

January 13, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, January 13, 2003 in the Council Chambers of the Municipal Building. The following council members were present: M. Fraser, R. Stobb, C. Hannasch, S. Ferrazzano, J. Otto-Arvizu and R. Caron. Also present were staff members: A Koopman and F. Nielsen.

Hannasch asked for any additions or corrections to the minutes from the December 16, 2002 City Council Meeting. Motion by Ferrazzano, second by Caron, to approve said minutes as written. All voted in favor of the motion.

Hannasch skipped to agenda item (5A) a resolution declaring a vacancy exists on the City Council. Motion by Stobb, second by Ferrazzano, to adopt said resolution. All voted in favor of the motion. (Res. No. 2002-01)

Motion by Stobb, second by Fraser, to appoint Greg Torkelson to the vacant City Council position. Torkelson had received the fourth highest number of votes in the 2002 election. All voted in favor of the motion.

The City Administrator administered the Oath of Office to the Mayor and Council members: Steve Ferrazzano, Tim Byrne, Jan Otto-Arvizu, Russ Stobb, and Greg Torkelson.

Ferrazzano stated it was an honor as his first order of business to recognize Claire Hannasch for all he has done as Mayor for the City of Tracy. Ferrazzano presented a certificate of recognition to Hannasch from the City.

Ferrazzano referred to the copy of the franchise agreement with NSP (dba Xcel Energy) and asked if Nielsen had drafted the agreement. Nielsen replied he didn't and reviewed what had led up to the present agreement. The two unresolved issues had been the City ordinance requiring a franchise recipient to pay all the City's legal expenses to analyze a franchise agreement and requiring the recipient to post a bond for certain excavating work. NSP/Xcel did not want to be subject to the bond ordinance but they finally decided they would submit a bond. Nielsen stated the final version was now acceptable. Ferrazzano asked if the agreement addresses both concerns of the City. Nielsen replied the Council decided last year they would not force Xcel to pay for legal fees and they have given up claim to being exempt from the other ordinance. Koopman indicated the Council would need a motion to waive the first reading and hold the second reading and set a public hearing. Stobb moved and Fraser seconded to set the public hearing at 6:45 p.m. on Monday, January 27, 2003. Stobb asked if the terms of the agreement were for 20 years. Nielsen replied they were for 20 years from now, not as of when the last agreement expired. All voted in favor of the motion.

Ferrazzano presented an Operations and Maintenance agreement with People's Service Inc. Stobb noted the amendment to Paragraph 4.1 indicates a decrease in the monthly payment but it looks like an increase. Koopman replied there are several typographical errors in the agreement amendment and

it should be an increase of two percent. Ferrazzano suggested they find the typos and send the amendment back to People's Service. Koopman stated the Council could approve the agreement contingent on the corrections indicated. Ferrazzano reviewed the necessary changes. Fraser made a motion to approve the agreement amendment contingent on these changes and Caron seconded. All voted in favor of the motion.

Ferrazzano indicated there were two ideas he wanted approved by the Council. The first was to establish Council office space. He thought the Council should have a space where mail could be dropped off and a place for people to meet with a Council member. The office in mind is next to the old Council Chambers. There would be no extra cost for heat and there is an extra computer available. Ferrazzano stated he would also like to have City e-mail addresses available for each Council member. He added these addresses can be accessed from any computer. Koopman stated she did find out that there is a \$3.00 charge per e-mail address for the additional addresses.

Stobb asked if Council members might be opening themselves to being caught breaking the open meeting law. Ferrazzano said it is a concern but he felt they would be conscious of the law and would leave the office in that case. Otto-Arvizu stated she would not be able to utilize the office except for evenings or weekends and Council members don't have keys for the building. Ferrazzano said they would get keys and added that apparently there was a previous problem with Council members not returning keys once leaving their seats. The Council agreed to establishing an office space.

Ferrazzano said regarding e-mail addresses there would be an additional \$21 per month expense. Stobb said the Council's personal e-mail addresses are currently listed on the City website. Ferrazzano replied those could be changed to the new addresses. Otto-Arvizu stated it could be a responsible way for people to get hold of the Council. Motion by Caron, second by Fraser, to approve City e-mail addresses for Council members. All voted in favor of the motion.

Ferrazzano stated he thought it might be a good idea for all department heads to attend a City Council meeting at least once a month. He didn't think it necessary that department heads submit a monthly report but their presence would give the opportunity for the Council to ask questions. Ferrazzano's thought was to have department heads at the first meeting of each month. This would also give them the chance to report any issues, concerns or ideas to the Council. Fraser asked who is considered the department heads. Koopman replied Ron Radke, Rick Robinson, Bryan Hillger, and Bob Gervais. She stated Vicki Olson at the Library and Ardys Drake at the Senior Center are also considered department heads but they are part time and the City would be required to pay them to attend the meetings since they are not salary. Otto-Arvizu added the Council gets the minutes from Senior Center meetings. She said she liked the idea of better communication and asked if department heads might actually write a monthly report so the Council would be aware of any issues and could ask questions based on the reports. Ferrazzano said he would like to be able to have them come in person to the meeting to report and answer questions. Otto-Arvizu felt it was critical for the Public Works Director and the Police Chief to attend because they know of more monumental business that's going on. Ferrazzano stated he would like to see Gervais and Radke attend as well once a

month.

Caron made a motion to ask department heads to attend the first Council meeting of each month and Byrne seconded. Stobb said he appreciated the written report from Robinson regarding Public Works activities stating there are things he had know idea that department did. He asked if there may be issues on written reports that should not be publicized. Otto-Arvizu said other than pending disciplinary action or something of that nature there shouldn't be anything. Byrne asked if the motion could be amended to continue to get monthly reports from Robinson and Hillger.

Caron amended his motion to have the salaried department heads attend the first Council meeting each month and submit a written report and Byrne seconded. Koopman asked as a point of clarification what the Council wants to see on these reports, daily activities or other issues. Caron felt they should report on anything unique. Ferrazzano said he would like to see what the department is striving for and any new ideas. He suggested letting the department heads report on what they think is important and after a couple reports the Council can see what they would like. All voted in favor of the motion above.

Ferrazzano asked in regard to agenda preparation if the Council wants to get the agenda by e-mail exclusively or produced and delivered the old way. Otto-Arvizu stated she does not have a printer that works. Ferrazzano added the last packet was 46 pages and some pages didn't come through properly. He said they could also get the agenda packets dropped off at the Council office space. Council members agreed to have packets reproduced and left in the Council office space and any additions or revisions will be e-mailed.

The Consent Calendar included the following: Police Maintenance Log; Monthly Water and Wastewater report; Multi-Purpose Center minutes for December 9, 2002; Monthly Financial report; Economic Development minutes for November 1 and 15, 2002; Fireman's Relief Association minutes for December 7, 2002 and Municipal Accounts Payable. Motion by Stobb, seconded by Byrne, to adopt the above listed items. Byrne asked if they would be getting something readable for the maintenance log. Koopman replied a program will be set up soon so information can be entered on the computer. Ferrazzano stated for accounts payable he thought it might be helpful to know what payables are for and had arranged for notations to be made on the list. He asked if everyone was okay with the extra information. Koopman suggested they set a dollar amount instead of writing out every item. Ferrazzano thought anything \$500 or more should be noted. Stobb asked if that \$500 per item or the total payment to one entity. Ferrazzano felt it should be for one item. All voted in favor of the motion to approve the consent calendar. Otto-Arvizu asked if the Council could get the minutes from various committees or groups in a more timely manner, such as the EDA minutes. She didn't feel they should have to wait several months. Koopman said she will talk to Gervais.

Robinson reported that he found a suitable structure to renovate for storing the mower out at the airport. It is an 11 x 20 foot structure and he talked to Bill Baxter, the current renter, who said he had no problem giving up the space but would like the door secured. Ferrazzano asked if they need \$995 to do the renovations. Robinson replied that would be the cost and added he also wants to get people cross-trained to do the airport mowing and will do some timing this summer to see exactly how long

it takes. He said he would like to look into finding a used mower with a wider deck. Robinson added that since the last meeting they discovered there are actually 63 acres rather than 39 that need mowing at the airport. Otto-Arvizu asked if the proposed storage room will be big enough to eventually house a larger mower. Robinson replied it wouldn't and they would have to look into something bigger. Otto-Arvizu asked if it was wise to put money into renovating the building if they will eventually have find something else. Robinson replied the savings of not having to run mower back and forth every day will more than pay for it. Stobb said one of concerns at the last meeting was safety for the employee. Robinson replied he had done some checking and they were now planning to use floor jacks and jack stands instead of ramps. Motion by Stobb, second by Caron, to approve Robinson's request.

Robinson reported that last month the Council had asked about the flow meter reading on the Peoples Service Water and Wastewater report. He said the meter has been reading correctly over the last month but previously had not. They will have to have a technician from the flow meter manufacturer take a look at it since they have been getting some erratic readings with as much as 30 to 40% errors. Since it is computerized flow meter Robinson said the City crew can't fix it. Stobb asked if the readings go to the Pollution Control Agency (PCA). Robinson replied they do and added the meter was new in 2000 and should have been calibrated when installed. Looking back they found the readings since April 2001 have been erratic. Torkelson asked what kind of warranty was on the flow meter. Robinson replied only one year. Ferrazzano asked if the City has a duty to notify the PCA that some of the readings may be wrong. Robinson replied they do and stated the readings are reported on an honor system. He said the PCA used to check readings but it is now computerized.

Robinson asked if the Council wanted his Public Works report continued on a monthly or quarterly basis. Council members agreed they would like to see a monthly report. Stobb asked if there is an ongoing problem with the Central Park light globes. Robinson replied there is and they are continuing to work on it. There are some warranty issues with the lights. Byrne said he thought the globes were supposed to be indestructible but at least two had been broken by vandalism. Hillger stated in both instances the people were caught. Ferrazzano asked if there was any word on the light for the corner of Center Street and Craig Avenue. Koopman replied the light is here and the base has been installed. Robinson said he thinks some of the inside wiring has not been delivered yet. Ferrazzano asked if any kind of time frame has been established. Robinson replied he will check on it.

The Mayor appointed the following individuals to their respective positions:

City Clerk/Administrator	Audrey Koopman
Public Works Director/Deputy Clerk	Rick Robinson
Finance Director	David Spencer
City Attorney	Frank Nielsen
Assistant City Attorney	Jim Kerr
Fire Chief	Dennis Vandeputte
Assistant Fire Chief	David Vogl

Fire Marshal	John Judkins
Weed Inspector	Tom Greenfield
City Forester	Rick Robinson
Building Inspector	Gary Garrels
City Assessor	Orlin Bruss
Civil Defense Director	Bryan Hillger

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

Ferrazzano appointed Council members to the following positions:

President Pro-Tem	Russ Stobb
Community Ed Financial/Advisory Board	Mike Fraser
Planning Commission	Russ Stobb
Economic Development Authority	Greg Torkelson
	Tim Byrne
Attorney meetings	Steve Ferrazzano
	Jan Otto-Arvizu
Hospital Advisory Board	Steve Ferrazzano
	Claire Hannasch
Prairie Pavilion Lease Committee	Steve Ferrazzano
	Mike Fraser
Liquor Committee	Steve Ferrazzano
	Robert Caron
Pool Committee	Otto-Arvizu
Police Committee	Tim Byrne
	Greg Torkelson

Motion by Caron, second by Byrne, to approve the Council appointments. All voted in favor of the motion.

Motion by Stobb, seconded to Caron, to establish the second and fourth Mondays of each month at 6:30 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 Stobb, seconded by Fraser, to adopt Robert's Rules of Order and the standard agenda format as the rules and order of business for Council proceedings. All voted in favor of the motion.

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

Motion by Fraser, seconded by Stobb, to approve Minnwest Bank South, the 4-M Fund, Salomon

Smith and Barney, and State Farm as the official municipal depositories. All voted in favor of the motion.

Koopman referred to the three documents regarding workshops for elected officials put on by the League of Minnesota Cities. She indicated there was a workshop for newly elected officials and stated if any Council members wish to attend any of the workshops the City will pay for it. The closest workshop is in Mankato and both the newly elected and the other workshop will be run the same weekend. Stobb said he attended the newly elected workshop when he first took a seat on the Council. Hannasch stated he also attended one of the workshops which he found very informative and worthwhile.

There being no further business motion by Caron, second by Byrne, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

January 27, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, January 27, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, Greg Torkelson and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the January 13, 2003 City Council Meeting. Stobb indicated there was a sentence missing from the bottom of the first page. Koopman stated she would get it corrected. Motion by Stobb, second by Torkelson, to approve said minutes as amended. All voted in favor of the motion.

Ferrazzano added (7A) the Pay Equity Report to the agenda and asked if there were any other additions or deletions. Koopman added a confirmation of scheduled committee meetings under

Mayor and Council communications. Motion by Stobb, second by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Marlene Buck spoke on behalf of the Cemetery Commission regarding the Cemetery Superintendent's contract. She stated the Commission was recommending that the Council approve renewal of the contract with Superintendent Bernie Holm based on past performance. She stated the Cemetery Commission was very pleased with the improved appearance of the cemetery, and with both completed projects and ongoing projects that Holm has been involved with.

Thad Lessman stated to the Council that was proposing to do the superintendent's job for \$3000 in order to save the City an additional \$3000 to \$3100 in the current contract. Stobb asked if his proposal was to do the exact job as detailed in the current contract. Lessman replied it was.

Milton Moen asked to speak on behalf of Holm stating his whole family has been buried at the Tracy City Cemetery for the last 100 years. Moen indicated that Holm has done an excellent job improving the appearance of the cemetery and encouraged the Council to consider this in their decision.

Ferrazzano asked if the position would need to be advertised prior to the Council approving anybody. Otto-Arvizu asked if it was wise to advertise when there is a contracted position. Fraser stated there is no need to advertise for contracts. He stated he has a hard time switching the position after seeing the list of glowing recommendations. Stobb said he knows this year the Council has to watch the budget closely, but this contract was not levied for at all and is self supporting. Ferrazzano said the Council does have to look at money spent because they will have to save money someplace and the reality is the State will not give the City all the money needed. But he understood the way the superintendent's position is funded it's not levied. Koopman stated it was not necessary to levy for this fiscal year through to December 31. Ferrazzano asked if money is saved if it remains strictly in the cemetery fund. Koopman replied it does.

Otto-Arvizu asked if there are any other expenses that come out of the cemetery operating fund. Koopman replied all maintenance costs do but this past year there was enough revenue generated through lot sales and maintenance fees that they had a sufficient fund balance to cover expenses. Kerr stated that he drafted a memo back in December 1994 regarding contracting with the City. It stated in regard to maintenance of real property the position is not subject to advertising.

Byrne said it was obvious from what the Council received in the agenda packet that Holm does a lot of extra work in addition to his contracted duties and he has no obligation to do that. Byrne asked if Lessman would be able to do these extra projects for \$3000 and said he doesn't know what Lessman's time commitments would be. Lessman stated he would be more than willing to do everything that has been done previously. Otto-Arvizu asked it to be stated for the record the extra work that Holm has done. Byrne stated examples include painting of the flag poles, the fence project, the flower beds, opening the gates daily, being available days, evenings and weekends. He added the prior superintendent often had problems getting to the cemetery when needed and the City has had the advantage of having someone with time and commitment to the position. Byrne stated the

Cemetery Commission has appreciated Holm's work and assumes that is why they are recommending the Council renew his contract.

Stobb made a motion to renew the contract with Bernie Holm as Superintendent of the Tracy Cemetery and Fraser seconded. Stobb felt if his motion passes that Holm will continue to do the extra work he has done in the past. Stobb suggested a lot of the extra jobs look like things necessary to maintain the cemetery and should maybe be included in the contract. He added that some projects are not yet completed and thought it made sense to retain Holm in order to see them to completion. Stobb said according to Kerr the contracts would have to be rewritten if they decided to combine the positions. Byrne asked if two positions were created because the City previously had problems with one person doing both jobs. Koopman replied that was the main reason.

Otto-Arvizu asked if there are any other City departments that assist in projects at the cemetery. Holm stated he works with the Street Department on certain projects but tries to work around their schedule. He felt he has a good working relationship with the Street crew.

Ferrazzano tabled discussion to open a public hearing regarding the ordinance granting the electrical franchise with Northern States Power, d.b.a. Xcel Energy. There being no public comment the hearing was closed. Motion by Caron, second by Byrne, to adopt Ordinance No. 277 granting the franchise. All voted in favor of the motion.

Discussion of the cemetery contract resumed. Otto-Arvizu stated that she hoped there was cooperation with other City departments because there is a lot of manpower available. Torkelson asked if anyone has driven through the cemetery recently. He stated there is a need for some road work, especially on the north end where water has washed out some gravel. Holm replied he periodically places crushed rock in potholes which holds better than gravel but there is a problem with the asphalt in some places where ruts have worn through. Otto-Arvizu asked if a truck is used to dump rock or if Holm was doing it by hand. Holm replied he has been patching some potholes by hand but when the City gets rock in he can easily get the Street crew out with a front end loader.

Upon roll call the following vote was recorded: voting in favor were Fraser, Otto-Arvizu, Torkelson, Stobb, Ferrazzano and Byrne. Voting again was Caron. The motion to renew the Cemetery Superintendent's contract passed. Stobb asked if Holm had one person who serves as the Deputy Superintendent. Holm stated according to the cemetery rules the deputy has to be appointed by the Cemetery Commission. He said Dick Kelley previously served as deputy and then Don Polzine and added both have experience selling lots and graves. Stobb asked if Polzine will continue to serve as deputy. Holm replied he will.

Ferrazzano stated the Council received copies of the Pay Equity Report at tonight's meeting. Koopman apologized for the lateness but the report is due by January 31 and she had been trying to access a computer program which would determine if the City was in compliance. She finally received a call from Faith Ziemke with the Department of Employee Relations who stated that the program only works on Windows 2000 or prior. Koopman said this report can be sent in to

determine if the City is in compliance. She added they were in compliance three years ago so she doesn't imagine they wouldn't be now. Ferrazzano asked who will determine compliance. Koopman replied the Department of Employee Relations will. Stobb asked if the City has a change in personnel if there is a change in points. Koopman replied no as long as they are paying the new employee within the same range. Motion by Stobb, second by Fraser, to approve the report. All voted in favor of the motion.

Ferrazzano presented a resolution to reestablish the Charter Commission. Otto-Arvizu stated she didn't receive the agenda supplement by email and either needs to get it delivered or notified when there is a supplement. Ferrazzano asked Council members to be responsible for checking at the Council office for agenda packets and supplements. Otto-Arvizu asked how she would know when a supplement was issued and stated she would appreciate having the supporting documents. Ferrazzano said Otto-Arvizu wants agenda items delivered and the remaining Council members will check the office upstairs and check email.

Ferrazzano stated there are already people selected for two and four year terms for the Charter Commission, some are new and some are prior members. He said his only concern is he thinks the City should advertise and open positions up for applications. He asked if a prior member was allowed to remain if no one was available to replace them. Kerr replied only until a new member was found. He stated when he drafted the resolution the rationale was the very last term expired in 2000 and the best way is to reestablish was to start with the two and four year terms. The District Judge agreed to sign anything the City sent in regard to reestablishing the Commission. Ferrazzano suggested they advertise for two weeks and see if they get any applicants.

Otto-Arvizu agreed they should advertise for Commission positions and asked for a brief overview of Charter Commission responsibilities and how often they meet. Kerr stated the City Charter was revised in 1973 or 1974 and at that time they drafted a charter which set up an administrative form of government. What the Commission does is review the Charter and fine tunes it based on the changing needs of the City. The Charter Commission has to report changes in the charter to the Chief Judge. Since 1996 there have been no meetings and no reporting done so the Commission became dysfunctional. Kerr stated it does take members with some interest in City Government and at 7:00 a.m. meetings it can be hard to get a quorum. The Charter is the glue that holds the City together through financial and administrative guidelines. The Charter Commission has traditionally recommended changes to the City Council which the Council passes by amendment to the Charter. Kerr stated one of the things instituted was the use of initiative. Otto-Arvizu asked if that includes a recall from office. Koopman stated it does.

Otto-Arvizu asked how many members are established. Kerr replied the maximum number of members are fifteen but nine has proven to be a good number and that is what the City Charter established. Kerr added that odd numbers work best. Ferrazzano asked if there was a need for two year and four year terms. Kerr replied there was a need to stagger the terms at first so they aren't all expiring at the same time. Otto-Arvizu made a motion to advertise for Charter Commission positions for two weeks for positions and those interested can apply through the City office. Byrne asked if the nine people already contacted would have to reapply. Otto-Arvizu replied she considered them already in the applicant pool. Kerr said applicants should indicate whether they are interested in a two or four year term. Caron second the motion and all voted in favor. No action was taken on the resolution to re-establish the Charter Commission for the City of Tracy. The Council opted to advertise for Commission positions prior to adopting the resolution.

The Consent Calendar included the following: Economic Development minutes for December 6 and 20, 2002; Fireman's Relief Association minutes for December 7, 2002 and January 6, 2003; Monthly financial report for December; Police Activity Report for December; Cemetery Commission minutes for January 7, 2003; and Municipal Accounts Payable. Motion by Stobb, seconded by Torkelson, to adopt the above listed items. All voted in favor of the motion.

Ferrazzano stated that notices were received for the first Liquor Committee meeting to be held Wednesday, February 5, 2003 at 5:00 p.m. in the Council Chambers. The City Attorney meetings will be held the second Monday of each month at 5:30 p.m.

Koopman asked Council members to sign and return the receipt form for the building keys that were issued.

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

ATTEST:

City Administrator

Mayor

February 10, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, February 10, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, Greg Torkelson and R. Stobb. Also present was staff members: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the January 27, 2003 City Council Meeting. There being none motion by Byrne, second by Caron, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He had an addition to Mayor's correspondence. Motion by Stobb, second by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Gervais reported that the EDA meeting scheduled for Friday, February 7 was moved to Friday, February 14. At the meeting the Board will discuss bids received for carpet replacement at O'Brien Court. Plans are to re-carpet two rooms per months over the next 15 months. Gervais stated there are three parties currently interested in the spec house. One is currently working with Southwest Minnesota Housing Partnership to check into financing and another party is getting bids on finishing the basement. Otto-Arvizu asked if there has been any indication from the State about what will happen if the house doesn't get sold. Gervais replied he doesn't have specific information about that but he was informed if they presently sold the house at \$109,500 the EDA would lose about \$9300 according to Southwest MN Housing. He added they are approaching a prime time of the year for home sales.

Gervais reported the Marshall Home Show is coming up in March. The EDA and Chamber of Commerce participate in the show as a marketing tool for Tracy. Last year Tracy was the only City other than Marshall to have a booth at the show. The EDA and Chamber have put together a housing incentive package for new construction and they will bring along promotional materials for the aquatic center. Ferrazzano asked if volunteers were needed for the booth. Gervais replied he would sign up anyone who was interested. The dates for the show are March 14, 15 and 16.

The EDA is currently working on two delinquent loans. For one loan they want to try and set up a payment schedule and the other is currently stuck in the court system. Gervais stated there are three new business interests, a tanning salon, a hobby shop, and a tire shop. The EDA usually sends the interested parties to Jackie Loveness with Small Business Association.

Gervais has been elected the Vice-Chairman of the Minnesota Community Capital Fund Committee. He said hopefully within 60 days they will be able to start making loan applications through the

organization. This will allow businesses to acquire loans up to \$250,000 which are sold off to a secondary market. Gervais added the availability of these loans would reduce the strain on the EDA's revolving loan fund.

Another project the EDA is pursuing is the Tracy Kids World daycare center. Gervais stated Louise Noomen has been working hard on this project and will be attending a seminar about establishing daycare centers. They are looking at two sites, one is an existing building and the other would require building a new structure. The EDA received a \$5000 grant from the Childcare and Development Corporation and hopefully within the next year and a half they will see the project taking shape.

Gervais reported the call center project has currently been put on hold but within the next year and a half the EDA hopes to try putting this together. The goal is to get a group of local investors together to establish a call center, then to find a company interested in utilizing the call center's services.

Last year the City applied for a Community Block Grant and will find out in March if it was awarded. Gervais stated this grant might be a key part in attracting more businesses to Tracy.

Otto-Arvizu asked how the carpet replacement at O'Brien Court will be funded. Gervais replied the money will come out of the reserve fund. There is enough money in place to cover the expenses. Otto-Arvizu asked if the expense will impact what is received in the lease agreement. Gervais replied the lease will be adjusted.

Ferrazzano stated there has been discussion about a joint meeting with the Marshall City Council and asked Gervais if he has much contact with the Marshall Chamber of Commerce. Gervais replied he talks to Tracy Veghlan with the Marshall Chamber every couple of months but is in contact more frequently with Cal Barnett with the City of Marshall. Ferrazzano asked if they could look into some joint ventures with the Marshall, perhaps business or housing related. Gervais said the EDA piggybacked on a housing study with Marshall and this information was used in the Community Block Grant application. Gervais has spoken with Barnett informing him if new businesses or industries are brought into Marshall that Tracy has available housing.

Rick Robinson referred to his Public Works report for January and asked if there were any questions. Stobb asked about the water plant tour by Mountain Lake and if they were planning to do something in their own city. Robinson replied they are talking about building their own plant and wanted to see how Tracy's is designed.

Ferrazzano asked if every street is salted after snow or ice storms. Robinson replied just the intersections are salted, and added it wouldn't be feasible to salt the length of every street. He added they also salt out by the schools.

Fraser asked if the pool equipment company is going to repair and repaint the damaged pool equipment. Robinson replied the equipment is fiberglass with a gel coat over the paint. Moisture has gotten between the paint and gel coat and since the water is chlorinated it's fading the paint. The company that built the equipment, A.R.C., is going to bring in a crane while the ground is still frozen, remove the equipment, repaint it and return it before the ground thaws. Robinson added this work is covered under warranty and will be of no cost to the City.

Ron Radke referred to his written report and asked for any questions. He stated a concern that profits are not what he'd like to see at the liquor store. The increase in revenues not keeping up with cost increases. Ferrazzano asked if Radke has ideas about saving money. Radke replied he did. Ferrazzano asked how much the liquor store has to contribute to the general fund. Radke replied in the past between \$25,000 and \$40,000. According to the current figures they are only looking at \$11,000 available to contribute. Koopman added the budget includes a \$30,000 transfer from the Liquor Store Fund to the General Fund. Radke stated if everything stays as is they won't be able to do that.

Otto-Arvizu stated several years ago the Council looked at the liquor store building and realized there had not been any improvements made for quite some time. Radke replied in the last two years

they painted the outside of the building and have done painting inside, installed some new woodwork and purchased new tables. Otto-Arvizu asked if there was anything in place for regular improvements to the building. Radke replied this issue was brought up at the Liquor Committee meeting last week but there is nothing in place presently. Stobb said he may be jumping ahead but the next agenda item was regarding the building next to the liquor store. He asked if expansion might be a possibility. Radke replied the building was discussed and he will look into it but they will need to find out the condition of the building. Ferrazzano said state aid cuts are looming and the Liquor Store is one of the only things that will generate revenue for the City. He felt they need to look at ways to keep it profitable.

Stobb said Radke has plans to improve the Liquor Store and asked if anything is needed from the Council at this point. Radke replied he needs a directive from the Council to look into some options. Byrne made motion that Radke present the Council with ideas to cut costs and increase revenue. Ferrazzano asked Radke if he would be comfortable coming back to the Council in two weeks or if he needs a month to prepare. Radke replied he will try for two weeks and if he can't he will make it a month. Byrne amended his motion that Radke proceed with developing a proposal for the liquor store and present it to the Council in two to four weeks. Stobb seconded the motion and all voted in favor.

Radke stated one other issue he was wanted to bring up was a few years ago the Liquor Store held an appreciation night with Council members being guest bartenders. He asked if the Council was interested in participating in another event like this. Council members agreed they would participate.

Stobb asked if wine sale in grocery stores was a big legislative issue again. Radke replied it is and from his understanding if it stays in the House they may be able to get it defeated, but if the issue goes to the Senate it may go through. Radke said an even bigger issue may be the elimination of 3/2 beer. This would probably allow convenience stores, etc. to sell full strength beer. Radke said beer is 75% of total Liquor Store sales.

Ferrazzano asked if Radke had gotten any information about credit card use at the Liquor Store. Radke replied he hadn't gotten any information yet. There are different ways to manage credit card sales and he needs to find out the best way.

Chief Hillger stated all he had for a written report is the activity report he normally sends out and asked if the Council needs more information. He said January was a slow month and they normally average about 150 Initial Complaint Reports and had only 113. Stobb asked if the digital camera training was for the camera received from RAPP. Hillger replied it was and added all officers have had the training, the printer is hooked up, and everything is working fine.

Otto-Arvizu stated the government has escalated the national security risk to orange level. She asked if the security of Tracy has been assessed. Hillger said the chances of Tracy being selected for terrorist activity are very slim. Koopman said the City does have the emergency preparedness plan in place. Otto-Arvizu asked if any thought has been given to security of the LP Plant, anhydrous plant or the water plant. Hillger stated there is a fence around the LP plant but he doesn't think there is a fence around the anhydrous plant. They talked at one time about putting an alarm in the water treatment plant but it was not pursued. Robinson said they should get the emergency management plan updated but didn't think it was likely that anyone could access the water plant. He added people can access fire hydrants more easily and there are devices to lock hydrants but at a large expense. Hillger stated if someone did put something in the water supply it would have to be such a large amount it would be noticeable if someone were doing it. He said there are so many things the City can't prepare for and in Southwest Minnesota they will be more reactive than pro-active.

Otto-Arvizu stated she has McLeod for television service and noticed the other night when the plowing notice was aired a crawler with a severe weather warning came across the screen. She asked if Hillger could look into that since it was a misleading message. Hillger replied he would and said along those lines the police department communicated well with the street department and went out and wrote 15 parking tickets the first time snow plowing was announced. The next time plowing was done it was down to four tickets.

Koopman said in addition to her written report she received some information from LMC concerning the un-allotment that took place over state budget cuts. She said local government aid was not affected because monies received in 2003 are budgeted from fiscal year 2004. She added if the deficit increases in the next four months there could be another un-allotment of funds. Koopman said Governor Pawlenty is looking at presenting his budget recommendations which will affect what was levied and based on rumors circulating around the Capital, the City could lose \$47,000 from this year's budget. If rumors are true there will be an even larger cut in 2004, and the could lose \$205,000 from the budget, a total loss of \$282,000. Another rumor is the state is planning to clamp down on municipalities' ability to levy. Koopman stated it is always upsetting to her when the State of Minnesota tries to dictate how the day to day activities of small cities are run.

Koopman stated prior to tonight's meeting Stobb had gotten word that the state auditor had reported the State of Minnesota is looking at a 42% budget cut but it will only affect larger cities. She said it will be interesting to see what the Governor's budget proposal will be and the legislation's reaction. Stobb said it is always scary when they put out a blanket percentage cut. Otto-Arvizu asked if the rumor is that the State thinks there should be levy limits. Koopman replied the way it was worded it's a definite possibility. Fraser asked what cities have levy limits. Koopman replied those with populations in excess of 2500.

Koopman stated she received a letter from Kevin Stenson in regard to the building east of the Liquor Store. She had sent a letter to Stenson requesting permission to enter the building and conduct a hazardous building inspection. Stenson sent the keys and indicated the City could enter the building at its own risk as he didn't want to accept liability. He also indicated an interest in deeding the property to the City. She suggested conducting an inspection of the building prior to making any decisions as it sounds like it's in bad shape and added that Stenson had acquired the building through a tax forfeiture and had a quit claim deed on it. Ferrazzano asked if Gary Garrels could inspect the building within two weeks. Robinson replied he would talk to Garrels.

Caron asked if they could get a bid for demolition at the same time the inspection was done. Koopman said they should request proposals for demolition. Caron felt it would save time to do both at the same time. Koopman asked if the Council would then give authority to demolish the building if the inspection report recommends it. Ferrazzano felt they should first get the inspection report to see the status of the building. Koopman stated normally they have the City Fire Marshal inspect the building along with the Garrels.

Ferrazzano stated there are three people no longer interested in being on the Charter Commission and three who have applied. The Council will need to decide who will hold two year terms and who will hold four year terms. Ferrazzano suggested those previously on the Commission could be appointed to the four year terms and new applicants could be on for two. Caron asked if it makes any difference. Koopman replied it really doesn't since they can serve for two terms. Stobb suggested replacing those who weren't interested with those who applied. Ferrazzano suggested Marlene Buck, Eugene Hook, Glenda Johnson, Clinton Peterson and John Schleppebach be appointed to four-year terms and Claire Hannasch, Thad Lessman, Bernie Holm and Marvin Van Acker be appointed to two-year terms. Motion by Byrne, second by Fraser, to adopt the resolution reestablishing the Charter Commission and appointing said members to the Charter Commission. All voted in favor of the motion. (Res. No. 2002-2)

Ferrazzano stated that he ran into Marshall's Mayor last fall after the election and they discussed holding a joint meeting between the Marshall and Tracy City Councils. He said Koopman felt more comfortable first talking to the Marshall City Administrator and getting an agenda together instead of just meeting without any specific topics. Ferrazzano asked the Council for ideas for the agenda. Otto-Arvizu stated many years ago she met with the Mayor of Marshall and at that time they were growing so fast they needed housing. She suggested some mutually beneficial issues would be housing and economic development. Stobb suggested if Tracy and Marshall could pool their resources in economic development they could market this area together. Ferrazzano asked if the Chambers of Commerce ever work together. Gervais replied they serve on the same regional board but haven't worked directly on a project together. He suggested another issue they might consider is transportation along with housing. Ferrazzano asked if Schwan's has a specific department that

tries to find housing for employees. Gervais replied they do and the EDA previously contacted them and scheduled an appointment to look at the Eastview Addition but they canceled and stated they weren't looking outside of Marshall. Schwan's is also building housing for employees in Marshall. Ferrazzano asked if they could be contacted again. Gervais said he could and added part of the problem is Tracy is outside the fifteen mile zone. When the joint housing study was done it was found the average house listing in Marshall was over \$100,000, in Tracy it was \$40,000. Gervais said very few people want to buy a house for \$70,000 here and put another \$40,000 into it and these days you can't build a house for under \$100,000 and so it's difficult to attract home buyers.

Gervais suggested technology is another issue to piggyback. Marshall wants to be totally wireless within the next few years and although he didn't know what Tracy could bring to the table they could benefit from what Marshall learns or does.

Ferrazzano asked Koopman to contact the Marshall City Administrator to schedule a joint meeting. Koopman asked if there was any kind of time line to follow for scheduling. Ferrazzano suggested within the next two months and thought they should arrange the meeting at their Council Chambers when they have a regularly scheduled meeting.

The Consent Calendar included the following: Multi-Purpose Center minutes for January 10, 2003; Police Activity Report for January; and Municipal Accounts Payable. Motion by Stobb, seconded by Fraser, to adopt the above listed items. All voted in favor of the motion. Ferrazzano asked if the office holds checks of \$500 or more until Council approved. Koopman replied no, but they are sometimes sent on a week opposite the Council meeting. If the invoice involves a late penalty the office makes sure to send it off.

Koopman referred to the capital improvement budget that was distributed. Fraser asked if the City is going to try and do sidewalk improvements this year. Koopman replied they plan to. Caron asked how the Council approves the capital improvements budget if the City budget is cut. Koopman replied they would not be approving any expenditures, this is only a five year plan to follow for future budgets. Caron asked if all the items listed for 2003 were being purchased this year. Koopman replied not unless they were budgeted for. Motion by Fraser, second by Torkelson, to approve the Capital Improvements Budget.

Ferrazzano stated he wanted to get the Council's approval to send a letter to the woman who bought the Cozy Grove Motel to thank her for investing in Tracy. Stobb suggested instead of sending a thank you, which suggests a direct interest in the business, sending a letter just welcoming her to Tracy. Ferrazzano said he could welcome and thank her. Council members approved the letter.

Ferrazzano reported he received an email from Carol Cooreman requesting a letter of support for the Minnesota Rural Health Works Technical Assistance grant program and asked the Council for approval to submit a letter. Council members approved the letter of support.

Byrne thanked the City for sending Torkelson and himself to the Newly Elected Officials Conference in Mankato. He stated it was very informative and talked about such things as legal issues and budget cuts.

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

ATTEST:

City Administrator

Mayor

February 24, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, February 24, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, Greg Torkelson and R. Stobb. Also present was staff member: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the February 10, 2003 City Council Meeting. There being none motion by Caron, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Ferrazzano added (5B) Jason Stephens regarding the building at 324 South Street and (10A.2) Koopman's report on the Governor's budget proposal. Motion by Fraser, second by Stobb, to approve the agenda as now written. All voted in favor of the motion.

Sheriff Joel Dahl introduced himself stating he wanted to touch base with the City Council. Dahl distributed business cards with his phone numbers and email address and wanted the Council to feel free to contact him with any questions or concerns. He added he was willing to come down to Tracy quarterly, monthly or whenever an issue needs to be discussed. Dahl reported that he had been working with the Headlight Herald and now has a Sheriff's Log listed weekly. He faxes reports from the county and local police every day giving an overall perspective of local activity.

Dahl stated in January he appeared before County Commissioners to request the purchase of the Tazer M26. The weapon looks like a gun but is a less than lethal use of force which delivers a stunning shock and is used to control unruly persons. Dahl asked that each city in Lyon County be funded to purchase a tazer which will be paid for by criminal justice monies. The only requirement for Tracy is that the City have a policy in place for use of the weapon and that all officers be trained to use it. Dahl has sent one of the county officers for training to instruct on use of the tazer so free training is available to all Lyon County officers. His reason for requesting the weapons is the time it can take for back-up officers and the tazer gives a single officer the ability to take control of a situation. It is not a substitute for the use of deadly force but is appropriate for many situations. Dahl added that Lyon County Judge Harrelson agreed to be tazed himself and had indicated he preferred it to mace.

Dahl hoped he and the City of Tracy would work together well and asked the Council not to hesitate to call. He added he and the City may not always agree but he wants to hear about any concerns.

Ferrazzano presented the list of Board and Commission appointments. Koopman stated there was one change, Frank Nielsen has filed for library board. He previously served on the board and agreed to file again. The following applications were received:

Planning Commission:	Dan Anderson reapplied - term to expire 2007 One vacancy - no additional applications received term to expire 2007
Library Board:	Deb Miller applied - term to expire 2006 Frank Nielsen - term to expire 2006
Police Commission:	One vacancy - no applications received term to expire 2006
H.R.A. Board:	Con Rettmer reapplied - term to expire 2008
Multi-Purpose Center Board:	Kenneth Giles reapplied - term to expire 2006 Esther Hinz reapplied - term to expire 2006

E.D.A. Board: Dennis Fultz reapplied - term to expire 2008

Hospital Community Board: Linda Fultz applied for Walnut Grove area
term to expire 2006
No applications received for Balaton area
term to expire 2006

Cemetery Commission: Milt Moen reapplied - term to expire 2008

Motion by Stobb, second by Fraser, to appoint the applicants named above to the board or commission position applied for. All voted in favor of the motion. Ferrazzano asked if the vacancies remained opened until filled. Koopman replied they did and asked if Council members knew anyone interested to let her know or encourage them to apply.

Gary Garrels reported that he and Tom Greenfield inspected the building at 324 South Street and indicated it wasn't in as bad a condition as originally thought. He said the load bearing walls, basement, and foundation were all in very good condition for a building of that age. The only real issue is the roof is leaking. Garrels said from the inside he couldn't see the leak but he climbed the stairway of Lane Horn's building next to it and could see the roof from there. There is a large hole in the roof where water and snow are running into the building and Garrels was thinking he would see the roof falling down and the floor all warped. However the floor joists and floor boards are in good shape just some of the underlayment is in bad shape.

Garrels stated there are common walls between the Liquor Store and this building and between Lane Horn's building and this building so if it is torn down something will have to be done with the walls. Garrels said he secured the window that was broken out with a piece of plywood so the building is not accessible to anyone. Ferrazzano asked if a big issue would be the plumbing. Garrels replied the plumbing looks like old cast iron so he is not sure of the condition inside the piping but it is probably going to be a big problem. Garrels felt someone could fix up the building if they have the funds to do so. He added the furnace is not in good shape. It is sitting in a kind of pit with water in so it is probably shot.

Stobb asked if the building is full of debris. Garrels replied there is ceiling tile, roofing, tar paper and tar and some other building materials, but not really any garbage. Stobb asked Garrels when he mentioned the common walls if he meant two walls abutting or shared walls. Garrels replied the walls are shared and if the building is taken down something would need to be done with the walls on both sides. Stobb asked if the rear property line is known. Garrels replied it is probably another 50 feet from the building. He thought the building was 97 feet long and total lot about 165 feet.

Torkelson asked if there was any way for someone to get on top of the building and fall through the hole. Garrels replied it is possible but right now the roof is covered with snow so he wouldn't want to check it out until it melts. Ferrazzano asked if the City took possession of the building if there is anything structurally that would need to be done. Garrels replied it depends on what is going on with the building, if they are going to expand the Liquor Store the front 50 feet are really good and they could stud up a wall to make it look really good, the only issue is the plumbing. Garrels added there is a crawl space under the back part of the building.

Ferrazzano asked if the Council should determine if the City should acquire the building. Koopman recommended they first hear Jason Stephens' statement regarding the building. Stephens stated his interest is to acquire the building, fix it up and turn it into a residence. He has the funds to fix it up and it is close to where he works. Stephens said since he doesn't drive it is closer than where he currently lives. He added that he is aware the City doesn't own the building but is glad to hear it's in good shape. Otto-Arvizu asked if the owners want to turn it over to the City for a dollar if they could in turn deed it to Stephens or if it would be better for Stephens to work directly with the owners. Koopman stated it would be less complicated if Stephens worked directly with Kevin Stenson. She added she has contact information if Stephens wanted to contact Stenson. Ferrazzano suggested Stephens would probably want to inspect the building and asked if Garrels could go along with him to inspect it. Otto-Arvizu informed Stephens that he would be entering the building at his own risk per a written statement from the owner.

Stobb asked if there would be a problem with remodeling the building as a residence in the downtown business district. Koopman replied she would have to check the zoning ordinance. Otto-Arvizu stated if Stephens needs a variance he would probably want to approach the Planning Commission prior to assuming ownership.

Ron Radke referred to his memo regarding recommendations to increase profits at the Liquor Store and asked if the Council had any questions. Byrne asked Radke to elaborate on his recommendation to decrease employee expenditures. Radke replied through reorganization of staff. Otto-Arvizu asked if it meant cutting an employee. Radke replied anything is a possibility and said he wasn't sure if he could discuss the issue prior to approval. Otto-Arvizu stated they are dealing with budget constraints and so it would be a valid discussion. Radke stated he would look at making some cuts to hours including cutting one full time position. Byrne asked if Radke was planning to shorten the hours the Liquor Store is open. Radke replied the hours would stay the same.

Byrne referred to the recommendation to increase the pull tab rent by \$200. Radke stated the current fee is \$600 per month so it would increase to \$800. He added the maximum is \$1000 but he thinks \$800 is not out of line with what they're doing. Otto-Arvizu asked if drink prices have recently been increased. Radke replied they are usually raised every two or three years and it has been two years since last increased. He felt most everyone will be increasing drink prices as expenses like insurance are rising as well. Byrne thought an increase of \$.25 is in line with what is charged around this area. Fraser asked about increasing bar sales. Radke replied the best he can do is hope for an increase in sales but he can't count on it.

Otto-Arvizu asked if there is a fund for depreciation or improvements and if the Council would need to approve one. She asked if there was anything Radke would like to do to make the bar more attractive. Radke stated there are always things to do but he would leave it to the Council to decide what they think would serve to increase profits. Otto-Arvizu said just thinking about the beautification aspect if Radke felt the building was painted as nice as possible and tables and other fixtures were up to date. Radke replied the building has new woodwork, the paint is new, and the tables are new. The problem is the building itself can't be changed, only cosmetic changes can be made.

Fraser asked since they had talked about the vacant building next door if Radke had thought about expanding. Radke replied he has thought about constructing an outdoor patio for some time and asked if the Council wanted to think about meeting rooms and food. The trend with municipal liquor stores is to build new and expand. Radke felt it was for the Council to decide where they want to go with the Liquor Store.

Otto-Arvizu asked about the state of the bathrooms. Radke replied they are old and there is a lot of cast iron plumbing. He said the problem is if they are going to do anything with the bathrooms they will probably have to make them handicapped accessible and neither bathroom is big enough for that. Radke added the bathrooms are painted every year. Otto-Arvizu asked if there is tile on the floors. Radke replied there is in the men's bathroom but the women's is linoleum.

Byrne stated there doesn't seem to be room to expand. Radke replied they could only go north into the parking lot or expand west into the empty lot. Otto-Arvizu asked if Radke had any thoughts about where to put an outdoor patio. Radke replied the problem is they would need to have a secure area but still need to have an exit. Stobb said Radke had mentioned expanding to the west side but now is thinking the east. Radke replied in his opinion it would be better to head east as renovations would be less expense, otherwise they would have to move coolers and completely remodel both the on sale and off sale areas. Otto-Arvizu said she would hate to remove the vacant building to the east if it's not in bad shape. Byrne suggested they could keep the first 50 feet and just remove the back portion of the building to open up for a patio.

Radke thought there should be a workshop held where they can brainstorm and decide on some options. Ferrazzano felt the Liquor Committee was established for that purpose. Motion by Fraser, second by Caron, to approve Radke's proposals for increasing profits at the Liquor Store. Radke felt he could make up the hours cut from eliminating a full time position with part time employees. Stobb asked if Radke felt he would still have enough personnel on hand. Radke said there are many times

he has had only two full time people. All voted in favor of the motion.

Ferrazzano presented a resolution approving the appointment of a Park Committee. Caron stated there is one change, Jeanne Hillger no longer wants to serve on the committee. Byrne asked if the members listed were already part of the committee. Koopman replied they were and stated she will revise the resolution to read five voting members instead of six. Motion by Stobb, second by Byrne, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-3)

Ferrazzano presented a resolution authorizing the City Administrator to submit an application to the Department of Natural Resources for an Outdoor Recreation Grant. Motion by Byrne, second by Stobb, to adopt the resolution. All voted in favor of the motion. (Res. No. 2002-4)

The Consent Calendar included the following: Economic Development Authority minutes for January 17, and February 14, 2003; Municipal Accounts Payable; Monthly Water and Wastewater Report; Monthly Financial Report; Firemen's Relief Association minutes for February 3, 2003; and Monthly Police maintenance report. Motion by Caron, seconded by Byrne, to adopt the above listed items. Byrne asked if they were going to request that the Council receive the EDA minutes sooner. Koopman said she had received both January 17 and February 14 minutes. Stobb said they didn't receive a copy of the February 14 minutes. Koopman replied she does have them and will include them in the next agenda packet. Motion by Byrne, second by Torkelson, to approve the amended Consent Calendar. All voted in favor of the motion. Stobb asked out of curiosity the accounts payable to The Cow's Outside. Koopman stated she would check on it. Stobb asked Robinson if anything had been found out about flow meter. Robinson replied a couple things were discovered. First it is housed in a tin building, a buildup of frost and condensation has caused erratic readings so they are going to insulate the building and put in a space heater. Robinson said there were also some problems with the way the meter was originally calibrated. Both of these things have caused erratic readings.

Ferrazzano stated he wanted to clarify that when he appointed Otto-Arvizu to be a part of pool committee discussions he wanted her to participate in all the decision-making activities, not just fund-raising issues.

Ferrazzano said he isn't sure if most people are aware of what the Governor's proposed budget cuts could do to City operations. He asked Koopman to explain how the cuts could impact Tracy. Koopman reported she does have some information and articles received from the LMC. The Governor's proposed cuts would mean a loss of state aid in the amount of \$144,374 for 2003 and \$274,311 in 2004 for a total of \$418, 685 over a two year period. Koopman said to try and put it in perspective using an average annual salary of \$35,000 that would translate into the loss of 12 employees, or the entire street department, the entire police department and one-half of the administrative department would have to be cut, leaving three employees to handle City operations. Otto-Arvizu said Pawlenty had stated he would be very insulted if cities lost police or firefighters because they couldn't plan better. Koopman replied Pawlenty uses his five percent budget cut figure in a somewhat misleading manner. He implies the cuts are only five percent but he is basing cuts on a city's entire revenue base which encompasses all funds, with the exception of the enterprise fund. He is including all debt service funds, and capital improvement funds. It appears that five percent is a very small amount but you can't expend all those funds, those funds are levied specifically for purposes such as debt service. You cannot expend debt service funds for general fund operations. Otto-Arvizu stated five percent of State aid would be completely different. Koopman replied that is the way Pawlenty is coming across to the general public. She stated it is Pawlenty's way of using statistics to say what he wants them to say. The impact would be devastating to all smaller cities in greater Minnesota. In Tracy the loss per capita would be \$184, in Granite Falls it would be \$197 and they have suffered three natural disasters in a five year period . Marshall would lose \$130 and Redwood \$156 per capita. In the metro area, Eden Prairie would lose \$36, Eagan would lose \$41, in Edina the loss per capita would be \$26 and Minnetonka would lose only \$37. Koopman stated in her mind it is hard to justify how the low wealth cities are suffering the brunt of this proposed budget while the wealthy cities have minimal cuts. In the meantime wealthy cities benefitted from the 2001 Tax Reform where only those properties with a value in excess of \$76,000 received a lower tax rate. If your property is below \$76,000 you stayed at the same rate. Koopman stated 80% of the homes in Tracy are below the \$76,000 tax rate so none of those residents

benefitted from the tax reform and yet are paying the bill because of a dependence on local government aid.

She doesn't think anyone would argue that Tracy has to absorb some of the cut and the City even tried to plan for that, but when the cuts are not distributed equally that's where the problem lies. Right now the proposed cuts are not an equal distribution. Koopman said she is not sure what the City would do because they could not levy enough to cover the loss. Otto-Arvizu asked if Pawlenty doesn't understand that a 5% cut in local aid is different than a 5% cut in total revenue. Koopman said she doesn't believe he wouldn't understand that, but she thinks what better way to get people's attention than to propose large cuts to cities, counties and townships. The City is facing a \$418,000 loss and maybe in the end we'll have a \$200,000 loss and be expected to think it's a bargain. There has also been discussion of strict levy limitations but they currently only apply to cities in excess of 2500 population. They've also discussed referendum and reverse referendum. Both of those play a factor on levies. If the City does levy the public could petition and reverse a levy or they could vote to increase the levy. There are so many unknowns it's difficult to know how to proceed.

The positive aspect is this is only the Governor's proposal but she felt the need to let the Council and the public know about the situation and encourage people to call, write, email or attend a public hearing at the legislative session. Koopman said the public is going to have to decide if they are willing to allow services to be cut. She informed the Council that the local legislators' names, phone numbers and email addresses are listed on the City website tracy.govoffice.com. Koopman stated last year she spent a considerable amount of time emailing legislators and did get responses back from most of them.

Otto-Arvizu stated she works with individuals who receive meals-on-wheels. Lola Cooreman who oversees senior dining has been calling everyone to get the word out because they are in danger of losing funding for that program. Otto-Arvizu added nursing home residents and those residing in assisted living communities are in danger of being affected by cuts. Byrne stated there may be some scare tactics in use but there is no doubt they will see cuts across the board. He added that Pawlenty is talking about moving some people out of nursing homes but he is also cutting assisted living programs and group home funding. Byrne said everyone in a nursing home is in need of specialized care so their needs are going to have to be met somehow.

Koopman said people cannot sit back and assume this is going to take care of itself. They need to voice their concerns. She added that she is amazed the State's budget is expected to increase by more than a billion dollars and yet everyone else is expected to cut theirs. The State is using the term 'making cuts across the board' but they are not proposing this in fair manner. Koopman said she is planning to attend a meeting in Willmar on February 25 hosted by the LMC and she hopes to get a little more insight, but wishes they would have waited until after the budget forecast which is due to come out next week. She added that legislators can't expect to get ahead on the budget without increasing taxes, if anything they should consider restoring the taxes that they gave away during the past four years.

Stobb asked how the 29% cut was calculated. Koopman replied 29% is the average of two years, proposed cuts would be 14.9% in 2003 but in 2004 proposed cuts are 38.5% which averages to 29%. She said the way Pawlenty's office makes it look like a cap of 5% or less on the revenue base or 9.5% of total City revenue. That percentage doesn't tell the true picture of the end result. Ferrazzano stated the budget cuts are very troubling and although there has to be some sacrifice everyone needs to be treated equally. From the figures given for Eagan and Eden Prairie that isn't happening. He felt they will be able to see if legislators care about out-state Minnesota based on their decisions. Ferrazzano felt the State Auditor from Eagan doesn't care about out-state cities. Fraser said the Auditor stated that rural Minnesota is wasting money. Otto-Arvizu said the State Auditor also indicated that libraries and parks are not essential services. Koopman said the statistics the Auditor used recognized the metro area that has independent commissions that levy separately and are not part of the total revenue, for instance the Metro Transit Authority which is a whole separate governing agency that takes care of airports and mass transit. These are things smaller cities have to include in their general fund.

Otto-Arvizu said she would support a day's visit to the Capital to attend public hearings. Koopman

said she would check into whether or not there are hearings scheduled. Ferrazzano said he would also be interested in attending a session. He felt it was a good idea for the Council to spread this information to Tracy residents. When people hear the numbers being publicized they don't think we'll be affected but we will in a big way. He added they should plan to get an update on this issue at each Council meeting.

There being no further business motion by Caron, second by Byrne, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

March 10, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, March 10, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, Greg Torkelson and R. Stobb. Also present were staff members: A Koopman and Jim Kerr.

Ferrazzano asked for any additions or corrections to the minutes from the February 24, 2003 City Council Meeting. There being none motion by Caron, second by Fraser, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Ferrazzano added an announcement that Representative Marty Seifert and Senator Dennis Frederickson will be attending a meeting in Tracy on Friday. All voted in favor of approving the agenda as now written.

Ferrazzano stated Representative Marty Seifert and Senator Dennis Frederickson will be at the Mediterranean Club on Friday, March 14 and will be arriving between 2:00 and 3:00 p.m. Ferrazzano indicated a need for as many people to attend as possible in order to hear Seifert's and Frederickson's budget proposal and to ask questions and express concerns. Ferrazzano said he would like all City employees to attend the meeting and asked for Council approval to allow employees to close City offices from 1:30 until the end of the day and attend with pay. Koopman suggested that offices could be closed at 2:00 since it doesn't take long to drive to the meeting and suggested that employees should return to work if the meeting finishes before 5:00. Stobb asked if the Department Heads could arrange for who will attend the meeting. Ferrazzano said he hoped they would realize the importance of the meeting and allow everyone to go. Otto-Arvizu suggested they assert that employees are required to show up at the meeting if leaving work. She said she would like to encourage them to go but not force them. She also suggested arranging for someone to keep the Registrar's Office open since people from out of town may need licensing.

Ferrazzano hoped that all Council members could attend the meeting. Stobb said he has an in-service Friday which hopefully will give more flexibility. Fraser and Byrne indicated they could not attend but the remaining Council said they could. Ferrazzano stated it was important for anyone watching the Council meeting to attend Friday's meeting if they were able.

Rick Robinson asked if there were any questions regarding his monthly report. Stobb said that he received a call at home about snow-plowing the streets on Saturday. He asked Robinson if he could make clear what snow removal policy is. Robinson replied they had started to plow the route at 9:30 a.m. but the weather service had indicated the wind was going to pick up. Later in the day it appeared the wind wasn't as strong as expected and they resumed plowing. Robinson added snow removal is more costly than people think, plus it takes a while for the downtown area which has to be wind-rowed and the snow removed with trucks. The City crew did wind-rowing during the day which usually isn't done. They don't load snow during day because of visibility problems when the snow-blower is unloading into trucks. The chance of sideswiping cars is great because of poor visibility. They also have to plow around cars downtown if plowing during the day knowing they will have to go back later to finish at night when the traffic is gone. Kerr said speaking as a resident the City crew didn't complete the snow route. Robinson replied on streets such as Easy Street, Otis Court, Circle Drive and Summit Avenue they can only take graders in because they can't turn equipment around. He stated normally those streets aren't plowed until evening hours.

Ron Radke asked if there were any questions regarding his monthly report. Ferrazzano asked if there is a reason some of money saving recommendations had not been implemented by now. Radke replied it was taking some time to get everything organized but everything will be done by Friday. Ferrazzano asked if Radke had heard anything about grocery stores being able to sell wine and beer. Radke replied at this time there was nothing at the Legislation regarding this issue and he personally thought wine in grocery stores was not going to pass this year. He added that the .08 blood alcohol legislation has passed a committee but it was his opinion that it won't pass this year either. Stobb said he understood it will eventually pass. Radke replied there are a lot of counties and cities calling because the financial burden will fall on them to prosecute violators. There are complaints that they will not be able to recoup the money it will cost to prosecute. Stobb said there is a lot of support for .08. Radke replied there is on both sides, but if there is no leadership on the issue with the legislation it won't go anywhere this year.

Hillger stated the Council had a copy of the Police monthly activity report. February was a standard winter month and they ended up with 21 ICR's. There were a couple other items over the weekend. Officers wrote four obstructing snow removal tickets and Hillger said he received a memo from Frank Nielsen regarding tickets written to the DM&E Railroad for blocking crossings for more than ten minutes. Apparently the DM&E is challenging the tickets claiming the State law they are written under is unconstitutional and the jurisdiction in this matter should be with some federal regulatory agency. So if complaints are received about the blockage of crossings and they say the police aren't doing anything about it, it is because they no longer have the authority to do so. Hillger said he asked Nielsen if a local agency could write a ticket under federal law but then it would have to be sent up to the federal attorney. Nielsen thought they probably could but may not get a response.

Robert Gervais asked if there were any questions regarding the minutes from the last two EDA meetings. Ferrazzano asked how the plans for the Sportsmen's Show were going. Gervais replied they currently have 54 vendors signed up. He added they went to the Sioux Falls sportsman show this weekend and talked with a few different vendors. Gervais said the weather will be the biggest factor. Stobb asked if they are advertising widely for the show. Gervais replied there will be 25 TV ads on Alexandria and Redwood stations, and over 2300 radio ads on local stations. They are also putting posters up within a 75 mile radius. Gervais said he has been receiving a lot of phone calls about the show, particularly the NASCAR simulator. He added at the last Council meeting they talked about the Marshall Home Show which is this weekend and said Ferrazzano had volunteered to work at the booth. Gervais said there was a spot open from 12:00 to 5:00 p.m. on Sunday. Ferrazzano stated he would be available.

Koopman reported that she had attended a meeting in Willmar regarding the Governor's budget proposal. She stated they were informed that the levy limits would apply to all cities under the proposal. In addition the Senate Tax Committee has adopted a bill that would freeze taxes which means the City could not increase taxes at all. This would not allow any kind of tax increase or even a bonding bill in the years 2004 and 2005. If this passes the City would not be able to do any street improvement projects. A salary freeze was also discussed at the meeting and another hearing was held by the Senate Tax Committee last Friday. Otto-Arvizu asked if this would apply to all public employees, no matter what contracts have been negotiated. Koopman replied there has been some

confusion regarding what it is going to entail. They were saying it wouldn't apply to contracts settled prior to February 1, 2003. In other words the freeze would apply to some employees and not others. Otto-Arvizu asked if that would mean if a two year contract were in place would the freeze apply to year two and not year one. Koopman replied nothing has been really clear.

Koopman met with the Department Heads and asked them to prepare a ten percent cut of their budgets. It is not going to be implemented at this point but cuts are inevitable we just don't know how much yet. Koopman said she wanted to give the Department Heads a chance review their budgets and determine what they could or couldn't cut. Some budgets can't be reduced by ten percent and some can be reduced by more. Ferrazzano asked if any Departments are implementing cost savings measures now. Koopman replied that she asked them to do is not make any unnecessary expenditures and to delay an capital expenditures.

Ferrazzano asked about the conference Koopman would be attending. Koopman replied it is the Municipal Clerks and Finance Officers Conference which is needed to get re-certified. Ferrazzano asked if it was a mandatory class. Koopman replied it's not mandatory but they need it in order to get re-certified and she and David Spencer are due for re-certification in 2004. They are required to have a certain number of continuing education credits. Otto-Arvizu asked where Koopman and Spencer are at with their hours now and if this is something they both need to do this year or if one can attend next year. Koopman replied she doesn't have the figures for hours with her but will to check into it. Ferrazzano asked how many credits are received from attending the conference. Koopman replied she wasn't sure.

Ferrazzano asked if the conference is put on by the League of Minnesota Cities. Koopman replied it is and added it is really the only conference she attends that is geared directly towards what she does on a day to day basis. They discuss changes in election laws and new legislation and they section out communities less than 2500 so it's not all metro-related. Otto-Arvizu asked how much it costs for each of them to go. Koopman replied with three nights hotel stay, food and conference costs she guessed roughly around \$400. Stobb said he would think that one of the crucial topics will be the budget. He also thought it was a smart way to approach the budget problem in asking the department heads to each cut ten percent of their budgets compared to what the State is doing in just slashing budgets indiscriminately.

Stobb stated he had to excuse himself from the meeting to attend a school board meeting. Kerr asked if Stobb could address the issue of the adult use resolution and emergency ordinance before leaving. Stobb said the purpose is to try and stay ahead of the ball game so the City of Tracy doesn't end up in a situation like other communities have found themselves in trying to enact legislation after an adult use establishment is in place. Stobb thought this was the right way to go. The emergency ordinance will eliminate the possibility of an adult based business occupying an empty building. It will give the Planning Commission time to research the issue and come up with recommendations for the Council. The ordinance can eliminate the problem for up to a year, and up to an additional 18 month extension, but it is not the answer to the problem. The Planning Commission has to come up with some zoning ordinance regulations because they can't prohibit adult use establishments but they can regulate where they can or can't be built. Kerr added the licensing aspect will also be addressed.

Ferrazzano stated there was a proposed resolution to authorize a study of appropriate controls for adult uses within the City of Tracy and a proposed emergency ordinance placing a moratorium on the siting of adult establishments within any zoning district of the City of Tracy. Otto-Arvizu asked if would basically be discussing where a strip club could be established. Ferrazzano replied they would also be dealing with other types of establishments such as adult bookstores, adult movies, etc. He asked if someone had recently expressed interest in opening an adult business. Koopman replied several years ago there was an indication of someone interested in opening a juice bar, she had started looking into the issue at that time and had given Jim Kerr some information. She was also approached by a concerned citizen about this situation happening in other cities. There have been incidents where an attorney will check a city's ordinances and someone will move this type of business in. Koopman stated she wanted to take a pro-active approach and ordinance would give time to do a study and decide if the Council wants to enact some type of legislation. Motion by Byrne, second by Fraser, to adopt a resolution authorizing a study of adult use establishments. All

voted in favor of the motion. (Res. No. 2002-5)

Motion by Caron, second by Byrne, to enact an emergency ordinance placing a moratorium on the siting of adult establishments within Tracy City limits. Koopman informed the Council that it is an emergency ordinance and becomes effective immediately if passed. All voted in favor of the motion.

Ferrazzano stated an application was received requesting a plumbing license from Dean Keiser, along with letters and a memo regarding the application. The issue at hand is Keiser does not hold a master plumber's license. Keiser addressed the Council asking if they would consider granting him a City license and provided some letters of recommendation. He felt he would be a welcome addition in the City of Tracy and a help to residents. Keiser stated he knows many people in town and it is often hard to get a plumber for things like sewer cleaning because their schedules are booked. He stated he has about 25 years experience in renovation and remodeling and has 10 to 15 years experience with plumbing and has worked under master plumbers. Keiser informed the Council he has obtained a \$25,000 plumber's bond and holds a half million dollar insurance policy. He also plans to spend \$3000 to \$3500 on sewer cleaning equipment. Ferrazzano asked if Keiser has ever thought about becoming a master plumber. Keiser replied it takes 5000 hours working under a master plumber to obtain a license and at his age it wouldn't be feasible. He added he has a lot of hours, just not accredited hours.

Fraser asked about the letters of recommendation from Marshall residents. Keiser stated he had assisted home owners with plumbing issues. Caron asked if the City has ever issued a license to someone without a master plumber's license. Koopman replied they hadn't and stated it was her understanding of the City ordinance that a master plumber's license is required. Roger Sax, who recently purchased the Cozy Grove Motel, thought the requirement of section 5.30 of the Tracy City Code is pretty clear and delineates between master plumber and someone who isn't a master plumber. It says no permit shall be issued to plumber who has not obtained a license, which refers to a Tracy license. The City Council would not have any discretion except to issue a license to master plumber. A master plumber can just pay their \$15.00 and they become a master plumber in Tracy. If an applicant is not a master plumber then it is up the Council to determine if they are capable of planning, supervising and completing a plumbing job. Sax stated Mr. Keiser has received a master plumbers code compliance bond for the State of Minnesota and according to state law anyone can do plumbing in a city with a population under 5000. He said Keiser was recommended to him and has been helping with all their hotel renovations. Sax stated the hotel needs extensive renovations and they were already two months behind on the closing for the purchase. He said when he took Keiser's plumbing plan to the State of Minnesota they passed the plan. The comment from the engineer who reviewed the plans was the plumber who drew them up must have a lot of experience. Sax stated he was not attacking the ordinance but feels the ordinance leaves it up to the Council to determine if Keiser should be given a permit.

Ferrazzano asked if the City doesn't grant a plumbing license to Keiser if Sax was still going to employ him. Sax replied he would because Keiser has a broad and deep knowledge of renovation. Kerr stated his memo addresses this issue and fortunately all previous plumbers requesting City licenses have been licensed through the State. He stated that only Section 2 of the ordinance was cited by Sax but Section 1 states that no person shall carry on the business of plumbing within the City without first obtaining a license. No permit shall be issued except to a master plumber who has obtained such a license. Kerr said the key sentence is, "Provided that one holding a State license shall not be required to take an examination in order to obtain a local license." He stated an examination is necessary and in his research there are only two cities, in the State, that give their own examinations, Minneapolis and St. Paul. Kerr's opinion is Sax was inaccurate when he concluded that the ordinance doesn't specify any particular procedure for the Council to make a decision regarding the qualifications of an applicant. The ordinance clearly requires passing an examination to obtain a local plumbers license and Keiser does not have a State license. The City has no standards, procedures or qualified personnel to conduct its own examination. Cost constraints would make this examination prohibitive. To make an exception and grant a City license without a master plumbers license would be an arbitrary act by the Council and could lead to liability exposure. Kerr said that Keiser had stated he has a half million dollar insurance policy but that could be only a contractor's liability policy.

Sax stated he thinks what Kerr has to say is it would be an inconvenience. He stated there is no question that the City can issue a license to someone other than a master plumber. The ordinance says the City cannot ask a master plumber to take an examination, it doesn't say that they have to ask anyone to take an examination. It says the Council must convince itself that Keiser is capable of planning, superintending and carrying out the duties of a plumber. Sax stated the buyers of the hotel are convinced he is. Sax said he doesn't doubt there are master plumbers here and he doesn't doubt that many would echo what Mr. Wood says in his letter, that they put in their time and became master plumbers. But that is not what State law says or what the surety bond says. Certainly the Council has a right to see the bond and ask for its own bond and to look at the contractor's liability insurance policy. It doesn't say that the City can arbitrarily decide that they cannot issue a Tracy master plumber's license to someone who doesn't carry a State master plumbers license.

Art Peterson stated he came to Tracy in 1959 and started working for master plumber Elmer Hansen and he started an apprenticeship under Hansen. When Hansen retired Peterson left, then came back to Tracy in 1970 as a journeyman plumber. In Peterson's opinion the ordinance has worked for 50 some years in Tracy and should stay the way it is. Caron's opinion was if the City has an ordinance and the Council deviates from that they are opening a can of worms and then where would it stop. Ferrazzano asked Kerr to explain how issuing a City license to an un-licensed plumber would open them up to liability. Kerr said for instance if something happens to a heating plant, carbon monoxide or an explosion, a plaintiff's lawyer would look at the qualifications of the one who plumbed it and it would be determined they held a City license. The lawyer would then look at the ordinance which clearly states an examination has to be given. Chapter 466, which is a total liability statute, states that liability exposure can take place with governmental functions such as licensing functions.

Sax stated perhaps then Kerr is suggesting that the ordinance should be abandoned. Kerr replied he didn't say that. Sax said the ordinance does not say some of the things Kerr had stated. If indeed by interposing itself between the populace and the State the City has taken on some extra liability then perhaps the answer is to get rid of the ordinance and let the State regulate plumbing. That would put the City in a position where the people who are qualified can perform plumbing because Tracy is a City with a population under 5000. Byrne stated the issue has gotten into a lot of legal jargon and he wasn't sure if he felt qualified to make a decision based on that. As much as he would like to see things go forward at the hotel he doesn't want to see any liability against the City.

Keiser suggested to simplify the matter, instead of issuing a blanket license for the City if he could get a temporary license to work only at the hotel. Kerr stated he would not recommend that. Byrne suggested another option would be if Keiser could find a master plumber to work under that would sign for him. Byrne asked Sax if he looked into any other plumbers in town. Sax replied he looked into but did not talk to any other plumbers. He added that he is sure there are a lot of jobs done where a master plumber signs for them but someone else without a master license does the work.

Ferrazzano stated since no motion was made a plumber's license will not be granted to Keiser by the City Council. He added that the Council doesn't want to put any hurdles in front of Sax in regard to the hotel and it is a difficult decision, but the City ordinance dictates that a license cannot be issued.

Brian Boit addressed the emergency snow removal parking ordinance stating that the City has been talking about budget issues but after the first snowfall this year his street was plowed twice after only two inches of snow and he ended up getting a parking citation. Boit said another thing that bothered him is the public wasn't notified until 8:00 p.m. that evening and he thinks that could be improved on. Caron stated the snow removal ordinance has been in effect since 1969. Koopman replied the ordinance was changed three years ago from restricting parking on streets from December 1 to March 1 to allowing street parking except when it impedes snow removal. Boit stated the plowing had already been done and questioned why it was done twice. Koopman replied she couldn't answer that. Boit felt it would have saved money and time to only plow once. Koopman replied if there is blowing or drifting snow it may have been necessary to plow again. Boit asked what constitutes an emergency snow removal and how much snow has to fall before it's considered an emergency. When he was ticketed there was only two inches, not even enough to go snowmobiling on, so he didn't consider it an emergency.

Ferrazzano asked when the police department decides to make a snow removal announcement.

Chief Hillger stated the decision to plow is up to the Public Works Director, there is no set amount of snow because the wind can bring in large drifts even if there is little snowfall. As far as plowing, for instance this past Saturday streets were plowed during the day and the City crew came back at night to clean up the spots where there were vehicles parked earlier. Robinson notifies Hillger about plowing during the week and on weekends Hillger notifies his officers. Announcements are put on cable television at 6:00, 8:00 and 10:00 p.m. Boit asked after the first snowfall if there was an announcement at 6:00 p.m. Hillger replied he wasn't sure. Boit thought the first time it was announced was at 8:00 p.m. and again at 10:00 p.m. and he was already sleeping. He felt the announcements should be put out earlier because he has work, kids and family activities and may miss the TV announcement. Boit stated his is a hard working family and they can't afford such fines. Ferrazzano asked how much the ticket was. Boit replied between two vehicles it was \$100. Hillger stated one of the tickets was dismissed. Byrne asked if a car was parked on street during the day and no announcement was made if parking tickets would be issued. Robinson replied there wouldn't be any tickets issued if announcement weren't first made.

Boit said he is an avid snowmobiler and when he was ticketed there was no snow. Byrne stated the term emergency is a matter of semantics. The City is going to remove snow so they call it snow emergency. Boit replied in his opinion there has to be snow in order to remove it. Byrne said in the same token even with two inches of snow if they hadn't plowed the City would have been getting calls about not removing snow and ice build-up. Boit replied with only two inches of snow he doesn't understand why the City plowed in the morning and again at night. Byrne replied he doesn't remember if there was blowing snow that day but that may have required them to remove snow again. Ferrazzano said the alternative is to restrict winter parking completely. Boit felt notices should go out earlier since a lot of people don't work regular daytime hours. Hillger stated they have generally been making announcements at 6:00, 8:00 and 10:00 p.m.

Robinson said another consideration is if a snow storm and ends around 7:00 p.m. the choice is to either go out that night or wait until the next day. In that case they wouldn't be able to announce snow removal any earlier. Boit asked if the City could at least reduce the fines if an early announcement is not made. Koopman replied the issue was discussed at length when the Council was going to change the ordinance and the responsibility falls on the property owner to remove their vehicles. She stated the only alternative is going back to no parking during winter months. Robinson added there are certain parts of town that collect more snow than others. Boit asked if they had to plow streets that have no snow. Robinson replied if plows are going down a certain route they may have to pass through a street where there isn't as much snow. Ferrazzano asked if notification was Boit's biggest complaint. Boit replied he feels if the City could make announcements earlier it would help people. Ferrazzano stated the biggest problem with City ordinances is notification, and no matter if the announcement is made three, four or five times, short of knocking on each door there will be people who won't get the message. He stated the Council appreciated Boit sharing his opinion on snow removal notification. Otto-Arvizu said there will be cases where the snow doesn't end until later in the evening and plows don't go out until after midnight so notification will be late, but most people in Tracy are geared towards weather watching. Boit stated it was the very first snowfall of year and since there wasn't much snow he wasn't thinking it was an emergency snow removal.

Koopman stated the Board of Equalization would meet on Thursday, May 1 at 7:00 p.m. Byrne volunteered to be on the board. Ferrazzano appointed Byrne, Torkelson and Fraser to the board. Fraser asked where they would meet. Koopman replied in the Council chambers.

Motion by Fraser, second by Torkelson, to renew the Tracy City Cemetery Groundskeeper's contract with Thad Lessman. All voted in favor of the motion.

The Consent Calendar included the following: Planning Commission minutes for February 3 and March 3, 2003; Economic Development Authority minutes for February 14 and February 21, 2003; Cemetery Commission minutes for February 20, 2003; Multi-Purpose Center minutes for February 10, 2003; Municipal Accounts Payable; Police maintenance log; and Police activity report. Motion by Caron, seconded by Byrne, to adopt the above listed items. All voted in favor of the motion.

Ferrazzano reported a letter was received from the Tracy Community Band thanking the City

Council for the contribution to their trip to Washington D.C. The Council also received a letter of thanks from the Southwest Minnesota Foundation for the City's donation.

Ferrazzano said he had thought about getting Council approval to send a letter to Governor Pawlenty inviting him to a meeting in Tracy. He asked if the Council felt it was worth the effort. Otto-Arvizu suggested letting Pawlenty know they would invite other area cities to attend. She added that she thought the Council was going to be informed about other possible meetings to attend. Byrne asked if there was a day rural communities could attend a legislative session. Koopman replied there is but it already occurred in January and she hasn't heard about any other meetings.

Ferrazzano stated the School Board had sent a letter asking if a Council member would participate in the interviews with School Superintendent candidates on March 12 and March 14. Otto-Arvizu volunteered to attend.

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

ATTEST:

City Administrator

Mayor

March 24, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, March 24, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, Greg Torkelson and R. Stobb. Also present was staff member: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the March 10, 2003 City Council Meeting. There being none motion by Fraser, second by Byrne, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. There being none motion by Stobb, second by Caron, to approve the agenda as written. All voted in favor of the motion.

Steve Johnson, the Assistant Lyon County Engineer, presented plans for the bike trail to be built in Tracy this summer. He wanted to bring the Council up-to-date on the bike trail and stated that a resolution is required from the Council for the work to be done on County Road 11. Johnson indicated the plan was generally completed and was preliminarily approved by MnDOT in Marshall. He is in the process of sending the plans up to the Twin Cities for federal approval which needs to be done by April 15. Johnson stated at the area on County Road 11 where the curb and gutter stops they will have to widen the shoulder. He added the bike trail can only be used for pedestrians and bicycles, no motorized vehicles so the City will have to have the police patrol the trail once in a while.

In order to save some trees, plans are to move the service road over in some areas near Swift Lake Park. Engineers tried to make the trail wind a bit to make it more interesting and it will run near the fishing dock on Swift Lake so people can access the dock easily. The City had requested the trail stay away from camping sites so campers aren't disturbed and it will follow the dirt maintenance road. The trail will incorporate about 5.2 acres currently being farmed. On the east side of Swift Lake Park there is an area of water run-off that brings dirt and water over the service road. It was decided to plant a 50 foot strip with wild prairie grasses to help filter water and dirt before they reach the trail. Byrne asked approximately how long the total trail is. Johnson replied the portion running north and east of the park is just about a mile long.

Johnson stated Center and Pine Streets will be painted for bike route designation and South Street must be designated no parking on the south side to comply with State law. The project costs are estimated to be about \$135,000 and Johnson hoped they estimated high so actual costs would come in lower. He said Tracy's portion is 20%, about \$27,000. The resolution he had referred to was to approve work to be done on County Road 11 within City limits. Stobb asked if no motorized vehicles included snowmobiles and ATV's in winter. Johnson replied no motorized vehicles are allowed at all. He added once Lyon County finishes the trail the City will be responsible for maintenance, such as overlays and repairs. He is going to try to stretch out the completion date as far as possible which should give a better chance to get a lower bid. Johnson asked when the City would like the project finished. Koopman replied by Labor Day weekend would be ideal. Byrne asked when project approval and bids will be received. Johnson replied by June and stated another issue is the County doesn't know much about prairie grasses and is relying on what the DNR has said about when and what to plant.

Hillger asked if Johnson was aware of any State laws for enforcing no motorized vehicles. Johnson replied it states under contract that no motor vehicles allowed but he will find something to assist Hillger in enforcing this. Hillger asked if it would make any difference with the trail running on South Street when they close a portion for Box Car Days. Johnson replied that wouldn't be a problem. He said the County will also need to know where farm vehicle crossing spot will need to be. Robinson stated a spot had been marked off where it will need to go.

Ferrazzano asked if the money for the project is available. Koopman replied it is. Ferrazzano asked when the project was expected to be done. Johnson thought by the first of October but a lot of that will have to do with the bidding. Stobb said with the budget concerns he thought they should take whatever completion date is to the City's advantage. Johnson stated this is a new design for the County and they are on a learning curve with this project but it will a fun experiment and it will be easy to check and double check compared to old type of design. He added on the plans where a letter "S" is printed it indicates where stockpiles of black dirt will be located. The City crew can haul this dirt away for use by the City. Stobb asked how far the trail ended up away from the camping area. Johnson thought about 50 feet. Ferrazzano read the resolution authorizing work to be done on County Highway 11 within the Tracy city limits. Motion by Caron, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2002-6)

Shorty Engel presented his recommendations for Aquatic Center fees for lessons, season passes and rentals. Ferrazzano asked which option Engel was recommending for season passes. Engel suggested Option B before April 25, 2003 and Option C after April 25. This date is the deadline for registration for swimming lessons. The options listed were based on projections. Stobb asked how close projections get to the estimated costs for this season and if concessions revenue would cover the gap. Engel replied he thought it should. Otto-Arvizu stated Option B is actually what was proposed for last years prices, but last year they were concerned with costs being too high and hoped to draw more season ticket holders with lower prices. She added they were basing this on the number of tickets sold last year. Otto-Arvizu said there was a church that donated a number of passes last year. Engel said Homer Dobson had donated \$3000 in coupon books.

Fraser asked if there will be a registration day. Engel replied on April 23, 24 and 25 there will be registration for lessons and season passes. The committee also discussed having a mail-in registration form for those who can't attend in person. Ferrazzano stated the Option B prices for season passes are \$130 for non-resident families, \$80 for resident families, \$90 for non-resident singles and \$50 for resident singles. Otto-Arvizu added they have a grandparent pass available as well. Caron asked if there was a grandparent pass available last year. Engel replied it wasn't available when the pool first opened but he had a lot of requests for it. Stobb felt having registration in April will get people thinking about swimming but for the procrastinators he asked if it would be a good idea to delay the fee increase until the first part of May. Koopman replied they will need a specified cut-off date for lessons. Stobb said he was just thinking in terms of season passes and suggested May 1 as a cut-off date. Byrne suggested May 10 since the 1st is only a week after the registration days. Otto-Arvizu stated if lessons are registered and paid for by April 25 there is no penalty. She added a season pass can be purchased after that date but it will have to be purchased at the City office. Otherwise they can purchase a day pass and pick up an application at the pool to mail in or drop off at the City office.

Caron asked if there will be any adults working at the pre-registration days. Engel replied he will be there with probably three other adults and added Community Education is going to hold their registration for summer programs at the same time. Motion by Byrne, second by Stobb, to approve the Pool Committee's recommendations and increase the season pass fees after May 10. All voted in favor of the motion.

Mark Evers, the Chamber of Commerce Chairman, stated with the new Governor's deep budget cuts the Chamber realizes that one position that is vulnerable is the EDA/Chamber Director's job. Evers said Chamber members wanted to speak on behalf of Gervais and stress the importance of this position. Evers read a letter from the Chamber Board of Directors in support of Gervais listing several projects Gervais is working on. Evers stated the Chamber wanted the City Council to know this is one spot they wanted saved from the chopping block.

Gervais presented a request by the Chamber for a street closure on Morgan Street between 3rd and 4th Streets on Friday, April 11 from 4:00 p.m. to Saturday, April 12 until 8:00 p.m. to accommodate the Sportsmen's Show in order to park RV's, boats, campers, and ATV's. He also requested this street be closed on Friday, June 6 from 3:00 p.m. to Saturday, June 7 until 1:00 a.m. to allow for a street dance. Byrne assumed since this has been done in the past it's not a problem for police. Hillger replied it wasn't. Motion by Stobb, second by Torkelson, to approve the requests. All voted in favor of the motion.

Evers stated the Minnesota Waterfowl Association would be holding a banquet in the Prairie Pavilion on Saturday, April 26 and would like to have a raffle for prizes. He requested approval of a gambling license for the raffle. Motion by Stobb, second by Byrne, to approve the license. All voted in favor of the motion.

Koopman informed the Council that Thad Lessman had reapplied for his position on the Police Commission. Ferrazzano reappointed Lessman to the position.

Applications for City license renewals were received by the Tracy Eagles Club for a Private Bottle Club license and from Tracy Lanes and Sanders' Eastside for a Set-up license. Motion by Fraser, second by Caron, to approve the license requests.

A Plumber's license application was received from Sahlstrom Heating, Cooling and Refrigeration. Motion by Byrne, second by Fraser, to approve the license request. All voted in favor of the motion.

Koopman reported the MCFOA conference she attended last week was one of the better conferences she had been to. Both she and Dave Spencer wrote a memo regarding the sessions they attended. Koopman stated the session with the most merit she attended was what other communities are doing in anticipation of the budget cuts. She said the LMC will be printing out a complete list of the suggestions and actions of other communities broken down by City size. Some of the ideas included:

- Increasing fees
- Delaying cap improvements
- Sharing services with other communities
- Increasing citizen participation/volunteers
- Limiting overtime/use of flex schedules
- Try to coordinate on projects with other communities or the county

Ferrazzano asked what a flex schedule is. Koopman replied instead of working strictly 8:00 to 5:00 for instance if snow removal is planned for midnight the City crew would just go home and then come back instead of working a full day. This way the hours would be flexible depending on the work load. Koopman said some cities were going to be cutting EDA. Another suggestion was to cut non-essential hours, like the library, but Tracy has already cut library hours.

Another interesting idea depending on whether the State imposes either a tax freeze or a levy limit was to do a special assessment for street lighting. The City spends roughly \$28,000 for street lighting. The City could appropriate a certain amount on each utility bill rather than paying it out of the general fund. The disadvantage is only those people hooked up to utilities would be paying,

taxpayers as a whole would not. A hiring freeze was another suggestion.

A hot zoning issue was adult businesses which Koopman thought was interesting since it was discussed at the last Council meeting. She attended one session regarding health benefits, which is another area that can be explored. Stobb asked if other cities were talking about completely cutting their EDA or just reducing it. Koopman replied some planned to completely cut in looking at essential versus non-essential things. Her opinion is that would be like cutting the hand that feeds you and to her knowledge it's not been discussed among Council members.

Koopman said as she had discussed at the last Council meeting she met with Department Heads and had them propose ideas to cut their budgets by ten percent. She suggested they go ahead implement these proposals. She had previously thought to wait until legislators make their decision but in order to save some money now it would be a good idea to make cuts. Ferrazzano asked if the ten percent would be what each department would do if the Governor's proposal goes through. Koopman replied it was and apparently a lot of communities are not concerned with the Governor's budget cuts. At the conference there was also talk of softening toward the concept of the Governor's proposal. One positive point is Wednesday, April 9 is going to be Capital Day where city representatives can attend a legislative session. City officials can attend and it was suggested to invite a local business owner and a member of the community to attend and express their opinions. Koopman said she needs to get a count ahead of time of who would attend. Ferrazzano asked if those attending are supposed to get a set time to meet with legislators. Koopman replied the only similar meeting she has attended was a group meeting but for something like this she will try to make appointments with legislators.

Ferrazzano asked if they could make an appointment with the Governor since he still hasn't responded to the Council's letter. Koopman replied she wasn't sure if the Governor would be attending or not. Ferrazzano asked if everyone could let Koopman know by tomorrow if they can attend the Capital Day.

Stobb asked if the quarterly Council pay could be withheld until they find out what the legislators are going to do. He said if they are going to be cutting the budget in all other areas they had better be cutting at the Council table too. Stobb made a motion to postpone payment until the legislation makes its budget decisions. Ferrazzano suggested they could cut ten percent like the other departments. Stobb replied it wouldn't be much of a cut and for the Council this pay is not their livelihood and for City employees it is. Byrne seconded the motion. Ferrazzano asked if Stobb wanted to delay until around May or June. Stobb replied they should know by then. All voted in favor of the motion.

Koopman presented a resolution to approve a Highway 14 beautification project through MnDOT and to name a contact person. She said this project is funded entirely by a grant and doesn't require any funding from the City. The City will only be required to do the planting and maintenance of the project. Caron asked who would be doing that. Torkelson said he had talked to a City Council member from Walnut Grove who did a similar project and they have volunteers or property owners taking care of it. Koopman said volunteers are a great idea but they would need someone to coordinate it. Revitalization Committee members had discussed this issue and there is a master gardeners program that is always looking for projects. She said based on past experience some property owners will take care of maintenance and some won't. Caron asked when the deadline for applying is. Koopman replied there is no deadline but they want to get it in soon enough for this planting season. Caron said his concern is he doesn't want to apply and then say because of the project the City needs to keep the City Gardener's position with the budget concerns. Koopman felt they would be able to find volunteers for maintenance if that was the case. Motion by Stobb, second by Fraser, to approve the application. Upon roll call voting in favor of the motion were: Byrne, Fraser, Otto-Arvizu, Torkelson, Ferrazzano and Stobb. Voting against was: Caron.

The Consent Calendar included the following: Fireman's Relief Association minutes for March 3, 2003; Municipal Accounts Payable; Multi-Purpose Center minutes for March 10, 2003; Economic Development Authority minutes for March 7, 2003; and the Water and Wastewater report for February. Motion by Byrne, seconded by Caron, to adopt the above listed items. All voted in favor of the motion.

Hillger stated he would like to withdraw his letter of resignation as Civil Defense Director. He talked with Tammy Vanoverbeke, the Lyon County Civil Defense Director, last week who convinced him to stick with it. However Hillger stated putting the Civil Defense Director duties in his job description is in violation of an existing City ordinance. The ordinance says the mayor has the power to appoint the Civil Defense Director. Hillger asked if it automatically falls into the Police Chief's job description how can the mayor appoint the position. The ordinance also says the mayor shall appoint a Civil Defense Committee and the Civil Defense Director shall serve without pay. Ferrazzano asked if Hillger wanted it taken out of his job description. Hillger said he thinks it should be or the ordinance needs to be changed.

Ferrazzano asked when the Director's job was combined with the Chief of Police position. Koopman stated she didn't go back into the archives to check but she would almost guarantee it has been in the job description since 1990. The Police Chief has been appointed to that position since 1990. As far as appointing the position she said her job is appointed annually as well. The purpose of a job description is to define duties. As a Civil Defense Director there are defined duties and she questioned why they would not want that in a job description. Hillger said he doesn't believe Koopman's position is created by ordinance and the Civil Defense Director position is. Koopman replied her position is created by ordinance. Byrne said he thinks the issue is not whether there should be a job description about the Civil Defense Director does but whether it should be included with the Chief of Police job description. Koopman said what the Chief's job description simply says is to perform all duties of Civil Defense Director.

Caron said the ordinance says the mayor is to appoint a Civil Defense Committee. Hillger needs to work with VanOverbeke who is certified as the Civil Defense Director of Lyon County then the committee and Hillger can keep everything up to date. Ferrazzano said he would like to get the issue resolved and he would like Hillger to remain Civil Defense Director. He asked if the Council wants the position to remain in the job description or separate. Otto-Arvizu said she hasn't seen the City ordinance but if it says it is a volunteer and unpaid position it probably shouldn't be in the job description. Ferrazzano suggested they get a copy of the ordinance to review it and make a decision at the next Council meeting. Stobb said he would guess the ordinance was there first and when it became a compliance issue the position went into the chief's job description. He agreed they should look at the ordinance. Ferrazzano asked if the Council wanted to go ahead and establish a Civil Defense Committee. Stobb said the nice thing about having the Chief as the Civil Defense Director is he is almost always in town, but even he goes on vacation and the committee would be there as a back up. Byrne said a committee would provide some support so it wouldn't be such a difficult task.

Ferrazzano asked if the ordinance says anything about the number of people on the committee. Hillger replied it doesn't, it says the mayor can appoint anyone from any City departments and from any other units outside of City government such as the hospital, school and nursing homes. He said there is an informal committee for Civil Defense and he can get the names of those who have participated by the next meeting if the Council wants. Ferrazzano asked if Rick Robinson, Torkelson and Caron if they would serve on the committee and they all agreed. Ferrazzano said he would serve on the committee as well. Hillger suggested having someone from outside of the City. Ferrazzano thought they should have people apply for committee if looking outside City government. Stobb said the ordinance says committee members are appointed so he didn't think applications were needed and said it would be wise to have someone from the hospital and school on the committee. Byrne said since he works at the nursing home he should also be on the committee.

The remainder of the meeting was closed to discuss pending litigation.

Motion by Byrne, second by Caron, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

April 14, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, April 14, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, G. Torkelson and R. Stobb. Also present was staff member: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the March 24, 2003 City Council Meeting. There being none motion by Caron, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (5E) the purchase of a scoreboard and (6E.3) a letter from the Department of Trade and Economic Development. Motion by Byrne, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Koopman reported that PeopleService Inc. has chosen to waive their rights to a consumer price index increase as indicated in the provisions of the Operations and Maintenance Agreement with the City. Motion by Caron, second by Fraser, to approve that change to the agreement. All voted in favor of the motion.

Rick Robinson presented a plan to improve the campground facility at Swift Lake Park using Public Works employees. There are eight sites existing with four electrical and at present they are too short and narrow to accommodate campers. The largest pickup/camper combo is 55 feet long. Robinson stated as long as the bike trail is being constructed this summer he would like to extend sites to the south and make them wider. He would also like to improve the method of camping fees collection and raise rates to \$15 for electric sites and \$8.00 for non-electric due to the improvements. Currently the City raises \$1400 per year on average. The improvements would provide eight non-electric and 15 electric sites. Byrne asked what Garvin and other similar campgrounds currently charge for electric sites. Robinson replied \$15 and said he has checked around at other campgrounds in regard to fee collections. Others have a card posted with the site number and date written on them and someone goes around daily to check the dates to make sure the fees have been paid.

Robinson stated they would have to start from scratch to establish the sites and they would try to save as many trees as possible. New sites will be 40 feet wide by 70 feet deep and level gravel pads will be placed. This year he would like to start by establishing 13 sites with seven of them with electrical capability. Robinson asked for \$4000 from the General Fund to start the project which

would get electricity to seven sites and provide enough gravel for 15 sites. Then the money collected from camping fees can be used for future improvements. Future sites would be placed to the east and would be drive through sites for larger campers to reduce the need for backing up. Robinson thought this would be a money generating idea. Camping is popular activity and he felt with a proper facility the City could generate more revenue.

Stobb said the two complaints he had heard besides the length and width of the sites was that they need trees and shrubs planted between the sites. He asked how much wider sites will be. Robinson replied almost twice as wide as the current sites. He would like to work on planting trees in the future but funds aren't currently available. Stobb asked if the campground will be closed while doing the work. Robinson replied they would have to close portions of the campground as work progresses and will have to work on the project as the crew has time. Stobb felt the campground needed improving and asked where the funds would come from. Koopman replied the City has been collecting fees over the years without making any improvements so the money would come from the general fund. They also have the Other Financial Uses fund of \$15,000 available.

Otto-Arvizu felt \$4,000 was not an unreasonable amount of money to get the benefits from it. Robinson said the labor and equipment would be provided through Public Works and he looks at this year as a break even point. Koopman replied since the City has collected camping fees over the years they would not technically be using tax payer monies for improvements. Otto-Arvizu made a motion to authorize \$4000 for the improvements. Robinson said he checked around and the Plum Creek campground collected \$22,000 last year in camping fees so money can be made. Otto-Arvizu said with the aquatic center they have another attraction. Byrne seconded the motion to authorize the improvements and all voted in favor.

Bill Tauer reported about two weeks ago the Milroy softball team asked if Tracy was interested in purchasing a used scoreboard for the softball field. He said the softball and baseball teams were willing to work out some kind of deal for the scoreboard. The total cost is \$500 and Milroy was going to provide the majority of the cable that would be needed. Someone would also have to pick up and install the board and hopefully they can get volunteer help to install it. Tauer asked if the City would be willing to pay \$250 of the total cost. He felt it would be a nice addition and added the school's pop contract is up soon and they had talked previously about getting donation from a pop company for a scoreboard. Tauer said the school would like to look at getting two scoreboards in the softball field in order to host tournaments and they have an opportunity to get a board that works for a very reasonable price. Byrne said this would allow Tracy to host sections. Tauer stated Tracy is centrally located and the league is always looking for someone to host section tournaments but there are some minimum requirements which include two scoreboards. He thought they could maybe host next year or the year after. The softball and baseball teams are willing to contribute and Tauer would also be contacting Community Education.

Otto-Arvizu asked if the City could help to dig post holes. Robinson replied the City usually rents a post hole digger from Morey's Small Engine. Tauer added they would need telephone size poles and so would have to contact the electric company. Byrne stated Excel would probably donate that work as they are usually good about public projects. Tauer said Wabasso is also interested in the sign but Milroy wanted to offer it to Tracy first since they work jointly. Motion by Byrne, second by Stobb, to approve \$250 for the scoreboard. Tauer added a brand new scoreboard with these features would cost \$3500 to \$4000. All voted in favor of the motion.

Ferrazzano reported that he had received a helpful list of people who might be good candidates for the Civil Defense Advisory Committee from Chief Hillger. He asked if Hillger had a chance to get hold of any people on the list. Hillger replied he contacted about one-third of them before he was called away. The list included:

- Dennis Vandeputte - Fire Chief
- Dave Vogel - Assistant Fire Chief
- David Spencer - Finance Director
- Gary Garrels - Building Inspector
- The new School Superintendent
- Bob Bruder - School Transportation Superintendent

Charlie Deschepper - Ambulance Service Manager
 Renae Rosenberg - Tracy Ambulance Service/Tracy Hospital
 Tennes Eeg - Tracy Nursing Home Manager
 Dan Reiner - Hospital Administrator
 Sally Reese - Tracy Hospital
 Sheriff Joe Dahl or designate
 Tammy Vanoverbeke - Lyon County Civil Defense Director
 Al Deming - Aquila
 Keith Raymond - Xcel
 Red Cross Representative

Hopefully the Council will know by the next meeting who would be interested in participating on the Civil Defense Committee.

Claire Hannasch submitted an application for a vacancy on the Planning Commission. Motion by Byrne, second by Stobb, to appoint Hannasch to the position. All voted in favor of the motion.

Bob Gervais presented a request for a temporary dance and temporary liquor license for the June 6 Chamber of Commerce Street Dance. The Chamber has turned this into a day long event by adding a City wide rummage sale along with the Firemen's annual pork feed. The Tracy Community Band will also be performing in Central Park. Motion by Stobb, second by Byrne, to approve the license request. All voted in favor of the motion.

Tony Peterson presented a revised copy of the Firemen's Relief Association Bylaws. He included a copy of the Fire Department Bylaws as a courtesy stating the Council need only act on the Relief Association Bylaws. Peterson asked if there were any questions and said he wasn't sure if the changes to the statutes would have to be reviewed. Stobb said he didn't see anything that didn't look proper. Motion by Fraser, second by Torkelson, to approve the Relief Association Bylaws with the condition that the City Attorney look over the statutes. All voted in favor of the motion.

Nicole Larson thanked the Council for the opportunity to do the City Audit and thanked the staff for their assistance in gathering information. She said the report is intimidating in size so she would highlight a few pages. Pages two and three are the independent auditor's report which is Kinner & Company's opinion of the financial status of the City of Tracy. It includes a statement that water and sewer improvements made prior to 1985 are not recorded as fixed assets because the historical costs are not available. Page four is an overall balance sheet as of the end of December 2002. Total assets are down this year about \$490,000 primarily because quite a bit of cash on hand was used to do a lot of refinancing and paying off of long term debt. Cash was also used for the pool and street projects. While assets were down \$490,000 liabilities were down \$364,000, about four percent.

Page five is a combined statement of expenditures and revenues showing profit and loss. The Debt Service Fund shows a deficit amount in spending primarily due to all the refinancing and debt payment done in 2002 which shows up as an expense. The City does have a significant amount in cash on hand, over \$4.0 million which the City is very good at maintaining. Staff is also good at keeping sufficient collateral so the City is not at risk of losing of those funds. Page 21 shows Notes to Financial Statements. Starting the end of 2001 through last year the City worked on the refinancing of bonds and was able to reduce interest rates. Previous rates of between 3.6% to 5.7% were dropped to between 2% and 4% on one bond and a couple other bonds saw a significant reduction in interest.

Larson next referred to the graph reports which summarize the big reports. The graph for revenues shows an a slightly larger increase in 2002 for Local and County Revenue which is primarily due to the pool levy. The Intergovernmental Revenue was affected by a new program called Market Value Homestead Credit whereby the State pays a portion of property taxes on certain properties with certain market values.

Sales show an increase but Larson pointed out that expenses were up in most areas as well. She suggested looking at rates so the City doesn't find itself staying in this trend. Miscellaneous Revenues were down which is where interest income is categorized falls so the decrease can be

attributed to reduced rates. There were also more pool donations in 2001 than in 2002.

On the Expenditures and Expenses graph the Debt Service more than doubled due to the refinancing that was done which shows up as an expense. The Operating Expenses show a larger increase but there was a new fund created to show pool operations and the pool operated at a loss last year.

The Assets graph shows there were not a lot of changes. The Liabilities graph at first appears to be a larger increase but actually only increased about \$4,000. Accrued salaries are up because there was one extra day picked up in the payroll schedule because of timing so looks like an increase. This will happen again for the next couple years then it will fall off.

Otto-Arvizu asked about the deficits Larson referred to and her recommendation to start increasing rates. Larson referred to page 111 in the report. There are only two funds on that page that have deficit balances, the 5th Street Apartments and the aquatic center. Several operating transfers are at losses because of reduced net income in 2002. Otto-Arvizu stated for instance the Utility Surcharge Fund keeps replenishing and asked if it was reduced because of project costs. Dave Spencer replied payment for a bond with State of Minnesota for the storm and sanitary sewer separation project was the biggest liability withdrawn from the Surcharge Fund. Koopman added just a portion of the bond payment comes from that fund. Spencer stated the Surcharge is an ongoing assessment plus the amount charged on utility bills but the money is not recorded as an asset yet because it hasn't been collected. A transfer is done just once a year.

Larson said most of the net incomes are down and a lot of the contracted services are up from last year. Otto-Arvizu asked about the deficit for the 5th Street Apartments. Larson replied rent collected was down about \$1800 from last year due to lower occupancy. Spencer added when the bonds put together for the apartments they were done on the assumption they were going to be occupied all the time. He mentioned the situation to the EDA Board at the end of the year because in 10 years the cash reserve would be depleted if the trend continues as it did in 2002. Otto-Arvizu asked how much longer they have to pay on the bonds. Larson replied they were scheduled to be paid off in 2027.

Fraser asked why there was a deficit for refuse collection. Spencer replied there was a error that was caught this year. At the end of the year they were picking up only one month instead of two. He said if you look back over the last 10 years at some point there would be an increase in revenue by that same amount. collected. Larson added refuse collection should break even in 2003.

Spencer stated there are a couple items not previously seen in the budget which was done to see a separation of the pool money. When a Construction Fund was set up it was assumed the money would be in and out. They didn't figure on the delays and liquidated damages. In order to keep better track of the money they decided to separate out the Operating fund as well as the donations and the debt for the money borrowed from the hospital fund. Larson stated there are currently four funds related to the pool: pool operations, a debt service fund for the G.O. Bond, a debt service fund for the inter-fund loan, and the construction fund. When litigation is finished the construction fund will be closed out. Spencer said one other thing in the report that hasn't been seen before is when they started the market value homestead credit program there was a mad scramble by cities to find out how to handle the money. The best advice at the time from State auditors was to treat it as if it were tax money received from the county. When the specifications came out as far as reporting requirements the State wanted to see it reported as Intergovernmental Revenue. It never got posted on the books that way but shows up on the financial report as a separate line item. The tax amount shows up as underbudgeted but the extra line item shows up to counterbalance it. No action was taken.

Rick asked for any questions regarding the March 2003 Public Works report. Stobb asked if the damage from water to the Multi-Purpose Center from the roof leaking was very bad. Robinson replied the upstairs was worse. He said some water did made it down to some of the new ceiling panels. Fraser asked if the roof has been a continuing problem. Koopman replied they hopefully have a solution included with the agenda.

Robinson said the new bathrooms in Central Park were opened last week and the very first day vandals plugged up the stools, urinals, and drains plus damaged a lock. Public Works built some new

garbage containers for the park that were cemented in but it looks like they aren't being used because there is garbage all over the park. Otto-Arvizu asked if it would help at all to have some walk-throughs on regular basis by police. Hillger replied he has had officers doing that for the last couple years. The City goes through this every year and he has talked to Scott Loeslie, the Elementary School Principal, about holding an education seminar for students. Hillger said unless they have volunteers patrolling the park it will be difficult to eliminate vandalism. Plus he currently has one officer out on indefinite sick leave. Otto-Arvizu asked if they could ask those living around the park if they see anything suspicious to call in and report it. Hillger replied he tried that two years ago and either talked to surrounding residents individually or left a flyer. He had one resident who called consistently any time there were any kids in the park but no other calls.

Ferrazzano said he assumes this damage happens at night and asked if the bathrooms could be locked at night. Hillger said there is a park curfew of 10:00 p.m. Robinson said Public Works employees could open the bathrooms in the morning but are gone at 5:00 p.m. Ferrazzano asked if the police could lock them at dusk. Koopman asked what would be done about weekends, if the person on call would have to open the bathrooms. Robinson said the person on call may come in anywhere from 8:00 to 10:00 a.m. Byrne asked if the police could open them. Hillger replied he doesn't have someone on duty until 9:00 a.m. on weekends. But if he is short an officer there might not be anyone on until 11:00. The night shift officer is until 7:00 a.m. on Saturdays and on Sunday until 5:00 a.m. Koopman said they could have officers open the bathrooms when they are going off duty as it isn't a likely time for vandalism to occur. Ferrazzano said the bathrooms will be closed at dusk and opened at 8:00 a.m. on weekdays and when officers go off duty on weekends. He added if there are complaints these are the steps the City has to take to reduce vandalism to costly facilities.

Ferrazzano asked who donated the windows for the airport office. Robinson replied he thought it was Bill Baxter.

Ron Radke asked if there were any questions regarding his monthly report. Byrne asked if there had been any comments on letting the assistant manager go. Stobb said he had gotten one comment about the Council's approval to cut the assistant manager but to his recollection when the Council approved the reduction there was no mention of names. Radke said he doesn't recall exactly how the letter was worded but it basically said the Liquor Committee and the Council approved a reduction of expenses.

Byrne asked if the cooler had been fixed. Radke replied it had and said the last compressor had been installed in 1974 so it had a long life. Byrne asked if the Sportsmen's Show had increased traffic in the Liquor Store. Radke replied it had.

Bob Gervais stated the EDA had a good month and last week was especially good. He is confident they have sold the spec house and received word that Tracy had received the Community Block Grant which he hopes will draw in new business. The EDA has collected some money on a delinquent loan so there is only one outstanding loan. Gervais reported the Sportsmen's Show was very successful and 4291 people registered at the door. This figure doesn't include the people that didn't register so they are planning to hold the show again next year.

Gervais reported that he, Koopman, Byrne, Caron, Sheila Leonard and Deb Chukuske went to the Twin Cities and met with Representative Marty Seifert, Senator Dennis Frederickson and several representatives from the LMC. Gervais stated he was able to gather some information to put together a proposal for a privatized prison he would like to see located in Tracy. Seifert seemed confident the bill allowing privatization would pass and also seemed confident a prison could come this way. Gervais said it would not be a geriatric prison but rather a short term offender prison which would be a 600 to 800 bed facility with the possibility of adding a 200 bed wing to house inmates brought in from Lyon, Redwood, Murray and possibly Cottonwood Counties since Tracy is located at the corner of these counties. Gervais said he has started some work on the project and has sent a letter to the Department of Aeronautics asking them for information regarding flight paths because a site they are looking at is in the industrial park. He has looked to Rick Robinson regarding water and sewer requirements and has touched base with Xcel Energy. Gervais needs to get in touch with Aquila regarding natural gas and will need to contact some telecommunications companies. It will be his priority over the next few weeks to put together a proposal package to try and get a facility

located in Tracy.

Ferrazzano thanked Gervais for all the work done on the Sportsmen's Show and asked him if he could recognize some of those who had worked on the show. Gervais replied the committee had worked very hard on the project and included: Bill Chukuske and Ron Koopman were co-chairs, Bryan Hillger, Joe Deschepper, Dan Anderson, Kim Daniels, Keith Peterson, Don Polzine, and Dave Spencer. Gervais thanked Ferrazzano, Caron and Byrne for helping to set up and tear down and Joe and Nancy Beech for helping to attain speakers for some of the seminars. He also thanked Harold Halfman for his help. The whole idea was to draw people to Tracy and Gervais felt they were successful in doing that. Many businesses indicated they had a very good day due to the increase in traffic.

Byrne asked about the two lots that were sold. Gervais replied in the last month he had sold two lots out in the Eastview addition so there should be two new homes built within the next year. In addition Coldwell Banker showed the spec house to another prospective buyer after the purchase agreement had been signed and really liked the layout so the EDA may have the opportunity to build and sell another home. Stobb asked how many Eastview lots are still available. Gervais replied there are 15 left and added that Coldwell Banker had said there is starting to be some movement in the housing market. He said if the prison goes through the City should see an explosion in house sales.

Koopman stated she had nothing in writing other than the Deputy Registrar transactions for March and there has been a good increase over last year. Her primary focus has been related to the budget and she has a fairly lengthy memo outlining the overall plan of proposed cuts. Koopman reported both the House and Senate have submitted plans for the budget. She didn't know that either plan would be passed in its present state. Basically the House budget would provide for an additional \$91 million which means cuts to local government aid would be reduced by that much compared to the Governor's budget cuts. But there are no details as to how that would be distributed. The House plan does not include any tax increases but they base the revenue to subsidize this plan on a racetrack at Canterbury Downs. Koopman didn't feel this had a real good chance of passing. The House plan also includes a two year freeze on wages for State employees and health insurance reductions. They are also trying to get a total count of State owned vehicles and reduce the size of the fleet.

Koopman feels the Senate budget plan will also be difficult to pass in its present form. They plan to increase revenues \$1.3 billion and decrease spending by \$1.2 billion by increasing the income tax bracket to 9.4 percent on those who make in excess of \$250,000 per year. The Senate also wants to increase the cigarette tax from \$0.48 to \$1.00 per pack. Koopman said from what she understands the Governor is opposed to any tax increases including the cigarette tax.

The one plan now being introduced and supported by the Coalition of Greater Minnesota Cities as well as the Minnesota Association of Small Cities would actually be something that from our perspective would be a benefit to Tracy. It proposes cuts that are done more proportionately to the actual size of the budget. The plan would reduce local government aid by \$191 million versus \$435 million by repealing the market value homestead credit. There are only four cities in the entire State that don't benefit from the market value homestead credit. The plan also calls for a repeal of the mass transit levy. This took place as part of the 2001 Tax Reform Act. The State cannot afford to pay for 60 percent of the metro bus system while it raises property taxes and guts critical city services to the property poor cities. That is the pitch they have given and they prepared this brochure with a general overview which states bankrupting low income cities will not make Minnesota stronger.

Going back to the 2001 Tax Reform Act, the communities that benefitted from it such as Wayzata, Edina and Eden Prairie are the cities that aren't going to suffer under the Governor's proposal. Koopman feels this is why there has been such a strong movement against the Governor's budget proposal and a lot of legislators have recognized this is not an even distribution of funds. After Easter break is over the legislation is going to have to get busy to meet the May 19 deadline but Seifert did indicate there will probably be a special session.

Hillger referred to his activity report and said activity is starting to pick up as it normally does this time of year. It is fairly standard to run about 160 ICR's in the month of March. March was a busy month for officers, they assisted Marshall police in apprehending two out of three individuals who

broke into a house in Marshall and robbed and pistol whipped the owner. Kyle Mork participated in the surveillance of a suspect house with his private vehicle which ended with a short, low-speed car chase. In the process Mork hit a pheasant with his personal vehicle which will be an expense to the City. Hillger said officers had one drug bust in March. He stated it has helped a lot to have one of the sheriff's deputy working solely on drug issues and felt those dealing and using illegal drugs were nervous.

Gary Garrels reported that he and the City Fire Marshal inspected the house at 301 6th Street on April 4th. He stated there is a big hole in the roof and also some windows broken out. The back step has a big hole with carpet covering it. They did secure the building as well but didn't do anything yet with the back step as he didn't know what the Council's wishes were on that. Garrels added a small piece of plywood would fix the steps. Byrne asked who owns the building. Koopman replied Thomas Tucker from California. Torkelson asked if the property taxes were being paid. Caron said the last he knew the taxes were current and the owner was paying for lawn mowing. Garrels said the building has been empty for six or seven years. He added some of the plumbing is broken apart, he assumes by freezing, and he can't tell the condition of the waste vents. Garrels said the furnace didn't look to be in good condition but the gas and electricity had been unhooked.

Garrels said the condition of the house will continue to go downhill and his recommendation is to raze it. He doesn't believe it is a hazardous building yet but soon will be. Stobb said in his memory he doesn't recall the City tearing down a house that hasn't been declared a hazard. Garrels said the City could ask the owner to fix the roof which is the biggest problem. He added they can establish the house has been abandoned. Byrne said if the owner is current with taxes they would need to contact him about repairing the house first.

Otto-Arvizu said in talking about the demolition of buildings when considering the budget she thought they should discuss the issue at the work session next Monday. If the house is unsightly but not hazardous should it be considered a priority in the time of a budget crisis. Ferrazzano thought they should send a letter to the owner. Caron asked if Koopman would send it or the City Attorney. Koopman replied since it is a legal issue the attorney would send it. Byrne asked if they would want to stipulate a time frame. Koopman said 90 days has been the standard time given. Motion by Byrne, second by Torkelson, to contact the owner and ask him to raze the house. Otto-Arvizu asked if there would be a legality since the house has not been declared hazardous. Garrels said the City can declare inadequate maintenance and abandonment which are both in the building code.

Otto-Arvizu stated she still thinks it should be on the owner's shoulders. Byrne said he was willing to amend his motion to say the owner should fix or raze the house within 90 days. Garrels will say at this point the house is not a hazard but he will leave it to the Council's discretion. Koopman asked if the City will be in a position to enforce the issue. Stobb suggesting using the terms Garrels indicated, abandonment and inadequate maintenance. Ferrazzano said they can indicate the date the house was inspected and include a copy of the inspection report. Stobb replied if the owner gets a copy of the report he was know it wasn't declared a hazard. Koopman said another possibility is to delay the issue until work session on Monday in order to discuss the issue further. Byrne withdrew his motion. Garrels asked if he should do anything with the steps. Otto-Arvizu thought if a small piece of plywood would fix problem they should do that for safety sake. Council members agreed.

Ferrazzano stated it was his pleasure to read a letter received Friday from the Minnesota Department of Trade and Economic Development informing the City that \$934,750 was awarded for the Community Block Grant application. Out of a total of 90 applications that were submitted Tracy was chosen as one of 30 applicants to receive an award. The letter suggested that someone attend a workshop to be held on how to spend money, what steps to take, and the necessary paperwork to document any projects. Ferrazzano felt it was important that someone attend and suggested that Bob Gervais go to the workshop which is a one day event to be held already on Thursday, April 24.. The letter indicated hotel costs would be \$95 for single room.

Koopman reported one of the projects the Downtown Revitalization Committee is working on is the Stone Station at the corner of Center Street and Craig Avenue. The Committee wants to renovate it into a visitor center which would include plumbing, heating and cooling renovations. The utilities were estimated at \$1200 per year and the Committee is asking the City to cover these costs. Plans

are to keep the center open during the summer months and then on special occasions, such as the Old Fashioned Christmas, in winter.

Otto-Arvizu asked who would man the visitor center. Koopman replied volunteers would be used and they would look to RSVP to get some volunteers. Stobb thought it was a good idea to maintain a classic building which would also be used to promote Tracy. Otto-Arvizu said it is also located at a major intersection. Koopman said a birthday club is planning to plant and maintain the flowers around the building. Stobb asked how parking would work. Koopman replied there is a driveway cars can pull into. Stobb asked if people could park on County Road 11. Koopman replied probably not because that is where the bike path is going to run. Motion by Stobb, second by Fraser, to approve the utilities expenditure. All voted in favor of the motion.

Koopman stated another Revitalization Committee project is the Highway 14 beautification project. The application has been submitted and the plan is to try and utilize volunteers for maintenance of the project. Koopman said the problem she sees is that unless someone is in charge of volunteers it will be difficult to keep things organized. As stated in her memo last year the City employed Bernie Holm as City Gardener who planted and maintained flowers beds in four different locations. Koopman said her concern is the City has taken steps to beautify these areas and she would hate to see them deteriorate. They would still need to use volunteers as one person couldn't handle both the flower beds and the Highway 14 project but the City Gardener could coordinate the efforts. Ferrazzano thought the Council should look at the issue at next Monday's budget meeting. Council members agreed to discuss the issue then. Koopman stated this a decision they are going to have to make soon as they will need to get flowers ordered soon. Koopman replied with such a large order they need to be ordered quite early. She added it is only \$1500 they are looking at but understands the budget situation. Stobb said some of the perennials by the Tracy sign are in need of attention. Ferrazzano said his thought is they need to wait until next Monday when the Council looks at the entire budget.

Ferrazzano presented a resolution approving payment to Salonek Concrete & Construction, Inc. for work completed on the Aquatic Center in the amount of \$500.00. Motion by Stobb, second by Fraser, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-7)

The Consent Calendar included the following: Fireman's Relief Association minutes for April 7, 2003; Monthly Police Activity report; Economic Development Authority minutes for March 21, 2003; Monthly Police maintenance log; and Municipal Accounts Payable. Motion by Stobb, seconded by Fraser, to adopt the above listed items. All voted in favor of the motion.

Ferrazzano said he assumes the plumber's license issue for Dean Keiser is back on the agenda because of a letter sent to the City from Roger Sax. Ferrazzano felt the Council should stick to their previous decision to deny Keiser a license.

Hillger stated he needs a directive from the Council to conduct the public nuisance inspections. Ferrazzano asked if this was something done every year and if the City have to pay extra for each nuisance case that goes to court. Koopman replied the majority of homeowners take care of nuisance violations right away but one or two a year end up going to court. She said under the existing contract with the City Attorney the City pays extra for court cases but it may change with the new contract. The Attorney's office is proposing a flat rate for the year but would want \$125.00 per day for any cases that take more than one day in court. Ferrazzano asked if they should postpone the inspections. Koopman replied they could still initiate the inspection process. Stobb said he hears from a lot of residents that are glad the City does these inspections because they would not make a complaint themselves. Torkelson asked what happened to City clean-up day. Koopman replied it was eliminated several years ago because of the cost to dispose of garbage. Stobb made a motion to authorize nuisance inspections and Fraser seconded. All voted in favor of the motion.

Two proposals had been received from Buysse Roofing for repairs to the Tracy Multi-Purpose Center roof. Gary Garrels stated one proposal is just a temporary fix, Buysse would lap some rubber over the leak and weight it down but Garrels opinion is it would probably be a waste of money because the problem would still be there. He said the second proposal has some merit and if they do need to eventually put a new roof over the existing roof they can incorporate parts of this repair job. Garrels

said the problem is never going to go away until it is fixed.

Caron asked if the City looked into the cost of a steel roof and rafters. Koopman replied they would need to hire a structural engineer to determine if the building could handle the weight of such a roof. There are problem with deterioration of the wall already. Caron asked if they do this type of repair if they would be facing the same problem in another 20 years. Garrels said the flashing is all gone because it has rotted apart and that is why they are getting leaks into the building. The water is running across the rafters and into different parts of the building. Torkelson thought they should look into an aluminum roof. Koopman's concern is the appearance of a metal roof in regard to the Downtown Revitalization project. She added the Center is comprised of two separate buildings and they are talking about only one of the roofs. Garrels said there may be a way to camouflage the roof so the metal on a new slope couldn't be seen from the street.

Ferrazzano asked how much it would cost to hire a structural engineer. Koopman replied she wouldn't venture to guess. Garrels said normally they work for a percentage of what the improvement would cost. Stobb asked if some of the Block grant money could be used for this problem. Ferrazzano replied Gervais could find out at the workshop but he doesn't see why it couldn't be.

Garrels stated if they didn't install a metal roof now the parapet that was installed could be used in the future. Byrne said he assumed they would have to get some other proposals for the work. Koopman said she will contact two more roofers. Garrels suggested they might be able to put a metal roof over the existing roof because it does have a slant roof.

Koopman asked if the cost proposals would be for the same type of repairs as Buysse Roofing would do because they would have to hire a structural engineer if they planned to explore getting a tin roof for the building. Byrne said those providing bids would probably have engineers that could make a determination. Koopman thought it would be better to have a non-biased party check it out. Caron asked if a structural engineer could be contacted to find out the cost of examining the building by the next meeting.

Ferrazzano asked Council members if they would be available Monday, at 6:30 for a work session to discuss the City fee schedule and proposed budget cuts. Koopman added they would need to also hold a closed session at the end of the meeting to discuss labor relations. She received a proposal from law enforcement for the labor contract.

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

ATTEST:

City Administrator

Mayor

April 21, 2003

A special meeting of the Tracy City Council to discuss proposed budget cuts was called to order at 6:30 p.m., Monday, April 21, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, and G. Torkelson. Absent were: R. Stobb and T. Byrne. Also present was staff member: A Koopman.

Koopman stated they would hold a very informal meeting and she hoped to get everyone's participation. Department Heads were present to present their proposed cuts and to answer any questions.

Stobb arrived at 6:32 p.m.

Koopman presented a proposed increased fee schedule stating it would generate an additional \$10,400 based on last year's uses if everything was adopted as proposed. She indicated some fees haven't been raised in 25 years. Fraser referred to the added fee for unlocking vehicles asking if this was done often. Hillger replied that they were called out for about 90 vehicles last year and he guessed they were successful in opening about 50.

Koopman stated for equipment and operator fees there was basically an increase of \$10 per hour. She added any fees established by ordinance would require a public hearing before they could be changed. Stobb asked how much revenue would be made by increasing Prairie Pavilion rental fees. He added he was worried about increasing that fee since it might discourage the use of the gym. Koopman said revenue would increase by about \$500.

Koopman stated primarily for large events what the City earns from fees is paid back out for garbage expenses. Caron suggested rather than raising fees the City should charge extra fees for garbage. Koopman replied currently the \$200 fee for renting the gym includes one dumpster full of garbage. Gervais stated some groups clean up after their events very well and others don't and he suggested charging a deposit whereby some deposit money can be held back if the Pavilion is not cleaned or is damaged.

Stobb said he has no problem raising the rental fee but suggested they should try and pinpoint costs a little more. Otto-Arvizu said she likes the idea of collecting a deposit in advance but they would need to spell out very clearly what would be deducted from the deposit. Koopman said if the City initiates a deposit policy and makes a decision to withhold from the deposit the Council is going to have to back that decision. J. Leonard stated the school requires a janitor to be on duty whenever an event is held there which is paid for by the renter. The City doesn't have anyone available to be on duty at an event so extra cleanup has to be done by building maintenance personnel above and beyond their regular work. Problems arise when something is damaged or messes are left and there

are sports practices and often multiple events on weekends and no one will confess to the damages. Otto-Arvizu asked if inspections were done after each event. Koopman stated since no janitor is on duty during the events it is difficult to pinpoint when it occurred.

Otto-Arvizu stated as long as they are talking about fees she is concerned about building permit fees. The City is at a point where they are trying to encourage new development and asked if raising fees would discourage development. Koopman said the philosophy the Planning Commission used is if someone is going to build a \$200,000 house a \$300 building permit is not going to discourage them. She stated most cities use a comparable UBC scale for calculating the permit fee but also charge a plan review fee which can be a large additional fee. She didn't feel Tracy was out of line with what other cities of comparable size charge even after eliminating the 30 percent discount.

Caron stated he doesn't agree with increasing the cigarette license fee and said licenses were previously only \$15 and there are only seven businesses who get them. Koopman stated when the City adopted the tobacco compliance checks as required by the State of Minnesota in 1997 the fee went from \$15 to \$100. She said the fee increases are only suggestions based on the amount of time since a license fee was established.

Caron thought they were spending a lot of time looking at raising fees but thought they should be cutting expenses instead. When working on budget cuts Koopman thought they should also look at generating revenue rather than just using taxpayer money for City expenses. She said everything listed is based on a user fee so only those using the items are benefitting, not taxpayers as a whole. Caron asked how often the street sweeper was rented. Koopman replied not often but it is usually rented by contractors. Robinson added Public Works is not in the business of renting out equipment but he did check on rental rates of the same equipment from other sources and Tracy's rates are very low by comparison. Fraser made a motion to approve proposed fee increases on those items not requiring a public hearing and Stobb seconded. All voted in favor of the motion. Ferrazzano called for public hearing at the May 12, 2003 Council meeting for those fees established by ordinance. Motion by Stobb, second by Torkelson, to waive the first reading and set the second reading and public hearing for May 12, 2003. All voted in favor of the motion.

Ferrazzano suggested that the Council review each department's proposed cuts and then make their decisions after. Koopman proposed that Mayor and Council expenses be reduced \$1500 from Subscriptions, Memberships and Contributions which would eliminate a \$500 contribution to the Chamber of Commerce and a \$1,000 contribution to Lyon County Economic Development.

Administration cuts included \$18,912 from salary and benefits. The difference would come from Utilities rather than Administration, basically diverting funds. Madonna Peterson spends more than ten percent of her time on utilities so it more accurately reflects where her wages should come from. Caron stated what he doesn't like is no other department had the option to divert funds in this way, they had to make cuts. Koopman replied the change is just a suggestion and the Council can look at other cuts but she doesn't know how the department would handle it with the amount of workload it is doing. The state of Minnesota continues to put more and more burden on Deputy Registrar offices. All data used to be sent up to the State for entry and now it is all done here and it is more and more time consuming. Spencer said the State did increase Deputy fees two years ago. The long forms increase from \$3.50 to \$7.00 and regular renewals increased from \$3.50 to \$4.50. Spencer stated business has also picked up considerably but the biggest problem is the State is transferring their workload onto deputies and office staff is ending up doing most of the data entry as more transactions are done on-line. The time it takes to do drivers license renewals has doubled.

Byrne arrived at 7:05 p.m.

Spencer said office staff is doing double the data entry on drivers licenses and now scans on-line renewals in addition to downloading the report. Caron asked if registrar fees are going to cover the wages of one employee. Spencer replied they do now with the fee increase and the increase in transactions.

Stobb asked under Mayor and Council cuts what the City is losing by cutting \$500 to the Chamber. Gervais replied the City is losing representation with the Chamber of Commerce and advertising.

Four times per year the Chamber does a full page ad. He added membership is more advantageous to businesses. Stobb felt this was a case where the City is passing its problem onto someone else because the Chamber and the County are looking at the same problems the City is.

Koopman proposed to cut the entire amount budgeted for Planning and Zoning. Caron asked if the City gets the prison contract if the Planning and Zoning budget would be something that would effect plans for the prison. Koopman said she will be meeting with Ehler's & Associates to discuss a financial plan, either tax abatement or TIF and there will be costs associated with that, whether it comes out of the EDA budget or another budget. Gervais said the City will have to look at re-zoning the proposed site of the prison. Koopman stated that cost would generally come out of Administration. She didn't feel cutting Planning and Zoning would affect prison plans but the Council could consider leaving a cushion in the budget.

Under Assessing and Legal budgets they are both contracted services so there were no changes made. Koopman said the bulk of the EDA cuts come from the \$30,000 budgeted for transfers-out. Fraser asked if the EDA now has access to the Minnesota Capital Fund. Gervais replied they are just putting together the loan committee but they are accepting applications right now. Otto-Arvizu said in the past the EDA is a place where the City has looked to make cuts and the Council has rarely funded entire amount requested by the EDA but she doesn't think it's a good idea to cut the entire \$30,000. She suggested leaving a \$10-15,000 cushion.

Koopman stated Municipal Building cuts include a reduction in overtime and elimination of the part-time janitor's position.

Koopman said Hillger suggested cutting one Police officer to half time but her proposal was to cut the secretary position. She also suggested cutting other Contractual Services by \$1500.

Proposed Fire Department cuts included a \$4000 cut from the equipment replacement fund. Dennis Vandeputte stated when looking at the bottom line of the department's total budget \$12,000 is received in State aid and \$21,600 is from contracts with area townships and he felt this is not City money. The City contributes \$61,035 to the Fire Department budget and based on that Vandeputte proposed cuts totaling \$5775. He doesn't want to cut the equipment fund and would rather cut wages if necessary. Cutting wages by 10% would total \$2500. Vandeputte stated \$14,000 goes into the new equipment fund yearly but that is barely keeping up with the times. In 1992 a truck cost \$98,000 today is between \$220,000 and \$230,000. The department has two trucks coming due, a pumper now and tanker in two years. The Department wants to get a combination tanker/pumper with a bigger pump. The budget has \$219,000 available now and a new truck will cost \$220,000. He added if a bid is accepted today it will be about a year before the truck is completed and delivered. The department is also working with the USDA and Vandeputte is about 90 percent sure they will be getting a \$30,000 grant towards this truck. Dave Vogl stated the average cost of a truck increases about 14 percent per year and the department is running trucks for about 30 years on pumpers and about 20 year on tankers. He felt if the City wants a prison and other businesses to come to town the Fire Department will need to be able to handle these expansions.

Koopman stated Building Inspections were reduced by \$800. This is the department where code enforcement transfers are made which includes demolition for hazardous buildings such as the Harmony Clarke house. It has been three years since the fire and the City has been getting calls from neighbors. Byrne asked what it normally costs to raze a building. Koopman replied \$4-6,000 depending on the size and other circumstances such as asbestos. Koopman felt the Council needed to take some action at tonight's meeting on the Clarke house.

Koopman stated that Robinson has proposed four different plans for Public Works cuts and she recommended Plan B which involves a \$20,000 cut to the equipment replacement fund, \$10,000 to equipment and improvements, \$6000 from temporary and part-time wages and \$9000 from overtime wages. Robinson stated the equipment fund could be considered non-essential for a couple years but after that it will be an essential budget item. He felt temporary and part-time wages could be considered non-essential and felt overtime wages could be reduced by \$5,000 by the use of comp time. However currently only 40 hours of comp time can be accrued and then an employee must use them. Robinson said he would like this to be modified to allow more hours to be accrued so they can

be used during slower times.

Robinson said he preferred Plan A which involves the cancellation of the PeopleService contract and moving one Street employee to water and wastewater. This would mean a \$90,000 savings for the Utility Department plus a \$45,000 savings for the Street Department. A used pickup would be required for the Utility department. Robinson said he wasn't sure what a buyout of the contract would cost. The City would be covered by his water and wastewater license but would have to negotiate compensation for that because he wouldn't do it for free. Robinson stated the savings would total from \$60-70,000 per year. Stobb said they would be losing one man out of public works and asked what that would do to the Street Department. Robinson replied he would keep the part-time help.

Spencer explained that if one full-time person was laid off it looks like the City would be saving \$30,000 to \$40,000 but the City is not like a regular business and doesn't pay regularly into unemployment. The City pays unemployment dollar for dollar after the fact for up to 26 months. Robinson said he has a concern about overtime wages because if the area was to have a heavy snow year like 1996-97 and employees are only allowed 40 hours comp time they would have to stop working and leave. Koopman stated after 40 hours the employee would either have to take the hours or they would get paid time and a half. She added this is something that can't be changed until the Union contract is up.

Robinson stated Plan C is the same as Plan B with one exception. Instead of cutting overtime wages they would cut rentals. This could be quite controversial because it is \$6500 paid to contractors to haul snow. Robinson said it is possible to windrow snow to the center of the street and haul it out when the crew has time. Robinson stated he doesn't like this plan but he could get by with it.

Plan D involves the layoff of one employee which would be a savings of \$45,000 in wages and benefits but would mean losing service and result in overtime for other employees. Whether the position is essential or non-essential Robinson said he can't give an answer.

Koopman stated the Library cuts basically involve decreasing employee hours and the recommendation was to eliminate Saturdays and Thursday evenings. Otto-Arvizu said she would rather see dropping a day than eliminating Saturdays and Thursday evenings to accommodate those that work. Koopman said there was also a \$2000 reduction from Equipment. Stobb asked if that was for the Plum Creek program. Koopman replied the cut would not impact the program, it was just an excess amount budgeted.

Airport cuts included a \$300 reduction to Motor Fuels and Lubricants and a \$1000 reduction for Maintenance and Repair. Transfers-out for equipment was hit in every department and the City can live with it for a year or maybe two but eventually they will have to replace equipment.

The Multi-Purpose Center Board talked about reducing Ardys Drake's hours from four hours per day to two and making up the slack with volunteers. Sheila Leonard said the Board needed to cut \$3000 and looked at both cuts and ideas for generating revenue. Ralph Deslauriers stated they have previously charged people \$0.25 each for playing pool and proposed adding a charge of \$0.25 per person for those playing cards. The Center has also been holding fundraisers and is looking at charging a minimum \$25 rent for unused space upstairs to anyone interested. Estimated revenue would be \$1462.50 and this along with the proposed cut in hours would be a savings of \$4991 per year or \$3,226.75 for 6 months assuming the cuts would start July 1.

Stobb said last year when the Council set the levy they levied for an additional \$94,000 when anticipating making cuts this year and thought they made the promise to use the money this year. Stobb added he knows the Council is also concerned with the 2004 budget. Fraser said the problem is they don't know how much they will need yet. Spencer suggested the Council may want to leave that decision until the legislature makes its decision. At that time the Council can restore what it wants to the budget or leave the cuts. Ferrazzano said by that time they will also know what they will need for both this and the next fiscal year and can make a decision then about allocating the \$94,000. Koopman suggested initiating the cuts that are non-personnel related now and then the Council can make personnel decisions after the legislature finalizes its cuts. Spencer said one other factor to

consider is even after the Legislation lets out if revenue projections come in lower than predicted the Governor can still use an unallotment of funds.

Stobb said he did not agree with the cuts to the Mayor and Council budget. He thought they would be cutting money to places that are potentially money generating and are good for the City of Tracy. Fraser thought there were people from Tracy who use the Lyon County EDA. Gervais said when it comes down to the prison issue the \$1000 membership may be a wise investment. Council members agreed to leave the \$1500 in place. As an alternative, Stobb proposed a ten percent reduction in Council salaries instead which will come up to roughly \$1500. Fraser agreed and made a motion to that effect and Otto-Arvizu seconded. All voted in favor of the motion.

Motion by Torkelson, second by Caron, to approve the changes to the Administration budget. All voted in favor of the motion.

Caron felt they might need the amount budgeted for Planning and Zoning for the prison and Ferrazzano agreed. Gervais stated they should probably know about the prison at the same time the budget comes out. Byrne suggested keeping it unless they know the prison is not coming. Ferrazzano asked if they were implementing these things right now. Caron thought they were wasting their time in not knowing what the State is going to do. Koopman replied if they don't do something now those dollar amounts presently available will be reduced further by the time the State budget decisions are made. Ferrazzano thought the Council should err on the side of cutting now. Stobb made a motion to decrease the Planning and Zoning budget by \$2000. The motion died due to lack of a second.

Otto-Arvizu asked if it would be possible to implement a "not to exceed" amount on legal issues. She understands the need for legal advice but it has become a very large expense for the City. Koopman said last year the City paid in the area of \$49,000. Ferrazzano thought that was something the Attorney's Committee could negotiate. Ferrazzano said the committee is trying to get a flat fee so they can budget better but some things can't be included under a flat fee, such as litigation. Ferrazzano stated there is a flat fee for ordinary legal services but there can be a difference of opinion in determining ordinary and extraordinary.

Caron asked what the \$200 cut was for. Gervais replied \$200 was for subscriptions and another \$1000 was for legal expenses. He said right now the EDA generates \$3000 a month in current loans and will generate \$30,000 back by the end of the year. His opinion was if the EDA can cut more than ten percent from the budget to help other departments they can get by with that. However Gervais thought over the next two years they will see the revolving loan fund utilized more since the Community Block Grant was awarded. Byrne stated he and Torkelson sit on the EDA Board and they thought it was the right thing to do. Motion by Stobb, second by Torkelson, to approve the EDA cuts.

Motion by Fraser, second by Stobb, to approve the cuts from the Municipal Building budget. All voted in favor of the motion. The Council discussed the issue of the part-time janitor's position. Spencer stated Wes Radke does not work in summer but starts work again in the fall so they could reinstate the position after the States makes its decisions.

Fraser felt they should table any decisions on the Police budget. Stobb asked if Hillger felt an officer would stay if cut to part-time. In that case the City would be down to three officers. Hillger replied the only reason he came up with that cut is to make the ten percent cut requested. The Police Department has been cut to bare bones for a long time. If the City wants to keep the same amount of coverage and the same amount of service he is as low as he can go. In 1986 they had four full-time officers and two part-time plus 24 hour dispatching. Fraser asked if they don't have a secretary if officers will have to do their own paperwork. Byrne said that will mean less time on the streets and more in the office. Hillger said he can learn the job Janell Hemish does but it will take him a lot longer to do. The Council agreed to table any decisions regarding Police personnel. Motion by Fraser, second by Stobb, to approve the miscellaneous cuts recommended by Hillger. All voted in favor of the motion.

Motion by Byrne, second by Otto-Arvizu, to leave the Fire Department budget as it is. Koopman asked Vandeputte if they planned to forego \$1900 for physicals this year and he replied they would

skip physicals for 2003. Fraser asked what the \$3500 under Building Maintenance was for. Vandeputte replied it was budgeted for a new furnace because they are wearing out and the furnace under the office has already been welded twice. Caron said the building has five furnaces that are very old. Vandeputte replied they are but they keep patching them and so far they keep working. Caron said the \$50 advertisement for smoke alarms is important and felt it should be left. Vandeputte replied the ad is for Fire Prevention Week. Byrne amended his motion to cut only \$1900 for physicals and Caron seconded. All voted in favor of the motion.

Koopman stated for the Building Inspection budget the code enforcement portion is what the Council needs to act on. Right now there is \$15,000 budgeted for 2003. She stated code enforcement involves all nuisance complaints so she wondered to what degree they wanted to enforce them. There are usually 40 to 50 nuisances annually. They may have ten that go to court initially and two to three that go beyond that which is where the costs start to add up. Motion by Byrne, second by Caron, to leave \$10,000 in Code Enforcement. Hillger asked if it would be wise to check into what other cities are doing about public nuisances. Ferrazzano stated the attorney committee could look into that and prioritizing nuisance cases. Byrne amended his motion to include cutting \$800 from miscellaneous line items and Caron seconded. All voted in favor of the motion. Motion by Otto-Arvizu, second by Fraser, to prepare a Request For Proposal on the Harmony Clarke house. All voted in favor of the motion.

Ferrazzano stated Robinson was recommending Plan A for the Street Department and asked about the PeopleService contract buyout. Robinson replied Pipestone did and said he preferred this plan because he would rather not lose any City employees. Stobb said the City is in good shape as long as Robinson is here. Robinson said they can also get someone right out of school for water management and start training him in. He knows the instructors very well at some of the schools and could ask them to pick out some of the better students. Koopman said the City signed a four year and eight month contract and guessed they would have to buy out the remainder of the contract. She said she has talked with Lee Bundy at PeopleService and told him this is one of the areas the City needs to consider cutting. Robinson stated the person holding the license is the one who gets in trouble. PeopleService and Sacred Heart both have someone currently in jail, but he is fully confident he can handle public works and the water and wastewater facility. The Council agreed to get more information before making a decision.

Koopman said the Council delayed a decision about the City Gardener's position. Caron thought if the Council could take a ten percent cut they could cut \$1500 for the Gardener's position. Koopman replied if they are going to do the Highway 14 project and keep up the City gardens they can do this solely with volunteers but they really need someone to organize the volunteers. Stobb thought they needed someone in charge and paid. Torkelson asked if the compensation has to be \$1500. Koopman said just based on last year the work that was done by Holm and hours put in were well in excess of the compensation he received. Otto-Arvizu suggested they get a handle on the hours put in. Koopman said another issue is if Holm will be allowed to use the City Truck. Motion by Byrne, second by Fraser, to authorize the City Gardener position with compensation of \$1350 reflecting a ten percent reduction. Upon roll call voting in favor were: Byrne, Fraser, Otto-Arvizu and Stobb. Voting against were: Caron, Ferrazzano and Torkelson. Motion by Otto-Arvizu that the City Truck must be parked at the City Shop and used only for watering by the City Gardener either at the City Cemetery or the City flower beds. Byrne seconded and all voted in favor of the motion.

In regard to the Library Fraser thought the hours cut should be changed. Ferrazzano thought they should not cut Saturdays. The Council agreed to delay a decision about hours. Motion by Byrne, second by Otto-Arvizu, to approve the cuts to Equipment and Other Contractual Services. All voted in favor of the motion.

Otto-Arvizu asked why they were looking at Airport cuts of 20.4% when all they were supposed to cut was 10%. Ferrazzano thought this one would help make up for other areas that can't be cut. Motion by Stobb, second by Torkelson, to approve the recommended Airport cuts. All voted in favor of the motion.

Koopman said the intention of the Multi-Purpose Center Board is to add fees for those playing cards, increase lunch prices, hold fundraisers, and charge rent for storage space upstairs in order to reduce

the Director’s hours by only two hours instead of three hours per day. Caron asked if someone wants to rent the upstairs. Koopman replied the hospital is already storing things there. Motion by Caron, second by Stobb, to approve the fee recommendations at the Multi-Purpose Center. All voted in favor of the motion.

Koopman reported that she had checked with two structural engineers regarding the roof and it will cost between \$1000 and \$2,000 to do a report. Caron stated Dan Anderson said if the City can get someone to design a rafter he will have an engineer look at the roof and it wouldn’t cost the City that much. Koopman said she was concerned they wouldn’t know what type of roof to design until they have someone look at. Buysse Roofing called and said he was concerned with the condition of the walls and suggested looking at it very carefully before proceeding. Caron said the rafters wouldn’t be placed on top of the wall but rather to the inside of it. Byrne thought what Anderson was talking about is if the City hires a business to design the roof they would provide a structural engineer to review the building as a cost of doing business. Koopman said since the City is a governmental entity they would have to get more than one quote. Byrne stated Laraway and Gog are both out of New Ulm. Caron suggested contacting Dan Anderson as he will have some names. Motion by Caron, second by Byrne, to look at a steel roof. All voted in favor of the motion.

Koopman stated Otto-Arvizu had asked about the dumpster at the softball field be placed on the agenda in regard to who pays for it. Robinson said one of budget items he looked at for the Parks Department was garbage which adds up to \$6000 per year. The dumpster at the softball complex is \$78 per month and the only ones who use it are the school and the softball association. Koopman said according to Dr. Clarke the school has not paid for garbage because they pick up their own garbage and haul it back to the school. Robinson said according to the contract with the school, they are supposed to pay for utilities, which would include garbage, but they don’t pay water or sewer either. Otto-Arvizu asked if 4-H clubs or other clubs ever use it because it is a public park.

Byrne said there shouldn’t be that much garbage and said he can’t believe there would be a need to dump it twice a month. Caron stated a Ritter’s employee had said the dumpster fee should be \$8.00 per month rental and \$35 each time it is emptied. Caron said if it was only emptied once a month that would bring the cost down to around \$40 per month. Ferrazzano felt since it is a City park the City should pay for garbage. Hillger asked if a dumpster was needed other than during Box Car Days and suggested getting cans instead. It was the consensus to place a garbage can at the Softball Complex rather than a dumpster.

There being no further budget issues the meeting was closed to discuss labor negotiations.

ATTEST:

City Administrator

Mayor

April 28, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, April 28, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, J. Otto-Arvizu, G. Torkelson and R. Stobb. Also present was staff member: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the April 14, 2003 City Council Meeting. There being none motion by Caron, second by Byrne, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (4C) an Aquatic Center report and (4D) an Airport improvement report. Motion by Byrne, second by Fraser, to approve the agenda as now written. All voted in favor of the motion.

Larry Van Hout with Widseth, Smith, Nolting presented a water balance study done for the City. It is a leakage rate study in which they looked at the condition of the dykes and conducted a pond control structure analysis. According to regulations at the time the ponds were constructed 3400 gallons per day leakage is allowed. For any new structures only 500 gallons per day leakage is now allowed. A study done in 1981 on Tracy's ponds showed the leakage was just under 3400 gallons which was just an estimation based on the flow in and out and a guess at the evaporation. Now test barrels are used to determine water loss which are much more accurate. Van Hout started the test on August 8, 2002 and found the average seepage was 8280 gallons per day on the northwest secondary pond which is well outside what is allowable. The northwest primary ponds have an average seepage rate of 6029 gallons per day, the south primary pond had 3799, and the south secondary pond had a loss of 4842 gallons per day.

Van Hout stated this information has been sent to the MPCA which recommends that the City look at upgrading the facility. Some photos were included with the report which show some of the problems. The dyke condition analysis shows erosion above and below the riprap which has washed a lot of the dyke material into the bottom of the ponds. As far as the pond control structure analysis there is not an even distribution of flow between the ponds. Some transfer structures were redone over the last few years but the City needs to monitor closely the amount of water transferred between ponds, only about six inches can be transferred each day. Van Hout stated the outfall structures leading to the drainage way are small and are leaking at about a gallon a minute.

Van Hout stated the City can fix the leakage in the ponds but this is only part of the problem. The ponds are too small to handle the flow of wastewater into them. Otto-Arvizu said Van Hout was suspicious the City had too much output to the ponds and asked if this was before or after the sewer separation project. Van Hout replied it was during the project they noticed the problem so they will

need to reevaluate the flow. A new seal is needed on the pond bottoms and the dykes, it can be either clay or synthetic PVC. The dykes should be re-graded and new riprap placed and the control structure should be replaced. A facilities plant should be prepared to evaluate the flows and consider expansion. Van Hout's recommendation was not to do anything at this point unless forced to because they don't have the proper flow data needed to determine the City's need. Some good wet weather with a lot of flow is needed to determine if the City should repair or expand the current facility or start over with a new design. Byrne asked how long it will take to get good flow data. Van Hout replied they would need several months but it looks like a dry season again so far. Van Hout said it would take one construction season to repair the current system but it would probably be a year and a half before they would start. Fraser asked if the prices listed were for fixing only or also for expansion. Van Hout replied they were for repair only, expansion would cost more. Byrne stated with the possibility of getting a prison facility they are looking at possibly 800 more people in town and they would need to expand.

Stobb asked what the estimated life expectancy of clay versus PVC. Van Hout replied PVC has only been around for about 20 years but he hasn't seen any problems so far. Clay lined ponds have been around since the 1950's but the standards for packing and protecting the clay were not as good previously as they are now. The quality of clay itself can affect its durability.

Stobb said the MPCA is aware the City has a faulty facility and asked what kind of time line they would they give for fixing the problem. Van Hout replied a lot of cities are in the same situation and he isn't aware that the MPCA is going to do anything soon unless they determine it a hazardous situation, but they may put the City on a compliance schedule eventually. Stobb said part of the costs included land and easements and he asked what that would be for. Van Hout replied he included those figures in case the City would need to purchase additional land because of soil conditions or borrow or buy some clay from another source. Stobb asked if Van Hout was aware of any grant money available. Van Hout replied there are numerous grant programs out there. The Wastewater Infrastructure Fund is a good one but the legislature has not funded it for a couple years. Rural Development has a program with limited funds and the Small Cities Development Grant Program is available but there is a lot of demand on all these programs.

Van Hout said typically for the grant programs the deadline for application is March 1 so they would look at trying to get the report done by then. Stobb asked if the next report was part of what the City contracted for. Van Hout replied that would be a separate contract, what he contracted for was the report he was presenting to the Council. He said he will keep in touch with Koopman and Robinson in monitoring the weather. The next report he estimated to cost between \$10,000 to \$15,000 and Van Hout will prepare a proposal for that report.

On behalf of the hospital Rick Nordahl presented a request for \$6,535.80 for a radio system for the nurses station and the ER. The hospital applied for a grant and got \$5,000 and the bid total was \$11,535.80. The current system works sporadically and since there is now a paramedic program in town when doctors want to give orders over the radio they can't rely on the current radio which is over 30 years old.

The hospital is also requesting \$1,100 to replace the floors in three more patient rooms and \$15,000 for ten new window units for the west wing of the hospital. Nordahl said the reason the hospital wants to do those windows is they don't have to worry about a new structure being added there. The current windows are in very bad shape and last Friday with the heavy rains they had a lot of water leaking in. The seals on the current windows are gone and they have steel frames and are non-insulated. The hospital has installed three of the new window units to see how they fit and work and they are getting a better insulated wall above and below the windows. Previously they put up some glassboard up to block the light and try to give a better seal and it didn't really work.

Nordahl requested a total of \$22,735.80 for these three projects. Ferrazzano asked how Nordahl would rank these projects in terms of importance or need. Nordahl replied that he felt they were all equally important. Byrne asked where they got the bids for the windows. Nordahl replied they received bids from the Tracy Lumberyard, from the Slayton Lumberyard, and from the Westbrook Lumberyard. All provided bids for the same window unit and Tracy had the lowest bid. Nordahl stated if he had to rank the projects the radio system and windows would tie number one but he

would like to get funding for all three. Motion by Stobb, second Torkelson, to approve the hospital requests. All voted in favor of the motion.

Robinson reported there has been some cracking in pool floor and spaulding of the cement in the wading pool with pieces the size of a dinner plate or smaller. He stated Dan from Aqualogic is going to come down Wednesday or Thursday to determine if the City should get an engineer's opinion regarding the damages. Robinson said Dan will give his opinion of whether he thinks it should be fixed or if the City should get an outside opinion. Robinson stated the west side of the pool has a slight elevation at the crack and they are planning to fill the pool in 11 or 12 days. He said because of timing he would need the Council's approval to call an engineer if Aqualogic recommends it. Robinson said Dan had indicated the method of repair is to saw out the damaged areas, fill it back in and then it has to set up under water. Torkelson asked if this is covered under warranty. Koopman replied it is under warranty but it may be wise to get an outside opinion to substantiate that warranty claim.

Robinson said there is a concern where there has been some chipping because there are sharp edges. Even if they don't repair the cracks until the season ends they will need to grind down the sharp edges. Motion by Stobb, second by Byrne, to give Robinson the authority to call in an expert. All voted in favor of the motion.

Robinson reported there is still \$39,000 in grant money left from the airport runway improvements. He did some research regarding the electric bills at the airport because the runway lights are currently on a timer. One project that can be funded by the grant is to install a radio controlled clicker so pilots can turn the lights on when they need to land. This way the runway lights are not burning for so many hours. The estimated cost of this project is \$7,000. Robinson said the City would have to pay ten percent of the project costs. All planes have the capability to activate the lights on a certain frequency through the radio.

Robinson said another project he would like to look into is putting a chain link fence from Swift Lake to the southeast end of the airport. There have been instances where items like picnic tables have been carried onto the airport runway causing potential hazards. The cost of the fence comes out to about \$10,000 with City employees installing it. Koopman stated the City's share would only be \$1000 for the project but they would have to get approved for funding.

Robinson stated one other project that can be funded is to blacktop the area in front of the hangars, but that is a \$90,000 project.

Ferrazzano felt the radio control for the lights is fairly inexpensive. Robinson added they would see a return on the electrical savings. Caron asked about the GPS landing system they previously talked about. Robinson stated the technology is not quite all there. It's called the PAPIS system and it's about \$23,000 for entire system. It will probably be another year or two before it's available.

Byrne made a motion to approve the radio controlled lights project and Caron seconded. All voted in favor of the motion.

Caron was concerned that putting up a fence would make a mess by catching all the garbage that blows by. Hillger asked if it would running the whole length of the airport. Robinson replied just the part adjacent from the runway to Swift Lake and added there is a barbed wire fence there now but it has fallen over in many places.. He is looking at a six foot high heavy gauge fencing. Robinson said he has to submit a letter of intent by May 1 and then he would be notified if the project qualified. Motion by Otto-Arvizu, second by Fraser, to apply for funding for the project. Torkelson asked if the fence could be put up 6 inches off the ground to allow some of the garbage and things to blow under. Robinson replied he would check into it. All voted in favor of the motion.

In regard to the City Gardener's contract Ferrazzano asked if it could specify that the project on Craig Avenue would also be maintained. Otto-Arvizu said they were going to talk to Holm about a fair deadline for planting to be included in the contract. Caron thought Memorial Day would be a good deadline. Koopman said she will have to talk to Holm because of large quantity of flowers they are dealing with. She felt June 1 would be a good deadline but Memorial Day will be the target

date. Byrne suggested in the future they look at finalizing the contract earlier in the year so they don't run into this problem. Koopman said she would also like to give the two businesses in town the opportunity to bid on flowers in the future.

Stobb said he may be wrong but last year he remembered someone donating flowers to the City. Koopman replied that Greenwood Nursery donated the flowers at the swimming pool. Otto-Arvizu said if businesses wish to donate flowers she would have no problem with putting up a "donated by" sign. Motion by Byrne, second by Caron, to approve the City Gardener's contract as amended. All voted in favor of the motion.

Koopman presented a request to sign a satisfaction of mortgage for all the Eastview lots. She indicated the revenue generated by the recent sale of two lots was enough to pay the remaining mortgage. Motion by Caron, second by Fraser, to approve the release of the City mortgage. All voted in favor of the motion.

Robinson reported a group called Youth in Action will be coming to Tracy in July which will be doing volunteer painting and repair of low income homes. He stated 100 kids ages 13 to 18 years will be here and for every five there will be an adult available to supervise. The group will work on approximately 15 projects in Tracy and two of these projects will require a building permit which would normally cost \$20 each. Youth in Action has requested that the City waive the permit fees for these two projects. Motion by Byrne, second by Torkelson, to waive the building permit fees. All voted in favor of the motion.

The Consent Calendar included the following: The Monthly Financial Report; Cemetery Commission minutes for March 27, 2003; Monthly Water and Wastewater Report; and Municipal Accounts Payable. Motion by Caron, seconded by Stobb, to adopt the above listed items. All voted in favor of the motion.

Koopman reported that based on the work session the Council ended up reducing the budget by \$93,715 which does not recognize any cuts to the Street Department. As far as the State budget status the two bills getting the most attention are the Governor's bill and the bill known as the Dorman-Langseth bill. For smaller communities this is the bill that would benefit the most by cutting the market value homestead credit and local government aid by 14 percent. The logic they are using is the State's 4.26 billion deficit represents 14 percent of the general fund. Local government aid would then be cut by 14 percent versus the 29 percent the Governor is proposing. Another item included in the bill is the elimination of the state transit aid which total \$125.7 million per year. The rural area gets very little benefit from the transit aid. Koopman asked everyone to write our legislators and encourage them to support the Dorman-Langseth bill which is House file # 1502 and Senate file #1421. Ferrazzano added there is a website where you can type in a bill number and check the status of it.

Ferrazzano said he received a letter from the Southwest Arts and Humanities Council asking for a contribution of \$150 for a membership fee. The organization has been encouraging and promoting funding of the arts since 1974. Stobb said there have been people who have gone to workshops and have applied for grants locally for putting on productions through this organization and he feels they have helped Tracy. Fraser asked if the City has contributed to them before. Koopman replied she thought it had been \$100 in the past. Caron suggested contributing \$100 as in the past. The Council agreed to delay making a decision until the next meeting. Koopman noted the second meeting in May will be on a Tuesday since Monday is a holiday.

Ferrazzano asked Koopman to contact the Marshall City Administrator to arrange a joint meeting between the Tracy City Council and the Marshall City Council. He bumped into Marshall's Mayor last week and they discussed holding a joint meeting. Ferrazzano said he would like to plan for the meeting within a month and said he would like to see if Marshall can give Tracy some backing in getting a prison.

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

ATTEST:

City Administrator

Mayor

May 12, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, May 12, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: M. Fraser, S. Ferrazzano, R. Caron, G. Torkelson and R. Stobb. Absent were: T. Byrne and J. Otto-Arvizu. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the April 28, 2003 City Council Meeting. There being none motion by Stobb, second by Fraser, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (7D) a report on the Multi-Purpose Center roof. Motion by Caron, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion

Koopman stated the memo referring to the public hearing called for to discuss the increase in City license fees. Notice was given to the license holders but it did not meet the mandatory 30 day notification requirement. The City Attorney's office recommending striking the public hearing from tonight's meeting rescheduling it for June 23, 2003, which would allow for a 30 notification. Motion by Caron, second by Torkelson, to waive the reading and hold the second reading and public hearing on June 23, 2003. All voted in favor of the motion.

Ferrazzano presented two proposals for the demolition of the house located at 800 Rowland Street:

D&G Excavating, Inc.	\$3,750.00
Cooreman Contracting, Inc.	\$3,250.00

Motion by Stobb, second by Torkelson, to accept the proposal from Cooreman Contracting, Inc. Fraser asked if the proposal includes a certified asbestos inspector. Koopman replied a contract will be drawn up including that requirement. All voted in favor of the motion.

Koopman said she thought the Council had delayed a decision about making a donation to the Southwest Minnesota Arts & Humanities Council until this meeting but now understood the Council planned to wait until the second meeting in May. Caron felt if the donation is only \$150 the City can afford it. Motion by Stobb, second by Fraser, to give \$150 to SMAHC. All voted in favor of the motion.

Koopman reported that the fire department has applied for a grant from the USDA for a new fire truck and a public hearing is required. Motion by Fraser, second by Caron, to call for a public

hearing to be held Tuesday, May 27, 2003 at 6:35 p.m. All voted in favor of the motion.

Rick Robinson asked for any questions about his monthly report. Ferrazzano asked about the water problem. Robinson replied it was getting better and they someone came down to look at the filter plant and said everything looks good but it isn't being back washed long enough or often enough and it was loading up with iron. Robinson said he spoke with PeopleService and asked them to backwash more often and do iron testing all day long while they are flushing. Ferrazzano asked if PeopleService has been responsible for having someone on duty since the regular employee has been on medical leave. Robinson replied for a while there wasn't someone here very often but he talked to PeopleService and they are making efforts to do better. The City is contracted for someone to be on duty eight hours per day.

Stobb asked if there have there been any more instances of vandalism in the Central Park bathrooms. Robinson replied there haven't been any further instances so locking the bathrooms seems to have helped.

Fraser asked about the American Flag issue where they are tangling up. Robinson replied they are going to try and put them onto longer poles as they need to replace poles to see if that helps. The problem now is they are tangling up in wires and getting caught on bolts.

Ferrazzano asked if the problem with the pool can be corrected. Robinson replied on May 1 Olympic Pools was here and took pictures. A representative from USAquatics was also here and was very helpful showing that when Olympic put the top coat on it wasn't cured under water and did not adhere to the shell of the pool. He also tested the small tile. Dan from Aqualogics was down and said the same thing. The way they test it is to take a six foot log chain and strike it against the pool. In certain areas you can hear a hollow spot where the 3/8" topcoat has separated from the shell of the pool. If they were going to fix all the areas where this has happened they would chip those spots out and patch them but it would look like it had been patched. Dan from Aqualogics recommended to take the damaged patches out and re-spray the whole pool.

Another pool issue is the large gas boiler has kept kicking out so someone had to reset it there or four times per day. That issue was never fixed but recently the gas company put a whole new meter set in and brought some testing equipment. Now they believe it's the regulator on the boiler itself. There are also issues with three pumps with mechanical seals that are leaking when this happens they are shot. Robinson will be getting in touch with the pump manufacturer and those will have to be replaced. It will have to be determined whether that is under warranty. The plans are this fall to have an independent concrete company come down to inspect the pool. They have specialized equipment like a radar gun and can search for cracks and hollow spots. They can also use a radar gun to see if the rerod was put in correctly. The company will cut out a six inch core to inspect the integrity of the concrete and make a report.

Fraser asked how long the Olympic Pools rep was here. Robinson replied less than ten minutes and when he asked the rep what he thought the problem was he thought it because they put the new pool wall against old. Robinson stated that wasn't the case, the old walls were completely removed. Ferrazzano asked if Olympic gave any indication of how much it would cost. Stobb said since this is another warranty issue Olympic will probably want to just do the patching because it's cheaper. Robinson stated the concrete testing company would give an independent opinion and he thought that is what the City will need.

Ferrazzano asked Ron Radke if business had picked up at the Liquor Store. Radke replied it's steady. Ferrazzano asked what things would be discussed at the Municipal Beverage Association conference. Radke replied projecting revenues, off-sale merchandising, the annual meeting and a round table discussion. He said there will be a lot of legislation on liquor issues this year. Ferrazzano asked if Radke could handle closing at 2:00 a.m. Radke replied there might be a couple of times per year it would benefit but as a whole it wouldn't be of great benefit. He added there are also security seminars at the conference. Ferrazzano asked if Radke had figured out what day the Council would serve the public. Radke replied he hadn't yet but it won't be during the summer.

Gervais reported that the corrections facility has been his focus since the Sportsmen's Show and he

has been calling and e-mailing senators and representatives asking for support. He handed out a contact list to Council members. Gervais said the first step is to get the bill passed approving privatization of prison facilities which will have to be approved first by committee but as of today the committee members have not been chosen. The list he handed out included five people Representative Marty Seifert recommended contacting who would likely be involved with the committee.

Gervais stated if the bill does not pass there might be a slim chance that the corrections company, Correction Corp of America, might still be interested in a corrections facility on their own. Senator Linda Berglin will be the toughest sell because unions don't want to see this kind of privatization. Gervais hasn't gotten any figures back from Seifert on the per diem rate as to what it would cost the State, it would depend on where it's based and where it's located. Gervais said you would think it would be quite a savings to the State. He added Canby is also fighting for the corrections facility and has acquired some land for it. An advantage Tracy might have is making it a regional facility where counties would be using it as well which would be more attractive.

Gervais reported the closing on the spec house will be this Thursday in Marshall. He said the EDA is looking at building a rambler style spec house and they would look at pre-selling it this time to eliminate an empty house and so the buyer could be involved with the construction.

An open meeting will be held on Monday, May 19 at the Multi-Purpose Center to talk about the corrections facility. Gervais stated if the bill passes a site selection committee would be formed to investigate what different cities could offer and also the per diem rates from competing corrections companies. At the meeting Monday there will not be a lot of information on the facility itself but rather information about how Tracy plans to get the facility here. People can come to ask questions, voice concerns or hopefully to show support.

Fraser said there is still a possibility of getting a facility even if the bill doesn't pass. Gervais replied Appleton built a facility on their own and Correction Corp of America bought it out. That company is interested in getting a facility built in this area and could choose to do it on their own. Ferrazzano asked if the bill does not pass and the facility was built could it also house county inmates or would the State have to approve that. Gervais replied part of House file allows county facilities to use private facilities but if the bill doesn't pass he didn't think that could happen. Koopman stated counties as a whole could build a regional facility. Ferrazzano said he understood that but if private company built the facility for the counties they would still have to abide by State regulations which may say they aren't allowed to house county inmates since they aren't run by the State. Gervais said he believes part of Seifert's bill was double bunking and for counties to use private facilities. He has seen a lot of information from Correction Corps who seem to be a leader in privatization. They may offer a little higher per diem rate but they offer a few more programs at the prison.

Chief Bryan Hillger reported 118 ICR's for April and these numbers are down but they are running one man short since Kyle Mork has been out since the beginning of April with a back injury. One incident that occurred last week was they lost four runway lights out at the airport and the people who did it came around the side by Swift Lake. The vandals took the globes out and smashed them on the runway and the globes are costly. Robinson said they had to shut the airport down in order to get a street sweeper in to clean up the glass. Hillger said he will get some no trespassing signs and people will be kicked off of airport property if officers find them there. He wanted to inform the public if they are going to fish at Swift Lake they had better stay on the park side.

Hillger also reported he had about 54 public nuisances he turned into Koopman.

Koopman said her primary focus has continued to be the budget. They have made some major strides in reducing spending and increasing revenue. She and Gervais met with Ehler's & Associates in regard to putting a financial package together for the prison. She also met with Rick Goodeman on small cities grant program. Basically they can't do anything now but as the time gets closer when the money will be distributed the people in the target area will be notified and public hearings will be held.

The month of May is evaluation time and Koopman said if the Council wants to do as they have in

the past they could do her evaluation at the end of the next meeting. Stobb asked if that meeting is also the public hearing for nuisances. Koopman replied it was and said the Council could wait until the first meeting in June since the meeting could get long. Ferrazzano thought they should go ahead and hold the evaluation on May 27th.

Koopman stated the senate tax committee has passed their bill that would institute a two year freeze on property taxes coupled with significantly lower reductions in local government aid and market value homestead credit paid to cities. The committee went on to pass the entire tax bill which will include income tax increases, cigarette tax increases and an increase in the State business property tax. The bill will be considered by the Senate on Tuesday but the Governor has vowed to veto any increases. The bill indicates the freeze would be to taxes collectible in 2004 and 2005 so to Koopman that seems to say they could increase the levy this year and it would freeze at that level through 2005.

Koopman reported the House bill is totally different as they are working on establishing a casino as a revenue maker and their bill does not include any tax increases. Local government aid cuts are supposedly less compared to the Governor's but she hasn't seen any figures. Koopman said she e-mailed Seifert about the Dorman-Langseth bill but he replied it would totally unravel the 2001 tax reform act which Koopman thinks should be unraveled because she thinks it has contributed largely to the deficit Minnesota faces today. The problem is it did help farmers. She doesn't envy the legislators' position and doesn't know how they can reach their final decisions by May 19.

Ferrazzano asked if Koopman wanted to comment on the letter from PeopleService. Koopman replied she would like to put it on the next agenda.

Koopman reported the Pool Committee has some situations that need to be addressed like the hardship scholarships. The Committee is asking that they be given the authority to make these types of discretionary decisions. Motion by Fraser, second by Torkelson, to give the Pool Committee the authority to make such operations decisions. All voted in favor of the motion.

Ferrazzano reported that the Attorney Committee was working out what they were going to recommend to the Council in regard to the City Attorney's contract. The Committee will meet again on Monday June 9 and should have a recommendation by June 23. Stobb asked if this is the contract for the current period. Koopman replied it is.

Koopman reported that she had called Laraway Roofing regarding the Multi-Purpose Center roof and tried to explain the situation. They don't have a structural engineer on staff but suggested she talk to Ron Helgerson with Group II Architects who the City has worked with before. Koopman talked with Helgerson who placed conference call to Jason Peterson from Rice Engineering. Peterson was coming to Marshall today and agreed to take a look at the roof. His recommendation was to either place a membrane roof or a metal roof with a one side pitch. Peterson said either way they will need to make the repairs by the parapet wall where the flashing is gone as Buysse Roofing had stated in his proposal. The only way to avoid the work by the parapet wall would be to put a pitched roof up on top of the wall which Koopman felt would distort the appearance of the building. Peterson also felt Buysse's proposal was an appropriate plan for repairs. Koopman added if they put on a metal roof they would have to remove the existing roof to see the quality of the deck underneath.

Garrels felt that Peterson's comments reflected that putting on a membrane roof was the answer to the City's problems. He indicated that the warranty on a metal roof is only 30 years and that is the same warranty for a membrane roof. Garrels said you do have joints with a metal roof and Peterson indicated they would also have to put some kind of stripping down so the cost would be higher with a metal roof. Koopman said Peterson also indicated the existing roof really doesn't warrant replacement, the only place that needs repair is by the parapet wall. Garrels said there is also a swell in the roof towards the alley side which Peterson recommended correcting if the City is going to put on a different roof since water collects there. Peterson also suggested the City should do something with the brick parapet up there either plaster or tuck and point it on the inside since it is showing some deterioration.

Fraser asked if the only place leaking is by the parapet wall. Garrels replied it was, one whole side of the flashing is gone and depending on the direction of the wind it can drive rain into the building.

Stobb asked if there is a membrane on the low part of the roof. Garrels replied a bituminous roof covered by a rock layer was installed a few years ago. Stobb said he personally would not like to see a metal roof sticking above the building since it would not fit in with the character of the buildings downtown. Motion by Torkelson, second by Stobb, to get another bid on the parapet repairs. Stobb asked if Buysse’s bid is still good. Koopman thought it would be but she will check on it. All voted in favor of the motion.

The Consent Calendar included the following: The Monthly Financial Report for April; Planning Commission minutes for April 7, 2003; the Police Activity Report for April; Multi-Purpose Center minutes for April 14, 2003; Firemen’s Relief Association minutes for May 5, 2003; Cemetery Commission minutes for April 17, 2003; and Municipal Accounts Payable. Motion by Caron, seconded by Stobb, to adopt the above listed items. All voted in favor of the motion.

Koopman reported that she spoke with Marshall’s City Administrator’s secretary and a joint meeting with Marshall’s City Council has been scheduled for June 30, 2003 at 6:30 p.m. The meeting will be held at the Marshall Municipal Utilities office located at 113 South 4th Street. Koopman said Marshall would like the Council to propose an agenda for the meeting. Ferrazzano asked Council members to e-mail or stop in to see Koopman with any agenda ideas. He said the prison will be a main topic. Fraser suggested the transportation issue. Ferrazzano said he would also like to discuss housing and working with Marshall’s EDA about referring businesses to Tracy that Marshall isn’t interested in.

There being no further business motion by Fraser, seconded by Caron, to close the meeting to discuss labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

May 27, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, May 27, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, T. Byrne, J. Otto-Arvizu, R. Caron, G. Torkelson and R. Stobb. Absent was: M. Fraser. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the May 12, 2003 City Council Meeting. There being none motion by Caron, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (11A.2) the latest news on local government aid. Motion by Byrne, second by Stobb, to approve the agenda as now written. All voted in favor of the motion

Ferrazzano presented a license agreement for the Liquor Store for Karoke. Radke stated the agreement just needs Council approval. Nielsen said he looked over the agreement briefly. Koopman stated Kerr has looked at it and didn't see any problems. Motion by Torkelson, second by Caron to approve the agreement. All voted in favor of the motion.

Sheila Leonard has submitted an application for the Planning Commission vacancy. Motion by Byrne, second by Torkelson, to appoint Leonard to the position. All voted in favor of the motion.

Ferrazzano opened a public hearing at 6:35 to discuss the USDA Rural Development grant application. Dennis Vandeputte reported the Fire Department is in the process of specing out a new fire truck and has been trying to secure a 12 percent grant from the USDA. The total cost of the truck is estimated at \$230,000 and the USDA has allocated \$25,000 for the truck contingent on Council approval. Vandeputte said once the spec sheet is put together they will call for bids. Once a bid is accepted it will be about 300 days build time so it will be close to a year before they receive the truck. The USDA will cut a check when the Fire Department is ready to pay for the truck.

Ferrazzano presented a request for a new copy machine for the Administrative office and a request to change telephone service. Byrne stated the copier that can be networked is very beneficial to all departments because it can be used much like a printer. Caron asked if there was any reason the City buys instead of leases a machine. Koopman said the City has always purchased a copier because in time it pays for itself. Otto-Arvizu said there is a discount and trade-in amount so the City would get money back from Davis Typewriter. Ferrazzano asked if the office ever goes over 8000 copies per

month. Koopman replied very seldom, maybe when doing budgets.

Stobb asked if phone service is changed if the City's phone numbers will change numbers or if Internet service will be affected. Sue Ann Moyars, a PrairieWave employee, replied they wouldn't.

Motion by Byrne, second by Caron, to approve the purchase of the Sharp copier in the amount of \$5809. All voted in favor of the motion.

Byrne asked if Dave Spencer feels switching to PrairieWave for phone service will save money. Koopman replied he does. Motion by Byrne, second by Otto-Arvizu, to switch phone service. All voted in favor of the motion.

The Consent Calendar included the following: The Police maintenance log; the monthly water and wastewater report; and Municipal Accounts Payable. Stobb asked if the flow meter is off significantly again. Rick Robinson replied not that he knows. He said PeopleService has been trying to calibrate it themselves and is trying to get the vendor to come out and look at it. Stobb said he sees a maximum flow of over three million gallons in a day which is well over the amount allowed. Robinson replied what that is usually attributed to is a large rain and it is not uncommon. Ferrazzano asked if PeopleService has had someone in Tracy for eight hours a day. Robinson replied he doesn't know if they are here a full eight hours but they are definitely here more then they were. Motion by Stobb, second by Torkelson, to approve the above listed items. All voted in favor of the motion.

Ferrazzano opened a public hearing at 6:45 p.m. on nuisance violations. Hillger reported that he had originally identified 54 nuisances and upon re-inspections on May 22 the following still exist:

249 Union Street - a light blue Dodge Caravan with expired license.

Motion by Stobb, second by Byrne, to issue an order of abatement. All voted in favor of the motion.

140 E. Morgan Street - a Toyota Tercel with expired license and miscellaneous debris.

Motion by Byrne, second by Stobb, to order the abatement. All voted in favor of the motion.

148 E. Craig Avenue - a brown Ford van with expired license, a blue Ford pickup filled with debris, a duck boat, an old tire, and an old school bus filled with junk. Hillger stated the property looks worse upon reinspection.

Motion by Caron, second by Byrne, to order the abatements. All voted in favor of the motion.

58 Morgan Street - a black Izuzu pickup with expired license.

Motion by Stobb, second by Torkelson, to order the abatement. All voted in favor of the motion.

348 Emory Street - red and silver Ford pickup with expired license.

Motion by Caron, second by Stobb, to order the abatement. All voted in favor of the motion.

524 5th Street - old building materials are still present.

Motion by Stobb, second by Torkelson, to order the abatement. All voted in favor of the motion.

584 5th Street - an old stove, old refrigerator and miscellaneous debris.

Motion by Byrne, second by Caron, to order the abatement. All voted in favor of the motion.

360 7th street - an old refrigerator remains.

Motion by Caron, second by Torkelson, to order the abatement. Stobb asked if the refrigerator is operable. Hillger replied he wasn't sure but it is on the back porch and should have the door removed

or chained. All voted in favor of the motion.

285 8th Street - some debris remains and the vehicle is still there with a tarp thrown over it.

Motion by Caron, second by Torkelson, to order the abatement. Stobb said he assumes the tarp is not an auto cover tarp, it's just camouflage. Hillger said he checked back a day later and the owner had taken a piece of metal to cover the license plate. All voted in favor of the motion.

224 10th Street - an old stove remains.

Motion by Stobb, second by Byrne, to order the abatement. All voted in favor of the motion.

337 8th Street - most of the debris has been cleaned up but an old appliance has been added.

Motion by Torkelson, second by Stobb, to order the abatement. All voted in favor of the motion.

515 Greenwood Avenue - a blue Chevy Suburban with expired license.

Motion by Stobb, second by Torkelson, to order the abatement. All voted in favor of the motion.

750 Greenwood Avenue - a white Olds with expired license.

Motion by Caron, second by Torkelson, to order the abatement. All voted in favor of the motion.

680 Greenwood Avenue - A Toyota with expired license and an old tire remain.

Motion by Stobb, second by Torkelson, to order the abatement. All voted in favor of the motion.

600 Greenwood Avenue Lot 13 - there is no trailer on a lot but a Chevy van with expired license is parked.

Motion by Byrne, second by Stobb, to order the abatement. All voted in favor of the motion.

600 Greenwood Avenue Lot 16 - an old blue collector Chevy car with expired license remains. The owner told Hillger they were going to apply for a collector license but he they still haven't.

Motion by Stobb, second by Torkelson, to order the abatement. All voted in favor of the motion.

600 Greenwood Avenue Lot 29 - there is no trailer but a blue Honda with expired license is parked. A neighboring resident told Hillger the owner lives at Lot 32.

Motion by Caron, second by Byrne, to order the abatement. All voted in favor of the motion.

361 South 4th Street - the property is abandoned and miscellaneous junk and an old appliance remain, and there are windows and doors broken out.

Motion by Torkelson, second by Stobb, to order the abatement. All voted in favor of the motion.

460 Monroe Street- a blue Dodge pickup with expired Mississippi plates, an old mower and bikes and miscellaneous debris.

Motion by Byrne, second by Stobb, to proceed with the abatement process. All voted in favor of the motion.

350 Adams Street - a red Olds and brown Buick with expired license, old tires and old building materials remain.

Motion by Stobb, second by Caron, to order the abatement. All voted in favor of the motion.

Ferrazzano presented two proposals for repairing the Multi-Purpose Center roof from Laraway Roofing and Buysse Roofing. Koopman stated Buysse would stand by his original proposal of \$10,425. Koopman said there is a difference of \$190 between the proposals Buysse has done primarily all of the City's roofing in the past and he was the one that drew up the specs. Motion by Byrne, second by Stobb, to accept Buysse's proposal. Nielsen asked if the City has been satisfied with Buysse's work. Koopman replied he always stands by his work and responds quickly to calls. All voted in favor of the motion.

Ferrazzano referred to the letter received from PeopleService and asked if Alan Meyer has talked to Koopman since the letter was written. Koopman replied she hasn't talked to him but the letter basically says they were not going to let the City out of the contract. She thinks there are some issues that Robinson has kept close tabs on as far as performance but according to the contract PeopleService must be given written notice and 30 days to correct any problems. Koopman said there was an issue with hydrant flushing where Robinson had asked them to flush in April but they waited until May. This resulted in problems filling the pool with a lot of rusty water.

Robinson said he has sent memos to PeopleService not to drive on the airport road instead of the service road to the ponds and to avoid parking in front of the City Shop. There are often times when plumbers go to the office to get meters and nobody is there. Robinson said he would like to compile a list of complaints and give them to the Council. Ferrazzano asked if the cumulation of these things be enough to declare a breach of contract. Koopman thought it would be difficult especially since PeopleService must be given 30 days notice to correct any issues. Otto-Arvizu stated driving on the airport road could be a hazard. Ferrazzano asked how long the City has been going without someone on site for eight hours. Robinson replied it has been for quite a while but it is hard to keep track when PeopleService is here or not. Byrne said the contract states someone is on site for eight hours. Koopman said she doesn't know if the contract specifies that but it was the intent. Ferrazzano thought that could be considered a breach of contract. Koopman said they still have to give notice to PeopleService and they have 30 days to correct any issues.

Ferrazzano stated the legislation to privatize prisons didn't pass but he received information that the idea could be brought up again at the fall session. He wanted to discuss this issue because it is possible for Tracy to continue working with Corrections Corp and contact counties in this area to see if there is an interest in a regional facility. Ferrazzano wanted to keep the momentum going because there is enough community support to have a facility in Tracy and he didn't want to see the issue die just because of one obstacle. He was not suggesting that the City go to the extent that Appleton did in building a facility themselves but that they check and see if Lyon, Redwood, Murray and Cottonwood counties are interested in a regional facility. Ferrazzano felt if the City could get a regional facility built it wouldn't be too difficult to add on to the facility if Legislators approve privatization. He would like to get the issue on the agendas of the local County Commissions to see how receptive they are. Ferrazzano felt Tracy is in a good location for this type of facility. Koopman added State law already allows for a county regional facility. She said Gervais has kept in contact with Corrections Corps and there is a firm that has worked with them in the past that could conduct a feasibility study. It may be worth doing a study beforehand and having that information but she would like Gervais to be present and explain to the Council in detail. Byrne thought Tracy could get the support because Redwood is waiting to see what the Legislators decide because they need a facility and Murray County only has four holding cells. Ferrazzano stated if counties put money in collectively it won't cost as much and thought that would be a receptive argument. He said even if the jail was not as large as a prison facility even bringing in ten jobs is a benefit.

Koopman reported the preliminary figures from the LMC show that cuts in the year 2003 would amount to \$149,083, however that would be the total amount of loss, no cuts are projected for 2004. Given that scenario the City should be fine. Koopman said she would get firmer figures by the next meeting. At that time they can review the part time janitor position which is the only position cut at this point. The figures indicate things will be worse for the year 2003 but better overall. Otto-Arvizu stated Minnesota Public Radio said everything fell apart with the Legislature and one of things they couldn't agree on was local government aid. Koopman said it's going to be difficult if they don't reach a decision in regard to the City's budget decisions.

There being no further business motion by Byrne, seconded by Torkelson, to close the meeting and to hold the City Administrator's evaluation. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

June 9, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, June 9, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, M. Fraser, J. Otto-Arvizu, R. Caron, G. Torkelson and R. Stobb. Absent was: T. Byrne. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the May 27, 2003 City Council Meeting. There being none, motion by Torkelson, second by Caron, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Otto-Arvizu added two reports, (5B) airport runway damage and (5C) the aquatic center grand opening. Ferrazzano added (10A.1) a place for kids to ride BMX bikes. Motion by Fraser, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Jim Kerr reported in February he received correspondence from Patrick Mastel, Senior Legal Counsel for PrairieWave asking for an automatic extension of their franchise agreement until December 31, 2014. Kerr said in his memorandum that a letter from Senior Legal Counsel was probably not adequate for certification of completion of the system construction by December 31, 2001 or that the grantee is in compliance with the terms and conditions of the franchise. An executive officer should make that certification by sworn statement. Kerr stated that the franchise agreement drawn up must be one that mirrors the agreement with Charter Communications and he believes the Charter franchise is also expiring. Kerr thought they were both ready to expire and what has to be fashioned is a franchise agreement that is the same level of playing field for both companies so a new franchise must be drafted for that purpose.

Kerr had previously contacted Brian Grogan with Moss & Barnett who had done the investigative work for the last agreements with Charter and PrairieWave. Grogan informed Kerr at that time he would be unable to assist the City because of a conflict of interests with the Olympic Pool litigation. Grogan suggested contacting Robert Vose with Kennedy & Graven who has agreed to assist the City in this matter if the Council sees fit. Kerr added that PrairieWave ultimately bears the attorney fees. Ferrazzano asked if PrairieWave can dispute the need for a new franchise. Kerr referred to clause 4.05 of the franchise agreement which states that the agreement will automatically be extended if the grantee has completed the construction of the system by December 31, 2001 and is in compliance with the terms and conditions of the agreement. Ferrazzano said basically then PrairieWave did not complete everything by December 2001. Kerr replied they could have but they have to agree to a new

agreement. The last provision of 4.05 said the PrairieWave and the City must mutually agree on a new franchise agreement developed to address the renewal of the Harmon (Charter) franchise. Nielsen thought the Council previously discussed that the franchises in the past have included a clause that says the City won't give one competitor a better deal than another. Kerr added that is also part of FCC regulations.

Fraser asked if it was Kerr's intent to have one franchise to cover both. Kerr replied there would be two separate agreements but fairly identical. Otto-Arvizu said she was surprised that Charter hasn't come forward requesting an extension. Kerr said his understanding is Charter is not functioning in an ordinary fashion and he is not sure if they are having corporate problems or other problems. Nielsen said Charter is relatively new having taken over American Media a few years ago and the renewal may have gotten lost in the midst of the transfer. Otto-Arvizu said the end of June is coming very soon and wondered if they would be able to get a new agreement by then. Kerr stated the City can grant an extension while the process of forming a new agreement.

Fraser asked if Kerr was anticipating that Vose would look at the current franchise and suggest if any changes needed to be made. Kerr replied he would and would also determine if the technical and financial aspects of the company would have to be investigated again. He said the key is whatever new franchise is put in place has to be very similar to that for Charter, if not now then later. Kerr thought they had fashioned PrairieWave's franchise to expire at the same time as Charter's. Otto-Arvizu said if the franchise for both is going to be identical except for the name she felt Charter and PrairieWave should share the costs. Kerr replied the agreements would not be identical since they are dealing with individual companies which may require different evaluations. Nielsen stated it was part of the contract to actually evaluate the performance of the potential franchise holder, both from a financial and from a technical standpoint. Otto-Arvizu replied that would be the investigative part but she was thinking in terms of the agreement itself, if PrairieWave and Charter's should be identical. Kerr said he doesn't think the City can tell the law firm how to bill. Ferrazzano suggested dealing with PrairieWave since they know they are working on a deadline and then deal with Charter when they know it expires. Otto-Arvizu asked if the Council could we get that information by the next meeting.

Stobb said Moss & Barnett has done the investigation when a new franchise holder is coming in but he didn't know that they had done it at the time of a renewal. Kerr said the City would want to make sure they are operating under the terms of the franchise and have adequate assets to operate until 2014. Ferrazzano suggested they find out Charter's expiration by next meeting and in the meantime have Kerr contact Vose. Stobb asked if it would be a good idea to talk to PrairieWave first and let them know what the City is planning to do. He said if Charter is expiring at the same time the City should make contact with them too. Kerr said as he understands the City drafts a franchise agreement and sends it to the franchise holder. They have a deadline to respond and if they don't respond that is the standing agreement. Kerr added that Grogen told him Charter may not respond. The Council agreed that Kerr should contact PrairieWave, Charter and Vose.

Koopman presented a satisfaction of mortgage for Geana Hamilton. Motion by Caron, second by Fraser, to approve the satisfaction. Fraser asked if the mortgage agreement was for the down payment assistance program. Koopman replied it was. All voted in favor of the motion.

Koopman stated she didn't have a written report but there is a concern with the old Coast to Coast building downtown since recently during a heavy wind the plywood covering a broken out window blew out and two other windows are cracked. In addition the Chamber of Commerce was putting lights up on the roof of a nearby building and when they looked down onto the roof of the Coast to Coast building it looked severely damaged. Koopman said she believes Joe Smarzik is still the owner of the building and they can try to get his permission to inspect the building. She said they can send a request by certified mail and give ten days to two weeks to respond otherwise they will seek an administrative search warrant.

Bob Gervais reported that he is continuing to work on a regional facility through Corrections Corps (CCA). They are interested and would like to see a need for a 300 to 400 bed facility. At the public meeting a representative from the DLR group was present. The DLR Group works with CCA and has done engineering work for them. The rep sent Gervais some information that indicated a new

400 bed facility would cost roughly between 36 and 41 million dollars, however CCA would be interested in financing that on their own should the need present itself. There is a meeting set up with the DLR Group on July 22 about doing a needs assessment study. They have already done some preliminary work in Southwest Minnesota but Gervais said he is not sure what a feasibility study would cost. He has also spoken with Marty Seifert who is going to continue to push for a regional facility in this area and is going to reintroduce the legislation regarding privatization of prisons this fall. Seifert has a meeting lined up this month with CCA and has been in contact with Minnehaha County, which includes Sioux Falls, who is looking to out-source.

Ferrazzano asked what is required for a needs assessment and thought they would have to present the plan to county commissioners. He thought if Tracy went to area commissioners and said we are working with a private company willing to finance a facility and it wouldn't cost them a nickel that quite a few people would be receptive. Gervais stated Tracy needs to show CCA that the area has the ability to fill 300 to 400 beds within the next couple years. For example Murray County paid over \$100,000 in prison fees last year and has transported prisoners as far away as Meeker County, paying up to \$200 per day. Redwood County paid over \$60,000 last year. Gervais added Seifert has taken it upon himself to contact area county commissioners and set up meetings and also work with Minnehaha County. Ferrazzano said he would like to know when the meetings are scheduled so he could attend. Gervais said he has invited Seifert to meet in Tracy to discuss the issue but doesn't have a date yet. Gervais stated he would like get a business plan put together and added that even a 400 bed facility would bring in about 100 jobs. Ferrazzano said in getting a regional facility here if privatization is approved it would be easy to add onto the facility. Ferrazzano thought it was terrific news if CCA would be willing to finance.

Gervais said CCA is trying to get tax bases lowered on many of their facilities across the nation, to that is something to keep in mind.

Gervais reported the Eastview lots have done well lately and they have a right of first refusal drawn up with the hospital for the five lots directly south of them. There is a written agreement on lot 14 and a verbal agreement on the lot to east. That leaves three developed lots to the south and the goal is to put a spec house on one and possibly have a house built on another, leaving one lot available for sale. Gervais said the EDA is now in the process of looking for more land to develop.

Gervais reported that Jim and Ade Miller have requested to purchase the Almlie Building to start a business. The EDA is also putting together a proposal to request to purchase the building between the Etc. and Dueber's from Jerry Gladis. Gervais said the EDA will be working with Kerr and Nielsen in regard to purchasing the P+ Grocery store building. They were able to access it last week and after inspecting with Gary Garrels the building looks to be in very good condition. If the EDA is able acquire those two buildings that would leave only the old Coast to Coast building empty downtown so potentially main street could be filled up.

The Chamber had a great night at the street dance last Friday. Ferrazzano asked if they made any money. Gervais replied it looks like they made about \$1000 but even if they had broke even he would still consider it a success because the event brought people to town. Ferrazzano asked if part of the reason for holding a street dance was to also make money for a beer tent or if the plan is to build a permanent structure. Gervais replied the current canvas tent is 60 x 120 feet and to replace it with a used vinyl tent, which would last 10 to 15 years, would be about \$24,000 or a new one at about \$34,000. A permanent wood structure with a tin roof would be \$50,000. The Chamber would have to lease the property since it is City owned so the question is how much use it would get.

Gervais thought the farmers market, auction sales, flea markets and other events could be held under a permanent structure. Ferrazzano asked if the price given was for labor and materials. Gervais replied they looked into a materials cost of \$28,000 and the option of getting donated labor. Ferrazzano asked if Gervais thought the Chamber would have a problem getting donated labor. He replied from those he has talked to he doesn't think so. Ferrazzano suggested asking the City for a loan as he could definitely see the benefits of a permanent structure. Gervais said he planned to talk with Koopman and present some different options and then come back to the Council to discuss the issue. Ferrazzano said his opinion was the tent only gets used once a year. He suggested in winter maybe downtown employees can park underneath and pay a nominal fee per month.

Gervais said one last thing is the City of Tracy California has invited us to their annual Bean Festival on August 2 and 3 this year and that city's 125th Anniversary on September 12 and 13. He said about a dozen people from California came last year for our 75th Box Car Days. Gervais felt that it would be nice to see some representatives attend one of their events. Ferrazzano asked what Gervais was thinking about attending. Gervais replied he would have to go in August to the Bean Festival.

Rick Robinson asked if there were any questions on his report. Otto-Arvizu referred to the airport damage since she had requested it be added to the agenda. Robinson said the farmer leasing the land next to the airport runways has been told time and time again not to cross the runways with equipment yet they took a tractor and went across the grass runways and the tires sunk in to a point that the street crew had to take the steel roller and smooth it out. Robinson said he billed the farmer for the time spent repairing the runway. When planting the farmer crossed the asphalt runway four times and the street crew had to take the street sweeper out to clear off all the dirt. Robinson thought they would have to have a better agreement with the renter. Otto-Arvizu said she thinks this is a flagrant violation of the agreement which states the renter is not to take any equipment on the runways, plus it is extremely dangerous for pilots using the runways and could put the City in a liability situation if an accident should occur. She asked if the City could possibly break the lease agreement and instead of renting these areas out put them into a federal or state program or put the acreage into the CRP program. Torkelson replied they can be put into the CREP or CRP Program however the City would not be able to touch that land for ten years after. Otto-Arvizu said her concern is that pilots don't have to request to use the airport and if a runway is damaged or debris is left on it and the City doesn't catch it there could be an accident.

Robinson said the farmer can go around the grass runways and there are markers there where he can drive. The street crew checks the runways Monday through Friday but not on weekends. Ferrazzano asked how many times the farmer was warned about this. Robinson replied he has talked to two different people this year but doesn't know previously how many times the renter was warned. Koopman thought this was an annual occurrence. Otto-Arvizu made a motion to have the City Attorney investigate how to break the lease and eliminate any areas causing problems with the runways. Stobb asked if in redoing the lease they would have to put anything in about the bike trail. Robinson said there were two spots chosen by the renter for crossing where the asphalt will be heavier. Stobb thought they should specify that in the lease agreement. Caron seconded the motion and all voted in favor.

Caron asked the dandelions could be sprayed on the Eastview lots and said the airport didn't get a very good kill. Robinson replied he would have it done. Robinson reported the transmission on the Police Ford Explorer is going out and Paul Desmith is looking into a replacement. Robinson said there is a problem with garbage being dumped at the compost site. He has found mattresses, bedroom sets, and miscellaneous garbage about three times now. Robinson said he will review the signs posted at the dump. He added that he put a notice of regulations in the newspaper last week. Koopman suggested that the sign also be posted in the Hmong language.

Stobb asked if the \$500 illegal dumping reward is still in effect. Council members thought that it was. Otto-Arvizu asked if the dump was being closed at night. Hillger replied it wasn't. Robinson stated Public Works is checking it every day but can't keep a real close eye on it. Otto-Arvizu said the other concern is if the City gets caught with dumping violations the compost dump could be closed. She asked how often the dump is patrolled. Hillger said he couldn't answer for the other officers but he's there at least once a day. Otto-Arvizu thought it would help to have the gates closed at night. Ferrazzano suggested in order not to penalize people using it legitimately to try and see if new signs and patrolling help. If not the Council can look at specific hours.

Robinson reported Public Works will install better quality door handles on the new bathrooms in Central Park. The current handles are not as sturdy and vandals have been breaking them off. Koopman suggested a video camera would be a good idea.

Robinson informed the Council he was going to hire Russ Edwards back to help mow and would also like to hire a high school student to help for the summer. Caron asked if they were ready to spray mosquitos. Robinson said they were getting ready to spray shortly.

Hillger stated about all he had was the monthly activity report. Caron said there has been discussion about replacing the officer on leave with a part time officer. Koopman asked if they meant to hire someone temporarily. Caron replied as long as was needed. Ferrazzano asked Hillger how he was doing with coverage. Hillger stated the bad guys have already figured out when someone is on duty and when no one is. He said with the added hours, overtime hours and on call hours the officers' paychecks look better but extra hours start to take their toll. Ferrazzano asked if they had ever gone to Lyon County for assistance. Hillger replied they are short on officers too. Koopman stated right now Kyle Mork is on leave without pay for up to 90 days. Motion by Stobb, second by Torkelson, to look into hiring a part time officer.

Koopman reported the majority of her time has continued to be spent on budget issues. She said she has completed performance evaluations but just has to meet with employees to review them. She said the Deputy Registrar office continues to be extremely busy but received word that on a State review the office got an excellence for performance.

Koopman requested that the first meeting in August be changed to either the first or third Monday in August. Motion by Caron, second by Torkelson to change the first August meeting to August 4. Koopman said she would change the date of the Planning Commission meeting. All voted in favor of the motion.

Koopman said she hoped she would have gotten more information about the State budget cuts by this meeting. However there are a couple areas she wanted to reintroduce, for instance the Safety First contract. The second half of the contract was eliminated and Public Works feels the value of training they receive is worthwhile. She will bring that in formally at the next Council meeting. Caron asked if Koopman could put together one list of exactly what was cut. Koopman replied she would provide that. She added \$94,000 was added to the budget last year and the cuts amount to about \$97,000 so the Council has a lot of room for changes.

Ferrazzano stated Ron Radke was not able to attend but had submitted a written report.

Otto-Arvizu stated a committee met last Friday to plan for the Aquatic Center grand opening. The celebration is scheduled for Saturday, June 21st with free swimming from 1:00 to 9:00p.m.. The plan to have something special every hour on the hour. At 1:00 will be a ribbon cutting ceremony, at 2:00, 3:00 and 4:00 there will contests or activities and at 5:00 there will be about a 15 minute speech thanking those involved with the pool project. There will be a special meal available in addition to the concession stand. Caron stated they will have barbecued pork and barbecued hamburger sandwiches and chips available. Koopman thought the committee had decided to charge a \$1.50 for the meal. Caron said they will possibly have a DJ at the pool. Otto-Arvizu added at 6:00 and 7:00 there will be more fun contests and a rain day is scheduled for Sunday. Koopman said they plan to have a golf cart shuttle service available in anticipation of a lot of cars. Caron asked if the flower beds at the pool were going to be done soon. Koopman said they will be done by the grand opening. She thought there was an issue with the amount of dirt in the beds.

Koopman reported that a variance request received from Kevin and Tonia Nordsiden at 431 Adams Street asked for a 17 foot side yard variance on a corner lot. She said the Planning Commission had approved the variance and since a signed petition was received from all the neighboring property owners with no objections the Commission waived the two week appeal period. Motion by Caron, second by Fraser, to approve the variance request. All voted in favor of the motion.

Ferrazzano presented a resolution appointing the Commissioner of Transportation as an agent for the City of Tracy. Koopman stated the resolution has to do with the airport grant for fencing. Ferrazzano asked if it was a formality for the grant process. Koopman replied that was correct. Motion by Stobb, second by Caron, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-8)

The Consent Calendar included the following: Multi-Purpose Center minutes for May 12, 2003; Police activity report; The Police monthly maintenance log; Planning Commission minutes for May 5, 2003; and Municipal Accounts Payable. Motion by Caron, second by Fraser, to adopt the above listed items. Otto-Arvizu asked if any EDA minutes had been received. Koopman said she hasn't

received any but will check into it. All voted in favor of the motion.

Rob Sorenson and Casey Kline had requested to be heard by the Council. Ferrazzano stated Sorenson and Kline had come to him with a concern about riding their BMX bikes. Sorenson said he would like a place to ride where he doesn't get into trouble. He and some others had been riding on the dirt piles over by the railroad tracks. One police officer had given no indication that they couldn't ride there and another told them they couldn't. Sorenson was wondering if they were allowed to ride there. Robinson said his concern is since Public Works often uses a loader to dig dirt out, the pile could be unstable and collapse. Sorenson said they have been told not to ride on streets so they found a fun place to ride. Kline indicated about eight or nine kids have been riding on the dirt piles. Sorenson felt if there are activities such as this for kids they aren't as likely to get in trouble.

Torkelson asked if there is some place the City can place dirt or gravel piles for the kids to ride on. Robinson suggested they could near the compost site. Koopman thought they should run the issue past the insurance agent before making a decision. Fraser stated there a lot of cities with skate parks. Ferrazzano thought they could eventually try to build one, perhaps in the skating rink in Central Park. He stated they can't give an answer tonight but will work on it. Caron suggested Sorenson and Kline come down Wednesday after Koopman finds out about the insurance issue. Stobb said in the meantime the compost site has nothing posted saying they can't ride there.

There being no further business motion by Caron, seconded by Torkelson, to close the meeting and to hold the City Administrator evaluation. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

June 23, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, June 23, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, M. Fraser, J. Otto-Arvizu, R. Caron, G. Torkelson and R. Stobb. Absent was: T. Byrne. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the June 9, 2003 City Council Meeting. There being none, motion by Fraser, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Motion by Caron, second by Stobb, to approve the agenda as written. Otto-Arvizu added (11B.2) a make-up day for the pool grand opening. The motion was amended and all voted in favor.

Byrne arrived at 6:32 p.m.

Ferrazzano opened a public hearing opened on Ordinance No. 279, an ordinance increasing license fees. No one from the public was present to speak. Otto-Arvizu asked if anyone came in person or called by phone expressing concerns. Koopman replied no one had. The public hearing was closed and Stobb made a motion to adopt Ordinance No. 279. Byrne seconded and all voted in favor of the motion.

Ferrazzano referred to the problems that had occurred on the airport runways by Dan Lanoue who leases the City farm. In his memo Nielsen recommended trying to negotiate a change of the land farmed in the lease. Koopman stated that the revenue lost from leasing the land around the runways amounts to about \$4000. She spoke briefly with Lanoue about this and discussed instead of forfeiting the revenue trying to find alternate routes to the farm land. Otto-Arvizu thought that was specified in the lease agreement. Koopman replied there has never been a designated entrance and exit for each parcel of land. Caron said Lanoue had indicated to him the entrances to the runways are often too wet to use. Torkelson said he spent a lot of time with Lanoue on Saturday discussing the issue. During a wet spring there is no way to access the farm land without leaving deep ruts. Lanoue said there never had been a designated way to get in so in the past he has used his discretion. He said you can't go in or out without leaving tracks somewhere. Otto-Arvizu said it was her understanding the grass runway had ruts in it and that is a safety concern. She said digging ruts in a runway where people land airplanes is never acceptable. Lanoue said if there is a problem he would like the City to contact him instead of reading it in the newspaper. He would like to address any issues personally.

Caron thought Robinson and Lanoue should get together and figure out where to put entrances and place rock or gravel there so equipment won't sink in. Stobb asked about putting accesses on the north and west sides. Torkelson said he would hate to see the City lose \$4000 revenue. Koopman added the City does not qualify for any of the government programs since it is itself a government entity. She hoped there could be some sort of resolution worked out. Robinson said he would like Homer Dobson to attend any discussions since he has a lot more experience with the runways.

Caron asked for the Council's thoughts on the runway clean up and repair bills sent to Lanoue and asked how much the bills were. Robinson replied one was \$180 and one was \$130 for equipment and man hours. Dobson said the concern with dirt on the runways is an airplane can't taxi through it without damaging the propeller. Some planes have a propeller only inches from the ground which forms a funnel sucking up the dirt and a prop can only tolerate so much of that. A prop can be sent in to be reconditioned but if it's nicked badly enough it has to be replaced and it's an expensive piece of equipment. Otto-Arvizu said her main concern is safety and asked Dobson if he knows what laws exist about driving on runways. She also asked if signs are posted that vehicles can't be on the runways. Dobson replied there are signs posted about unauthorized vehicles and added this last spring there was an incident when a pickup was coming down taxi-way and would not yield to a plane coming in. Lanoue said he was not aware of that incident and said maybe the City does need to eliminate the farmed land by the runways.

Stobb said there is a crop there now and he would like to see Lanoue harvest it. Otto-Arvizu asked what kind of influence Lanoue has over the people who work for him. Lanoue replied if they have a designated entrance they will use it. He added there are times where they drive down the edge of the tar because they feel they do less damage that way. Torkelson felt they do need decent accesses to the farm land.

Ferrazzano asked if Lanoue was disputing the runway repair bills. Lanoue said he had told Koopman he wasn't going to pay them. Ferrazzano asked Lanoue if he has been told not to drive on the runways. Lanoue said he has heard that before and has been very cautious. Otto-Arvizu stated the contract reads not to drive on the runways and asked what would be worse, to damage the grass by the fields or to damage the runways themselves. Lanoue replied he doesn't have enough access off the runways to get into the fields when it's wet. There is no way to get in without doing damage somewhere. Lanoue added he was willing to drive out to the airport with anyone and show them what he's dealing with. Stobb thought they should first work on dealing with access to the fields. Nielsen said the bottom line during negotiations is that ruts can never be left on grass runways or dirt left on paved runways. One accident will eat up \$4000 in a second. Stobb said if they can solve the access problem there won't be an issue with the runways.

Ferrazzano thought they could work on the issue of the repair bill after dealing with the access issue. Otto-Arvizu asked when that kind of debris is left on the asphalt runway and ruts on the grass runway if the taxpayers should eat those costs. She felt in addition to the contract stating that no vehicles are allowed on the runways the council needs to look into what laws are in effect and what repercussions there are for driving on runways. Otto-Arvizu said the taxpayers can eat the cleanup bill but the City doesn't have someone checking out the runways every hour. Lanoue replied what it boils down to is he needs decent access to the fields. Dobson asked if there is enough room between the runway and the crop land to turn equipment around. Lanoue replied with the increased buffers he thinks there is. Dobson suggested putting an entrance on the north side by the Catholic Cemetery. Caron asked if there is an entrance on the east side. Lanoue replied it isn't a good access for heavy equipment. Ferrazzano asked if Lanoue, Robinson and Dobson could meet and have something worked out by the next Council meeting.

Hillger inspected an alleged public nuisance at Steve Larson's property on the corner of South and Front Streets. He found no public nuisance but suggested referring the issue to Gary Garrels as a possible hazardous building. Larson informed the Council that he contacted a contractor and had intentions of restoring the building long before the nuisance complaint and added that he would like to have a chance to repair it. Ferrazzano asked if he has a timetable in mind. Larson replied it depends on the contractor but should have it repaired by September. Caron suggested giving 90 days to repair the building. Motion by Byrne, second by Fraser, to give Larson 90 days to repair his building. All voted in favor of the motion.

Ferrazzano presented a letter from PrairieWave Telecommunications requesting a renewal of its franchise and an extension of the current agreement along with two resolutions which would grant franchise extensions to both PrairieWave and Charter. Koopman stated the extensions would give until December 28, 2003 to complete new franchise agreements. Nielsen stated at the last meeting the Council gave the City Attorneys authorization to contact the Kennedy and Graven law firm about writing the franchise agreements but they need formal authorization to proceed. Otto-Arvizu asked since the PrairieWave franchise so recently changed hands if they would have to be investigated again. Koopman thought since the company information was so recent if Kennedy and Graven has to do another report she guessed it would be a modified report but she doesn't know what's required legally to draft a franchise. Stobb said it was his personal hope that they wouldn't have to do a financial investigation again. He felt regardless of what it says what would the City do but grant the franchise because if they didn't many customers would be without service. Otto-Arvizu said they are looking at a franchise without any violations or complaints. Nielsen said they also have not allowed the Cable Commission that was set up many years ago to adequately function as a recipient of complaints. Ferrazzano said one of the franchises is only in town twice a week.

Otto-Arvizu said she expects if there were serious cable problems the Council would have heard about it by now. Stobb made a motion to authorize Kennedy and Graven to draft new franchise agreements for PrairieWave and Charter Communications. Byrne seconded the motion. Ferrazzano asked if the Council should adopt the resolutions allowing an extension first.

Motion by Byrne, second by Fraser, to adopt the resolution allowing PrairieWave Telecommunications to temporarily operate during the period of renewal negotiations. All voted in favor of the motion. (Res. No. 2002-11)

Motion by Byrne, second by Caron, to adopt the resolution allowing Charter Communications to temporarily operate during the period of renewal negotiations. All voted in favor of the motion. (Res. No. 2002-12)

Stobb made a motion to authorize a new franchise agreement with Charter and PrairieWave using Kennedy and Graven and Fraser seconded. All voted in favor of the motion. Nielsen felt the Council was asking Kennedy and Graven to do half a job for the City and said they may come back and say write the agreements without doing an investigation. Ferrazzano suggested sticking with the motion and if there is a problem the Council will be notified.

Koopman informed the Council that recent State legislation allows liquor establishments to remain open until 2:00 a.m. as of July 1, 2003. She has talked to Ron Radke and Tom Morin at the Med and neither of them said they were interested in staying open until 2:00 a.m.. Koopman said if the Council leaves the ordinance as is it would allow any establishments to make application to the State to remain open longer. Byrne asked Hillger what he feels about 2:00 closings. Hillger replied he has no opinion. Koopman stated a lot of cities are going to attach an extra fee to their city liquor license for additional law enforcement costs and most smaller cities are taking the position not to allow the 2:00 a.m. closing. Ferrazzano stated his position is he doesn't want to tell businesses how to run and he doesn't feel there would be any extra costs involved if a business did choose to stay open until 2:00 a.m. Stobb said no one may ever ask to stay open but asked how long it would take to institute an extra fee. Koopman replied to amend the ordinance would be a rather lengthy process. Caron felt they should leave the ordinance as is since there are police officers on duty at that time anyway.

Ferrazzano presented a request to obtain an administrative search warrant for the old Coast to Coast building on 3rd Street. Koopman indicated the owner, Joe Smarzik, was contacted by certified mail and she received no response. Motion by Stobb, second by Torkelson, to seek a search warrant. Caron thought the City had been asked if there were any problems with Smarzik's properties to contact his daughter. Otto-Arvizu thought the Council should state for the record why they want an administrative search warrant. Koopman said there is evidence that it is a hazardous building. Recently during a heavy wind one of the windows was blown out in front and two more are cracked. There is also evidence of roof problems with the building. All voted in favor of the motion above.

Koopman reported that two errors were found on the 2002 assessment roll after certifications were sent to Lyon County. She asked the Council to call for a public hearing on the matter. Otto-Arvizu

asked if payments would be delayed by one year. Koopman replied the payments will just be re-amortized. Motion by Caron, second by Fraser, to call for a public hearing. All voted in favor of the motion.

Ferrazzano presented a memo from Jim Kerr regarding the current status of outstanding public nuisances and hazardous buildings. Koopman reported the property at 324 South Street was recently sold to Jason Steffens and she has been asked to request the Steffens attend the next meeting to inform the Council what his plans are for the building.

Koopman asked for Council approval to request an additional judgement at 800 Rowland Street to sell the garage on that property in order to recover some of the City's costs for demolishing the house. Motion by Caron, second by Byrne, to seek further judgement. All voted in favor of the motion. Otto-Arvizu asked to what extent has the City gone to recover money from the property owner. Koopman replied no attempts have been made to collect and that is why she recommended to seek judgement for the garage. Otto-Arvizu said that would help offset the costs but not take care of them and asked if they City just writes those off. Otto-Arvizu asked if an option is to go to small claims court. Koopman replied the City has in past submitted a bill to the court which is either filed as a personal judgement against the owner or as a lien against the property. Nielsen said you can file it against the person if you feel you can collect but in this situation it would probably be difficult to do that.

Otto-Arvizu said in the past with properties like this if someone buys the lots the liens are usually wiped out. Koopman stated that has been a concern the Council has previously discussed since the City does incur legal or demolition costs to clean up these properties. The 800 Rowland property is unique in that the City may recapture some of the expenses through the sale of the garage. Otto-Arvizu asked what the costs would be for attaching a lien to the property. Nielsen replied it doesn't cost anything more than the normal court process would. The last thing the City does is to report back to the court the cost of demolition.

Ferrazzano thought they should proceed with a lien against the property. Nielsen stated the judge is asked to approve the costs as part of the final court process and there would only be additional costs if personal judgement against the owner was requested. He felt it was a good idea to put a lien on the property because if the owner decides to sell it would not be cleared until the lien was paid so the City at least has a chance of getting some of the money back. Motion by Byrne, second by Torkelson, to seek a lien against the property. All voted in favor of the motion. Koopman stated whatever revenue the City can get from the sale of the garage will reduce the amount of lien so that issue will have to be resolved first.

Kerr's memo recommended seeking a further judgement against 472 3rd Street, a property owned by John Her. The house on this property was demolished by the City. Stobb thought Her had indicated a willingness to give the property to the City. Koopman replied he was contacted but has not responded back. Motion by Stobb, second by Byrne, to seek a judgement lien against the property.

Nielsen stated the Jennie Olsen property at 136 State Street is similar to the Her property but the owner is deceased. He said a lien is probably the best choice. Ferrazzano asked if the City could get a claim against the estate. Nielsen replied the lot is the whole of the estate and there are no other assets. Motion by Byrne, second by Fraser, to get seek a judgement against the property.

Koopman reported that 301 6th Street was previously brought before the Council and they had decided at that time to only repair the steps to make them safe. Council members agreed as long as the house is secure not to proceed at this time with the budget issues at hand.

Ferrazzano stated the period of abatement has expired for 200 State Street. The original complaint had been a dead tree in the back yard and trees growing up around the foundation. Koopman asked the Council to consider if this is a real priority since it is not a hazard. Otto-Arvizu asked if it would be legal to take five minutes to cut down the trees. Nielsen replied saying the City is going to cut them down and having the legal authority to do so are two different matters. The Council agreed not to proceed at this time.

Nielsen asked if the City has incurred any expenses over the nuisance at 174 Center Street. Otto-Arvizu said Kerr had stated there is over \$1000 in legal fees already. Motion by Stobb, second by Torkelson, to seek a judgement against the property. All voted in favor of the motion.

Ferrazzano stated an unabated nuisance still exists at 70 Morgan Street. Byrne asked how it was determined that collection of costs from the property owners would be problematic. Koopman replied from the history of the individual who own the property. Motion by Byrne, second by Fraser, to seek a lien against the property. All voted in favor of the motion.

Kerr's memo stated that the previous judgement on Joe Smarzik's properties at 524 Craig Avenue and 451 5th Street permitted for certification of liens against the properties if the docketed amounts were not paid by November 15, 2002. Stobb thought the property at 524 Craig has already changed hands. Koopman replied it has but the Council in this case could go for a personal judgement. Nielsen stated the City already has a personal judgement against Smarzik, the Council just needs to give the authorization to try and collect it. Otto-Arvizu asked how much in legal fees the City would be facing to try and collect. Nielsen replied he was not sure what steps Kerr has already taken to try and collect. He usually likes to have the court issue an order requiring the owner to disclose his assets and that would reveal what properties he owns along with other assets. Fraser said in that case the owner's accounts could be levied. Byrne stated for that amount of money it seems it would be worth the attorney fees. Byrne made a motion to take action to collect from Smarzik on the 524 Craig Avenue and 451 5th Street properties. Caron seconded and all voted in favor of the motion.

Ferrazzano referred to the Mutual Aid Fire Department Agreement between Marshall and Tracy and asked if there were any problems with the agreement. Koopman had talked with Dennis Vandeputte who indicated the agreement was drafted by Lyon County mutual and will be the same shared with all cities within Lyon County. Motion by Caron, second by Byrne, to approve the agreement. All voted in favor of the motion.

Motion by Byrne, second by Stobb, to approve an Off Sale Non-intoxicating Malt Liquor license renewal for Food n Fuel. All voted in favor of the motion.

Motion by Caron, second by Stobb, to approve an Off Sale Non-intoxicating Malt Liquor license renewal for the Tracy Eagles Club. All voted in favor of the motion.

Motion by Byrne, second by Torkelson, to approve an Off Sale Non-intoxicating Malt Liquor license renewal for Sanders' Eastside. All voted in favor of the motion.

Motion by Stobb, second by Torkelson, to approve an Off Sale Non-intoxicating Malt Liquor license renewal for Amoco. All voted in favor of the motion.

Motion by Stobb, second by Torkelson, to approve an Off Sale Non-intoxicating Malt Liquor license renewal for the Pool Hut. All voted in favor of the motion. Caron asked if the name change of the Pool Hut matters. Koopman replied the application came in the Pool Hut's name and she didn't feel it would be an issue. All voted in favor of the motion.

Motion by Byrne, second by Stobb, to approve an On Sale Non-intoxicating Malt Liquor license renewal for the Tracy Eagles Club. All voted in favor of the motion.

Motion by Stobb, second by Caron, to approve an On Sale Non-intoxicating Malt Liquor license renewal for Sanders' Eastside. All voted in favor of the motion.

Motion by Stobb, second by Byrne, to approve an On Sale Non-intoxicating Malt Liquor license renewal for Tracy Lanes. All voted in favor of the motion.

Ferrazzano presented a plumbers license request from Christianson Plumbing. Byrne asked where they are from. Koopman replied from Hendricks. Motion by Stobb, second by Byrne, to approve the license. All voted in favor of the motion.

Robert Gervais presented a street closure request for Box Cars days. He indicated there were no

changes from previous years. Box Car days will be held this year starting Friday August 29 through Monday September 1. Gervais added that he received approval today from Lyon County to close 4th and South Streets. Motion by Fraser, second by Byrne, to approve the street closures. All voted in favor of the motion.

Gervais also presented a request for the following:

1. The admission of Midwest Rides and Expositions carnival August 29 through September 1 and a request to waive the license fee
2. The use of Central Park for a concert in the band shell and use of electricity in the band shell on September 1
3. Use of the City parking lot for the beer garden August 29 through September 2
4. Use of the City water truck, road grader and bleachers for a truck and tractor pull August 30
5. Use of Central Park for a "Kids Day" on August 30
6. Use of Central Park for Family Day on August 31
7. A liquor license for the sale of non-intoxicating malt liquor from August 30 through September 1 at the softball complex

Motion by Byrne, second by Caron, to approve the Box Car Days requests. All voted in favor of the motion.

Ferrazzano stated he knows the City is on a tight budget but at the last Council meeting Gervais indicated the City had been invited to Tracy California's Bean Day Festival and Ferrazzano wanted to see if the Council would approve plane tickets for anyone interested in going. He asked if the Chamber of Commerce had indicated they might be willing to purchase plane tickets. Gervais replied the Chamber budget is even tighter than the City's and added that he hasn't received any other requests from people interested in going. Ferrazzano said he was interested in going and since Tracy California had 11 people attend Box Car Days last year he thought it would be nice if someone from the City could go. Gervais indicated he had searched the web for airline tickets and flying out of either the Cities or Sioux Falls leaving August 1 and coming back on August 4 the cost would be about \$330 per ticket. He added that Tracy California hasn't offered lodging anywhere but he is still working on it. Gervais felt to go would be a good faith gesture. They gave the City a large gift basket and the story got a lot of press in the California paper. Ferrazzano thought it was something worth spending \$600 dollars on. Otto-Arvizu said there would still be the expense of food, lodging and transportation. Ferrazzano said he was just asking for plane tickets, everything else would be paid for by those going.

Byrne thought they should maybe limit the amount spent on tickets. Otto-Arvizu asked if there is an area that the money could come from. Koopman replied they could use money from the Miscellaneous Expenditures fund. Fraser thought the Council should send someone. Byrne made a motion to purchase two airline tickets and Fraser seconded. All voted in favor of the motion.

Robinson presented a list of complaints he had compiled regarding PeopleService. Fraser asked when Joel Adelman was first injured and not working full time. Robinson thought it occurred in February. Otto-Arvizu said she noticed references to PeopleService vehicles on airport runways and said something is definitely wrong with that. Ferrazzano added not only that but to have a medical plane that wants to land but can't because there is a truck on the runway is unacceptable. Ferrazzano asked if Nielsen thought this was enough to say this is a definite breach of contract. Koopman said there is a 30 day notification clause in the agreement. Nielsen said he doesn't know where the 30 day process ends. There has to be some point in time where you say PeopleService has been notified and has not corrected some problems. Koopman added at this point PeopleService has not been notified in writing. Nielsen said they can be notified in writing but how do you correct someone driving on a runway two months ago. Some things can be changed for future reference like the flushing of hydrants.

Otto-Arvizu asked how the City enforces that things are to be done on the City's schedule when the City needs things done, not on PeopleService's schedule. The City is paying a significant amount of money for their services so what reasons have PeopleService given that things aren't being done

when the City needs them. Robinson replied that PeopleService has said they have an injured employee and didn't have another person available. Fraser said they are supposed to have someone here eight hours every day so how do they handle when someone is on vacation. Robinson said they are supposed to have someone on duty but he quit keeping track after a while.

Ferrazzano recommended sending the list of complaints to PeopleService. Stobb suggested asking for an explanation for why each incident occurred at all and how they were going to correct the issues. Koopman said she could have Lee Bundy attend the next Council meeting. Motion by Byrne, second by Stobb, to send the list and ask Bundy attend the next meeting.

Otto-Arvizu asked when someone is witnessed driving on a runway if they should be reported to Chief Hillger and charges filed. She felt there needs to be some sort of enforcement since talking to the offenders is just not working. She asked if there is some sort of penalty. Dobson said these individuals have been talked to several times and have chosen to ignore it. There is an access for them to get where they need to go without ever getting close to the runways but they choose not to use it. Homer said he could check into it any laws. Nielsen said there were two statues he found addressing the situation but he doesn't think it's the role of the Council to say this is Hillger's or his officers' job to go out and arrest offenders. Hillger is aware of the situation but maybe it has never been reported to him in an official capacity that someone was on a runway at a particular time and these are the circumstances. Nielsen said Police are trained to review that information, compare it to the statutes, weigh all the other factors and decide if someone needs to be charged with an offense. Otto-Arvizu said is not trying to micro-manage the police department but there are laws in the books they should use them to enforce the issue. Ferrazzano thought they could report any incidents to Hillger and he could draw up a report and send it to the prosecutor who can determine if they want to press charges. He thought they could also amend the contract with PeopleService to include a civil penalty or fine that the City can impose if they agree to it. Byrne said if Bundy attends the next meeting they discuss the issue with him.

Otto-Arvizu saw in Robinson's menu that Bundy had agreed if someone was leaving early they were to contact the City office and that is not being done. Robinson said the supervisor had told him that they would notify when they were leaving for the day. Koopman recommended sending the list of complaints to Al Meyer as he is the number one contact for PeopleService.

Motion by Stobb, second by Caron, to adopt a resolution declaring property no longer needed for public purpose. Koopman indicated they would advertise for sealed bids. Otto-Arvizu asked if there is any way to advertise in the classified as there may not be as many kids or parents who read the City notices. Koopman replied the ad will be in the classifieds. Torkelson asked if the bicycles will be available for viewing. Koopman replied they are usually put in the garage. Ferrazzano asked that the list of items be posted in the City office. All voted in favor of the motion above. (Res. No. 2003-13)

The Consent Calendar included the following: Firemen's Relief Association minutes for June 2, 2003; Monthly Financial Report; Monthly Water and Wastewater report; Economic Development Authority minutes for April 3, April 18, April 25, May 2, May 7, May 16 and June 6, 2003; and Municipal Accounts Payable. Motion by Byrne, second by Fraser, to adopt the above listed items. All voted in favor of the motion.

Koopman presented a complete list of budget adjustments including a list of items she recommended restoring to the budget. The total amount the City will lose from Local Government Aid (LGA) this year is \$149,083. The City will end up with roughly almost \$48,000 of the \$94,000 levied in anticipation of the State cuts. Koopman said if the Council has any questions on any particular items she can address them otherwise they can all be approved in one motion. Motion by Otto-Arvizu, second by Torkelson, to approve the budget adjustments. Fraser asked what happens to the \$47,000 that hasn't been used. Koopman replied it will part of available cash and taken into consideration when doing the 2004 budget but she suggested the Council be very cautious. The LMC is still very concerned with the economic forecast of the State and the last LGA payment for 2003 could very easily be jeopardy. All voted in favor of the motion above.

Koopman reported that Bike Trail bids were let on June 11. McLaughlin and Shultz received the bid. They were at \$131,661.23 and the engineers estimate was \$136,080.20 so the bid came in under

estimate. Koopman hasn't found out when the County is planning to start construction but will stake it out shortly before they start.

Ferrazzano said an agenda for the joint meeting with Marshall's City Council on June 30 had been included. The meeting will be held at 6:30 at the Marshall Municipal Utilities office. He thought it was nice to see that Marshall had some issues they wanted to talk about. Council members all thought they would be able to attend. Ferrazzano said hopefully this is something they could do once a year.

Caron reported they were going to try holding the Swimming Pool Grand Opening again on July 3 which is a Thursday night starting at 5:00 p.m. Otto-Arvizu said the ceremonies will include the recognition of those who contributed a lot of their time and effort to the construction of the pool. The Mayor will be presenting awards to those recognized. They will be a pork sandwich or barbecue, chips and pop for \$1.50 from 5:00 to 6:00 and giving away free rootbeer floats. There will be free swimming from 2:00 to 9:00 p.m. and a few fun contests for the kids.

There being no further business motion by Byrne, second by Caron, to close the meeting to discuss labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

June 30, 2003

A special meeting of the Marshall and Tracy City Councils was called to order at 6:30 p.m., Monday, June 30, 2003 in the Marshall Municipal Utilities board room. The following Marshall Council members were present: Dan Stores, Shelly Hilton, John Doyle, Mike Boedigheimer, Mike Renolds, and Mayor Robert Byrnes. Also present was Mike Johnson, Marshall City Administrator. The following Tracy Council members were present: S. Ferrazzano, M. Fraser, T. Byrne, G. Torkelson and R. Stobb. Absent were: J. Otto-Arvizu and R. Caron. Also present was staff member: A Koopman.

Byrnes stated that Marshall and Tracy City Councils had never met together so they were making history. Ferrazzano said the two cities share a lot of common interests and a lot of people who live in Tracy work in Marshall and he would like to see a joint meeting once a year. Ferrazzano referred to first agenda item, a regional jail facility, saying he wasn't sure if Marshall was aware but Tracy is trying to get a regional facility. A meeting has been scheduled for Tuesday, July 8 from 5:00 to 9:00 p.m.. Representative Marty Seifert set it up so Ferrazzano was not sure if Marshall had received an invitation. Byrnes replied they had. Ferrazzano stated this is something the City wants to pursue as it would bring a lot of jobs to Tracy and they would appreciate Marshall's support. He felt it benefit both Tracy and Marshall financially. Byrne stated 14 counties from Minnesota and five from South Dakota have been invited. Ferrazzano said the State legislation did not pass allowing privatized facilities for State inmates so the thought was if a regional facility was built it could be expanded if that legislation were eventually to pass. An established regional facility might look more attractive than building new.

Ferrazzano said Tracy was really impressed with what Appleton, Minnesota did. That city built a facility on their own to house out-of-state prisoners. It didn't do too well the two years but turned into a great success. Byrnes asked what Tracy was looking for in terms of support from Marshall. Ferrazzano asked if a Marshall representative could attend the meeting on Tuesday. Correction Corps is going to be there and if there enough need and support they are willing to build a facility with their own money so no money would be needed from area counties. Johnson thought Marshall would have people attending. Byrnes said he had no reason to believe Marshall would object to the facility. Stobb said a regional facility would house inmates similar to those in the Marshall facility. When Tracy was first looking into a facility they were not looking at hard core criminals but at repeat offenders and short term offenders.

Otto-Arvizu arrived at 6:38 p.m.

Ferrazzano stated if Corrections Corps fronts the money and pays for the facility he thinks all area counties would be interested. Byrnes stated Marshall will have people from the Council or staff and possibly from law enforcement attend the meeting. Stores asked how big the facility would be. Koopman replied a 300 to 400 bed facility. Ferrazzano stated that is the smallest facility Corrections Corps would consider. Stobb added all Correction Corps is looking for is the assurance that there will be that number of inmates housed in the facility.

Ferrazzano said the Council included housing needs on the agenda because Tracy has a number of houses available. Torkelson asked what Marshall's housing needs currently are. Byrnes stated they just updated their housing study. Cal Barnett, the Marshall City Assessor, said several years ago Marshall undertook a housing study with Maxwell Research which is how Marshall started its initial development. This county wide study indicated a significant amount of housing growth would be in Marshall because of job development. Barnett said Gervais should have a copy of the study but he will share the more recent version if Tracy needs it. He said quite frankly Tracy might have some price ranges that Marshall can't match and eventually the housing market will pick up and housing could possibly become scarce. Barnett said Marshall is about to undertake another housing development with 150 plus single family housing units. This will be affordable housing for low to moderate income families.

Ferrazzano said he understands that Schwan's buys homes for employees and asked if they ever approach the City or just work with relators. Doyle said he believes what has been done in the past is Schwan's has purchased homes near their development and rented them to employees until such time when they needed the land then moved the homes. Ferrazzano said he didn't know if Schwan's had a contact person who does that for the company or if they bought homes outside of Marshall.

Stores asked what Tracy normally has for houses on the market. Ferrazzano guessed about 50 right now. He said the City has had lots for sale for years and they are now just slowly selling off. Byrne said the City has any price range from the mid 20's on up to the most expensive which has been \$189,000.

Ferrazzano had asked that transportation be included on the agenda due to the number of people who live in Tracy and work in Marshall. He asked how much control Marshall has over Marshall Area Transit (MAT) and asked if they go outside of city limits. Byrnes stated Western Community Action (WESCAP) oversees MAT and Marshall makes a yearly contribution to the program. Johnson added it is a two-fold participation in that the city purchases one or two buses a year and provides an operations subsidy. He said the Heartland Express, a regional busing program is also run by WESCAP. Byrne said they travel to Tracy twice a week, mostly for the elderly. Johnson said that program charges \$2.00 per trip but still requires a subsidy to make it operate. He added Jeanette Aguirre with WESCAP would be a good contact if Tracy would like to pursue it. Doyle stated MAT buses have restricted areas they can travel. Ferrazzano stated he would like to see the possibility of commuter buses. Johnson said the City of Marshall used to run the service and now turned the contract over to WESCAP. His guess is Tracy would have to do a community survey to find busing needs and come back to WESCAP with the results.

Byrnes stated over the years there has been talk of a four-lane highway in the area, maybe Highway 212 or 23. Stobb thought the good that could do for economic development would be tremendous.

Byrnes said Highway 23 is an interregional corridor and it is unusual to have a road with that classification that is not a four lane. He added that the Council passed a resolution in support of a four-lane project. Doyle said 23 is a four-lane from St. Cloud to Willmar and hopefully it will work southward.

Ferrazzano said in terms of economic development the Tracy Council wanted to request if the City of Marshall ever has a business that approaches them that won't work out in Marshall that they be steered down towards Tracy as Tracy might be a better fit. Stobb added it doesn't do any good to take a business from one another but perhaps they could look at business expansions into Tracy. Byrnes replied the Marshall EDA has assisted a business to expand in the City of Cottonwood. Doyle stated obviously everyone is in a budget crunch and Marshall has an excellent EDA committee but he has been serving on the Lyon County Development Corporation (LCDC) and thinks the Councils should look at that organization. It is funded by the County and each of the cities within Lyon County. The person doing the legwork for that organization would be an excellent staff person for Lyon County, a resource person to do some running and telephone calling. Currently any time a committee comes up with something in Marshall Johnson or Barnett end up working on the project. Doyle said they have a very good director of LCDC, Jack Turner Lovsness, and felt Marshall and Tracy should at least talk to that group. Perhaps that position could be made full time. Koopman indicated Tracy's EDA director works with Lovsness a lot. Doyle said he mentioned the possibility of making this a full time position and she said she had not thought about it but would be willing to try

Byrnes thought it would be a good start to increase collaboration of area EDA's. Reynolds stated Marshall put together a blue ribbon task force to look at various community needs and ways to expand and grow. The committee is made up of 13 to 14 people looked at number of things and they make recommendations to the Marshall City Council. The committee found a need to make sure the educational system is improved upon. Marshall had the school referendum coming up and the committee really pushed for that. They also looked at housing and found a need to make sure there was a mix of housing available. The Parkway Addition addressed the problem of available step-up housing.

The task force had the hospital do a presentation and found it was hard to recruit positions in Marshall for a variety of reasons. They did a comparison of cities in a similar situation and the task force went to visit Campbellsville, Kentucky and West Plains, Missouri which are slightly smaller but similar to Marshall. Surprisingly enough the largest employer in these cities is the hospital. Campbellsville expanded their facility to cover a lot of outlying areas which really helped in recruiting doctors. Byrne wondered how Sioux Valley Health Care Systems figures into Marshall's plans since they have become so widespread. Byrnes said the hospital board had a meeting today and they are going to be more aggressive in recruiting specialists. The board will be looking at strategic partnerships with other providers in the area and there are certainly things that can be done locally instead of looking out of state. Hilton added the hospital is exploring all options and talking with Affiliated Community Medical Centers (ACMC) as well to determine what needs to take place to meet the healthcare needs of the area.

Byrnes stated it is not wise to say the hospital will remain independent as they will need to address community needs. Ferrazzano stated the Tracy hospital is affiliated with Sioux Valley but it is still difficult to recruit doctors. Byrnes asked if Tracy has leased its facility to Sioux Valley. Koopman replied they did and asked if WMMC employees its doctors. Byrnes replied that ACMC does. Stobb asked how Marshall is handling healthcare costs. Johnson replied about three years ago they made a major change and went from a typical \$500 deductible to \$5000 and \$10,000 deductible through Blue Cross Blue Shield. Marshall made the change to substantially higher dollars and chose to self fund 80 percent. Last year they had a seven percent increase but keep premium dollars funded internally instead of externally. Johnson thought on the family plan the City funds about 88 to 89 percent. Byrne asked if Marshall had a lot of difficulty getting the union to agree to those terms. Johnson replied they had a presentation of the different options and the most appealing was a change of the contribution percentage. He added things still could change with any further budget cuts.

Byrnes stated the Marshall Council included a regional airport on the agenda as they have determined a continuing need for expansion at the airport. Johnson said they foresee a change from

the Marshall Municipal Airport to the Southwest Regional Airport but there are still a couple items to be completed. The airport got a grant to conduct a scheduled air service analysis to determine if the airport can support a scheduled travel service to the Twin Cities. Currently Schwan's flies employees on a daily basis. There would also be a need for expanding runways and are looking to build a 6700 foot runway. The airport has already relocated Schwan's corporate base with new arrival and departure times and long term Schwan's has a need for transport to Europe, Asia and other areas. The regional airport is a two year project they are planning. Byrne asked what size aircraft a 6700 foot runway would accommodate. Johnson replied it would be able to accommodate most regional jets.

Boedigheimer said Marshall has not been making enough noise to get this project underway and he thinks they could get some air traffic from the Tracy area. Byrnes said he sees it as a regional issue and they need to get support for this regional service. Boedigheimer said a Sioux Falls newspaper stated Sioux Falls scheduled airline services were being subsidized to the tune of \$1100 per person. Commercial airlines are trying to establish a hub in Omaha which would benefit the Southwest Minnesota and Brookings areas. Byrnes added the Red Baron Museum is also under construction at the Marshall airport.

Harry Wialege stated he has worked with Bob Gervais who has done a great job on the TNT project. He said it is imperative for this region to make technological progress as it will not be a viable area without technological infrastructure. Harry Wialege stated Marshall has adopted a convergence plan wherein they are joining powers between the City, the County, local utilities and the school district. In working jointly they won't be spending on upgrades for four different planes. Instead of spending money on twelve servers they will only have to purchase two. The joint effort allows them to spend on additional things and allows them to start staffing for system maintenance. Marshall now has someone to monitor for viruses and other problem 24 hours per day, seven days per week. This also puts them ahead of the competition by at least five years. Mr. Wialege said he knows there are financial issues but if they don't have the technology the other pieces won't fall into place. He encouraged the Tracy Council to talk to the school and local utilities. The savings are enormous putting it under one platform.

PrairieWave is now serving Marshall, Lyon County and the school district and they are there to fix the system. It was Mr. Wialget's understanding that Tracy is going with PrairieWave for phone service and he thought there would no longer be long distance calling to Marshall. Johnson stated Marshall is just completing cable franchises with PrairieWave and Charter Communications. Stobb replied Tracy is doing that too and asked if Marshall is doing a financial check on them. Johnson replied they did that previously when the companies changed hands although the Charter situation has changed tremendously. Stobb said the Tracy Council is reluctant to add the expense of doing a financial check again. Koopman asked if Marshall's franchises were based on percentage or a flat fee. Johnson replied their percentage increased from three to five percent.

Bob VanMoer, Marshall's Wastewater Treatment Director, stated he was made aware that Tracy has gone to contracting for water service and asked how that has worked out for Tracy. Ferrazzano replied there have been some problems since the full time staff person has been out with an injury. Koopman added it has gone fairly well and is the answer for a community without a licensed operator. She said the new Public Works Director is licensed and could operate the system. Technically Tracy could terminate the contract and function with present staff but overall it is working fairly well with some minor personnel issues.

There being no further business motion by Byrne, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

July 14, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, July 14, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, R. Caron, G. Torkelson and R. Stobb. Absent were: T. Byrne and M. Fraser. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the June 23 and June 30, 2003 City Council Meetings. There being none, motion by Caron, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He made a correction to (4A) which should read a public hearing on the supplemental assessment on Roosevelt Street. Ferrazzano also added (11B.3) a thank you from the Southwest Minnesota Foundation. Motion by Stobb, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Ferrazzano opened a the public hearing to discuss the supplemental assessment on Roosevelt Street. There being no present from the public to speak the hearing was closed. Koopman stated there were only two changes to the properties owned by Dave Lindeman and Rodney and Dawn Benson. Stobb asked if there was any communication from either party. Koopman replied there wasn't and they both received certified letters. Motion by Stobb, second by Caron, to adopt the supplemental assessment. All voted in favor of the motion.

Lee Bundy, the Regional Manager for PeopleService, introduced Alan Meyer, the President of PeopleService, who was present to discuss their agreement with the City. Meyer referred to a letter sent to the City on Friday addressing the concerns submitted by Rick Robinson. Joel Adelman and Bob Barons, the Vice President of PeopleService, were also present to answer any questions. Meyer tried to summarize his responses into four categories and said if there were any issues not addressed in his letter they could discuss it this evening. Ferrazzano thanked Meyer for his response.

Caron asked Robinson to explain some of his complaints. Robinson stated he sent a memo to PeopleService about parking in front of the City shop back in November 6, 2002 and was still seeing problems as late as February 6, 2003. As far as the airport runway problem Robinson sent a memo explaining PeopleService could use the grass runway if the pond access was absolutely impassable. PeopleService responded if they can't get out to the ponds to take their weekly reading any penalties or fines resulting from this would be the City's responsibility. Robinson said he contacted the Minnesota Pollution Control Agency today who said in any major snowstorms if the City can't get the road open immediately they don't have a problem with that and have no intentions of sending

any fines.

In regard to the attendance of PeopleService employees Robinson said he wasn't actively noting when employees were not there, only when contractors or plumbers came to the shop looking for them and the City crew had to help PeopleService do their work. Robinson said in terms of operation of the water system the City of Tracy has an iron filter removal plant and he said tests have to be done daily to know where iron levels are at. The previous operator from 1993 until his passing kept a log which shows he tested for iron every day. Robinson said the last page of Meyer's letter indicates iron levels were only tested twice in March and six times in the month of April. Another issue Robinson wanted to bring up was the water tower level. The City has a 500,000 gallon water tower and the Department of Health recommends having one day's supply within the tower. The City uses about 250,000 to 300,000 gallons of water per day meaning there should be 500,000 stored. The bowl is about 38 feet tall so halfway is about 19 feet. In winter levels need to be lower to prevent freezing and start and stop times are closer together. When it gets into March and April the level needs to be increased.

Robinson's concern is a couple hundred thousand gallons can be used in a fire which would deplete the water storage. PeopleService had a concern that if the tower was kept at the recommended levels they would have a problem with water main breaks but if there are pipes that are no good let them break in summer and get them fixed rather than in winter. If there is an area of town that is bad put it on the capital improvement plan and get it fixed. Caron asked if Ron Thompson kept the tower full in summer. Robinson showed the Council charts showing that levels were kept between 35 and 36 feet and added that Thompson put dates on the charts as to when he put them on and took them off. Since PeopleService started they have not put a date on the charts so they have a whole stack of records that don't mean anything. Koopman asked if the charts indicate the tower levels even though they aren't dated. Robinson replied they do. Nielsen asked in answer to Caron's question if Thompson was keeping the levels at 35 to 36 feet. Robinson replied he hasn't gone through every chart but he did pull out one that was 36 feet.

Caron asked if there are any reasons PeopleService is not running the tower to that height. Bundy replied there were several reasons why you can or can't run a tower at that height. One of the main reasons they haven't was in checking previous records 1998 Don Polzine and Thompson stopped running the tower at 36 feet and PeopleService guessed from talking to Polzine it was because of water main breaks. Their policy has been to run the tower about 18 feet in winter and bring it up to between 30 and 32 feet in summer to provide adequate water consumption as history dictates and then to keep the water as fresh as possible. If there is a fire the filters are bypassed and discharge the tower directly. Bundy said the Council can surely tell them to run water to the top of the tower and some considerations are is it economical to run it that full and is water quality good or is it stagnant.

Bundy said in regard to the issue of testing they are looking at three different operators, Thompson, Robinson and PeopleService. Bundy stated PeopleService is the licensed operator and they believe it's not the quantity of tests but the quality of the tests. They are trying to run the operation as economically as possible and they believe they are providing the highest quality water possible using least amount of chemicals. Ferrazzano asked if there is a reason the number of tests done per month has increased since March and April. Bundy replied there have been different operators in since Adelman was incapacitated and added that Adelman conducts more tests than he has documented. He just documented what he felt was the necessary data. Bundy said there is certainly no problem conducting more tests if that is what the Council wants. His company works off man hours and they try to be as efficient as possible. A wastewater plant is required by law to be tested quarterly and a water plant has different requirements. Meyer stated when Robinson began to question the operations they did start to test more frequently to show the quality of water. Bundy added they do a lot of extra testing when any operational changes are made and they have had a representative from Sioux Valley Environmental out a lot to try and get a handle on how to operate Tracy's facility and use chemicals efficiently.

Caron asked if they had been testing every day if they would have caught the rusty water before any complaints occurred. Bundy replied they possibly would have. Ferrazzano asked if PeopleService has said they are going to do what the City asks them to do the Council will have to defer the issue to Robinson. If he recommends that the water be tested every day the Council is going to ask that

it be done. Bundy replied that is why the City hired PeopleService, they are the licensed operators of the facility and make the general day to day decisions. PeopleService looks to the Council on the bigger issues.

Otto-Arvizu asked who pays for the chemicals according to the contract. Bundy replied PeopleService does. Otto-Arvizu said she thought the City was on a fixed rate. Meyer replied behind that fixed rate they make some assumptions on how they can optimally operate the plant and use human resources. Otto-Arvizu said hopefully the City is not getting poor water quality in exchange for using less chemicals. Meyer replied if that is a concern for the Council they can take the chemical out of the contract and change it so the City covers those costs. Bundy said they are talking pennies per test so it is not a cost issue. PeopleService is starting the third year of a five year contract and they are still figuring out how to optimize the facility. Bundy said they are not perfect and will make mistakes. PeopleService will try to minimize complaints and if they have had only two complaints in the last two years Bundy thought that was a good record.

Ferrazzano asked if the Council has assurances that there will be no parking in front of the City Shop. Bundy replied they won't do it. Ferrazzano referred to driving on the airport runway. Meyer replied they won't do it unless the service road is impassable. Bundy said there is a manhole next to one of the runways that is the control manhole for the ponds so they will need to be out there. Bundy added it is very dangerous for them to be on the runway. Caron said there is an approach on the north side of the lagoons that should be fixed then they wouldn't have to be in the airport at all. Robinson said there is a fence and gate there. Caron said the PeopleService could walk about 50 feet from the fence.

Ferrazzano asked in regard to attendance at the Tracy project if the contract says there will be staffing eight hours per day. Meyer replied the contract says PeopleService will provide adequate staffing to get the job done but does not specify a number of hours. He added one thing that Robinson's chronology does not give is the times PeopleService has had two or three employees on site for a water main break or other problem. The City is not charged extra for those instances. Nielsen asked if there are people coming to the water department office and no one is available if there are alternative ways to find someone to help. Meyer replied his company has a call-out service available which is an 800 number that is not currently being used by Tracy. The service will keep calling until they find an operator available and the third number on the list is always Bundy's. Nielsen asked if Robinson was aware of that service. He replied he was. Stobb asked what the response time for a call is. Bundy replied the closest employee outside of Tracy is seven miles away and then there are operators that are 40 minutes away. Bundy said he is an hour and a half away. The contract doesn't say eight hours are required but generally someone is available during business hours. Bundy said the issue Robinson does not speak of is what PeopleService was doing during the absences he noted. Out of 805 days of service provided PeopleService left early 22 days but that doesn't take into consideration if a pump was taken in for repairs or a trip was made to Marshall for parts or service. Bundy stated he would like to know if there is something PeopleService has not done so they can correct it. He said Koopman instituted a service request system which gives them a certain amount of time to respond.

Otto-Arvizu asked if PeopleService could post something on the back door to indicate when they will be back and post contact numbers. Bundy said they would be sure to do that and added they were asked after 911 to keep the door locked so no one could access water filters and equipment and the City had wanted customers to walk through the shop so they could monitor who was entering the building. Meyer said they will post numbers in back and if the Council was agreeable institute the 800 service. Bundy added the 800 number is manned by humans, not machines, and they have had very good luck with it. He said Adelman also has his cell phone and asked the public if they called with a complaint to please leave a message so PeopleService can respond to it.

Ferrazzano said in regard to the disagreements over operations PeopleService is saying what they do might differ from what Robinson might do. Bundy replied that is their opinion and as long as they are providing a quality product for the customers. Robinson stated he was always going to have a problem when running a iron filter plant and only two tests per month are done. Adelman replied more than two are being done, he only recorded two for the record. Caron suggested PeopleService conduct a daily test and record it.

Otto-Arvizu asked how they could resolve issues like filling the pool. The City had a lot of problems because the water was so full of iron and the pool staff had to resort to a lot of unique methods to remove it. She asked how PeopleService would like the City to coordinate this issue so they are prepared for next time. Bundy said all the City has to do is tell them when they plan to fill. Meyer added they would need at least a couple weeks notice in order to put it in the newspaper. Robinson said it would not have happened if PeopleService had flushed hydrants when he asked on April 14, 2003. He said Bundy had told him they were going to start flushing May 5. Robinson also requested they start raising the tower level a little at a time to prepare for flushing hydrants. The tower was still at 14 feet when they started to flush three or four weeks later. Stobb asked if the tower had been raised at all. Robinson replied it was raised ten feet at once and the rust broke through the filter. Ferrazzano asked what Robinson recommended for tower levels. Robinson replied winter levels are fine but summer levels should be 32 to 36 feet. Adelman said right now the level is at 31 feet. Robinson said as of two weeks the levels were still low. Adelman replied they weren't that low because he was the one who bumped it up.

Bundy said PeopleService is not sure they would like to run levels up to 38 feet. The City pays for repairs but PeopleService fixes the water mains. Bundy said Polzine and Thompson stopped running the tower at that height for a reason and PeopleService thinks they got tired of fixing the main breaks or people were complaining of stale water. Bundy stated just because there are 500,000 gallons storage doesn't mean they have to use them. Robinson replied there is 500,000 gallons storage and 250,000 gallons used per day, if there is a fire the City is in trouble. Stobb asked why the City would have such a big tank. Bundy replied he wasn't sure but he believes there will be main breaks if it is run that high. Robinson replied if so there are weak spots that need to be fixed. He recommended filling to 36 feet. Otto-Arvizu asked who would pay for breaks. Bundy replied the City does but PeopleService does the work. He added they will begin raising the tank level gradually. Caron asked Adelman to start dating all data sheets.

Robinson said one other issue is the City had a water main break a couple weeks ago and Adelman informed him PeopleService would not go into the trench until the pipe was exposed. Caron said they already met about and resolved this issue. Robinson said when the contract was signed PeopleService said they would be responsible for going into the trench for repairs. Stobb asked in the future how PeopleService would like to hear about any problems. Bundy replied immediately and said the issues at hand look like a lot of communication issues. He added PeopleService is the licensed operator of Tracy's facility and they generally like to operate it working off of their own opinions.

Bundy said he would personally rather handle any issues through Koopman's office and discuss them during business hours so they don't have to bring them before the Council. Robinson stated clear back in November he began sending memos and asked how much better he can communicate than that. Bundy said he never saw the memos Robinson referred to. Adelman said the runway issue referred to occurred back in July of 2002 which was addressed at that time by Don Polzine. Robinson asked Randy Hohler if he had caught any PeopleService personnel on the runways. Hohler replied Adelman has not been, but another PeopleService employee was and has been told not to.

Ferrazzano presented an ordinance adopting the Minnesota State Building Code. Koopman stated this will be the first reading of the ordinance and a public hearing will be required before approval. She added the ordinance was approved for recommendation by the Planning Commission. Koopman said the most important change in this ordinance is it's self-perpetuating in that it automatically adopts the most recent version of the State Building Code. This way the Council will not be required to review any future versions. Ferrazzano scheduled a public hearing for July 28 at 6:35 p.m.

Koopman reported that Hillger reinspected a public nuisance at 361 South 4th Street and there is no apparent change in the condition. Hillger stated the front and back doors are both standing open and half the windows are broken out. The garage doors are also standing ajar and the house has been vacant for six or seven years. Hillger said he wasn't sure if a public nuisance was the way to go or if it should be inspected as a possible hazard. Otto-Arvizu said she considered the open doors a public hazard. Nielsen added the house is also isolated and would be attractive to transients and children. Koopman stated Tad Duchane is still the owner of record and he did receive a certified letter about the nuisance. She added she doesn't know if the house is part of Duchane's bankruptcy

settlement. Stobb said they would have to have it inspected before proceeding as a hazardous building. Koopman said the City would also have to try and get voluntary access to inspect and if there is no response they will have to request an administrative search warrant. Motion by Stobb to secure the building and have it inspected as a possible hazard. Torkelson seconded and all voted in favor of the motion.

Ferrazzano presented a mutual aid fire agreement from the City of Ghent. Caron asked if this is agreement every fire department will sign. Koopman replied it is. Motion by Caron, second by Stobb, to approve the agreement. All voted in favor of the motion.

Robinson presented to bids for a replacement for the Toro lawnmower which is ten years old. Generally mowers are replaced every seven years. The following bids were received:

MTI Distributing	\$22,367.13
Tracy Equipment	\$17,892.00

Stobb said the difference in the trade-in allowance really struck him. Torkelson stated he would abstain from voting due to his ties to Tracy Equipment. Motion by Stobb, second by Otto-Arvizu, to approve the Tracy Equipment bid. Voting in favor were Ferrazzano, Caron, Otto-Arvizu and Stobb. Torkelson abstained.

Ferrazzano presented a request from the Airport Commission to direct an airport hangar be vacated. Koopman stated the hangar has been rented by George Dobbelaere for many years who has just used it for storage. It is not being used for airplane storage and she felt the hangar should be used for its intended use. Otto-Arvizu made a motion to follow the City Attorney's recommendation in the matter and direct Koopman to send a letter to Dobbelaere based on that recommendation. Stobb seconded the motion and all voted in favor.

Robinson reported the Airport Commission had a meeting regarding the City farmland near the airport with Dan Lanoue. It was decided to have a new driveway approach placed west of the Catholic cemetery and parcels three, four and five would be seeded down in grass and cut once a year. They discussed parcel number two which is accessible just south of the approach but needs to be tiled to continue farming it. The other option is to also seed it into grass. Robinson checked into the cost of tiling and after getting a bid from Al Brezinski he calculated it would take 4.4 years to recoup the cost of tiling through rent revenue.

Stobb asked if the City would seed and cut the parcels that would be seeded. Robinson replied that is something that needs to be decided. There is currently crop on parcels three and four and one option is to just let the grass grow up and spray it, then the only expense is the spray. Stobb asked if Lanoue was interested in seeding the parcels himself. Robinson replied Lanoue was only interested if the City seeds it into alfalfa. Stobb asked if Lanoue would pay for the alfalfa. Robinson replied that is something that would have to be negotiated because they have been getting the Alfalfa for free. Stobb asked if the City would have funds for tiling. Koopman replied the rent collected is part of the general fund and there is no specific amount budgeted but it could come from the other financial use fund. Robinson thought it might be good idea to tile since the parcel is right next to the highway and it would look better with corn or beans than it would with weeds. Motion by Stobb, second by Torkelson, to have the parcel tiled. All voted in favor.

Otto-Arvizu asked when the lease was negotiated in the past the rent being paid is less than it was previously. Koopman replied they used an updated map supplied by the U.S. Department of Agriculture and found there was a discrepancy in the number of tillable acres. She said another issue to consider is parcels four and five are planted with crops and these 13.8 acres are not being paid for by the renter. She originally thought these parcels were supposed to be in alfalfa because they abut the runways but they are not included in the lease. The lease is good through 2004 and Koopman said the lease would have to be amended in order to charge rent for them. Robinson added Lanoue was having difficulty accessing these two parcels. Otto-Arvizu said one of the reasons the Council has allowed the rent to remain so low is because of access problems along with low, wet spots and small parcels. Ferrazzano thought the City was stuck with it until they renegotiated the lease. Koopman said the difference is they are farming crops not alfalfa as agreed upon. Dobson said it has been

several years now that crops have been planted on those two parcels. Caron thought they should leave things as they are until next year but somebody needs to be responsible for overseeing the lease whether it's the Airport Commission, Robinson, or Koopman. Dobson said it does need closer supervision. In talking with Lanoue a couple years ago he indicated he may not renew the contract and Dobson thinks to be fair the City should call for bids when the lease expires.

Dobson reported two weeks ago he took upon himself to request that Lanoue remove farm equipment from the open hangar in case a plane should come in and need shelter. Last Friday it was occupied again by Lanoue by a piece of farm equipment and yesterday someone left a piece of equipment right in front of the hangar door. Ferrazzano suggested inviting Lanoue to the next Council meeting. Stobb thought someone should meet with Lanoue outside the meeting and suggested looking into the cost of seeding the parcels in alfalfa. Caron said seeding those 13 acres would be throwing away \$1000 in rent. Stobb replied that was true but the City is not getting any rent from them now. Hohler said Lanoue needs good access to the parcels regardless of whether they are planted in grass or crops. Right now two grass runways have to be crossed until an access by the cemetery is installed. Koopman asked if it would be better to let the parcels go to grass than even to bear the cost of seeds. Hohler said part of the reason Lanoue wanted to let it go to grass is it's too far to go around with equipment. Dobson said he would be glad to talk to Lanoue if the Council backs him up.

Robinson asked for any questions regarding his monthly report. Ferrazzano asked if there were any more instances of vandalism. Robinson replied things have improved. The last incident was broken locks but they have since put on heavier duty locks. Stobb asked if new signs had been placed at the dump and if there has been any more illegal dumping. Robinson replied a new sign has not been put up and now an entire deck has been cut up and dumped. Otto-Arvizu said she read the existing sign which says yard waste only which may not be clear to everyone. Koopman said given the frequency of violations it may be worthwhile to go back to opening the dump for certain hours and hiring someone to be on site to monitor. Otto-Arvizu asked if the dump was being locked at night. Robinson replied they don't but it probably wouldn't make a difference since Hohler was hauling brush last Friday and between loads the deck appeared. Koopman stated the only way to get a handle on the situation is to have someone monitoring the dump. The cost of hiring would probably be less than what it costs the City in dumping fees and man hours for disposing of illegal waste. Ferrazzano suggested by the next meeting that the Council needs to decide what to do about the dump. Torkelson suggested advertising for someone to monitor the dump. Robinson said they could also try a new sign. Hillger stated it is not a matter of not understanding the sign, people are hiding this stuff.

Ron Radke asked for any questions on his report. Ferrazzano asked how close Radke was to getting credit card access. He replied the application has been submitted and he's waiting for a reply. Stobb asked how seriously they should take the auditor's study on city-owned businesses. Radke replied he doesn't think it's going to happen soon but it is a possibility the State might require cities to auction off publicly owned businesses to private owners. Caron asked if a phone line has been ordered for the credit card machine. Radke replied they have an existing line from the ATM machine that just has to be moved.

Hillger reported as of July 2 he is back up to full staff. Ferrazzano asked if the police lock the dump site. Hillger feels that if someone is brave enough to drive with headlights into the dump officers will check it out. He added nine times out of ten people illegally dumping go around back to hide it.

Koopman stated the meeting she attended on the legislative session was very informative. The LMC continues to give a negative forecast for the State budget and Koopman felt the Council should be very cautious when starting next year's budget. Vicki Krucker has been hired to replace Madonna Peterson. Peterson will be leaving around August 8. The City received good news and was awarded a grant for Sebastian Park. The total project is \$62,000 dollars of which the City will receive \$32,000 in grant funds. The actual out of pocket cost to the City will \$18,820 and the rest of the City's share will be provided through in kind labor. The grant will provide playground equipment, a picnic shelter, four grills and walkways throughout. Everything would be handicapped accessible. Koopman asked the Council to consider designating the matching funds in order to accept the grant. She suggested that the refunded insurance money has not been designated yet. Otto-Arvizu said she

would hate to lose that much grant money and it would be a marvelous asset to the park. Stobb said he has been trying to think of some creative ways to raise funds for the project, such as selling naming rights, but he felt the public was getting tired of being asked for contributions. Otto-Arvizu added they would only be using a portion of the insurance money. Caron asked if they would use just \$18,800 of the insurance or \$20,000. Koopman suggested designating \$20,000 and putting back any unused portion. Motion by Otto-Arvizu, second by Caron, to designate \$20,000 towards the Sebastian Park project. All voted in favor of the motion.

Dennis Vandeputte reported a spec sheet had been drawn up for requesting bids for a new fire truck. The truck will be a 2004 International chassis with a 330 horse diesel engine, 1250 gallons per minute pump, and a 1250 gallon tank. The fire department will be getting a fully equipped truck with new hoses, nozzles, ladders, etc. The truck will include a 6000 watt generator which will have all the necessary lighting for accidents or scenes. Koopman asked when requesting the International chassis if that will restrict anyone from bidding. Vandeputte replied nine out of ten manufacturers use an International or Freightliner chassis. Stobb asked what will happen to the present truck this one is replacing. Vandeputte replied as far as trade in value it's not worth much. There had been talk of converting it to a tanker but he thought it would be better to get bids. Robinson said another possibility is to do some swapping and get a better snow removal truck. Vandeputte stated the fire department needs new hoses, nozzles and ladders so they determined it would be better to get them as part of a package rather than piecing those out later. Motion by Stobb, second by Torkelson, to adopt the resolution authorizing the advertisement for bids. All voted in favor of the motion. (Res. No. 2002-14)

Motion by Stobb, second by Torkelson, to adopt a resolution approving budget adjustments. All voted in favor of the motion. (Res. No. 2002-15)

The Consent Calendar included the following: Economic Development Authority minutes for June 20, 2003; Cemetery Commission minutes for May 15 and June 26, 2003; Police maintenance report; Planning Commission minutes for June 2 and July 7, 2003; Municipal Accounts Payable; Monthly Financial Report; Revitalization Committee minutes for June 19, 2003; and Firemen's Relief Association minutes for June 2, 2003. Motion by Otto-Arvizu, second by Torkelson, to adopt the above listed items. All voted in favor of the motion.

Koopman reported that Jason Steffens purchased the building at 324 South Street and plans to rent out the front portion to a business and use the back for band rehearsal. He is not planning on completing any remodeling until 2004.

Ferrazzano stated he included a permanent structure over the City parking lot on the agenda because this year the Chamber of Commerce is going to rent a tent for Box Car Days which will cost between \$1100 and \$1500. He has had discussions with the Chamber to see whether or not the Chamber would be interested in splitting the cost of a permanent structure. A rough estimate for the structure including electrical wiring is \$50,000. Ferrazzano thought if the Chamber is renting a tent for \$1500 why not use that money as a payment towards a permanent structure. The Chamber has chosen to rent a tent and then do a feasibility study to see if a permanent structure will be used.

Ferrazzano thought having a permanent structure would be a benefit to the City and suggested the City could build a structure regardless. He wanted to get the Council's thoughts on that option. One concern is the Chamber is going to rent a tent that isn't going to completely cover parking lot, it's the same length but not as wide and the question is where the stakes will go. Ferrazzano was concerned they would be put into the asphalt. Koopman stated Lori Hebig with the Chamber had said they wanted to get public opinion of a permanent structure and felt there wasn't enough time to build one this year. Ferrazzano felt the City needs to pursue a permanent structure whether or not the Chamber is involved. Koopman felt they should coordinate their efforts with the Chamber. The question is if this is something the City needs to provide as a public service. Stobb said he would like to at least see some plans for the structure first and would like some more ideas and commitments for the use of it. Koopman suggested working out with the Chamber to pay half and to also look at rental agreements and such to recoup costs. Otto-Arvizu thinks the City should plan out how they propose to use a permanent structure. She added she is more concerned with communicating with

the Chamber on any possible damage to the parking lot. Koopman said she will talk to Bob Gervais when he gets back from vacation and will have an answer by the next Council meeting.

Ferrazzano stated that Western Community Action sent a letter which included a Big Buddy Proclamation and asked the Council to designate the month of August 2003 as Big Buddy month. Motion by Stobb, second by Otto-Arvizu, to Big Buddy month. All voted in favor of the motion.

Ferrazzano asked for the Council’s approval to send a thank-you letter to Marty Seifert for organizing the recent public meeting regarding a regional prison facility. Council members approved.

Ferrazzano reported the City received a thank-you letter from the Southwest Minnesota Foundation for the donation given by the City.

There being no further business motion by Caron, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

July 28, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, July 28, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, T Byrne, M. Fraser, R. Caron, J. Otto-Arvizu, G. Torkelson and R. Stobb. Also present: A. Koopman and F. Nielsen.

The Mayor asked for any additions or corrections to the minutes for July 14, 2003. Motion by Caron, seconded by Torkelson 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: (8A) A resolution authorizing execution of MnDOT agreement for maintenance and operation of the airport; and (11A-2) Welcome to Tracy sign. Motion by Byrne, seconded by Fraser to approve the agenda as now written. All voted in favor of the motion.

The Mayor opened the hearing to public testimony on Ordinance No. 280, an ordinance adopting the most current State Building Code. There being no public testimony, the Mayor declared the hearing closed and referred this matter to the Council for their consideration. Motion by Fraser, seconded by Stobb to adopt Ordinance No. 280. All voted in favor of the motion.

Tracy Area School Superintendent introduced himself to the Council and announced a willingness to work together. The Council thanked him for coming.

The City Attorney contract for legal services was submitted to the Council for review. The contract will run from August 1, 2003 through December 31, 2003. Motion by Torkelson, seconded by Caron to approve said contract. All voted in favor of the motion.

A mutual aid agreement for fire service between the City of Balaton and Tracy was introduced. Motion by Byrne, seconded by Fraser to approve said agreement. All voted in favor of the motion.

Motion by Byrne, seconded by Fraser to approve a mutual aid agreement for fire service between the City of Minnesota and Tracy. All voted in favor of the motion.

A letter received from Hope DAC/ECCO was reviewed by Council. The City transferred property to this organization in September, 2001 for \$1.00 contingent on their building addition being completed within two years. They contended due to uncertain funding they were unable to meet this deadline and requested an extension. Motion by Byrne, seconded by Caron to grant an extension until June 1, 2004 to complete construction of their building addition. All voted in favor of the

motion.

Motion by Byrne, seconded by Caron to authorize the Mayor and City Administrator to sign documents on behalf of the City for USDA Farm Service Agency. All voted in favor of the motion.

Terry Wolfe and Jon Hansen, Ritter Sanitary Service, introduced themselves and asked if the Council had any questions or concerns on their garbage operation. Mr. Stobb questioned if there is an 800 number published in the phone book. Mr. Wolf responded that the number is published in the phone book. Mr. Nielsen questioned if the public is aware of what holidays are recognized by their service which delays pick-up by one day. Mr. Wolfe agreed to place an ad in the paper when these holidays occur. Mr. Wolfe questioned if the City had a signed contract when the contract was extended. Mrs. Koopman stated that she would verify if the contract was signed and notify him. No action was taken.

Mark Evers requested a gambling permit to conduct a raffle for the Minnesota Water Fowl Association. Motion by Stobb, seconded by Byrne to approve said permit. All voted in favor of the motion.

A memo submitted by Finance Director Dave Spencer was reviewed by Council. Mr. Spencer noted that currently our financial statements are reported on a modified accrual basis of accounting. Cities under 2500 are only required to report on a cash basis, but have been reporting on an accrual basis because it was a more accepted accounting practice. The General Accounting Standards Board are changing the reporting rules for accrual accounting. These changes will become very expensive to implement and maintain. Based on that, he recommended that we revert back to a cash basis of reporting. The enterprise funds would still be reported on an accrual basis. We are also due to bid auditing services for the next three years. After a brief discussion, Byrne moved and Stobb seconded to approve the cash statement report and authorize the request for proposals for auditing services for fiscal years 2003 - 2005. All voted in favor of the motion.

The Chamber of Commerce requested authorization to close 3rd Street from South to Morgan on July 31, 2003 between the hours of 7:00 a.m. to 8:00 p.m. for Crazy Days. Motion by Caron, seconded by Torkelson to grant said request. All voted in favor of the motion.

The City Administrator informed the Council that she has been receiving a number of complaints regarding trees obstructing the sidewalks. She questioned if the Council would consider adopting an ordinance regulating obstructions relating to boulevard trees. It was the consensus to prepare an ordinance for the Council's review at the next meeting.

A lengthy discussion was held on the vandalism that has occurred in Central Park. Rick Robinson reported that someone broke the door handle leading into the mechanical room in the Central Park bathroom. The bathroom itself required extensive cleanup plus the stool was plugged. We had to hire a plumber to un-plug the stool and found the door handle in the stool. This is becoming very labor intensive and expensive for the City. Mr. Robinson noted that this is the third time the door knobs have been replaced. The Council asked the Police Chief what they are doing to correct this problem. Chief Hillger responded that he is placing an officer in the park for eight hours a day for the next two weeks. It was the consensus that the 10:00 closing time for the park be strongly enforced. Ms. Arvizu stated that if underage children are found to be violating park rules their parents have to be notified. It was noted that there is no signage stating that the park closes at 10:00 p.m. The Mayor suggested establishing a reward for the prosecution and conviction of anyone vandalizing the park. Mr. Byrne questioned if the city would be able to recapture that through restitution. Mayor Ferrazzano stated that we could ask for it. Mr. Nielsen noted that if the cost of the damage exceeds \$500 it becomes a felony. After further discussion Byrne moved and Fraser seconded to establish a \$500 reward for anyone convicted of vandalism in Central Park. All voted in favor of the motion.

Mr. Robinson informed the Council that they have now locked the entrance gates into the tennis courts. Picnic tables were being brought into the tennis courts and they are now riding bikes in there. There still is an entrance to the courts but it is much smaller. Mrs. Hillger suggested that the Council consider hiring a park person to monitor activities in the park. The Mayor said it still comes

down to money. If someone volunteers that would be ok. Chief Hillger pointed out that volunteers may not be a good idea. He noted the verbal abuse received by the street department when they are trying to maintain the park and while explaining to the occupants that they should pick up their trash and not ride bikes in the tennis court.. Mrs. Arvizu questioned if an individual is found to be riding a bike inside the tennis courts, what can we do? The Chief responded that he didn't know if we have any laws or ordinances that be being broken other than park rules and he didn't know what the ordinance says concerning park rules. The Mayor stated that if they are breaking park rules they should not be allowed back on the property. Then if they violate it again they could be charged with trespassing. The Chief felt that volunteers could not handle this. It would take someone with a stronger constitution. Mrs. Arvizu then pointed out that this has become a threatening environment for others who wish to use the park. In a small community you should feel safe to go into the park. She has received complaints from individuals that people don't like to go there because they don't feel safe. Mr. Torkelson stated that he has received a call that a woman who wants to pass a petition around because her kids were abused in the park. The Mayor suggested directing the Parks Committee to say to certain people if you violate the park rules you can't use the park property anymore. The City Administrator pointed out that the Parks Committee doesn't have the authority to issue any ultimatums and suggested that complaints should be directed to the Police Department. Mrs. Arvizu questioned where do we draw the line. Mr. Stobb pointed out that you should be able to go to the park and feel comfortable. If you're there and making someone else feel uncomfortable with your actions then you should be told to leave. The Mayor noted that a follow-up letter should be issued if someone is request to leave. Mr. Stobb felt that the Police Department should take care of this. The Mayor suggested if requested to leave it should be for a year. Mr. Nielsen suggested creating a hearing board for anyone who feels aggrieved for being kicked out of the park. Chief Hillger suggested keeping a simple. Posting the rules and have an ordinance that states any violation of park rules is a misdemeanor. If a juvenile is picked up the police take them into custody and call their parents or a responsible adult has to come down and pick them up. It was the consensus to direct the City Attorney to draft an emergency ordinance for the Council's review at the next meeting.

A resolution closing the Code Enforcement Reserve Fund and authorizing the transfer of the remaining funds was introduced. Motion by Stobb, seconded by Fraser to adopt said resolution. All voted in favor of the motion. (Res. No. 2003-16)

A resolution closing the Shade Tree fund and transfer remaining funds was introduced. Motion by Stobb, seconded by Torkelson to adopt said resolution. All voted in favor of the motion. (Res. No. 2003-17)

A resolution closing the Gym Renovation fund and transferring the remaining funds was introduced. Motion by Stobb, seconded by Fraser to adopt said resolution. All voted in favor of the motion. (Res. No. 2003-18)

A resolution authorizing the execution of MnDOT agreement for the maintenance and operation of the airport was introduced. Motion by Fraser, seconded by Stobb to adopt said resolution. (Res. No. 2003-19)

The Consent Calendar included the following: Revitalization Committee minutes for July 15, 2003, Cemetery Commission minutes for July 17, 2003, Monthly water and wastewater report, Municipal Accounts Payable and EDA minutes for July 11, 2003. Motion by Byrne, seconded by Fraser to approve the above listed items. All voted in favor of the motion.

The outstanding bill for the damage done to the airport runway was discussed. Mr. Robinson reported that the bills included labor and equipment in the amounts of \$130 and \$180. Mr. Dan Lanoue and previously indicated that he didn't feel he should pay for them because there was never any dedicated access to the various fields. Mrs. Arvizu pointed out that he has signed a contract that states he isn't allowed on the runways with farm equipment. Mr. Torkelson suggested talking to Mr. Lanoue again. Mrs. Arvizu felt that the City should hold firm and make Mr. Lanoue accountable. She then made a motion that Mr. Lanoue be allowed 30 days to pay the outstanding bills. This motion died due to lack of a second. Mr. Torkelson then moved and Fraser seconded to invite Mr. Lanoue to the next meeting to discuss payment of the bills. All voted in favor of the motion.

A discussion then followed on the land that Mr. Lanoue now has in crop land but is not included in the lease. It was the consensus with Mr. Lanoue being invited to the next meeting that we discuss this matter with him also. Discussion also included delegating someone to be responsible for oversight of the farm lease but no action was taken.

A discussion was held on the possibility of providing staffing for the compost site. Mr. Stobb suggested rather than limiting hours and provide staffing he would rather see more signage. One sign should identify the \$500 reward for reporting anyone for illegally dumping and the second sign should list what can actually be dumped at the compost site. Mr. Robinson noted that the City will accept concrete at the composts site but there is a disposal charge. After further discussion, Stobb moved and Fraser seconded to install two signs with information as outlined above. All voted in favor of the motion.

A proclamation to Tracy, CA was reviewed by Council. Motion by Stobb, seconded by Byrne to authorize the Mayor and City Administrator to sign said proclamation. All voted in favor of the motion.

The Mayor requested the Council to consider a contribution towards the construction of a Welcome to Tracy sign. He explained that the Downtown Revitalization Committee is planning to install a Welcome to Tracy sign on the West end of the city. Originally the Chamber of Commerce was going to pay for it but they don't have sufficient funds. Committee members are asking civic organizations to make donations and he felt that the City should also donate. The City Administrator stated that this is considered advertising and is a legal use of City funds. After further discussion, Caron moved and Fraser seconded to donate \$1,000 towards the Welcome sign. All voted in favor of the motion.

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

ATTEST:

City Administrator

Mayor

August 4, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, August 4, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, T. Byrne, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the July 28, 2003 City Council Meeting. There being none, motion by Fraser, second by Caron, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (10B) report on the trip to Tracy, California. Otto-Arvizu added (9A) under unfinished business the request to vacate an airport hangar. Motion by Byrne, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Ferrazzano asked Dan Lanoue if he had a chance to visit with Koopman regarding the outstanding bill for runway damage. Lanoue replied he did and stated he did not come to the Council meeting to discuss any airport business. He said the amount of land he has been paying rent on is the proper number of acres under the terms of the lease agreement. Lanoue stated it really upset him that the issue was discussed by the Council because it causes a lot of problems when stories get out. He felt the Council owed him an apology and asked that the story be set straight in the newspaper. Lanoue said he would be happy to discuss any further issues with a committee and did not want them discussed in public. Ferrazzano asked in terms of the outstanding bill if Lanoue wanted to meet with a committee. Lanoue replied he expects to be treated in a professional manner as the City would with any employees.

Koopman explained that some of the parcels were incorrectly identified in the lease. The amount being farmed is within four-tenths of an acre of the number of acres in the lease agreement. Koopman said Lanoue is paying for what he is farming. She added the lease should be modified to reflect the correct parcels. Caron suggested that Rick Robinson and Homer Dobson be the City's representatives on a committee to meet with Lanoue to discuss any issues and work out a revised lease. Ferrazzano appointed them to the committee.

Torkelson said he would like something put in the paper and extend an apology from the City. Koopman stated both the City and Lanoue made errors on the lease and signed it. She said as far as the total acres they were within four-tenths of an acre and she felt comfortable to leave that as it stands.

Ferrazzano asked if there were any questions about the ordinance regulating tree and shrub planting

and maintenance. Koopman stated she drafted the ordinance based on copies of ordinances received from the LMC. She sent the draft to Nielsen and asked for his comments. Koopman suggested Nielsen could submit a revised ordinance based on his comments. Nielsen stated this is one of those issues that sounds simple but when he started researching it has gotten more complicated. Information from LMC talks about not putting burden on property owners to maintain boulevard trees and shrubs but some of the sample ordinances received do just that. Nielsen said it will take some time to draw up the language the City will want. Stobb said the initial problem was low hanging tree branches over sidewalks and the proposed ordinance covers much more than that. He asked if the Council could address just that issue now and address the other issues later. Koopman said the low hanging branches does need to be addressed quickly. Some are becoming a nuisance, even a hazard. The ordinance refers to a ten foot clearance which may be overkill, seven or eight feet may be enough. Stobb said he was wondering about the language referring to spacing, height, etc. Koopman said those portions are included because the City may have to deal with maintaining or enforcing the maintenance of trees and shrubs. That is why the City has some right to determine what types of trees are planted and the locations. For instance the tree program through Xcel Energy, they agreed to plant the trees but maintained the right to choose what trees were planted. Another example is trees planted at street corners may impede vision.

Koopman stated the nuisance ordinance does refer to the obstruction of public rights-of-way but from an administrative point of view it would be a very labor intensive project for the street crew to evaluate work that needs to be done then to send out individual letters to property owners. She was hoping the Council could implement a more simplified policy and perhaps publish an ad in the newspaper informing residents that trees need to be trimmed by a certain date. From a legal standpoint she wasn't sure if they could do that. Otto-Arvizu said a question she had is not everyone will get the message so who will patrol that trees are being trimmed or not planted some place they shouldn't be. Koopman said they do have a City Forester who would be in charge of that. Stobb said the problem would be the Forester would only know about the problem after the fact. Koopman suggested she and Nielsen get together to iron out some of the issues discussed and bring a revised ordinance back to the Council for discussion.

Ferrazzano referred to the proposed emergency ordinance providing for the regulation of the use of City parks. Nielsen said he had a limited time frame to draw up the ordinance and the Council may find some areas they want to modify but he tried to target areas that needed to be addressed. Koopman said the only comment she had was on reservations of park facilities. Right now the City doesn't take reservations, use is on a first come first serve basis and she thought it should remain so. Stobb added it would be hard to enforce. Nielsen said the Prairie Pavilion could be considered a park under these definitions and that has to be reserved. Koopman replied the difference is that rent is collected for the Pavilion.

Chief Hillger thought the ordinance was well written but the only thing he would like to see added is the new bike trail plus a statement that motorized traffic is prohibited. Ferrazzano suggested including bike trails in the definitions. He asked if any progress had been made on the 10:00 p.m. closing signs for parks. Koopman replied they were ordered but she doesn't know when they will be in. Stobb asked if Subd. L would be added for the bike trails and reference to no motorized vehicles. He also asked if there have been any problems with 4-wheelers or snowmobiles in the parks. Hillger stated he didn't recall any complaints but runs into problems with them driving through back yards. Motion by Byrne, second by Fraser, to adopt the emergency ordinance contingent on the addition of bike paths. All voted in favor of the motion.

Bob Gervais reported that a meeting will be held on Thursday, August 21, 2003 to discuss the Community Development Block Grant. A discussion about residential grants will start at 6:30 p.m., commercial improvements will start at 7:30 p.m., and a discussion with contractors will start at 8:30 p.m. Gervais thought that Barb Kirchner or Rick Goodeman would be present to discuss the Block Grant and inform the Council what actions the City needs to take. He said the Council has to designate where any money that comes back into the fund needs to go. For instance if someone remodels a house and moves out before the five or seven year terms of the grant expire they are required to pay back a balance of the grant amount. Ferrazzano asked if the Council would need to hold a special meeting to take action before the August 21 meeting. Koopman replied she could send out a letter to the Council outlining these things and take a phone vote then ratify them at the next

meeting.

The Consent Calendar included the following: Police maintenance report; and Multi-Purpose Center minutes for July 14, 2003. Motion by Caron, second by Torkelson, to adopt the above listed items. All voted in favor of the motion.

Otto-Arvizu asked Koopman if she had received confirmation that the airport hangar was going to be vacated as requested. Koopman replied a letter was sent to George Dobbelaere giving him until August 31 to vacate. Otto-Arvizu suggested sending a copy of the letter to the Airport Commission members.

Koopman presented a preliminary budget for 2004. She indicated they would not be discussing salaries or benefits, just material things for operations. Mayor and Council was increased but did not include the previous ten percent decrease. Both primary and general elections will be held in 2004 so costs were included. Koopman stated the cuts made earlier were reflected in the budget so the Council would notice increases throughout the budget.

In regard to the Legal Services budget Nielsen stated their budget was based on the 2003 legal services contract which strives for a set amount for different services. He added a lot of legal fees are paid out of other funds, such as EDA or building inspection.

Gervais reported there was little change to the EDA budget. Byrne asked what was included in Other Contractual Services. Gervais replied it covers legal fees from the City Attorney's office.

Gervais stated Eastview and 5th Street apartments are self funded but he did budget a little more for 5th Street because of the age of the apartments. He currently has a waiting list of 13 so he didn't foresee any empty apartments this next year.

Gervais decreased printing and publishing for the Home Loan Assistance budget. He had previously been using radio to advertise for Eastview lots but they haven't advertised since July 1.

Gervais reported the major changes for the Economic Development Reserve fund include elimination of utilities since the EDA does not currently own any properties and the elimination of subscriptions, memberships and contributions since no more will be due for TNT membership. The last membership amount was good for 18 months.

Koopman said she had asked both Xcel and Aquila what they anticipated for electrical and gas prices this winter. While they wouldn't give anything exact she thought prices would certainly increase again. Koopman adjusted utilities costs for all City owned buildings.

Hillger stated for the Police Protection budget he increased stand-by wages by \$500. He also increased motor fuels and lubes since gas prices have been increasing. Communications costs have increased due to the officer cell phones, but they have been a real life saver.

Koopman reported she put back \$15,000 for code enforcement under the Building Inspection fund. The Ambulance Garage fund shows an increase in utilities.

Vicki Olson reported the Library budget was left relatively the same as 2003. She added \$1000 to equipment and improvements since the library now has seven computers, two of which are four years old and get a lot of use. Olson said she would like to have funds available in case a computer needs replacing.

Koopman said the Airport maintenance had a couple errors. There should be \$300 showing under motor fuels and lubes and \$500 under maintenance and repair rather than \$300. Koopman also included \$2600 under equipment and improvements for ceiling repair in the main hangar.

Sheila Leonard stated the Senior Center budget shows an increase in printing and publishing because they plan to do more fund raisers again this year. Utilities were increase by \$2000. Koopman said they may need to further increase utilities. She requested \$1,500 for Equipment and Improvements.

Otto-Arvizu asked if the amount budgeted for equipment and improvements is part of the five year plan. Leonard replied it was and added she doesn't know if they will be able to include a handicapped door as part of the five year plan. Byrne asked about the furnace problems last winter. Leonard replied they seemed to have straightened out those problems.

Ron Radke stated the only big change is for insurance and bonds due to the liability insurance for the building is now being included in the Liquor Store budget. Other contractual services was increased because of costs related to karaoke. Transfers out and equipment and improvements was increased in order to make some of the improvements the Liquor Committee has talked about. Radke said he didn't know how the costs of these improvements would be covered other than to budget for them.

Koopman stated Sidewalk Improvements have not been done for three years and she would like to get the program implemented again. Homeowners pay for 25 percent of material costs for sidewalk repairs.

Koopman reported the Aquatic Center budget is presently based on last year's. She will have all the necessary records at the end of the pool season. The next Council meeting is August 25 and a both revenue projects and expenditures will be included. That will leave only one meeting for the Council to review the budget before the preliminary levy is certified to the County Auditor by September 15 unless a special meeting is held.

Ferrazzano reported on the trip he and Gervais made to Tracy California's Dry Bean Festival. He said they were with the Mayor of Tracy CA most of the afternoon on Saturday who showed them around and spent time with the former owner of the newspaper. Gifts were exchanged on stage and Tracy, CA's Mayor presented both Ferrazzano and Gervais with a key to the city. He also presented a rather humorous proclamation which Ferrazzano read.

Ferrazzano said they were hosted by the Yearings who came to last year's Box Car Days. The Tracy, CA mayor said he and his wife would be happy to host anyone who would like to attend next year's festival. Ferrazzano said he would like to have an exchange every year.

Dennis Vandeputte arrived to report on the Fire Department budget. He said basically the only changes were an increase of \$2000 to transfers out for truck replacement and an increase of \$1000 to equipment and improvements to replace pagers. Some are getting old and not working as well. Physicals will have to be done this year so \$2500 was budgeted for that. There are about 26 firemen which will cost about \$1900 but extra is budgeted in case new members sign up.

There being no further business motion by Caron, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

August 25, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, August 25, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, T. Byrne, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the August 4, 2003 City Council Meeting. There being none, motion by Caron, second by Fraser, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (11A.1) Administrative Fine Ordinance and (11A.2) an email he received regarding the Tracy Aquatic Center. Motion by Byrne, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Clint Peterson thanked the Council for their support of the community band's trip to Washington D.C. where the band represented both the City of Tracy and the State of Minnesota. Peterson stated they held three wonderful concerts and the name of Tracy went far and wide. The first concert was held at the Navy Memorial on Pennsylvania Avenue, the second was held at Fairfax which is a retirement community for high ranking naval officials. The third concert was held at the Lincoln Memorial. Peterson thanked the City for the part they played in supporting the band's trip and to the community for their contributions. He brought a picture taken of the band in Washington D.C. that he plans to have displayed over Box Car Days along with a plaque and citation that were given to the band. Stobb thanked Peterson and the band members for all their time and effort in making the trip possible.

Jamie Pehkonen with RLK Kuusisto Engineering introduced himself and stated he has been working on Tracy projects over the past year and a half even though this is the first time he has addressed the Council. He stated as part of a annual permit that is issued to the City, the MPCA is requiring some upgrades to a bypass structure located on East Hollett Street. There are two lines on the structure, one sanitary and one storm sewer line. The MPCA is requesting that the structure have a locked access and an alarm system which would indicate when the storm line overflows into the sanitary sewer line. The third request is that the bypass be manually controlled. Currently the bypass doesn't have any of these requirements and it appears the water flow seems to be split between the two lines. The MPCA was requiring that the upgrades be made by August 1 of this year but the City received an extension until August 1, 2004.

Pehkonen presented three options including cost estimates. The cheapest option is #3 which is strictly a new bypass structure placed in the current location along with the alarm system and manual control. Pehkonen stated the actual discharge pipes run underneath three parcels of land and underneath a home and the current structure is masonry block. He contended it would be too

difficult to try and install an alarm and manual control on it so the whole structure has to be replaced. Option #3 would cost approximately \$27,000 which includes a locked access, a remote alarm systems and probably a sluice gate. The alarm would call four consecutive phone numbers to reach someone to come manually open the gate. Otto-Arvizu asked when the sewer separation project was done why this issue was not addressed at that time. Pehkonen replied that project was strictly done to separate the storm and sanitary sewer lines. Retrofitting the bypass structure was not part of the project and at the time the bypass was approved as built by the MPCA. Koopman replied it has been part of the NPDES permit for years. This issue was addressed at the time the sewer separation project was being put together but the City argued that there hasn't been normal winter or spring conditions to determine how much of an impact this bypass would have. Pehkonen stated the actual removal of the structure without having the conditions to see how the separation project is handling water would probably be unfair to city and could be detrimental to those living upstream from the bypass. The MPCA's condition now is if there is going to be a bypass event it must be manually controlled and MPCA must be notified.

Pehkonen stated Option #2 would be RLK's recommendation if the City is going to leave the bypass in its current location and would involve elevating the level of the storm sewer to cause some backup to occur prior to a bypass event occurring. This would help prevent the alarms from constant going off and an automatic splitting of storm water between the storm and sanitary sewers. The estimated cost is \$31,850. Stobb asked over what distance would they be elevating the storm sewer. Pehkonen replied about a foot higher. Stobb asked if it would cause problems for people upstream. Pehkonen replied the only problem would be if someone didn't come to open the bypass when the alarm went off.

Pehkonen stated Option #1 is to relocate the structure all together, remove it from private property and reroute the storm and sanitary lines which would put everything within the City right-of-way. It is the most expensive option but would satisfy all MPCA's requirements and move the bypass into a public right-of-way. The estimated cost would be \$97,815. Byrne asked if the current building codes say that structures can't be built over sewer lines. Koopman replied they do and she said the structure was put in before that area of the City was platted. She added she has never even seen an easement for the location of the sewer lines and bypass and in the past it has been the City's policy to try and get utilities into the right-of-way. Koopman stated she and Rick Robinson feel strongly that even though Option #1 is more expensive the City needs to get these lines into the right-of-way. To rebuild the bypass on private property is only a temporary reprieve. The City currently pays the property owner electricity costs for the flow meter located in their front yard. Koopman added the price quoted does not include engineering fees. Pehkonen said there would also be additional costs for power and phone line to be installed for the alarm.

Koopman said there are no easements that she is aware of in that area and the lines need to be televised to see how many properties are tied into them. She would like to look into abandoning the current line and requiring home owners to tie into a new line installed in the right-of-way. Koopman said they could look at assessing the costs of tying into a new line over a period of time. Pehkonen added one of the manholes is under a concrete driveway so the City can't access it. Otto-Arvizu asked if the City abandons the line if there would be some expense to homeowners. Koopman replied homeowners would be required to tap into a main line in the right-of-way and at this point they don't know how many homes if any are tapped into the current line and they won't know until the line is televised.

Koopman said the bypass will have to be up and running by August 1, 2004. Otto-Arvizu asked if the City has money in the Surcharge Fund to cover the expenses. Koopman replied there is a sufficient balance available and added Robinson has another project he would like to do out of that fund this year. Stobb said the first thing to do would be to get the lines televised. Koopman suggested they first decide which option they would like and then get an estimate of engineering and televising costs. Ferrazzano thought the only logical choice was Option #1.

Koopman asked Pehkonen to get some firm costs for the City. Nielsen asked if Option #1 improves the sewer lines better in some way than Options #2 and #3. Pehkoene replied the only difference is moving the lines to the right-of-way. He added that judging from the condition of the bypass structure the lines downstream probably aren't in much better condition and the City may run into

some issues with them. When they televise them they will know for sure. Nielsen said from a legal standpoint he guessed there was probably some sort of easement however vague. He is not sure why anyone built houses on top of sewer lines and now the City is going to pay a substantial amount to the benefit of those homeowners. Otto-Arvizu made a motion to develop Option #1 and to obtain engineering and televising costs. Caron seconded the motion and all voted in favor.

Robinson referred to his memo regarding the City farm and his recommendation that if the two bills sent to Dan Lanoue for runway cleanup and repair were not paid within 30 days to consider this a breach of contract. He also recommended to request bids when the current lease expires, to rewrite the current lease, and include the grass/alfalfa acres as billable acres and draw up a map with designated farm machinery routes. Dan Lanoue had stated at a meeting held August 20, 2003 that he would pay the bills only if the lease was renewed for three more years. Otto-Arvizu concurred with Robinson's recommendation to ask that the bills for cleanup and repair of runways be paid and that the lease should be put up for bids. Byrne asked how much total acreage they were talking about. Koopman replied 161.8 acres. Caron added that will change with the new bike trail. Koopman said they would be deducting 5.25 acres. Caron asked if they would gain much rent by bidding out the lease because he had checked with another area farmer who thinks the City is getting the highest rent they could because of the small parcels and access problems. He added that spraying is now going to be limited because of the prairie grasses that will be planted along the bike trail.

Byrne asked how long Lanoue has been leasing the land. Lanoue thought this was the 30th year. Byrne made a motion to renew the lease for three years at \$80 per acre. Ferrazzano asked from a legal standpoint if the City has to accept bids for the lease. Nielsen didn't think so. Byrne amended his motion to include that Lanoue pay the outstanding runway cleanup and repair bills and Torkelson seconded. Koopman asked that the Council include a provision in the revised lease about spraying for weeds near the bike path. Fraser asked about the issue of the grass/alfalfa acres. Lanoue said it is poor land and the top soil has been removed. He added it would have to be tiled.

Byrne amended his motion to state that the grass/alfalfa acres be left unbilled as they currently are and to include restrictions on spraying near the bike path. Upon roll call the following vote was recorded: Voting in favor were Byrne, Fraser, Ferrazzano, Caron, Torkelson and Stobb. Voting against was Otto-Arvizu. The motion was passed.

Robinson reported that the dirt work has been completed for the bike trail. The pavement won't go down until the end of September and the seeding will be done shortly after that. October 15th is the targeted completion date. Stobb asked who is doing the seeding for prairie grasses. Robinson replied it is someone from over by Russell but he couldn't remember the name. Stobb asked if they have a guarantee on the grasses. Robinson said he hasn't seen if they do.

Dave Spencer presented his memo regarding the bids for a new fire engine. Of the bids received Crimson Fire was the lowest bid that met specifications. They also offered a some pre-payment options but the only viable option was pre-payment on just the chassis which would save \$2,402.93 and would be payable at the time the contract was signed. Nielsen asked about the risk in pre-payment if the company would go out of business. Spencer replied that he asked if the City could be given the Manufacturer's Certificate of Origin for the chassis at the time it was delivered but they said they don't get a separate MCO but they said they would give the City a letter verifying the City's ownership. Byrne made a motion to accept the bid from Crimson Fire in the amount of \$221,066.00 and pre-pay for the chassis. Stobb seconded the motion and all voted in favor of the motion.

Gary Garrels presented a hazardous building report on 124 3rd Street. He stated the building is fairly sound. The biggest problem is the broken window in front but as long as it's secured he could find no hazardous conditions. The plywood over the window is only held up by a couple bags of sand which could become a problem but Garrels said he is not sure if the City or the owner is responsible for better securing the window. Nielsen asked what it would take to better secure the window because he was concerned with all the pedestrian traffic over Box Car Days. Garrels replied the plywood would have to be secured to the building somehow, maybe lag bolts into the brick, so it wouldn't come down. Stobb asked if the next step would be to direct the owner to better secure the window and fix the roof. Garrels replied he didn't think the City could direct someone to fix a roof on their building. Nielsen said the long term concern would be water damage and mold but he was

more concerned with the safety of the front window at present. He asked if the temporary fix is okay considering the number of people who will be walking by over the weekend. Koopman asked if the search warrant is still good to access the building in case the window needs to be secure from the inside. Nielsen said they City would be accessing the building for something other than inspecting it but since there is a public safety issue at hand something in the City ordinance says they have a right to enter a building. Garrels said they could secure it from the outside by drilling into the brick. Byrne made a motion to direct the Public Works department to secure the window from the outside and then have a letter sent to the owner requiring that it be fixed in a more permanent manner. Ferrazzano suggested the City send the owner a bill for the work that is done. Byrne amended his motion to that effect and Torkelson seconded. Stobb asked if the window could be better repaired from the inside so they don't have to drill into the outside brick. Byrne thought to avoid any legal complications they may not want to go inside. Stobb suggested if the City feels it should be fixed it they may feel it should be fixed from the inside. All in favor of the motion to secure the window and bill the owner. Judkins added that the owner does have several items stored in the building and he removed two cans of fuel oil and a jug of lantern fuel from the building. Other than that there were no fire hazards since there is no electrical or gas service currently in the building.

Judkins reported that the house at 361 South 4th Street has several hazardous issues to be concerned with. He said there are a multitude of ways to get into the house and therefore has become a public safety and health hazard. Judkins said there are birds nesting inside and who knows how many rodents. Because of the overall poor condition he and Garrels recommend that all the buildings on the property be condemned and razed. Garrels stated Koopman had directed him to secure the house so he covered the broken windows and nailed the doors shut. Judkins stated all things considered the garage and shed are also falling in and nothing is salvageable and he recommended razing all the buildings. Stobb made a motion based on the inspection report that the buildings be declared hazardous and the City proceed with the necessary steps to demolish the buildings. Byrne seconded and all voted in favor of the motion.

Ferrazzano presented an agreement between Minnesota Driver and Vehicle Services and the City of Tracy. Koopman stated this is a new agreement whereby the State will suspend vehicle registration due to checks returned for non-sufficient funds. Motion by Fraser, second by Caron, to approve the agreement. Stobb asked if there were any concerns with the part of the agreement stating the City would take responsibility for any claims or lawsuits resulting from this type of action. Koopman stated the State will also take responsibility for any negligence on their part. All voted in favor of the motion above.

Ferrazzano presented a mutual aid fire agreement between the City of Garvin and the City of Tracy. Motion by Stobb, second by Byrne, to approve the agreement. All voted in favor of the motion.

Koopman reported that she received a call from the owners of a property requesting to remove the sidewalk located in front of their house. They indicated the sidewalk was badly broken up and not repairable. Koopman found that the ordinance requires Council approval but a contractor was on site who explained the sidewalk is a hazard. Koopman authorized them to remove it and the owners planned to level the area and plant grass until such time the City replaces the sidewalk. Motion by Stobb, second by Torkelson, to approve removal of the sidewalk. All voted in favor of the motion.

Koopman referred to her memo regarding diseased elm trees and her recommendation that trees cut down on private property should be 100 percent paid for by the owner. Previously the City paid 20 percent but that policy was initiated when the City received funding for diseased trees. Koopman recommended the policy for boulevard trees remain the same. Byrne made a motion to change the City policy and require property owners to pay the full cost of cutting down trees on private property. Ferrazzano asked when the currently marked trees will be removed. Robinson replied in about four to six weeks. Stobb seconded Byrne's motion and all voted in favor.

Ferrazzano reported that Koopman was recommending as a cost saving measure on sidewalk repair projects that property owners pay for 25% of labor costs in addition to 25% of materials. Motion by Fraser, second by Torkelson, to adopt Koopman's recommendation. All voted in favor of the motion.

Ferrazzano stated the Council will be appointing a Review Committee for the Community Block

Grant who will review grant applications. Koopman added the committee will also establish guidelines for the different types of improvements, particularly for businesses and verify that the applicants are meeting the established guidelines. Ferrazzano stated committee members will consist of:

Eugene Hook	Revitalization Committee
Pam Cooreman	Revitalization Committee
Betsy Schmidt	Business Owner
Nicole Larson	Business Owner
Dan Anderson	Planning Commission
Al Landa	Planning Commission
Steve Ferrazzano	City Council

Byrne asked if someone from the EDA would serve. Koopman replied that the Southwest Minnesota Housing Partnership will work with the funds for the grant and the committee will only work with the project guidelines. Motion by Caron, second by Stobb, to approve the appointment of the above listed Review Committee members. All voted in favor of the motion.

Ferrazzano presented a resolution approving payment to Schmidt Construction for work completed on the Sewer Separation/Circle Drive Bypass project in the amount of \$10,000.22. Motion by Stobb, second by Byrne, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-20)

Ferrazzano presented a grant agreement with the Department of Aeronautics for an air-to-ground radio control for the runway lighting. Motion by Byrne, second by Fraser, to adopt said resolution. Nielsen asked if the Council in addition could authorize the Mayor to execute the same resolution as was done two years ago accepting the grant agreement and authorize the Mayor and City Administrator to sign said agreement on behalf of the City. He amended his motion to include the resolution and all voted in favor. (Res. No. 2003-21)

The Consent Calendar included the following: Police Activity report; Economic Development Authority minutes for July 25 and August 1, 2003; Fireman's Relief Association minutes for August 4, 2003; monthly Water and Wastewater report; Multi-Purpose Center minutes for August 11, 2003; and Municipal Accounts Payable. Ferrazzano asked if Cemetery Commission minutes were available. Koopman replied they had just met last Thursday. Ferrazzano asked if a copy of Accounts Payable was available. Koopman had the original copy for the Council to review. Copies were missed when the agenda packets were done.

Koopman stated her memo identifies all the changes made since the budget was last reviewed. The next Council meeting is when the preliminary levy will be adopted which will be the maximum amount the City can levy. The Council can make reductions later and hopefully they may be able to cut back later on the pool budget. This year the City levied money in anticipation of an operating deficit for the pool. Very likely there will be a deficit this year but the actual figures will be in before the final adoption. Koopman said going through individual departments the EDA's Revolving Loan budget was reduced by \$15,000. She said overall they are looking at a four percent increase. Fraser asked if the increase included the increase in health insurance. Koopman replied she did budget for that and added the City is looking at some different options. She also said she would like to see a little cushion added because LGA is still subject to unallotment. Stobb said they still have half of the cushion they budgeted last year. Koopman replied that will go towards the deficit for the pool operations this year.

Ferrazzano asked about the \$500 budgeted under Mayor and Council for communications. Koopman replied that was for the phone line and internet in the Council office. Council members agreed to cut that amount and Ferrazzano said he didn't think it would cost that much. Stobb said the utilities costs were hitting hard in every department and asked if the thermostats could be set warmer now and cooler in the winter. Koopman referred that question to Robinson since they were dealing with boiler heat and she wasn't sure about the operation. Robinson stated there are actually two boilers in place in the municipal and when one can't keep up the second one kicks in. He said where some bigger gains could be made is the the Water Plant and City Shop have six hanging furnaces which are original equipment from the mid-1970's and not at all efficient. Caron said Stobb was suggesting to

set the thermostats at 76 instead of 74 in summer. Robinson stated the City shop sits at about 50 to 55 degrees in winter because the building does not hold heat.

Caron stated another item hitting the City hard is insurance premiums. Byrne said everybody everywhere is experiencing premium increases. Koopman said all other cities are seeing the same thing. Koopman said she hopes employees will look at a plan with a larger deductible but a large share of the premiums are being contributed by employees. Her cost personally went up 100%. Byrne asked if the City is getting bids from other companies. Koopman said the problem is she hasn't been able to get bids from other places because of the ages of City employees.

Koopman asked if the Council was comfortable with a 4% budget increase. She said she could increase Other Financial Uses to give an extra cushion. Caron thought it would be a good idea in case something was missed. Stobb asked what one percent of the budget amounts to. Koopman replied roughly \$6000. Byrne suggested increasing to 5% since they can always decrease the amount by December when the Council has to finalize the budget.

Ferrazzano referred back to the Consent Calendar. Caron asked if the Liquor Store had to buy the credit card machine. Koopman replied they did and added it has been a lengthy process. Ferrazzano asked if it was up and running yet. Koopman replied they have not received the machine yet. Ferrazzano asked what air packs are under the budget items. Dave Vogel replied they are air packs for the fire department and added most of the money to purchase them was received through donations. Motion by Caron, second by Fraser, to approve the Consent Calendar items. All voted in favor of the motion.

Ferrazzano stated some cities are adopting an Administrative Fine Ordinance by which certain petty misdemeanor traffic offenses are paid for by an administrative fine. The offenses are no longer run through District Court so the offender avoids paying court fees and surcharges. Currently for a simple ticket the offender ends up paying \$110. Some cities have gone to this system so all of the money paid for the fine goes to the city whereas now a city gets only one-third of the fine amount and gets no fees or surcharges. Ferrazzano said Worthington and St. James are pursuing an ordinance of this type and added it can apply to other petty offenses. He said this is something that can be done legally and thought this was something the City should pursue in order to get some additional revenue. Koopman said the fine would be cheaper for the offender. Ferrazzano said another benefit is it doesn't go on the offender's driving record. He said if someone gets an administrative fine and doesn't pay it then the officer files a citation and it goes to district court. Ferrazzano thought White Bear Lake enacted an ordinance two years ago and Ramsey County found their revenues went down 20% but it saves court staff time and cuts down on the traffic calendar. He suggested the Council could maybe get a copy of a sample ordinance by the next meeting from a city that has enacted one.

Ferrazzano reported that he received a thank you email from a group from Illinois who had been on a camping trip to Lake Shetek. They indicated the highlight of their trip was a visit to the aquatic center and said the facility was great but even better was the young staff who were very helpful to the group. They wanted their thanks conveyed to the pool employees. Ferrazzano stated the City has a lot of dedicated people who work at the pool and the facility is an asset to the community.

There being no further business motion by Byrne, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

September 8, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, September 8, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Absent was: T. Byrne. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the August 25, 2003 City Council Meeting. There being none, motion by Caron, second by Stobb, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. He added (6B) appointment of a committee to discuss the Prairie Pavilion lease with the school district and (7E) authorization to execute a State grant agreement for airport improvements. Motion by Fraser, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Ron Radke asked for Council approval to sign an agreement with Lindy's Collection Service for recovering checks. They guarantee money within 30 days for checks up to \$50. Radke said he has used the service in the past but if he signs an agreement he can get the guarantees. The only cost is a one time \$25 set-up fee. Radke replied that is the only fee. Motion by Fraser, second by Torkelson, to approve the agreement. All voted in favor of the motion.

Koopman reported she has been working on details of the LAWCON Grant which will require some more documentation. She is waiting to receive the restrictive covenant resolution back from the County Recorder's office. Koopman said she has also been working on the Highway 14 Beautification Project and today received some cost estimates from Greenwood Nursery. She will incorporate the estimates into the application and once submitted find out if the City qualifies for funding. The project would entail landscaping along Highway 14 from the east to west end in phases over the next four years. The project would include planting some trees but mostly shrubbery and flowers along with landscaping stone. She has been trying to incorporate the Sabongi plan at intersections on the south side of the highway and on the north side they are planning for mostly shrubs and flowers. This project is part of the Downtown Revitalization Committee's efforts.

Koopman attended a Regional Clerks meeting at which she learned some new reporting requirements for liquor licensing. The City now must notify the State of all 3.2 licenses that are issued.

Ferrazzano asked if there was a deadline for the Highway 14 Beautification application. Koopman replied they take applications throughout the year. Caron asked if Koopman has figured out the costs of maintenance down the road. Koopman replied plans are to plant mostly shrubs which are basically maintenance free except for occasional watering. They are also looking at perennial flowers because the Highway Department won't fund annuals.

Robinson reported that a water main break that occurred on East 4th Street was still being worked on. Nielsen asked if the water tower had been filled as requested and if the water main breaks were related to filling the tower to a higher level. Robinson replied the tower is at an acceptable level but the breaks are related to another issue. Stobb asked if the water supply is adequate considering the lack of rain this summer. Robinson replied it is.

Ferrazzano said he noticed the stake holes for the Box Car Days beer tent had been filled. Robinson stated the company who provided the tent hadn't set up this particular tent before and didn't realize it would require stakes on both ends. He made an agreement with the company as to how the holes would be filled and required that they tamp a cold mix into the holes and put a seal on top. Ferrazzano asked if there could be a problem in the future. Robinson didn't think so because of the way the holes were filled.

Robinson reported that he contacted two companies capable of testing the concrete in the pool. The first backed out since their technician would have had to travel from Texas. Braun Intertec is a highly recognized testing company and submitted a proposal of \$4758.00 to do a ground radar test to

determine where re-rod is placed and take core samples of the concrete. Torkelson asked if the City is going to recover these expenses. Robinson replied he couldn't answer that. He said Braun will provide a CAD drawing showing the locations where the cement is separating. Robinson said if the City gets an extensive report they can maybe turn it over to an engineering firm to determine what should be done. Otto-Arvizu asked if more problems would arise if some of these problems aren't addressed by the next season. Robinson replied they would and said some of lane marker tiles are loose and some areas of the diamond brite layer are separating from the concrete base which is called delamination. There is one spot that was not repaired before the pool opened this year and it is a fairly noticeable patch. The diamond brite is a 3/8 inch top coat and when it pops off there are sharp edges where it cracks. Stobb asked if this should be a warranty item. Koopman replied these are questions that will have to be addressed in the pending lawsuit and hopefully the information provided by the testing company will help the case.

Ferrazzano asked if the test results will also say why the delamination happened, if whether it was designed or installed incorrectly. Robinson replied he has already been told it happened because the diamond brite was not cured underwater. He said the tests will confirm that and will determine where other problems lie. Fraser asked about the optional petrographic analysis offered by Braun. Robinson replied that would be a more in depth test of the core samples taken by the company. Motion by Stobb, second by Fraser, to accept Braun Intertec's proposal. All voted in favor of the motion. Robinson stated he would contact Braun to get the testing started as soon as possible.

Ferrazzano referred to the examples provided of administrative fines imposed by other cities. He thought the Council should look further into the issue and suggested the Council may want to select only certain petty misdemeanors. Stobb said junk cars was on one city's list with a \$30 penalty. He suggested they may want to include that but increase the fine. Koopman said one city has a \$100 fine for junk cars. Nielsen suggested since it is such a broad issue that a committee would be the best to put together a list and make a recommendation to the whole Council. Ferrazzano suggested appointing the City Attorney, the Chief of Police and someone from the Council to the committee and hopefully they can meet before the Council meeting and put together a proposal. Stobb agreed to serve as the Council member.

Koopman referred to the recommendation to dissolve the Community Education Management Committee stating the Management Committee was somewhat ineffectual as they didn't meet as frequently as the Joint Powers agreement required. Those who were not on the Management Committee but served on the Advisory Board didn't see the sense of the separate committee doing the bulk of the work. The Joint Powers Agreement is set up to represent all sectors within the school district. Stobb spoke with Superintendent Marlett who thought it was a good idea to dissolve the committee. Stobb made a motion to approve the dissolution of the Community Education Management Committee. Caron seconded and all voted in favor of the motion. Koopman will write a letter to Bill Tauer informing him of the Council's action.

Koopman stated the Council previously discussed the matter of the lease agreement for the Prairie Pavilion with the school district but a meeting was never held. The issue as to where the wrestling quad matches are to be held has not been resolved and this is a loss of revenue for the City of Tracy. She thought Fraser and Ferrazzano were appointed to the committee to meet with the school and Bill Tauer thought it would be a good idea to have the school principal and superintendent meet with the committee as well so everyone has an understanding of the terms of the lease agreement. Ferrazzano asked who was present at the time the lease was drawn up. Koopman replied she, Dr. Clark and Bill Tauer were present. She added that she would like to attend the meeting to express what her understanding of the lease was. She hopes with the new school administration they can come to an agreement on the terms. Fraser and Ferrazzano agreed to be on the committee and Koopman will set up a time and place to meet.

Ferrazzano presented a resolution approving the authorization of tax exemption zones for Job Opportunity Building Zones (JOBZ) Program. Motion by Stobb, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-22)

A resolution was presented approving pay estimate No. 3 to Central Specialties, Inc. for the 2002 Roadway Improvements Project in the amount of \$27,098.69. Caron asked if this was the company

that had left lawns unrepaired. Robinson replied it was and the City deducted those costs. Motion by Stobb, second by Fraser, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-23)

Ferrazzano presented a resolution authorizing a restrictive covenant on Sebastian Park property. Koopman stated this is a requirement for the LAWCON Grant and the City must file it with the County Recorder. The covenant guarantees the property will only be used for recreational purposes. Koopman added she had taken a vote by phone so the motion would be to ratify the Council's action to adopt this resolution. Motion by Fraser, second by Stobb to ratify the restrictive covenant resolution. All voted in favor of the motion. (Res. No. 2003-24)

A resolution was presented approving an increase in pledged securities at Minnwest Bank South in the amount of \$454,894.51. Motion by Fraser, second by Caron, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-25)

Ferrazzano presented a resolution for authorization to execute a grant agreement with the State of Minnesota for an airport improvement project. Motion by Caron, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-26)

The Consent Calendar included the following: Cemetery Minutes for August 21, 2003; Fireman's Relief Association minutes for September 2, 2003; Police Activity report; and Municipal Accounts Payable. Motion by Caron, seconded by Stobb, to adopt the above listed items. All voted in favor of the motion.

Koopman presented a resolution adopting the proposed budget levy for 2003, collectible in 2004. She stated that the levy included an overall levy increase of five percent and she adjusted the Mayor and Council budget to eliminate the phone and Internet service in the Council office but left \$200 in for Council email addresses. Fraser asked if Council members could use their own email addresses instead of the City addresses. Stobb said he hasn't received any email messages other than those sent from Koopman. Ferrazzano thought it was nice to have them available and didn't feel \$200 was a lot of money. Stobb said they can always eliminate the email addresses in the future if they need. Motion by Stobb, second by Fraser, to adopt the levy resolution. Stobb asked if the governor uses the government aid unallotment if the City's only cushion would be the unused insurance money. Koopman replied it was. She stated the next State budget forecast is not due out until November. All voted in favor of the motion. (Res. No. 2003-27)

Koopman stated the first Council meeting in December would be on Monday the 8th and suggested they could coordinate the Truth in Taxation hearing along with the regular meeting instead of holding a special meeting this year. The Truth in Taxation hearing will be held on Monday, December 8, 2003 at 6:35 p.m.

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

ATTEST:

City Administrator

Mayor

September 22, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, September 22, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, T. Byrne, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the September 8, 2003 City Council Meeting. There being none, motion by Caron, second by Fraser, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. There being none motion by Byrne, second by Caron, to approve the agenda as written. All voted in favor of the motion.

Ferrazzano asked if Rick Robinson had seen the engineering proposal for the Hollett Street bypass. Robinson replied that everything looked fine to him. Motion by Byrne, second by Torkelson, to approve the proposal. Otto-Arvizu asked if the proposal had been reviewed by legal counsel. Nielsen replied it hadn't. Koopman stated normally the City Attorney reviews this type of agreement. Otto-Arvizu said she would like motion to include acceptance of the proposal be contingent on attorney approval. The motion was amended and all voted in favor.

Nielsen stated he and Koopman had discussed the issue of tree trimming and there are some existing provisions in the nuisance ordinance stating that trees can't block sidewalks and streets. Nielsen said if the Council wants to go into more detail regarding what is allowed to be planted and where he could come back with some firmer ideas. Stobb said he would like to keep it simple but one thing not addressed is if the City trims a tree and it dies if the City has any liability. Nielsen replied it may be hard to determine in some areas whether a tree is on private property or on a right-of-way. He said Koopman's feeling is for simple trimming of small branches hanging over sidewalks or streets that a notice in the newspaper stating the City would be trimming would be sufficient. If property owners choose to do the trimming all the better. For major branch trimming or tree or shrub removal the property owner would be contacted.

Ferrazzano thought if the existing nuisance ordinance could accomplish this the City should use it. Caron asked if residents would be notified. Koopman thought for simple trimming they could rely on a newspaper article. If major trimming or tree removal is required a letter would be sent to the owner. Torkelson asked if they would publish how high branches must be trimmed. Koopman replied as long as a tree or shrub is not blocking the right-of-way which is about seven feet.

Due to increased gas prices a request was submitted for an increase in mileage reimbursement. Occasionally two to more individuals have meetings out of town on the same day so one is required to use their personal vehicle. Koopman recommended the City adopt the IRS permitted mileage deduction which is currently at \$.36. Motion by Byrne, second by Caron, to adopt the IRS mileage deduction. All voted in favor of the motion.

Dave Tiegs submitted a resignation from his position on the EDA due to personal reasons. Motion by Stobb to accept Tiegs' resignation and advertise the vacancy. Torkelson seconded and all voted in favor.

Koopman asked for the Council's direction in paying Don Polzine for his time spent on pool litigation. She said he was making \$25.94 per hour at the time he retired as Public Works Director and he has so far given 13 hours of his time. Koopman stated Polzine's testimony will be vital to the litigation. Stobb said he would rather have someone sit down with Polzine to negotiate a per hour fee and asked if he is expecting \$25.94 per hour. Koopman replied she wasn't sure. Otto-Arvizu hoped if judgement was in favor of the City these costs would be reimbursed by the other party. Caron suggested a Council member, Koopman and Polzine sit down and negotiate a fee. Stobb made a motion to that effect and Caron seconded. Ferrazzano asked if Polzine would be deposed again. Koopman said she doesn't think he will be deposed again but he will have to make court appearances. Byrne offered to meet with Koopman and Polzine. All voted in favor of the motion above.

Motion by Stobb, second by Caron, to adopt a resolution authorizing the transfer of \$20,000 from the Swimming Pool Fund to the Permanent Improvement Fund for the City's matching funds for the LAWCON Grant. All voted in favor of the motion. (Res. No. 2003-28)

The Consent Calendar included the following: Economic Development Authority minutes for August 15, 2003; Monthly Financial Report for August; and Municipal Accounts Payable. Motion by Torkelson, seconded by Byrne, to approve the above listed items. All voted in favor of the motion.

Koopman reported she had no changes to the budget but it will continue to appear on the agenda between now and the Truth in Taxation hearing on December 8, 2003.

Koopman stated the League of Minnesota Cities Regional Meeting will be held in Pipestone on October 21st which is a Tuesday night. She said the evening meeting is usually a good session and more geared towards Council issues. Koopman asked any Council members interested in going to contact her by October 10 for registration purposes. Otto-Arvizu said she thinks the meetings are very worthwhile with good presentations and relevant materials. Koopman stated the meeting will be held at the Country Club in Pipestone.

Koopman informed the Council that last Thursday Bob Gervais, Dennis Fultz, Claire Hannasch and herself attended a meeting with Governor Pawlenty in Slayton. She thought it was a very good session and Gervais did a good job presenting the correction facility issue and TNT program. Koopman thought Pawlenty really keyed in on rural needs and sounded willing to work with area cities. He also said there would be no objection from him in presenting privatization of prisons to the legislation. Pawlenty encouraged people to come to the metro area and ask businesses to expand in rural areas rather than expand in other states.

Ferrazzano asked what likelihood of Tracy's JOBZ Zone application being accepted. Koopman thought there was a very good chance since not only communities but regions joined together on applications. Each application cannot consist of more than 5000 acres and the application Tracy was included on totaled about 4300. This effectively lessened the total number of applications submitted and a total of ten applications will be funded. Pawlenty said if regions join together and keep the acreage under 5000 than essentially all applications could be approved.

Ferrazzano asked what are the advantages of the JOBZ Zone being approved. Koopman replied it would allow new businesses to be exempt from a number of taxes including sales tax, real estate tax, and employment tax for a period of twelve years. Tracy has designated five zones within City limits consisting of about 338 acres. Byrne said he understands the City can re-prioritize zones as needed. Koopman stated Lyon County submitted the largest number of acres compared to other counties on the application. Ferrazzano asked if the Governor specified how he would help rural areas bring in new business. Koopman replied he didn't but the Commissioner of DEED was also in attendance and she had an opportunity to tell him how Tracy is working with the DM&E Railroad. Koopman thinks the Governor was glad to see rural areas are trying to take the initiative to make improvements instead of waiting for handouts. She said the question was raised why the State is allowing larger cities like Rochester and Mankato to be a part of the JOBZ Zone when they are thriving. The Governor's answer was there are still areas within these communities that need improvement. She felt Pawlenty was trying to stress the point that it is not a matter of metro against rural.

Stobb asked if the City is still in the process of a lagoon study. Byrne replied they still need a heavy amount of rain water to conduct the study. Koopman added the problem needs to be corrected but they need to have the testing done before they can determine how to correct it. Ferrazzano asked if the City will be able to get funding. Robinson stated the City is on a Project Priority List (PPL). As Federal funds become available they are given out to the highest priority projects.

Koopman reported tomorrow is deadline for Steve Larson to complete the repairs on his building located at the corner of South and Front Streets. Larson has progressed but not completed the repairs and submitted a letter outlining his plans and asked for an extension. Byrne stated as long as Larson is working on the building he has no problem extending the deadline. Fraser suggested when the Council meets again in three weeks to review the issue again. Koopman said she gets the feeling it will take longer than that. Caron said as long as the building is secure he is not concerned with an

extension. Byrne made a motion to give Larson an additional 60 days and Torkelson seconded. All voted in favor of the motion.

There being no further business motion by Caron, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

October 13, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, October 13, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, T. Byrne, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Also present were staff members: A Koopman and J. Kerr.

Ferrazzano asked for any additions or corrections to the minutes from the September 22, 2003 City Council Meeting. There being none, motion by Torkelson, second by Byrne, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Koopman added (6B) an EDA Board appointment. Kerr stated following the regular Council meeting and the closed meeting was completed, the meeting should be reopened to the public and the appropriate action taken. Motion by Fraser, second by Byrne, to approve the agenda as now written. All voted in favor of the motion.

Koopman reported a letter was received from George Dobbelaere regarding the City's request that he vacate the airport hangar he has been renting. The letter indicated Dobbelaere would be bringing his plane back to Tracy in April and that he would no longer be wintering in Arizona. Dobbelaere contends he has rented the hangar for 25 years and during that 25 year period he has never stored a plane for more than four months a year. Ferrazzano asked if there would be room for a plane in the hangar. Koopman replied there are currently too many items being stored to fit a plane. Byrne asked if someone else needs to rent a hangar. Homer Dobson stated there is an individual who is planning to buy a plane within a month and would like to rent a hangar.

Dobson said it has been about four years since Dobbelaere has had a plane in the hangar. He has no confidence that Dobbelaere will be bringing his plane back in the spring since it has not been flown for several years and the engine is just about run out. Koopman said she talked to Randy Hohler, Airport Commission, and he didn't have a problem renting the hangar to Dobbelaere until next June. Koopman said Dobbelaere was given until September 1 to vacate but asked for a 30 day extension. Ferrazzano said he thought it would set a bad precedence to allow Dobbelaere to continue renting. Koopman said she has talked to Kerr about an eviction. Dobson said Dobbelaere is in Arizona and is not coming back until May or June. Ferrazzano asked if the City could clean out the hangar and bill Dobbelaere. Kerr stated since rent payments are made on a quarterly basis the City will have to give fair notice. The City will want to give Dobbelaere notice before the first of January that he will be evicted by March 1, 2004 if he has not vacated the hangar. Motion by Otto-Arvizu to follow the process Kerr laid out and give formal notice to evict by March 1, 2004. Kerr said after that date the City would move for eviction in District Court. Fraser seconded the motion and all voted in favor of the motion.

Stobb reported that he met with Hillger and Nielsen in regard to administrative fines. He said in looking at some of the ordinances that other cities have established the Council could probably revise one of those to serve this purpose. The committee thought even if the City adopts an administrative fine ordinance the Police should have the discretion to bypass it and issue a court ticket and charge a higher fine if necessary. Stobb said the committee also felt having a local hearing committee may not be the best thing to do as the City would need an impartial body and locally no one is trained to hold impartial hearings. The committee felt if there was an objection the offense could then be filed in district court. Stobb said Nielsen put together a good list of offenses but he questioned if the State is going to allow municipalities to impose these types of fines. Stobb said he doesn't know if the Attorney General is working on an opinion. Koopman said the State Auditor has made the statement it is not legal but added she is not the final word, the Attorney General is the body to make that decision.

Koopman asked if the committee discussed since Tracy is a charter City versus a statutory City if that would have any relevance on whether we could impose these fines since charter cities have more power. Stobb said that may be an opening for the City but it may not open it to traffic expenses. He felt the fines may be more relevant to those issues the State Auditor calls quality of life such as nuisances. Hillger stated the State might work quickly to close that loophole of charter cities. He added one of the problems with public nuisances is the City doesn't have fines imposed on offenders.

The committee felt if the City imposed a \$25 or \$50 fine for nuisances they would happen less frequently and if an offender didn't correct the problem following a fine they could be taken to district court. He felt this would be more of a deterrent. Nielsen had a long list of nuisance items that could be written into fines.

Hillger said the fines would be set up similar to the tobacco compliance code. Kerr asked what happens if the offender doesn't pay the fine. Ferrazzano replied they would be issued a citation and would go to district court. Hillger suggested a rider on the nuisance ordinance about failure to pay fines. Kerr said that might be a solution and asked in regard to unlicensed or junk cars if the property owner or the owner of the car or both would be fined. Ferrazzano felt they City should proceed since the State may not do anything until next year. He asked if Nielsen had presented a list of offenses or possible ordinances. Stobb replied just offenses but other city ordinances could be adjusted to suit Tracy. Ferrazzano thought Nielsen should draft an ordinance and if the subcommittee agrees on the list of violations they could propose it to the Council. He asked Koopman to contact Nielsen.

Ferrazzano referred to the zoning violation issue in two downtown buildings that are being used for storage. Stobb said the issue came before the Planning Commission and they agreed it should be proceeded on. Kerr stated Nielsen will be handling this since the first thing to pursue is the criminal matter. Motion by Byrne, second by Caron, to proceed with zoning violation process. Kerr stated the first thing to do is to notify the individuals that if don't correct the problem action will be taken. Kerr said it was discovered that the building owned by Joe Smarzik's was being used for storage after being inspected as a possible hazard. Koopman said Jerry Gladis has said he wouldn't sell his building for less than he could build a garage indicating he is storing things there. All voted in favor of the motion to proceed with the zoning violations.

Kerr referred to his memo regarding the cable franchise renewals. He said the Council will need to decide on either a flat franchise fee or five percent of each company's gross revenue. He said to keep in mind consumers will end up paying for the loss of revenue. Kerr said the Council might want to consider on page three of the ordinance the description of gross revenues. Otto-Arvizu felt if the cable companies are charged five percent it would be the same as taxing constituents. Stobb said on the other side if one of the companies is doing well and the other is not doing as well it could even the playing field. Kerr wondered if there was a limit on how much the companies can pass on to consumers.

Kerr said the document he proposed is a basis for negotiation with the cable companies and they have not seen this draft. Byrne made a motion to proceed with a fee requirement of five percent of gross revenues. Torkelson seconded the motion. Otto-Arvizu was concerned with the increase of rates to consumers. Koopman stated during the interim more research can be done on flat rate versus percentage. Upon roll the following voted in favor of the motion: T. Byrne, M. Fraser, S. Ferrazzano, R. Caron, G. Torkelson and R. Stobb. Voting against was: J. Otto-Arvizu. The motion carried.

Motion by Otto-Arvizu, second by Fraser, to require that the City be described as an additional insured on each cable companies' liability insurance. All voted in favor of the motion.

Motion by Stobb, second by Byrne, to approve the franchise draft agreement proposed by Kerr. All voted in favor of the motion.

Ron Radke presented his monthly report and asked if the Council was interested in authorizing the Prairie Pavilion as a second on sale site for the Liquor Store. Byrne said his only concern was if there would be a conflict since the school system leases the Pavilion and has strict policies about alcohol. Radke replied liquor has been served on other occasions at the Pavilion and there has never been a problem. Stobb asked if it would prohibit the Med Club from serving at the Pavilion. Radke replied it wouldn't. Since the Municipal Liquor Store doesn't have a caterer's license they need a special license to serve at another location. Radke said he has an opportunity to serve at a wedding that will be held at the Pavilion for a caterer that doesn't serve alcohol. He will have to contact liquor control, add the Pavilion to the insurance policy and obtain a buyers card. Otto-Arvizu asked if this would make insurance rates go up. Radke replied his insurance rates are based on total sales dollars. Motion by Stobb, second by Caron, to approve the Prairie Pavilion as a second on-sale location. All voted in favor of the motion.

Gervais distributed an informational CD created by TNT to educate on technology. He said it has everything from basic to advanced terminology. Gervais reported there are five new houses being built in the Eastview addition this year including the new spec house. That leaves two lots on the south side of Sunrise Drive and there are two larger lots on the southwest corner which are not prime lots but are available. The EDA is now looking at other property around Tracy for new developments.

Gervais reported two weeks ago he attended a housing meeting in St. Peter and it really opened his eyes to some creative ideas. In many areas old fashioned running boulevards with trees canopying over the streets are being developed. He added Tracy may begin to see some traffic moving in from Marshall since they are running out of areas to develop and lot costs are very high.

Gervais stated he had a great talk with Governor Pawlenty last week and asked him his opinion about a corrections facility. Pawlenty had said he was in favor of the project. The opposition will come from the DFL and unions. Pawlenty had said he wants to see it happen in the JOBZ zone. Gervais said the application including Tracy has been submitted which includes 308 total acres. He said the City will be notified around the first of the year and there will be 10 zones awarded so the application has a good chance of being approved.

Gervais reported the Chamber has been discussing a permanent structure to replace the beer tent and wants to talk to the City about locating it in the parking lot across from the municipal building. Gervais said some good news is word of the Sportsmen Show is getting around and last Wednesday he received a call from a gentleman in Wisconsin who makes his own walleye fishing lures and wants to be in the show. Jeff Watson will also be at the show with his Kodiak bear, Brody. Gervais would like to see a permanent outdoor structure built to use for the show so they could market the space. He added a Chamber meeting will be held tomorrow at noon to discuss the matter.

Hillger asked if there were any questions about the police activity log. Otto-Arvizu asked how well the police vehicles are holding together and if they will last according to the replacement schedule. Hillger replied they are approaching 110,000 miles on the Explorer. He thought the vehicles were doing all right and the City has a good mechanic but almost all the driving done is in town which is harder on a vehicle. Hillger said the Explorer is due for replacement in spring 2005 but the City may have to look at adjusting the schedule. Otto-Arvizu asked how Hillger perceived the stereotypes and other items that have been stolen in town. Hillger felt the department was on top of it and this next week should put a stop to the people doing it. He added last week police recovered a stolen vehicle from Springfield. There was a gang related assault in Walnut Grove involving Tracy residents and in Tracy two vehicles broken into and a radio and a battery stolen. A Springfield officer stopped a vehicle and found two radios in a car with Tracy residents. There was also an arson fire last week and a case of criminal sexual conduct. Otto-Arvizu said residents may want to consider a citizen watch, some of the streets are really dark and she thought maybe some street lights aren't working. Ferrazzano asked if there have been any more problems with the bathrooms in Central Park. Robinson replied no problems lately.

Koopman reported she has been working with MNDOT on the Highway 14 beautification project. She received a call from Scott Robinson and because of the narrow right of way on the north side of the highway he will plan more on trees since shrubs would get damaged from salt and gravel from snow removal. Koopman said she will start compiling documents regarding the contested property assessment by Anderson stockyards

Robinson reported the City crew has been working on removing diseased elm trees. A majority of the bike trail has been completed and the pool has been winterized. The crew will continue trimming trees and they have done quite a bit of spraying for weeds on City properties. Otto-Arvizu thanked all who voted for the bike trail. She has been using it a lot and has seen many people walking the trail. Robinson said the trail itself is completed and areas have been seeded and signs placed. They did come across some unexpected issues such as repair to a road damaged by heavy equipment and a row of honeysuckle that needed to be removed. When the service road was moved there were long rows of black dirt that needed to be seeded. Some trees were removed and will need to be replaced closer to the camp sites. Robinson stated the fence by County Road 11 had to be removed and the posts were rotted. He feels they need to replace the fence and it will probably cost about \$1000.

Robinson said they also need a fence by the circle drive around the campground to prevent people from accessing the airport. Ferrazzano asked Robinson to bring estimates for the fence back to the Council. Motion by Otto-Arvizu, second by Byrne, to approve the additional projects for the bike trail. Stobb asked about one place in particular where the trail is close to the road because it could be tempting for drivers to pull onto the trail. Robinson replied they would like to use water main pipe and install it where there are problem areas. He thought they could wait and see where cars might be accessing the trail and put posts there. Also on the bike trail they put in numerous fence posts for a border between the farm land and prairie grass. Otto-Arvizu said there is one place on the trail with a lot of dried mud and another spot where evergreen limbs are hanging over the trail. All voted in favor of the motion approving additional bike trail projects.

Ferrazzano reported he and Fraser met with members of the school board, the school superintendent and Bill Tauer regarding the Pavilion lease agreement. A subcommittee made up of Ferrazzano, Fraser, Mike Carlson and Gary Hippe will meet to work out the differences on the agreement. Fraser asked if the problem with the gym floor bubbling has been addressed. Koopman replied she contacted the company who installed it but they haven't gotten back to her. Ferrazzano asked Koopman to contact the school Superintendent to schedule a committee meeting.

Byrne reported he and Koopman met with Don Polzine and he felt his time was worth \$25 per hour for his deposition. Byrne felt Polzine's testimony was critical to the pool litigation. Motion by Stobb, second by Fraser, to approve a \$25 per hour fee for Polzine. All voted in favor of the motion.

Ferrazzano presented a resolution to consider the adoption of the Residential Antidisplacement, Relocation Assistance and Displacement Minimization Plan for the Small Cities Development Program. Koopman stated the resolution applies to houses that have applied for the block grant. As they are inspected by Western Community Action, if any residents have to be temporarily or permanently removed from their homes this resolution would provide guidelines and regulations for their displacement. Motion by Caron, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-29)

Koopman reported that Mark Priegnitz was the only person to submit an application for the EDA Board vacancy. Motion by Stobb, second by Byrne, to approve Priegnitz's appointment.

The Consent Calendar included the following: Cemetery Commission minutes for September 18, 2003; Economic Development Authority minutes for September 5, 19 and October 3, 2003; Police Activity Report for September; Multi-Purpose Center minutes for September 8, 2003; Municipal Accounts Payable; Planning Commission minutes for September 29, 2003; and Police maintenance log. Motion by Fraser, seconded by Byrne, to adopt the above listed items. Caron referred to the Cemetery minutes which said painting was begun on the fence but it started to rain. He asked if there was a deadline set for completing the fence. He felt one side is going to be rusted before the other end is completed. Koopman stated she will bring the issue up at the next Cemetery Board meeting. All voted in favor of the motion above.

There being no further business motion by Byrne, second by Fraser, to end the regular meeting and hold a closed meeting to discuss pending litigation involving the aquatic center. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

October 22, 2003

A special meeting of the Tracy City Council was called to order at 6:30 p.m., Wednesday, October 22, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, T. Byrne, R. Caron, G. Torkelson and R. Stobb. Absent were: M. Fraser and J. Otto-Arvizu. Also present was staff member: A Koopman.

Ferrazzano called the joint City Council/Chamber of Commerce meeting to order to discuss the possibility of building a permanent structure over the City parking lot across from the municipal building. The structure would replace the tent used over Box Car Days. Mary Poss stated she has been working with Kenny Kuehl with Morton Buildings out of Redwood Falls. The estimate he has given on a steel structure is \$60,415. Poss said one negative is Kuehl wants to put partitions on the corners for support. Some benefits are a 50 year warranty on the foundation and it includes gutters and down spouts. No electrical was included in the bid. The structure would meet all building codes and Morton does construction year round, as of right now they would not be able to schedule it until after January 1st but they would have no problem completing it before the Sportsmen Show. Poss said the order terms include 10 percent down. Another option is to get fans on top which aren't a necessity but would help cool the structure down during summer.

Gervais asked if anything was mentioned about sound proofing or drop curtains on the sides. Poss replied she didn't ask for that in the bid. Torkelson asked what kind of electrical the Chamber would want. George Hebig replied that is open and they could install anything, for instance outlets to plug in cars for parking. The Chamber had thought anyone who wants to park underneath after store hours would have to pay a fee. Hebig added they would need to install netting underneath to keep the birds out. Byrne asked if the Chamber has picked a favorite type of structure. Poss replied they are still investigating but are concerned with looks and functionality. Hebig stated all the poles for the structure would be inside the curb so as not to interfere with mowing.

Gary Garrels stated engineering will be a big concern on this structure because of wind uplift. The footings would need to be addressed and snow load is another consideration. Hebig said most structures have rafters to account for snow load. He added there are a lot of buildings surrounding the area to block some of wind. Hebig said he contacted Soursners who estimate \$100,000 for a steel structure. Their opinion is a wood structure would cost almost the same with footings and other considerations. Hebig also went to Bladholms and their estimate on a wood structure is \$52,000.

Garrels said to comply with building codes there has to be an architect and engineer involved in the design because of the size of this building. Koopman said a number of things have to be decided and since most bids exceed \$35,000 bids will be required. The Chamber will have to draw up specs and will have to decide how many dollars to allocate to the project. Stobb said he has mixed reactions to the word pole building, they look nicer than they used to but he doesn't want the building to be focal point but to blend in.

Lori Hebig stated she got five other estimates, the least of which is \$22,322 for what is called a coverall. This is a 62' x 120' steel frame with a fabric type cover. General Steel Corporation estimated a 50' x 100' 26 gauge steel panels unit starting at \$27,000. Riverside Stock Farms bid a 60' x 20' truss, free-standing structure with costs starting at \$19,000. Northland Buildings provided very vague information for a wood structure with a tin roof starting at \$42,000. Stobb asked if bids were just for materials or fully constructed. L. Hebig replied it varied. She had one last estimate from Bladholm for a wood unit with a metal roof and sides starting at \$52,200.

Ferrazzano asked what type of structure the Chamber wants. Gervais replied no decisions have been made because the Chamber wanted to get the City's input since the structure would be on City property. Ben Ludeman stated the Chamber would like to know if the City is definitely willing to pay half of the costs. Ferrazzano replied the Council can't agree to make a commitment until they know a total price. Ludeman said the Chamber also wanted to hear if the Council thinks this is a good idea. Stobb said before he knows if it's a good idea he would like to know how the building would be used. So far the two guaranteed events each year would be Box Car Days and the Sportsmen Show. Stobb wondered if the Chamber could get some leads or commitments for using the building. Gervais replied they had 57 vendors last year for the Sportsmen Show and this year they

are nearing 70 vendors. If they had a permanent structure the Chamber wouldn't have to wonder about the weather and have the extra expense of a tent just in case. Gervais said the Chamber is also going to make a City wide garage and rummage sale an annual event. Crazy Days keeps getting more outside vendors and Moonlight Madness continues to host more events. The farmers market would be located there and Dave Bosacker has made mention of holding auctions there. Gervais said if a private party wants to rent the building the money would go to the City as would parking rent.

Stobb asked if there were any projections about how many dollars could be made from rent. Gervais said for the Sportsmen Show they could house up to 24 extra booths. Another thought had been if they use drop sides the Chamber could sell advertising on eight by four foot sections. Gervais has also talked loosely with Coke and another company about exclusive rights for product sales to help defray costs on a yearly basis. This would be similar to what the school does. He said he couldn't guarantee what additional events might be held in the structure but right now nothing is done on that parking lot outside of Box Car Days. It would be too costly to rent a tent for both Box Car Days and the Sportsmen Show so the Chamber would have to hope for good weather in April. Byrne felt they would continue to get vendors back for the Sportsmen show. He has heard Tracy had more traffic than St. Cloud or Sioux Falls.

Koopman stated since the project will cost over \$35,000 the City will need to advertise for formal bids so no one would be out anything except for the cost of advertising. However someone will need to get the specs together first. G. Hebig said if they advertise for an engineered building of the specific size the companies bidding will put an engineer on the project. Gervais stated a 62' x 120' structure would cover the parking lot width wise but would not quite cover it length wise. It would leave about 10 feet uncovered. Hebig added the driveway wouldn't change.

Stobb asked if the City was going to front the money where funds would come from. Koopman replied it would have to be borrow from the Utility Fund but then they would have to levy it back either all at once or over time. Stobb asked if money is taken from the Utility Fund would there be problems when it comes to the potential work on the lagoon. Koopman replied the City will have close to \$500,000 in the Utility Fund by the end of the year. Basically it is the only fund right now they could borrow from. Stobb thought there should be a written agreement about revenues. Koopman replied there would be a lease agreement including the terms of revenue.

Byrne made a motion to draw up specs and authorize for advertisement of bids. Koopman said she was going to look to Garrels for the specs. Garrels thought they would simply need to indicate the size of the building and then specify it must meet building codes. Gervais thought they should request a building 60 feet wide by 120 feet long by 14 feet high. G. Hebig said by putting basic specs in the ad they will be able to get a variety of designs. Garrels indicated steel would be his preference. Caron seconded the motion above. Stobb suggested to include that any and all bids can be rejected. All voted in favor of the motion. Koopman stated the advertisement will run for two weeks.

There being no further business motion by Caron, second by Torkelson, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

October 27, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, October 27, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, T. Byrne, M. Fraser, R. Caron, G. Torkelson and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the October 13, 2003 City Council Meeting. There being none, motion by Caron, second by Fraser, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Koopman added (6A) a pool report from Rick Robinson and (6A.1) a change order for a performance bond for Graham Construction. Koopman also added (6B) a report on compost site violations. Motion by Byrne, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Koopman referred to memo received from Jim Kerr regarding zoning violations and asking for direction on any subsequent prosecution. Jerry Gladis asked to address the Council regarding a letter he received from Kerr notifying him of a zoning violation in his building at 181 3rd Street. Gladis said he reviewed the letter from Kerr and asked who deemed the building was being used a warehouse and what the determination of warehouse is. Stobb said the building is not currently a retail business establishment and the Council received the word that items were being stored there. Gladis replied the majority of the items there are from a previously established business. Nielsen asked what type of items are being stored. Gladis replied he has personal items in the building that would fit in a 10' x 15' area. He didn't feel there were any buildings downtown that didn't have some personal items in them. Nielsen replied those buildings have ongoing businesses.

Gladis said Kerr's letter states that it has been determined his building is being used for storage or warehousing. Gladis asked who has been in his building to make that determination. Koopman replied this was information shared with the Council by the EDA. She understood Gladis had told the EDA he would not sell his building for less than the cost of building a garage so he could house property. Gladis said that is how he figured the Council got their information. He had been approached by an individual who offered \$4000 for the building which Gladis turned down. The EDA also approached him about selling and he asked them to make a fair offer and the EDA came back with an offer of \$4000. Gladis' concern was that no one has been in that building to determine it is a warehouse and if someone had called him he would have been happy to let someone in to inspect it. Ferrazzano asked if Gladis would have a problem removing the items stored inside. Gladis asked why he should remove items relating to a business that he may sell with the building.

Gladis said if the Council wants his personal items removed he will gladly move them out. He has a motorcycle and about six boxes of personal items and would prefer not to move them but if he has to he will. Gladis felt the City should actually check out what is in there before deeming it personal property. Fraser asked Nielsen what would constitute warehousing. Nielsen replied when they are talking about personal property that means anything that is not real estate, it could be shelving, refrigerators, etc. He said he didn't clarify that personal property is not just items personally used being stored there. Gladis replied in business you don't gut everything out of a building and when you go to sell it say you have it stored somewhere else. Nielsen said at some point in time there has to be a difference between trying to sell a business building as a building with fixtures opposed to trying to sell a building with stuff stored in it. Nielsen said doesn't know where Gladis is in that respect but it has been a long time since a business has been in the building.

Otto-Arvizu said Gladis makes sense in that if there are items related to a business such as shelves and fixtures why would you force someone to strip the building. Gladis said he understands what the Council is trying to do but a phone call would have been preferable to using taxpayer money to have the City Attorney send a letter. Ferrazzano asked how long Gladis would need to remove any personal items. Gladis replied he should be able to within the next couple of weeks. Byrne made a motion to direct Gladis to remove any non-business-related personal items from the building at 181 3rd Street within the next three weeks and Fraser seconded. All voted in favor of the motion.

Ferrazzano stated Joe Smarzik refused the certified letter about the zoning violation at his building on 124 3rd Street and Kerr has asked for Council direction. Koopman stated the building inspector and fire marshal were inside and verified the storage of items. Stobb added they also removed some flammable material. Nielsen stated the attorney's office is hesitant in telling the Council to prosecute a person or not. The need fact finding to proceed. Koopman said the police can work with the City building inspector and fire marshal to prepare a report. Motion by Fraser, second by Torkelson, to direct Chief Hillger to prepare a report on the Smarzik building. All voted in favor of the motion.

Koopman referred to a memo from Kerr about Orders Awarding Cost and Expenses and resulting judgements as listed:

Martinez	\$ 1,778.04
Kramer	\$ 3,970.30
Olsen	\$ 4,757.00
Her	\$17,451.01

Kerr asked the Council to decide if collection of the costs should be done by docketing the judgement with subsequent collection efforts or assessing the costs to the properties. Byrne asked if four properties are all former businesses. Koopman replied they are all residential properties. Ferrazzano said his feeling is to go through the collections procedure. Koopman replied the best chance of collecting anything is to apply the costs against the property. The persons involved probably do not have enough personal assets to cover the expenses. Fraser asked if they can do both. Ferrazzano asked if you are unsuccessful collecting can you assess the costs. Koopman replied not according to Judge Bush, the City has run into an issue with that before. Caron asked which is the Martinez property. Koopman replied on Morgan Street he abandoned vehicles that the City would remove and he would bring in more. Caron thought in the other three cases there wasn't any sense assessing costs to the property. Koopman replied the Her property could be sold since it is a very nice sized lot. She said the owner has no assets and the City offered to forgive the costs if the owner would deed the property over to the City but he has not responded.

Ferrazzano felt most of these people should be working somewhere and the City could garnish their wages. Koopman replied Olsen is deceased and she doesn't know if Kramer or Martinez work. Her was working as a janitor in Walnut Grove but she doesn't know if he is still around. Stobb said past practice has always been to assess the costs. Stobb made a motion to assess the costs and expenses to the properties. Otto-Arvizu asked to take them individually. Stobb made a motion to assess the costs to the Martinez property and Byrne seconded. All voted in favor of the motion.

Stobb made a motion to assess the costs to the Kramer property and Fraser seconded. Upon roll call those voting in favor were: Byrne, Fraser, Ferrazzano, Caron, Torkelson, and Stobb. Voting against was: Otto-Arvizu. The motion passed.

Stobb made a motion to assess the costs to the Olsen property and Fraser seconded. All voted in favor of the motion.

Stobb made a motion to assess the costs to the Her property and Byrne seconded. All voted in favor of the motion.

Ferrazzano presented a revised Joint Powers Agreement and asked if the School Board had approved it. Koopman replied they had and said all references to the management committee had been removed. Motion by Fraser, second by Torkelson, to enter into the agreement. All voted in favor of the motion.

Koopman referred to a letter from Kinner & Company stating it is the only proposal received by the City for conducting the annual audit in 2003, 2004 and 2005. Byrne asked how long they have been doing the City audit. Koopman replied the last six years. Motion by Byrne and second by Fraser to accept the proposal. All voted in favor of the motion.

Koopman stated she included the issue of contracting for police services for discussion after receiving Tony Rolling's resignation. He has accepted a position with the Sheriff's Department in

Lyon County. Koopman added the City may possibly be short another officer in December if Matt Loftness is hired by the Conservation Service. She said at several meetings she has attended it is becoming a common practice for cities to look to the county for police protection and she included a survey of several cities who do contract. Caron thought there was no doubt Tracy need its own police protection. He has heard Lynd is getting out of their contract with the county and he heard Cottonwood is not happy with their service. Nielsen said he sees a variety of responses and it may be personality or service issues at hand. Koopman added she has not talked with the Lyon County Sheriff or County Commissioners but asked if this was something the City needs to explore.

Caron thought the first step is to fill the vacancy on the Police Commission. Ferrazzano said he would like to keep the City's own police department. He said some of the cities listed on the survey such as Pine City are county seats so would be easy to contract. Ferrazzano felt if Tracy contracted they wouldn't get the amount of coverage they are now. Stobb said the day may come when Tracy is forced into contracting but he would like to see the police department maintained as long as possible. He also asked if the county sheriff would enforce City ordinances. Nielsen said this goes back to two years ago when there was a shortage of candidates. Hillger said he has one individual very interested in working for the department and he doesn't think the City will have as much trouble this year. He felt there will be more candidates available now. Fraser said the last time the Council looked into contracting public opinion was pretty strong that they try to maintain a local police force. Koopman thought there was only about \$7500 difference between contracting or maintaining the current department.

Byrne agreed he would like to keep the police force as long as possible but it may be prudent to check into the dollars that may be saved. Caron said he thinks most people understand in a small town will be more turn over of officers. Koopman said another consideration is it costs about \$3000 for the entire hiring process. Stobb said if they want the same type of coverage a county deputy earns more than our local officers. Ferrazzano stated that he didn't feel it was necessary to explore contracting with the Sheriff's department for police protection. The Council agreed to put on the issue on hold. Stobb made a motion to advertise for the police commission vacancy and Caron seconded. Byrne asked who currently serves on the commission. Koopman replied Thad Lessman and Dale Johnson Jr. All voted in favor of the motion.

Rick Robinson reported that Graham Construction has been at the pool site for a week and has the cement on the walls of both pools removed down two inches. He called Braun to come in for an inspection since there were concerns with some areas of walls that had defects. Braun will determine if more cement will need to be removed. Robinson said Braun took four more core samples and will conduct testing on them. Graham started today removing the floors of the pools and should have that done by the end of next week. Graham indicated they were not at all impressed with the way the shotcrete was applied.

Torkelson asked if there were samples taken of each load of concrete that was applied when the pool was originally constructed. Robinson replied he found those sample results today and gave those records to Braun. He added so far Braun is still leaning towards repairs but the floor has not been removed yet. Robinson said they discussed that in order to repair they may have to remove two more inches from the walls and some hollow places may have to be dug out completely and repaired. Byrne asked if the walls are six inches thick. Robinson replied it varies but some areas are eight to nine inches thick.

Ferrazzano asked if the Council can get updates at each meeting. Robinson replied he would and will provide written reports as they are made available. He said they have been lighting the pool at night Monday through Friday but someone had jumped a fence earlier this week and was injured as they left a trail of blood in the bottom of the pool.

Koopman stated Graham's proposal of \$58,800 did not include the costs of a performance bond which the City requires. She recommended approving a change order for the amount of the performance bond. Motion by Byrne, second by Caron, to approve the change order. All voted in favor of the motion.

Robinson reported that recently the compost site was set on fire and had there been standing corn

fields the City would have had to buy a lot of corn. He felt the site is out of control and Public Works has been cleaning it out all summer. They have hauled truckloads of garbage to the City dumpsters and to Ritter's. Robinson said he hasn't kept track of the costs but he would like the Council to do something, either locking up the site, limiting hours or installing security cameras. Koopman said they would either need to install electricity or use a battery operated camera. Stobb said the county has a camera the City may be able to borrow. Koopman asked if it was motion activated. Robinson said he looked into motion activated cameras that could take pictures of vehicles going into the site and run about \$4-500. Koopman said they would have to coordinate with the police to monitor the camera.

Robinson stated they have had items as large as an entire deck dumped at the compost site. He added there will be a \$500 fire call which would have paid which is equal to the cost of one camera. Hillger suggested for what is spent on dumpster costs the City could hire someone on Wednesdays and Saturday afternoons to watch the gates. Byrne said the Council has had a lot of complaints that it is hard for some people to get to the dump on limited days. Koopman added when limiting days the City will end up with people calling to get into the dump. Byrne made a motion to purchase a motion activated video camera and limit dump hours from 8:00 a.m. to 5:00 p.m. each day. Otto-Arvizu seconded the motion. Ferrazzano asked how soon Robinson could get quotes for cameras. Robinson replied within a few days. All voted in favor of the motion.

Ferrazzano presented a resolution closing the 1996 Gym Fund, the 1988/1996 Refunding Bond Fund, and the 1994 Downtown Alley Fund and authorizing the transfer of remaining funds. Motion by Stobb, second by Torkelson, to adopt said resolution. All voted in favor of the motion. (Res. No. 2003-30)

Stobb excused himself from the meeting at 7:32 p.m.

The Consent Calendar included the following: Monthly Water & Wastewater report; Municipal Accounts Payable; Firemen's Relief Association minutes for October 6, 2003; and the monthly Financial Report. Motion by Byrne, seconded by Caron, to adopt the above listed items. All voted in favor of the motion.

Robinson presented an estimate for two rail, post and rail fence which would be tan in color and an all plastic construction for Swift Lake Park. He said the posts are filled with concrete for stability so it should last a long time. The cost would be \$1500 and the money will come out of the permanent improvement fund. Motion by Byrne, second by Torkelson, to approve the fence. All voted in favor of the motion.

There being no further business motion by Byrne, second by Caron, to adjourn. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

November 10, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, November 10, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, T. Byrne, M. Fraser, R. Caron, and G. Torkelson. Absent were: J. Otto-Arvizu and R. Stobb. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the October 22 and 27, 2003 City Council Meetings. There being none, motion by Byrne, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Koopman added (7C) a resolution approving a change order for the new fire truck. She also added (8G) the Police Activity report and (8H) the Police maintenance log to the consent calendar.

Otto-Arvizu arrived at 6:32 p.m.

Motion by Byrne, second by Caron, to approve the agenda as now written. All voted in favor of the motion.

Alfred Gardiner with Braun Intertec, Inc. was present to report on the inspection at the Aquatic Center. Ferrazzano asked what some of the biggest concerns are. Gardiner replied there has been a significant amount of debris found in the concrete such as wood and leaves and another major concern is the voids in the concrete. The voids in the surface of the concrete were not anticipated. Gardiner stated repair procedures could be done but the problem is since there are voids deeper than four inches he believes there are others that would have to be located and repaired. Otto-Arvizu asked if the City chooses to repair if the pool would have the same longevity. Gardiner replied he thought there was originally a 10 year life on the diamond brite and 30 years on the pool but any type of repair or patch typically don't last as long.

Gardiner reviewed the sample photos he had distributed and said they have close to 200 photos they will be supplying on a CD. He said his company was down the day Graham started to destruct and retrieved samples. The first two photographs show the diamond brite surface and one includes a tape showing it had been applied one and one-half inches thick. According to manufacturer specifications the diamond brite should be applied one-half to three-eighths inch thick. Braun hasn't contacted the diamond brite manufacturer to ask what happens if it is applied too thickly.

Gardiner said the photos on page two show the concrete surface under the diamond brite and a void that is at least four inches deep. In another photo Braun broke a void open to inspect and it was quite large. Ferrazzano asked what would cause this to happen. Gardiner replied it occurs during the shotcrete process, it is sprayed out of a nozzle and built up in layers. There are a lot of things that have to be correct during the process to avoid any sand pockets or voids. One is air pressure and the mixture is also important. He showed two core samples that were taken just today and explained when they drill out the sample water is sprayed to keep the drill bit cool. As they drilled one of the cores today the water which usually bubbles back out disappeared into the void meaning it is a large cavity. Otto-Arvizu asked Robinson how many gallons of water the pool had been losing. Robinson replied 6000 gallons per day to a point and then the amount eventually decreased probably because the soil underneath had become saturated. He added the loss to evaporation shouldn't be any more than 2000 gallons per day

Gardiner stated in photo number four a portion of the west wall of the splash pool has similar distresses as the multi-purpose pool. There are some sand pockets in the splash pool probably due to air pressure in the line when applying the shotcrete. On the east wall close to where it starts to get deeper near the diving board side there is another void in the concrete three or four inches deep. Gardiner said photos 7 and 8 demonstrate some of the debris within the concrete. There is something that looks like leaves and a piece of wood is located near the area of the diving boards on the east wall. When Braun cored this piece of wood they discovered it is the edge corner of a 2 x 4 that angles back into the concrete parallel to the surface of the deck. Gardiner said they haven't figured out why the wood might be there. There is another piece of wood in the splash pool concrete. He

added in some instances wood is used to gauge the depth of the shotcrete but would be removed before continuing with the application.

Photo #10 show an unknown black material that looks like a patch repair between the riser and the step but Braun doesn't know what it is. They are speculating it is a patching material and depending on what it is it may have been a good product or may not have been. Braun has sample to be tested.

The next three pictures are core samples. Core #1 contains a piece of wood and also contains two different distinct concretes. You can see this surrounding the pool and it almost looks like a bedding mortar on the upper surface around the gutter and then the shotcrete below it. The picture was taken upside down by mistake.

Core #2 was taken out of the west wall of the deep end and shows some uneven surfaces and a crack or joint in it. There are also some voids below the reinforcing steel. Gardiner added it is sometimes difficult to get shotcrete properly filled below the rebar. Core #3 has a void three inches below surface and water escaped through this void. The shotcrete was not bonded well to the rebar and there were also leaves and some of the undetermined black material in this area.

Ferrazzano asked if the City decided to repair the pool if it can it be done now or if they would have to wait until spring. Gardiner replied a good portion of the demolition could be done now but as for the actual repairs there would be additional costs during winter which would involve tenting and heating. Ferrazzano asked if the pool were patched and repaired how long it could be expected to last. Gardiner replied he was not sure and would have to talk to a contractor. Byrne asked what Braun recommends. Gardiner replied at a meeting this afternoon they talked about options. Braun recommends not to put the diamond brite back on this surface as is as it will delaminate and crack again. If the pool was repaired by grinding off the surface and patching it there is no guarantee there aren't any additional voids that might impact the surface.

Steve Flaten, an architect with Braun, has been inspecting the pool and reviewing the reports. He said he can't guarantee repairs as the more Braun has looked at the pool the more difficulties they see. Ferrazzano asked from an architectural standpoint if it would be better to start from scratch. Flaten replied he doesn't have a firm foundation to base a decision on although Braun has been trying to come up with some options. Another thickness of concrete could be applied but that changes the depth, safety factors, how the plumbing works, and other variables. Flaten added that trying to pick out all the problem areas could become an economical problem and will also impact the schedule and usability of the pool.

Kerr stated he attended a meeting along with Robinson, Koopman and Don Polzine and Braun presented another approach which may lead to the loss of an entire pool season. The retaining wall has big problems in addition to the pool. Kerr stated in a previous report Braun suggested a structural engineer look at the pool and has suggested the City may want to hire an independent pool builder to give an opinion whether the pool is repairable or will require a full or partial reconstruction. Flaten stated Braun would then have an expert opinion stating whether Olympic Pools followed normal construction procedures. An independent pool contractor may also have knowledge of different types of pools and materials and perhaps different types of epoxy or modified concretes. Flaten reported that he contacted a consultant out of the St. Louis area who is very knowledgeable about pools. He said they don't get involved with a lot of restorative work but they are experts in the design issue.

Flaten stated it will be a few weeks to get their reports together and they need to get a deeper evaluation than they have currently. Kerr suggested the Council adopt a resolution authorizing Braun to contact an independent pool contractor and independent pool engineer. Flaten stated another issue that was discussed is filling the pool to determine the rate of leakage. Once the water is out the pool can be hosed down lightly to see where the problem cracks are located. He added today when the snow melted some of cracks were very visible. Gardiner said there are some non-destructive methods to determine where cracks and voids are located but Braun doesn't have this type of equipment. He said it may not be very economical but he will check into costs of hiring this equipment. Byrne made a motion authorizing Braun to contact an independent pool company and a structural engineer and Caron seconded. All voted in favor of the motion.

Ferrazzano referred to the permanent structure over the City parking lot and stated Morton Buildings has posed an interesting financing option. Koopman said the plan has some merit and would relieve the City of the responsibility of coming up with \$61,000. A lease plan which would probably be over five years would allow the City to budget annually. She added Morton also had the lowest bid. Koopman said Morton included an option for insulating material because with metal roofing it will be quite loud when it rains. She asked Robinson if the insulating could be done by the City crew. Robinson replied he wasn't sure without looking at what needs to be done. Koopman stated Morton basically owns the building and the City leases it from them and owns it at the end of the lease. She added the plans didn't include curtains or electric wiring. Fraser said he would like to see the costs and terms before making a decision and asked to table the issue until the next meeting.

Ferrazzano stated the Council was missing pages from the proposed administrative fine ordinance and will have to table the issue until the next meeting. He asked Nielsen the reason for not including speeding or other traffic violations. Nielsen replied the State statutes generally encourage uniform interpretation of traffic laws that work through the court system. Koopman asked what would happen if the City did include traffic violations. Nielsen replied probably in the first 99 cases nothing would happen then on the 100th case someone would hire an attorney and challenge it and it would be up to the City to justify the action. Ferrazzano stated if the City found out later from the State that traffic violations could not be run through municipalities they could be removed from the ordinance. He didn't feel it would hurt to include traffic violations since other municipalities have done it. Byrne said it wouldn't necessarily be valid to say these violations are included to raise revenue. Nielsen replied the State is theoretically saying it's to uphold law enforcement but in a sense is also merely generating revenue.

Nielsen stated the concern is traffic offenses can be cumulative and when a City imposes an administrative penalty they never filter down to the State's records. Traffic laws are designed to handle repeat offenders. He said even if the City wanted to submit records to the State they wouldn't take them because the incidents weren't processed through the court system. Otto-Arvizu said she can see where a driving record is a valid concern. Ferrazzano said he would think local officers would keep track of administrative fines and if someone was a repeat offender officers can impose a district court ticket. Nielsen replied they wouldn't know if the offender has several tickets from other cities plus Tracy would not be doing its part to help other law enforcement agencies. The issue was tabled until the Council received a complete copy of the proposed ordinance.

Eugene Hook reported that the Charter Commission met on October 29, 2003. The Council did not receive a copy of the memo listing the recommendations. The Commission recommended to delete the last two sentences of Section 1.09 which previously reduced the size of the Commission from 15 to 9 members. Since this was done in 1984 it is no longer relevant. An amendment was proposed to Section 2.03 limiting Council members and Mayor to two terms. Ferrazzano asked how the Charter Commission knew to discuss these issues. Did a commission member suggest them or were these ideas presented. Hook replied some of both. Koopman stated before the Charter Commission was officially appointed those members previously serving on the Commission had met and brought these items to the table. Once the new Commission was appointed these issues were brought back. Ferrazzano asked for the reasoning behind term limits. Koopman replied it was an item merely brought up for discussion purposes and the Commission members thought it had merit.

Kerr said the full Charter Commission would be attending the next Council meeting and asked if the Council would consider publishing a notice with the proposed recommendations and hold a public hearing. Ferrazzano suggested the Council wait to address each issue at the next meeting. Hook added the Commission was thinking maybe a turnover after eight years would bring new blood and enthusiasm to the Council. Section 2.06 deals with vacancies on the Council. Previously when there has been a vacancy the candidate with the next highest votes has been appointed. The Commission has recommended that the position be advertised and applications accepted and the Council could choose from that list. Ferrazzano asked how much it costs to advertise and what is the reasoning it has always been done by the previous election. Koopman replied this amendment would set a policy in place. Traditionally it was easier to take the next person in line and it avoided controversy. What prompted the issue is a concern that was raised that if there are three vacancies and four people apply but the fourth person only gets 10 votes. Traditionally the City was obligated to appoint that person but the people apparently spoke that they didn't want that person. The Council would still be the

deciding factor but it opens the position to more people.

Nielsen referred to the two term limit and asked if the proposed provision includes anything as to how this would pertain to existing Council members. Kerr replied any amendments passed by the Council pursuant to Commission recommendation would take 90 days. He stated that the next election would be the start of the two term limit. Caron asked if the Council will vote individually on separate recommendations. Kerr replied they would. Byrne made a motion to hold a public hearing at the next Council meeting and Caron seconded. All voted in favor of the motion.

Koopman reported one application had been received for the Police Commission vacancy from Chad Anderson. Motion by Caron, second by Byrne, to appoint Anderson to the Police Commission. All voted in favor of the motion.

Ron Radke asked for any questions about his monthly report. Caron asked if there was any truth to when it rained last time there was water running down through a light fixture onto the floor. Radke replied he thinks the problem was fixed but he won't know for sure until it rains again. Caron asked about the complaint of smells in the bathrooms. Radke replied Gary Hanson is trying to come up with solution and has been looking for a special urinal but needs to find something handicapped accessible. Byrne offered to look at some of the catalogs he gets at the nursing home. Caron asked if both bathrooms should be remodeled. Radke replied the problem is if they are remodeled both have to be handicapped accessible and in order to make them large enough for accessibility they would have to add on or totally remodel. Otto-Arvizu asked for a report on the bathrooms with time lines by the next meeting.

Nielsen asked Robinson about the reference to a tree farm in his monthly report. Robinson replied where the City's two municipal wells are located the land has previously been farmed with corn and beans on it. The Department of Health has always had some issues with setbacks so he set aside 200 square feet around the wells. Instead of just having it in weeds and mowing it Robinson would like to plant some bare root trees to be used to replace park trees.

Ferrazzano asked when the camera for the City dump is supposed to arrived. Robinson replied he just received it Friday and would be working on getting it put up. He stated during the last rain the roof on the library was leaking and he believes some of the flashing was pulling away from the wall. Robinson said when it gets warm enough they will try putting some sealant along the flashing but felt the City should have a professional roofer look at it. There was water coming through in half a dozen areas.

Robinson stated Public Works will be short one employee for about six to eight weeks as he is having back surgery.

Gervais reported the rambler style spec house is nearing completion and includes a 12 x 20 wood deck. They had made a few changes such as increasing the depth of a closet to accommodate a washer and dryer on the main floor. The structure of the home is suitable for a retirement age couple and in the \$120,000 price range.

Gervais stated the Chamber of Commerce will be presenting ten first dollar awards next week. Jill Houseman called him and said they will start reviewing applications in the next four to six weeks for the block grant. There have been 17 commercial grants and two rental applications.

Gervais has been working on the Sportsmen Show and is very pleased with the number of vendors interested in coming. So far there are 70 vendors signed up. The world of wines was held on Saturday and Ron Radke seemed pleased with the number of sales.

Hillger reported October was a busy month with 185 ICR's. Officer Matt Loftness received a conditional offer of employment from the DNR but the earliest he would be leaving is in late February. Officer Tony Rolling's last day November 6 and although the position hasn't been advertised yet Hillger has had five experienced officers call about it. Hillger said a meeting of the Police Commission will be required to authorize advertising the opening.

Koopman stated her main focus has been meetings, particularly hospital meetings which she would like to encourage the community to attend as some very major decisions will be made in the near future. The deputy registrar's office continues to receive more and more business which Koopman believe's is because Tracy has gotten a reputation for problem solving. People often come from great distances to Tracy.

Koopman is still waiting to hear from the DNR regarding the LAWCON Grant to get a start date. Chris Howard is anxious to get started on the picnic shelter while school is in session but the application is in the Federal Government's hands right now. Ferrazzano asked if the playground equipment has been purchased. Koopman replied the City wouldn't want to purchase it until they get an official start date and it will be put out for bids.

Koopman reported on the Highway 14 project she does have confirmation of that project but the landscape engineer has again reduced the project, particularly on 4th Street East which has been reduced to one corner because of limited right-of-way and snow removal concerns. The engineer is still working on the north side of Highway 14 to determine what should be planted.

Ferrazzano reported that a subcommittee met with the school about the Prairie Pavilion lease which will be available for the next meeting. Ferrazzano stated the school has agreed to pay an extra \$700 to compensate for money lost from wrestling tournaments. Ferrazzano said the City agreed to have functioning water and shower heads and have cleaning and disinfecting done more often.

Ferrazzano presented a resolution approving payment to Graham Construction Inc. for work completed on the aquatic center in the amount of \$57,494.00. Motion by Caron, second by Byrne, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-31)

Ferrazzano presented a resolution transferring funds for loan payment and closing the 1992 Improvement Bond fund and authorizing the transfer of remaining funds to the 1996 Improvement Bond fund. Koopman stated she won't know the full amount until she gets the figures from the county. Motion by Byrne, second by Fraser, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-32)

Ferrazzano presented a resolution authorizing a change order of \$2054.85 on the new fire truck. Denny Vandeputte stated he attended a conference to finalize the specs of the truck and originally the department wanted everything operated from the top control panel. For the steamer inlets which are the two main six inch intakes, one on each side, there was to be mechanical valves which would have had a hand wheel on them. The engineers recommended an air operated valve which were \$800 each. The other change was to change the warning lights on back to a miniature light bar which came to \$400. Motion by Caron, second by Byrne, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-33)

The Consent Calendar included the following: Multi-Purpose Center minutes for October 13, 2003; Economic Development Authority minutes for October 23, 29 and November 3, 2003; Revitalization Committee minutes for October 21, 2003; Cemetery Commission minutes for October 16, 2003; Municipal Accounts Payable; Charter Commission minutes for October 29, 2003; Police Activity Report for October; and the Police maintenance log. Motion by Byrne, seconded by Fraser, to adopt the above listed items. All voted in favor of the motion.

There being no further business motion by Caron, second by Byrne, to close the regular meeting to discuss pending litigation and labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

November 24, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, November 10, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: S. Ferrazzano, J. Otto-Arvizu, R. Stobb, M. Fraser, R. Caron, and G. Torkelson. Absent was: T. Byrne. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the November 10, 2003 City Council Meeting. There being none, motion by Fraser, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Ferrazzano added (4F) hiring an appraiser for tax assessment litigation; (6B) snowmobile ordinance enforcement; and (10B) the airport phone. Motion by Caron, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Koopman referred to the permanent parking lot structure financing. She had received two proposals, one from Wells Fargo and one from Municipal Financial, and both are firms that Morton Buildings does work with. Koopman added that a letter was received from Karl Campbell stating that Tracy Ace Home Center would also be able to finance a structure. Ferrazzano asked if the financing terms of the proposal were something the City could do. Koopman replied it was the Council's decision. The cost would be \$8900 per year for ten years and the Chamber has indicated their share per year would be \$1500. The Five year terms would be \$15,500 per year. Caron didn't think it was a good time to pursue the project until the Council knows what is going to happen with the swimming pool.

Fraser thought Campbell had raised some good issues regarding the structure such as snow load. Koopman replied the Morton Building is an engineered structure. Ferrazzano agreed it is a bad time but the City has uses for the building and it would be a benefit. Stobb said the Chamber has uses for it but he doesn't know that the City government has uses for it. He asked if the Chamber has put anything in writing in regard to paying for half the cost of the building. Gervais replied they haven't yet but the Chamber would pay for half of the cost of the building at \$1500 per year. He added the Chamber is pushing for the building but the focus is on businesses. Any event that can attract people to town will benefit everyone. Gervais said Dave Bosacker will be willing to hold multi-family auctions under the permanent structure and he would have several vendors at the Sportsmen Show that would make use of it. Caron said even if the Chamber charged \$1.00 admission to the show the proceeds could go towards the structure.

Nielsen asked if he heard correctly that the building would be jointly owned. Caron replied it would be owned solely by the City. Ferrazzano thought because there were many ways to recoup money for the structure they should proceed with the project and the ten year financing terms. Torkelson asked of the structure would have brick overlay on the outside corners. Koopman replied the Morton bid didn't include any brick. Caron thought they should look at the bids again since Campbell indicated Tracy Ace would be able to finance. Nielsen replied the Council has reached the point now where bids were already placed and Morton was the low bidder. The next step would be to decide if Morton is a responsible bidder. The choice is already made short of rejecting all bids and starting over. Stobb was in favor of putting off a decision for a few months until the Council settled some pool issues. Koopman stated the longest they can hold a bid is generally for 60 days. Nielsen said in all fairness the City can't keep bidders on hold. If the Council takes no action sooner or later the bidders are going to ask for the status. Stobb made a motion to not accept any bids tonight and wait six to eight months to revisit the issue. Fraser seconded the motion. Upon roll call voting in favor of the motion were: M. Fraser, J. Otto-Arvizu, R. Stobb, G. Torkelson, and R. Caron. Voting against was: S. Ferrazzano. The motion passed.

Koopman suggested the Council officially reject all bids and Otto-Arvizu made a motion to that effect and Fraser seconded. Upon roll call voting in favor of the motion were: M. Fraser, J. Otto-Arvizu, R. Stobb, G. Torkelson, and R. Caron. Voting against was: S. Ferrazzano. The motion passed.

Otto-Arvizu stated she had given Koopman an agreement to sign with the Lyon County Chapter of

the American Red Cross which formalizes the City's plans in the event of a disaster and that the Prairie Pavilion would be a centralized location for displaced persons. Nielsen asked since a previous agreement had been signed if there was a reason for signing a new agreement. Otto-Arvizu replied the National agency requires a review of contracts after so many years and the new contract asks the municipality to describe the facilities to be used and puts them in a national registry. If a disaster were to happen someone from the national level would come in to oversee the set-up. Nielsen stated the agreement has some grammatical errors and he is fearful of agreements that don't indicate a time of termination and he would like a clause added that says either party with 90 days notice can opt out of the agreement. Otto-Arvizu stated she would contact the Lyon County branch about the changes. Motion by Otto-Arvizu, second by Caron, to accept the agreement contingent upon the suggested changes.

Ferrazzano referred to an article from the LMC bulletin which indicates that law enforcement officials defend the use of administrative fines for low-level traffic violations. He asked if the Council wanted to include low-level traffic violations with the proposed administrative fine ordinance. Stobb had a concern with the position it could put police officers in if word got around that the police department was doing this to raise money. Ferrazzano replied the Council wouldn't be instructing officers to write out more tickets than usual. Stobb asked if the Council would get a report listing the fines written. Hillger said he would put another block on his monthly report. Stobb asked what would be termed low-level violations. Ferrazzano replied stop sign violations, speeding, and failure to yield. Hillger suggested any petty misdemeanor on a first offense. He felt if a driver already has four speeding violations officers don't need to give them a break. Nielsen asked if there would be one set dollar amount for all traffic offenses. Hillger said the fines are currently the same for all. The Council gave Nielsen the directive to include low-level traffic violations in a revised administrative fine ordinance.

Ferrazzano asked if there were any questions about the revised Prairie Pavilion lease. Koopman said she talked with Superintendent Marlett regarding the effective date which will be December 8, 2003. Motion by Caron, second by Fraser, to approve the revised Prairie Pavilion lease with the Tracy School District. All voted in favor of the motion.

Ferrazzano stated at the last Council meeting he had asked Jim Kerr if he would be kind enough to provide a list of attorneys with expertise in construction litigation. He stated the Council needs to give Kerr authorization to do that and Ferrazzano would like to hire someone as soon as possible to get them in on the inspection phase. Stobb made a motion to direct Kerr to submit a list of attorneys and Fraser seconded. All voted in favor of the motion.

Ferrazzano stated the Council needed to formally approve hiring an expert witness for the Anderson special assessment litigation. Stobb asked for the name of the appraiser. Koopman replied he is Mr. Weber. Motion by Stobb, second by Fraser, to retain Weber as an expert witness. Otto-Arvizu abstained and all other Council members voted in favor of the motion.

Ferrazzano presented a certificate of support for a grant application by the Tracy Ambulance Service. Motion by Fraser, second by Caron, to approve the letter contingent on the completion of the grant information. All voted in favor of the motion.

Nielsen referred to the Special Use Permit application submitted by Joe and Sis Beierman to open an antique shop in a home located in an Residential R-1 Zone. He stated that he talked with Kerr and with Koopman about the use of Special Use permits for this type of situation because according to the Zoning Ordinance in an R-1 District, this is not a permitted use or a use allowed by a special use permit. Stobb asked if there was an avenue by which a house in a residential zone could be used for a retail business. Nielsen said the Council could amend the zoning ordinance to allow that type of use with a special use permit. Stobb said considering the support there has been for this project he would like to see what the Council needs to do to make it work. Nielsen stated he can offer some drafts to the ordinance but didn't think the Council would want to allow all types of retail business in a residential zone. Ferrazzano said the Council could specify an antique/gift shop be allowed with a special use permit. Otto-Arvizu suggested the ordinance could also indicate a home would be allowed but not commercial buildings. Nielsen replied that may be hard to word into an ordinance.

Ferrazzano asked if this will delay the Beierman's timetable for opening. Stobb replied they weren't opening before next spring. The Council gave Nielsen the directive to draw up a proposed change to the ordinance.

Otto-Arvizu reported a few Council members attended a public hospital board meeting. The discussion centered on the pairing of Tracy, Westbrook and Slayton hospitals and looking at various consolidation options. She said her concern has been where people doctor has a lot to do with where people are employed and a fair number of people live in Tracy but work in Marshall. Otto-Arvizu felt the City should look into all avenues before making a decision and thought they should explore the possibility of pairing with Marshall medical services. She talked to Bob Gervais and he said Schwans alone employees 337 people from the Tracy area. Otto-Arvizu asked the Council if they would agree to approach Marshall about meeting to discuss options. Koopman asked if the intention was to include the Hospital Board in the discussion. Otto-Arvizu replied when she talked to Mayor Burns of Marshall they would include their hospital board. Koopman stated she would try to set something up for after the first of the year.

Hillger said he received complaints from a resident for the past several years about snowmobiles driving on the boulevard and his property on Highway 14. The resident claims snowmobiles are tearing his grass up. Hillger said his personal feeling is salt and gravel hurt the grass more but the City Ordinance says he has a legal complaint. His problem is how to enforce the ordinance because he doesn't have the manpower to constantly patrol for snowmobiles. The complainant thought some signs should be put up but Hillger wasn't sure if that will deter snowmobiles. Nielsen asked if it would help to increase the administrative fine. Hillger replied possibly but he was looking for some direction for enforcement. Hillger said he has caught people on rare occasions and warned them off. Otto-Arvizu suggested if officers stop anyone they should be ticketed and then word will get around. Hillger replied the problem with snowmobiles is how to stop them. The driver is wearing a helmet and about the only description he gets is it was a dark sled. He said another part of the problem is the ordinance may confuse some people since it allows snowmobiles on City streets as long as they obey laws and signs but snowmobiles are not allowed on County streets even within City limits. Hillger requested two signs be posted on Highway 14. Stobb suggested also posting a periodic notice in the newspaper. Motion by Otto-Arvizu, second by Stobb, to order four signs restricting snowmobiles on the four main entrances into the City. All voted in favor of the motion.

Ferrazzano presented a resolution approving a gambling permit for the American Legion. Motion by Caron, second by Stobb, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-34)

Ferrazzano presented a resolution approving payment to Graham Construction Inc. for work completed on the aquatic center in the amount of \$1306.00. Motion by Stobb, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-35)

The Consent Calendar included the following: Fireman's Relief Association minutes for November 3, 2003; Monthly Water & Wastewater Report; Municipal Accounts Payable; and Planning Commission minutes for November 5, 2003. Motion by Stobb, seconded by Fraser, to approve the above listed items. All voted in favor of the motion.

Ferrazzano asked if there were any budget issues to discuss. Stobb said the Council once talked about email accounts and said he was willing to give his up. Koopman said the cost for the Council accounts ended up to be about \$200 per year. She added personal email accounts can be used instead. Ferrazzano said he gets messages on his City address and asked to keep it. Otto-Arvizu stated she would like just one email address and would rather use her personal address. Koopman said individual addresses can be published on the City website. The Council agrees to get rid of all the Council email addresses except for Ferrazzano's.

Ferrazzano asked if anyone knows why the Prairie Pavilion building smells so bad on the municipal side. Koopman replied it is something maintenance is continually dealing with. The thought is it may be dry traps and when the showers are not used maintenance has been pouring water down them. Robinson stated typically the smell is hydrogen sulfide gas and it's possible the problem could be old vent pipes deteriorating. Ferrazzano asked Koopman to provide a report on the problem because

he doesn't want it to discourage anyone from using the Pavilion.

Homer Dobson stated he had received a call last week from an individual stating the pay phone was being removed at the airport. He thinks it's very important to have a phone available at the airport because it is used for a number of different purposes. Individuals file a flight plan with the FAA and when they reach their destination they have to close that flight plan. If it is not closed within 20 minutes of the estimated arrival time the wheels start to turn wondering what happened to the plane. Koopman stated the City was notified that the pay phones on City property were going to start costing \$80 per phone per month which comes out to \$960 per year. The City had four pay phones in service. The theory at the time the decision was made is most everyone has a cell phone now. Koopman has since done some checking and the City can get a regular phone that allows only 800 numbers, credit card calls and local calls for about \$20 per month. Otto-Arvizu asked why this issue didn't come before the Council. Koopman replied the bill came in without any forewarning and the office had to react to it. Dobson said he would like a phone as soon as possible.

There being no further business motion by Caron, second by Torkelson, to close the regular meeting to discuss labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

December 8, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, December 8, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, M. Fraser, S. Ferrazzano, J. Otto-Arvizu, R. Stobb, R. Caron, and G. Torkelson. Also present were staff members: A Koopman and F. Nielsen.

Ferrazzano asked for any additions or corrections to the minutes from the November 24, 2003 City Council Meeting. There being none, motion by Fraser, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Byrne added a request under Mayor and Council Communications. Koopman added (5F) an agreement for senior nutrition services. Motion by Byrne, second by Torkelson, to approve the agenda as now written. All voted in favor of the motion.

Ferrazzano opened a Truth in Taxation hearing on the 2004 Budget at 6:35 p.m. Koopman referred to the charts she had distributed showing highlights of the budget. She said there are a number of things that played a part in the budgeting process, primarily the cuts to local government aid, phase out of limited market value and shifting market values on properties, plus a reduction of city's revenues such as decline interest earnings. All of these factors have played a part in budgeting process.

This past week the budget forecast for the remainder of the biennium equaled a 185 million deficit. This is modest compared to the 4.5 billion dollar deficit announced one year ago. The only positive is that the Governor cannot unallot until the budget. The budget reserve is \$631 million, however, the reserve is not automatically reduced to cover the deficit. Which means, we will have to keep our eye on it. With the small deficit and the competing needs for additional or increased state funding, the Legislature will likely be re-prioritizing its budget when it convenes next February.

Collectively, these factors place pressure on local budgets and the property tax. The majority of the challenge was faced earlier this year when we cut the budget by \$138,600 and increased revenues by an estimated \$10,400. This was done to make up for the loss of Local Government Aid. The cash reserves have increased just slightly more than the projected revenue increase. It is important that we continue to build on our reserves.

The proposed General Fund expenditures for 2004 increased \$89,985. This is due primarily to budgeting for an anticipated loss in operations at the aquatic center and \$15,000 to Economic Development for the revolving fund. The remaining portion of the increase is due in part to the 22.5% increase we experienced in our health insurance premiums. The General fund includes a small cushion for unexpected expenditures. The General Fund provides funding for the Administration, Economic Development, Planning & Zoning, Legal, Assessing, Police, Fire, Street, Parks and Library.

The proposed 2004 budget includes a total overall levy increase of 4.96%. This year we saw an increase in the General Fund levy, but a decrease in the Debt Service levy.

As in the past, the majority of the revenues received in the General Fund are in the form of state aids. 55.4% of the total revenue is generated in the form of state aids compared to 62% last year. A difference of 6.6%. 20% is received from other sources leaving 24% being derived from local taxes. Last year 18% was derived from local taxes. With the loss of state aids, there is a noticeable difference in the percentage generated by local taxes.

In 2004 we will realize an 18.1% reduction in the Debt Service levy. The General Fund levy increased \$89,985 or 31.7%. As I stated earlier, this is due primarily to levying for the anticipated loss in the aquatic center operations, budgeting for the Economic Development Revolving Loan fund and the increase in health insurance premium.

The levy distribution for 2004 as it is currently proposed with 53.5% of the total levy being used

for General Fund operations. This compares to 42.6% in 2003. 1.4% for permanent improvement and 45.1% for Debt Service compared to 55.9% in 2003.

The total outstanding debt that will impact our levy in future years equals \$3,936,206.25. The majority of our existing debt will be paid off in 2008, leaving the 2002 Street Improvement Bond and Swimming Pool Bond being paid off in 2012 and 2020 respectively.

She stated that tonight's meeting is intended to provide information to the public and give a general overview of the 2004 budget. The actual adoption of the budget will be done at our regular meeting scheduled on Monday, December 15th beginning at 6:30 p.m.

Ferrazzano asked for the construction of a permanent structure over the City parking lot to be put back on the agenda because he thought it should be discussed further. He said the Council can't change what has happened with the aquatic center, it is a problem that will have to be dealt with. Ferrazzano felt just because there is a problem with the aquatic center doesn't mean all other issues grind to a halt. The City will still have needs and many business owners downtown are in favor and the EDA is in favor of the structure. Ferrazzano read two letters he received stating two different points of view. The first letter was unsigned and voiced objections to a number of city issues including the permanent structure. Ferrazzano also received a letter by email from Dean Salmon supporting the parking lot structure.

Ferrazzano said there are several business owners present who wanted to speak. George Hebig, Hebig Electric, thought Salmon hit it right on the head. The City wants people to come to Tracy and spend \$40,000 to \$60,000 for a business and the City doesn't feel it can spend that amount in support of all the businesses. Deb Schenkoske, Lights and Beyond, stated she is fairly new to the area but one of the things she has noticed is the support the community does give to businesses. She thinks the City is on a roll and doesn't think they should stop now. The activities that take place in Tracy do add to the success of her business. People who come to Tracy for various events go back to tell their friends that Tracy really has a lot going for it. Schenkoske said she thinks the permanent structure will help businesses continue to be successful.

Larry Parker, Tracy Computer and Office Supply, stated he is new to the area and has invested a lot of money in his building. One of the reasons he came to Tracy is it is a progressive town and the businesses support each other. He thinks the structure will be a very good multi-purpose place. It would be very accessible and the more activities downtown the healthier businesses will be. Parker said he looked at quite a few areas before choosing Tracy and thinks Tracy will go a long way. He has a couple functions he would like to hold under the structure, one of which is a car show which would be a perfect set-up for that.

Tam Schons, Tracy Floral, stated Tracy is on the right track. Bob Gervais has done some great things for Tracy businesses and she wants to keep it going. Dianne Ferrazzano stated hers is one of the newer families in Tracy having lived here five years and she has been very disheartened all day by the negative letter received today. She thinks any kind of progress for Tracy won't be anything but positive. D. Ferrazzano said she realizes many seniors are on fixed incomes but most people are on fixed incomes.

Lori Hebig, Lights and Beyond, said she wanted to echo some of the same sentiments. Both personally and professionally she felt it very exciting to see the growth in Tracy and wants to see it continue. Marv VanAcker stated he agrees with everyone but thought a public hearing should be held before anything is decided.

Jeff Salmon referred to the anonymous letter that was read and stated before the author starts hiding behind "CTT" they had better put their name to it. He personally would have trashed that letter rather than read it and felt the author should stand up and state their case like the business owners did at tonight's meeting. This type of structure is for economic development which is something cities do, not the chambers of commerce. He said the City talked about leasing the building but why give a finance company a bunch of money since a city usually has the lowest cost financing available. J. Salmon stated before the structure is built is the time to discuss a fee structure and how to coordinate scheduling. He added it's wonderful to have the Prairie Pavilion but it would be a good idea to

better promote it.

Mark Evers thought the majority would like to see the structure built. He said the Chamber agreed to give 10% of any income from Sportsmen's Show towards the structure but the Chamber is under some financial obligations as well. Evers said he didn't know if the Sportsmen Show going to be here in 10 years but each year the Chamber comes up with something new as other things fizzle.

Ferrazzano said the Council received a copy of the previous bids received. Torkelson said he would be in favor of the project but would like to keep the business in town with Karl Campbell.

Koopman interjected that a public hearing was scheduled at 7:00 p.m. on the proposed Charter amendments. Hook reported the Charter Commission met on October 29 and made the following recommendations:

Section 1.09. CHARTER COMMISSION. A Charter Commission as authorized by Minnesota Statutes, Section 410.05, Subdivision 1, is hereby established. The size of the Charter Commission shall be fixed at nine members. ~~The present size of fifteen members shall continue until either the Charter Commission is reduced to nine members by resignation or April 1, 1984, whichever occurs first. Thereafter, the maximum size of the Charter Commission shall be nine members.~~

Section 2.03. CITY COUNCIL COMPOSITION AND ELECTION. The City Council shall be composed of a Mayor and six (6) Councilpersons who shall be are qualified electors to be elected at large. ~~The Mayor and each Councilperson shall serve for a term of four (4) years and until his/her successor is elected and qualifies. The Mayor and each councilperson shall serve no more than two (2) consecutive terms, except that at the second election held after this amended section becomes effective, the candidate receiving the highest number of votes shall serve a three (3) year term, and the candidate receiving the second highest number of votes shall serve a one (1) year term. The Mayor's current four (4) year term shall be reduced to a three (3) year term, with said term expiring in 1998, thereafter, the term of the Mayor shall be four (4) years~~

Section 2.06. VACANCIES IN THE CITY COUNCIL. A vacancy in the City Council or vacancy ~~of~~ in the Mayor's Office shall be deemed to exist in case of the failure of any person elected thereto to qualify on or before the date of the second regular meeting of the ~~new~~ newly elected City Council; or by reason of the absence from the City for more than three (3) months; or conviction of a felony of any such person whether before or after his/her qualification; or by reason of the failure of any Councilperson or Mayor without good cause to perform any of the duties of membership ~~in~~ of the City Council for a period of three (3) months. In each such case, the City Council shall forthwith appoint an eligible person after advertisement for applications to fill the vacant office in the official publication for the City of Tracy. Such appointment shall continue until the next general election occurring after there is sufficient time to give the notice prescribed by law and until a successor is elected and has qualified.

Section 2.16. OFFICIAL BOND. The clerk and such other officers and employees of the City of Tracy as designated by the City Council, before entering upon the duties of their respective offices, shall give a corporate surety bond to the City in such sum as may be fixed by the City Council as additional security for the faithful performances of their respective official duties and safekeeping of the public funds. Such bonds shall be approved by the City Council and shall be endorsed by the ~~Council President~~ Mayor as having been so approved. Such bonds may be either individual or blanket bonds in the discretion of the City Council.

Section 3.05. PROCEDURE ON ORDINANCES. The enacting clause of all ordinances shall be in the words, "The City of Tracy does ordain." Every ordinance shall be presented in writing. An ordinance may be introduced only at a regular City Council meeting by any member of the City Council, by the Mayor, or by a petition signed by ten percent (10%) of the number of qualified voters voting in the last presidential or gubernatorial election. If the ordinance, as submitted or revised, is approved by a majority vote of the City Council, the City Council shall then cause a notice to appear in the official publication of the City explaining in general the extent of the ordinance and give a brief resume as to the purpose of the ordinance. The notice shall also contain the date of the next

regular meeting at which a public hearing will be held regarding the proposed ordinance. After all voters in attendance at the hearing have been heard regarding the ordinance, the ~~president of the Council~~ Mayor shall call for a vote. If the ordinance is approved by at least four (4) members of the City Council ~~it will then~~ the same shall become effective 30 days after publication or at such later date as ~~it~~ the ordinance specifies. Every ordinance and resolution adopted by the voters of the City shall take effect immediately upon its adoption or at such later date as it specifies.

Section 4.01. THE REGULAR MUNICIPAL ELECTION. A regular municipal election shall be held on the first Tuesday after the first Monday in November of each even numbered year ~~commencing in 1998~~ at such place or places as the City Council may designate. The City Clerk shall give at least ten days posted notice, of the election, stating the time of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the election. The City Clerk shall also post a copy of the notice in the City Clerk's office for public inspection. ~~two weeks published notice of the time and place of holding such election and of the officers to be elected, but failure to give such notice shall not invalidate the election~~

Section 4.02. SPECIAL ELECTION. The City Council may by resolution order a special election ~~and provide all means for holding it.~~ The City Clerk shall give at least ten days posted notice, of the election, stating the time of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the election. The City Clerk shall also post a copy of the notice in the City Clerk's office for public inspection. ~~The Clerk shall give at least two weeks published notice of a special election. The procedure at such election shall conform as nearly as possible to that prescribed for other City elections.~~

SECTION 7.04. BOARD OF EQUALIZATION. Three (3) ~~Council people~~ members of the City Council shall constitute a ~~board of equalization~~ Board of Equalization to equalize assessment of ~~property for taxation purposes according to law.~~ taxes for real property.

SECTION 7.05 (Second Paragraph) Ordinary expenses shall be sub-divided into : (a) total salaries and the number of persons salaried; (b) other expenses, with sufficient detail to be readily understood. All increases and decreases shall be clearly shown. In parallel columns shall be added the amounts granted and the amounts extended under similar headings for the past two (2) completed fiscal years and the current fiscal year, actual to date and estimated for the balance of the year. In addition to the estimates of expenditures, the budget shall include for each budgeted fund a statement of the revenues which have accrued for the past two (2) completed fiscal years with the amount collected and uncollected balances together with the same information, based on, so far as necessary, estimates, for the current fiscal year, and an estimate for the revenues for the ensuing fiscal year. The statement of revenues for each year shall specify the following items: (a) taxation, (b) fees, (c) fines, (d) interest, (e) miscellaneous, not including the foregoing, (f) sales and rentals, (g) earnings of public utilities and other public service enterprises, (h) special assessments and (i) sales of bonds and other obligations. Such budget estimates shall be printed or typewritten and there shall be with sufficient copies for each member of the City Council, for the Mayor, for and the City Clerk, and with three (3) copies, at least, to be posted in public places in within the City of Tracy. The budget estimates shall be made public and submitted to the City Council at its first regular monthly meeting in August of each year. and shall be made public. ~~The Council President Mayor may submit with the budget estimates such explanatory statement or statements as he/she may deem necessary. and, during the first three (3) years of operation under this Charter, shall be authorized to interpret the requirements of this section as requiring only such comparisons of the City's finances with those of the previous government of the City as may be feasible and pertinent~~

Section 7.14. TAX ANTICIPATION CERTIFICATES. At any time after ~~November 1~~ September 15, following the making of ~~an annual~~ the preliminary tax levy, the City Council may issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and not yet collected. The total amount of certificates issued against any fund for any year with interest thereon until maturity shall not exceed seventy percent (70%) of the total current taxes for the fund uncollected at the time of issuance. Such certificates shall be issued on such terms and conditions as the City Council may determine, but they shall become due and payable not later than one (1) year

following the date of their issuance. The proceeds of the tax levied for the fund against which tax anticipation certificates are issued, and the full faith and credit of the City of Tracy, shall be irrevocably pledged for the redemption of the certificates in the order of their issuance against the fund.

Section 11.01. ACQUISITION AND OPERATION OF UTILITIES. The City of Tracy may own and operate any gas, water, heat, power, lights, telephone or other public utility for supplying its own needs for utility service or for supplying utility service to private consumers or both. It may construct all facilities reasonably needed for that purpose and may acquire any existing utility properties so needed; but no proceedings to acquire any such public utility shall be consummated unless the City has the money in the treasury to pay for the acquisition or has made provision for paying for the property proposed to be acquired. The operation of all public utilities owned by the City shall be under the supervision of a Commission established by the City Council, for this purpose.

Chapter XIII - recommendation to delete this Chapter which relates to the Tracy Medical Clinic since the hospital is now run by Sioux Valley.

Stobb asked in Section 7.05 why the date was changed for the preliminary tax levy. Koopman replied the deadline is currently September 15 so she had suggested to officially change it in the City Charter. Byrne said he his concern about the term limits is if there would be enough people to fill vacancies and if they would want a Council member to leave if the public still wants them to serve. Hannasch stated with a two term limit a person can have two years off and then run again. The Commission was concerned if an incumbent keeps running no one else will. Caron thought the public would dictate what they want when they vote. Otto-Arvizu stated there is a value in having senior members on the Council. Council meetings are very public and she felt there have been several times that her knowledge of things that have happened historically has helped with more recent issues. Otto-Arvizu said every time Council members are up for election there is feedback from the public and she felt there have been times when not enough people have run. She thought historically it has been dis-proven that people too afraid to run.

Stobb thought when a well known incumbent is running it can affect who runs for a Council seat. He had no opposition to term limits but he said if term limits are approved he hopes the Charter Commission would keep an eye on things in case not enough people are running and then maybe a change would be needed. Stobb made a motion to approve the recommended changes Section 2.03. The motion died for lack of a second.

Caron made a motion to approve the recommendations of the Charter Commission excluding the proposed amendments to Section 2.03 which would establish term limits. Nielsen suggested deleting reference to term limits but leave the remainder of the section in place. The motion was amended to delete reference to term limits but leave the remainder of the section in place. Upon roll call voting in favor were: T. Byrne, M. Fraser, S. Ferrazzano, J. Otto-Arvizu, R. Caron, and G. Torkelson. Voting against was R. Stobb. The motion passed.

Ferrazzano referred back to the permanent structure issue. Torkelson stated the Council rejected all bids the last time and he would like to see the business stay in town with Karl Campbell. Fraser asked since they rejected bids if the Council would have to re-advertise for bids. Koopman had asked Nielsen if the Council could rescind their previous motion to reject the bids but he indicated they couldn't. Motion by Caron to advertise for bids and Byrne seconded.

Otto-Arvizu asked if the City wants to refine the specs. Koopman replied she would like someone other than herself to do that. Morton set the original general specs. Ron Gramstad with Tracy Ace Home Center said can draw up new specs. Koopman replied whatever the City constructs it has to be an engineered building. Gramstad replied the trusses and columns they use are engineered and he thought when Campbell bid it he had help from an engineer that said it was okay. Otto-Arvizu thought Campbell had some thoughtful ideas for changes to the building specs. Someone had talked about brick facing on the corners and she thought they needed to decide if that is how they want it to look. G. Hebig stated the plans could be drawn up and then taken to an engineer to sign off on them.

Stobb said he doesn't disagree with anything business owners have said and he would like to see the structure someday too. He said it was called a need but is it actually a need. As a Council Member he has a fiscal responsibility and the City is facing several issues, changing a hole in the ground into a pool, the \$90,000 East Hollett project, the lagoons are leaking and the hospital is facing some tough decisions. Stobb said if the Council says yes to this project tonight what do they say to hospital. He would like to see it further down the road when the City is better off financially. In prioritizing financial needs he doesn't see this project at the top.

Otto-Arvizu asked about the recommendations Karl Campbell had stated in his letter. Nielsen replied those are technical issues but someone with technical expertise must determine those things. Kerr stated that a licensed architect or engineer must be involved and very often that is who is brought on board first. Nielsen wasn't sure they had to hire an engineer but they would need an engineer to review the plans. Koopman stated it was part of the original specs that it be an engineered building. Koopman stated part of original specs was that it be an engineered building. Ferrazzano asked if Gramstad can sit down with Gary Garrels to draw up new specs. Gramstad replied he could and any plans he drew up would be approved by an engineer. Motion by Byrne that Gramstad draw up new specs and then advertise for bids and Caron seconded.

Stobb suggested the Council not advertise for bids unless they know where the money will come from to pay for the building. Koopman stated the only thing the City currently has is budget reserves which took a major drop in 2002. She added they can't continue to deplete this fund. Otto-Arvizu asked if part of what is allocated to the EDA could be set aside for the structure. She said there was also the \$99,000 in insurance money that was put into the pool fund but wasn't intended to be spent. Otto-Arvizu asked if that amount of money could be transferred from another account with the intention of paying it back assuming the City will get it's money back through litigation. Koopman asked where the money to set aside will come from because it will further deplete the reserves. The less painful way to do it is to lease the building because after 2004 they can increase the levy to cover the payment. Otto-Arvizu said they have done other interfund loans. Koopman said they could do a loan from the Utility Fund but the City is facing some high cost projects. Caron asked about the hospital fund. Koopman replied there are two accounts, one is an Improvement Fund and one is a Trust Fund. The Trust Fund is over \$1 mil. Caron suggested they could borrow from that. Byrne stated they were looking at that fund as a source for the pool. Hannasch said Otto-Arvizu asked about funding from the money allotted to the EDA. He thought something like that could be worked out.

Otto-Arvizu asked what would be looking at for payments from the last bid received. Koopman replied \$8890 for ten years and \$15,569 for five years. Otto-Arvizu thought in a year the City could appropriate \$30,000 to the EDA for the 2005 and designate \$15,000 for the permanent structure. Fraser asked what was budgeted to the EDA for 2004. Koopman replied \$15,000. Gervais agreed the structure is a matter of economic development and didn't have a problem using EDA funds. He added they currently get a little over \$3000 a month paid back into the funds from current loans. Byrne said he wanted to make sure they are not tying the hands of the EDA.

Ferrazzano called for a vote on the motion to get specs and advertise for bids for the permanent structure. Upon roll call those voting in favor were: T. Byrne, S. Ferrazzano, J. Otto-Arvizu, R. Caron, and G. Torkelson. Those voting against were: M. Fraser and R. Stobb. The motion carried.

Kerr had provided the name of an attorney with expertise in construction litigation. Ferrazzano asked if Kerr knows Jeffrey Coleman. Kerr replied he spoke to Coleman on the phone who asked for names of the key players. Kerr sent him a list of everyone to make sure he didn't have any conflicts and a copy of the current litigation along the Braun inspection reports. Coleman is an engineer and a lawyer and also a member of the American Concrete Institute which is one of the reasons Kerr looked into his qualifications. Coleman charges \$250 per hour which is less than Kerr thought he would. Coleman indicated he would take on the case if Kerr would stay on as co-counsel and that way they could share responsibilities. Kerr recommended retaining Coleman and if the Council approves he will call him tomorrow. Kerr had indicated the City had brought in a pool contractor and structural engineer to inspect the pool and Coleman also suggested bringing in a shotcrete expert. Motion by Fraser, second by Stobb, to retain Jeffrey Coleman for pool litigation. All voted in favor of the motion.

Kerr referred to the renewal of the Prairiewave and Charter cable TV franchises. Koopman had suggested he contact Mr. Voss with Kennedy and Graven because of the December 31 deadline. Kerr called Voss and he had heard back from both attorneys of the respective franchises that things were ready to go. Kerr stated the City has to publish the franchises agreements and hold a public hearing on the renewals so it will probably be into February before everything is finalized. Therefore the Council will need a resolution to extend the present franchise until then. Motion by Byrne, second by Fraser, to give a 90 day extension to both cable franchises. All voted in favor of the motion. (Res. No. 2003-36)

Ferrazzano presented an amendment to the residential zoning ordinance. He said if the Council agrees to it the amendment will need to be sent to the Planning Commission for their approval then back to the Council. Koopman stated the next Planning Commission meeting will be Monday, January 5. Motion by Otto-Arvizu, second by Byrne, to send the proposed amendment to the Planning Commission. Stobb said he thought Nielsen worded the amendment extremely well. All voted in favor of the motion.

Ferrazzano referred the proposed Administrative Fine Ordinance and asked if the Council had read the letter from the Assistant Attorney General which if read correctly prevents what the City wanted to do with traffic violations. Nielsen some State Legislators that are in favor of administrative fines may take action to allow them but right now the Attorney General under current law is stating what they feel can or can't be done. Ferrazzano asked if the Council would want to adopt the ordinance as written and change it later if needed. Koopman stated the Council would have to hold a public hearing at the first meeting in January. Motion by Fraser to hold a public hearing on January 12, 2004 at 6:40 p.m. and waive the first reading of the proposed administrative fine ordinance. Torkelson seconded and all voted in favor of the motion.

Koopman presented a senior nutrition services agreement and said Western Community Action used to provide the food for senior dining but Region 8 has hired Nutrition Services Inc. to now provide this service. They have attached an addendum to the existing agreement reflecting this change. Nielsen stated one addition is that the agreement can now be terminated with 30 days notice. Motion by Fraser, second by Caron, to approve the agreement. All voted in favor of the motion.

Ferrazzano reported that someone had contacted him because their son had locked his keys in his vehicle. The son got help from the Police to unlock it but was told he had to pay a fee prior to the unlocking. Ferrazzano asked if someone really needs their car unlocked and doesn't have the money on them are they not helped or does the City bill them. Hillger replied prior to unlocking officers tell people there is a \$25 charge but they don't expect them to come up with it out of pocket if they can't. As far as billing so far they have been successful in collecting except for one case. Ferrazzano asked what the Council feels about billing minors. Stobb felt if they are old enough to drive they should be responsible to pay. Byrne added if a bill is sent to their home address the parents can decide who will pay for it. Hillger stated the person who called Ferrazzano is probably the same one who called him. She had said if she knew it was going to cost that much her son would have called home. Hillger added officers are not going to leave someone stranded in bad weather if they don't have any money. Otto-Arvizu asked if the individual who didn't pay was turned over to Koopman for collection. Hillger asked what resources going to be used to collect. Stobb asked if the person was from out of town and suggested creating a form letter to send out. Hillger said this is the first real complaint he has had since officers started charging for vehicle unlocks.

Koopman reported that Ardys Drake has submitted her resignation as Multi-Purpose Center Director. Motion by Byrne, second by Caron, to accept her resignation and authorize an advertisement to fill the vacancy. All voted in favor of the motion.

Rick Robinson reported that Braun Intertec has found a structural engineer and a pool contractor with experience with shotcrete to inspect the pool. This was arranged last week and both will be in Tracy tomorrow morning at 10:00 a.m. Both Robinson and Paul Desmith will be there for the inspection. The Public Works crew has removed four feet of snow and three inches of ice from the bottom of the pool and has water in the bottom trying to melt the remaining ice. Robinson added the engineer and contractor will be hired by Braun under their existing contract. He invited the Council to meet tomorrow at 12:00 p.m. for a luncheon to discuss findings at the Mediterranean.

Ferrazzano reported The Liquor Committee report met on December 2 and talked about the condition of the bathrooms. The leaking roof is thought to be corrected but they won't know for sure until it rains again. Koopman added they also discussed the idea of acquiring the building next to the liquor store. Ferrazzano said the committee discussed acquiring that building and knocking it down to make an outdoor patio. The Council previously discussed the building when it was inspected and then another individual bought it. Motion by Torkelson, second by Fraser, to contact the owner about acquiring the building. Stobb thought they should have some plans and costs in place before acquiring the building. All voted in favor of the motion above.

Ferrazzano presented a resolution approving the Tracy Eagles Club application for a gambling permit. Motion by Caron, second by Byrne, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-37)

Ferrazzano presented a resolution approving the following budget transfers:

AMOUNT	FROM	TO
\$ 9,500	General-Police	Equipment Reserve
\$20,500	General-Street	Equipment Reserve
\$ 1,387	General-Airport	Equipment Reserve
\$31,387		
\$ 2,000	Refuse	General
\$32,000	Licensing	General
\$ 15,000	Building Inspection	Code Enforcement
\$116,718	Utility	General
\$128,000	Utility	Water Revenue Bond
\$ 12,000	Utility	Surcharge
\$256,718		
\$ 14,000	General - Fire Dept.	Fire Equipment Replacement
\$ 24,438	General - Unallocated	Senior Center
\$ 35,000	Liquor	General
\$ 73,438		
\$410,543	TOTAL TRANSFERS	

Motion by Caron, second by Torkelson, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-38) Fraser asked if these were all scheduled transfers. Koopman replied they were.

Ferrazzano presented a resolution approving a n increase in pledged securities at Minnwest Bank South in the amount of \$500,000. Motion by Stobb, second by Fraser, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-39)

The Consent Calendar included the following: Monthly Financial Report for November; Department Head reports; Monthly Police Maintenance Log; and Municipal Accounts Payable. Motion by Caron, seconded by Torkelson, to adopt the above listed items. All voted in favor of the motion.

Byrne requested to have his Council agendas delivered to his home and asked how the other council members felt. In addition Fraser, Caron and Otto-Arvizu asked for theirs delivered as well.

Stobb wanted to point out that the discussion about the permanent structure over the parking lot was not advertised as being public hearing but it turned into one.

There being no further business motion by Byrne, second by Fraser, to close the regular meeting to discuss labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor

December 15, 2003

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, December 15, 2003 in the Council Chambers of the Municipal Building. The following Council members were present: T. Byrne, S. Ferrazzano, J. Otto-Arvizu, R. Stobb, M. Fraser, R. Caron, and G. Torkelson. Also present was staff member: A Koopman.

Ferrazzano asked for any additions or corrections to the minutes from the December 8, 2003 City Council Meeting. There being none, motion by Fraser, second by Torkelson, to approve the minutes as written. All voted in favor of the motion.

Ferrazzano asked for any additions or deletions to the agenda. Ferrazzano added (5B) license renewals; (7C) a resolution approving the transfer of funds; and (9A) specs for the permanent structure. Koopman deleted municipal accounts payable from the consent calendar and added (10A) a call for a special meeting on January 5, 2004. Motion by Caron, second by Byrne, to approve the agenda as now written. All voted in favor of the motion.

Ferrazzano recognized Ardys Drake for her years of service to the City as the Multi-Purpose Center Director. He stated the Council reluctantly accepted Drake’s resignation at the last meeting and wanted to recognize her dedicated work for the City. Drake stated she didn’t want to leave but felt it was time for a younger person to take the position.

Koopman referred to the City Mechanic Position and indicated the additions to the position responsibilities were underlined. The primary addition is for daily maintenance of the aquatic center mechanical devices. Byrne asked if Rick Robinson had reviewed the changes. Robinson replied he had approved them. Motion by Caron, second by Byrne, to approve the changes to the Mechanic’s position. All voted in favor of the motion.

Ferrazzano presented the following annual City license renewals:

- Cigarette License: Cenex Harvest States
Tracy Food Pride
Eagles Club
Food N Fuel
Amoco
Tracy Liquor Store
The Pool Hut

- Plumber’s License: G&H Plumbing & Heating
Heartland Mechanical
Olson Hardware
Sanderson Mechanical
Swish’s Plumbing & Heating
Weedman Service Co.
Wood’s Plumbing

- Dance License: The Mediterranean Club

- Split Liquor License: The Mediterranean Club
The Pool Hut

- Sunday Liquor License: The Mediterranean Club
The Pool Hut

Stobb made a motion to approve all licenses listed contingent on the receipt of license fees and proper paperwork. Caron seconded and all voted in favor of the motion.

Koopman reported an agreement was reached with the AFSCME Union contract. It is basically consistent with the previous contract. The health insurance benefit for dependents was increased to

\$500 per month and the uniform allowance for the Street and Parks Departments was increased by \$25 per year. Wages were increased three percent with one percent going into the post retirement healthcare savings plan. Other housekeeping issues within the contract were agreed upon. Motion by Byrne, second by Fraser, to approve the new contract. All voted in favor of the motion.

Koopman presented the 2004 Capital Improvements Budget. Byrne asked about the amount listed under the Street Department budget for the salt spreader. Robinson said the \$8000 listed for 2005 was done in error there should just be \$4500 for 2004. Caron asked if the Council still approves everything before it is budgeted. Koopman replied this budget is merely intended as a plan for future budget decisions. Ferrazzano asked if the computer updates were just for new software. Koopman replied there are four computers in the administration office and one is replaced each year. Motion by Caron, second by Torkelson, to approve the Capital Improvements Budget. All voted in favor of the motion.

Ferrazzano presented a resolution adopting the 2004 Budget for the City of Tracy with the following budgeted expenditures:

GENERAL FUND		\$1,566,276
General Government	\$519,603	
Public Safety	\$392,420	
Public Works	\$463,396	
Recreation	\$ 46,000	
Other	\$144,857	
PUBLIC ENTERPRISE		\$2,952,389
O'Brien Court	\$176,000	
Eastview Apartments	\$ 52,000	
5 th Street Apartments	\$ 49,960	
Liquor	\$614,229	
Utility	\$449,700	
Utility Surcharge	\$151,000	
Refuse Collection	\$170,500	
Licensing	\$1,050,000	
Tracy Medical Cntr. Imp.	\$130,000	
Aquatic Center Operations	\$109,000	
DEBT SERVICE AND BOND FUNDS		\$ 538,830
OTHER		\$ 417,116
TOTAL ALL FUNDS		\$5,474,611

Motion by Fraser, second by Caron, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-40)

Ferrazzano presented a resolution adopting the final property tax levy for 2004 in the amount of \$694,402. Motion by Torkelson, second by Stobb, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-41)

Ferrazzano presented a resolution authorizing the transfer of funds in the amount of \$60,000 from the from the General Fund to the Aquatic Center Operating Fund. Torkelson asked if the transfer was to pay for work done on the pool. Koopman replied it was for operations costs and sales tax which has not been paid plus some money to start up next year. Motion by Stobb, second by Fraser, to adopt the resolution. All voted in favor of the motion. (Res. No. 2003-42)

The Consent Calendar included the following: Multi-Purpose Center minutes for November 10, 2003; Fireman's Relief Association minutes for December 6, 2003; and Municipal Accounts

Payable. Motion by Byrne, seconded by Caron, to approve the above listed items. All voted in favor of the motion.

Ferrazzano stated Gary Garrels had contacted the Council regarding specs for the permanent parking lot structure. Garrels said he thinks there is a misunderstanding as to what needs to be done. The Council has talked about equal bids and the only way that's possible is to hire an architect to draw up a plan and then the plan could be sent out for bids. The alternative is to let everyone use their own architectural firm but then the City may not get equal buildings. Details such as how big, what to do for sidewalks, wiring, drainage, and bird protection are all questions that should be answered before asking for bids. Ferrazzano asked what architectural firms the City has worked with before. Garrels replied Group II out of Marshall. Ferrazzano asked what they charge. Garrels replied they charge a percentage usually about ten percent. Garrels stated he talked with Ron Gramstad and thinks there was a misunderstanding on that situation. Gramstad had said he would draw a building and spec it out and then send it to an architect for approval. If approved he would bid it out.

Ferrazzano said in order to be uniform and build it properly the City needs one set of specs. He stated a committee needs to be established with Council members, Chamber members and Gary Garrels if available. Someone had also mentioned including the Revitalization committee. Koopman asked if the City could use the Morton Building specs and then fine tune some of the items. Garrels didn't think Morton would allow the City to use them. He added Karl Campbell had brought up some issues with the building, particularly the footings. Garrels had told him the engineer may change the design because as long as it complies with the building code it's allowable. There are alternate methods of construction in the building code that aren't the same but achieve the same result. Koopman thought that is what the Council was doing in using Morton's specs stating the design needed to meet or exceed those specifications. Otto-Arvizu stated Morton would never provide those building plans if they weren't getting the bid. Koopman replied it would be up to the contractor to provide plans designed to code. She said by using a basic set of specs and listing the options the City wants then those bidding would have to meet or exceed those requirements. Stobb thought that would put local contractors at a disadvantage because he doesn't have a stock plan to follow like Morton Buildings.

Ferrazzano thought in order to make things equal there should be a committee to list out the specific requirements. Otto-Arvizu made a motion to form a committee consisting of two representatives from the City Council, two from the Chamber of Commerce and Garrels. Koopman suggested Ferrazzano could serve as both a Council and Revitalization Committee rep. Caron suggested that Rick Robinson also serve. Byrne offered to serve on the committee. Lori Hebig suggested Mary Poss is on the Chamber and Revitalization Committee and could probably serve as both. Torkelson seconded the motion and all voted in favor.

Motion by Caron, second by Torkelson, to appoint Ferrazzano and Byrne to the committee. All voted in favor of the motion. Garrels said he had measured the parking lot and Robinson had mentioned a concern about drainage. Garrels felt a sixty foot building would be too wide and suggested building it a little longer and not as wide which would address some drainage problems. Stobb said Garrels has mentioned one potential problem with the project. Although he understands the desire for having the building before the Sportsmen's Show, Stobb said he wouldn't mind postponing the project until some of these issues can be worked out. He added he understands the needs of the Chamber and was not opposed to sharing the cost of renting a tent for this year's show. Ferrazzano agreed they don't want to rush through the construction of something permanent and if it takes a little longer than planned they'll have to adjust.

George Hebig stated that he brought a drawing with specs from Ron Gramstad but would address it at the committee meeting. Otto-Arvizu asked if the drainage issue would be an additional expense. Garrels replied he was sure it would be an added expense. Hebig asked what Garrels thought they would need other than gutters running down to the asphalt and out to the storm sewer. Garrels replied there may need to be a spillway installed. Caron asked if Morton had rain gutters in their plans. Garrels thought there was. Stobb said if the City is going to pay an engineer they would take care of those issues. Otto-Arvizu didn't think they would be creating any additional ground water but changing where it falls. Robinson suggested if there would ever be the need for water service in the building it would be easier to put in now than later.

Ferrazzano called for a special meeting to be held on Monday, January 5, 2004 at 6:30 p.m. to discuss a report on the aquatic center.

Motion by Byrne, second by Torkelson, to close the regular meeting to discuss labor negotiations. All voted in favor of the motion.

ATTEST:

City Administrator

Mayor