing a request for bids and giving a new deadline of July 9, 1999. Kerr recommended because of legal repercussions that any bids already received be rejected the contractors notified to resubmit bids due to the change of deadline. Motion made by Stobb, seconded by Fraser to reject current bids and republish the request for bids. All voted in favor of the motion. Koopman added that bids would need to be received by 2:00 p.m. on Friday, July 9, 1999.

J. Otto-Arvizu arrived at 7:40 p.m.

The Mayor directed a vote on the motion made earlier in the meeting to pass the emergency ordinance relating to the Tracy landfill. All voted in favor of the motion.

Kerr read a certified letter dated June 25, 1999 from Harmon Cable Communications which stated an intent to find a buyer for the franchise. As per Section 11.03 of the City Code, Harmon Cable offered the City of Tracy the option to purchase the franchise. Hannasch remarked that because of the intentions of DTG Communications franchise he didn't believe the City would be interested in purchasing Harmon Cable. After some discussion, a motion was made by Fraser, seconded by Nelson not to buy the Harmon Cable Communications franchise. All voted in favor of the motion.

Questions arose regarding a pending sale if the cable franchise would continue to provide service. Kerr stated that provisions were made in the City Code that regarding a sale or transfer of the franchise as required by the State of Minnesota. A third party must make a written request to the City of an intent to purchase and the third party would be required to continue running the franchise. The City may also inquire into the legal and financial specifics of that third party. Kerr recommended sending a letter back to Harmon Cable listing the requirements and the intention of the City not to purchase the franchise. Motion made by Nelson, seconded by Otto-Arvizu to send a certified letter to Harmon Cable. All vote in favor of the motion.

M. Rialson arrived at 7:48.

Eric Wharton, with Kuusisto Engineering, gave an update on the sewer separation project. He is targeting 90% completion by mid-July of plans and specifications for the project, and intends to submit the plans to MPCA by mid-July for approval. The intention is to gather bids around October

so that work on the project can begin in spring of the year 2000.

Wharton also sought authorization from the City Council to incorporate the water main portion of the project along with the sewer separation. Applications have been submitted to PFA for funding of the water main project. Wharton said a representative of PFA indicated the City of Tracy has an excellent chance of receiving funding for this project and asked the Council to approve incorporating the water main project with the sewer separation project.

Mayor Hannasch interjected that due to the length of time the water system has been in place it would make sense to do both projects at once. It will be more expensive to do it now but more efficient in the long run. Motion made by Stobb, seconded by Rialson to prepare plans and specifications for the water main system as a proponent of the sewer separation project. All voted in favor of the motion.

Wharton presented an estimated cost to seal coat the airport and various streets. He indicated the request for bids should be published right away because of the need for warm weather after the seal coat has been applied. Koopman stated that money has already been appropriated and levied for this project and that Don Polzine has inspected the areas in need of seal coating. Motion made by Nelson, seconded by Fraser adopt a resolution approving plans and specifications and authorize the advertisement for bids. All voted in favor of the motion. (Res. No. 1999-13)

The Lyon County Department of Highways responded to the City Administrator in regard to the request for "as built plans," stating they were understaffed and had cut this area out of all Lyon County construction plans. Wharton stressed it is important to record underground utility locations in terms of any future building projects. Also the City of Tracy has a larger responsibility to locate underground lines, especially with Gopher State One Call requirements. Wharton recommended the Council send a formal letter to the County Commissioners requesting as built plans. Motion made by Nelson, seconded by Rialson to submit a formal letter to the County Commissioners requesting as built plans. All voted in favor of the motion.

At 8:03 p.m. Mayor Hannasch opened the public hearing on 1999 nuisances. There was no response so Hannasch closed the hearing. Kerr indicated that the evidence for each nuisance should be presented by Police Chief Hillger and that the Council should take action on those nuisances that had been abated. Chief Hillger reported to council members that the original investigations had been conducted on May 25th and 26th, 1999 and that about 26 certified letters had been sent regarding the nuisances. As of June 28, 1999 all but six of nuisances had been abated. All voted in favor of the motion.

Chief Hillger indicated that a public hearing notice had been attached to each nuisance letter. Those unabated nuisance are as follows:

237 Union Street - a pile of brush which has grown worse since the nuisance letter was issued. Motion by Stobb, seconded by Rialson to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-14)

437 3rd Street - originally two unlicensed vehicles on the property, one is currently remains along with weeds and garbage on the property. Motion by Fraser, seconded by Rialson to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-15)

336 6th Street - unlicensed vehicle remains on property, some of the debris has been removed. Mayor Hannasch added he had been by the property and in regards to the garage in the back yard suggested reviewing the dilapidated building ordinance of the City Code. Kerr stated the need to have the building inspector and the state fire marshal inspect the garage. Motion by Stobb, seconded by Fraser to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-16)

285 8th Street - one non-current vehicle and one non-registered vehicle. The original non-

current vehicle had been removed but was replaced by another non-current vehicle. Also found was a sign on the property reading “Cooter’s Repair” and Hillger suggested the Council may have to investigate if business is being conducted in a residential zone. Motion by Rialson, seconded by Fraser to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-17)

224 10th Street - unlicensed vehicle on the property, the brush pile had been removed. Motion by Fraser, seconded by Stobb to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-18)

260 8th Street - unmown grass and weeds on property. Otto-Arvizu indicated that the EDA had been involved with the foreclosure on this property, but the City decided not to take ownership of it and the property went to a bank in Mankato. Hannasch added that he had received a call from the former owner but he couldn’t speak English. Chief Hillger suggested notifying the bank that the city crew would mow the property for a fee. Kerr added that the current owner would need to be identified through county records, and that the owner would need to be notified of the nuisance and an order of abatement posted on the property. Motion by Stobb, seconded by Rialson to adopt a resolution declaring a nuisance exists and issue an order of abatement to be served upon the owner of record. All voted in favor of the motion. (Res. No. 1999-19)

Motion made by Nelson, seconded by Stobb to adopt a resolution finding existing conditions no longer an alleged public nuisance at the following addresses:

451 Adams Street	Don’s Repair	113 E. Morgan St	200 State St
78 South Street	284 Emory St	536 Harvey St	184 Roosevelt
484 Emory Street	174 5 th St.	449 Emory St.	524 Emory St.
136 9 th Street	424 Park St.	149 State Street	875 Morgan St.
149 Emory St.	348 3 rd St.	72 Morgan St.	

All voted in favor of the motion (Res. No. 1999-20)

Hannasch directed discussion back to the City dump and asked for a resolution to establish posted landfill hours as:

8:00 a.m. to 5:00 p.m. Monday through Friday
1:00 p.m. to 4:00 p.m. Saturdays

Don Polzine requested the times be changed to 8:00 a.m. to 4:30 p.m. Monday through Friday to allow city workers time to close the gates and make sure everyone has cleared out of the dumping grounds. Polzine also requested to post that the landfill is closed on holidays or the City would have to pay workers overtime to open and close it. Motion made by Stobb, seconded by Rialson to adopt a resolution establishing the landfill hours as the following:

8:00 a.m. to 4:30 p.m. Monday through Friday
1:00 p.m. to 4:00 p.m. Saturdays
Closed on holidays

All voted in favor of the motion. (Res. No. 1999-21)

Frank Nielsen & Vicki Olson presented the Plum Creek Library System Proposal to council members. Olson had contacted the Springfield and Lamberton librarians to get some feed-back on the system. The Lamberton librarian informed Olson that there were two ways of joining the Plum Creek Library System, 1. as a Consolidated member where the library would be part of the Marshall/Lyon County system and governed by a board of directors, or 2. as a Federated member where the library would remain independent, governed by the City and would stay the Tracy Public Library.

Olson also explained the one-time start up costs of \$1561.00 would be covered by grants, which

include software, licenses, system ports, and shipping and installation. Grants would also cover the costs of bar coding materials. Wages for those employees setting up the system would not be covered by grants. There would also be a yearly fee to belong to the Plum Creek System of \$1146.00 which would not be covered by grants. Olson stated she wanted to present the Plum Creek Library System proposal to the Council early before the budgeting process for the year 2000 was started.

Hannasch and Stobb both agreed the Plum Creek System is worth pursuing considering the improvement in available services at a minimum cost. Koopman commended the Library Board for their work in preparing the proposal. Motion made by Stobb, seconded by Nelson to pursue looking into the Plum Creek Library System.

Don Polzine stated he had been approached again by Don Engelkes about overlaying the entrance to the City Shop at a total cost of \$5600.00. One half of the cost would be paid by the City (\$2800.00) and the other half would be paid by The Red Rooster. This project had been approved in 1994 but was never completed due to the high cost at that time. The project was previously budgeted into maintenance and repair. Motion made by Stobb, seconded by Fraser to approve the overlay of the City Shop entrance. All voted in favor of the motion.

Motion made by Rialson, seconded by Fraser to approve on and off sale non-intoxicating malt liquor licenses. All voted in favor of the motion.

Mayor Hannasch presented three variances which had been recommended by the Planning Commission:

Motion made by Nelson, seconded by Fraser to approve a variance request from John Judkins. All voted in favor of the motion.

Motion made by Rialson, seconded by Stobb to approve a variance request from Jerry Hinz. All voted in favor of the motion.

Motion made by Nelson, seconded by Stobb to approve a variance request from John Dahl. All voted in favor of the motion.

Con Rettmer presented to the Council on the Minnesota Housing and Finance Grant Program. Two weeks ago Rettmer met with Western Community Action which has been successful in getting grants for first time home buyers. The program is geared towards at risk buyers who have been turned down by a bank or other lending institution. Rettmer stated that Westbrook, Windom and Jackson have all been successful in purchasing homes in the \$25-30,000 range with grant money. The application for the grant is due in July.

Rettmer added that inspectors go into each home and see what needs to be done to the home up to code. Local contractors are employed to bring the homes to code. Western Community Action is looking to purchase homes by September, and the only responsibility the City would have is to make sure the lawn is mowed and the sidewalks are shoveled until the home is purchased and occupied. The EDA would seek a local youth group to do this maintenance or the cost of maintenance would come out of the EDA budget.

Basically a prospective owner would have a contract for deed with Western Community Action. Rettmer informed the Board that Western Community Action may possibly ask for the cost of utilities to be waived during non-occupancy. A list of homes was provided by Peterson Real Estate, and most of the homes being looked at are currently vacant. Rettmer further explained that Western Community Action owns the homes, takes care of the insurance, arranges for repairs, etc. Motion made by Stobb, seconded by Rialson to file an application with the Minnesota Housing and Finance Grant Program. All voted in favor of the motion.

The Consent Calendar included the following: Police Commission minutes for June 10, 1999, Multi-Purpose Center minutes for June 14, 1999, Municipal Accounts Payable, Planning Commission minutes for June 7, 1999, and Firemen's Relief Association minutes for June 7, 1999. Motion by Nelson, seconded by Fraser to adopt the above listed items. All voted in favor of the motion.

Koopman presented on the Urban Expansion District after attending the Lyon County Planning and Zoning meetings. County Commissioners have made recommendations for limits of confined feed lots, restricting them within ½ mile of city limits. Koopman informed council members that the Tracy Planning Commission suggested requesting an Urban Expansion District on the south side of Highway 14 for 1 ½ miles surrounding City limits. The north side of the City is already protected by the City well and the lagoons. This Urban Expansion District would give the City the right to be notified of any construction that might impact the City of Tracy and give the City an opportunity to participate in the decision of granting or denying a conditional use permit. Hannasch added that this would not prevent lots from coming in or obstruct the growth of businesses. He recommended presenting the request to Lyon County Planning and Zoning Commission. Motion by Stobb, seconded by Fraser to submit a request to establish an Urban Expansion District with the Lyon County Planning and Zoning Commission. Koopman added that the Urban Expansion District is controlled by the county, the City can request one but the County can deny it. All voted in favor of the motion.

Chief Hillger spoke to the Council regarding the Emergency Preparedness Plan. Hillger asked members to take a copy home and review it for changes or questions. Mayor Hannasch asked if the plan had been presented to committee members and if a meeting had been set up to review the plan before presenting it to council members. Hannasch requested that the committee review it first and submit a recommendation for approval before the Council takes any action..

Mayor Hannasch presented a Proposed Charter Amendment to council members stating that most cities with a population of 5,000 or less have a four member city council. He suggested that during elections people don't have as many choices because not many are running for a council seat. Hannasch further stated that a change would have to be approved by the Charter Commission or voted on by citizens. He asked that council members think about the issue for discussion at the next council meeting.

Hannasch informed the Council that he would be composing a letter to the editor of the *Argus Leader* regarding the DM&E Railroad and include it in the next agenda packet. The paper has received many negative letters relating to the railroad running past people's homes. Hannasch feels the railroad expansion is good for the economic growth of this area and he would like to see a letter approved by the Council sent to the *Argus Leader* in support of the railroad expansion.

Rialson had attended the Lions Club meeting and they had agreed to pick up the community surveys. The Lions indicated they could do the pick-up on Saturday, July 17th but they did have some questions regarding what they would need to know prior to collection. Mayor Hannasch stated they would be given directions prior to collection.

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

ATTEST:

City Administrator

Mayor

July 12, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, July 12, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, M. Fraser, B. Nelson, J. Otto-Arvizu, M. Rialson and R. Stobb. Members absent: D. Berndt. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for June 28, 1999. Motion by Fraser, seconded by Rialson 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 were made: (4E) Comments on hospital administrator situation: Jim Kerr; (5E) Sale of police car: B. Hillger; (5F) bleacher safety inspection report: A. Koopman; (10A) EDA position. Motion made by Fraser, seconded by Stobb to approve the agenda as now written. All voted in favor of the motion.

Koopman reported that the four proposals were received for retrofitting the lighting systems in City buildings. There appeared to be extreme variances in each proposal. Koopman asked the council to authorize sending a request to each contractor for specific information relating to the type and number of fixtures proposed, savings per building and information on a financing plan. Kerr added that it might be wise to include a copy of the statute.

D. Berndt arrived at 7:35.

Mayor Hannasch asked for a motion to send out a request to the bidders for additional information. Motion for said request was made by Stobb, seconded by Fraser. Stobb asked if we needed to specify a date the information was needed. Koopman suggested two weeks time, on Friday, July 23, 1999. All voted in favor of the motion.

Hannasch asked for a motion to set a public hearing to consider a cable franchise application from Dakota Telecommunications Group. Motion made by Rialson, seconded by Stobb to hold a public hearing on July 26, 1999 at 7:45 p.m. All voted in favor of the motion.

Koopman reported on a letter received from Kevin Nordside, at 431 Adams Street, submitting a bid for \$100.00 to purchase tax forfeited property abutting his property. Koopman added that historically the City has offered tax forfeited property to those with abutting property with all closing costs and legal fees to be assumed by the purchaser. Motion by Nelson, seconded by Otto-Arvizu to authorize the sale of tax forfeited property to Nordside for \$100.00. All voted in favor of the motion.

Koopman received a signed complaint regarding a dilapidated garage at 336 6th Street. The City building inspector was sent to view the building and is requesting authorization from the City Council to do a complete inspection. Motion made by Stobb, seconded by Fraser to order a complete inspection at 336 6th Street. All voted in favor of the motion.

Kerr informed council members of plans for hospital administration upon the sudden passing of Tom Quinlivan, former hospital administrator. Since there currently was no assistant administrator a call was received from Lynn Clayton, who currently administers 8-10 area hospitals. For the next three weeks Bob Salmon, who was an interim administrator before joining with Sioux Valley Health Systems, will serve as hospital administrator. Salmon currently oversees the Canby and Clear Lake hospitals. The hospital will look for an interim administrator to serve from 60-90 days while candidates are interviewed for the permanent hospital administrator position. They hope is to hire a permanent administrator by October 1, 1999.

Kerr added that when the lease was signed between the City and Sioux Valley Health Systems, Quinlivan was full time and not working with the Westbrook hospital, so there may be some issues in the lease that need changing if Tracy is to continue sharing an administrator with Westbrook. Kerr also mentioned that there is construction on the lab at the hospital currently underway, and that Bob Salmon is well-versed with construction issues and should be able to oversee the project.

Ken Schiller proposed a request to increase the annual benefit from the Firemen's Relief Association from the current \$1,000.00 to \$1,200.00 per year. City Auditor Nicole Larson reviewed the fire department's financial statements and determined that there are sufficient funds to meet the increased obligation. Schiller mentioned that two firemen were due to retire in the year 2000. Koopman asked if the City's annual \$2,500.00 contribution would remain the same. Schiller replied that it would. Motion made by Rialson, seconded by Nelson to increase the Firemen's Relief Association benefits from \$1,000.00 to \$1,200.00 annually. All voted in favor of the motion.

Koopman reported that she received a request for the annual Box Car Days celebration from Jenny Fultz of the Tracy Area Chamber of Commerce. Koopman informed council members there was one change under the street closure requests: South Street will be closed starting at noon on Saturday, September 4, 1999. The rest stays the same. Motion by Nelson, seconded by Berndt to accept the request for the annual Box Car Days celebration. All voted in favor of the motion.

Koopman presented the City employee safety training proposal from Safety First Compliance Mgmt. Inc. to council members. She reported the City had contracted with this same company to do safety training for the past two years, saying the cost was minimal compared to the fines that may be imposed due to inadequate training. Motion by Berndt, seconded by Fraser to hire said safety training company. All voted in favor of the motion.

Police Chief Hillger reported that members of the police commission, Koopman and he had interviewed three prospective police officer candidates in early June. Hillger received the results that all three had passed the state exam taken on June 18, 1999. He recommended to council members that the position be offered to Eric Klinkon. Hillger stated that the background check had been started and that the candidate would need to pass the psychological and physical exams as well. Motion made by Nelson, seconded by Stobb to offer the position as police officer to Eric Klinkon.

Hillger added that he would like Klinkon to ride along with officers on duty for 3-4 weeks before the Box Car Days celebration. Otto-Arvizu asked if the job should be offered before a background check was done. Hillger indicated that it can be offered either before or after and that the offer was contingent on the candidate passing the background check, the psychological test and the physical exam. All voted in favor the motion to offer the position to Eric Klinkon.

Chief Hillger informed the council that they were in the process of rigging the '99 Explorer and asked what the council wanted to do with the old squad car. He stated that in the past an old squad car has been used for a city vehicle before being sold using sealed bids. Others have been sold at a local auction. Don Polzine felt that the '93 Ford currently used as a city vehicle was better than the '95 Ford squad car. Motion by Nelson, seconded by Berndt to put the car up for auction with Mid-States Auction in August. All voted in favor of the motion.

Koopman presented the Bleacher Safety Management Program report, developed by MacNeil Environmental, Inc., to council members saying use of this proposal would prevent the City from having to research and develop a proposal of its own. According to regulations a report has to be submitted by January 1, 2000 to the State Administrator's Office to be in compliance. The cost of using MacNeil's proposal is less than it would cost to have the city inspector put together a report and would prevent taking time away from his other duties. Motion made by Stobb, seconded by Berndt, to accept the Bleacher Safety Management Program proposal from MacNeil Environmental, Inc. Koopman added that it will cost \$500.00 for each bleacher system. Fraser asked if the City owns any other bleacher systems besides the one in the Prairie Pavilion. Polzine stated that the City owns those at the baseball field by the swimming pool but they are small and the city inspector can handle the report on those. All voted in favor of said motion.

The Consent Calendar included the following: Firemen's Relief Association minutes for July 6, 1999, and Municipal Accounts Payable. Motion by Fraser, seconded by Nelson to adopt the above listed items. All voted in favor of the motion.

Chief Hillger reported on the status of the emergency preparedness plan. In addition to the plan that each council member received Hillger stated that a check list will be added along with a map that sectors the City showing the main staging areas and all back-up areas. For back-up fire and rescue

coming from other cities, those coming from the west will go to the City garage area and those coming from the east will go to the Homera Field area. Hillger added that council members may be called upon in an emergency to assist in dispatching people to the staging areas.

Mayor Hannasch informed the council that it is important when the completed plan is available to highlight any questions or concerns before the next council meeting. Stobb asked if council members or others helping out would know what to do in an emergency. Hillger stated that the checklist would walk people through step by step, and that blown-up copies of the maps would be available to those directing people to staging areas. All voted in favor of said motion.

Hannasch proposed to council members sending a recommendation to the Charter Commission to reduce the number of council members. The Mayor pointed out that more could be accomplished with a smaller council. He added of the 155 cities with a population under 2500:

- 135 have four council members and a mayor
- 4 have six council members and a mayor
- 4 have five council members and a mayor
- 12 have three or fewer council members and a mayor

Hannasch stated he would like to see the issue taken to the Charter Commission to let them make the decision. If there were changes they wouldn't come into effect until the year 2003. Motion made by Stobb to take said issue to the Charter Commission. Hannasch reiterated that he felt it was better to let the Charter Commission decide on this issue than the City Council. Said motion died for lack of a second.

Mayor Hannasch addressed the issue of the letter to the editor he wrote supporting the DM&E Railroad upgrades asking for a motion for permission to send the letter. Motion by Fraser, seconded by Berndt to send said letter to the *Argus Leader*. All voted in favor of the motion.

Due to the passing of Tom Quinlivan there is a vacant position on the EDA Board. Hannasch asked for a motion to advertise for applicants to fill the EDA position. He also asked council members to encourage those they felt would serve well on the EDA to apply. Motion by Stobb, seconded by Rialson to advertise for applicants to the EDA. All voted in favor of the motion.

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

ATTEST:

City Administrator

Mayor

July 26, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, July 26, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, M. Fraser, B. Nelson, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for July 12, 1999. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

J. Otto-Arvizu arrived at 7:32.

The Mayor asked for any additions or deletions to the agenda. The following additions were made: (11A.2.) Marv Rialson - Mayor and Council communications. All voted in favor of approving the agenda as now written.

Koopman reported that the original \$55,000 approved expenditure for renovations to the hospital lab did not include cabinet work. Without the cabinets the lab would not be functional. Members of the Hospital Advisory Board recommended approving the additional expenditure of \$15,000 to complete the cabinet work. Motion by Stobb, seconded by Fraser, to approve the additional expenditure on the hospital lab. Stobb asked if the additional expense would be coming from reserves or from the money borrowed. Koopman replied it would be provided through the money borrowed. All voted in favor of said motion.

The Tracy Area Chamber of Commerce requested a temporary beer license for the Box Car Days weekend which would include the Softball Association. Motion by Berndt, seconded by Stobb to approve granting said license. All voted in favor of the motion.

The Chamber of Commerce also sent a letter regarding Stinker Day, on August 7th, requesting that the portion of 3rd Street running from South Street to the alley between Morgan and Rowland Streets be closed between 7:00 a.m. and 4:00 p.m. Motion by Berndt, seconded by Fraser, to close said street on August 7, 1999. All voted in favor of the motion.

Fire Chief Keith Engesser informed council members that an air compressor used to fill air packs had stopped working due to the crank shaft snapping during a fire on June 18, 1999. An estimate to fix the compressor was \$5,500. Since the unit was purchased 12 years ago for \$6,500, Engesser checked into the price of a new air compressor. A new unit could be purchased for \$10,125, with a trade-in allowance of \$1,500. Engesser stated that with approval they would take money from the truck replacement fund but would also attempt to conduct fund-raisers to help defer the cost. Currently the fire department has no way to fill air tanks. Another recent fire on July 25, 1999 had used up nearly all the department's filled tanks, and Engesser determined they would probably not have enough air tanks should another fire occur.

Kerr asked if Engesser had gotten quotes from any other sources or if the air compressor was a unique item. Engesser replied that it was a unique item, and only two places in Minnesota supply them. Stobb added that spending only a couple thousand dollars more for a new unit compared to repairing a 12 year old compressor made sense. Motion by Stobb, seconded by Berndt to approve the purchase of a new air compressor. All voted in favor of the motion.

Koopman informed council members that only one application had been received for the vacant EDA position from Don Christianson. Motion by Rialson, seconded by Stobb, to appoint Christianson to the EDA position. All voted in favor of the motion.

Kerr proposed that a formal resolution was needed regarding sales of tax forfeited properties to abutting property owners, and that a second resolution was needed to execute a Quit Claim Deed to the Nordsiden's. This practice for the sale of tax forfeited property has been in effect since 1990. Motion by Fraser, seconded by Rialson, to adopt a resolution establishing a policy for the sale of tax forfeited properties with frontage consisting of less than 75 feet. All voted in favor of said motion. (Res. No. 1999-22)

Mayor Hannasch tabled the second resolution in order to open the public hearing.

At 7:45 a public hearing was opened to consider applications for a new cable franchise. Tom Wilson, Vice President of Community Development for DTG, introduced himself and gave an overview of the steps to be taken in requesting a non-exclusive cable franchise. A letter requesting a non-exclusive cable franchise was sent to the City of Tracy in mid-April. A Notice of Intent to franchise was published in June and an application was submitted on or before July 2, 1999. The next step would be for DTG engineers to do a preliminary mapping of Tracy.

Wilson stated that DTG had been given a copy of the current cable franchise's contract. After reviewing the verbiage of that contract there would be very minor changes to make it applicable to DTG. The changes would be mostly due to the fact that the current franchise has already been established and DTG would come in as a new franchise.

Lawrence Shoeman, of 760 Morgan Street, Apt. 6A, addressed the council stating the current cable company is doing a good job. Shoeman asked if the approval of DTG's franchise would give the company license to encroach on private property when installing cable lines. Wilson addressed that question stating that DTG would need to utilize public rights of way, but they wouldn't cross anyone's property without written permission.

Shoeman said he was aware the franchise document was a public document but asked if it could be viewed by the public before being implemented. Kerr stated there would be a first and second reading of any contract with DTG and a copy would be available prior to the second reading.

Shoeman stated that he owns a property that he planned to build on but couldn't because of a cable running through the property. Hannasch asked him if he had contacted Harmon Cable about moving the cable and Shoeman replied that he had. Hannasch stated that this issue was not related to the public hearing at hand and should be addressed separately.

Brian Grogen, Attorney with Moss & Barnett, reviewed the procedures involved in approving a new cable franchise. DTG previously requested a non-exclusive franchise, and as required by the State of Minnesota DTG published a Notice of Intent to franchise. Presently it is up to the City Council to determine if DTG is qualified to provide the type of services to best suit the City of Tracy. Then assuming DTG is qualified it is necessary to determine what kind of contract is necessary. Grogen stated that the contract doesn't have to be the same as the current cable franchise contract, but it shouldn't be more favorable to one franchise or the other.

Grogen informed the council that the financial review of DTG had already begun. He also stated that he has reviewed DTG for the cities of Marshall, Worthington and Yankton, so Grogen is familiar with DTG's status. DTG submitted a check to the City of Tracy to cover the legal costs and other expenses of financial and qualifications reviews.

Mayor Hannasch asked if the reviews would be ready by the next council meeting or the one after. Grogen replied that they should wait until the council approves DTG as a qualified company. Kerr asked if DTG was in any way negotiating with Harmon Cable due to that company's notification that they are looking for a buyer. Wilson replied that DTG is currently not negotiating with any other cable companies.

Kerr stated that Harmon Cable currently has a community channel and asked if DTG would have a similar service. Kerr also asked if it's true that DTG has provided equipment to the schools and community groups of the cities they serve. Wilson answered that they do have a channel for airing community events and that DTG has provided camcorders, VCRs, and generators to communities to record public events.

Kerr asked about the prices for cable installation listed in the proposal of \$24.95 with taxes of \$1.50 and wondered if there were any proposed rates for telephone, internet, etc. Wilson replied that currently the listings are only for the cable installment prices and other services are an additional cost. The cost of those services will be dictated by the competitive environment. Wilson explained that DTG will try to hold prices in line and increase channel coverage according to local competition.

Kerr asked about the 36 month window which DTG proposed to have services available if the franchise were accepted. He stated that other communities have had service within a shorter time frame. Wilson replied that they propose a larger time frame to allow for unforeseen events such as mapping problems, mother nature, or delays in purchasing buildings. In most cases the actual time frame is shorter. Kerr questioned if the cable lines would be all conduit. Wilson answered that DTG is attempting to bury 100% of their cable lines but it will depend on the circumstances.

Stobb inquired if a household were to subscribe to cable service and then decided to add local phone service through DTG, would they have to add an additional cable line. Wilson replied that one line would provide all services - cable, phone and internet. Mayor Hannasch then closed the public hearing. No action was taken.

Kerr referred back to the second resolution authorizing the execution of a Quit Claim Deed for the tax forfeited property sold to the Nordsiden's. Motion by Rialson, seconded by Nelson, to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-23)

Ken Weber of RLK Kuusisto introduced himself to the council. Weber is a project manager and is involved with production management responsibilities. He informed the council that Eric Wharton had opted to leave RLK Kuusisto and that Weber was going to be available to help ensure that any projects in the works continue to run smoothly. In regards to the sewer separation project Weber stated he was there to review the status of the project and field any questions from council members. Weber also introduced Chuck Schwartz, a registered professional engineer with funding expertise, who would be working on some of the City's projects.

Weber reviewed the plans for the sewer separation project. Weber informed the council that plans and specs are 90% complete and his intent was get a concurrence from council members so the plans can be submitted to reviewing agencies in order to initiate the funding. MPCA will review the sewer separation portion of the project and the Department of Health will review the water main plans. He estimated that the review process will take 30 days for the agencies to complete.

Weber stated that they have reviewed the costs of the project which are similar to those proposed earlier this year: 1.8 million dollars for the sewer separation and \$500,000 for the water main system. Stobb asked if those things put into motion in regard to funding were still on track. Weber answered that everything was still proceeding. He added that the City should see approval from the MPCA and Department of Health agencies by the end of October.

The Mayor asked if Don Polzine had received a copy of the plans and if any changes he might have would be included before the plans were presented for approval. Weber replied that Polzine had received the plans and they would be meeting to discuss them in about two weeks. Motion by Rialson, seconded by Stobb to approve the sewer separation plans. All voted in favor of the motion.

Stobb asked if the sewer separation and water main proposal included street reconstruction. Weber replied that it did and further explained that some streets, such as Rowland, 3rd and Emory, where only storm sewers are to be installed, require only half of the street be dug up, however, estimates include overlaying the whole street.

Chuck Schwartz spoke to the council regarding the seal coating bids. There was only one bid received from McLaughlin & Schultz. Three other companies requested plans but did not submit, two were too busy and one felt because of distance they could not be competitive. The bid received was considerably higher than the estimate: 30% higher on the street seal coat and 20% higher on the airport repairs. RLK recommended rejecting the bid and readvertise in the spring. Stobb asked if the seal coat should be included with the street repairs on the sewer separation proposal. Schwartz answered that the bids should be separate since it's two completely different projects. Motion made by Nelson, seconded by Berndt, to reject the seal coating bids. All voted in favor of the motion.

Koopman explained the resolution pertaining to airport maintenance and operation, stating it is a standard resolution with MnDOT to receive \$8500.00 for maintaining the airport grounds and facilities. Motion by Stobb, seconded by Nelson to adopt the resolution for the execution of a grant agreement for the airport. All voted in favor of the motion. (Res. No. 1999-24)

A resolution approving transfer of funds and budget adjustments was introduced. Motion by Berndt, seconded by Fraser, to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-25)

The Consent Calendar included the following: Planning Commission minutes for July 6, 1999, Economic Development Authority minutes for June 18, 1999, Cemetery Commission minutes for June 17, 1999, Monthly financial report for June, Multi-purpose Center minutes for July 12, 1999, and Municipal Accounts Payable. Motion by Rialson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Hannasch reported that the Emergency Management Plan had been completed and copies were included with the agenda supplement. He stated the plan gives good guidelines for any number of emergencies and was coordinated well with the police department, fire department, hospital and the ambulance crew. Chief Hillger thanked the police department secretary and the administrative assistant for their efforts in putting the plan books together. Stobb commented that approving the plan and having it available puts the City in better standing than it previously was with no plan available. Motion by Berndt, seconded by Nelson to approve the Emergency Management Plan. All voted in favor of the motion.

Koopman reported that the bleacher inspection had been conducted by MacNeil Environmental, Inc., and to nobody’s surprise the bleachers failed inspection. The inspector did say that considering the age of the bleachers they were considerably sound. The gaps between the footboards were the reason they failed inspection. Koopman hopes the state will reconsider the new policy. It will be difficult for most cities to replace bleachers without financial help. And if the Pavilion bleachers can’t be used the expense of putting the floor in wasn’t of much use.

Stobb said it was his understanding that many of the bleacher systems were failing inspection. Koopman stated that over 50% were failing and added that all systems must be in compliance by January 1, 2001. The footboards of the balcony seats in the Prairie Pavilion were only one inch from compliance. Stobb asked if there was any way to retrofit them to be within guidelines. Koopman replied that since they are the pullout type of bleachers there didn’t appear to be a way to do this. Part of the report from MacNeil Environmental will indicate whether they recommend to repair, retrofit or replace the system. Koopman mentioned that she wanted to send a letter to state representatives to let them know the position this new policy is putting cities in.

Rialson commented on a letter sent to council members by Mayor Hannasch, stating he felt it was critical of the actions of council members. Rialson remarked that if a council member doesn’t believe in a motion than he or she shouldn’t second it. He felt that since the council adopted “Roberts Rules of Order” it is contradictory to those rules that the mayor ask members to motion on something they don’t agree with.

Hannasch replied that he had sent the letter out as a private matter and had hoped any comments would be made in private. He contended that if a second is made on a motion then it can be discussed, then the motion can be voted on instead of letting the issue drop.

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

ATTEST:

City Administrator

Mayor

August 9, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, August 9, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu and M. Fraser. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for July 26, 1999. Motion by Fraser, seconded by Berndt, to approve said minutes as written. All voted in favor of the motion.

J. Otto-Arvizu arrived at 7:32.

The Mayor asked for any additions or deletions to the agenda. The following additions were made: (4D) Aerial Spraying Contract, (6A) Emergency Sirens - Brian Hillger, (11B) Lyon County Fair - C. Hannasch representing the City of Tracy, (10A) Russ Stobb. Motion by Rialson, seconded by Nelson, to approve the agenda as now written. All voted in favor of the motion.

Steve Larson, of Steve Larson Service Inc., Garbage & Recycling Services, stated to the council that he had been in contact with each council member in regards to a proposed purchase agreement between his company and Waste Connections Inc., of Roseville, MN. Waste Connections is looking to purchase Larson's company and would like to take over the current contract between the City and Steve Larson Service.

Hannasch asked if all the trucks and services would stay in Tracy and if Larson would be managing the services. Larson replied that he would stay on as manager of the garbage and recycling services in Tracy in that he has been offered a two-year contract with Waste Connections.

Berndt asked if the name Steve Larson Service would remain or if the name would be changed. Larson stated that everything would stay the same through the duration of his contract with Waste Connections. It is the goal of both companies to stay customer and community oriented. Berndt added that the Larson name has a good reputation and that means a lot in the community.

Kerr stated that he and Koopman had met with Larson the previous week and it was his understanding that services would remain generally the same and that Larson would remain on as manager of the services in Tracy. Marshall and Slayton are both currently working with Waste Connections and would be good sources of information. Kerr suggested drafting a three-way agreement, called a novation, between the City of Tracy, Steve Larson and Waste Connections whereby Larson would remain as manager of the garbage and recycling services through the duration of the contract between Steve Larson Service, Inc. and the City of Tracy.

Hannasch clarified that Larson was offered a two-year contract with Waste Connections and the contract between Larson and the City is currently three years. Stobb asked if there was security in the current contract with Larson in regard to the services provided to the community. Kerr stated that the public would like the services to continue as they have in the past. Nelson asked what is to stop Waste Connections from buying Larson out, shutting him down and running the garbage and recycling services out of a centralized location. Larson said that a contract such as Kerr suggested would prevent that from happening. Hannasch concurred that he has seen it happen a lot where a company with no ties to the community has broken promises.

Kerr stated that he and Koopman had asked Larson to bring a representative from Waste Connections to address some of these issues. When asked if he had a time-line for the purchase agreement to be finalized, Larson replied he was looking to settle things this month. Larson introduced a Mr. Ritter from Waste Connections in Marshall. Ritter stated that everything would be focused on keeping services the same - the name, the business status, Larson would keep the same employees, and would continue buying fuel and supplies in Tracy.

Hannasch asked if all the contracts would be ready before the council meeting on August 23, 1999. Ritter said he would call city attorney Kerr with a contact name at Waste Connections so Kerr could let them know what needs to be done.

Rialson directed a question to Kerr regarding Article #13 of the waste management contract which refers to the compensation and the yearly cost of living adjustment. Rialson asked at what point had corporations become entitled to a cost of living increase in compensation, and would this be applicable if Waste Connections took over the contract. Kerr replied that every aspect of the contract would be passed on to Waste Connections if the transfer were approved by the city council. Rialson asked what other corporation in Minnesota received a cost of living increase. Kerr replied that was not a valid issue as this portion of the contract had been approved previously by city council members. No further action was taken.

Koopman was informed by Joe Smarzik that he had removed all his property from the Coast to Coast building on 3rd Street and plans to let the building go back to the previous owners. Kerr indicated that the problem was not completely resolved because Smarzik is now using a residential building site to store the property removed from the Coast to Coast building and therefore is still in violation of the zoning ordinance. Hannasch stated that the issue had been pursued because of complaints from business owners that the Coast to Coast building was an eyesore, and asked if other buildings being used for storage should be pursued as well. Kerr stated that he thought other buildings were irrelevant to this situation with Smarzik.

Hannasch asked if there was a motion to send another letter to Smarzik regarding the illegal use of a residential building as storage. Motion by Nelson, seconded by Rialson, to send said letter. Kerr added that the building being used was located on Morgan Street, two doors away from the Catholic School. All voted in favor of the motion.

Mike Rose from Harmon Cable approached the council to officially notify the City that Harmon Cable had recently signed a purchase agreement with American Media and in a Consent to Consignment had agreed to continue cable services until the year 2003 as per the contract between the City of Tracy and Harmon Cable.

Stewart Gilbertson introduced himself as a representative of American Media based in Kearney, NE. They are a sister company to Cable USA and were established in 1978. American Media currently services over 50 cable systems in Nebraska, Colorado and Minnesota. They offer Internet, telephone, paging and other communications services. Gilbertson stated that American Media would want to come into Tracy and see what the community wants and needs in terms of service. He further added that any services added would probably be ancillary services and American Media would make every attempt to keep costs competitive.

Kerr wanted to bring to the council's attention the steps needed in transferring the franchise to a new company. The ordinance states that a written request must be made and the council must consider if a public hearing is necessary. Fourteen days prior to a public hearing a notice must be published. The City has a right to inquire into the technical, legal and financial qualifications of the purchasing company, and in this area the City may want to get the assistance from someone with expertise in this area. The council has 30 days to decide to request a public hearing.

Hannasch suggested the council should get some information from American Media about their company. Gilbertson had a list of references available of mayors, council members, etc. from other cities that American Media services. He added that American Media is a privately held company that is family owned.

Mayor Hannasch opened a public hearing at 8:00 p.m. on a nuisance complaint regarding the old VFW building on Highway 14. Koopman informed council members that the building's owner, Joe Smarzik, would not be able to attend the public hearing as Smarzik is hearing impaired. Chief Hillger passed around some photos to council members showing the external conditions surrounding the building. Hillger added that the photos didn't accurately show the amount of weeds and grasses around the building site. Included in the debris are a Buick automobile with collectors plates, another Buick with expired plates, a TV antenna laying in front of the building; garbage and debris along the east side of the building; a pile of tin, three sinks, a pile of shingles and other debris along the north side; two trailers piled with junk lumber, two stacks of old tires, old lumber and debris along the west side. Stobb asked when the photos were taken. Hillger replied that they had been taken on Wednesday, August 4, 1999. Hillger also reported that there was also an old tractor on the west side

and some old beams, both with weeds grown up around them.

For public record Audrey read the Notice of Violation that was sent to Smarzik on July 15, 1999. Hannasch asked if anything had been done to the property since the letter was sent and Hillger answered that the grass had recently been mowed but nothing else had been done. Hannasch explained that Smarzik had replied to the nuisance letter by sending photos of unlicensed vehicles at Horner Auto Sales and old parts and equipment behind Desmet Welding asking why they weren't considered nuisances as well. Hannasch stated that these are licensed businesses and not relevant to Smarzik's situation. Motion by Rialson, seconded by Nelson, to adopt a resolution declaring Smarzik's building a public nuisance and order the abatement. All voted in favor of the motion.

Nelson stated that he thinks the old VFW building should be inspected by the city inspector and state fire marshal as a potential hazard. He indicated he was inside it two years ago and there were spots in the floor that were caved in. Motion by Nelson, seconded by Rialson, to have the building inspected by the state fire marshal. All voted in favor of the motion.

Homer Dobson approached the council and stated that he received a phone call from Peter Johnson regarding aerial spraying. Johnson has some spraying to do in the Tracy area and rather than flying back to Marshall to refuel and add chemicals he requested to fly out of the Tracy airport. It was Dobson's understanding that a few years ago an ordinance was passed by the council requiring a \$500.00 fee to use the airport for aerial spraying because some businesses were leaving the airport in such a mess. Dobson had approached Koopman about waiving the fee for Johnson but Koopman indicated that it couldn't be waived since it was an ordinance. Dobson asked if the fee amount could be lowered or if there could be a returnable deposit. Dobson also indicated that Johnson would be using pre-mixed chemicals so he wouldn't need to be mixing chemicals on airport property.

Kerr indicated that there is no specified fee in the city code. The \$500.00 fee was an annual fee agreed to between Mr. Miller and the City in 1996-97. What is required is that a pilot must have a \$5000.00 bond and carry liability insurance. Kerr added that even though Johnson would not be mixing chemicals there is a chance for spillage and he must be bonded and insured for that. The City would have to have a contract with a pilot for the period of time he would be using the airport. Hannasch added that state enforcement is very strong for people who do crop spraying. Since Johnson wouldn't be flying out every day Hannasch suggested requiring a per day fee and also a deposit that would be returned providing there was no clean-up required by the City. Stobb asked if there were any thoughts on a reasonable deposit figure. Hannasch replied that he thought it should be no less than \$250.00. Kerr asked if the deposit would cover spillage or debris. Hannasch replied that spillage would have to be covered in the contract, the deposit would be for debris.

Koopman suggested that someone would need to monitor the number of days that Johnson was using the airport. Dobson agreed to monitor the usage. Rialson asked how much a \$5000.00 bond cost. Hannasch replied that anyone doing aerial spraying is required to have one. After discussion on the per day fee, Rialson made a motion to charge \$2.50 per day with a \$25.00 minimum, a \$250.00 deposit plus proof of bond and insurance. Nelson seconded that motion and all voted in favor.

Chief Hillger reported that the new emergency sirens had been tested for the past two Wednesdays, and since that time the police department has received several complaints of holes in the coverage. Hillger called Federal Signal about the remote control and about keeping one of the old sirens. The cost for the radio control would be \$1500.00 but there would not be a battery back-up. Also a \$500.00 trade-in allowance would be lost if an old siren was kept, but keeping it would cover some of the holes in coverage.

Koopman stated that a diagram had been given to her by the company supplying the new sirens indicating where coverage would be. Considering the city spent \$25,000 on the sirens Koopman thinks the coverage should be better than before and asked if the supplying company could come and monitor the testing. Hillger indicated that the company warned him that people used to having a siren close by would have a harder time hearing the newly located sirens.

Hannasch stated that most of the complaints received have been from Harvey Street, 6th Street and nearby areas. Stobb added that the new sirens have a different sound and they stand higher than the

old ones did. Hillger said that wind direction is also a factor in hearing the sirens. Koopman suggested getting the company to monitor the testing and notifying citizens that they should let the City know if they weren't hearing the sirens.

Gary Garrels reported that he and the fire marshal had inspected a garage at 336 6th Street. Otto-Arvizu asked if according to the inspection report Garrels was suggesting repairs. Garrels stated that the garage could be repaired, but it would probably take considerable money. The doors were in bad disrepair. There were also gas cans stored inside and a concern for kids getting inside. Hannasch asked if considering the cost of repairing compared to rebuilding would it better to tear it down. Kerr asked if any pictures were taken and Garrels replied that there weren't. Hannasch stated that they should probably make it a policy to take pictures of inspected buildings so they could be kept for the record. Garrels said he would take pictures and bring them to the next meeting then the council can decide on the issue.

Koopman presented a resolution supporting a fee increase for Deputy Registrars. The last fee change was in 1989. Hannasch stated that minimum wage was increased by 41% since 1989. Since the current deputy fee is \$3.50, an increase of 41% would bring it to \$4.96, rounded up to \$5.00. Hannasch said he would like to see support for an increase to \$5.00. Rialson asked what were other registrars doing. Koopman answered she was not sure what other cities were considering but wanted to point out that this issue had failed to pass through state legislation but attempts were being made again to increase the fee. Koopman also wanted to point out that this is a user fee as opposed to a tax levy. Motion by Stobb, seconded by Nelson to adopt a resolution supporting the Deputy Registrar fee increase to \$5.00. All voted in favor of the motion. (Res. No. 1999-26)

The Consent Calendar included the following: Cemetery Commission minutes for July 15, 1999, Municipal Accounts Payable, and Fireman's Relief Association minutes. Motion by Nelson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Stobb reported that since the council last set the City dump hours he had received one comment, which was when the hours were set they forgot the working man, working from 8-5, and Saturdays often being too busy to access the dump. Stobb indicated that he talked to Hillger about the night officer closing the dump at a later time one night of the week. Stobb suggested Thursdays would be good since stores are also open late on that evening and recommended leaving the dump open until dusk. Hannasch concurred that leaving the dump open later one night a week would be helpful. Motion by Stobb to amend the resolution to keep the City dump open until dusk on Thursdays. Rialson seconded and all voted in favor of the motion. (Res. No. 1999-27)

The Department Heads presented their 2000 budget requests.

Koopman stated that a balanced budget will be available by the next meeting. She also informed council members that the city council would need to adopt a preliminary levy by September 15th and consider adopting a resolution if they plan to increase the levy beyond the tax capacity. This resolution must be adopted at a public hearing. Koopman also told the council that the local performance aid has been eliminated by the State of Minnesota. Mayor Hannasch stated that it was important that council members direct any questions regarding the budget to Koopman or any of the department heads. Hannasch also mentioned that the council may hold a special meeting on the last Monday in August to review the budget,

Hannasch reported that a letter was received from the Lyon County Historical Society inviting all cities, counties and townships to participate in the Meet The Public Day at the Lyon County Fair on Friday, August 13. Hannasch will be there representing Tracy from 12:00-8:00 p.m. and stated he would appreciate any council members helping out. The Historical Society will be advertising that Tracy City Council members will be there to answer questions. Otto-Arvizu asked if there would be some realty and business information available. Hannasch answered that he would be meeting with Con Rettmer to gather some information together.

Hannasch informed the council that he had send a letter to all cities along the DM&E Railroad asking them to send letters of support to state government officials for the rebuilding of the DM&E. The letter requested that all cities send their letters during the week of August 16. Hannasch stated

he would get copies of the letter to council members. Stobb asked if a copy was sent to the DM&E. Hannasch replied that a copy would be sent.

Koopman reported that the September water bill would reflect the increases in water and garbage rates.

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

ATTEST:

City Administrator

Mayor

August 23, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, August 23, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for August 9, 1999. 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 additions were made: (5B) Dog nuisances, (10A) County Fair Trip - C. Hannasch. Motion by Stobb, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Kerr asked council members if they had any questions regarding the novation agreement between Steve Larson Services, Inc., Waste Connections, Inc. and the City of Tracy. Kerr informed the council that he had sent the novation to Attorney Christine O'Brien in San Francisco, representing Waste Connections, last Thursday.

J. Otto-Arvizu arrived at 7:34.

Kerr stated that Nicole Larson had investigated the financial status of Waste Connections, Inc. as reported in a letter sent to council members. Since Kerr had not heard from O'Brien he called her on Monday, August 23, to check on the status of the assignment that needed to be provided by Waste Connections and attached to the novation. O'Brien stated she had not heard back from Waste Connections but would fax Kerr the information he needed by the end of the day. Kerr reported that he did not receive that information.

Kerr asked council members if they would want to give him authority to review and execute the agreement once the assignment was received. Hannasch asked Steve Larson if he had any questions or comments on the novation. Larson replied that he had no problem with it as long as it satisfies the City's needs. Hannasch stated that the novation would keep everything in place according to the contract from last October.

Nelson stated that he had checked into Waste Connections, Inc. through their web site on the Internet. They are a fairly new company having started business in 1997. In 1997 they had 6.2 million dollars in revenue. In 1998 they had 54 million dollars and in 1999 they have had 77.3 million dollars in revenue. Nelson's concern is that the company is involved in trading stocks which is soon to become illegal. Hannasch stated that according to Nicole Larson's information they were heavily involved in investments. Nelson reported that Waste Connections' stock is currently at \$26 per share which represents a 2.2% loss in total income. Their stock has been as high as \$37 per share. Nelson felt that the council should do some more investigating into the company before approving the transfer. He also asked if it were possible for the City to get their own garbage trucks and run the service. Nelson was concerned with the fact the Waste Connections is buying out much of the surrounding area.

Hannasch stated that according to reports the manager of Waste Connections has spent the last 8-10 years in the solid waste field. Hannasch also stated that Waste Connections should not be confused with Waste Management, Inc., which has been involved in heavy litigation. Although Waste Connections showed a \$1,836,000 loss over the last 6 months they still showed a positive cash flow and have been able to keep a debt ratio that is more favorable than the industry average. Hannasch feels that as long as the City has the novation and it protects the current contract they should approve the transfer.

Rialson stated that he feels the council should have a written statement from Waste Connections before approving the transfer and made a motion to wait. Nelson seconded that motion. Hannasch pointed out that nothing could be finalized until the assignment is received from Waste Connections and asked if there was a reason to wait on what has already been agreed to. Stobb asked if the only thing pending was the assignment from Waste Connections and what exactly the assignment entails.

Kerr replied that they were only waiting for the assignment and what it states is that when the transfer from Steve Larson Service, Inc. to Waste Connections, Inc. takes place all responsibilities and liabilities go to Waste Connections as the assignee. It disconnects Larson Services, Inc. from the current contract with the City and Waste Connections stands in their stead.

Berndt stated he was concerned that with the four years remaining on the current garbage contract why is Larson's name on the novation for only two years. Kerr replied that the novation does require that a local person manage the City garbage service for the duration of the contract but that Waste Connections only issues two year contracts.

Hannasch stated the motion before the council was to postpone the decision to approve the transfer from Larson Service to Waste Connections. Upon roll call, the following vote was recorded: voting aye: Nelson, Fraser and Rialson; voting nay: Berndt, Otto-Arvizu, Stobb and Hannasch. The motion failed.

Stobb made a motion to approve the transfer from Steve Larson Service, Inc. to Waste Connections, Inc. contingent upon the City Attorney's approval of all associated documents. The motion was seconded by Berndt. All voted in favor of said motion.

On the proposed sale and transfer of Harmon Cable Communications to American Media, Kerr recommended that Moss & Barnett be retained to make recommendations about the transfer. Kerr also recommended notifying American Media that they must assume any legal costs incurred from investigating the legal, financial or technical qualifications of American Media as the City of Tracy isn't responsible for those fees. Also American Media needs to provide the FCC394 Form in order to start the proceedings of the transfer. Kerr did say that he was provided with a financial report from American Media but that it was for their sister company, Cable USA.

Hannasch indicated that a representative from American Media was present to answer questions. Ted Thomas introduced himself to council members as a representative of Cable USA and American Media. He has been the manager for 15 years of 41 systems in Nebraska. Thomas explained that the reason for the American Media name is that a son is taking over that branch. Thomas also pointed out that the City is in a good position as the current franchise is up in 2003 and the re-franchising proceedings have to start three years in advance so the City can choose now to discontinue the franchise when the contract is up. American Media will simply be assuming and maintaining the Harmon Cable franchise until re-franchising begins next June. The current contract will demand certain requirements of American Media should they take over. American Media is also making plans to install some fiber optics lines and develop some pay-per-view options. Based on the fact that American Media will be taking over an existing contract, Thomas questioned the reason why American Media would have to pay for legal expenses when the service they provide will be the same.

Kerr referred to Chapter 6.40, Section 11.02, Letter C, of the City Code pertaining to the sale or transfer of a cable franchise. This section states the City has a right to inquire into the technical, legal and financial qualifications of the prospective transferee, and that the City may condition said transfer upon such terms and conditions as it deems reasonably appropriate.

Thomas asked the City to look favorably on the transfer so that American Media can begin work this fall. Hannasch stated that the next council meeting is on September 13, and if all the paperwork and reports are ready by that time and Moss & Barnett can be retained, there shouldn't be much delay. Kerr made a point that they didn't know what kind of time line Moss & Barnett would need to complete their research. Stobb asked if this was a unique situation in Tracy compared to Canby or Balaton. Kerr replied that Mr. Grogen from Moss & Barnett has done over 200 similar transfers of cable franchises. Stobb asked if Tracy was doing the same thing as other cities could Moss & Barnett do one report for all local cities faced with the same transfer. Mike Rose from Harmon Cable offered that Balaton had requested a list of cities of similar size and service coverage from American Media to compare service.

Kerr reported that Moss & Barnett had suggested he write a letter to American Media immediately requesting a FCC394 form to begin proceedings. In order to avoid any legal problems Hannasch

asked for a motion to retain Moss & Barnett to investigate American Media. Stobb added that because the City is currently dealing with three separate cable companies in order to treat them equally Moss & Barnett should be used for all three. Stobb made a motion to retain Moss & Barnett to investigate American Media, and all legal fees to be paid by the franchisee. The motion was seconded by Fraser, and all voted in favor.

Kerr received a letter from Moss & Barnett stating that a report on DTG would be received by the City by Friday, August 27th. Kerr stated that a notice of hearing would have to be placed in the Headlight Herald after receiving the report. Koopman said it could be done at the next meeting.

Gary Garrels distributed photos of the hazardous building on Jeff Cawels property at 336 6th Street to council members and indicated that there had been some changes made to the building since the inspection was done. There had been some work done to the doors insofar as one door that had been leaning against a pickup was set in place on the building. Hannasch said it appears the roof may have been jacked up. Garrels said that Judkins had also done some work around the outside of the building and two unlicensed vehicles that had been sitting outside were moved inside, although one was partly outside the door as it didn't fit. The walk-in door was still in pieces and the roof needs to be re-shingled. Otto-Arvizu asked if the building was considered hazardous because of it being unsecured and the door being unattached and leaning upright. Garrels answered it was that among other things. Judkins told Garrels he was concerned with the gas cans inside the building. Otto-Arvizu said the issue of shingles had been raised and wondered if that was in terms of safety or looks. Garrels said a new roof would protect the structure of the building. Hannasch added that the council needs to set some standards or there will be many more problems with run-down buildings. Rialson stated he had driven through the area and the garage was very unsightly compared to the rest of the neighborhood.

Motion by Stobb, seconded by Rialson to pursue the hazardous building issue at 336 6th Street. Koopman stated that the owner would be issued an order to repair or remove the building, what specifically would need to be repaired and in what time frame the work would need to be done. All voted in favor of the motion.

Kerr reported that Joe Smarzik had been sent a certified, return receipt letter regarding the old VFW building on Highway 14 and Smarzik refused the letter. Since the letter was not accepted an alternative is to apply with the county court for an administrative search warrant. The court would have to issue an order of inspection. Hannasch stated that based on past experience with Smarzik that the City will have to push the issue before Smarzik will cooperate. Motion by Nelson, seconded by Rialson, to proceed with securing a search warrant. Stobb stated that he was certainly not against pursuing this issue but wondered if the City pursued this case if it should pursue other cases too. Hannasch said if the council pursues this building it may be a warning to others that hazardous buildings need to be cleaned up. All voted in favor of the above stated motion.

Kerr reported to the council that in the past his office has made requests for expenses to be paid in nuisance and hazardous building cases by the owners of the property. If the expenses are not paid it comes as a judgement against the owner or an assessment against the property. The hazardous building law states that filing, service, attorney, witness and traveling expenses can be attached as part of the judgement. Kerr added that both Koopman and Chief Hillger have had to appear as witnesses in cases and their expenses could be included. Kerr asked the council if they wished him to pursue the payment of expenses in judgements, particularly witness fees, in district court. Motion by Rialson, seconded by Berndt, to include all legal expenses in nuisance and hazardous building cases. All voted in favor of the motion.

Koopman informed the council that in three of the nuisance complaints for 1999 the 20 day period of abatement had expired:

285 8th Street - Darlene Rasmussen
 336 6th Street - Jeff & Maria Cauwels
 260 8th Street - Candelario Reyes

Motion by Rialson, seconded by Nelson, to proceed with all necessary legal action in District Court.

Hannasch reported that four proposals had been received to retrofit the City's lighting systems. He indicated that there was a large variance in them due to that some did not include replacing fixtures and installing battery operated emergency signs. The proposals were sent to a lighting supplier and after reviewing the best cost savings was with Hebig's Electric as his bid included replacing all the fixtures and bulbs. Kerr informed the council that according to the Municipal Contracting law before an energy savings contract can be entered into we must publish a notice of a public hearing with the company offered the project. Also there must be a written guarantee from the company as part of the bid. Koopman stated she would like to speak with Hebig's and get a time frame from them before setting the date of the public hearing. Also a financing plan through NSP needs to be determined. Koopman said the council could go ahead and accept Hebig's proposal at this time. Motion by Nelson, seconded by Berndt, to accept Hebig's bid. All voted in favor of the motion.

Hannasch informed council members that Ann Algyer resigned from the Multi-purpose Center Board. One application was received from Guy Salmon. Motion by Nelson, seconded by Berndt, to approve Salmon's appointment to the Multi-purpose Center Board. All voted in favor of the motion.

Koopman reported that Nelson had received a letter from Bonnie Jacob regarding a concern with large dogs running loose after dark. Keith and Jeannie Stanton also sent a letter and were present to address the council with their concerns. Hannasch stated that he lives in the same area as the Stantons and that he had spoken with the owner of two dogs about the barking problem. Jeannie Stanton stated that the dogs she was concerned with were not licensed and feels the City should enforce the ordinance to ensure dogs are licensed and vaccinated.

Berndt asked Chief Hillger if he checks if dogs are licensed when he receives a complaint. Hillger replied that he does and that he would check on the dogs in the Stantons' area. Kerr read the animal nuisance portion of the City Code. Stobb said the ordinance covered everything and the public needs a reminder to control their pets, and hopefully through the council's discussion the public would be made aware of the problem.

The Consent Calendar included the following: Economic Development minutes for July 22, 1999, Multi-purpose Center minutes for August 9, 1999, Municipal Accounts Payable, and the Financial Report for July. Motion by Nelson, seconded by Berndt to adopt the above listed items. All voted in favor of the motion.

Chief Hillger informed the council that a re-test for the sirens would be held on Wednesday, August 25, at 1:00 P.M. The president of Federal Warning Systems will be present for the testing and will be bringing an independent contractor with testing equipment. Hillger asked for volunteers from the council and anyone in the public to help with the testing. Rialson said he thought it was strange that where the new sirens overlap is the area they can't be heard. Koopman suggested asking the public to listen and call in. Hannasch stated the City shouldn't pay for the new sirens until satisfied with them. Hillger concurred saying that was something the public should be aware of is that the new sirens haven't been paid for and the old ones are still up and functional. Hillger added that volunteers could meet at City Hall at 12:30 P.M. on Wednesday and he would direct everyone where to go, then the new sirens would be tested at 1:00 and the old would be tested at 1:15.

The City Administrator presented her recommendations for the 2000 budget. The changes represented a 2.8% increase in the general fund and a 4% increase over all. She informed the council that the 1996 bond levy was increased by \$19,000 due to the number of deferred assessments primarily in the Eastview Addition. Koopman pointed out that the budget does not provide anything for bleacher safety compliance. The company working on that project does not have the report ready and estimates on replacement were running at a minimum of \$184,000. Koopman would like to see the City work with state legislators to see if the law can be amended to provide for funding or more flexibility.

Koopman informed the council they would need to be prepared to approve the proposed levy at the September 13th council meeting so if they felt more work needed to be done on the budget the council would have to call a special meeting. Stobb noted that nothing had been allocated for replacing the swimming pool. He added that this year's 4% increase is down from the previous two years. In 1999 there was a 15-16% increase and in 1998 that was a 13% increase and maybe the

council should look at putting money aside for the pool. Hannasch suggested looking at a three year plan before starting to put money away. Stobb disagreed stating he feels the City should start putting away money now since something will eventually need to be done.

Otto said she hopes the council could show good faith to the public that they have been planning for pool replacement by putting money aside and asked the council if they could live with putting \$15,000 away. It was later suggested that \$20,000 be set aside for the swimming pool.

Rialson said Hannasch had mentioned getting other communities involved in building a new swimming pool facility. Hannasch said that he would like to get a committee together this fall after school started and find people from other communities interested in the project. He would also like to look at a long range plan to bus people from other towns.

Koopman suggested that the council could plan the budget with the \$20,000 increase and reduce the amount later if necessary. Stobb said he hopes that when the City wide survey is completed they can check into getting some grants for a pool project. Nelson suggested checking with Granite Falls to see how they funded their pool facility. Koopman asked council members if the consensus was to add \$20,000 over and above the current proposed budget for the pool fund. The council agreed.

Stobb noted that the \$5.00 increase per meeting for the mayor and council members was still in the proposed budget and said he didn't feel the increase was necessary. Koopman replied that she included it because it had been 8-10 years since the fee had been increased. The change would bring it to \$20 per meeting for each council member and \$25 per meeting for the mayor. Berndt agreed with Stobb adding that each of them ran for city council to serve, not for the money. Otto suggested they could cut the fee later if it was agreed upon.

Mayor Hannasch reported that he had met a few people representing the City of Tracy at the Lyon County Fair, but not very many. He suggested to Elaine Connors, who organized the event, that she should find a way to let people know where the historical building is on the fair grounds so they can better find it.

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

ATTEST:

City Administrator

Mayor

September 13, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, September 13, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson and R. Stobb. Members absent: J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for August 23, 1999. 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. Motion by Nelson, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Mayor Hannasch informed council members that everything was in place for the Larson garbage contract but the documents had not yet been signed. Hannasch also stated they were waiting for some documents from Steve Larson's attorney.

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

Kerr explained that Ritter's Sanitary Service is a wholly owned subsidiary of Waste Connections and that Ritter's will be a hub for Tracy, Marshall and Slayton. Kerr further explained that Waste Connections will not be signing the legal documents for the transfer but they will be a guarantor that services will be performed as specified in the contract. After Ritter's name was brought up Kerr requested financial information about the company which was reviewed by Nicole Larson. Larson reported that Ritter's Service appeared to be a financially stable company. Motion by Stobb, seconded by Berndt, to approve the transfer of Steve Larson Service, Inc. to Ritter's Sanitary Service. Upon roll call, the following vote was recorded: voting aye: Berndt, Otto-Arvizu, Stobb, and Hannasch; voting nay: Nelson, Fraser and Rialson. The motion carried.

Hannasch stated that the City had received Moss & Barnett's report regarding DTG's proposal for a cable franchise and that copies had been given to both DTG and Harmon Cable. Referring to Section 8 of the report regarding Moss & Barnett's recommendations, Hannasch said he sees no reason the council shouldn't approve DTG's request for a cable franchise. Tom Wilson approached the podium and introduced himself as the Vice President for Community Development for DTG/McLeod USA. Wilson stated he believes Moss & Barnett did a good job providing the information required by the City of Tracy and required by state law. Hannasch asked for a motion to approve the resolution regarding the findings of fact with respect to the proposal for a cable franchise by DTG. Said motion made by Nelson and seconded by Rialson. Stobb asked about the performance bond that had been recommended by Moss & Barnett. Kerr replied that the performance bond would be listed in the franchise contract and will be in the form of an ordinance which will be reviewed with DTG and approved later by the City Council. All voted in favor of the above stated motion. (Res. No. 1999-28)

Kerr informed the council that there would be a meeting scheduled between Moss & Barnett, Koopman, DTG and himself to review the contract, then there would be a first reading and a public hearing notice would be published. Wilson approached and informed the council that they could choose to have the first reading now, which is to read the title of the franchise, then work out the details of the contract prior to the second reading at the next council meeting at which approval would be decided. Wilson added that DTG would have no problem waiting an additional two weeks if the council was not comfortable deciding until the contract was completed. Motion by Nelson, seconded by Rialson, to have the first reading tonight and to have the second reading and public hearing at the next meeting. Koopman said the council may want to hold the public hearing at the October 11 meeting in order to allow enough time to meet with DTG. Kerr stated that since the documents were not completed and they didn't know yet what the final report would be that the council should wait to have the first reading. Upon roll call, the following vote was recorded: voting aye: Otto-Arvizu, Fraser, Nelson, Rialson and Hannasch; voting nay: Berndt and Stobb. The above stated motion carried. The public hearing will be held at 8:00 at the September 27 council meeting.

Hannasch presented a variance request from Greg and Laurie Vosberg for a three foot side yard

setback and a request to waive the appeal period. Hannasch informed the council that the Planning Commission had given their approval for the variance. Stobb added that a petition had been signed by all the neighbors on Vosberg's block giving their approval to waive the appeal period. Motion by Stobb, seconded by Rialson, to approve the variance request. All voted in favor of the motion.

Chief Hillger reported that testing of the old and new sirens had been conducted on August 25, 1999. Hillger had enlisted the help of several volunteers, council members and city crew workers to help with the testing. Steve Nelson of Nelson Radio in Farmington came as an independent contractor to test the wiring and the decibel output of the new sirens. Nelson concluded the sirens were wired correctly and putting out the promised decibel level. Feedback from residents and volunteers was mixed but many felt the old sirens were heard better. It was also discovered that the old siren by the seed house was not working at all.

Nelson suggested slowing the rotation of the new sirens to see if residents could hear them better. The slowest they can be set is two rotations per minute. Berndt asked if they had been tested at the slower rotation and Hillger replied that it would be done. Hillger informed the council that they couldn't put multiple bells on the new sirens and they couldn't put battery back-up on the old sirens. Hannasch asked how much it would cost to repair or replace the siren at the seed house and added that he would have a hard time approving the new sirens based on the feedback from residents. Rialson concurred stating he was inside a residence on Rowland Street and if he hadn't been listening for the new sirens he would have never heard them. He added that a resident living two blocks away from one of the new sirens didn't hear it at all. Hillger said therein lies the confusion, some people two miles away can hear the new sirens but some people two blocks away can't hear them.

Stobb stated one option was to keep both systems and asked if both had ever been sounded at the same time. Hillger said the problem with that is the cost of keeping up two systems. With the old sirens there are \$60.00 per month phone line charges plus electricity costs. The consensus was to re-test the sirens on Wednesday, September 22 at the slower rotation. Stobb asked if the County Commissioners were working on a national weather service system. Hillger replied that they were but it would be 5-10 years before a system was in place. Stobb then asked if the council could get some rough estimates on the costs of different siren options. Hillger said he would get the information together.

The Consent Calendar included the following: Cemetery Commission minutes for August 19, 1999, Police Commission minutes for August 12, 1999 and Municipal Accounts Payable. Motion by Nelson, seconded by Rialson to adopt the above listed items. All voted in favor of the motion. Hannasch stated that at the last meeting the council agreed to add \$20,000 to the year 2000 budget for a swimming pool fund. Hannasch asked council members to consider turning the empty lot on South Street, beside the liquor store, into an extra parking area. By grading and covering the lot with gravel Hannasch figured there would be space for upwards of 45-60 cars and he figured it would help with promoting the Prairie Pavilion. Hannasch originally thought to put an additional \$20,000 into the budget for the project but Koopman thought it would cost less. Stobb mentioned that part of the lot is not owned by the City and Koopman said it was 25 feet right next to the liquor store.

Hannasch said that by packing the lot with gravel the City may eventually be able to blacktop the lot in a few years. He added that he would like to see the project done this fall if possible. Koopman suggested by using the City crew the cost would be minimal. Hannasch figured with about 200 yards of gravel the project would cost less than \$5000 but asked if the budget would allow the project this fall. Koopman replied that there are some reserve funds that could be used but she wasn't sure if it would work into the City crew's schedule to do it this fall.

Koopman informed the council that the levy had to be approved tonight, but they could add funds for the parking lot project and always reduce them later if necessary. As the budget was drawn up there is a 9.2% increase with the swimming pool fund of \$20,000. Adding another \$10,000 for the parking lot project would bring a total overall increase of the levy to about 15-16%. Motion by Otto-Arvizu, seconded by Nelson, to adopt a resolution approving the tax levy including an additional \$10,000 parking lot improvements as outlined below:

Debt Service	\$246,337
Permanent Improvement	\$ 10,000
General Fund	<u>\$173,400</u>
TOTAL LEVY	\$429,737

All voted in favor of the motion. (Res. No. 1999-29)

Koopman stated the council would need to call for a hearing on October 11, 1999 to consider increasing the tax levy beyond the baseline tax rate. The City will not receive the information from the County Auditor until October 1, 1999 and the levy must be approved and sent back to the County Auditor by October 20, 1999. Motion by Rialson, seconded by Nelson, to approve a hearing to consider the tax levy at the October 11, 1999 City Council meeting.

Koopman informed council members they would need to hold a truth in taxation hearing on Monday, December 6, 1999 at 7:30 p.m. If necessary a continuation hearing will be held on December 13, 1999. Motion by Rialson, seconded by Fraser, to approve the truth in taxation hearing dates.

Hannasch announced there would be a Regional League Meeting starting at 1:00 p.m. on Wednesday, October 20, 1999. He added that for those who work during the day there will be a dinner and evening meeting and so encouraged all council members to attend. The City Administrator's office will call each council member to confirm who will be attending.

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

ATTEST:

City Administrator

Mayor

September 27, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, September 27, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson, J. Otto-Arvizu and R. Stobb. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for September 13, 1999. 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 additions were made: (5B)A request from Dennis and Natalie Vandeputte to extend the waterline outside City limits and (11A) Hannasch had an addition to Mayor and Council Communications. Motion by Nelson, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Hannasch stated that the City received notification that Harmon Cable would be entering into a management agreement with American Media. The City also received a letter from Moss & Barnett about the Harmon Cable franchise transfer which recommended taking no action on the proposed transfer until the City Council had an opportunity to review the report Moss & Barnett will be sending regarding American Media's qualifications. Jim Jackman, President of Harmon Cable, informed council members that Harmon Cable had agreed to the terms of the transfer but had not closed the contract. Jackman added that while Harmon Cable does not necessarily agree with the position of Moss & Barnett they don't want to do anything to undermine the franchise agreement with the City of Tracy. While Jackman understands the City's position, he stated it is Harmon Cable's intent to move ahead with the transfer and Harmon would not transfer management of the franchise unless they were confident that American Media could do the job.

Hannasch stated that he doesn't feel that waiting two weeks to review Moss & Barnett's report would hinder that time frame of Harmon Cable's transfer to American Media. Stewart Gilbertson with American Media stated that they don't want to go outside anything done by the City of Tracy. If American Media begins service in surrounding communities they will determine how to continue running Tracy's cable service as Harmon Cable if the City has not approved the transfer by that time. Stobb asked if the council takes no action at this meeting if Harmon Cable is still the City's cable provider. He added that he personally did not have a problem with American Media handling some of the management aspects. Jackman stated that all of the other Harmon Cable transfers have been approved and are waiting action to close the agreements. Hannasch said based on Moss & Barnett's recommendation that the City won't take any action until the next council meeting.

Mayor Hannasch postponed (4B) the legal fees associated with the garbage contract until after public hearing.

Koopman informed the council that there were two vacancies on the Hospital Advisory Board. A representative for Walnut Grove with a term until the year 2000 and a Tracy representative with a term until 2001 are needed. Motion by Stobb, seconded by Nelson, to advertise for the two positions. All voted in favor of the motion.

Mayor Hannasch delayed agenda item (5B) as Dennis Vandeputte was not yet present.

Chief Hillger asked council members if they had any questions in regard to the siren report handed out prior to the meeting. Hannasch stated that he had a chance to read the report earlier and had discussed the proposed options with one other council member. One option is a hybrid mix of two old sirens and the two new sirens. Since it's not possible to have a battery back-up with the old sirens Hannasch feels it is much safer to have that option available with the new. And by keeping the siren by the seed house and by Sebastian Park the coverage would be better based on the feedback from testing. Nelson said he received several calls over the weekend and no one said the new sirens were better. Hannasch suggested that something to consider is the possibility of multiple tornados and with battery back-up the City would still be protected if the electricity was out. Rialson stated that an East Hollett resident who lives one block away from one of the new sirens could not hear it inside

their home. Hillger stated that he was standing beneath one of the new sirens and had to go inside his vehicle it was so loud. Don Polzine reported he had to do the same standing near the other new siren. Polzine added that of the four old sirens and newest and loudest were located by the swimming pool and by the Greenwood area.

Stobb said according to the report to keep the two old sirens plus the two new ones would cost the City \$4000 per year. He then asked if there wasn't radio control on the old system if all four of the old sirens could be kept. Koopman said that without the radio control someone would have to be in the police station to activate them. Hillger added that by keeping two of the old sirens the City would lose \$2000 on trade and phone line and electricity costs would be between \$75-80 per month. Nelson asked if the other two old sirens could be kept for parts should the two being used need repairs. Motion by Otto-Arvizu to keep the two new sirens, keep the two best of the old sirens and upgrade the old to radio-activated to eliminate the phone line cost. The motion was seconded by Fraser. Rialson stated that he still had a problem spending the money on the new sirens when so many people were dissatisfied with them. Upon roll call, the following vote was recorded: voting aye: Fraser, Hannasch, Otto-Arvizu, Stobb and Berndt; voting nay: Nelson and Rialson. The motion carried.

Hannasch reviewed the resolution approving an increase in pledged securities and pointed out that the heading should read "Securities at Tracy State Bank" instead of 21st Century Bank. Motion by Nelson, seconded by Stobb, to approve said resolution. All voted in favor of the motion. (Res. No. 1999-30)

Hannasch asked for a motion to approve a change in pledged securities. Motion by Nelson, seconded by Fraser, to approve said motion. All voted in favor of the motion. (Res. No. 1999-31)

The Consent Calendar included the following: Monthly financial report for August, Municipal Accounts Payable, Multi-purpose Center minutes for September 13, 1999, Fireman's Relief Association minutes for September 7, 1999, and Economic Development minutes for August 27, 1999. Motion by Rialson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Mayor Hannasch reported that he attended King Turkey Days in Worthington. There were quite a few mayors in attendance from different towns, especially from the Southwest Minnesota area. They discussed what to do to get business back into Southwest Minnesota and discussed holding a Mayors Meeting and Building Coalition.

Hannasch opened the public hearing at 8:00 p.m. to discuss Ordinance No. 270, Cable TV Franchise with DTG. He read the ordinance recitals and asked Tom Wilson, Vice President of Community Development for DTG, and Jim Kerr to review the ordinance. Kerr said council members should keep in mind that they have the ordinance draft as of September 23, 1999 and the draft had been reviewed by Wilson and his company and by Koopman and himself. Some changes had been made, mostly "housekeeping" changes. Kerr also mentioned that DTG should be referred to as Dakota Telecom Inc.

Wilson added that some of the changes were made to the verbiage in the ordinance. Prior to commencing any construction Dakota Telecom will produce a \$100,000 bond to the City. DTG also outlined 12 items requesting minor changes such as part 5.01 which was changed to read that the system will be built as a 750 MHZ as required by the State of Minnesota. Part 6.04 had read that channel 45 would be the "Tracy Channel" and while there will be a Tracy Channel it may or may not be channel 45. Wilson stated that the information received from Moss & Barnett addressed all concerns, and while it didn't give DTG everything it asked for the reasons given were acceptable.

For clarification Wilson explained that in part 6.03 the character generator that will be provided to the City will be a PC based unit that the City will have access to at any time. The City will be able to enter in information to appear on the Tracy information channel. Wilson stated that Part 8.09 Maintenance and Complaints is a real at-home point with DTG. DTG will have an office in Tracy for equipment, customer service and technicians but is not sure of the staffing of it at this point. The office may be staffed by a regional person, available on specific days or a permanent part time

employee that would be available half days. Wilson said that DTG is stressing service and the process when someone call the local office for service will be that a service ticket is immediately generated that will not be closed until service is completed. If the local employee is not available the call will be automatically routed to the central office and a service ticket generated there.

Kerr asked if a live person would be available 24 hours per day to answer phone calls. Wilson replied that there would be. Koopman asked if there would be somewhere to drop payments so that people wouldn't have to mail them. Wilson said there will be a drop box but DTG needs to determine how they will be staffing to get it emptied daily. Wilson explained a requested change in part 9.02 Performance Bond that reads a \$100,000 performance and payment bond will be supplied upon acceptance of the franchise. DTG asked that the language be changed to read the bond will be due prior to the start of construction. Kerr added that guarantees in the franchise agreement are being made by both McLeod and Dakota Telecom Inc. Kerr then asked if any construction was planned for this fall. Wilson replied that only engineering plans will be done this fall and building won't begin until next spring. The month that construction will begin can't be determined exactly but May or June is usually the starting point. DTG plans to be done with construction in the fall of 2000. Stobb asked about the 2001 completion date in the franchise agreement. Wilson replied that due to possible unforeseen circumstances DTG wanted to allow plenty of extra time for construction completion. Kerr asked if DTG would provide proof of liability insurance at the time the franchise is accepted. Wilson replied that DTG would provide the necessary documents.

Hannasch asked if anyone in the public had any comments or questions. Jackman from Harmon Cable stated that he had not been privy to any discussions about the franchise agreement nor had they received any copies of documents or notification of changes and asked to see a copy of Ordinance 270 so their legal staff could review the document. Kerr stated that both agreements with Harmon Cable and DTG would be identical in the final drafts and the only differences now were between Harmon's existing franchise and DTG coming in as a new franchise. Gilbertson added that Harmon Cable and American Media would like to be able to see any documents prior to the approval of DTG's franchise. Wilson stated he wanted to clarify that any changes in verbiage have been only in relation to the building of the new franchise in order to make an equal playing field and for instance state and federal laws requiring DTG to build a 750 MHZ system. Gilbertson asked if in the year 2003 when Harmon Cable's franchise is up if American Media would then be required to upgrade to a 750 MHZ system as Harmon Cable currently has a 450 MHZ system with 43 channels. Gilbertson said American Media would just like to review any documents prior to DTG's approval. Hannasch stated he doesn't see a reason to deny American Media's request to see copies of the franchise documents. Kerr added that he sees no reason to delay approving DTG's franchise as it won't affect Harmon Cable or American Media in any way.

Marlin Meyer, 775 Easy Street, asked Wilson to describe how properties would be affected by DTG's construction. Wilson replied that most of the construction would be done in public right-of-ways and all lines would be buried. DTG would get written permission for anything done on private property prior to construction. The lines up to individual houses would also be hand dug for as little damage as possible. Meyer stated he had watched the cable construction in Marshall and for a 4-5 block stretch of Main Street there were many clumps of metal boxes. Meyer asked Wilson if they were mostly his company's. Wilson replied that they weren't and that many were phone or electrical boxes.

Hannasch closed the public hearing at 8:37 p.m. and asked for council comments or questions. Stobb asked if the recitals were part of the ordinance, particularly numbers five and six. Kerr replied that the recitals are part of the ordinance. Referring to number six, Stobb asked if it were possible to determine what changes have been made to state and federal laws from this description. Otto-Arvizu broached the request of American Media to delay approval of DTG's franchise until they had an opportunity to review the franchise documents. Gilbertson added that they would like to review any changes however small considering the sizable investment in the community. Otto-Arvizu mentioned Gilbertson's question as to whether they will be required to upgrade their system. Kerr answered that he doesn't think this is a valid point to hold up the decision in regard to DTG's cable franchise. Hannasch concurred stating that American Media's request doesn't have any bearing on the ordinance and that they will have an opportunity in the next two weeks to review the ordinance and bring any concerns to the council. Stobb made a motion to adopt Ordinance No. 270, seconded by

Fraser. All voted in favor of the motion.

Dennis Vandeputte, 3363 County Road 14, made a request to get City water extended outside the City limits. He stated that they live directly across from the grade school and their current well is shot. Their two choices are to dig a new well or if the City Council approves to hook up to City water. Vandeputte's have been approved for rural water but it would be 2 ½ years before they can get connected. Polzine stated that the City water line is 100 yards from Vandeputte's grove and it would be no cost to the City for them to hook up. Koopman added that the City ordinance requires council approval to extend water lines beyond City limits. Motion by Nelson, seconded by Rialson, to approve Vandeputte's request to hook up to City water. All voted in favor of the motion.

Hannasch stated that City Attorney Kerr is requesting reimbursement of legal fees associated with the assignment of Larson's Service contract. Hannasch stated that no formal approval was made by the City Council stating where legal fees responsibility sits. He feels that the fees being requested by Kerr were for duties that are part of the City Attorney's job while Kerr feels they were extraordinary legal expenses. Kerr stated that Christina O'Brien brought up the legal fees issue and he told her the fees had been drafted in a letter. She requested a copy of the letter and Kerr faxed it to her. Kerr also pulled out the report reviewed by Nicole Larson that stated transactions costs were to be paid by the parties involved in the transfer. Nelson asked why the fees weren't being sought from Waste Connections and Steve Larson Service Inc. Hannasch said he doesn't disagree with that but was concerned with what other legal fees would be incurred by the City if pursuing payment. Since nothing was set up in the beginning and no motion passed about these legal fees it may be difficult to pursue them. At this point it would be looking after the fact. Hannasch added that if another similar situation comes up the council will need to make sure the legal fees are arranged ahead of time but feels in this case it needs to be looked at as part of the legal service to the City. Fraser asked who would be paying Nicole Larson's fees. Hannasch replied that the City had already paid these fees.

Kerr stated that he did not contemplate there being extraordinary fees in this situation and was never looking for the City to pay them. On August 19, 1999 O'Brien was sent the letter regarding the legal fees and she did not reply until September. Rialson asked who directed Nicole Larson to review the financial reports. Kerr said it was a voluminous report and he had talked to Koopman about having someone review it. Berndt stated he was under the understanding that all the legal costs were Waste Connections' responsibility. Hannasch stated again since this was not determined previously by the council and voted on and set in writing there may not be a recourse. Stobb added that what Kerr did for the City was to help maintain the service already in place, therefore the City didn't gain anything. Stobb then asked Kerr if he thought it was worth pursuing the issue with Waste Connections. Hannasch added that no where in the agreement did it state that the agreement would not be signed unless the legal fees were paid by Waste Connections. Council members concurred that since they were not aware of the issue they were not able to make the agreement contingent upon payment of the legal fees. Otto-Arvizu stated that the council failed in not asking questions about the legal fees and that they had not been made aware of the letter sent out by Kerr's office on August 19. Nelson said he feels some things were hidden from the City by Waste Connections, such as the name of Ritter's Sanitary Service not being brought up as the transferee. Rialson stated that he feels some effort should be made to pursue the legal fees with Waste Connections, Ritter's or Larson's. Motion by Rialson, seconded by Nelson, to deny paying the attorney's bill. Stobb asked if passing the motion would preclude the City Administrator calling and asking for the legal fees to be paid by Waste Connections. Kerr said he wrote a letter September 2, 1999 to O'Brien when Ritter's name came up and September 16 a letter was received back from O'Brien. Fraser said the September 16 letter from O'Brien stated that she had told Kerr several times they wouldn't pay legal fees. Kerr replied that she only brought it up once during a phone call on September 3rd or 4th. Fraser asked when the letter from Steve Larson was received stating they didn't feel the legal fees were their responsibility. Koopman replied that it was about a week ago. Berndt added that it sounds like the parties involved waited until the contract was signed and then said they wouldn't pay. Stobb asked if the motion could be tabled until some phone calls were made pursuing payment. Rialson withdrew his motion and Nelson withdrew his second.

Polzine reported on the proposed parking lot beside the Tracy Liquor Store. The dimensions will be 100' x 160' and if the City is intending to someday blacktop the lot he recommended putting down

eight inches of gravel, which would be about 400 yards at a cost of \$2400.00. Polzine also thought that there should be another access to the parking lot and if the City is planning to blacktop the lot they should plan to blacktop the parking behind the liquor store too. He said the City will have to put signs up for events so that liquor store patrons won't park where the entrance to the new parking lot is currently located. Hannasch stated that he would like to leave the lot gravel for a couple years and then look at blacktopping when there is a street project to minimize cost. Polzine asked about the 25 foot piece of land beside the liquor store. Koopman stated that it was tax forfeited to Lyon County and she didn't feel it would be a problem to pursue purchasing it. Kerr asked if there would be any drainage problems in blacktopping the lot. Polzine replied there would have to be some engineering done. Rialson asked what the cost of a new entrance would be. Polzine said with curb and gutter removal it would be about \$5000.00 for two entrances. Hannasch asked if the money would be available for the project this fall. Koopman replied that they could get it out of this year's budget. Motion by Stobb, seconded by Berndt, to approve laying gravel on the parking lot. Nelson asked if it would be machine packed. Polzine replied that it would. All voted in favor of said motion.

Koopman stated that in light of the actions on the emergency sirens she recommended paying the bill for the new sirens this year with cash reserves instead of financing them. The council will have to do a budget adjustment by resolution and that she would have the resolution prepared by the next meeting. Koopman added that \$10,000 could be deleted from the year 2000 budget if the parking lot is going to be completed this year.

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

ATTEST:

City Administrator

Mayor

October 11, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, October 11, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson, J. Otto-Arvizu and R. Stobb. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for September 27, 1999. 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. (11A) Hannasch had an addition to Mayor and Council Communications. Motion by Fraser, seconded by Berndt, to approve the agenda as now written. All voted in favor of the motion.

Brian Grogen of Moss & Barnett summarized the report regarding the proposed transfer of Harmon Cable Investments, Inc. to American Media Group, L.L.C. Grogen explained that it was the council's job to review American Media's qualifications prior to approving the cable franchise transfer. Moss & Barnett's report explains three key factors, it states the details of the transaction, describes state and federal laws pertinent to the transfer and details American Media's qualifications. Grogen said the City is still waiting for a Certificate of Good Standing and that the resolution before the council is contingent on receiving that certificate. He also said that the most difficult thing to review has been the financial qualifications of American Media. Since American Media has no operating history Moss & Barnett had to rely on financial reports given to them from those companies affiliated with American Media. Grogen's concern was with the amount of debt accrued by American Media and if the company can come up with the funding for the transfer and to cover operations. American Media has had to rely on its two affiliates for financial backing. Based on this information Moss & Barnett can't give a clean bill of health on the financial qualifications of American Media and can't guarantee that in two years the company won't fail. Grogen said another thing to consider is the other cable franchise that has been approved by the council will bring in a measure of competition which will benefit the City. Moss & Barnett recommended approving the transfer with the following conditions: That the City require a Certificate of Good Standing; that the two affiliates of American Media, Cable USA, Inc. and USA Digital, be required to sign as guarantors; and that American Media supply a letter of credit in the amount of \$5,000 to the City of Tracy. These precautions would cover potential costs of removing equipment from public right of ways should American Media fail and pull out of Tracy.

Grogen went on to say that the Council could either take action on the proposed resolution recognizing the concerns stated by Moss & Barnett or they could direct staff members to come up with an alternate resolution possibly denying the transfer. One problem with denial may be since Harmon Cable has already sold their company to American Media there may be a concern with who would run the franchise. Hannasch stated that if the council approved the transfer that all bases have pretty well been covered by requesting the letter of credit and asking the affiliates to be guarantors. In trying to keep a level playing field Hannasch did not think these were unreasonable requests. Grogen said the same things were required of DTG and they complied. Kerr stated that another issue to bring up, under subparagraph "g" in the resolution, is that upon closing Harmon Cable will within 30 days of closing reimburse the City for all of its costs and expenses related to the City's review of American Media. Kerr asked if these costs were usually paid by the buyer or the seller. Grogen replied that typically the seller reimburses these fees.

Stewart Gilbertson, of American Media, informed the council that a certificate of good standing had been filed and would be received by the City. He stated that no financial reports were given for American Media because of the length of time they have been in business but he assured council members that American Media has been lent money for the transfer by the First National Bank of Omaha and it is sitting in escrow. As far as technical qualifications are concerned, Gilbertson stated that American Media currently has 85-90,000 subscribers. He added that the affiliate companies would not be willing to sign on as guarantors and questioned the request for them to do so since American Media has already been guaranteed the funding for both the transfer and operating costs. Hannasch stated that the council may need to delay action on the resolution based on the need to

receive further financial information. Gilbertson said he would like to see action taken but based on American Media providing financial information from the bank in Omaha. Grogen said that the financial information sent to Moss & Barnett was for the affiliates of American Media and that the affiliates are providing securities for the bank to loan money to American Media. Grogen added that there is no operating history for American Media and since the affiliates are the parent companies the two entities can't be separate. Gilbertson argued that there is no commitment on Cable USA's part to back the loan that American Media received and since there are different owners for these two companies American Media would not be willing to have Cable USA sign as a guarantor. Gilbertson added that American Media was willing to provide a performance bond and to pay two years of franchise fees to the City in advance. Nelson said if American Media is willing to do this it's not a losing proposition for the City. Stobb stated he thinks something can be worked out with American Media but that the Council doesn't have a resolution before it that it can act on. Kerr stated that his concern was that DTG had no problem supplying guarantees from both Dakota Telecom Inc. and McLeod USA but American Media was unwilling to supply the same guarantees. Hannasch stated his question was why won't Cable USA sign as a guarantor if American Media is such a good company. Gilbertson answered that American Media and Cable USA have separate ownership and are separate businesses. Grogen asked then why was Cable USA's financial information given to Moss & Barnett on behalf of American Media. Gilbertson replied that the information was sent because they saw it as an opportunity to show a financial background and because American Media is so new. Hannasch asked if American Media would be able to get a letter from the First National Bank of Omaha within 30 days that funding was given to American Media independently of its affiliates. Gilbertson replied that they would. Hannasch stated he was comfortable with Nelson's idea to get a performance bond, two years of franchise fees up front and a letter from the lending bank indicating Chris Hillyard's backing. Berndt said one thing to look at is if the City gets a letter from the bank in Omaha to check what kind of financial backing it indicates. Nelson stated that if the City gets a performance bond it's as good as cash. Berndt replied that if American Media defaults in a few years that the City may be without cable service. Grogen added that the City could see expenses with rights of way, private property, etc. if the company defaults. Stobb asked if Nelson's suggestions for contingencies were essentially the same as listed in Moss & Barnett's report. Grogen replied yes but without the affiliate companies signing as guarantors. Hannasch said the requested information would need to be provided within 30 days or the resolution is null and void. American Media would also have to prove that Hillyard is backing the transfer. Grogen asked the Council if they were comfortable with receiving a letter from the bank stated that Hillyard has signed as a backer without him signing as a guarantor. Gilbertson said he feels American Media is able stand on its own and wouldn't agree to having a guarantor. Stobb asked if the loan American Media received is to purchase Harmon Cable's franchise and to operate it or just to purchase. Gilbertson replied that they received funds to purchase as well as extra capital in excess of one-half million dollars to upgrade the system. Hannasch stated he would like to see Moss & Barnett and American Media work out something that would be acceptable to both parties. Gilbertson said that American Media would be willing to accept certain contingencies. Nelson stated that he feels the council should move forward tonight and made a motion to request a \$10,000 performance bond, two years franchise fees paid to the City in advance and a letter of credit from the First National Bank of Omaha. The motion was seconded by Rialson. Grogen clarified by stating page one of the resolution would remain unchanged, page 2, subparagraph "e" would be deleted, subparagraph "f" would be changed to a letter of credit in the amount of \$10,000, a new paragraph would reference a letter of credit from the First National Bank of Omaha and a new paragraph would require two years down payment of franchise fees. Fraser asked who would review the letter received from the bank. Grogen replied that the city attorney would review it but could contact Moss & Barnett regarding the letter if desired. Berndt said his concern is the letter from the bank stating that the loan is guaranteed by a company other than American Media and if so why can't that company guarantee service if they're willing to guarantee the loan. Nelson said that since the money is there, there is a guarantee on the loan and there will be equity gained through service unless everyone quits watching tv that the City should be secure. Upon roll call the following vote was recorded: voting aye: Nelson, Fraser, Hannasch, Otto-Arvizu, Rialson and Stobb. Voting nay: Berndt. The motion carried. Hannasch stated that exhibits A & B would be signed. Gilbertson stated that the letter from the bank and the letter of credit would be sent to Kerr. (Res. No. 1999-32)

Hannasch opened the public hearing to consider adopting a resolution authorizing a tax rate increase for the 1999 tax levy, collectible in the year 2000, at 8:15 p.m. The Mayor closed the public hearing and referred the matter to the Council. Motion by Nelson, seconded by Berndt, to adopt said

resolution. All voted in favor of the motion. (Res. No. 1999-33)

Steve Larson approached the council and read a brief statement reassuring them that on behalf of Steve Larson Services and Waste Connections and as a good faith gesture they would be paying the extraordinary legal fees requested by City Attorney Kerr. Larson and Waste Connections are willing to pay the fees even though it wasn't agreed to. Hannasch asked if a check would be received from Waste Connections and Larson replied that it would. Council members thanked Larson for his gesture.

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Koopman informed the council that an application had been sent requesting federal funding for a bike trail to be constructed in Tracy. A map had been made available to council members outlining location. Koopman stated that the application is for Transportation Enhancements Funding 2003 which provides 80% of the funding. The total project costs equaled \$98,096 with the City's share being \$19,619. She added that because we are a city with less than 5000 population, a sponsoring agency was necessary to submit the application. Because the application deadline was October 8, 1999 Koopman had already met with county commissioners to get their approval as sponsoring agency. If the grant is approved the matching funds by the City will be in the 2003 budget. Motion by Nelson, seconded by Berndt, to approve the 20% matching funds. Koopman added that the county agreed to provide the engineering for the project at no cost. Otto-Arvizu asked if the \$19,619 can be in-kind or if it has to be in cash. Koopman replied that it has to be available in cash. All voted in favor of the motion.

Hannasch asked for a motion to adopt a resolution for a budget adjustment to purchase the new sirens at a cost of \$22,584. Motion by Rialson, seconded by Stobb, to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-34)

Motion by Nelson, seconded by Fraser, to pass a resolution approving a change in pledged securities. All voted in favor of the motion. (Res. No. 1999-35)

The Consent Calendar included the following: Cemetery Commission minutes for September 16, 1999, Planning Commission minutes for September 7, 1999, Police Commission minutes for September 9, 1999, Fireman's Relief Association minutes for October 4, 1999, Municipal Accounts Payable and Y2k status report. Motion by Rialson, seconded by Nelson, to approve the above listed items. All voted in favor of the motion.

Hannasch stated that the parking lot by the liquor store had been completed and used already. The project took a few more yards of gravel than planned but the gravel was received at a lesser cost so the total cost was about \$500 more than planned.

Hannasch stated the fall Regional League of Minnesota Cities meeting would be held on Wednesday, October 20 in Balaton. A social hour would start at 5:15 PM, dinner from 6:00-7:00 PM and a meeting from 7:30-8:30 PM. Hannasch encouraged council members to attend if they could.

Stobb reminded council members that there was a Y2k meeting Tuesday, October 12, 1999 in the council chambers at 7:30 PM.

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

ATTEST:

City Administrator

Mayor

October 25, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, October 25, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson, J. Otto-Arvizu and R. Stobb. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for October 11, 1999. 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. (10A) Hannasch added a discussion of a letter regarding the DM&E Railroad. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Gary Garrels reported that he and John Judkins inspected a hazardous building at 448 Park Street. Garrels stated that the garage/workshop was in very bad condition. He took some photos of the roof from a loader bucket that showed where the roof had collapsed down into the building. Garrels reported that the door facing the alley was wide open where children could get inside. Since his inspection he said that nothing had been done to the building except to clear some bushes from the outside of it. Garrels said he didn't have permission to inspect the inside, but judging from the condition of the roof it's possible something could fall on someone. Rain and snow can also get into the building and rot it. Garrels passed photos around to council members showing trees growing up beside the building, a wall leaning inwards, broken windows and several shots of the roof. A photo taken of the exterior wall facing the alley showed a portion of roof that is rotted out. Garrels recommendation is to raze the building or repair it, but the cost to fix it would be very high.

Kerr asked Garrels if he would be able to tell the owner what needs repairing on the building. Garrels replied that without having gone inside he wouldn't be able to tell for sure. Kerr asked if the building could be declared hazardous and if Garrels could give the council direction to order that the building be sealed up. Garrels answered that judging from the outside of the building he could recommend that to the council. Koopman stated that the first notice sent about the building was in May of 1999 to the son of the property owner. The notice required the building be fixed or razed by July 1, 1999 and nothing was done. Several notices were sent and extensions were granted. Since sufficient time had passed to correct the problem Koopman finally denied giving another extension. Hannasch said he thinks the building should be declared hazardous since no efforts were made to comply. Stobb asked if the action taken would be directed to the property owner. Koopman replied that the letter would be issued to the owner. Motion by Rialson, seconded by Nelson, to declare the building at 448 Park Street hazardous. Otto asked if a time frame would be given to raze or repair the building. Koopman replied that the statute allows 20 days for the owner to respond or the issue would go to court. Garrels added that he understood that a farmer was suppose to tear the building down for salvage so Garrels assumed that he wanted it razed. Koopman stated that she thinks the motion should state that the City is ordering the building secured and razed. All voted in favor of the motion including the order to secure and raze.

Koopman presented the request from Simon Reynaga-Diaz for a change of use to convert the Missionary Alliance Church on 225 7th Street to a single family dwelling. Koopman explained that the Planning Commission recommended that the change of use be granted contingent upon receiving a building permit and the building being brought to code for use as a single family dwelling before occupation. Motion by Nelson, seconded by Berndt, to grant a change of use request based on these contingencies. All voted in favor of the motion.

Hannasch reported that Linda Fultz had applied for the opening on the Hospital Advisory Board. No applications have been received for the Tracy representative. Motion by Nelson, seconded by Stobb, to appoint Fultz to the Hospital Advisory Board. All voted in favor of the motion. Hannasch asked that if any council members had anyone in mind as a possible candidate for the advisory board to encourage them to apply.

The Consent Calendar included the following: Multi-purpose Center minutes for October 11, 1999, Monthly financial report for September, Municipal Accounts Payable, and Planning Commission

minutes for October 4, 1999. Motion by Rialson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Koopman reported that there were no changes for the 2000 Budget.

Hannasch referred to a letter received from the City Administrators of Rochester, Owatonna, New Ulm, Winona and Mankato in support of a proposal requesting State assistance for communities along the DM&E Railroad in relation to the proposed rebuilding of the railroad. A description of the funding project was sent along with the letter listing Gary Neumann, Assistant City Administrator for Rochester, and Eric Sorensen, City Manager of Winona, as contacts. Koopman spoke with Sorensen regarding the project who was only able to give general information about it. Sorensen stated that it came down to a metro area versus outstate issue in that the legislature passed approval for a light rail transit system in the metro area. Sorensen and the others were looking to get similar assistance along the DM&E rail line and added that the project wasn't intended to be anti-DM&E. Koopman asked Sorensen where they got the statistics in the project description regarding the negative impact on communities such as loss of jobs, reduction of economic growth, noise levels, etc. Sorensen was not able to answer this question. He added that the DM&E does not directly run through Winona and he only put his name as a contact in support of getting funding for rural Southern Minnesota. Koopman stressed to council members that funding would not be made available if communities were not able to demonstrate a use for the funds. Hannasch stated that at present he didn't feel comfortable signing a resolution in support of the project. He added that most of the funding would go to larger cities such as Rochester, Mankato, Winona and New Ulm and Hannasch feels that improvements to the DM&E would add to the job force. He asked that the issue be tabled until council members had a chance to review the proposal and some research could be done. Stobb asked if funds could be used for economic development in relation to the DM&E rebuilding.

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

ATTEST:

City Administrator

Mayor

November 8, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, November 8, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, D. Berndt, M. Rialson, and R. Stobb. Absent was: J. Otto-Arvizu. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for October 25, 1999. 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. (4D) Kerr added an update on American Media and (10A) Koopman had an addition to Mayor and Council Communications. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Koopman reported that the farm lease would expire this year. The current lease is for \$80 per acre with Leonard Lanoue. Koopman had asked Hannasch to investigate if this was a fair market value, and upon checking Hannasch found that it was. Koopman asked for a motion to extend the current lease for another three years to Lanoue with the same terms and conditions. Motion by Rialson, seconded by Nelson, to enter into a three year lease agreement with Leonard Lanoue at a rate of \$80 per acre with the same terms and conditions as the existing lease. Hannasch added that considering the size of the parcels \$80 per acre was a fair price. All voted in favor of the motion.

Hannasch stated that in regards to the garbage automation proposal that a public hearing would be required. Hannasch asked Steve Larson and a representative from Ritter's Service to appear at the council meeting to explain the proposal. Larson said he had spoken to some council members and to the City Administrator about the system. He explained that with the automated system each home would be provided with a 60 gallon container which would double the volume of refuse each home could dump and would make for one average price to all customers. This would lower the cost for 75% of Tracy residents by about \$.60. Larson had also asked Don Polzine about changes to the garbage service. Polzine had suggested that making all pick-ups curbside and eliminating alley pick-ups would reduce damage to the alleys and having to prune trees and shrubs back as far. Larson said there are currently four rates so with the automated system and by eliminating alley pick-up there would be one rate of \$13.73. He added that along with these changes he would like to add five years to the contract extending it to the year 2008.

Berndt asked what effect the automated system would have on recycling. Larson replied that the City has been recycling since 1990 and he feels that those who have been in the practice of recycling will continue to do so. Berndt asked how it would affect those who don't have much garbage. Larson said they have been occasionally spot checking and there are several people who are signed up for 15 gallon service who set out 30 gallons of garbage each week. He added that the new system would simplify the billing from the City's standpoint and the 60 gallon carts are very easy for people to handle as they have large wheels and attached lids. Fraser asked if there would be a charge to customers for the containers. Larson replied that there wouldn't and the larger containers would virtually eliminate extra garbage tag sales. Berndt asked what the manpower requirement would be under the proposed system. Larson replied he would need the same number as currently employed - someone to run the truck to pick up containers, two on the recycling truck and someone to pick up business refuse.

Fraser asked if the City of Tracy had good recycling participation compared to other cities. Larson replied that Tracy does have a good return on recyclables. Stobb asked if Larson would be able to tell if recycling rates decreased if the proposed changes were established. Larson stated that they could monitor it because all recyclables are weighed. He added that participation was good with both the curbside pick-up and with the Lyons Club and felt participation would continue. Hannasch stated that implementing the proposed changes would require amending the ordinance and conducting a public hearing. He also said that the proposal would need to be in writing and published prior to the public hearing. Hannasch said that Larson had contacted him a couple months ago about the garbage automation which he was in favor of. Hannasch also supported extending the contract another five years to ensure that the garbage service stays in the City. The extension would also limit the rise of

garbage rates due to the cost of living increase.

There would also need to be a first and second reading of any ordinance amendment. Kerr asked if council members were assuming that the terms of the contract would remain the same. Rialson asked since there was a 2.8% cost of living increase in the contract, which could mean an increase of \$3.00 by the year 2008, could that clause be eliminated. Hannasch replied that the increase in cost of service would need to be compensated somehow. Rialson said the garbage service would just have to bid to cover future costs of operation. He added that he would have liked to see the proposal in writing before the council began discussion on it.

Kerr stated that the council was dealing with two separate issues, an amendment to the ordinance and the contract with Ritter's Service. The council has to decide along with Ritter's what would need to be in the contract. Berndt asked if a new contract would have to be drawn up or if changes could be made to the existing contract. Kerr replied that the question would be if the ordinance would go hand in hand with the contract considering the changes proposed. Hannasch stated he would like to proceed with the first reading and public hearing at the next council meeting and if necessary table the issue for discussion. Nelson said he would like to make a motion to see a written proposal at the next council meeting and have the first reading and public hearing at the following meeting. Rialson seconded that motion. Stobb said that he didn't see that there were many changes proposed and wondered if it was necessary to postpone the first reading for two meetings. Rialson said he personally wanted to review the proposal in writing first. Upon roll call, the following vote was recorded: voting aye: Fraser, Nelson, Rialson, Stobb and Berndt; voting nay: Hannasch. The motion passed.

Kerr reported that he had been doing some research on the proposed lighting retrofit for City owned buildings but it had been difficult in trying to get a handle on what type of contract should be offered. He called several different school districts and municipalities to get some ideas. Kerr had discussed a statute with one school district but it also dealt with insulation of buildings, windows, and heating and cooling systems. He explained that none of the contractors that submitted bids had agreed to increasing the illumination of the lighting system. Kerr stated that what the council needs to do is follow Minnesota Statute 471.345 which requires a published notice for a public hearing stating who is to be awarded the contract. Hannasch added that the council would need to make sure there is a security bond, that no illumination will be lost and that the retrofit will pay for itself within a certain time frame. He asked George Hebig if he would be ready for a public hearing at the next council meeting. Hebig replied that he would be if he could get all the necessary information, and also informed the council that NSP would be done giving rebates on the 31st of December so a contract would need to be finalized by then. Motion by Rialson, seconded by Nelson, to set a public hearing on November 22, 1999 at 8:00 PM. All voted in favor of the motion.

Kerr reported that he had called American Media's attorney stating they had an obligation to provide the City with certain information, such as a statement from American Media's bank. Kerr said he hasn't received any of the required information yet but he would continue to contact American Media's attorney. Kerr also mentioned the letter that had been sent out to customers stating that American Media was their new cable service provider was sent prior to the City receiving required information and approval of the transfer. American Media claimed this was due to a miscommunication. Hannasch stated that American Media has until Thursday, November 11th to provide the information. Kerr said he may need to contact council members if the information is not received. Stobb asked Kerr if he had contacted Stewart Gilbertson about the situation. Kerr replied that he hadn't yet.

The Consent Calendar included the following: Cemetery Commission minutes for October 21, 1999, Fireman's Relief Association minutes for November 1, 1999 and Municipal Accounts Payable. Motion by Nelson, seconded by Berndt to approve the above listed items. All voted in favor of the motion.

Hannasch reported that he had spoken to Gary Neumann, Assistant City Administrator of Rochester, regarding the request for financial assistance for railroad mitigation measures. Neumann informed him that 92% of the cities had signed the request but that Tracy could wait until after the first of the year when the issue goes to the legislature in January. Hannasch stated that he would like to wait and

see which way the railroad goes before deciding and signing the request. Stobb said it seems like a strange thing that everyone was in support of the DM&E upgrading and all of a sudden everyone wants all this money for the hardship that the railroad will cause. All agreed to wait on signing the request.

Koopman reported that there were no changes for the 2000 Budget.

Koopman requested to schedule a special closed council meeting for the labor negotiations. She added that the report they had been waiting for would be ready within the week. The meeting was tentatively scheduled for Tuesday, November 23, 1999 at 5:30 PM. Koopman stressed that it was important that all Council members were present for this meeting.

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

ATTEST:

City Administrator

Mayor

November 22, 1999

The regular meeting of the Tracy City Council was called to order at 7:30 p.m., Monday, November 22, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, M. Fraser, J. Otto-Arvizu, M. Rialson, and R. Stobb. Absent was: D. Berndt. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for November 8, 1999. 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. Line (4) was listed twice on the agenda so council members were asked to renumber accordingly, (9.A.1) a closed meeting to consider labor negotiations was scheduled for November 30 instead of November 23, Hannasch added (10.A.3) parking lot and Stobb added (10.A.4) under Mayor and Council Communications. Motion by Fraser, seconded by Nelson, to approve the agenda as now written. All voted in favor of the motion.

John Olson approached the council to request donations for the Lyon, Murray, Redwood County Health and Medicine Foundation. Olson explained that several months prior to his death, Tom Quinlivan had suggested the idea of a foundation designed to recruit and retain qualified health professionals. Olson stated that the committee for the foundation had requested a donation from Sioux Valley Health Systems in Quinlivan's name. Sioux Valley pledged \$3000 if the foundation would match that pledge. Olson added that Pat Quinlivan had donated \$1000 in her husband's name. Olson said that the foundation committee had approached the Tracy Hospital Board to ask for a donation and was directed to make the request to the City Council.

Hannasch stated that he felt the City should support the foundation and that it was the City's responsibility to provide funds rather than individual board members. Kerr explained that the Tracy Hospital Advisory Board doesn't have any funds itself, and asked if the \$1800 that had been raised came from individual members. Olson replied that the money came from individual donations since Sioux Valley Health Systems had asked the board to match funds. The committee had left it to individuals to voluntarily provide donations and was making plans to recruit funds from the public and community groups. Olson felt that since board members are volunteers they were going above and beyond their call of duty in providing donations.

Hannasch stated that he would like to see the City commit to a \$3000 pledge for the foundation. Rialson asked if the full \$3000 would be necessary since some funds had already been raised. Hannasch stated that since those funds had been provided by individual foundation members he would like to see the City provide the full \$3000 to match Sioux Valley Health Systems' pledge. Motion by Fraser to donate \$3000 to the foundation, seconded by Stobb. Kerr stated that it was necessary to specify that the donation was from the City of Tracy. Stobb asked about the foundation's goal to recruit and retain healthcare professionals and asked if the plans were for a scholarship or grant program. Olson explained that the program was designed to get and keep qualified employees such as RN's, LPN's, physical therapists, and administrative employees. This program excludes physicians since they are directly hired by Sioux Valley Systems. Olson added that foundation members have discussed different options of payback and plans are to begin with small scholarships until the funds available to the foundation increase. All voted in favor of the motion.

Hannasch informed council members that Chris Kamrud has consented to take a position on the Tracy Hospital Advisory Board. Motion by Stobb, seconded by Rialson, to appoint Kamrud to the board. All voted in favor of the motion.

Hannasch called for a motion to hold a public hearing to consider the sale of the Balaton Clinic. Motion by Stobb to hold the public hearing on Monday, December 13 at 8:00 P.M., seconded by Nelson. Otto asked if anyone was currently using the building. Hannasch replied that Dr. Richard Brown D.D.S. was practicing there. All voted in favor of the motion.

Don Polzine approached the council with three bids for the purchase of a pressure washer for the Street Department.. The following bids were received:

\$2800.00 Aaladin from Ag Industrial Inc., Fairmont, MN
 \$2495.00 Alkota from Morey's Small Engine Repair, Tracy, MN
 \$2078.58 Allied from Automotive Parts Headquarters Inc., Vermillion, SD

Polzine recommended the Alkota pressure washer from Morey's over the less expensive model due to there being several standard features that were options on the Allied. The Alkota also has a better warranty and is lighter in weight. Another plus is that Morey's is a local vendor. Polzine stated that Paul Desmet with the City crew had researched the different brands and also recommended the Alkota. Motion by Nelson, seconded by Stobb, to approve the purchase from Morey's Small Engine Repair. All voted in favor of the motion.

Hannasch asked for a motion to waive the first reading and set the second reading and public hearing on December 13th to discuss the proposal for automated refuse collection. Motion by Stobb, seconded by Fraser, to waive the first reading and set the second reading and public hearing on December 13, 1999 at 8:00 p.m. Steve Larson explained that the proposal specifies that the contractor would provide a 60 gallon container on wheels with an attached lid, request a five year extension to the service contract, one flat rate of \$13.73 and elimination of alley collection. The proposal represents a \$.60 decrease in garbage rates for 73% of Tracy residents and twice the volume that each home could discard. The proposal also stated there would be a \$4000 savings to the City in alley maintenance.

Hannasch stated that there had been some discussion about the cost of living increase incorporated into the contract but he felt that it was the most fair way to cover the increase in cost of service without spending a lot of time negotiating. The cost of living increase is based on the consumer price index, but an average 2.8% increase would represent a \$3.50 increase over an eight year contract period. Fraser said he agreed with the proposal except for the five year extension to the contract. Rialson said that at the last council meeting it was suggested that the automation proposal would bring about stability to the garbage service. He said he had several calls and no one expressed a need for stability in the garbage service, instead citizens were asking for an end to the monopoly in the garbage service by letting the contract lapse and to open it up for bids. As far as the 60 gallon container was concerned Rialson had received mixed reactions. He had calls from several elderly women who were concerned they would be able to move the container through ice and snow to the curb. Rialson stated at the last meeting that Larson had said the large garbage container would have no effect on recycling rates, however he contacted the recycling center in Marshall and according to them when that city went to the large container the recycling rates dropped dramatically. Rialson felt there would no longer be an incentive to recycle with the large containers available. He also stated that according to the proposal the price of garbage service could go as high as \$17.00 per month by the end of an eight year contract which would mean contributing \$180,000 to a wealthy corporation in California. Hannasch disagreed saying that the City would be promoting a local service, adding that excellent service was being provided by Steve Larson Services. Hannasch requested a vote on the motion to hold a public hearing to let citizens voice their opinions at the next meeting.

Stobb said that two people had contacted him that were against the proposal, and he asked around for opinions from high school staff members and had found that not too many were against it. Those with families had generally been in favor but single individuals were against the proposal. Stobb hoped that if the public was against the proposal they would come to the public hearing to voice their opinions and that way the council would have something to vote on.

Hannasch tabled discussion of the garbage proposal at 8:00 p.m. to open the public hearing to consider the contract award for the lighting retrofit for City owned buildings. He thanked George Hebig for redoing his report due to an error in regard to the cost savings. Kerr stated that the proposed bond from Hebig did not include the required time line showing that within 10 years the cost of the project would be offset by the savings in energy costs or the guarantee for the work to be done. He said that Hebig must provide a contract for the work, a performance bond and an itemization of materials. Kerr added that a letter of credit would be sufficient. Hebig stated that he could supply that. Motion by Nelson, seconded by Stobb, to award the retrofit contract to Hebig contingent on receipt of a letter of credit.

Hannasch returned discussion to the garbage proposal saying that he agreed with Stobb in regards to

public opinion. He added that he didn't want to see the issue drag on for three or four months and asked again for a vote on the motion to waive the first reading on an ordinance amending the mode of garbage collection. Stobb said that Dave Berndt had called him to express his concern for the individual home owner. Larson stated that anyone with an impairment or difficulty getting garbage to the curb could simply call him and he would make arrangements to retrieve garbage at the door step for them. Stobb asked if the rate would be the same for those individuals. Larson said he would like to keep the proposal to one rate.

Stobb said he noticed that the \$2.00 garbage tag was scratched out of the proposal but was under the impression that it was supposed to be put back in. Koopman replied that the garbage tags were put back into the proposal. Hannasch commented on Rialson's concern over recycling rates saying that the people of Tracy have done an excellent job recycling and felt they would continue to do so since it has been such a big issue over the last 10 years.

Kerr suggested that the City get something in writing from both Ritter's Sanitary Service and Waste Connections stating that they agree with the terms of the proposal. He said the council should get this before the issue is voted on. Otto-Arvizu stated that years ago when the recycling program started she understood that it was a state mandate and that it was volume-based. She said she was also concerned with the elderly getting garbage to the curb and that the proposal penalizes those with small garbage amounts. Hannasch stated that several residents signed up for the smaller garbage service but continually put out more garbage than allowed. Otto-Arvizu asked what was stopping the garbage service from correcting the problem with rates.

In regard to the recycling system being based on volume, Larson stated that there continued to be more packaging that is not recyclable all the time, and that families have a need for larger garbage capacity. He added that he has found that other communities who have the automated system do pick up bags for those that can't manage the carts. A representative from Ritter's Sanitary Service reported that they have a large number of elderly women who use the cart during the summer months and put out a bag in the winter. Otto-Arvizu felt that it contradicted the intent of the volume based recycling mandate to consider using the 60 gallon containers. Stobb concurred that as a family of four they had trouble filling a 30 gallon container.

Hannasch asserted that he agreed with Kerr in getting a written agreement to the proposal from Ritter's Sanitary Service and Waste Connections. Hannasch asked again for a vote on the motion stating that the council could stay deadlocked on the issue and not move anywhere. Fraser asked if the proposal could be changed at the public hearing. Koopman replied that it could. Fraser asked for clarification on the motion if it was only to call for a public hearing. Koopman replied that it was to call for a public hearing on the ordinance only, and that the contract would still need to be negotiated.

Nelson stated that he had a problem with the five year extension of the contract but not the automation proposal. Fraser asked Larson if they would go ahead with the automation without the five year extension. The Ritter's representative answered saying that a good deal of capital would need to be invested in the project and they would have to look into it. Rialson asked why the City should extend the contract another five years when it can be rebid at the end of three and one-half years. Otto-Arvizu stated that the current contract has a set cost of living increase built into it but it also allows for an increase for extraordinary costs such as fuel costs rising, etc. Hannasch said that he didn't want to drag this out any longer and said a public hearing was required to move ahead. Otto-Arvizu said a public hearing would allow citizens to express their feelings but added that she had formed her own opinion on the proposal and couldn't support it as written. Nelson said that Larson's and Ritter's had not answered the question as to whether they would go ahead with the automation if the contract were not extended. The Ritter's representative replied that they would not.

Kerr said that unless it had been changed, the final contract documents was signed by Ritter's with a guarantee signed by Waste Connections. Rialson stated that the council had not seen the document. Koopman said she had a copy on file. Upon roll call, the following vote was recorded: voting aye: Fraser, Hannasch, and Stobb; voting nay: Nelson, Otto-Arvizu, and Rialson. With a tie vote the motion failed.

Koopman presented a resolution to approve budgeted transfers. Motion by Nelson, seconded by Rialson, to adopt said resolution. All voted in favor of the motion. (Res. No. 1999-36)

The Consent Calendar included the following: Economic Development Authority minutes for October 22, 1999, Planning Commission minutes for November 1, 1999, Municipal Accounts Payable, and Multi-purpose Center minutes for November 8, 1999. Motion by Rialson, seconded by Nelson to approve the above listed items. All voted in favor of the motion.

Koopman reported that there were no changes to the 2000 budget.

Mayor Hannasch reminded the Council of a closed meeting scheduled on November 30, 1999 to consider labor negotiations, and a reminder of the Truth in Taxation hearing on December 6, 1999 at 7:30 p.m. Hannasch commented on the new parking lot next to the liquor store saying he noticed during a recent event that only one line of cars had parked there as they had parked in such a way that no one else could enter the lot. He felt there was a need to educate people on leaving an entrance clear and suggested naming the lot the Prairie Pavilion Parking Lot. Nelson asked about the building of entrance ramps. Hannasch replied that the plan was when it was black-topped that entrance ramps would be put in.

Stobb praised the Tracy Community Theater for their recent performances of The Music Man. He wanted to individually and collectively thank the cast and crew and suggested if there was anything the City Council could do to help them put on another production the council should assist them. Hannasch commented that the theater members seemed to enjoy performing as much as the community enjoyed watching.

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

ATTEST:

City Administrator

Mayor

December 6, 1999

The public Truth in Taxation hearing of the Tracy City Council was called to order at 7:30 p.m., Monday, December 6, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, B. Nelson, D. Berndt, J. Otto-Arvizu, and M. Rialson. Absent was: R. Stobb and M. Fraser. Also present was staff member: A. Koopman.

Koopman presented a 10 minute video produced by the Minnesota Association of Counties which explained 13 reasons why property taxes go up or down.

Stobb arrived at 7:32 p.m.

The video explained that there are currently 20 classifications of homes in Minnesota which makes understanding the workings of property tax rules and regulations difficult. Property taxes provide funding for cities or towns, school districts and county expenses. The following reasons for changes in property taxes were explained:

1. Market value of a property may change
2. Market values of nearby properties may change
3. City budget and levy may change
4. Town budget and levy may change
5. County budget and levy may change
6. School district levy and budget may change
7. Special district budget may change
8. Special assessments may be imposed (i.e. for water lines, streets, curbs and gutters)
9. Referendums for schools, cities, counties or towns may be voted in by citizens to exceed the levy for special projects
10. Changing mandates
11. Changes in state and federal aid
12. Lawmakers may change classification rates
13. Laws may be passed which change the local tax base

Koopman reported that the preliminary levy submitted to the county represented a 9.2% increase but due to some revisions the increase had been reduced to 5.5%. She stated that the proposed expenditures totaled less than the 1999 budget. One reason was due to the fact that a fifth police officer had been budgeted for in 1999 but was not in 2000. Koopman said that some good news was that 10.8% of the levied amount was covered by revenues generated by the City, 63.9% was covered by state aid and only 25.3% will be covered by other sources. The 2000 levy compared to the 1999 levy represents a 4.9% increase in the debt service levy and a 7% increase in the general fund levy. The debt service levy totals \$2,287,000 and will be paid as of the year 2008. Koopman stated it is the City's intent to maintain a constant level of debt and as it currently sets in 2002 there will a decrease in the total debt and in 2003 there will be an increase due to bond issues over the 1996 bond. Koopman said she will be talking to the City's financial advisor about restructuring to even out the balance of debt.

Koopman said the Truth is Taxation hearing was being held to discuss the levy but it won't be acted on until the next council meeting. She added that the council meeting on December 13 would be moved up to 6:30 p.m. due to a conflict at the high school. Stobb asked what was included in the other sources of revenue for the City. Koopman replied they included licenses such as cigarette and liquor, the liquor store transfer, farm rent and gym rent. She added that it says a lot about the City that this much revenue can be generated without taxing for it.

Otto-Arvizu asked for clarification of the date when the council was to finalize the levy proposal. Koopman replied that it would be at the City Council meeting on December 13, 1999. Hannasch commented that even with the \$20,000 added to the swimming pool fund it looks to be a decent budget. Rialson asked what the bottom line increase was on the proposed levy. Koopman replied that it was 9.2 % but some revisions brought it down to 5.5%. She added that the resolutions at the next council meeting would reflect the figures represented at the hearing. All council members indicated that they had not received any calls regarding the 2000 budget.

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

ATTEST:

City Administrator

Mayor

December 13, 1999

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, December 13, 1999 in the Council Chambers of the Municipal Building. The following council members were present: C. Hannasch, M. Fraser, M. Rialson, D. Berndt, and R. Stobb. Absent was: J. Otto-Arvizu and B. Nelson. Also present were staff members: A. Koopman and J. Kerr.

Mayor Hannasch asked for any additions or corrections to the minutes for November 22, 1999. Motion by Berndt, seconded by Fraser, to approve said minutes as written. All voted in favor of the motion.

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

The Mayor asked for any additions or deletions to the agenda. (5A) Kerr had an addition to legal issues, (7D) a resolution was added regarding loan repayment, and (8D) the monthly financial report was added to the consent calendar. Motion by Berndt, seconded by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Mayor Hannasch welcomed Senator Jim Vickerman and thanked him for coming to discuss the bleacher safety issue. Koopman explained that the City had received a report indicating that under current regulations the telescope type bleachers in the Prairie Pavilion would have to be replaced by January 1, 2001. The report indicated that the balcony area could be retrofitted for \$1000-5000 but it would cost between \$101,000-131,000 to replace the telescope type bleachers. According to the report the bleachers are structurally sound.

Koopman had asked Senator Vickerman and Representative Ted Winter to attend the council meeting to explain the council’s concerns. She had also been on the phone with the League of Minnesota Cities asking Gary Carlson to represent cities at the state legislature in regard to the bleacher issue. Carlson indicated that the LMC was not planning on any formal action. Koopman said she would like to see a more aggressive approach from the LMC. She spoke with Scott McClellan, from the State Building Code Division, about a possible grandfather clause to allow 9" spacing between bleachers (the Pavilion bleachers are spaced at 7"). McClellan indicated that he wouldn’t have a problem supporting a grandfather clause and would consider eliminating the five row bleacher systems from the regulations.

Koopman asked Carlson what schools were doing in response to the bleacher regulations. Carlson indicated that there was some funding available but it was only good for repairs or retrofit, not to replace systems. Koopman said she would like to see legislation initiated to restrict families with small children to certain areas of bleachers to meet state guidelines versus having to retrofit the entire bleacher system. Another large concern is the time line for compliance. Many cities and schools will

have difficulty meeting the 2001 deadline.

Vickerman stated that he had recently attended a LMC meeting in Worthington, MN. He indicated that the LMC was taking a hands-off approach to the issue. As to the question if he could initiate legislation to restrict children to a particular area of bleachers he didn't believe it would pass. Vickerman said he could look into grandfather clauses and stated that Senator Bradley was going to be introducing some legislation regarding the issue. Vickerman indicated that of the 52 cities that he represents he hadn't received any phone calls about the bleacher issue except from Koopman. He stated that \$100,000 in funding had been put into a bill for bleacher compliance but the governor had vetoed it. Vickerman added that the funding wouldn't have gone very far anyway.

Koopman said that since other cities had not called with their concerns it may be because Tracy has a unique situation with the Prairie Pavilion. Most cities have outdoor facilities. Carlson had associated that City of Tracy more closely to a school district or an indoor hockey arena with its indoor facility.

Nelson arrived at 6:40 p.m.

Vickerman said he didn't feel the issue was going to go away. Hannasch asked how soon something was going to be introduced to the legislature. Vickerman replied that something could be introduced up to the time the session closed but suggested around the first of February. Hannasch said the council should try to get something together during the first meeting in January. Kerr asked how the legislation regarding bleacher safety first came about, and if Senator Bradley was on a committee or if it was personal legislation. Vickerman replied that there had been a couple of injuries at a hockey arena in the metro area which brought about the issue. He added that it would be difficult to be lone person fighting the issue, but that congress would still need to find funding in order to force the compliance on cities.

Vickerman said that any funding would have to be passed through the judiciary, which would be difficult. He said he might have better luck with funding through the Children's Family and Learning organization. Hannasch said that most cities will be affected somehow, more so the school districts which affect taxpayers. Vickerman added that the legislative session would be short, two months at the most, beginning February 1. Stobb said there would surely be an issue with suppliers as well, stating that they couldn't possibly supply all the replacement bleachers within a one year time frame. Vickerman said it may be possible to move the compliance date to 2003, but it still wouldn't help with funding. He added that the legislation wasn't put together to cause hardship but those involved just didn't look into the costs of compliance.

Koopman said that there was an article in the Minneapolis Star Tribune regarding a federal government focus on making bleachers safer. If the issue become nationwide suppliers would never be able to keep up with demands. Koopman said the article had some misconceptions and quoted Bill Luther, of the Minnesota DFL, as saying that a school in Wayzata added a chain link barrier at a cost of \$300 would make them compliant. This implies low cost repairs which in many cities and schools is not the case. Vickerman said he told the LMC in Worthington of the estimated costs of compliance and they didn't seem to believe him. Hannasch said the council pushed the alarm button last spring when the legislation was passed. He felt that they needed to follow up and make other cities aware and inform them of the study on Tracy's bleachers so they can have something ready in January to bring to the legislative session.

Vickerman said he didn't know if all cities had compliance reports done and thought that Worthington was still working on theirs. Hannasch said they could use Tracy's report to inform other cities of the potential costs. Koopman said the LMC will be doing a survey of Minnesota cities regarding the bleacher issue. Hannasch said if the LMC isn't going to push the issue that the Tracy City Council should. Kerr asked Vickerman if he would be contacting Scott McClellan about the grandfather clause. Vickerman said he would be happy to do so and added that he would be in the Twin Cities area the next day and would start introducing the issue. Stobb asked if Vickerman could find out the right people to contact to get things rolling. Vickerman replied that it was helpful to be on a committee because he has an attorney on staff that could begin contacting the necessary people. He said he would also try to attend the next council meeting in Tracy on January 10 to follow up.

Vickerman said another issue he is trying to raise money for is waste water treatment plants in greater Minnesota. He said they were going to start out at a high figure by asking for \$400 million and working down from there. Vickerman said he has been getting support from metro area legislators because they want to keep businesses in greater Minnesota. One reason to act now is that the State probably won't ever have \$1.6 billion sitting in surplus again. One problem is that many small cities don't even have money for a grant writer and there is only so long that some of these issues can be put off. Vickerman said he would be in touch with Koopman and would contact Ted Winters about the bleacher issue.

Hannasch opened the public hearing concerning the sale of the Balaton Clinic building at 7:00 p.m. Dr. Richard Brown approached the council and referred to the letter he had sent expressing interest in purchasing the building. Brown said he had hoped to have some more time as there was the opportunity for another building but it wouldn't be available for another year. Brown had spoken with Koopman, Hannasch and three council members regarding the personal investment he had made in the building and hoped to come to a reasonable agreement.

Hannasch said the price quoted from Brown was \$1500.00 and considering the amount of money Brown had put into the building and since there was no other interest shown Hannasch thought it was a fair price. Kerr asked council members to keep in mind the charter section which states the bidding and sale must be authorized by a public hearing. Kerr added that they should put on record what the appraiser, Bob McCoy, had to say about the building. McCoy report said he could not give a complete appraisal even with Dr. Brown's improvements to the building. Because the sale of commercial property was so sparse in the City of Balaton he had nothing to base a fair market value on. Kerr also said a resolution was needed stating that Lot 3 Block 7 in Balaton was no longer needed for public use. Motion by Rialson, seconded by Stobb, to adopt a resolution stating that the Balaton Clinic building was no longer needed for public use. All voted in favor of the motion. (Res. No. 1999-37)

Kerr said a motion was needed if the council felt there was no need for competitive bids. Stobb stated that based on the lack of interest in the Balaton Clinic building and the lack of commercial property sales in Balaton he made a motion not to require any further bids. Rialson seconded that motion. All voted in favor.

Rialson asked if Brown would like to verify his quoted price. Brown verified his bid of \$1500.00. Motion by Stobb to accept Brown's bid in the amount of \$1,500.00, seconded by Rialson. Kerr said the motion needed to specify that all closing costs would be paid for by the buyer. Brown agreed to pay the closing costs and all voted in favor of the motion.

Hannasch tabled the hazardous building issue until Garrels or Judkins arrived with their report.

The Council reviewed the job evaluation report submitted by Labor Relations, Inc. The recommendations included a wage and salary chart for individual positions, extending the longevity pay to 30 years for all positions and increasing the Library Assistant's salary by \$.14 per hour to bring us into compliance with pay equity. Motion by Rialson, seconded by Fraser, to adopt the Labor Relations report. All voted in favor of the motion.

Koopman explained to council members that the Planning Commission had held a public hearing about rezoning Lots 8-22 of Block 5, which is the easterly one-half of the block, from being zoned as CBD to an R-1 residential district. Harvey and Ina Rykhus had submitted a petition signed by all the property owners of the lots in question, with the exception of Jack VonBokern and Dang Yang. It was decided to exclude the properties of these owners in the rezoning request so that Lots 13-22 of Block 5 only would be rezoned. Motion by Stobb, seconded by Fraser to waive the first reading and hold the second reading and public hearing on January 10, 1999 at 7:45 p.m. All voted in favor of the motion.

Kerr stated to the council that Mayor Hannasch would be announcing that Frank Nielsen is going to be appointed as the City Attorney and Kerr as the Assistant City Attorney for 2000.

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

Caron's Fuel
Tracy Food Pride
Eagles Club
Food N Fuel
Sander's Eastside
The Mediterranean Club
Amoco
Tracy Liquor Store

All voted in favor of the motion.

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

G&H Plumbing
Heartland Mechanical
Jenniges Plumbing & Heating
Olson Hardware
Ray's Plumbing & Heating
Wood's Plumbing
Weedman Service Co.

Koopman recommended approving said licenses, contingent upon receiving payment from Ray's Plumbing & Heating. All voted in favor of the motion.

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

The Mediterranean Club
Hollywood Ballroom

Koopman recommended granting said licenses contingent on receiving payment from Hollywood Ballroom. All voted in favor of the motion.

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

The Mediterranean Club

All voted in favor of the motion.

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

The Mediterranean Club

All voted in favor of the motion.

Garrels reported to council members that he and John Judkins had inspected a home at 78 Morgan Street. Garrels had taken a number of pictures and passed them around to the council. He stated that the house was in bad shape and that below an area where the ceiling is falling in the floor is heaved up about four inches. Garrels recommendation is that the house be demolished. He secured the house last week after the inspection. Garrels was informed that the house had been abandoned for 15 years. It is a tax forfeited piece of property and Garrels had to get permission from County Administrator enter the home to inspect it.

Koopman informed the council that in the past with tax-forfeited properties, the cost of demolition is shared 50/50 between the city and county. Kerr said that another statute other than the hazardous building law is pertinent when a tax forfeited property is involved. Koopman stated that the county

hires a contractor to demolish a building and sends the city a bill. Motion by Stobb, seconded by Fraser, to request that the home at 78 Morgan Street be demolished. All voted in favor of the motion. Koopman said she would inform Mark Jorgensen of the inspection report and the motion to demolish the home.

Koopman introduced a resolution to approve the 1999 tax levy collectable in 2000. Motion by Rialson, seconded by Berndt, to approve the resolution. All voted in favor of the motion. (Res. No. 1999-38)

Koopman introduced a resolution adopting the 2000 budget. Motion by Stobb, seconded by Fraser, to approve the resolution. All voted in favor of the motion. (Res. No. 1999-39)

Koopman introduced a resolution to approve the Tracy Eagles Club application for a gambling permit. Motion by Berndt, seconded by Stobb, to approve the resolution. Rialson asked how much the gambling permit fee was. Koopman replied that the fee is charged by and goes directly to the state. The City of Tracy either accepts or denies the request for the permit. All voted in favor of the motion. (Res. No. 1999-40)

Koopman introduced a resolution to approve a loan repayment of \$43,600 with interest. Motion by Berndt, seconded by Fraser, to approve the resolution. All voted in favor of the motion. (Res. No. 1999-41)

The Consent Calendar included the following: Municipal Accounts Payable, Fireman's Relief Association minutes for December 6, 1999, the Police Activity Report, and the Monthly Financial Report for November. Motion by Rialson, seconded by Berndt, to adopt the above listed items. All voted in favor of the motion.

Koopman stated that the Senior Nutrition Services Agreement had been presented to the council and there should be a motion to approve the agreement. Motion by Fraser, seconded by Berndt, to approve the agreement. All voted in favor of the motion.

Mayor Hannasch said he appreciated the support of everyone over the past year and wished everyone a Merry Christmas and Happy New Year.

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

ATTEST:

City Administrator

Mayor