

January 10, 2011

The regular meeting of the Tracy City council was called to order at 6:30 p.m., Monday, January 10, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Ferrazzano, M. Martin, K. Enderson, T. Peterson, C. Snyder and R. Stobb. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Snyder, seconded by Enderson to approve the minutes for the meeting December 13, 2010 as presented. All voted in favor of the motion.

City Administrator, A. Koopman administered the Oath of Office to Mayor T. Peterson and Council members to S. Ferrazzano and R. Stobb.

Additions to the agenda included: 7A Public Hearing at 6:45 p.m. regarding the CDBG and 10C Fuel Bid Recommendations. Motion by Ferrazzano, seconded by Snyder to approve the agenda as amended. All voted in favor of the motion.

Addy Miller addressed the Council in regards to a request for snow removal in the back of their business as well as other businesses on that block. They have had the building for eight years and in the past two years, the City has not cleaned that area. She stated that her husband and Chuck Reiner did some research on this. In 1946 this was considered private property that was brought to the attention of the City and the previous owners asked that area be considered a City area or alley so that the snow could be removed. Miller distributed a letter for review by the Council. Mayor Peterson asked that this issue be placed on the agenda for the next regular council meeting.

A public hearing was held in regards to the CDBG grant. Chuck Swanson with Western Community Action who is writing a rehab grant for the cities of Tracy and Milroy. They are now at the second round or final application. A requirement for that is to have a public hearing for anyone that may have questions about the grant. Koopman said the hearing had been advertised for the two weeks required. Swanson will be receiving a certificate of publication. Mayor Peterson asked if there were any questions from the public. Mike Martin asked how much the grant would cover for the City of Tracy. Swanson stated the grants are broken up by projects and the entire grant was written for 25 projects and this was cut down to 20. Of the 20, 16 are allocated for Tracy and four allocated for Milroy for year one. If these slots are not filled, in year two it does not matter which city you live in. If the funds are not used, it has to be given back. Swanson stated there are no target areas but the property must be within the city limits. It is income based. The grant is due February 8 and it takes a month or two to make a decision. Once it is funded there are some environmental issues that need to be addressed. Swanson said there will be a public meeting to go over the grant in detail and applications will be given at that time and it will be a first come first serve for funds. Gervais stated they had a number of pre-applications. Snyder asked if those that filled out the pre-application would be considered first come or once the actual application is received. Swanson stated that it will be once the actual eligible application is received. There is supporting documentation that needs to become qualified. Swanson said this grant is written 100% owner occupied residential. The public hearing was closed at 6:40 p.m. for Council discussion. Swanson stated that at the next meeting there will be documents that will require signatures. They are two resolutions; one that the City of Tracy will work with the City of Milroy and one that states that the City of Tracy will abide by the laws and rules. This is required by DEED.

Steve Robinson from S.E.H. presented a lagoon project update. Robinson stated that as they move forward with the funding and cost evaluation of the lagoon project one of the things discussed with Koopman and R. Robinson was putting together a committee to discuss land acquisition. It was felt the committee would be Koopman, R. Robinson, S. Robinson, F. Nielsen and two council members. Another area was identified for a potential site for the lagoons, just west of the airport. This area is at a higher elevation and unlikely that they could gravity flow to this area. It is a shorter run and looking at some preliminary review, Robinson felt that it would be comparable or slightly less cost even though they would have an extensive lift station with the shorter pipe runs. Robinson stated that with this, they need to replace the sewer main from Park Street all the way to Highway 14. On Park Street between Elm and Emory, the sewer main runs

diagonally to the northeast through properties rather than along the street. They will be looking at replacing that sewer main of about 3,100 feet. The cost estimate when they approach Rural Development, they will be looking at reconstruction of those streets with sewer, water, storm sewer and sump drain lines so that will be significant within this project. Robinson stated the plan at this time is to go up 2nd Street East and continue straight north and then go east or west once they get further north. Long Green Lane the sewer runs behind those houses and they will discuss bringing that out to 2nd Street East. This would be a challenge since the services run behind the houses and they need to be brought to the cul-de-sac. Stobb stated that on Hollett there are sewer lines that go through property and was wondering if this was part of the plan. Robinson stated they would go north on Park Street for about one block and then at an angle to the southeast on Emory, then to Center Street for one block north and then two blocks east on Hollett. That is where the bypass station is and then goes to 2nd Street East and then go north. Snyder asked if there would be problems since Center Street is a county road. Robinson stated they would work with the County to get permits and their requirement would be that they would determine what the street section will be. This was done also when they did the storm sewer projects several years ago on 4th Street. Robinson felt the first step would be set up a committee. Stobb and Enderson volunteered to serve on this committee.

Motion by Snyder, seconded by Stobb to adopt a resolution approving change order No. 4 for the hospital renovation project. This involves roof repair, carpet correction and work performed by Sanford Tracy Medical Center reducing the contract amount by \$633. All voted in favor of the motion. (Res. No. 2011-1)

Motion by Stobb, seconded by Snyder to adopt a resolution approving increase in pledged securities at Minnwest Bank South. All voted in favor of the motion. (Res. No. 2011-2)

Motion by Ferrazzano, seconded by Enderson approving American Legion Post 173 applications for a gambling permit at The Caboose. All voted in favor of the motion. (Res. No. 2011-3)

Motion by Enderson, seconded by Snyder to adopt a resolution declaring property no longer needed for public purpose and authorize the sale of these items. All voted in favor of the motion. (Res. No. 2011-4) Robinson stated that these items will be advertised on the website and closed bids will be taken.

Discussion was held on Ordinance No. 311, an ordinance amending the City Charter. Koopman stated the Charter Commission met twice and have recommendation to adopt an ordinance amending the Tracy City Charter Section 2.06 Vacancies in the City Council and Section 11.04 Lease of Plant. They also recommended was for the Council to consider conducting a municipal primary if there is more candidates than the number needed for a condensed race. That is not something that the Council needs to do this before April in the year of the election. That would be the year 2014 if that is something the Council is interested in. Motion by Stobb, seconded by Snyder to waive the first reading and set the second reading at a public hearing on February 14, 2011 at 6:45 p.m. on an ordinance amending the Tracy City Charter. All voted in favor of the motion. Ferrazzano asked how the primary issue would affect the next election in two years. It says if there are more people filed than for a contested election, if three people are up for election and more than six people file, they have to reduce the number from six. Koopman stated the Charter Commission did not spend a lot of time on this issue primarily because there was no action required by the Commission. Stobb stated that one of the initial concerns is that someone could be elected without getting over 50% of the votes. If there are two council positions up, and there are four applicants, someone could win with 27% of the votes. Koopman said this is something they cannot decide tonight but something that could be discussed when the next election would be. Nielsen stated that once this is set up, they have to keep going but can bow out as it is not a permanent thing. Nielsen will do some research on this and provide more information to the Council.

Koopman included in the agenda a letter from the Minnesota Association of Small Cities (MAOSC) offering a reduced membership fee which provides service through the 2011 legislative session. This would be for approximately five to six months at a cost of \$591.63. When the city joined the coalition of Greater Minnesota Cities, the City's membership was dropped with the MAOSC. Koopman said the MAOSC has in the past done an excellent job of lobbying and keeping their membership informed on issues. Snyder felt that with the legislative challenges this might be a good idea to become a member of MAOSC. Ferrazzano agreed that

membership might be beneficial with the uncertainty the City is faced with. Koopman said the money would come from Other Financial Uses. Mayor Peterson felt that spending more money to get more money that is not there is not logical. Stobb felt joining MAOSC will help the City get their fair share of available resources. Snyder stated that lobbying by MAOSC may prevent the government from taking from the City. Motion by Snyder, seconded by Stobb to join the Minnesota Association of Small Cities at a cost of \$591.63. Upon roll call the following vote was recorded the Enderson, Ferrazzano, Stobb and Snyder voting aye and Mayor Peterson voting nay. Motion carried.

Motion by Enderson, seconded by Ferrazzano to approve a dance license for The Caboose contingent on payment of fees and appropriate paperwork. All voted in favor of the motion.

Fuel bid recommendations from CHS were reviewed. The contract price as of Monday, January 10, 2011 was: Premium Diesel at the Tracy Refueling Center if \$3.45/gallon. This price is for #2 diesel and if #1 diesel is needed, it would be an additional \$.20/gallon and unleaded gas at the Tracy Refueling Center is \$3.20 per gallon. This contract would run through December 31 2011 and CHS would like to know how many gallons the city needs to lock in. Robinson stated that in the past the locked in 8,000 gallons of gas and 4,000 gallons of diesel and this has worked out well. Peterson said they have been doing this for two years and have come out pretty close and with the contract makes it easier to budget. Motion by Snyder, seconded by Stobb to enter into a contract with CHS for 8,000 gallons of gas at \$3.20/gallon and 4,000 gallons of diesel at \$3.45/gallon. All voted in favor of the motion.

The Consent Calendar included: Municipal Accounts Payable, Economic Development minutes for November 19 and December 1 & 3, 2010, Hospital Board minutes for November 17, 2010, Charter Commission minutes for November 18 and December 20, 2010, Monthly Financial report for November and Multi-Purpose Center minutes for November 23, 2010. Motion by Snyder, seconded by Stobb to approve the Consent Calendar as presented. All voted in favor of the motion.

Koopman stated in her memo that she plans to retire August 1, 2011. Mayor Peterson stated that in the future they will discuss her replacement.

Mayor Appointment includes:

1. Interim City Administrator – Audrey Koopman
2. Deputy Clerk – David Spencer
3. Public Works Director – Rick Robinson
4. Finance Director – David Spencer
5. City Attorney – Frank Nielsen
6. Fire Chief – Dale Johnson III
7. Assistant Fire Chief – Mike Erbes
8. 2nd Assistant Fire Chief – Tony Rolling
9. Weed Inspector – Tom Greenfield
10. City Forester – Tom Greenfield
11. Building Inspector – Shane Daniels
12. City Assessor – Pam Friesen
13. Civil Defense Director – Bryan Hillger

Stobb asked the significance of the word Interim. Mayor Peterson stated she will not be completing the whole year and will be interim. Stobb said that until she resigns or retires, she is the city administrator. Mayor Peterson stated it would be under an interim basis since she will not complete the year and does not understand the significance of the discussion over this. Stobb felt that neither did he. Ferrazzano felt it really did not matter, if she is interim or not and understands what Stobb is saying that she is the City Administrator and so she is not the interim city administrator because no one in the meantime is filling her spot. Mayor Peterson is saying that since she will be leaving in August. He felt that if the end result is the same it does not matter. Mayor Peterson her position is not going to change, just the period of time on an interim basis until her retirement, she is the City Administrator. Stobb stated that is why he asked the significance of that term because it sounded like the title was changing.

Koopman stated her questions was that Spencer was mentioned for Deputy Clerk and does not know if him being the Finance Director it would make him a legal signature for the City as he would be signing the checks that he would be issuing. Mayor Peterson stated that he had discussed this with Spencer and he felt there would not be any issues with this. The reason for this is because Spencer is in the office and with the City Shop being short handed, it would cut down on some trips to the office. He said that Spencer stated there would be no problems as far as the Union goes.

Ferrazzano stated that Koopman had stated in her memo the fact of phasing in someone else or if she stops completely on August 1. Koopman recommended that they advertise the position in March/April. Ferrazzano feels that the Council needs to decide if it stops on August 1 or phase someone in with Koopman's help. He feels they need to decide this by the first of February. This issue will be placed on the agenda for discussion at the January 24, 2011 meeting. Stobb felt that some financial information would be helpful in that decision. Ferrazzano felt that no matter which route they take, the cost should be about the same. If they knew that Koopman would be phased out, Koopman would be part time for awhile and the new person would be part time for awhile. Mayor Peterson stated that they could possibly find someone that has experience and turnover could be as short as one week and there would not be that overlap. Ferrazzano stated that the Council needs to decide if they are going to have that phase in or not and they do not know who would apply for the job. He feels that Stobb is correct saying one of the financial implications of the phase in versus a starting August 1. He felt that if they decide to have someone phase in, they would be only part time and would not be like paying two salaries. Stobb said they have to think about what they would be paying for that new person.

Motion by Snyder, seconded by Enderson to approve the Mayor Appointments. All voted in favor of the motion.

Council appointments include:

1. President Pro-Tem – Steve Ferrazzano
2. Community Ed. Advisory Board – Charlie Snyder
3. Planning Commission – Kurt Enderson
4. Economic Development Authority – Tony Peterson and Charlie Snyder
5. Attorney Meetings – Steve Ferrazzano and Kurt Enderson
6. Hospital Advisory Board – Steve Ferrazzano and Russ Stobb
7. Labor Management Committee – Tony Peterson and Charlie Snyder
8. Wheels Across the Prairie Museum – Charlie Snyder

Mayor Peterson stated there will be openings on the Library Board, Cemetery Commission, Multi-Purpose Center, Planning Commission, HRA Board, EDA Board and Police Commission, Hospital Board, and Charter Commission. Koopman stated that in February she will advertise and then receive applications so the appointment can be made by the last meeting in February.

Motion by Ferrazzano, seconded by Snyder to establish the second and fourth Mondays of each month at 6:30 .m. in the Council Chambers of the Municipal Building. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Snyder to adopt Robert's Rules of Order and the standard agenda format. All voted in favor of the motion.

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

Motion by Ferrazzano, seconded by Snyder to approve Minnwest Bank South, the 4-M Fund, Morgan Stanley Smith Barney, Bremmer Bank and State Farm as the official municipal depositories. All voted in favor of the motion.

A letter was received from the Southwest Regional Development Commission asking for nominees from Tracy to serve as the Lyon County Municipalities representative on the Southwest Regional Development Commission. Stobb said that Mayor Peterson could put his name in for this position. Mayor Peterson stated that he will fill out the form and put it in the mail.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 7:25 p.m. All voted in favor of the motion.

January 24, 2011

The regular meeting of the Tracy City council was called to order at 6:30 p.m., Monday, January 24, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen City Attorney.

Pledge of Allegiance was given to the flag.

Stobb stated on the January 6, 2011 minutes, the last line of the second paragraph should be changed to read: It was the consensus that no further action was required by the Council as they previously approve the plans at the last meeting in December and no substantial change was made. Motion by Stobb, seconded by Snyder to approve the minutes for January 6, 2011 as amended and minutes for January 10, 2011. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to approve the agenda as written. All voted in favor of the motion.

There were no Public Comments

Mayor Peterson presented Mike Martin with a certificate of appreciation for his service on the City Council.

Discussion was held regarding a request from Lights and Beyond and Helping to Heal for alley snowplowing. Mayor Peterson stated that Nielsen made reference to the alley being 10-feet wide. He did not measure it himself but had someone else measure it at a little wider than 10 feet. When they went through the light project they put in curb and gutter in front of that and went back, took it out and put the alley approach back in. Mayor Peterson did not see any reason for this not to be plowed. Enderson said heard that it was cleaned up until two years ago. Stobb felt that it was stopped because that area is narrower and it was difficult to get it cleaned. It was stated that it was not city property but that was before they knew about the information in the abstract. Stobb felt that the city should continue to clean that area. Robinson stated that from the building to the light pole it is 10 feet 4 inches on the south end and the north end from the pole to the building is 10 feet 6 inches. They have hit buildings before and an owner of one of the buildings has pictures of where the machine has hit the building. Robinson said that if the Council wants them to clean this area they can but have to understand that with an articulating machine if it is slippery, it is going to slide. If they do clean back there and hit the building, there would probably be insurance claims. Enderson asked if a bucket could be used to clean this area or would it be better with a blower. Robinson stated it needs to be taken out into the windrow so it can be loaded out. Robinson recommends they could hire someone with a smaller machine and make the liability exposure less. Stobb felt residential alleys are cleaned so residents have access to the back of their property, but with these business owners, they have no access without crossing someone else's private property. Robinson said that everyone would have to refrain from parking back there and the dumpsters would have to be removed from that alley. Nielsen said that there are things stored back there and there is an electric meter that could be damaged. Ferrazzano felt it was the consensus was that the alley be cleaned, but then the issue is how. Robinson will check with individuals that do snow removal to see how much it would cost to have them clean this area. Snyder questioned if they could pile it between the computer store and hair salon. Mayor Peterson felt that if they are going to do some of it they might as well do all of it because the businesses on the south end have already contracted to have part of it cleaned out and the ones on the north do not have any removed yet. Ideally is to bring it to the windrow and load it out. If the City crew does it or it is contracted out, it has to be coordinated to so it is brought out before the windrow is made and loaded out. Ferrazzano suggested they get it cleaned and check with someone about contracting to get it cleaned. It was the consensus of the Council to proceed with this.

The Economic Development Authority has petitioned to vacate a publicly owned utility easement at the industrial park. Gervais stated this is across lots 3 and 4 and runs east to west across those lots. Gervais said they are not aware of any utilities in that area. Nielsen stated that this will have to be done by ordinance. Motion by Ferrazzano, seconded by Stobb to draft an ordinance to vacate publicly owned utility easement, waive the first reading and set the second reading at a public hearing on February 14, 2011 at 6:55 p.m. All voted in favor of the motion.

Gervais presented an update on the Orchard Lane town homes. There is good progress and the north units are done middle part of February and the EDA has set a date to start renting those as of April 1, 2011 and if the tenants want to move in before that, they will rent them before that and will be expecting rent to be paid April 1 if not before then. The south units they hope to have them complete by mid March weather permitting. There is still exterior work to be done but reading for occupancy by May 1, 2011. They still have the eight deposits. Letters were sent notifying the occupants of those eight deposits of rent, etc and will be finalizing the lease. They are waiting for the exact rent amount and that will be determined once the final project costs are in. If anyone would like to take a look at them they are welcome to.

Gervais stated the EDA has agreed to sell the industrial park property to a contractor, Jeff Ellingson. They do contract work typically with ethanol plants. They do fabrication work, concrete work, etc. from catwalks to fabricating storage containers. Nielsen is helping the EDA to finalize things there. There will be another public hearing regarding the property at 436 South Street and the properties included with the former Premium Plant Services building on that sale with Dale Johnson III. They hope to have that completed at the EDA meeting the first part of February.

The Council will be taking action with the signing of resolution with the State of Minnesota for the CDBG and also signing a cooperative agreement for the 2011 Small Cities Development Program. Since the last meeting he has had several individuals stop by his office asking when they would get the money. Gervais stated they do not have any money yet, but confident that the grant will be approved and once it is approved the public will be made aware of a meeting that will take place. This grant has become very competitive and when the meeting is held, the application process will be reviewed. Part of that application process for the homeowner is a list of things that need to be in place, such as the abstract, their financials, and completed application. These things need to be provided for it to be considered a complete application and then it becomes first come, first serve. Even if the application is complete, if the homeowner does not have the necessary documents, 100% completed, they are not considered to be first in line. It is the first one in the hands of Western Community Action that is 100% complete that is considered number one. The City has no control over this.

Gervais stated the EDA has started conversations with the couple purchasing the Glaser property north and east of the hospital about the potential purchase of some of the 48 acres for a future housing addition. Talks have gone well and Robinson has been involved in the conversations in regard to sewer ponds as this becomes an issue down the road. The new owners are willing to work with the EDA and the potential of them building a home there also. Plans were drawn 40 years ago to encompass the whole property and will be having a meeting next week to possibly scale that back and start with smaller footprint.

They should be receiving the results of the survey regarding the business retention/expansion program. A couple of the meetings that were scheduled with the University of Minnesota have been postponed due to the weather. Gervais stated that he has been working with Kinner and Company on some audit information to do some revolving loan information.

Police Chief Hillger asked for any questions regarding the November or December activity reports. Snyder asked how the report compared to past years as far as total ICR's. Hillger stated that numbers are gradually declining.

Verdeck stated that she met with Holly Martin Huffman who is the director of the Marshall-Lyon County Library to look at the library and showed the plans of the new library. Huffman is interested in forming the Lyon County Library Association that would the directors that would meet and work that way even if there would not be an actual merger between the cities. They would work closer together in instances where they have performers or authors come in. Verdeck will be meeting with someone from USDA in regards for a grant for equipment. Stobb asked if Verdeck has any further information regarding the boiler at the new library. Robinson stated the gas feed line that came from the meter had a leak and that was repaired. They will be replacing the pump for the main boiler and trying to get that running. There may be issues with the pipes that they are not aware of at this time. Robinson stated that he was in there today and there is some water in the light fixture on the third floor and there are signs of some possible roof problems. That is where the drain comes off the roof and could be a piping issue. Verdeck said that with the building being empty for three years and no one removing leaves and such, this may

need to be cleaned. She found the warranty deed for the roofing and it is a 15 year warranty made in 2005. It stated that he required maintenance in the spring and fall and with the building empty that did not get done. It was DuraShield in Wisconsin and was put on by a company in Iowa.

Radke reported the numbers were down about \$1,835.07 in December but there was one Saturday that they were not open and one Saturday was Christmas Day. Next Karaoke will be January 29th. On January 31 the liquor association will be at the Capital voicing concerns for next year and lobbying for gambling in bars. The Profit/Loss Statement was not complete but will be done by the next meeting.

Robinson said that he has been working with the DM&E Railroad for several months concerning the excess clear water that enters the city's sanitary sewer system from the rail yard. DM&E has budgeted some money for 2011 to repair the I&I problem. They will run a new sewer line from South Street into their building. The DM&E is working on cleaning up an abandon well on their have requested assistance from Public Works and the first department to flush the well. This will involve running 800 feet of fire hose from a hydrant to the well site and the City will be billing for use of the hose and water usage.

The Public Works Department has made 15 snow runs so far this year and on a daily basis they are widening streets and making repairs to equipment. They have been working on intersections and other trouble spots as time allows. Christmas decorations have been removed and put back in storage. The newer decorations on Highway 14 that are painted white and started to show signs of rusting and Koopman has contacted the manufacturer about this. These were new in 2005.

Public Works has been opening up the cemetery on an as needed basis.

Robinson said that he has been approached by a local area farmer who may wish to build a private hangar at the airport and he has invited this party to attend a council meeting to explain what he wants to do.

Robinson reported this year's snow removal has been hard on equipment. The bi-directional Ford engine is now burning a half to one gallon of oil on each outing. They will use it till spring at which time the engine will need repair. If the engine was to fail, they would rent a tractor to finish out the season. There is also a head gasket out of a plow truck, a broken motor on a plow truck, etc. In the 2011 equipment replacement depreciation schedule there is a two-way snowplow and park mower up for replacement. Robinson will present cost estimates and recommendations at a future council meeting.

Robinson stated that he has been having discussions with an individual planning to build a new home abutting Tracy City limits and they are requesting water and sewer service. MPCA has approved this and as it would not be considered a sewer main extension and the current moratorium would not apply. The City could not run a main to that area, but the homeowner could run service lines to the city's mains. This would require council approval. There have been some problems with the hospital lift station and are troubleshooting the VFD's and pumps. They did find one bad VFD and have sent it for repairs. A water main leak was repaired on Co. Road 11. Robinson recommended the newly formed committee for wastewater pond land acquisition meet soon. S. Robinson would not be available to meet on January 26, 27, 28 or February 2. Robinson will contact S. Robinson to see if January 31 or February 1 would work.

Robinson stated that the Funbrellas are in need of repair or patching and one of them may need replacing. His recommendation is to take them to a canvas repair shop. He does not know the cost and would like the council's approval before doing this. There are rails that hold them open and they are rubbing through the canvas. Ferrazzano asked if there was warranty on them. Koopman did not feel that after this amount of time there would be and does not remember seeing anything about a warranty. The council agreed that they need to be fixed and authorized Robinson to check into getting them repaired. The mechanical room at the pool needs to be heated in the winter months to prevent pipe damage. The ceiling and walls are not insulated and are just cement block walls and the heating bill there is very high. He did have someone come and look at the possibility of spray foaming the ceiling and walls, but they said it would make a mess with all the pipes and conduit in that room. Robinson said the ceiling is the floor of the

concession stand which is cement. The heat goes to the ceiling and out. They currently have a hanging electric heater there but bills get very high. They would look into finding some type of insulations to put on the floor of the concession stand they winter months.

The surplus equipment sale has been published in the paper and the photos are on the city's web site. Visual inspection will be on January 27 from 1 to 4 p.m. and bids are due January 28 by 4 p.m.

Robinson stated that he assisted in purchasing some temporary heaters and LP hoses for the Orchard Lane Project. They have collected the necessary bacteriological samples from the new water main servicing the complex and they did pass. Water meters were also installed in the north building and meters for the south building have been ordered.

Robinson has been helping coordinate work on the boiler system in the new library. In the Multi-Purpose Center the north roof has been leaking. He found excessive snow on the roof of three and four feet with ponding water. Dale Johnson's Construction removed the snow. He had not yet received the budget numbers from Spencer so was not able to give the Council any information at this time. Wheels Across the Prairie organization is going to be doing some work there and they have asked if they had trouble moving some snow, if the City crew could open a path for them. The council gave Robinson permission to do this.

Snyder stated that he has talked with people and some do not live in town, but most have commented on how well the Street Department does cleaning streets. Snyder said the crew does a good job in spite of difficulties in doing so.

Koopman stated that the month of December she prepared for and attended the Truth in Taxation hearing for the 2011 budget and the last City Council meeting of the year. She also attended the Hospital Advisory Board meeting and a Charter Commission meeting. Koopman emphasized what the original proposal by the legislature is regarding again reducing LGA. The City did not budget the amount they said the City would receive, but budgeted the amount they did receive in 2010. So rather than realizing a reduction of \$167,916 in LGA as proposed in H.F. 129/130, the City would see a reduction of \$31,373. This is a substantial amount but one that the City can work with if this bill does not become law but frustrating in the sense that they are using this approach before the budget is looked at. She will be monitoring closely and recommends that the Council adopt the resolution that they recommended to submit to Flattery and Hood to let them know the City would suffer. Stobb commented that they had suggested that they send the resolutions directly to the legislators. Motion by Stobb, seconded by Ferrazzano to adopt the resolution from the Coalition of Greater Minnesota Cities to notify legislature of the impact of the LGA cuts. All voted in favor of the motion. (Res. No. 2011-5) Koopman stated that legislative day will be coming in February and if the Council requests that someone go or if they want to go, she will make arrangements and go from there.

Koopman stated that as in the past regarding the Capital Improvement Budget is a way to identify needs for each department. In reality if the funding is not there it does not happen. Koopman asked if there were any questions. Stobb stated looking at the town homes, 5th Street, Eastview and O'Brien Court and looks like there is substantial dollars there for repairs and maintenance and he asked Gervais if there was any one issue there. Gervais stated that the 5th Street and 3rd Street East town homes are not basically 15 years old and 3rd Street East kitchen they are starting to replace the kitchen carpet with Dura-ceramic. Structurally there should not be a lot of repairs. O'Brien Court the bay windows were replaced and now there are flat slide windows that need to be replaced and have started to budget funds to do that.

Motion by Snyder, seconded by Stobb to adopt a resolution entering into with the State of Minnesota for the CDBG project. All voted in favor of the motion. (Res. No. 2011-6)

Motion by Stobb, seconded by Enderson to approve entering into a Cooperative Agreement for the 2011 Small Cities Development Program. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to adopt a resolution approving a gambling permit for the Waterfowl Association. All voted in favor of the motion. (Res. No. 2011-7)

Koopman informed the Council a complete and/or full retirement compared to a phased retirement would result in a financial saving of approximately \$10,500 for salary only. This amount is based on hiring an outside applicant (one that is currently employed by the City) at the starting pay grade for City Administrator. The only way a phased retirement would result in a savings would be if it would be possible to promote from within the existing staff. If the Council chooses a phased retirement, a savings of approximately \$12,400 would be realized. Stobb likes the concept of the phased in retirement. Snyder agreed with this concept. Ferrazzano asked how long the phasing in period would be. Koopman stated that would be one year and can go up to five years but that would not be realistic. This is becoming more and more popular. Koopman said that each of the two individuals would work approximately 20 hours per week. Ferrazzano asked if this would cause problems with those that apply. Koopman stated that if the candidate would be just out of college and have an opportunity to start a position that is not full time but a good starting salary and knowing it would eventually become a full time position they may be more interested. Mayor Peterson said the phase in period would depend on their experience and ability level. Koopman said from her perspective she would need to know how long it would be. She said that if it is the decision of the phased in retirement it would be for one year. If they choose not to do that, it would be full retirement starting August 1, 2011. Koopman stated that with this phased in period, there are tasks that are only done once a year and once every other year such as the election. If they go with phased retirement, it would start August 1, 2011. Snyder asked when they need to start advertising. Koopman said it would depend on if they go with a phased or complete retirement. She needs to know three months before the August 1 deadline to prepare for her retirement. Ferrazzano feels that knowing the complexities that someone would face filling her position and with the difficulties the City is facing, a phased in period would be helpful. Other cites the sizes of Tracy are losing their administrators and have to change every few years. He would like to give the person that fills the position the best chance possible and want to stay and not feel overwhelmed and want to leave right. Mayor Peterson stated that conversely they could find someone that has been working as an assistant for four to five years and ready to take it on themselves. Motion by Ferrazzano, seconded by Snyder to go with the phased retirement to begin August 1, 2011 and continue for one year. Mayor Peterson states that the Charter is that the Mayor appoints the administrator and the council approves. He has nothing against the phased in retirement, just as a point of discussion. It seems that the Council is trying to pick the administrator. Snyder feels they need a pool of applicants and the way he reads the Charter, the Mayor would appoint the best applicant and the Council with either nay or aye it. Nielsen said the name would originate with the Mayor and then the Mayor and Council as a whole have to approve. If the whole council is not willing to appoint an individual, it is not going to happen. Nielsen asked if there was an up to date job description for the position of City Administrator. Koopman stated that is something that needs to be revised and submitted for approval before anything else could happen and will work on that for the next meeting. All voted in favor of the previous motion.

The Consent Calendar included: Municipal Accounts Payable, Economic Development Authority minutes for December 17, 2010, Firemen's Relief Association minutes for December 4, 2010 and Hospital Advisory Board minutes for December 15, 2010. Motion by Snyder, seconded by Stobb to approve the Consent Calendar as presented. Mayor Peterson asked if the lot rent paid to MEC would be reimbursed from Zielsdorf Auction Service. The bill on that has been sent. All voted in favor of the motion.

Mayor Peterson stated that there were apparently some shower problems in the locker room and with the wrestling tournament in the building, Karl Campbell took his time and people and got the showers working. The school paid for the supplies needed for the repair. Mayor Peterson and the Council thanked them for their help.

Motion by Snyder, seconded by Ferrazzano to adjourn the meeting at 7:50 p.m. All voted in favor of the motion.

February 14, 2011

The regular meeting of the Tracy City council was called to order 6:30 p.m., Monday, February 14, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano and R. Stobb. Absent was C. Snyder. Also present was A. Koopman, City Administrator.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Stobb to approve the minutes for the meeting on January 24, 2011 as presented. All voted in favor of the motion.

Additions to the agenda included: 8C Update on Lagoon Project and 14. A closed session to discuss employee disciplinary action. Motion by Ferrazzano, seconded by Stobb to approve the agenda as revised. All voted in favor of the motion.

There were no Public Comments.

Larry and Bonnie Buysse have requested permission to hook up to the City of Tracy water and sewer lines on the east end of Hollett Street. They are planning to build a new home on private land east of the city limits and would prefer city utilities over a private septic system. Buysse is looking to do this with no expense to the city and is planning to build so it fits in with plans for a possible housing development in that area. He is also open to discussions for annexation. In a memo prepared by City Attorney Nielsen he states that Tracy City Code prohibits extension of sewer service to properties out the City "whether or not in mains owned by the City of Tracy or mains owned by (the) property owners. Unlike the provisions for water service, those for sewer service do not contain an exception allowing a connection if specifically authorized by the City Council. The City Council has no authority to override the specific Code provision involved. Koopman stated that annexation would be a way to resolve the sewer issue or amend the ordinance. The intent of not allowing this is that it has no benefit to the city if the residence is not in the city limits. No taxes would be paid to the city. That is the reason that annexation would be encouraged as the city would then benefit from this. Ferrazzano felt that the ordinance should be amended and consistent that both water and sewer be allowed or neither of them is allowed. He asked Buysse what the time line was for their construction. Buysse commented that they would not be starting construction until August or September 2011. He felt it would be better to work something else out at this point other than a rural system or lift system if there is a possibility of a housing development in this area. He is willing to give to time to development something that would be workable. Mayor Peterson felt this should be presented to the Planning Commission for their opinion. Ferrazzano said he would like to see something worked out and not put any obstacles in the path of people that want to build in the area. Koopman stated that if the ordinance was amended there would be a fee for water and sewer hookup that would be higher than if they were residents of the City. There would also be a monthly water usage fee. Enderson felt this should be considered by the Planning Commission which holds their next meeting on March 7 at 6:00 p.m.

At 6:45 p.m. a public hearing was held on Ordinance No. 311, an ordinance amending the City Charter. This is in reference to amendments made to City Charter Sections 2.06 and 11.04. There were no public comments and the public hearing was closed for Council discussion. Koopman said that the Charter Commission did meet and recommended these changes. Motion by Stobb, seconded by Ferrazzano to adopt an Ordinance Amending the Tracy City Chapter, sections 2.06 and 11.04 to become effective 90 days after passage and publication. All voted in favor of the motion.

Roger Madison, representing the Southwest Minnesota Regional Amateur Sports Commission was present to ask for support for the City of Marshall's request for a local option sales tax for expansion of the MERIT Center. The goal is to add to the existing athletic complex of the Marshall High School and SW MN State University campuses. The expectation is that the activity will bring growth in retail development, including hotels, restaurants and shopping. This will provide more jobs, better amenities for recruitment and retention of employees and reversing out-migration trends would be additional benefits. The next step is to ask the MN. State Legislature for approval for a local option sales tax of .50% and for funding of five million dollars through state bonding. This local option sales tax will require voter approval by Marshall

residents as will a 1.5% hospitality tax increase that has already been approved by the Legislature. Madison is asking the Council to consider a show of support through a written letter or resolution. _____ explained that the mission of the MERIT Center is to provide current, applicable training to emergency response agencies and business/industry for the purpose of strengthening and reinforcing the ability of emergency response agencies to protect their communities and to assist business and industry in meeting and exceeding set safety standards. In 2008 they received a Legislature award of \$300,000 for the Ethanol Training prop (Hazmat tanker simulator) which plans are underway to purchase a prop. There will also be a wind turbine training prop of which AES Wind Generation, Lake Benton has donated a Zon 750 base tower section which has been renovated for training and plans are underway to install. In 2010 they received the Otto Bremer Grant of \$100,000 to be used towards an Ethanol Training Prop and the 2010 Legislature award of \$1,000,000 for land, hand gun shooting range, driving course, classrooms and offices, skid pad, driver training simulators and for public driving education. Motion by Ferrazzano, seconded by Stobb to adopt a resolution of support for the Southwest MN Amateur Sports Commission and Minnesota Emergency Response and Industry Training (Merit) Center Expansions in Marshall, MN. All voted in favor of the motion. (Res. No. 2011-8)

At 6:55 a public hearing was held on Ordinance No. 312, an ordinance vacating a publicly owned utility easement in the Tracy Industrial Park Second Addition. Gervais said this is for a 15-foot wide utility and drainage easement that exists on Lots 3 and 4, Block 1, of the Tracy Industrial Park. The centerline of the easement is the lot line between these lots and hereby vacated. There are no known utilities located here. There being no public comment, the public hearing was closed for Council discussion. Motion by Ferrazzano, seconded by Stobb to adopt an ordinance vacating part of a utility and drainage easement in Tracy Industrial Park Second Addition, City of Tracy, Lyon County, Minnesota to be effective 30 days after passage and publication. All voted in favor of the motion.

Verdeck said the Library Board is requesting a waiver on the bid deposit irregularity for the library renovation project. City Attorney Nielsen did extensive research and concluded that a waiver of the timeliness requirement as to the bid security can be granted if both the Library Board and City Council (both of which must approve the awarding of a contract) deem it appropriate to do so. Motion by Stobb, seconded by Ferrazzano to waive the bid deposit irregularity on this project only as to not set precedence on future projects. All voted in favor of the motion.

Verdeck said the Library Board would like to accept the bid from Dale Johnson III Construction for \$92,734.76. She stated that because of the damages that they had in the building, there is more work to be done than what the bid is. The total cost of everything and Alternate 4 would be \$129,061.50. Dale Johnson said Alt. 4 will be decided once the demolition is done to determine there are no problems in the walls or with the plumbing. Koopman stated that the thing to do would be to accept the bid of \$92,734.76. To remove the card swipe and librarian desk changes would be a change order to reduce the bid by that amount. It has been determined the boiler, heaters and lines were frozen. Initially the plan was to try to unthaw the lines to determine the type of leakage there would be. After further discussion they felt it would be more feasible to replace the old lines with new lines. With the lines being frozen, they have been stressed and they would end up leaking anyway plus the time involved getting them thawed, it would be better to replace them and abandon the old ones. The boiler was installed in 2003 and for future maintenance it would be the thing to do now during the remodeling process. Mayor Peterson asked if anyone had compared what a forced air system versus a steam heat system would cost. Johnson said they would have to duct the entire building. Koopman said the boiler is working. Mayor Peterson felt a forced air system would give a better air conditioning and heating and was curious as to the cost. Johnson stated there is a forced air system in there on the mezzanine that forces through the main building. A new unit would have to be installed for the first floor and try to tie into the air conditioning unit. They would be spending money on systems that they already have. Motion by Ferrazzano, seconded by Enderson to accept the bid of \$92,734.76 for the remodeling of the library building. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to accept the change order with the reduction of \$3,100 from the original bid and adding the additional work for repairs and including Alt. 4 if funds are available. All voted in favor of the motion.

Dale Johnson asked permission from the Council to begin prior to receiving the contract from the City Attorney to get in one hanging units in there to start warming the boiler. There is some ice in the third floor and in the ceiling between the third floor and second floor. They would install a heater to melt that and would also like to go in and insulate the roof system so as not to waste heat out the top of the building. They could start as early as tomorrow to get it dried out so they can access the damage when demolition begins. Motion by Stobb, seconded by Ferrazzano to allow Dale Johnson Construction to start the project prior to signing of the contract. All voted in favor of the motion.

Koopman presented an updated position description for the City Clerk/Administrator position. She said it was mostly grammatical changes that were made and actual content was left pretty much the same as she has worked under for many years. Stobb stated that on the first page the number of employees was stated and with the possibility of this changing, would the number be needed. It was changed to read: "Direct supervisory responsibility over all administrative personnel, department head, building inspector and custodian. ~~(11) 4-salaried and hourly paid.~~ Motion by Enderson, seconded by Ferrazzano to approve the position description for City Clerk/Administrator as revised. All voted in favor of the motion.

Robinson stated they had a land acquisition meeting. The engineers checked with the FAA and FAA has stated the set back has to be one mile from the runway. The FAA could not say no to the project being closer, but they could discontinue funding for the airport. Robinson, S. Robinson and Koopman will be going to Bloomington to meet with Sandy _____, the head of FAA and they will plead their case. If they have to move another mile out, a mile of 42" pipe would be \$80 to \$100 per foot which would be about \$500,000. Robinson stated that S. Robinson had no idea about this. Mayor Peterson stated that what he read and heard today with the federal budget constraints, the FAA is trying to bail out on some of the smaller airports and would use whatever they could to cut funding. Robinson stated with one of his early ideas for the project was to use once of the existing primary cells for an equalization basin for flood waters to go to so they can by-pass into there which is a key component for the lagoon project. Robinson stated that there could be a possibility that the FAA would fund to build further out. He still does not want to lose the equalization. Koopman said another problem with the additional mile of piping is that there is additional piping that needs to be maintained. Stobb asked if there would be any topography issues. Robinson said that going further north and east the elevation comes to an advantage. Stobb felt they should discuss with the FAA that it might not be possible to move further out. Ferrazzano asked that the Council be e-mailed after the meeting with the FAA as to what was decided.

Motion by Stobb, seconded by Enderson to adopt a resolution approving payment to Kue Contractors, Inc. for work completed on the hospital renovation project with the final payment in the amount of \$4,367. All voted in favor of the motion. (Res. No. 2011-9)

The Consent Calendar included: Municipal Accounts Payable, Multi-Purpose Center minutes for December 28, 2011, Economic Development Authority minutes for January 7 & 21, 2011, Monthly Financial Report and Planning Commission minutes for November 1, 2010. Mayor Peterson questioned if under Travel and Conferences, if it was absolutely necessary to send two people to the MCFOA conference. The agenda was reviewed by the Council. Ferrazzano felt it was worthwhile to go to the conference and if two people go, more of the sessions can be attended. Motion by Ferrazzano, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Mayor Peterson received a note from Dale Klein dated February 4, 2011 stating he will not be seeking another term on the Cemetery Commission but will still be available to help with any cemetery projects.

Motion by Stobb, seconded by Ferrazzano to adjourn the regular meeting at 7:15 p.m. to go into closed session regarding possible disciplinary action on an employee. All voted in favor of the motion.

February 28, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, February 28, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Enderson to approve the minutes for the meeting on February 14, 2011 as presented. All voted in favor of the motion.

An addition to the agenda was 6C Request for annexation: Wheels Across the Prairie Museum. Motion by Stobb, seconded by Snyder to approve the agenda as revised. All voted in favor of the motion.

There were no Public Comments.

The Chamber Board has requested that the City Council approve a payment of \$55.84 to the Chamber for the City's portion of the 2010 replacement light bulbs for the Christmas decorations. In the past Tracy Area Chamber has paid for the replacement light bulbs for the old decorations put up on the street lights. When new decorations were purchased the Chamber helped pay for them, along with the City and the Tracy Revitalization Committee. Val Lubben, Tracy Area Chamber Director also requested that in the future, bills like this can be evenly divided between the City and the Chamber and made payable directly to the company, by each one. Motion by Snyder, seconded by Ferrazzano to approve payment of \$55.84 for the City's portion of the replacement of the light bulbs and half the cost of any future costs for maintenance of the new decorations. All voted in favor of the motion.

Board and Commission appointments were made.

Motion by Enderson, seconded by Stobb to appoint Allen Haney and Richard Boerboom to the Planning Commission with terms expiring in 2015. All voted in favor of the motion.

Motion by Stobb, seconded by Snyder to appoint Loretta Gervais as the Currie Representative to the Hospital Community Board with a term to expire in 2014. All voted in favor of the motion.

Motion by Stobb, seconded by Enderson to appoint Wilmar Engel to the H.R.A. Board with a term to expire in 2016. All voted in favor of the motion.

Motion by Enderson, seconded by Stobb to appoint Richard Boerboom to the E.D.A. Board with a term to expire in 2016. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Snyder to appoint Eugene Hook, Peggi Peterson and Glenda Johnson to the Charter Commission with terms to expire in 2015. All voted in favor of the motion.

Because there were more applicants than openings for the Library Board, Cemetery Commission, Multi Purpose Center Board and Police Commission, Mayor Peterson and Councilman Ferrazzano will do interviews to fill those positions. A time and date will be set up.

A letter from the Wheels Across the Prairie Museum was received requesting annexing the Museum property into the City of Tracy. Mayor Peterson stated that he is not opposed to this request but would like more information regarding the annexing procedure. It was the consensus of the Council to have Koopman obtain more information to move forward with this request and report back at the next Council meeting.

Verdeck stated that she met with library directors from Marshall and Minneota on January 22. They discussed working together to promote each other's programs, problems that the libraries have with the computer system that is used, the proposed "new" system that is being looked into and different building projects that are underway. They plan on meeting each month. On February 2 she met with Megan Gernentz from USDA and paperwork was started for an

equipment grant. If the expected funds are received, the grant will cover 15 to 35% of the cost of two electronic door openers (for the front entry) and for the lift. They should know by the end of March if funds have come through. The library did a "sample week" at the library February 7-12. They had 307 patrons of which 74 used the computers. Of the 74 there were 4 who needed help with computer operations and 25 reference questions. There are 4 sample weeks a year to help fill out the annual report. The Minneapolis Guitar Quartet will play at the library on Saturday, March 5th at 10 am. This performance will be funded by the Legacy Grant.

Chief Hillger asked for any questions regarding the police activity report. Hillger stated that he has been researching vehicles to replace the Dodge Durango which is scheduled to be decommissioned this year. The Durango is still serviceable but is a 2004 model which was purchased new in 2005. They have been working on a six year rotation of the police vehicles. The exception was the Dodge Intrepid which was replaced in 2006 due to it becoming too costly to keep repairing it. The Durango has close to 140,000 miles on it and most of them are "city" miles. The Police Dept. has joined the MN co-operative purchasing venture, which allows the department to purchase vehicles and equipment off the "state bids". Hillger stated that \$8,500 is set aside each year and the balance is at about \$25,000. Other agencies have said to stay away from the Impalas as they have been a maintenance headache. This is the last year for the Crown Vics and Ford is coming out with new specialty vehicles. Hillger stated that the benefit of having a pick up would be in instances where they need to pick up a dog and now it has to go in the backseat and it gets muddy and snowy, etc. If they got a pick-up he would envision getting a topper and putting a kennel back there to carry animals around. Enderson said it would be beneficial to have fuel economy on the vehicles also to compare and feels they should stick with four wheel drive. Koopman asked about the maintenance on the vehicles he had listed if one was ranked higher than the other. Hillger said the Crown Vic police package is pretty much maintenance free and does not know if the Ford pickup would be comparable. Snyder felt that Hillger should check with his colleagues as to what vehicle would be the best. He would narrow it down to the F-150 or the Sierra. Hillger said the sheriff's department is running with two Rams. Hillger stated that he did talk to Dale Johnson Jr. about purchasing the vehicle through Salmon's. They said there is a possibility they could do that and if the cost is reasonable enough, he feels it would be the decent thing to do. Stobb asked if this list was all the vehicles that were included in the state bid. There were some bigger vehicles that were cost prohibited and Hillger had deleted them. Hillger stated that Ford is coming out with two vehicles that are going to be exclusively police vehicles. One is built on a Taurus frame and one on the Explorer frame. Mayor Peterson suggested that he discuss this with the other officers and see what they would like. Stobb suggested that they decide what type of vehicle they would like and bring their recommendation back to the Council. It was the consensus of the Council to do it this way.

Gervais reported the north units of the Orchard Lane town homes are nearing completion and they are working on the punch list items. Clint and Margaret Peterson have moved in into the north unit and they have a temporary certificate of occupancy for that till June 1, 2011. On the south units the trim is being installed and carpet will follow that and then they will go through the punch list on that unit. Outside work, landscaping and driveway will be done once the frost is out of the ground. Gervais feels they should wait on the seeding of the lawn until September rather than try to plant grass in June and water it all summer. They will be planning an open house in the next few weeks. There is one two bedroom unit that someone had put a deposit down on and has now backed out. There is a waiting list and he is in the process of contacting those people. The EDA received a quote on the Buysse property for \$1,900 and the EDA has decided to wait at this point to move forward but are still interested in working with them to acquire some property. The EDA would like to see the demand first and the sewer project will have some effect on the project as well. They have a meeting with the dentist on Friday to start putting some hard numbers to the financial options that are out there. They are still waiting on three covenant waivers yet to be completed out there. The Hoflock property Nielsen got the contract for deed recorded with the EDA and Kevin Hoflock and is now able to move forward with Jeff Ellingson and working out a contract with him. The closing with Dale Johnson III will be this week on the former Premium Plant Services building. The final application for the CDBG has been submitted and should get some type of response in the next four to five weeks. He is getting inquiries each week from residents wondering when the funds would be available and they could fix their homes. There will be a public meeting to inform the public what they need to do and how the process works. Stobb asked if the Council need to approve the sale of the South Street property. Gervais did not feel that they needed to since it is the EDA. They will use those funds to pay down the loan with O'Brien Court to pay that off. Gervais said there were

three years left on the O'Brien Court note and they should be able to pay that off shortly. He stated there is only about two or three years left on the 3rd Street East note as well. Once those are paid off it will be a nice revenue stream for the EDA and the City.

Robinson reported that the department has made 21 snow removal runs this snow season. On a daily basis they have been widening streets and making repairs to equipment. He feels that the snow removal crew has performed very well this year. He stated the snow removal crew has performed really well this year. Homer Dobson also complimented the crew on the good job of snow removal at the airport.

A water main break was repaired at the intersection of 4th Street and South Street. In the process of repairing this water main they had to remove the storm sewer catch basin structure and a portion of the storm pipe. The storm sewer catch basin structure and piping will be replaced in the spring and until it is replaced water will pond in this corner of the intersection. Robinson said he finished work with a FEMA representative last week concerning the September flooding event. Sahlstrom was hired to pen a plugged transfer pipe at the ponds because the City's jet-vac truck would not work because of the size of the structure. He generated a response letter to MPCA concerning a bypass event.

In February Robinson and S. Robinson met with FAA officials Sandy Depotty and Kandice Krull to discuss the one-mile setback imposed by FAA for the new wastewater ponds. They explained the wastewater situation, provided maps of proposed locations and talked about the added expense of piping and maintenance if we should have to go a mile further out than planned. Depotty stated the reason for the one mile set back is waterfowl bird strikes by planes, mainly geese. She said that if the City was to go ahead and build within the one mile setback that the City would for sure lose future funding for the airport. Depotty and Krull stated that the City could possibly build within the one mile setback if USDA Wildlife biologist generates a report to FAA stating that the ponds would not create a wildlife problem for the airport. Depotty provided Robinson with contact information for the USDA wildlife biologist office in St. Paul. Robinson and S. Robinson then went to St. Paul to meet with USDA Wildlife Biologist Alan Schumacher and they explained their situation. Schumacher explained that large bodies of water such as wastewater ponds can attract geese but it can depend on the flyway route in our area. He provided two scenarios of study which the FAA would require. One study would be a Wildlife Hazard Assessment which is a yearlong study of the wildlife patterns in the airport area. The second study called a "site visit/site assessment study" could be completed in a month or so and involve a site visit and a desktop study. These studies would have to be funded by the city. Schumacher also commented as to the design of the ponds, meaning periods of open water, and areas of short mowed grass next to the rip-rap. Robinson said that he did tour a pond with no grass between the dyke roads and rip-rap. Typically wastewater ponds in this area freeze up the end of November or first part of December and the geese do not stop at the ponds. But if the City would aerate the ponds as a secondary type of treatment then the ponds would have some open water all winter which could attract waterfowl. Now they will have to wait for a response from USDA as to which study the City would need before they can continue with contacting land owners. This issue has caused a setback in the wastewater project timeline developed in 2010.

Robinson said that normal wastewater flows in January through February are 250,000 gallons per day and last week's warm spell brought it up to 900,000 gallons per day. If they hit 1,100,000 gallons per day this would cause a bypass situation. It is very unusual to be in this situation in February but the ground is saturated along with record snow pack and many residents have said their sump pumps are frequently running this winter. Robinson has put notices in the newspaper for the next three weeks concerning sump pumps. It is important for residents to discharge their clear water outside if at all possible.

Public works has been opening the cemetery roads on an as needed basis.

Robinson reported that he has received two separate letters from FAA with one concerning snow removal at the airport this winter as they are required a set distance from the runway lights and a set distance from the ends of the runway and taxiway. The next letter confirmed that the City does qualify for a 70%/30% funding for a fuel card reader system up to \$15,000. If the City would decide to install the card reader they would be responsible for 30% of \$15,000 of which there has been no funds budgeted for this.

In the 2011 equipment replacement depreciation schedule we have a two-way snowplow and park mower due for replacement with a budgeted amount of \$41,000 as outlined in the capitol improvement budget. After discussion Robinson and DeSmith recommended replacing the yellow one-way plow with a two way fluted plow which would do a more efficient job of plowing. They would then keep the 2001 325D Toro park mower and buy a used Toro 325D 4WD mower. The reason behind this is that the 2001 Toro is still in good condition and has been a low maintenance machine. The 2004 John Deere parks mower with broom has been challenging to maintain monetarily. They would use the John Deere with the broom and not mow with it.

New Two way plow	\$16,000
Used 325D Toro	\$15,000
Total	\$31,000 instead of \$41,000 with a saving of \$10,000

Ferrazzano felt it would be worth looking into. Stobb felt they should solicit quotes on the machines. It was the consensus to go ahead and get quotes for replacement machines.

Robinson said that many of the Funbrellas at the pool are in need of repair or replacement. The price quite from Anchor Industries for replacement is \$1,534 each and there are nine total Funbrellas. Robinson has not had time to take a Funbrellas to repair shop to see what it would cost to repair instead of replace. Enderson felt they should try to get quotes from other companies. Stobb suggested they get a quote on repair before replacing them. Robinson will seek quotes on repairing and replacing them.

Robinson and Daniels re-plumbed and repaired a broken roof drain piping system up in the attic of the liquor store as there was a substantial amount of water coming into the on-sale part of the store. Normally they would do this type of repair but it was an emergency type repair. They found that the insulation in ½ the ceiling of the liquor store attic was soaking wet from the leak and should be removed. Robinson has asked Dale Johnson III to put together a price quote for removal and re-insulating and to deliver it to Radke.

Robinson said he did spend time last month with the new library building project.

There is a concern of possible spring flooding issues for the residents on Highline Road. It is not the responsibility of the City but he suggested to one homeowner to contact the county to have the ditches cleaned of snow so water could flow. They have cleaned the ditches from the south house and going to the south but they need to clean the ditches going north also to prevent flooding problems.

Robinson reported the final 2010 budget numbers. Mayor Peterson asked how the snow budget is. Robinson said that he does not have the numbers for that yet but it will probably effect the part time budget for the rest of the year. It appears the fuel contract with CHS has been working well so far. They have been working hard on snow removal and the bi-directional getting worse and will need major repairs in the spring.

Streets and Parks	99.06%
Utilities	90.57%

Enderson asked if the liquor store drain repairs are permanent. Robinson said this is not a permanent fix. Apparently at one time there was an apartment above the liquor store. This was removed and the roof is flat. There is a catch basin and the water goes to the south end where it freezes and causes the pipe to break. It will have to be permanently fixed before the insulation is replaced.

Koopman reported the month of January included preparation for and attendance for two City Council meetings, Library Board and Hospital Advisory Board. She stated with the reduced budget deficit now being at \$5 billion versus \$6.2 billion, it should make it easier for the legislature to balance the budget, however, there are still no guarantees with regards to LGA. Both the CGMC and MAOSC do a wonderful job of keeping us informed on the status of any bills that may impact cities. She will continue to monitor bills and report any changes.

The proposed residential parking ordinance was reviewed. Koopman said this was drafted by Nielsen with changes as recommended by the Planning Commission. This is the final format.

The Planning Commission has spent a considerable amount of time on the development of this ordinance and it should be allowed for a public hearing. Stobb agreed that it should be made public. Koopman said they would publish a clean copy on the newspaper to give everyone a chance to read it. Enderson said the only comments he has received from the public are those that are opposed to it. Stobb has not had many people contact him, but those that have are in favor of the ordinance. Many of those live close to problems that this ordinance would eliminate. Mayor Peterson felt there was a different route that could be taken to eliminate specific problems and the scope of this ordinance is too wide. Stobb said it would not be possible to spot zone or spot regulate. Enderson personally does not like the ordinance as it dictates where and what you are allowed to park. Ferrazzano commented that ordinances are developed all the time that they have to follow. Motion by Ferrazzano, seconded by Stobb to waive the first reading and set a public hearing on March 28, 2011 at 6:45 p.m. and to have the clean copy published in the paper three times. All voted in favor of the motion.

The Consent Calendar included: Municipal Accounts Payable, Economic Development Minutes for February 4, 2011, 2009-2011 Compliance Orders, Multi-Purpose Center Board Minutes for January 25, 2011 and Library Board Minutes for February 8, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. Mayor Ferrazzano asked what the status was on the Compliance orders of those that have gone to court. Nielsen stated that property at 79 1st Street is still in the court process. The owner stated that they have no money to make repairs. They were to get estimates and submit a report every 45 days and set money aside to do what they could. The property at 187 4th Street there was a four or five step plan developed for repairs. The main problem with this property is the north side foundation as deteriorated and the first two steps were to put in footings and a new foundation. The first step was late but worked out okay. The second step has not been met and the owner's attorney was not able to get information from his client and this will have to go back to court. At 78 Morgan the garage needed repairs. The owner is unsure if they are going to repair it or move it from the property. All voted in favor of the previous motion to approve the Consent Calendar.

Stobb had a resident contact him that was concerned about the Council waiving the bid bond on the library project but he assured them there would be a performance bond in place and Stobb wanted to confirm that. Nielsen stated that the performance bond was part of the contract. Mayor Peterson stated that they did not waive the bond; he just did not have it there the day of bids. Koopman said the contractor did pay the bond fee. Nielsen stated that since this project was over \$75,000 there is no option on a long term basis to waive the performance and payment bond that is required.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 7:40 p.m. All voted in favor of the motion.

March 14, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, March 14, 2011 in the Council chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Snyder to approve the minutes for the meeting on February 28, 2011 as presented. All voted in favor of the motion.

An addition to the agenda included 9A – Water Main Break – R. Robinson. Motion by Enderson, seconded by Ferrazzano to approve the agenda as amended. All voted in favor of the motion.

There were no Public Comments.

Val Lubben, Chamber of Commerce Director said the Chamber is preparing for the Tracy Area Sportsmen's Show and Tracy Area sportsmen's Car, Pickup and Motorcycle Show. The dates for the show are April 16 – 17, 2011. Because the shows will be downtown again, the Chamber and the Sportsmen's Show Committee are requesting the assistance of the City of Tracy and asking for the following streets to be closed during the show:

Morgan Street from Third Street to be closed on Friday April 15, from 8 a.m. until Sunday, April 17, at 5 p.m.

Third Street from South Street to the alley south of Minnwest Bank South on Saturday, April 16 starting at 7 a.m. until 5 p.m.

The Chamber is also requesting permission to use the parking lot across from the Municipal Building for vendor tents. Motion by Ferrazzano, seconded by Snyder to grant permission for the request for street closures and use of parking lot for the Sportsmen's show. All voted in favor of the motion.

Lubben also stated that vendors have asked for wireless internet in the gym. Stobb felt there may be a security issue. Ferrazzano stated the vendors would have to bring their own router as there is no free WiFi in the gym.

Cookie Cooreman requested that the Council consider reducing the fee for the use of the gym for the Prairie Women's Expo from \$500 to \$250. This year will be the 5th anniversary for the Expo. This year they are full as far as vendors and some have requested more than one booth. Leon Mumm was also requesting that the council consider reducing the fees for the Sportsmen's Show. Motion by Ferrazzano seconded by Enderson to reduce the rental fee for the VMC from \$500 to \$250 for the Tracy Area Sportsman Show. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to appoint Carole Snyder to the Hospital Advisory Board as the Milroy representative. All voted in favor of the motion.

Motion by Stobb, seconded by Enderson to appoint Sherry Spencer for a four year term and Sue Ann Moyars for a five year term to the Cemetery Commission. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to appoint Lois Johnson and Deb Ohman to the Multi-Purpose Center Board with terms to expire in 2014. All voted in favor of the motion.

Motion by Enderson, seconded by Stobb to appoint Shawna Davis with a term to expire in 2014 to the Police Commission. All voted in favor of the motion. Shawna Davis also agreed to take the 4th vacancy on the Charter Commission. Motion by Snyder, seconded by Stobb to appoint Shawna Davis to the Charter Commission. All voted in favor of the motion.

Motion by Stobb, seconded by Enderson to appoint Sue Ann Moyar to the Planning Commission with a term to expire in 2012. All voted in favor of the motion.

One more applicant will be interviewed for the Library Board before appointments will be made.

It was the consensus of the Council to appoint a Council liaison to boards and commissions that do not have council presentation. Enderson was appointed to the Cemetery Commission, Ferrazzano was appointed to the Library Board and Enderson was appointed to the Liquor Committee.

Nielsen stated that before the Wheels Museum property could be annexed into the City, there are some issues that need to be discussed and information provided before they can proceed with this. A legal description of the property will need to be provided. At one time the possibility of annexing the compost site was discussed and if the Wheels property and the compost site property were adjacent, they could be annexed at the same time. Nielsen said other considerations that need to be taken into account is that the Wheels property does not pay taxes and the City would be taking on some financial burdens and chances of getting any tax revenue from the property would be very unlikely. Also the city could be burdened with police and fire protection. There may also be financial burdens for the City as far as providing city utilities to the property and how far away utilities would have to be installed. If the compost site was annexed into the City, ordinances would need to be developed for the compost site. It was the consensus of the Council to proceed forward and Nielsen will provide progress reports.

At their last meeting the Planning Commission discussed sewer hook-up for non-residents. They discussed establishing a hook up fee that would be fair and comparable to what City residents paid for sewer service. A fee was suggested because we cannot assess property outside the city limits. The most recent sanitary sewer that has been installed and assessed back to the benefiting property owners was installed in 1992. The Commission was informed that the assessment equaled \$3,000 per property owner, but after further investigation it was found to be \$2,000. The Commission also recognized that with inflation over the past 19 years, the cost of a sewer could exceed \$3,000. The Planning Commission is recommending to amend the ordinance allowing non-residents to hook up to the City's sanitary sewer with verbiage similar to the water ordinance, and establish a hook up fee of \$3,000 with language in the ordinance stating that the amount of the hook-up fee be credited against any future assessment for sanitary sewer after annexation. The Buysse's have agreed to these terms. Enderson stated that he voted against changing the ordinance and part of the reason for that is that it probably took many years to set up the ordinance not allowing non-residents to hook up to the City's sewer system. Those non-residents cannot be assessed. There are residents along Highline Road that cannot hook up to the City's sewer system. He is against changing the ordinance and setting precedence. The City is looking at a possible \$16 million project in the future and the tax payers are going to have to be assessed to pay for that. Mayor Peterson asked if the Planning Commission took into consideration other factors such as the close proximity and expectations for fire coverage, police coverage, snow removal and other services provided by the City. Koopman stated the placement of Buysse's new home would coincide with the existing lay of the land and want it placed in a manner that if there is further development, it would fall in place with that as well. She does not believe that they are expecting other city services. She said the majority of the Planning Commission did recommend that the ordinance be amended and a \$3,000 hook-up fee be charged. Nielsen clarified that the \$2,000 was assessed on a property within the city limits. This property will not be in the city limits and may never be within the city limits and then would not be assessed in the future. Nielsen stated that when the water service was extended on Highline Road that resident did pay for monthly water usage. Koopman said this is not an extension of the sewer main; the Buysse's are extending their service line into the main that is there. The future assessment would only be if the property is annexed and developed at which time a sewer main would be installed. Stobb stated that it would be the responsibility of the Buysse's for maintenance of their service line and there would be something in the ordinance about sewer charges. He feels they would be setting precedence. Enderson said that he also has a problem with it in regards to the infrastructure project coming up and if the street would have to be repaired, it would be assessed to property owners but the Buysse's would not be. Nielsen said they would be using that street to connect to their drive way. Nielsen said that the Buysse's will be hooking up to a main that other people have already paid special assessments towards having that installed and now will have a customer that will not pay anything to use that infrastructure that others have already paid for. Koopman felt that in the future if the sanitary sewer is extended, the \$3,000 would not cover the assessment to that property and they would be paying the difference. Nielsen said the Council should also consider that there are rules in the City Code that pertain to inspecting water meters, putting in curb stops and if this would occur on property

that is not within the city limits, those rules are not going to apply. He feels this could be put on a contract type basis and if the Council states in the contract that they will abide by city rules in regards to installation of water systems, inspections and putting in a curb stop, etc. so the City has that protection for the integrity of the water system. Ferrazzano asked what needs to happen for annexation. He stated that if the property owner would want to hook in, they could be annexed into the city. Nielsen stated the method they have looked at so far called orderly annexation, requires working with the township. If that property becomes part of the city, it will no longer be part of the township. He is not sure there is a way if all property owners on a piece of property want to be annexed if that can happen or without the consent of the township. There are two other procedures where property can be annexed and there is a possibility on one of those that it can be done without the consent of the township but they still have to be notified and they could object. Enderson said that by setting a precedence so the other non-residents will have to be allowed to hook up also and they are not going to be paying for the new infrastructure either and feels the ordinance that is there is for a reason. Ferrazzano stated that he likes giving deference to what the particular commissions recommend because that is why they are there. Nielsen questioned if this is within the scope of duties of the Planning Commission. Ferrazzano stated that if they agree with the recommendation and change the ordinance but does agree with the \$3,000 because it was based on someone that was in town and got hooked up. At this time they could not allow them to hook up for \$3,000 because the ordinance has to be changed first and that will not happen tonight. If they want to explore if the Planning Commission can make this recommendation and if it is entirely up to the Council to amend the ordinance that would be a different debate. Stobb stated that in the end he would like to see the Buysse's be able to hook up to the sewer and Nielsen has brought up some good points about having access to shut off services and inspect meters. Nielsen felt that if the Council is not inclined to change the ordinance then talking about costs and other issues is a waste of time. The Council needs to decide if they are willing to change the City Code to allow for the possibility going forward with the idea that out of town properties can be allowed to hook-up with whatever conditions the Council sets, that is the first question. Mayor Peterson asked if anyone has received any input from the public as to how they feel about it. He had discussed it with a couple residents and they have pretty much said the same thing that Enderson has as to the lagoon project and how this would not contribute to it. Enderson stated that the Council is elected to do what suits the residents. Ferrazzano felt that they are elected to do what is in the best interest of the City and one thing is even though they are not building a house in town, he does not want to discourage anyone from construction in town or bordering town. If that is discouraged, they don't have to build there and does not want to put obstacles in their path. They end up spending their money in town at the businesses. Ferrazzano feels it is a concession that it given to improve the town and even though you can't put a dollar amount on that they will not be assessed when there are projects. If one incentive for them to build close to town is to hook up to the sewer, he does not want to discourage anyone from doing that. Enderson stated that he is still against setting precedence to other non-residents that can hook up and not pay for the system that will have to be constructed in the future. Stobb stated that he was in favor of allowing them to hook up and changing the ordinance but feels that they need something worded more inclusively and more carefully than what they have so far. Then some of those aspects that they are concerned about can be covered. Nielsen stated that when the question first came to him, was the idea that you can't special assess a resident outside the city, but again this is a kind of contractual issue to some extent and terms are being worked out between the City and the property owner and one of those terms could be that in place of the hook up fee, they could agree to pay what that property would have been specially assessed for if it had been in the City. Enderson asked if something like that could be binding. Nielsen felt that it could as a contract as they did not pay the assessment, services could be discontinued. The ordinance would still need to be amended. Stobb agreed that a lot of work was put into developing the ordinance and why it was developed, but a contract would alleviate a lot of those reasons. Mayor Peterson felt it was something that could be looked into. Mayor Ferrazzano asked Nielsen if this is something that should be referred back to the Planning Commission or something that the Council should move forward with. Nielsen does not know how it got in front of the Planning Commission in the first place and assumes that somewhere there are some criteria as to what issues they review and what issues they do not review. The Planning Commission did take this issue into consideration and listen to the property owners and put some effort into understand the situation and the different aspect of things. Ferrazzano felt the Council should proceed with this issue, table it until the next meeting and allow Nielsen to draft something contractually that could address some of the concerns that the Council. Motion by Ferrazzano, seconded by Snyder to waive the first reading and set a public hearing for March 28, 2011 at 6:35 p.m. for discussion to possibly change the

ordinance to allow non-residents to hook up to the City sewer system. Upon roll call the following vote was recorded with Enderson voting nay and Mayor Peterson, Ferrazzano, Stobb and Snyder voting aye. Motion carries.

State law requires contractors to be lead certified if they are doing any type of construction or remodeling on homes built prior to 1978 to protect homeowners and themselves from being exposed to lead. Koopman explained that the building permit application will ask if the resident was built before 1978 and if so, a fee will be charged. This will not be charged on home constructed after 1978 or any new construction. Motion by Ferrazzano, seconded by Stobb to adopt a resolution establishing a \$5.00 fee to be added to the building permit fee for verification of the contractor's lead certification. All voted in favor of the motion. (Res. No. 2011-10)

Robinson reported a water main break in the alley south of Emory and north of Rowland. It is a two block area just east of the park. This alley is very narrow and this main was installed in a 1911 project. There was a creek bed that ran through there and the main is 14 feet in the ground. This is a four inch cast iron main from 1911 and this has been fixed five times along this stretch. In very poor condition and very dangerous and looking at the pictures provided, the trench box is only half way up the wall. The soils are very unstable there and cave in easily. It takes an excavator to do the job properly. Robinson stated that it is very dangerous and someone is going to get seriously injured or killed. This main broke at 2 am Saturday night and they got done with repairs on Monday 2:30 a.m. They do have the main throttled down and the valves in the area are only open enough for the residents to have water. If they open it completely, the pressure will cause another break. Even where the main was repaired, it is cracked and will break again in the future. It needs to be replaced. Robinson explained that methods of replacement in this situation normally would be to cut it, take excavator or back-hoe and dig through it. The problem here is the alley is so narrow and there are so many utilities there is no place to put that. Robinson said they could bore the main in and then dig a hole to connect the service lines. There are 23 services along this two block stretch. If the main was bored in, it would be raised up to the six foot level which is typical for water mains. If the main is bored in, the funds would come from the surcharge fund. It would take about three to seven days to accomplish and the homes along the main would get temporary services. A two inch line would be run across the lawns which has been disinfected and then hooked to a fire hydrant. Robinson talked with contractors today without being here and construction locates the cost would be about \$40,000 per block. Robinson stated that a lot of the service lines that are attached to that main are so deep that they may have to run a service line quite a ways into their yards because you would not go that deep to retrieve their present line. He said that most of the curb stops work, but with everything being so deep, in a situation like this, new curb stops would be installed. Robinson said that as soon as the frost is out, they will have to replace this line because at this time they are very limited on pressure for the area. Koopman said that the pictures do not do the situation justice and it is suicide and those employees should not be working at that depth without protection. She agrees with Robinson that this is not normally how you do a project, but this is a situation where there is no choice but to put in a new main. Robinson stated there is one block on 5th Street that was also a 1911 version. This is from Morgan to South and there have been multiple breaks in that area. The reason to look at boring for that one is because that main is outside the curb line on the left side of the street into the grass. This could be bored and not disturb the street. The north end up by Highway 14 there are breaks there but those are not as high priority because this one is wide enough and can make the holes bigger and safer. There are three blocks on Morgan that also has many breaks, but that can possibly wait till they see what will happen with the storm sewer project and I & I projects. Robinson said the 5th Street area had fill put on top of it and the main is at 10 feet. Nielsen asked if they could assess back for some of this cost. Koopman said not if the main is already in place and those residents already have service and the property has been assessed once already for it. Nielsen stated that if this was installed in 1911, what does the code say for the length of service for a water line and should be less than 100 years. Koopman said if it is a new development, it can be assessed and if there is a previous water line in there, then they do not assess. Ferrazzano suggested that they get hard quotes for the repair of the two blocks in the alley and bring it back for a vote at the next meeting. Stobb asked if there are any upcoming street projects on 5th Street. Robinson said they have not because of the upcoming pond project. Nielsen asked if the pond project would affect this line in back of Park Street. Robinson said that it would not and what could affect it would be they were looking at a new sewer trunk main going north on Park Street up to Emory, east on Emory, north on Center to Hollett, east on Hollett to 2nd Street East. The only place the two lines would come in contact would be on Emory at some point. They

would bore in a six inch line to replace the present four inch line. At the present time there is \$204,675 in the surcharge fund. Ferrazzano asked if they should include the area on 5th Street also. Mayor Peterson suggested that they get some hard numbers on the alley and have them quote on the 5th Street and the Council can discuss this again at the next meeting. Stobb asked if because the alley is so narrow if it would increase the cost for doing that part. Robinson said the expense with boring is when they have to stop and hook up service lines. This alley could cost a bit more because of the all the utilities and telecommunications lines and there will have to be some hand digging done. Nielsen asked if a bidding process was considered. Robinson what can happen with that, if it was engineered and went to bidding process, the city would end up with a map and set of plans. If you hire a reputable company and it is just done, you have no record except your own hand drawn maps. Robinson told the Council they could do a one sheet plan where the engineering firm draws up a simple sheet plan and simple bidding process. If this is done, there is a file and exact locations for the other services. Robinson suggested that they do a very simple engineered plan and will get a quote on that. Snyder felt it would be a benefit to have it mapped. Robinson will get hard quotes on the boring and one sheet plan and present them at the next meeting.

Robinson said they will get at pot hole repair as soon as they get dried out.

Mayor Peterson stated that he got about three calls today from residents in the water main break area with compliments as how well they handled the repair.

The Consent Calendar included: Planning Commission minutes for February 7, 2011, Hospital Board minutes for January 19, 2011, Firemen's Relief Association minutes for January 3 and February 7, 2011, Municipal Accounts Payable, Economic Development Authority minutes for February 18, 2011 and Monthly financial Report. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Board of Equalization hearing will be on April 28, 2011 7 pm in the Council Chambers. Koopman said that one trained member is required to be present. It is open to the public to attend. The Charter requires that three Council members be present.

Mayor Peterson had a call that on Union Street, the block between 1st Street and 2nd Street East, there is transformer in the middle of that alley and citizens were concerned because both ends of the alley are blocked with snow. They were concerned if there was a power outage and the reformers needed repair, they would not be able to get it done in the winter. Mayor Peterson provided them with some information to contact Xcel Energy and maybe consider setting one up on either end of the alley. The residents were also concerned that they were not on the widening list. The snow goes so far out that the water is not running in the gutter, but running on their driveways and sidewalks. Robinson stated that the widening blower is broke down and they have been working on it. Robinson stated that with the transformer issue if they would go and remove the snow, the ground is not frozen underneath and they would make a mess of the alley with the large trucks.

Motion by Enderson, seconded by Snyder to adjourn at 7:50 p.m. All voted in favor of the motion.

March 28, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, March 28, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Enderson to approve the minutes for the meeting on March 14, 2010 as presented. All voted in favor of the motion.

An addition to the agenda was 8-C Library Board Appointment. Motion by Stobb, seconded by Ferrazzano to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

At 6:31 p.m. a public hearing was hold on an ordinance regulating water and sewer service to properties out the City of Tracy.

Paul Knoblauch of 312 E. Hollett as a taxpayer in Tracy is opposed to the parking ordinance.

Bill Chukuske of 875 Rowland is in support of the ordinance.

Richard Boerboom of 100 North Street is in support of the ordinance.

Wade Rasmussen of 285 8th Street feels that the Buysse property should be annexed in.

Mayor Peterson read a letter from Joseph Beierman into the record.

Dear Mayor and Council,

I am sorry I can't attend this hearing because of prior commitments. I would like to congratulate Larry and bonnie Buysee on their land purchase and plans of a future home.

As a taxpayer living in Tracy, I think Kurt Enderson is on the right track. I see the City trying to micro manage when it already has policy in place. As for Steve Ferrazzano attempting to remove obstacles for a new home hear Tracy, doesn't help the taxpayer.

The Buysse's are business owners, their business is farming. Farming is as much a business any store front shop on main street. At any given time, Tracy has forty to fifty physical brick and mortar businesses which are being owned or managed by a person residing outside of Tracy city limits. This is their choice; it is the mobile world we live in. I believe Buysse's should choose to live in or out of Tracy, this is their choice. This shouldn't be a matter of Tracy changing its long standing policy.

Sincerely,
Joseph Beierman

Snyder feels that changing the ordinance is a good thing for Tracy.

The public hearing was recessed to hold a public hearing on the proposed parking ordinance.

At 6:45 a public hearing was held on an ordinance regulating placement of certain personal property in residential areas, and of parking and storage of vehicles and trailers.

Larry LaVoy of 451 Adams was concerned about where to park campers. There are some residents that do not have access to the back yard because there is no alley. He is opposed to the parking ordinance.

Gary Garrels of 140 Tracy Street does not feel the Council should tell residents were than can put things.

Sue Ann Moyars of 148 10th Street feels that allowing only four vehicles is somewhat restrictive. She states that there are differences of opinion on issues such as 24 hour parking, storing personnel property and limitations for play houses. She feels that there are some good points in the ordinance that should be considered. Nielsen stated that the existing code allows parking for 24 hours. Residents need to understand the difference between parked and stored.

Barb Vincent of 513 Summitt Avenue was concerned that she has gravel placed on the side of her home where she has vehicles placed and wondered if she was legal.

Jim Regnier of 112 9th Street stated that he has a vacant lot and wants to put a lawnmower on it for sale, can he do that if it is not for 24 hours. He is wondering how long he can leave it there. Nielsen said that since the vacant lot is next to his property, it is not really a vacant lot but a big side yard. Nielsen does not feel that this ordinance would cover that kind of issue. Nielsen stated that if it was left there for months and months, it could be considered that he is storing the vehicle there. Regnier felt the parking on the street is already is confusing. It makes sense for no parking for snow emergencies but if it is blocking something, then the vehicle needs to be ticketed.

John Kelley of 172 E. Morgan Street is against the ordinance as most of it is concerned with parking on driveways. The City is concerned about parking vehicles when the streets look like crap. There are cracks and potholes that need to be taken care of and not worry about someone's camper parked in their yard.

Jamie Durbano of 113 8th Street has a question about parking in driveways. She was told that they cannot park behind another vehicle. She was told that this was not true. She owns a lot on South Street and has a garden there and was wondering if this is included in this ordinance. Nielsen stated the ordinance does not have anything to do with gardens.

Karl Baumann of 1120 Center Street stated that he has heard many times this week that the reason for this ordinance is his property. He had a call stating that it was not because of his property but then later on found that it evidently was. He does park in the front yard out of necessity because when the snow and wind come, it buries him. He is frustrated because there have been two public forums and input was given and it seemed that it was just blown off. He does not have the ability to park on the street due to the bike trail. Baumann felt that the nuisance ordinance was not enforced as much as it could be which would alleviate some problems. When interviewed for the council position he was asked if there was a problem in the community, how he would solve it. His response was that he would have to know the history behind it and how did we get from this point and from this point what has been done. He would like to see what has been done and how many times the nuisance ordinance has been enforced, how many times fines have been levied and this type of thing. The community would have a better idea of what the Council is looking at to come to this conclusion. His son stated that he did not want to buy a house in Tracy if this is the type of issues he will have to deal with. He is concerned that this will push people out of town. He encourages the Council to vote no on this ordinance or let the community vote on it.

Don Jacobs of 550 2nd Street had asked what type of consideration would be given to a house with an apartment and it was brushed off. A regular house pays \$14 for the sewer and he pays \$24 because he has an apartment house. He is being penalized for bringing people into town because he has an apartment house. This was not considered at all in this ordinance and he is totally against it. He feels that this ordinance is taking away the resident's rights as citizens of Tracy.

John Domine of 460 Monroe is against the parking ordinance. It was presented two times before. This will not increase real estate value and jobs are the only thing that increases the value of property. His son would like to purchase a home in Tracy but is waiting to see if this passes or not and if it passes, he will go out of town. He hopes the Council will listen to the people and vote this down.

Wade Rasmussen of 285 8th Street is opposed to this as he has lived here 18 years. He purchased his property and pays taxes and feels that whatever personnel property, as long as it is orderly there should be no problems.

Ron Radke of 101 Elm was visiting his son in Fargo and everything that is decided here gets out on the internet. His son was wondering if he could come home anymore because he does not know if he can park on the street for more than 24 hours.

Larry LaVoy would like to see a show of hands for the individuals that support this ordinance. The indication was that most of the residents present were against it.

Mayor Peterson stated that he received an e-mail from Colleen Nydell in support of the ordinance. E-mails were received from Bob and Kim Bruder, Peggi Peterson, and Joy Yates that were against the ordinance.

RoseMarie Brooks of 70 South Street is against the ordinance. There are some good things in the ordinance but does not feel that an open property should be considered totally front yard. If she had a playhouse, she would be offended if it was removed after 24 hours from the front yard. She brought up a year ago about a referendum and was told that it could not be a referendum and that on the August 10 election, they could or would, take a poll and see who wanted this ordinance and who did not want this ordinance. This was not done. She had attended some Planning Commission meetings for approximately a year and did not like some of the things she saw. She stated that across the street from her is a disaster. She has pictures that the garbage was to the bottom of the roof on the recycling building. Mayor Peterson asked that she keep her comments to the parking ordinance. Brooks feels there are other things that need to be taken care of that are a lot worse. Corner lots were discussed that the sides are both front yards and some lots are small and the residents have very small backyards and the front or the side yards are the only place they can put things.

The public hearing was closed at 7:24 p.m. for further discussion on the ordinance for the sewer extension.

Anderson stated that one thing to consider for non-residents to hook into the sewer is that the taxpayers are the ones paying for the infrastructure. He feels that precedence would be set. Snyder if they pay for their hook up and any assessments for future improvements he does not have a problem with changing the ordinance. Just because it is allowed for one, does not mean that it would apply to all. If they are open to hooking up on the terms of the Council that is fine. Mayor Peterson stated that at this time they do have a term of no hook-up. After discussing this with the public he is looking at in a different light than he did before and does not feel that the existing ordinance has put any obstacles or roadblocks in the way of any new construction. He also feels that there is a reason the ordinances are there and how got they got there. There is a set policy and disappointed that the Planning Commission did not look at it a little deeper. How do you address if that particular sewer line backs up, is the City insurance going to be liable? Where is the liability on that and why was that not addressed? If that line breaks and it is in the middle, is that the City's line because they are hooked to our main and these are issues that need to be brought up and need to be hammered out before an agreement is reached or leave it the way it is. Snyder said that the owner's responsibility is where the line hooks into the main as anyone of the residents. The City is not extending the main; the Buysse's are hooking into the existing main. Anderson questioned with the I&I issues, how they are going to contribute to paying the MPCA fines. Snyder said this was fined for something that was not done, not because of discharging. Anderson felt they were still being fined and it is part of the sewer system. Snyder said that would be covered with the surcharge. Stobb stated that the ordinance allows the Council to negotiate terms by which this services can be provided and can help for new sewer treatment and repairs to the utilities that we know are coming. Anderson feels they should annex and then build. At one time the area north of Highway 14 was outside the city limits and then came in and it took the City years to get the ordinance written the way it is and now it will be changed. Snyder said this is not the first ordinance to be changed. Motion by Snyder, seconded by Stobb to adopt the ordinance regulating water and sewer service to properties outside the City of Tracy. Mayor Peterson stated that for point of reference if this motion passes, it in no way guarantees any sewer hook-up. His other question if the ordinance passes, who is going to be the negotiating party and who gets to approve the negotiating contract. Stobb said the Council is the one that approves all other agreements. Snyder felt that they would come up with a plan and anyone that wants to hook up has to meet the standards. Mayor Peterson stated that when he first got on the Council they were trying to amend an ordinance regarding a water hook up at no charge and needed 100% approval by the Council and he was the only no vote and they did not get the hookup. What would the voting requirements be on this particular ordinance? Nielsen

stated he did not remember any unanimous vote regarding no charge for hook up. Mayor Peterson stated this was for the 4 plexes on Morgan Street. He would have to go back and check the minutes but a unanimous vote was needed for them to hook up at no charge. Nielsen stated that he does not remember it being unanimous and remembers there being something in the City Code that states the rules by which hook up can be done and if there are special circumstances that dictate a change, the Council could do that. This could have had a unanimous requirement but does not recall that part of it. Mayor Peterson asked if this vote would require unanimous vote or majority. Nielsen stated it would be majority as this is not providing service to anyone in the City; this would be a contractual arrangement. The voting on the contract would also be a majority of three out of five. The contract with the DeSchepper family for water service was signed by the Mayor and City Administrator after the Council approved it. Stobb asked if the contract could be recorded at the courthouse to be attached to the property. Nielsen stated that it should be recorded because if someone else purchases that property in the future, they have notice of that limitation. Upon roll call the following vote was recorded with Ferrazzano, Snyder and Stobb voting aye and Enderson and Mayor Peterson voting nay. Motion carries.

Mayor Peterson referred back to the proposed parking ordinance. Motion by Enderson, seconded by Snyder to permanently kill the ordinance regulating placement of certain personal property in residential areas, and of parking and storage of vehicles and trailers. Snyder expressed respect for all the work the Planning Commission put into developing this ordinance. Stobb commented that there are a hand full of properties in town where there are problems. This ordinance affected too many people and caused too many hardships to residents that are not causing problems. He stated that Enderson had the work permanent in his motion, but if the Planning Commission or someone could come up with a way to affect this handful of properties, he would appreciate it without affecting others. Ferrazzano stated that one thing that did come from this is seeing the public attendance because half the time there is no one here. Ferrazzano also felt that they should not enact this but one thing that did come up and the residents were asking if this should be voted on by the people, whether they wanted it or not. If they would go ahead and do that that would set a precedence that the Council cannot make a decision and need to have residents vote on everything. He is not in favor of putting everything up to a vote by the public; otherwise the Council would not get any of their jobs done. Mayor Peterson echoed Ferrazzano's comments and it is nice to see the residents get involved and it is the best way of getting their voices heard. Nielsen stated that from a legal stand point, a resident vote cannot be done in every case and the Council cannot defer its obligation to make decisions. This does not mean the public is without some "ammunition" or some way to have a personal say about ordinances that they feel very strongly about. Snyder felt that residents communicating their feelings are expressing their votes. Motion carries.

Enderson, the liaison to the Cemetery Commission reported the Cemetery Commission determined there is too much responsibility for one person to handle both the superintendent position and the groundskeeper position. They advertised and received three applications for the superintendent's position. The three candidates were interviewed for the position of Cemetery Superintendent. It was the recommendation of the Commission to hire Bernie Holm for the position. He will use this year to begin the training of someone to take over this position in the future. The compensation for this position will remain the same as the previous contract. No applications were received for the groundskeeper position at the time of the interviews but one may be forthcoming. Enderson agreed with the Commission that Holm would be in the best position to train someone to take over this position in the future and felt that the Commission did an excellent job of interviewing the candidates. Koopman said that one person did pick up a job application for the groundskeeper position but has not returned it yet. Mayor Peterson asked that if the application does not show up and with getting closer to the warmer weather and the grass growing, would the cemetery be ready for Memorial Day weekend. Koopman stated the Cemetery Commission will be meeting March 29 and will be discussing this issue. Stobb asked if the past groundskeeper was interested in applying. Koopman stated that he indicated that he would not be applying. Snyder asked what brought about the separation of the positions. Koopman stated there were maintenance issues this past year and many complaints. It is a lot of responsibility for one person to handle both positions. This was the first year that she had received many complaints and the Commission was out to the Cemetery two to three times, going through things that needed to be done. Snyder was surprised that this is the first time he was aware there was a problems. Koopman felt that it was reflected in the Commission meeting minutes and there were a couple letters to the editor regarding the issues at the cemetery. Stobb asked if the compensation for the superintendent would remain as it was before or after the

merger. Koopman stated that it would be the same as after the merger. Koopman said that the training would be volunteer. Mayor Peterson asked if the other two applicants were made aware that possibility exists or would Holm be finding someone to train. Enderson stated that Holm had someone in mind and will inform the Commission who that person is.

Verdeck asked for any questions on her written report. Seventy-five people enjoyed the music provided by the Minneapolis Guitar Quartet. On April 1 at 7 p.m. there will be another musical guest at the library. Stobb stated that the library minutes indicated there was an individual that would be building the bookcases and desk and was wondering if this person was local. Verdeck stated that he was from Walnut Grove. Mayor Peterson stated that if anyone would like to see some of his work, he built the trophy case in the Sanford Clinic and it is a beautiful piece of work. Stobb asked if the Library Board has decided where the children's section will be located. Verdeck stated that they did not decide as of yet, but it has been mentioned it can be moved. Nielsen asked if the remodeling has gone far enough that people from Minneapolis have been down to check to see how things are progressing. Verdeck stated that they started painting this week and Mr. Jacobson will start on the floor next week. Where the kitchen area was for the Etc. the floor was linoleum and that will be sanded down, varnished and stained. The consultants have not been down since the remodeling started.

Radke reported there was a problem with the roof and temporary repairs have been made. The insulation is wet and needs to be removed so it does not get moldy. Radke has a bid for removal of the insulation at a cost of \$1,160.00 with an additional cost of \$2,756.09 to replace the insulation. This problem has only occurred twice in 60 years that this has happened. Radke's recommendation at this time it to take the insulation out and then get re-insulated before they start the air conditioner. Robinson said that there had been an apartment on the top that has been removed and inside the liquor store there is a false ceiling and up about 30 inches there is another floor and the insulation is lying on top of the old floor with 3 ½ inch batting. Robinson said that is not very much and code is 38 which is 16 to 18 inches of blow in. Snyder asked if there was some way the pipe could be angled more so that it would drain quicker. Robinson said that this time it broke on the elbow of the pipe and this pipe is above the insulation. Radke said that it freezes on the end of the pipe and then backs up and freezes. Snyder suggested that they come up with a plan for repair and get the wet insulation removed. It was the consensus of the Council to have the wet insulation removed. Radke has not decided yet of the bar will be open on Sunday, April 17 for the Sportsman show. He would like to have approval from the Council in case he decides to do this. Motion by Stobb, seconded by Ferrazzano to approve for the liquor store to be open on April 17 for the Sportsman show. All voted in favor of the motion. Radke reported that January and February were not good months financially. March at this point looks to be about the same as last year. There was a liquor committee meeting and increase in prices went into effect last Monday. Radke reported that pull-tab rent is down considerably from approximately \$10,000 down to \$2,400 per year. Enderson asked if Radke felt that raising the prices at this time was a good thing. Radke said that he thought this over and felt that it has to happen. Expenses have to be met and if that cannot be done the overhead has to be controlled. Nielsen felt that most liquor stores in this area are facing the same issues.

Chief Hillger asked if there were any questions regarding the activity report. Hillger stated that at the last meeting the Council had requested fuel economy numbers for the proposed squad cars. He went on fueleconomy.gov and came up with city and highway mileage for each of the vehicles. Ranges for city driving is from 13 mpg to the tops of 18 mpg. The Dodge Ram there was some question on the room in the backseat and he discussed this with Tony Rolling who is an investigator for the County. He does have a Dodge Ram Quad-Cab and one of the other officers is running a Dodge Ram Crew Cab and there is a difference. The crew cab is basically an extended cab with the doors opening the regular way. The back seat would be pretty tight by the time the cage is installed. Hillger does not know if a club cab is listed under any of the state bids. Hillger said he could check with Lockwood's and see what they could do for us. Mayor Peterson if he could get some prices on an Expedition or Tahoe. Chief Hillger stated that under the state bids, they would be above the \$25,500. Under the budget they take out \$8,500 per year for three years. Snyder felt it would be interesting to know what the prices are to know if there is a big difference. Hillger thought the price on the Tahoe was close to \$28,000. Chief Hillger stated that he would hate to go back to not having 4-wheel drive. Stobb asked if the Crown Vic was doing well enough that if they needed to extend its service, they could. Hillger felt they could probably extend the service of the Crown Vic as an option. Hillger stated the Crown Vic is due for replacement next year. Chief Hillger stated that the other officers could run the new

vehicle and he could run the Crown Vic and not put as many miles on the new vehicle that way. The Council recommended that they get some more prices and options. Hillger stated the Durango for all intents and purposes is a Dakota. He is not saying the backseat is ample space but have not had too much problem with it. Enderson stated that on the Durango and a lot of the Chrysler, the windshield is sloped and people comment about the visibility.

Koopman reported that during February in addition to trying to monitor the ever changing bills in the legislature, she also attended the following meetings: two City Council meetings, Planning Commission, Library Board, webinar on the Governor's budget, met with FEMA representative on funding reimbursement on the September 22, 2010 rain event and also attended a two day hospital conference. She also informed the Council on the House and Senate bills. It is looking somewhat promising for the City and basically it looks like the City will get what they have budgeted for which is equal to the amount received last year and if the House bill were to pass, the City would get what is certified for 2011. At this point it looks like the City will be okay.

Motion by Enderson, seconded by Stobb to approve a private bottle club license to the Tracy Eagles Club contingent on payment of fees and submission of paperwork. All voted in favor of the motion.

Motion by Snyder, seconded by Ferrazzano to approve a set-up license for Tracy Lanes contingent on payment of fees and submission of paperwork. All voted in favor of the motion. Mayor Peterson and Ferrazzano met with the final candidate for the Library Board. They selected Rhonda Fredericks and Mary Baskerville. Motion by Snyder, seconded Stobb to appoint Fredericks and Baskerville to the Library Board as recommended. All voted in favor of the motion.

Robinson reported that they again moved snow on March 22 during the day and cleaned up in the downtown area in the evening. In effort to save some money, they are not using the broom as much for the sidewalks downtown. If they do use the broom, they record how many time this is down and how much footage there is and it gets divided out. They typically only go when they are going to do the whole downtown area. Bags of pot hole patch material were purchased and they have filled in some of the worst pot holes with this mix. Bag mix does work but is higher priced and they use that until the asphalt plant in Marshall opens.

Utilities repaired a water main break in the alley between Park Street and Center Street on March 13. They have been bypassing wastewater for over a week now. Both bypass points are open, all lab testing and documentation is being performed to MPCA requirements. As it is getting colder, there is less water running and are close to being able to close the by-pass down at Hollett Street. As it gets warmer, they will again have to by-pass. Their Well Company has performed the annual well inspection on both well #6 and well #7. He and Koopman have had several meeting with the engineers concerning wastewater pond land acquisition, FAA issues and pre-funding determination for the project.

As part of the permit they have to report to MPCA what steps the City is taking to repair the I&I problem. Robinson met with the railroads consulting engineer on site to take elevation shots and determine a plan for the elimination of the railroads I&I. At the cemetery they have been opening the roads of snow as needed. The airport fueling system failed but do have the system operational again. Enderson said that he had bought some fuel and feels that the electrical switch on the pump is not working well and he had to click it about four times before it would work. Robinson said there is some people in the Montevideo area that work on those pumps, but have to come once a year for an inspection and thought he would wait until they come and have it corrected at that time.

Robinson reported that the transmission in the utility truck (brown 1994 Ford) failed and a new transmission has been installed at the city shop. The Loftness snow blower is repaired and running again after being rebuilt twice this year. This coming spring and summer extensive repair work will have to be performed on the city equipment. This will be costly to the equipment repair budget for 2011. The plow truck needs to have the transmission removed and repaired. One plow truck has a bad head gasket and the other plow truck has clutch trouble. The bi-directional tractor needs major engine work.

Robinson is having two Funbrellas from the pool repaired at Maddens in Marshall and the estimated cost is \$200 each. If this works out good then he would recommend they bring the remaining six Funbrellas in for repair also.

On Highline Road the Public Works department removed snow from the ditch with Lyon County permission so snow melt could flow. Robinson feels that this is a County road and the County should be performing this and not the City. Ferrazzano felt that they should be sent a bill. Mayor Peterson felt that by sending a bill, discussion would be initiated. Nielsen asked who is benefiting from the City removing the snow. Robinson said some of those residents are outside the city limits but the residents that benefit the most from this are within the city limits. Nielsen felt that the residents need to get this resolved at the County level. Robinson stated that he will get a bill put together for them and when he did call them, they came down once but did not remove the snow in the right area.

Robinson presented a state bid price of \$16,143 for the snow plowed that they had specked but does not include mounting and plumbing. They checked with Duane DeSmith and he estimated \$1,000 for mounting and Paul DeSmith estimates \$1,000 for plumbing/hydraulics. The total is estimated at \$18,143. This plow has a flute on both ends and they feel they could do a better job in the intersections with a plow like that. Motion by Stobb, seconded by Snyder to approve the purchase of the snow plow as recommended by Robinson. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to adopt a resolution approving Change Order No. 1 for the Multi-Purpose Center kitchen renovation project in the amount of \$1,185 for upgrading the flooring and cabinets. All voted in favor of the motion (Res. No. 2011-11)

Motion by Snyder, seconded by Stobb to approve a Satisfaction of Mortgage executed by Tracy Eagles, FOE Aerie 3918 to the City of Tracy. All voted in favor of the motion.

Mayor Peterson felt that the engineering proposal for the 2011 alley Water Main Improvements was expensive at a cost of \$18,500. He asked if they could go through this project without that expense. Robinson felt that could eliminate the cost of the Geotechnical Report (soil boring). Robinson felt that they did not need the whole 16 hours per week for part time inspection for the estimated construction period of three weeks. He felt that a couple hours a week would be all that would be needed and they can do the rest in house. Mayor Peterson felt this was expensive and does not justify the expense and a map could be drawn out. Robinson said that in the end he needs some type of hard map. Robinson said he would have the proposal redone and come back with revisions at the next Council meeting. Koopman stated that the Council received tonight, the feasibility report. A public hearing would need to be held because this project requires reconnection of the service lines and new curb stops. The property owners are going to be responsible for the curb stops and service and if the council wants to incorporate that into the entire project, this would have to be assessed back to them. An assessment hearing would have to be held. She stated that if the Council wants to proceed with this project the public hearing would have to be held as soon as they could; the Council would be required to accept this report that they just received and call for the hearing which would be held on April 11, 2011. Mayor Peterson asked how this is different from the 8th Street project where they got curb stops put in and were not assessed back. Koopman stated the ordinance has been amended and it was clearly defined who is responsible for what and that is the reason this was brought to the Council now. If the Council wishes, they could choose to not assess. It was revised that the property owner is responsible for the curb stop. Mayor Peterson was for not charging on the curb stops and property owner was responsible all the way out to the line. Robinson stated that in this alley there is a lot of utilities and telecommunications around the curb stops and some are going to be easier than others to install. On this project they want to make sure they have working curb stops. There may be some houses that are tied together now and what Robinson wants at this point is a new water main and working curb stops. Mayor Peterson agrees and is confused as to when they decide what they are going to pay for and for what they are not going to pay for. Robinson stated there was a time that they put in a new section of water main on Rowland and this has gone back and forth several times. Koopman suggested that the Council decide how they want to do it and go that way from now on in. Koopman stated that previously the City owned just the main and now the ordinance states the City owns the lines to the curb stop. Snyder feels that indicates that the City owns the curb stop. Robinson stated the City owns up to the curb stop, but not the curb stop itself but still have the right to operate that valve. Robinson said the curb stop itself costs about \$150 and with this project, some of them are going to be very

difficult to install. This may also vary with the old deep line and some of these lines are going to be coming up at an extreme angle and at some point they are not sure where the new curb stop is going to be connected and may have to go further in the residents lawn to do this because of the depth of the set-up there. Robinson felt they would keep track of the cost of the installation and curb stops and then divide that by the 23 property owners. Enderson felt that it should be changed that the City owns the meters and curb stops. He understands that this would be a cost to the City but the cost is shared by all the residents. Nielsen stated the point that was discussed last week that the City has the surcharge fund. His view is the way the City Code is worded all that should be assessed back to the property owners. That has not been the policy recently on some of the short stretches of repair. Nielsen feels there has been a misunderstanding to the use of the surcharge fund. It states that it is to be used for repair and maintenance. If a waterline does not work and it is so bad that it needs to be replaced, that is equivalent to a street that is so bad that they have to put a new street in. The property owners are assessed for that. The City Code states that all undergrounds are to be specially assessed but the City has not done that in the recent past. Nielsen stated that approximately 20 years ago they specially assessed for a replacement waterline and they have gotten away from that. At some place and time the dollars and cents are going to come home. The City is collecting \$120,000 a year but this does not go very far such as a case like this with 23 homes involved and spending most of the fund right now. If you have a big project that is not going to do that and then why now is the City specially assessing when all along they have not done that. There needs to be a uniform policy so everyone is treated equally. This is a special circumstance that the line is where it is and the depth of it and the congested alley. This repair is an emergency situation, the City Code says this is to be specially assessed but because of these other factors they are not going to assess in this particular case. The Council should decide that and so the next time they do specially assess the property owners that none of the special factors pertain and it will be assessed back to the property owners. Koopman suggested that the Special Assessment ordinance be reviewed. Nielsen said that if they want the Surcharge Fund to pay for more of these expenses the fees need to be increased. Koopman stated that in this project, if they are going to assess a public hearing needs to be held and if not, then a public hearing is not necessary. Ferrazzano feels they should make an exception in this particular case because this is so bad. There are things that are added to the cost that are not the fault of the property owners. Nielsen stated the part that would be assessed in this case is the connection; the lines would be paid from the surcharge fund. Those property owners are not going to get specially assessed for the new line, but assessed back for the reconnecting. Mayor Peterson stated the reason he brought this up is they already done it for a two block repair the Council needs to be more consistent in how it is handled. The assessments are not assessed 100%. Nielsen stated that water lines are to be assessed 100%. Robinson stated that if there is a delinquent bill and they have to dig up, it is then repaired and the cost is assessed to the taxes. On 8th Street there were three customers on one line and one curb stop and the City paid for that. Nielsen stated that is something they have used the surcharge fund as that is benefiting the water department to a greater degree than just replacing a curb stop. Motion by Stobb, seconded by Snyder to adopt a resolution receiving Feasibility Report and calling for a hearing referring to the alley water main improvement projected located in the alley between Rowland and Emory between Park Street and Center Street and the public hearing will be held April 11, 2011 at 6:45. Mayor Peterson asked if accepting the feasibility study, that does not obligates them to the cost of \$18,500. Koopman stated this will be a separate agreement. All voted in favor of the motion.

The LSS Senior Nutrition Program site use agreement was discussed. The fees will be the same as the last agreement. Motion by Snyder, seconded by Stobb to enter into the agreement with LSS for the Senior Nutrition Program Site Use and they agree to reimburse the City for \$2,468 per year of operation. Nielsen stated there were some minor changes made to the last paragraph in past years and they should add that same provision in past years. Motion amended by Snyder to include Nielsen's suggestion. All voted in favor of the motion.

The Consent Calendar included: Municipal Accounts Payable and Economic Development Authority minutes for March 4, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Enderson said that he received a comment from a resident it the City needs a Planning Commission. Nielsen stated that statutorily have to have a Planning Commission to handle the duties that the Statute of Codes has in regards to zoning and those types of requirements. Nielsen mentioned two meetings ago that the Planning Commission fulfills a lot of other roles

that may or may not be in the scope of what the Council wants them to do. He stated that Koopman had sent a memo that they are using some of their time to review City Codes and that is fine if it pertains to land use and zoning and less desirable if they go further than that and working on stuff that has no direct relationship to the statutory duties of the Planning Commission. If the Council wants to use them as a sounding board or outside committee to do this, that is fine but the limitations have to be outlined. Stobb is interested in why the resident thought they did not need a Planning Commission. Enderson felt that part of it was, they cannot do anything on their own and it has to be brought to the Council and it was referred back and forth and the Council makes the ultimate decision. Ferrazzano felt that maybe the Charter Commission should meet more often and review issues. Mayor Peterson asked if the Charter Commission had the authority to do that and thought they were limited to the Charter itself. Nielsen said the Council can ask them to take responsibility beyond what the statutes say they have to do if they are willing to take them on. Nielsen does not feel there is any Commission or Board that is charged with periodically reviewing City Code other than the Council. In the Planning Commission's defense, that is a burdensome job and for the Council to say that they are going to undertake the review, the Council would be too busy to do that.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 9:11 p.m. All voted in favor of the motion.

April 11, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, April 11, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Stobb to approve the minutes for March 28, 2011 as presented. All voted in favor of the motion.

An addition to the agenda was 7-C Crack repair of city streets. Motion by Stobb, seconded by Enderson to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

D. Johnson, Fire Chief stated that the new truck is in service. Public Works had indicated a use for the old truck, but they no longer have a use for it. Johnson asked for permission to seek bids for the sale of the old fire truck. Motion by Enderson, seconded by Snyder to authorize Johnson to seek sealed bids for the sale of the old fire truck. All voted in favor of the motion.

Chief Hillger provided additional information on the 2011 squad purchase. He is recommending the purchase of a Dodge Ram 1500 4-door Crew Cab from Lockwood Motors in Marshall. Bid price from Lockwood's is \$21,965 which beats the state bid and has the same specs. Mayor Peterson asked if the mileage is comparable to other vehicles considered. Hillger stated it is 13/18 which is the same as most pick-ups. Mayor Peterson stated that in about six months there will not be any place local that will be able to do warranty work. Stobb asked Hillger if he has talked with his officers and this is the consensus to go with this selection. Chief Hillger stated that he cannot justify going to a Tahoe or Expedition for the additional cost. Motion by Stobb, seconded by Ferrazzano to authorize the purchase of the Dodge Ram 1500 pickup from Lockwood Motors for \$21,965. All voted in favor of the motion.

Gervais presented a memo from Jon Heezen in regard to the Tracy Dental Practice and Heezen is requesting the operational start date of June 1, 2011 be moved to June 1, 2012. This request is due to health issues that have come up with the two semi-retired dentists that Heezen has been working with. This EDA has agreed to this request and is recommending that the Tracy City Council approve this also. Heezen is working with a local developer/contractor at this time for a different site location, but will still plan on breaking ground yet this coming fall. Mayor Peterson asked why this would require a motion from the Council. Gervais stated that funds were borrowed from the two funds and the agreement with Heezen. Motion by Stobb, seconded by Snyder to approve the request to adjust the start date of the practice from June 2011 to June 2012. Ferrazzano asked if he is going to be able to get his practice started without these semi-retired dentists. Gervais stated that one of the dentists is willing to come and work with Heezen once he has his license and get his practice started. One of the problems with one of the dentists was his back and he will be able to come back and work with Heezen. Mayor Peterson asked that if something would happen, do they have a contingency plan. Gervais said there is a requirement for Heezen to repay funds if he does not get his practice started. All voted in favor of the motion.

Gervais reported to the Council that at the Tracy EDA meeting on Friday, April 2, the Tracy EDA Board reviewed a request from Public Works Director, R. Robinson to allow EDA Director, Gervais to assist with funding opportunities, assist with potential meetings with the FAA, USDA, legislators, etc; potential land acquisition and other opportunities as they arise. The EDA approved the request and are recommending the Tracy City Council to do the same. Work has started and he is trying to get meetings set up with FFA representatives, MPCA and local legislators at the Capitol before the end of the session. He would like to get everyone around the table at the same time to get a site picked for the project. Mayor Peterson did not believe it requires a council motion to allow Gervais to do this. He feels this is one of the biggest economic issues the City has faced in the last 15 years. Mayor Peterson fully supports this and feels Gervais will do a good job. Gervais stated they cannot extend any sewer lines for business or housing until the project is completed. Motion by Stobb, seconded by Snyder to

approve for Gervais to assist the Public Works Director for potential land acquisition and other opportunities as they arise. All voted in favor of the motion.

Anderson presented a report from the Planning Commission; The Planning Commission wants to find out from the City Council exactly what they expect from the Planning Commission and if it is a worthless Commission, and then let's get rid of it. They want to know what should be their direction and purpose; otherwise they are not interested in meeting monthly. The Mayor made it clear that they are supposed to meet once a month, but they want to know what they are supposed to meet about. They would also like it to be known that they do not think the Mayor and Council did due diligence in reading the parking ordinance that was presented to them. They do not believe they read it and understood what the ordinance said. They felt the Council based their decision on here say and there was too much confusion. They believed that if the Council had studied the ordinance and actually understood what it said, it would have had a different outcome. Anderson stated he disagreed with the last part because of the number of people that were present at the meeting that night. Of the citizens that talked to him at his business, he never had anyone that was for that ordinance. Mayor Peterson used the Cemetery Commission as an example; they took the time to justify changing the ordinance to meet quarterly. If they have an issue about meeting monthly and not having direction, then they need to look at that and justify it. He did not understand the tone of a worthless commission and he does not feel that they are worthless at all. He feels that they rode the parking ordinance into the ground and are a little disgruntled having spent a considerable amount of time on it and there were not many changes to it the three times it was presented to the public. Ferrazzano asked how many items are on their agenda when they meet. Koopman stated basically they used to just meet for variances, special use related type issues. The Council had referred the parking ordinance back to the Planning Commission and they spent a considerable amount of time over two years and that is why they were meeting on a monthly basis. Koopman stated that if they met quarterly it would require an amendment to the ordinance as there is a provision in the ordinance that does require them to meet monthly. Anderson asked Nielsen about the provision that they have to have a Planning Commission. Nielsen stated the functions the Planning Commission is now providing has to be provided by someone. If it is not going to be them, the Council would have to do the things they are doing. It may not seem like it is very much but they do fact finding on variance issues and theoretically they have not had matters referred to them earlier about acquisition and sale of real estate and they should be considering all those and making sure that those things fit within the scheme of the City Master Plan. There has to be somebody fulfilling the Planning Commission's goal. The Planning Commission could be eliminated if the Council is willing to take that duty on. Anderson felt it seems like that whatever the Planning Commission decides, it still has to be brought to the Council and the Council has to decide how it is going to go. Nielsen stated that the variances and the special use permits; it is a recommendation type thing. Mayor Peterson said that ordinance also requires them to keep the city plan up to date. This discussion was paused for a public hearing.

At 6:45 p.m. a public hearing was held to consider the assessment on the alley water main improvement project. Robinson stated the project entails replacement of 1,000 foot of water main and approximately 23 water services. The existing water main was put in prior to 1911 and is a four inch cast main. It was laid in fairly deep and appears to be hand dug in and then the area was filled in that creek bed and now the main is as deep as 14 feet. It is a dangerous main to fix and the City does not have the equipment to fix that deep of a main. It is a very narrow and congested alley with utilities. Robinson expects it to break again soon as after examining the pipe it is cracked and they now have the water flow shut down to a minimal valve opening. They want to replace the main in one of two methods; bored from one end to the other or open cut. The 23 services would be replaced. They are unable to find some of the curb stops and it is Robinson's recommendation that they put in all new curb stops. The way the ordinance is the City is responsible for the main and the service line up to the curb stop, but not including the curb stop. There is also valving that will be placed; a hydrant would be replaced on Elm Street where it intersects this alley. Nielsen asked that when Robinson stated that the City is responsible for the line from the main to the curb stop, is he talking in terms of maintenance. Robinson said it was maintenance should it fail, but not installation. Should the new main break in the future that would be the responsibility of the City to repair and the service line going to the curb stop. The curb stop itself and the rest of the way into the house is the responsibility of the homeowner. Nielsen stated that it was discussed one time about a special circumstance for the church. The situation with the church is they have a two inch line going in and it would be replaced with a two inch line. The alley behind the church for 138 feet has asphalt on it. It is

older and the City did not put that asphalt down, so the church did and also the parking lot. If it is open cut, that asphalt would all come out for approximately eight feet wide by 138 feet. If it is bored, they would only take out a 12 x 12 area to place the curb stop and connect the service line to the main. Robinson said the asphalt is in poor condition. There are a couple prices for the asphalt should the church choose to have it replaced. Nielsen asked if they would be paying more for a bigger line. Robinson said the cost difference for the two inch curb stop would be \$225 and one inch curb stop is \$80. During the project the residents would have a temporary water system. There would be two inch line laying on top of the ground and connecting to a garden hose bib or through a basement window to have a temporary water service hooked up. The residents may also not be able to use their garages during the project. Stobb said he had a resident call him that just had their curb stop replaced recently. Robinson said they know of three curb stops that are within three years old and the curb stop would be useable. The cost of the curb stop is \$77 and the riser box is \$28 to \$30. Those places they are aware of their cost would be about \$106 less. The main cost in this is finding the line and reattaching the new line to their old line. Some of those service lines may be deep, shallow or under a telephone pedestal. The engineers have estimated an average cost to reconnect these homes back up. Some could be higher and some could be lower. They are looking at approximately 23 services and it averages out to be about \$900 each. Robinson stated since they have not found some of the curb stops, there could be some community lines involved.

Jans Visker, 449 Center Street, asked if it is the one inch line and curb stop that would cost about \$900. Robinson stated that he hoped this cost is estimated high, but they do not want to be low either. It may take more excavating due to the depth of the main. When they are all reconnected, everything will be less. Visker asked why the main is so deep. Robinson said when it was hand dug in it was only about six feet deep and then as they excavated they could see the different layers that they filled it in with. Visker stated that the line is that old and it was broke two years ago and that is when it should have been fixed.

Ron Stephens, 425 Center Street, has a concern that there is water surcharge that they have been paying into, that stipulates it is for the repair replacement of existing lines. Every time a surcharge is set up, they end up using this money elsewhere and then when it comes to situations like this there is no money there. Stephens said he does not have a problem with paying his fair share, but if he is going to be paying a utility surcharge fund, then that money should be there when it comes time.

Koopman said that is the surcharge fund that is going to be used for this project. Mayor Peterson asked if the surcharge fund would replace the main itself and the cost assessed back is the curb stop and line to the residence. The \$900 would be per homeowner. Enderson said that if there is a newer curb stop present, it would be less. Stobb said they do not know the price of the new main at this time but it was estimated to be about \$90,000, but that will be coming from the surcharge fund. Stephens asked how much was in the surcharge fund. Koopman did not have the exact amount, but it is around \$200,000. Bond monies are also taken for other projects but is used exactly as it is intended. Nielsen felt that if they looked far enough back in the past, they may find that the main was assessed back to the homeowner also. The City Code states that is the way it should be done, but they have gotten away from that. In this case because of special circumstances, the narrow alley, the way the line may have to be installed and not enough room in that alley to work and needs to be done right away. All those factors are weighed by the Council in deciding to use the surcharge fund for the installation of the main.

Dick Stelter, 324 Park Street, asked when they pay the water bill if that includes some maintenance. Nielsen stated there is the surcharge that goes to the surcharge fund but most of the bill pays for providing the water. Stelter asked if this was not to cover some of the maintenance on the main line. Nielsen stated then they get into this idea of what is maintenance versus replacement. A lot of water main breaks; no one gets assessed back to the property owners.

Stephens said that in the ordinance it states this is used for repair or replacement of existing lines, it does not say replacement of water coming to his house. Koopman said this is for City owned which would mean that it does not include the curb stop or service line.

Visker asked about it stating that there is one inch or two inch lines and is the homeowner to decide what they want. Robinson said the only two inch line will be for the church and the rest will be one inch service lines.

Stephens asked that when this project starts, how long it will be that he will not be able to use his backyard. Robinson is hoping for three weeks or less. Visker asked if they have decided which method they will be using for installation of the main. Robinson said that contractors will bid both boring and open cut.

Mayor Peterson had one written letter to be read into the minutes:

I, Merle Hamilton live at 436 Park Street and am unable to attend tonight's public hearing concerning the water repairs behind my home. I have lived in my home for 19 years and the city has already dug 3 times directly on my property. I am not in favor of being assessed for these repairs since I believed that is why we are paying a surcharge every month on our city bill. In 2003 or 2004 the city put in a water line to my home and also put in a new curb stop on my property in the alley. I do not believe it should be my responsibility to hook up to the new water line because the 100 year old existing line is 14 to 15 feet deep. Robinson said that they had discussed this curb stop and does not remember it being that new. They will research that one again.

The public hearing was closed at 7:05 for Council discussion.

Motion by Snyder, seconded by Stobb to order the improvement and preparation of plans by resolution for the alley water main improvement project. Mayor Peterson clarified that these are only estimates for costs to the property owners at \$900 and could be less and hopefully not more. Koopman said there will be a final assessment hearing once the project costs are all in. All voted in favor of the motion.

Discussion concerning the Planning Commission was resumed. Stobb stated that he served a number of years on the Planning Commission and not every month was there a reason for meeting and some months they did not meet. Starting in the spring and going into fall, it was common to have people come with variances, etc., and thought it was good to handle those and have a hearing at the Planning Commission before being presented to the Council. At that time on the Planning Commission there were a number of members who were very knowledgeable about building and it was good to have their input on these as they came in. Along with the building inspector, there were members that had knowledge about building codes. Stobb felt that possibly the Council may not have that knowledge. He would like to maintain a Planning Commission for those kinds of issues and if they do not have a reason to meet each month, then it should be changed that they do not have to meet monthly. Enderson asked what the function of the Planning Commission is and do they need to meet that frequently. Mayor Peterson stated that they acted on more than the parking ordinance and worked on a couple zoning issues, variances, water line surcharge for main to curb stop. Mayor Peterson suggested that they go through and come up with a way to change the ordinance and to meet not for the sake of a meeting. Enderson suggested they meet quarterly or on an as needed basis. Nielsen stated there have been times when those requests were more than a five minute deal and issues require a great deal of time of the Planning Commission. In his opinion the Planning Commission has drawn a high quality of representatives. Ferrazzano stated that if they do not need to meet every month, the Council should deal with it and not send it back to them. Mayor Peterson stated that the ordinance also contains things such as presenting a report for the year as what they have accomplished and there are some smaller issues in the ordinance that could be removed. Koopman stated the Planning Commission can review this ordinance if the Council wishes and bring it back to the Council as there may be more that they would like to address. Ferrazzano stated that if they are to report back to the Council at the end of the year, the Council does get the minutes and the Council is aware of their actions. Ferrazzano stated the Council could decide now that they do not have to meet monthly and they can review the rest of the ordinance. Koopman will present this to the Planning Commission for recommendations. Enderson stated the Planning Commission also wanted to know what the Council exactly expects from them. Ferrazzano felt they should put this back on the agenda for next time because he would like to look at the ordinance again. Stobb stated that Enderson can take back to them that the Council is agreeable to make some changes.

Robinson has received two quotes concerning crack filling on the streets. The winter was very hard on the streets and some roads have opened up sooner than thought with cracks. He and Greenfield went out and looked at roads and made a map and rated the roads for the severity of deterioration. Some streets are up for utility work or are too far gone to do something like this with them. They are not requesting seal coating but crack filling so water does not get down in the cracks and cause more damage. This would be for approximately 30 blocks and involves the pool parking lot and the bike trail. They need approximately 23,390 pounds of sealant. This is estimation and it could be more or it could be less. Bergen will install approximately 23,000 lbs of sealant at \$1.80 per lb installed. The estimated cost is \$42,102. The quote from RH Seal Coating & Asphalt Maintenance stated 23,390 lbs. at a cost of \$2.05 per lb. The total for this would be \$47,949.50. This would come from the Permanent Improvement Fund and there is currently \$59,000 in this fund. The last time that seal coating and crack filling was done was 2009 and Broad Acres and Greentown were done. County roads would not be included in this repair. Robinson stated the bike trail would be a "blow and go" instead of routing. If the cracks were routed, the rollerblades and skates can get caught in them. Robinson said they have worked with both of these companies in the past. Motion by Ferrazzano, seconded by Snyder to accept the bid from Bergen for an estimated cost of \$42,201. All voted in favor of the motion.

Scott Lavoy presented a revised engineering agreement for 2011 Alley Water Main improvement project. The total engineering fees would contain a preliminary survey and cost estimate and plan sheets for a total of \$7,600. Stobb asked if the planning sheets will provide the map that Robinson needs to have. Robinson stated that it needed to be surveyed so map could be prepared by the contractors. Lavoy stated that once they get the survey back, they will have a more accurate cost estimate and will not know what is underground like the services and locations. Robinson stated that the curb stops that they can find would go on the survey so the contractor would know that there are some that cannot be found and have to do a lot of digging to find them. The contractor can then consider this in their cost. Stobb asked if they are able to achieve all the things that fall on the Council with the new plan and the City would handle the whole bidding process and preparation of other construction documents, the Department of Health permit. Stobb just wanted to make sure they are not leaving something for themselves that S.E.H. could do better and faster. Robinson stated S.E.H. could do it better and faster but at the last Council meeting better and faster was \$8,200. Motion by Ferrazzano, seconded by Stobb to accept the engineering plan with S.E.H. for \$7,600 for the 2011 alley Water Main Improvements. All voted in favor of the motion.

Stobb asked that if they could with the open cut on the main replacement, if this would tie up the alley longer for the residents. Robinson stated that either way the 23 service lines would have to be dug in. If it is bored, this is done first and then they would go back and dig in the service lines. Lavoy said the advantage of the directional boring is with the utility congestion in the alley and trench consolidation.

The Cemetery Superintendent's Contract was reviewed. Koopman said the compensation is the same and the only change is the individual doing the work. Motion by Ferrazzano, seconded by Stobb to enter into this contract with Bernie Holm for the Cemetery Superintendent position. All voted in favor of the motion.

A Hazardous excavation order concerning the property on East 2nd Street owned by Tammy and Darin Horner was discussed. Koopman stated this is a result of a liability issue. The City has been pumping the water out, the fence is collapsing and there has been evidence of improvements being made to this property. The owners were informed last year they were to do something and nothing has been done. She discussed this with Nielsen and he in turn drafted this order to get this issue resolved. She is concerned that someone could accidentally fall in there. It is a definite liability issue that needs to be resolved. Mayor Peterson asked if the Council needs to decide how tall the fence needs to be and the setbacks. Robinson stated the dirt walls are falling in and the City did put up a plastic snow fence but it is difficult to keep that up. They pumped water from it again two days this past week. Enderson asked if anyone had contacted the Horner's to see what their plans are. Chief Hillger stated they were cited the first time last year. Snyder stated he would be comfortable of having a fence at least six feet in height and at least 10 feet back from the edge of the excavation. Motion by Snyder, seconded by Stobb to approve the Hazardous Excavation order with a fence of at least six feet and 10 feet back from the edge of the excavation. Stobb stated he had mixed feelings about the order being complied with within 15 days. Sometimes 15 days is too long but if he would be presented with this, 15

days would seem like a short time. Snyder stated that if the Horner's feel those 15 days is not long enough, they need to come to the Council and request more time. Nielsen stated that 15 days is set by statute and certainly if they started work and had a plan, it can be reviewed at that time. Mayor Peterson asked if the first time they were cited, they were cited for a hazardous excavation or nuisance. Chief Hillger stated it was a nuisance as it was filled with water. Stobb suggested that before they take action and fill it in, the contractor should be contacted to make sure there are no materials there they have a claim on. All voted in favor of the motion.

Snyder stated that he wanted to mention something that he did not talk about at the Special Meeting on Thursday night as he did not feel it was on the docket for that meeting. He read from the Charter, "Administrative Code for the City of Tracy, Section 2, and Subdivision 1. Mayor – the mayor shall preside at meetings of the Tracy City Council here and after Council vote as member of the Council and hold all powers and duties of a Council person in addition to powers and duties of Mayor. The Mayor shall be recognized as head of City government for ceremonial purposes, by the courts for the purpose of serving civil process and by the Governor for purposes of Marshall Law. The Mayor shall sign all ordinances, contracts and written orders for payment of claims which have been authorized and allowed by Council. At the first regular meeting in January, the Mayor, with Council approval shall appoint the following officers who shall hold office for a term of one year and until his or her successor is appointed and has qualified or removed: City Clerk, City Deputy Clerk, City Attorney and any other officer deemed necessary. Council Persons – Council Persons shall participate in Council meetings. Council Person duties shall be performed without exception of the Council as a whole. Councils Person as an individual shall have no administrative authority or any right to conduct City affairs and business with private individuals, corporations, political subdivisions or state and federal agencies. The Council acting as a body shall supervise administrative appointed, officers and exercise City power as authorized by the City Charter and Statute including but limited to" Snyder stated that is why in his opinion Mayor Peterson over stepped his authority when the PO Box was rented. That is his reasoning for his response to Rettmer's question about the Mayor having authority to do that. He also felt it was kind of a slap in the face to the city employees, specifically those that work in the office that the Mayor would have to get a PO Box perhaps they could not be trusted to keep track of any applications or resumes that came in.

Koopman's retirement was discussed at Thursday's meeting and Mayor Peterson came in with the understanding that the phased retirement was up to one year and then Koopman stated that it has to be a year. Koopman stated that is what they would commit to would be a year's time. Mayor Peterson said the way he understood it for the 12 months was if they hired someone that completely did not understand or no experience, Koopman would be available for those 12 months till they were properly. If someone was selected that needed three months that the phase would then be three months. Koopman stated that her understanding is that if the Council commits to this, it would be for one year and it is done for one year at a time. This intended and is very recent legislation and adopted in May 2009. This is intended to allow for the long term employee to share the knowledge they have gathered over the years for the new person coming in. As she has stated before, she can do it either way. If this is going to cause problems for the Council she can go with full retirement. She stressed that if they commit to this, they will have to commit for the whole year and not a partial year. Mayor Peterson stated that he understood it could not go longer than a year and it can be renewed if done before the expiration date and cannot be renewed past 2014. He did not find anything that states if you start this, you have to go a year in everything that he has looked up on it. He states that is where the confusion lies. If the job can be completed in six months or whatever time period and it is acceptable, but does not see where PERA says it has to be for one year. Koopman stated that she has read it but cannot say where and the hours worked and everything are based on one year. Her assumption is from the PERA's perspective is you commit to this and then say no in three months, and then you have to stop working for 30 days in order to go back. Mayor Peterson said what he would like is to find a point of contact for PERA. Koopman said she can see what he is doing, but what she is saying is that if they chose phased retirement, for her, it is going to be for one year or she is not going to do it. She needs to structure her own retirement. Ferrazzano noted that they had discussed this before and had voted on it before, but wanted to know if they passed it on knowing that it could be less than a year. Snyder said it was a year and Mayor Peterson posed that question three different ways that night. Snyder stated the discussion was about the benefit of having Koopman working with the new person for a year to make that full cycle as different things happen in different parts of the year. Enderson stated that a concern that was brought to him was if an applicant was found for this position, what a new applicant even want to work half

time. Koopman stated that issue was addressed back in January and the discussion was that with the salary that is paid for this position as a starting position, it is adequate salary and would leave 20 hours open for that person to get some part time job if they wished, knowing that within a year's time they would have a full time position. Snyder stated the question before the Council is if they want to commit to a year's phased retirement as they had agreed before. Enderson asked what if they got an excellent applicant that has all the knowledge and wants to take over right away and what do you do if you agreed on a phased retirement. Ferrazzano stated that the end result would be that you would be paying a salary and a half. If the ad was placed that they are only going to get 20 hours a week the first year and someone applies and they will know it is for that time and understands that it may limit the applicants. He knows they talked about this before and having a year transition is a long time. Mayor Peterson knows of any other profession where that is done. Koopman stated that with the baby boomers it is impacting the ability to recruit qualified applicants in this position. Koopman stated that if it is the decision of the Council not to do the phased retirement, then she needs to know that soon. Stobb stated that with the one year period and the 50/50 split, this is not a 40 hour per week job. You do what you have to do. Koopman said that if they do the phased retirement she is restricted to 1044 hours in that year and a combination of hours could be worked. There would be flexibility in the scheduled hours just that she does not exceed the 1044 hours. Koopman said the choice is that the Council go with the phased retirement or full retirement. She would not want to do less than the 50%. Ferrazzano stated he knows the job is difficult and there are a lot of problems to deal with, he would not mind if the person were hired and had overlapping salaries for a month or two. Koopman stated the memo that she prepared in January showed the costs. Mayor Peterson said the greatest savings was realized with the 50/50 using a current employee. Ferrazzano asked if the person coming in part time would be able to get benefits. Koopman said the benefits would be cut in half for both and an agreement would be entered into that states this does not set precedence for other employees. Koopman said her salary would not be subject to PERA deductions and what she gets from PERA is what she will get from August 1 onwards. Koopman stated that maybe it is not a decision they want to make tonight, but she is going to have some decision fairly soon for herself. Enderson would like to have a little more time on it. Ferrazzano said one of the problems is that they don't know what applicants they would get if it was half time and a year can be a long time. Snyder felt it could be a short time if someone needs it. Mayor Peterson said that if someone had an idea of what is out there for applicants, it would make the decision easier. Stobb stated that Cottonwood received 30-40 applicants and it would be interesting to see what range of applicants they were able to get. Cottonwood did not have a phased in retirement. Koopman stated that if they look at the ad that she provided them, it incorporates what the minimum qualifications are and that is in coordination with the job description that the Council previously approved. Mayor Peterson stated that he looked at a couple over the past three to four months, they were actually targeting finance experience along with administration and their finance director and administrator were the same person. Koopman said that if they are looking at combining positions, there is the EDA position that they could consider also and there are cities that are combining those positions into one. Ferrazzano felt that if two weeks time is enough, he feels they ought to do it then. He is still having difficulty thinking about one year even though they already agreed upon it. Stobb asked if they could talk to someone in Cottonwood and see what type of applicants they had. Ferrazzano felt they would get the same type of applicants that Tracy would, it would be helpful to see what type of applicants they did get and it would make the decision easier. Ferrazzano said that if there is not someone here to help for a year, there would be a revolving door, where people say they can't do it and leave and then another saying they can't do it and leaving. Snyder said he would contact someone in Cottonwood to see what information he can obtain. Stobb asked that if he did get some information if he could summarize it and send an e-mail out to the Council members.

Koopman said they may want to wait two weeks before putting out the job opening to make any necessary changes. She put the time period for applications at one month and that is customary from what she has seen. Ferrazzano asked if it would be on the LMC website or will it be in newspapers also. Koopman stated that in the past they have used the newspaper and they could use the Tracy paper, Marshall paper and Minneapolis or Sioux Falls papers. Stobb asked if the application was on the Tracy website now. Ferrazzano asked if they were able to file it electronically or attach it to what they are filing. Koopman stated a cover letter and resume are requested with the application. Koopman is not aware if it can be filed electronically.

Motion by Stobb, seconded by Snyder to adopt a resolution approving change order No. 1 for the library renovation project for additional shelving in the amount of \$11,362.50. Ferrazzano said

this is a cheaper way rather than with the architect they had. All voted in favor of the motion. (Res. No. 2011-13)

Robinson stated they are getting a lot of request to open the compost site. It would be open on Thursdays from 4-7 p.m. and Saturdays 1-5 p.m. Larry Moyars will be working those hours this year. It was the consensus of the Council to open the compost site starting April 14, 2011.

Robinson said the Lyon County Recycling want to remove the recycling sheds on Front Street and replace them with containers that look like roll out dumpsters with a closed top on each bin. They would like to put these somewhere on Highway 14. They feel they would have better luck with putting them in a place that busier. Robinson discussed with them about putting is on the west side of Central Livestock but would rather investigate putting it someplace on Highway 14. They are not able to put it at the City Shop. Snyder's initial thought would be about one of the gas stations that are closed right now. They would have to discuss this with the owner's first. Snyder also felt it is the county's recycling and why is the responsibility of the City to find someplace to put these dumpsters. Enderson asked if there would be an area wide enough at the compost side for them. Robinson said there is not enough room there. Stobb asked if there is enough room in front of the salt shed. Robinson said that during snow removal it could be kind of tough with them there. Koopman stated it is basically intended for non-residents and does not understand why the City has to find them a spot. They were offered to put them at Central Livestock. Snyder suggested that Robinson talk with the county and tell them for city owned property there is Central Livestock and suggest privately owner areas that they can talk to themselves.

Ferrazzano stated that someone had asked him the status of the cemetery trees issue. Nielsen stated he tried to call the neighboring land owner this morning and was not able to contact him. Stobb said he last talked to the owner last fall, early winter about getting together with Nielsen and he did not want to do it at that time and wanted to do it sometime in the winter. Stobb said he did drive out to the cemetery and he had removed the trees along the east side and looks like the stumps had been ground out also. These trees were on the land owner's property and he had talked about removing them and Stobb was hoping that could be confirmed by the Cemetery Commission and City Council with some kind of written agreement and concerning the gate post on the northwest corner before the trees were removed. Stobb said the gate post is still there. Enderson said that on another note, there is another monument that has fallen over. Stobb felt they should still get some type of agreement concerning the gate post. Nielsen also felt they should and will continue to try to get in contact with the land owner.

The Consent Calendar included: Hospital Advisory Board minutes for February 16, 2011, Multi-Purpose Center Board minutes for February 22, 2011, Firemen's Relief Association minutes for March 7, 2011, Economic Development Authority minutes for March 18, 2011 and Municipal Accounts Payable. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Koopman stated they could put an ad in the paper for volunteers for the flower beds. Mayor Peterson said that Peggy Peterson would volunteer for the flower bed across the street from the stone station. Nielsen asked if they would be filling the flower baskets as they did last year. Snyder asked if Seth would again this year agree to talk to the other businesses about donating towards the flower baskets. Mayor Peterson said last year the biggest problem was getting them watered and the equipment. Robinson said the garden tractor they used last year is in tough shape and depending on weather conditions, sometimes they have to be watered twice a day. Before they had a person through Experience Works who was getting paid through their program to do this and do not have any funding to do that this year. Enderson felt there was a lot more work maintaining the flower baskets than people realize. Koopman said the only way they could do it would be the cost of the baskets should include an additional amount for someone to water them. Mayor Peterson suggested that maybe the businesses that donated for them last year, that if they want flowers, they would be responsible for maintenance. Koopman stated that is sometimes easier said than done if they don't have access to water. To maintain a uniform look, one person needs to be responsible for the care of the flowers.

Motion by Enderson, seconded by Ferrazzano to adjourn the meeting at 8:25 p.m. All voted in favor of the motion.

April 25, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, April 25, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Snyder to approve the minutes for the meetings on April 7, 2011 and April 11, 2011 as presented. All voted in favor of the motion.

Addition to the agenda included 9A – Cemetery Groundskeeper Agreement and 13. Closed Meeting to review active investigative data. Motion by Ferrazzano, seconded by Stobb to approve the agenda as revised. All voted in favor of the motion.

Charles Reinert, representing the Tracy Masonic Lodge requested that the Lodge have exclusive use of the large room on the second floor of the Municipal Building, including the adjacent lunch room and have shared use of the (main floor) bathroom facilities. The Masonic Temple Building is no longer suitable due to roof issues and steep stairs. Tracy Lodge 155 would be using this space for events such as their regular meetings (12 to 15 per year), special events where new members are trained and welcomed, for ceremonial events to honor such notables as widows of deceased Masons and those Masons locally and statewide who have performed special service on behalf of Masonry. They would also use this area for fundraising events which support the several scholarships awarded each year for many, many years for support of their annual Shrine Circus trips for elementary school kids. They are proposing a rental period of one to three years and an annual rental in the vicinity of \$500. Nielsen stated that it does get warm up there in the summer and there is no air conditioning. There is no plumbing in the kitchen or bathrooms. The City Assessor has used some of that space in the past and there is a locked map room and along with a closet of equipment used by the Boy Scouts. Snyder questioned them having exclusive use and questioned if there are other individuals that needed to use that area, would it be possible for them to work something out. Reinert did not feel this was a problem and arrangements could be made. Stobb asked that if there was a group that wanted to use it infrequently, who would they need to get authorization from to do that. Reinert said they do have some furnishings and they would like a place to store that and could possibly be hidden behind a curtain or something of that sort. Reinert felt they could work something out if someone else wanted to use that room. Motion by Ferrazzano, seconded by Snyder to enter into a two year contract with the Tracy Masonic Lodge to allow them to rent space in the Municipal Building at a fee of \$500 per year. All voted in favor of the motion.

Gervais stated at the Tracy EDA meeting on Friday, April 15, 2011, a motion was passed unanimously to recommend to the Tracy City Council to work with Brent DeRuyter (owner of DeRuyter Pallets of Ruthton, Mn) on a potential sale of seven acres of property and buildings. DeRuyter Pallets buys, sells and refurbishes pallets for a large number of companies in SW Mn. The business continues to grow and the Tracy EDA believes this to be a tremendous opportunity for the property and the City of Tracy. DeRuyter stated that he started his business in 1993 and since the business continues to grow he needs more space. At this time he has nine full time employees and four part time employees. The location of the Central Livestock building is in the central location of where he does lots of business. At this time he would be loading and unloading pallets there daily with a semi and pickups and trailers. DeRuyter stated he would need a secure structure. He would completely enclose the structure and the fix the broken skylights as he needs a structure that is bird/rodent proof and provide a safe, clean and dry work/storage environment. He stated that he would employ two to three people to start with the potential to add more as his business grows. It was asked since it was zoned industrially how it would affect the residents who live close by. DeRuyter said the loading and unloading would be done inside the building. In the future he may be moving a wood grinder here and would be selling wood chips. This would also be done inside the building. DeRuyter would also be willing to work with the City and accommodate the City's needs to pile snow in that area as in the past. He is also willing to work with the auction company that has had their auctions there in the past. Gervais said the contract with the renters of the building would expire July 1 and with proper notice either party can get out of the contract. Gervais stated the property would

need to be officially surveyed. Mayor Peterson, Stobb and Gervais will meet with DeRuyter on April 29 at 10:00 a.m. to discuss details.

Koopman requested approval of the Aquatic Center pay scale for 2011. The only change made was the WSI Coordinator salary was increased due to the amount of responsibility. Other than that change the pay scale would be the same as last year. Motion by Stobb, seconded by Snyder to approve the pay scale for the Aquatic Center for 2011. Koopman stated the Aquatic Center is staffed. Enderson stated the comments he has heard is that people are not happy with the cost of running the Aquatic Center and the money it loses. He asked if the Aquatic Center had a committee to monitor activity at the center. Koopman stated they used to have a pool committee and they have not had one for about four years. Mayor Peterson stated that one thing that would help, is if they had a program set up like they do for the liquor store or monthly financial report. Koopman stated the Council is usually provided with a monthly report once in operation with details of operational costs such as chemicals, utilities, etc. Ferrazzano felt that one thing that needed to be considered when looking at the bottom line even though it loses money, is the money it brings into the City. He has had many people from other towns tell him that the pool is awesome. But it is a benefit to the town when they spend money at the local businesses when they come to use the pool. Nielsen said there are different things they could look at such as opening earlier or staffing earlier. Mayor Peterson said there are factors such as the weather, but some things should be a constant whether the facility is being used or not. Koopman said the pool will not be opening until June 6 and this is basically because of the weather and they will not have to heat the pool a week earlier. Stobb pointed out that one of the biggest disappointments was when the consultants talked about how the concessions were going to make the City money and that has never happened. Nielsen suggested that they look at the concession rates to see if they need to be adjusted. Mayor Peterson said there has been only one increase in memberships in the past four years or so. Enderson said that now they are replacing umbrellas and making repairs and if there would be an economical cover that could be placed over the pool to hold in the heat. Robinson stated the heat is kept at the same setting because the recovery time is very slow. All voted in favor of the previous motion to approve the Aquatic Center pay scale.

Stacy Barstad, CEO of Sanford Tracy reported there have been many additions to the Outreach Department and the new Outreach area has added value and brought outreach specialists in. An allergist, ophthalmologist, urologist and GYN specialist. They are working on the possibility of a pain management specialist to join the Outreach Department also. The two Internal Medicine physicians will be starting July 15 and are currently looking for housing. Barstad stated that Tracy is one of the leading facilities in the Stroke Initiatives that they have done. They received a grant from the State of Mn. and working with the American Heart Association and the American Stroke Association. The grant has helped bring together eight other hospitals in SW MN. They looked at the Tracy program and a lot of the facilities do not have a consistent protocol. Tracy is sharing what they have done and have had site meetings, webinars and phone conferences on how stroke care can be improved in the region. Barstad stated that Tracy has been invited to be a representative on the State Stroke Council and that will help other facilities in the state improve their stroke programs as well.

Police Chief Hillger asked for any questions regarding the activity report. Chief Hillger stated the 2011 squad has been ordered and should be arriving in about seven weeks. He stated that it is getting to be time to do the public nuisance process and would like to read a memo that he has prepared.

It is nearing the time of year when we have traditionally begun the process of identifying and dealing with the public nuisances in town.

In going over in my mind what has occurred in the past, I cannot say that we have done a good job of enforcing the ordinance. I can say this because of a couple of reasons. First, the number of properties that we find every year that violates the ordinance should have been going down yearly. They have not. Second, the seriousness (or the scope) of the majority of the violations should have lessened, it has not.....

I suppose that one could come up with several reasons why this is. I know that we have a constant influx and outflow of new citizens, and this does contribute to the situation. Many of these folks are transient and/or very mobile, moving more often than most established people do, and thus do not establish any sort of connection or responsibility to the community. This is due,

I believe, to the cheap (and sometimes substandard) housing in our community. Although it is costly to obtain and either rehabilitate or take down substandard housing, in the long run, it is much cheaper than to let it stand, but that is a whole other subject.

The real reason that our Public Nuisance ordinance is not effective is the lack of POLITICAL WILL on your part Number one, I don't feel that you as a body really know how bad our community looks. I can say this because last year I presented each of you with a CD containing digital photos of the various PNCs, and I truly believe some of you were taken aback by what you saw. Yet, last year was not different than previous years, which tells me that in previous years you were not aware of how bad things were, even though you had the opportunity, and maybe even the RESPONSIBILITY, to drive through the community and take a look around. Although staff has succeeded (for the most part) in relieving the Council from any responsibility of actually making a decision whether or not each property listed in indeed a public nuisance, it has not kept individual council members from taking me to task (and making political "hay") over how I went about identifying, photographing, and enforcing the ordinance. This has usually been done at a public council meeting. While it is bad enough that it happens, what is disconcerting from my point of view is that the majority of the council sits there and allows one of two council members to do this without any protest or oppositions.

When this happens, there are several dynamics that occur.

First, any council member who allows a violator of the ordinance to complain privately, then bring it up publicly at a meeting without mentioning the violator's name, is giving that violator a free "cheap shot." Your standard answer to the alleged violator should be, "If you feel that you either do not have a public nuisance at your property or you feel you have been mistreated in any way, we encourage to do nothing and allow the process to proceed to court." In other words, take it to the Judge.

Second, if you are one who would do something this, you are lending credence or validity to the violator's claim, and you are showing the council as being divided in this issue. I cannot stress how important it is to show a unified front on this

Third, if this occurs, it takes away most of my will and incentive to enforce the ordinance. It is bad enough that I am, in effect, calling a person a slob by writing a person up on a PNC violation. I can handle a person's anger or consternation, what I have a hard time with is when I in effect, have a council member patting that person the back and telling them, "Yeah, the Chief is a real jerk, isn't he?" I will remind you that this not MY ordinance, it is YOURS.

There are several things that I feel you need to decide tonight. One, do you want the ordinance enforced? If not, let's get it off the books..... Two, if you want the ordinance enforced, are you willing to take a unified, public stance on the issue, perhaps even putting a public statement in the Tracy paper, outlining the intent of the ordinance, the expected results, and residents' right and RESPONSIBILITIES. Third, if you want the ordinance enforced, what initial process you want used. Do you want published warning, no warnings, individual warnings? Do you want me to do the survey, do you want and another staff member or a member of the public to do the survey, do you want a staff member and a council member to do the survey, etc. Do you want someone else to do the survey, and only bring in the Police Dept. if a person fails to comply with directives to clean up?

It's your ball game and your decision what you want to do..... The success or failure of this ordinance and its enforcement lies squarely with you....

Respectfully,
Chief Hillger

Mayor Peterson felt the whole concept of "it's spring, we got to go write up nuisances" is a nuisance. The nuisance ordinance does not say it is enforced in April and May and no other time during the year. The ordinances are there, let's enforce the ordinances. Whatever the policy is on warnings, it needs to be enforced and everyone treated the same. He felt it should be yearlong and everybody's responsibility. Chief Hillger said this ordinance was originally set up to allow a neighbor to complain against a neighbor and somehow it got dumped in the police departments lap to enforce. He agrees with doing it year round, however, the minute he starts doing that,

people are going to say, "You are picking on me". It is easier to do everyone in the relatively same time period. Enderson stated that he has a problem with the way it is enforced because it happened to him, is if a person has a nuisance the resident is notified and they have so many days to take care of it and then you receive a court summons after that. Stobb said the maintenance code is different than the nuisance code. Stobb said he definitely wants it enforced and stronger than it has been enforced. Ideally neighbors would report nuisances and that does not happen so unfortunately it falls into the lap of law enforcement. Stobb felt maybe having a willing member of the public to do this to take the politics from it. When someone contacts the Council reporting that they got a citation and did not think they should, they need to be told what Chief Hillger suggested in his memo. The Council is not the judges and should not be questioning Hillger's judgment. Enderson said that everyone has junk in the spring and needs to clean it up. Stobb said that if someone is cited in the spring, it is cleaned but it is back again in August or September, then they need to be cited again. Ferrazzano felt that Hillger did not have to have someone with him to do the inspection, the violators need to be written up and if not cleaned up and need more time to get it done, they can come before the Council and ask for more time. One written warning should be sufficient. Stobb asked if they start making exceptions, are they backing Hillger's decision. Mayor Peterson said the other officers can also share in the responsibility of the inspection. Hillger stated that when citations are given, the resident does not know what they are supposed to clean up. Stobb suggested a check list be published in the paper. Hillger stated that he agrees with all that, but what he is looking for is a statement from the Council if they want to do that and something in the paper that says they are going to be doing public nuisance inspections and this is what is expected of the public and a list of violations. He asked the Council what they expected and then stick with it. Ferrazzano felt that Hillger did not need to have someone with him and that one written notice would be sufficient. It was the consensus of the Council to enforce the Nuisance Ordinance. Mayor Peterson felt the ordinance should be enforced year round but the problem is not going to go away. If they need a longer time period to get it resolved, then they need to come to the Council meeting and present at the podium to ask for more time. Stobb said his understanding of this is if Hillger is standing on the street looking at a property and sees something which may well be violation of an ordinance, he is able to go on that property and inspect is more closely to determine if it is a violation or not. When the calls are received that Hillger walked on their private property, Hillger can do that if he has good reason to suspect that an ordinance is being violated. The checklist, a notice that inspections will be done and a timeline of when they will be done. Koopman stated that she supports what Hillger is saying and she can understand his frustration. She feels that what is key is that it is necessary for the Council as a body to support his actions and let the public know in general that this type of accumulation of debris will no longer be tolerated. Ferrazzano said that if someone has a problem, they should not tell just one of the Council members, they need to come to the meeting and tell everyone.

Gervais gave an update on the Orchard Lane Town Homes. The move in date will need to be moved back as the weather has not been cooperative and continues to be moist out there. Cooreman was going to start moving gravel in last week but with the weather conditions he did not get that done. Once the property dries out, he is ready to put down the gravel and Daniels-Peterson is ready to do the cement work. The north side is about 99% done and there are a couple items on the punch list to get done. The EDA has agreed to install those air exchangers and there is room in the budget to do this and specs are being put together on those. The bath fans that would have been hard wired into the units did meet code, but installing air exchangers he feels that it will be the best thing for the future. The future housing project has been put on hold at the Buysse's request and are willing to work with the EDA but they have decided that until the EDA is ready to move forward to put it on hold.

Gervais stated the Eastview Town Home bond payment has been reduced \$300 per month. Every five years the bond is reviewed and adjusted according to interest rates. On Central Livestock Building, on talking with business men in the area, DeRuyter is professional, clean and maintains his equipment well. Gervais has been helping with organization of the sewer ponds project and was able to meet with Senator Dahms and Representative Swedinsky, Mayor Peterson, Koopman and Robinson last week. They shared information regarding the project. He has been working with Dave Engstrom from the Mn. Assoc. of Small Cities and he is trying to put a meeting together at the state capitol where all the players involved could meet so hopefully they can tell the City where sewer ponds can be built. Gervais has been directed to get Congressman Peterson involved as the FAA is a federal branch.

Gervais is waiting for funding for the CBDG and is confident that Tracy will be funded. He has been receiving numerous requests every week for funding for housing. It is a first come first serve basis so when the grant is approved there will be a city wide meeting.

Radke reported the sales for the month of March were down approximately \$1,921.96. The Profit/Loss statement for March was provided. The pipe that drains water from the roof has been fixed for the time being but are looking for ways to try and fix the problem for the future. The wet insulation between the roof and ceiling needs to be taken out before a mold problem starts. The cost to remove the insulation is \$1,160 and it will cost an additional \$2,756.09 to replace the insulation if they go that route. Snyder asked if they had considered putting a spray foam insulation in the area between the roof and ceiling instead of fiberglass insulation. Mayor Peterson felt it was expensive and did not know if they could put it in confined spaces like that. Radke said the roof has been looked at again and solutions are forth coming.

Koopman reported attended the annual MCFOA conference and obtained information on a wide variety of subjects that relate to issues the City deals with daily. In addition to the conference she also attended a Liquor Committee meeting, Planning Commission meeting, two City Council meetings, interviewed applicants for the Cemetery Superintendent's position, attended two Cemetery Commission meetings, Community Ed meeting and met with a representative from USDA to discuss funding options for the lagoon project and also attended a hospital safety meeting.

Robinson reported asked if the Council wanted to proceed with any portions of the liquor store roof repair. Motion by Snyder, seconded by _____ to repair the liquor store roof at a cost not to exceed \$7,000.

In Streets and Parks Robinson stated that as soon as the asphalt plant opens they will start patching streets. The plant usually opens the first part of May. He said that the county is aware of the condition of 4th Street which is a county road and once the plant opens, they will also be filling holes. The park bathrooms have been repaired and up and running. Borgen Company will be crack filling as soon as weather permits.

In Utilities a pre-funding meeting was held with City staff and USDA to discuss the type of funding the USDA has for the wastewater treatment ponds. The survey crew has started the survey for the alley water main project. There was a water leak in Hemmingson's RV lot that ended up being the City's responsibility because the leak was before the curb stop. While disconnecting a water service and meter at 261 E. Morgan it was discovered that someone had installed a hose bib before the meter. This would be considered an illegal connection and was reported to authorities. A meter will not be reconnected here until a licensed plumber disconnects the illegal tap. Robinson has been working on the alley water main project. DM&E needed our 12" water main located on railroad property and Gopher One located was called in by DM&E. With no mapping available they had to locate the City's main by means of a contractor excavating to find it on two ends. The power line feeding the hospital lift station failed underground. This caused the left station to pump the lift station with a standby generator over a weekend and part of a week until it was repaired by Xcel. The catch basin on South Street which was removed last winter during a water main break has been repaired but has not had the road surface repaired as of yet. This will be done when weather permits. Staff attended a LMC loss and safety control workshop in Marshall. Robinson has submitted a corrective action letter to MPCA concerning violations. The railroad is continuing to work on replacing their sewer service line. At the airport there are two security lights near the terminal building that are not working and he has directed an electrician to make repairs.

The new snow plow has been ordered but will have two month lead time. The department has not found a used late model park mower as of yet. Robinson said the will be repairing the engine on the Ford tractor in the near future. It was discovered that all the pistons had broken rings and the best way to go with this is Arnold's Motor Supply to have the sleeves milled out and rebuild the engine.

Robinson reported that they used a lot of fuel for snow removal and 80% of the budgeted amount for 2011 has already been used and it is mostly the diesel. Robinson said that he got one of the Funbrellas back and they look pretty good. The cost was \$189 and he did not want to repair any of the others until the City had looked at the repairs. He used a plastic looking material and the

rest will be taken up to be repaired in the next couple days. Daniels built and installed new counter in the City office.

Robinson reported that they met with Dahms and Swadinsky and they recommended that since the FAA is federal, the City should go to Colin Peterson's office. He spoke with Tony Merda, Peterson's Senior Economic Development Officer. She suggested that the City look at if FAA has ever allowed a waiver for a situation like this and look into see if anyone else has ever received a waiver to build inside the one mile radius. She suggested researching that and get everything in writing and get this all to her and also provide to her in writing that FAA does not want us building the ponds within a one mile radius.

Koopman said a groundskeeper was found and Dale Johnson III has agreed to perform the ground keeping duties of mowing and trimming. He was not interested in the provision for miscellaneous work and that has been removed from the contract. The Cemetery Commission is recommending the City enter into this agreement with Dale Johnson III and the amount of mowing will be \$600 per mowing and trimming. He will be getting direction from Bernie Holm as to when the mowing is needed.

The Consent Calendar included: Cemetery Commission minutes for March 3, 2011, Planning Commission minutes for March 7, 2011, Municipal Accounts Payable, Monthly Financial Report and the Hospital Board Minutes for March 16, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

According to an e-mail from Cottonwood received by Snyder, they had received a large number of applicants for the City Clerk position. Mayor Peterson stated that with that number of applicants, he sees no need to have a phased retirement if it has to be a one year agreement. Enderson said he did not feel it would be difficult to find someone with experience to fill that position. Koopman stated that she had announced her retirement in January 2011 and there are timelines that would have to be met. She read from the minutes of January 24, 2011. She had explained that if the Council made the decision to go with the phased retirement it would be for one year. If they choose not to do that, it would be full retirement starting August 1, 2011. "A motion was made by Ferrazzano, seconded by Snyder to go with the phased retirement to begin August 1, 2011 and continue for one year." Since that time some members of the Council are wishing to change their mind or expressed that they did not understand what they had agreed to. Koopman stated she is no longer interested in phased retirement and full retirement will begin August 1, 2011. The Council will be working a very tight timeline and need to continue with advertising. The first interview would be in June with the second interview to follow. The selected candidate may be required to give a 30 day notice and that puts any training down to one week. Enderson asked if the salary should be published and wondered if that can be negotiated as they may get someone fresh out of college and he wondered if they wanted to start them that high. Mayor Peterson questioned being locked into a particular window of salary. Koopman informed them that this was the City's current approved salary range for this position. Snyder felt the applicant would want to know what the salary is. Koopman asked the Council of where the ad should be placed and a deadline for receiving applications. She suggested posting it on the LMC website, Sunday Star Tribune, Headlight Herald, Marshall Independent and possibly the Argus Leader. Mayor Peterson stated that he would like to have a committee of Council and community members involved in the initial interview process and have the Council interview the finalists. He will submit those names for the committee at the next Council meeting. Ferrazzano felt the screening committee was okay but felt that all five council members should be involved in the interviews. Motion by Ferrazzano, seconded by Stobb to advertise in the listed newspapers and website with the deadline for applications to be May 27, 2011. Koopman asked if the applications should be mailed to her. The council stated they could be accepted by her.

Koopman reminded the Council about the Board of Equalization to be held on April 28 in the Council Chambers.

Robinson said that with the current weather conditions the compost site had to be closed as it is extremely wet and muddy.

Motion by Enderson, seconded by Stobb to adjourn the regular meeting at 8:25 p.m. to conduct a closed meeting to review active investigative data. All voted in favor of the motion.

May 9, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, May 9, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Stobb to approve the minutes for the meeting on April 25, 2011 as presented. All voted in favor of the motion.

Additions to the agenda included 7A – Determine terms of sale for City owned property, 7B – Robert Caron Building Permit 7C – Request approval of a Subordination Agreement, 9B – Request for transfer of entitlement funds and 12A-1 City Nuisance Inspection. Motion by Enderson, seconded by Snyder to approve the agenda as revised. All voted in favor of the motion.

Charles Reinert, representing the Tracy Masonic Lodge is requesting that the rent agreement between the Tracy Masons and the City of Tracy be for two years rather than one year. Motion by Ferrazzano, seconded by Stobb to enter into an agreement with the Tracy Masons for rent of the meeting room for two years. All voted in favor of the motion.

Ryan Wendt, GIS Coordinator for Lyon County told the Council that in January 2008, FHWA finalized the minimum sign reflectivity mandate which requires State and local agencies to assess the signs on their roads, have an inventory and develop a replacement plan within four years of the final ruling of January 2012. This would require agencies to replace non-compliant signs within seven to ten years. Warning signs and regulatory signs need to be replaced within seven years of the final ruling (January 2015) and Guidance and street name signs within ten years of the final ruling (January 2018). Wendt stated Lyon County, with Council approval, would perform GIS/GPS work to create the City of Tracy street sign inventory and develop a Retro reflectivity Maintenance Policy with input from the City of Tracy. The cost shall not exceed the cost of \$1,000 without authorization. Koopman asked if there was a possibility of this mandate being overturned or over ruled. Wendt was not aware of this at this time. It being a mandate, local agencies should be budgeting for sign maintenance and keeping a better inventory of the signs in their area. It is not a law; it is a Federal Highway Administration mandate. Koopman stated that in light of the budget situation, she finds it hard to understand why this type of mandate is coming down as the cost will be astronomical. The mandate comes down to the population is getting older and there are signs out there that are not maintained and would like to prevent traffic deaths. Ferrazzano asked if there is anyway if there is any way it can be determined if the signs are going to meet the reflectivity standards. Wendt stated there is a reflectometer that can be used but is expensive. The County did their inventory about two years ago and they used a unit that they have. Rather than getting the reflectivity which is very time consuming, they are getting the GPS locations, when the signs were put in place and different ways to maintain the retro reflectivity. The County is going to use the Expected Sign Life method and based on the sign sheeting and warranty of the manufacturer, that is what they are going to use for their replacement plan. Ferrazzano asked how long it would take to do the inventory and they are starting with the cities and townships this summer. He has provided a simple services agreement and once they get the information together they can provide that to the City for their maintenance plan. When they GPS the signs with unit that the County has, they are creating the geographic location and a data base with whatever the City wants beyond sign type and general look or condition of the sign. Mayor Peterson asked who is responsible for the signage on the county roads within the city. Wendt stated the County would be responsible for any signs in the right of way. Wendt stated that every type of sheeting has a reflectivity spec. and that is where the sheeting warranty would come in. The City needs to decide what type of sheeting they are going to use and how they will be maintained and the warranty will give an idea of how long the sheeting will last. Stobb felt this all makes sense for traffic signs but has a problem with the residential street signs, snow removal signs, etc. Wendt explained that emergency services use street signs to find the location of an emergency. Mayor Peterson asked when they needed an answer to their proposal. Wendt stated his window was from June through August to get this done. If he could know by the next meeting, that would be helpful. Mayor Peterson stated that he did not know if they have any type of program in place and if they have

that already, they would just need to put it in a data base. Wendt stated that when the Council decides they can send the signed agreement to him.

Shirley Anderson representing the Multi-Purpose Center Board stated that in October a volunteer system was initiated at the Center. She said the volunteers have not stepped up as they had hoped to run the Center in the afternoons. This was presented to the Board at the last meeting on April 26, 2011. At that time a unanimous decision was made to ask the City Council to consider hiring a part-time person to help at the Center for 10 ½ hours a week. That person would work on Monday, Wednesday and Friday from 1 p.m. to 4:30 p.m. and they would operate the Center on Tuesday and Thursday afternoons with volunteers. Koopman had researched a classification for this position and it would start at a little above the hourly minimum wage. They are bringing in more revenue at this time because of more card groups, other clubs and a Circle group attending in the afternoons. There is a budget of \$6,000 for this position. Koopman said this position would be a Food Service position and requires no more than what a homemaker would do such as serving lunches and there would be no other responsibilities. Mayor Peterson asked if they would keep this position indefinitely or would they revisit this again in six months. Anderson felt if more volunteers became available they could revisit this in six months, but does not foresee this happening. Motion by Snyder, seconded by Stobb to hire a part-time person to work at the Multi-Purpose Center on Monday, Wednesday and Friday afternoons. All voted in favor of the motion.

Robinson had presented in his monthly report in February that there is a funding available for a Fuel System Credit Card Reader. This would be a 50/50 funding. This total cost of the project is \$15,000 which means the City's share would be \$7,500 plus other fee with communications to run the machine. Koopman said they would need to be affiliated with a credit card company which would include satellite fees and other costs with no money budgeted for this. Mayor Peterson asked if this is something that could be done in the future. It was agreed that the present system is antiquated but they could revisit this issue in the future. Motion by Enderson, seconded by Stobb to delay action on the airport fuel system credit card reader. All voted in favor of the motion.

Robinson said he did contact Sandy Depotty with the FAA and told her what the City has been up against and she recommended that he get in contact with Alan Schumacher with Wildlife Services. He did give him a call, but he was out in the field and he could not have any good conversations with him. Robinson invited him to a meeting and he has been developing some questions pointed towards the FAA and MPCA. He and Gervais have been developing other scenarios, rather than purchasing 120 acres of land. They worked with the idea of the four cells that are there now, they could make into two rehab cells. Those cells could be relined and possibly moving a secondary treatment cell ¾ to one mile away and then they would purchase 50 acres instead of 120 acres. Robinson said he would like to explore other issues such as what it would cost the City to lose the airport and what FAA has put into it. Mayor Peterson if there was any luck researching any waivers. Robinson stated that he did talk to Depotty about that and she said that is a possibility as long as USDA Wildlife Service gives the waiver.

Robinson has been working on specs for the Alley Water Main Project and by the end of the week they should have final plans and then the project can go out for bids. Robinson said there is one person that lives in one of the homes along there and has an empty house next to him and does not want to put a water service to that empty house. He said that he would get something in writing from him because it will be more expensive if he decides to put in a line in the future. Stobb felt this owner was at an Equalization Meeting a few years ago and the owner said at that time he was going to demo that house and thought it would be gone by now.

On the property on 2nd Street East, is to the point where the foundation can be removed and fill in the hole. Robinson said that he would hire a contractor to go in and take the basement walls out and push the hole shut. Snyder asked if they got any response from the owner regarding the Hazardous property letter that was sent. Koopman said they have had no response. Robinson said it will cost a fair amount to remove the foundation and heavy equipment to fill back. The materials could be broke up and put into a dumpster which could be expensive. They could be stored at the compost site. Funding would probably have to come from the General Fund. Robinson said there is two to three feet of water in the hole again. Stobb asked if there was any value to the foundation. Robinson stated he had talked with the contractor but the contractor did not want to say until it was removed and dried. Stobb asked if the contractor that did the work

has been paid for their work and maybe they would like to have the materials back. Nielsen stated that the City does not own the material and they would need to check to see if anyone would be making claim on the materials. Nielsen will check on this and get more information.

Robinson said that most of the signs in the City are 20 plus years old and in 2007 they did replace some signs that were severely damaged and at that time the cost was \$38,000 for just a few signs. At that time they went with Engineer grade and not the high reflectivity. He has been reading about this some and even the signs that were replaced in 2007 would meet the criteria they are asking for. Snyder felt they need to do the mapping and if the County did that, they would be able to tell the condition of the signs. Robinson felt the County could do the work and felt the cost of \$1,000 was reasonable. This information could then be put into a Capital Improvement program. Koopman felt there are a number of cities that are trying to get this ruling overturned as the cost of this project will be astronomical. Nielsen stated that when they get the inventory, they could start weeding out signs that are not needed and those that do not need to be replaced. Motion by Snyder seconded by Ferrazzano to enter into an agreement with Lyon County for them to perform GIS/GPS work to create the City of Tracy street sign inventory and develop a Retro reflectivity Maintenance Policy with input from the City of Tracy at a cost not to exceed \$1,000 without authorization. All voted in favor of the motion.

Mayor Peterson, Councilman Stobb and Gervais met with Brent DeRuyter on Friday, April 29 to negotiate the potential sale of City property at Central Livestock. Mayor Peterson stated that on Exhibit A does not include small pole barn but the area just north of that. Nielsen stated that he contemplated that but do not know what negotiations were discussed. Stobb stated that when they discussed this they were looking at that and did not expressly ask if DeRuyter wanted that small building or not, but he felt there was a possibility that he did. Nielsen felt they should make sure this area is surveyed and because the cost is on the buyer, the buyer should select the surveyor and it should be a joint operation, so both parties and the surveyor are on the same wavelength of what they want. Mayor Peterson said that in his mind they cannot determine the terms of sale at this point because they do not know exactly what they are selling and exactly what the buyer wants. Koopman said that they would not have to have a public hearing. Nielsen stated the City Charter as published now have the old rule of public hearing to be passed by the City Council. The Charter Commission had changed that to eliminate the public hearing requirement and at that time there was a seven member council. He did not feel it would require a unanimous vote but they will have the Charter Commission look at a five member council passage requirement. On Exhibit B – 3. would read “Buyer may not least or rent the Property to a tenant, transfer, resell or other convey the Property for a period of five years after the closing of this transaction, ...”

Exhibit B – 4. would read “Buyer shall, after closing maintain the Property in a condition sufficient to avoid violations of public nuisance, hazardous building, building code or other provision of law. Within 365 days after closing, Buyer will repair and upgrade the building on the Property so as to make such building more aesthetically pleasing.” Nielsen said made in stone and if he has a business reason he can come back to the Council to negotiate. Mayor Peterson would like to meet with DeRuyter again and finalize the property he wants. Snyder felt the pole building was included in the talks. Snyder asked if that meant he could not rent a part of the building such as to the renters that are presently in the building. Nielsen said he could reword that to allow a partial rental.

Exhibit B – 5. would read “Buyer will use the property as a part of his pallet servicing and supply business. ~~and for no other uses for a period of at least _____ months after closing of this sale.~~ Snyder felt this could be stricken. Nielsen stated that if the EDA were doing this, he would be required to have a business use there and that is not the same as required by the City.

Exhibit B – 6. would read; “At the time of closing this transaction, Seller will give notice to said tenants to vacate such part of the Property as they may occupy, with a period of 20 days being given to such tenants to so vacate.” Nielsen said he did not want the renters to be notified until a sale was completed.

Mayor Peterson asked Robinson how far away from the building they would like the snow field to be. Robinson said he would take a wheel out there and see what is needed for DeRuyter’s trucks to make the turn. Stobb said DeRuyter had talked about coming in the back and out the

front of the building. Snyder said that DeRuyter felt that where the cement is would be plenty for him to come in the building.

Nielsen stated there may be one tax bill on that entire property and he would have to pay part of the taxes on only the portion that he is buying. Koopman said they could check with Dean Champine as to how this would be divided. On the tax bill also would be the assessment of the Greenwood Storm Sewer project and this could be assessed on a square footage basis.

Robinson asked if the City would be leasing an area for the snow field. Mayor Peterson stated that DeRuyter's words were that he wanted to be a good neighbor and the subject of rent was not brought up and he did not say anything about charging. Stobb said that if his business changes and he needs more space there should be something in writing that it can be used for a snow field now and with notice this may change for the City to have the authority to use this property. Nielsen felt they should leave it the way it is and if something changes this can be negotiated in the future. Nielsen said they just need consensus of the Council to move ahead with these changes. Stobb asked that with the things that were discussed, could they meet with DeRuyter and make sure everything is agreeable and then act at the next meeting. Nielsen said the Planning Commission is to look at this also and the City has been lax on that process. Koopman stated that Gervais did speak with the members of the Planning Commission but does not know if he asked them for a formal approval on making the sale or not. The Planning Commission will meet again on June 6. Nielsen felt there could be some action by the next meeting if things fall in place by then.

Mayor Peterson stated that Robert Caron had contacted him regarding a building permit. Half of the property at the Red Rooster is in the City and half is in the township. He put a new shed on the township property and did not find out about this until after he got his taxes. He had purchased a building permit in the City and then had to repurchase one through the township and is now asking for a refund from the City for his building permit. Koopman informed the Council that Shane Daniels did do all the inspections and all the work required for it. She had discussed this with the County and asked the County then to reimburse the City as Daniels did all the work. The permit fee is to cover the cost of administrative costs. The County is not willing to reimburse the City. Koopman said the City does not verify ownership when an application for a building permit is received. Mayor Peterson stated that based on the cost of the permit, he understands why he wants a refund as it was just shy of \$486. He suggested that they take this up with one of the County Commissioners. Nielsen stated that if he is paying taxes to the County on that property this should have been a tip to him. Stobb understands the time and effort put into it but in good faith they cannot charge for a permit if the property is not in the City. Ferrazzano also agreed that they cannot in good faith keep the fee and felt they should work with the County and see what can be done. Motion by Snyder, seconded by Stobb to refund the building permit fee to Robert Caron. All voted in favor of the motion.

In a memo, Gervais stated that the Subordination Agreement in regard to a lien on a Small Cities Development Program Grant with Dale and Angela DeSmith as part of the 2007 grant. The \$14,520 is forgiven over 10 years at 10% per year. The remaining balance would be \$10,164 at this time. The DeSmiths are refinancing their property and First Security Bank is requesting this subordination. The council has agreed to numerous, similar subordinations in the past. Motion by Stobb, seconded by Snyder to grant the request for subordination with Dale and Angela DeSmith. All voted in favor of the motion.

A Terms and Conditions of Accepting Airport Improvement Program Grants was presented. Koopman said that if the City is going to receive grants, this agreement has to be signed. Nielsen said that he reviewed the agreement and stated that most of it is technical issues and criteria for building standards and improvements. Motion by Enderson, seconded by Snyder to accept the Terms and Conditions of Accepting Airport Improvement Program Grants. All voted in favor of the motion.

A letter from the City of Faribault was received requesting to use some of the City of Tracy's FAA Airport Entitlement Funds for 2008. Motion by Snyder, seconded by Stobb to sign the agreement for transfers of \$143,644 airport entitlement funds for 2008 to the City of Faribault. All voted in favor of the motion.

The Consent Calendar included: Municipal Accounts Payable, Multi-purpose Center Board minutes for March 22, 2011, Ambulance annual Financial Report and Planning Commission minutes for April 4, 2011. Ferrazzano stated there were three items on the Accounts Payable concerning library expenditures that the Library Board had contacted him about. These were E406-441-251 and E406-441-331. They stated that the Board had not approved those expenditures and because donated funds were used, the Board thought they needed to approve those expenditures. Ferrazzano said those checks should be pulled and refer them back to the Library Board for approval. Motion by Stobb, seconded by Snyder to approve the Consent Calendar with the described changes. All voted in favor of the motion.

Chief Hillger stated that in light of the Clean Up Day by the Fire Department to be held on June 4th and would like to start the inspections the week after the cleanup day. It was the consensus of the Council to approve this.

Stobb stated that he had a resident talk to him about 4-wheelers that were driving rapidly and possibly recklessly in the area of 5th and Morgan where they were seen. Police officers will watch for this.

Enderson reported a wash out at the airport on the west side where the new water line was dug in. It has washed away and the foundation of the building can be seen. Robinson stated that he will get a hold of the contractor and have them repair this as soon as possible.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 8:00 p.m. All voted in favor of the motion.

May 23, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, May 23, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Stobb to approve the minutes for May 9, 2011 as presented. All voted in favor of the motion.

Additions to agenda included: 6-C Request for purchase of flower baskets for downtown – Missy Erbes, 6-D Request for approval to install a security system in the new library – Jamie Verdeck and 7 –B Temporary Staffing Issues – Rick Robinson. Motion by Stobb, seconded by Enderson to approve the agenda as amended. All voted in favor of the motion.

There were no Public Comments.

Larry Buysse has asked for permission to use an open ditch on city property as an outlet for drainage tile. This drainage tile would dump into the State Hwy 14 right of way on the south side of the road and then flow into the existing intake which outlets on the north side of Hwy 14. There will be no additional trenching or mess due to the fact that this inlet and outlet are already in place. Buysse has applied for and have approval from the DNR, Natural Resource Conservation Service, Farm Service Agency, Watershed District, Local Ditch Authority and the Soil and Water conservation District. In a memo, Nielsen stated the request is couched in terms of this ravine being “on city property”, which may assume a fact not in evidence. He is not aware of the City owning the land upon which this ravine is located, although it is close enough to the Industrial Park that this is possible. If the City has in the way of real property rights is an easement, the City has no right to expand the use of that easement by allowing others to avail themselves of rights similar to what the City has. The underlying land owner(s) would still have to grant a new easement to Mr. Buysse. Nielsen is assuming the ravine is not part of an established county drainage system. If the City does own the pipe running under Hwy 14 then consideration should be given to allowing water flowage through the City pipe under the road. If the City does have the ability to consent factors such as whether the pipe under the highway, the inlet on the south side and the ravine on the north side all have the capacity to handle whatever the anticipated discharge is from the proposed Buysse drainage system in addition the City storm water and bypass discharge, are there any future repair or maintenance costs that should be shared, any fee payable to the City, what land is going to be drained through the system and a more detailed agreement reached to prevent other upstream land owners from hooking on the Buysse system in the future and increasing the burden on the City drainage without the consent of the City. Mayor Peterson felt this was a land use issue and based on what Nielsen has indicated, he would like to have the Planning Commission and Nielsen get together and make an informed decision. Stobb asked if they had an answer tonight if the City does own this property. Nielsen felt that they did not but he does not have a definitive answer. Buysse stated that he had discussed this with Dennis Norstegaard and he said that he had dealt with someone from the City in the past and he had horses grazing there and had obtained permission for his horses to be there. Buysse stated that in the survey when he purchased the property, the ditch was wrapped up in his property and when they develop the lots, they left the ditch out. Stobb stated when he looked at it today on the south side of the road where the steel fence post is, to him that appeared so far east that it really lined up with the Buysse property which would have been east of the city line. Robinson stated there is a 42 inch pipe that comes down through Circle Drive and that crosses Hwy 14 and a 52 inch pipe is the outlet that daylights into the open ditch on the north side of Hwy 14. The ditch east of Buysse’s slopes towards town and there is ground water that travels through that ditch and goes into that culvert and that culvert somehow ties in to the City’s 42 inch pipe. Robinson said he does not see that Buysse’s hooking into that pipe would cause a problem and what they would be doing is delimiting their tiles with the City’s tiles into the Hwy 14 ditch on the south side. Stobb asked that if in the spring of the year when there is excessive run off and there is excess run-off and the City’s pipe is at capacity, he envisions that drainage from the Buysse tile would not be able to enter at that point and it would pond up there. Robinson stated that during the September floods, the 52 inch pipe was full and the waterways northeast of town were backed up. There is still debris in the trees higher than the 52 inch pipe

which means that during the flooding situation, water could not leave town and the whole system was backed up. Snyder did not see any issues for Buysse to tie into that pipe and the water is going to come there anyway whether it is tied in there or not. Nielsen stated that if the City is inclined to give permission to do this it would be with the understanding that you are giving them permission to extend that and there may be some other landowner that will need to be contacted and there are no capacity problems. Motion by Snyder, seconded by Stobb to grant permission for Buysse to extend the pipe to discharge water into the City's drainage tile outlet, pending contacting any landowners that may be affected. Nielsen felt that an agreement should be drawn up and it should also include Buysse has a specific piece of land that he wants to drain, it should be defined and it should be understood that upstream users are not permitted to tap into the City's pipe. Buysse stated the only thing that will be tiled is the front slope and that is about 10 acres and there is nowhere else to go as far as drainage is concerned. Nielsen said he can draw up this agreement this week to move forward with it. What they are agreeing to is that whatever the City owns, they are granting permission to use that property. All voted in favor of the previous motion.

Motion by Ferrazzano, seconded by Stobb to approve an On Sale and Off Sale 3.2 Malt Beverage license contingent on payment of fees and submission of paper work. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to approve an Off Sale 3.2 Malt Beverage permit for Casey's General Store contingent on payment of fees and submission of paper work. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to approve an On Sale 3.2 Malt Beverage license for Tracy Lanes contingent on payment of fees and submission of paperwork. All voted in favor of the motion.

Missy Erbes, representing the Tracy Chamber of Commerce was present to request support from the City Council for the hanging baskets. The Chamber was asked to continue this project and they have agreed and gone to collect funds to accomplish this. Last year the City helped with support for six baskets and the City employees watered them. Erbes stated the watering is not needed this year as the business that is creating the baskets is responsible for watering, fertilizing, trimming and care for the entire summer and is guaranteed to have the pots blooming with the appropriate flowers to make them look good through mid-September and possibly longer. The cost last year was about \$50 per basket and with the care and maintenance it will cost \$120 per basket. Any support from the City would be greatly appreciated. Snyder asked if there was a total from watering and baskets last year. Koopman stated they did not but did state that there were volunteers that did watering about four times and other than that part-time employees were used for the entire summer. It took an average of three hours to do the watering. Koopman stated the City's baskets were in front of the City Buildings. The \$120 dollars would be much cheaper than it was last year. Motion by Snyder, seconded by Stobb to purchase six baskets for \$120 each to place in front of City Buildings. Robinson asked if the Public Works would be responsible for hanging them. Erbes stated the only responsibility for the Public Works would be to have the brackets put up and Greenwood Nursery would then hang the baskets. All voted in favor of the motion. Greenwood has guaranteed that they have extra baskets reserved and will change out any baskets that do not do well.

Verdeck was present representing the Library Board to ask for permission to purchase a security system for the new library. She has contacted two local companies and they have done a walkthrough of the building. The estimates received are for installation of four cameras and any hardware/software needed for the systems. There would be a camera in the hallway by the bathrooms on the west end facing east, one in the conference room covering the door and two cameras on the mezzanine. The monitor would be on the front desk. There would be the capability to record the screen and then record over after a set time frame. The cameras would be of a higher grade because of the low ceiling. Estimates received were:

Advanced Health, Safety and Security, Slayton Mn	\$3,035.31 for an analog System. \$3,965.62 for an IP system
Living Connected, Inc., Marshall MN	\$4,720.00

The Library Board is asking for permission to accept the estimate from Advance Health, Safety and Security in Slayton, Mn to get the system in place. This would be purchased with donated funds. Stobb felt they should go with the digital system as the analog is already outdated. Motion by Stobb, seconded by Ferrazzano to grant permission to the Library Board to purchase the IP digital system at the cost of \$3,965.62 from Advanced Health, Safety and Security. All voted in favor of the motion. Ferrazzano stated the good this about the bid from Advanced Health is that it also includes training.

Verdeck stated the Library Board voted for Shirley Anderson, Vice President, Katie Meiner, President and Peggi Peterson, Secretary. Meiner showed everyone the balance of the donated funds account and discussed what needs to be paid and what needs to be purchased from that account. Barry and Melissa from the consulting firm will be here Friday for their last visit. There is no date yet for the move into the new library but they want to make sure that Dale Johnson is done with his work. Knology has been contacted and they have gone through the building once and were shown where the internet connections need to be and hopefully will be able to move to the new building the first of June. Meiner has formed a committee to plan the open house and 75th anniversary part for the library. She also had some websites with some grant research that she distributed. On May 11 the entire grade school was at the library and grade by grade was given a tour of the new building. Five new library cards have been issued. Summer reading will be going on and Story Time will be for pre-schoolers will come at 10 a.m. and Lyon County 4-H has offered to do a story time for the older children. They received a grant to work with water for the elementary grades. Evening Story Time will be for pre-schoolers on Tuesday evening from 7 – 8 p.m. Meiner will be taking care of that time. The library will be starting their third year with the accelerated reading program. Plum Creek Library system has purchased and buses to take people to take people from the different towns to see “Annie” in Pipestone. The bus leaves Tracy on June 18 and the show will be at noon. Anyone that has a library card can go for free. Chad Lewis will be coming back on June 19 and will be speaking about Gangster Hideaways in Minnesota. A children’s author will be coming in July. They have not done a lot of presentations because they are not sure of the status of the Legacy Grants. Plum Creek is researching a new computer system and this will not cause any increase in fees paid to Plum Creek. Last week Schwan’s Corporation gave the library an \$800 donation to use towards books and not towards the building. Ferrazzano said they will need volunteers for moving day.

Chief Hillger asked for any questions regarding the activity report. The new squad should be arriving in about one month. Stobb stated that with the severe weather in Minneapolis and Joplin, Mo and feels the residents and city staff to review the Emergency Management Plan and they can get one from Chief Hillger if they want. Snyder asked if this is something that could be posted on the website. Koopman said it is quite lengthy but will check into that. Chief Hillger stated that it is on CD and copies could be made. Chief Hillger said it is not so much a plan but a list of resources and outline of what they would have to do in a full blown emergency. Stobb felt that reviewing gave everyone a cause to think about it and do some mental planning. Chief Hillger stated that Nuisance Inspections will begin after June 4.

Regarding the severe weather, Gervais would advise people to buy weather radios. He and Chief Hillger had gone to the National Weather Service in Sioux Falls and if someone spots a tornado by Tracy, the call is relayed and the message is typed from the computer in Sioux Falls and as soon as they hit enter, it hits the weather radio. The driveways have been put in at the new town homes and hopefully some of the residents will be moving this coming weekend. Once the weather clears, they should be able to get the road completed but need things to get dried out there first. They have been working on the punch lists for the south units. There is an Open House planned for June 12 from 11 a.m. to 3 p.m. There is one two bedroom unit open there yet and will use that one in the meantime for the open house. They will be installing fire extinguishers in all the town home units as part of their insurance requirements. They are getting quotes from the businesses here in town. There is a Business Retention Expansion summit that will be held this coming Wednesday at 6:30 p.m. at the Schwan’s Performing Arts Center. There is an implementation workshop coming up June 14 in Mankato regarding the CDBG and will be attending with someone from Western Community Action. Because Tracy was invited to that, it means that Tracy will most likely be funded, but do not know how much yet at this time and it is dependent on the HUD allocation. Gervais will be attending a grant training class in Sioux Falls on July 7 and 8. This could help the City with some sewer pond funding in the future. He and Robinson drafted a letter to the FAA and still waiting to line up a meeting at the capital. Gervais had reviewed some revolving loan information and right now the EDA has \$197,489.87 in

revolving loans in the community. Stobb asked about sodding part of the lawn and seeding part of the lawn at the Orchard Lane Town homes. Gervais stated that he talked with Dan Siree and they have not come up with a firm bid design yet. Gervais felt that waiting till the fall and then seeding would be the best route to take. If they do the seeding now and no rain is received in July and August, then they would have to do a significant amount of watering. Stobb felt that if sod is considered it would probably be good to do that now. Gervais stated that he had discussed this with Jeff Farber and he was concerned with the soil here and he has not had good luck in the area in sodding.

Koopman stated that during the month of April she attended the following meetings: Planning Commission, Library Board, three City Council meetings, met with the Aquatic Center Manager and Assistant to discuss the upcoming season, attended the Loss Control workshop, met with the City Auditors, attended a two day conference for the Hospital, met with Senator Dahms and Representative Swedzinski to discuss the lagoon project then later attended their town hall meeting, attended the Hospital Advisory Board meeting, met with the Hospital CEO and COO on hospital improvement projects and attended a Cemetery Commission meeting. She continues to monitor legislative issues. Koopman felt it would be interesting to see if our legislators are willing to put aside their party's politics and start making decisions based on what is in the State's best interest.

Robinson reported that road restoration has been completed on South Street and 4th Street where there was a water main break last winter. The barricades are still in place because of the heavy traffic through there the closer they get to 25 days; the better it will be for the replaced cement. The crack filling project is complete and crack filling was also completed at the hospital parking lots; and that was billed back to the hospital. Alleys have been repaired by adding gravel in areas and leveling with a drag. Mowing started on May 10. A reminder to the public that they not blow the grass clippings out in the street as this causes issues with the storm sewer system.

In Utilities, Robinson has been working on the wastewater pond project with Gervais. He now has correspondence from the FAA and now has a direction to follow and he has broken this information into steps that they can take to resolve this issue. The alley water main project is coming together and should be ready to go to bid shortly. The Engineers finished the plans on 5-17-11 and he had finished the specification on the same day. Nielsen has the contract ready for the successful bidder. The tentative start date was 5-20-11 but there is a shortage of water main pipe and he has spoken for enough pipes to do this job.

The rail road is continuing to work on replacing their sewer service line to help resolve the City's I & I issues. With replacing this they are concerned about the soils as when they replace that line they are going to be going through some undesirable soils and trying to get a plan together of what they are going to do with their soils. At this time they are cleaning up old wells out there and so they know there are some contamination issues. Robinson stated they are getting a whole new line for the City's sewer main all the way back to that shop. They have clocked as much 60,000 to 70,000 gallons a day from the railroad shop. There are several tiles out there that are connected to their service line out there and bringing clear water to the City's system. Stobb asked if they would have the same problems if they were to bore the line in. Robinson felt they did not feel they could keep grade well enough.

At the airport, the airport beacon light failed and an electrician replaced the electrical components and bulb. There are two security lights near the terminal building that are not working and Robinson has directed an electrician to make repairs.

Robinson stated they have not found a replacement part mower yet and are still looking. The engine on the Ford tractor is in the process of being rebuilt. They thought it was just one cylinder that was not working but it turned out to be all the cylinders.

Buyse Roofing was here and looked at the roof leaks in the VMC and Multi-Purpose Center. A walk door on the water plant was replaced by Daniels. One of the big overhead doors at the shop is not working anymore and a smaller garage door is falling apart. In the water plant there is a double wide steel door that has failed and Robinson is getting some prices for those. Robinson had a dumpster delivered to the Multi-Purpose Center and Shirley had a youth group haul debris from upstairs and they filled the dumpster. The Public Works placed 45 yards of crushed concrete on the cemetery roads as the roads had washed out in several areas. Robinson made a

map of Central Livestock property of what they are requesting for snow field area and he had provided copies to the Council.

Snyder asked if something could be done about the corner of Center Street and State Street where the water pools. The County has looked at it. Robinson said the flow line is not correct there. To repair it they would have to remove the curb and gutter and replace it correctly. Robinson will contact Steve Johnson and discuss it with him again. Enderson asked if they had any further information about the undermining of the terminal building at the airport. Robinson has talked with the contractor about this and they are one of the companies that will be sending specs and plans for the alley water main project and they may be here and will do something about it at that time.

Robinson stated there was an accident in the Public Works parking lot and Shane Daniels was injured and will be out for about six weeks and then may have work restrictions after that. Robinson is concerned that Daniels recovers properly. Koopman has a plan for temporary building inspector. Robinson stated they have been operating two people short for some time but have had the assistant of part time temporary person. This employee can only work six months at a time and then has to be off for 30 days otherwise the City would have to pay into PERA and would have to be considered full time employee with benefits. This employee has been there for a while and is good with equipment and has been trained. This person is scheduled to be off again starting July 1 and that would make the department short three people. The department is currently behind in areas of mowing, asphalt work, street sweeping and this is the week that they start the process of getting the pool ready which is labor extensive and takes two employees for about two weeks. Robinson needs someone skilled enough to run large equipment such as street sweepers, loaders, etc. and physically capable of physical labor. One of Robinson's options would be to put the part time person that has been trained on as a full time employee and train him in the water plant operations and on call situations. This would eliminate losing him for 30 days. Another option would be to continue as they are and try to find one or two capable persons who could work 20-40 a week until Daniels is able to return to work. This person would need to be trained in the equipment and utility operations and be capable of doing physical labor. The problem with the second option is finding this person on such short notice to do a temporary skilled job. Robinson is concerned with getting the pool ready and concerned about falling behind in other areas such as sewer jetting, asphalt patching, hydrant flushing, trimming trees, etc. This could be hired out to contractors but that would also take funds. Robinson is recommending the first option and understands the issues such as budget restraints. Koopman said that when she had talked to Robinson about during the time that Daniels is out at least, he will be receiving Worker's Comp and they pay 66% of his salary and the City will be responsible for 1/3 of his salary. The 66% would help compensate for this person filling in during that time. Mayor Peterson asked if that 66% would cover what it is going to take for a contract for a building inspector. Koopman stated that she talked with Ted Hayes who covered for Garrels when he was out. He is having health issues and is in the process of moving and he was not interested. She called Marshall and talked with their building inspector and he said he did not have the authority. He suggested that she talk with Mark Hanson who is basically the building inspector for SW Mn. Hanson said that Daniels could deputize someone such as Robinson to do the inspections. Daniels would be responsible for signing the building permits and doing paper work and Daniels could give direction to Robinson or whoever will be deputized. That would be the most economical way that this could be covered. Daniels is agreeable to deputizing someone. Snyder asked if contract wise the City has to cover that 1/3 salary. Koopman stated the Union requires that. Snyder asked if there would be any third party liability. Koopman stated the City's insurance company has been informed and it is their hands now. Robinson stated they are getting lists of damage to vehicles at the shop for the insurance company. Ferrazzano asked if there would be the possibility of getting insurance money for the replacement worker. Koopman said that is a question they can ask. Robinson stated that his main concern is that Daniels recovers correctly. Ferrazzano suggested they go with the first option. Snyder agreed also with this option as the person is already trained. Mayor Peterson felt the downside with going with the first option is that the full time may not work out, whereas going with the second option and find one or two part timers there is a month to bring them up to speed by July 1 and feels this would be the least expensive way to go. They don't have to decide to keep the already trained person until July 1. Koopman stated there is the probationary period to take into consideration also. Robinson felt that since this is an emergency situation, if they could find someone without going through the application process and interview process it would work for the department. Robinson will work on finding someone part time for a day or

two and report back what he is finding. Enderson felt Robinson should go ahead and see what he can find. Koopman felt there would be a potential with unemployment issues whichever route they would take.

The Consent Calendar included: Municipal Accounts Payable, Library Board minutes for April 18, 2011, Firemen's Relief Association minutes for April 4, 2011, Economic Development minutes for April 1 & 15, 2011, Monthly Financial Report and Hospital Board minutes for April 20, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar as presented. All voted in favor of the motion.

Snyder stated they received the list of people that have agreed to review the applications and wanted it clarified if that was in addition to the Council. Mayor Peterson was going to have these individuals go through the applications and narrow the list down to ten, and then the Council would go through the list of ten. The other applications would also be available to the Council. Stobb asked if this will be these five individuals sitting down and mutually agreeing for the ten finalists. Ferrazzano felt that what was envisioned was that they all score them separately, meet and decide who the ten finalists would be. The closing date for the applications is May 27, 2011. Snyder feels that it is important that the Council is involved in these steps also. Stobb asked if Snyder was concerned if he had heard something from the public in disagreement with this issue. Ferrazzano felt this a good approach to get the community involved. Snyder just wanted to clarify that for those that are listening to the meeting tonight so they know it will be the Council that will be making the final decision and not these five people as that is what the Council is elected to do. Stobb asked if the list of five people is public information and asked that he give the names. The School Board representative would be Peggy Zwach, Brian Lanoue as a business owner, Keith Schons as a member of the community, Tom Morin as a business owner and Homer Dobson as a former councilmember and mayor. They have all agreed to do it. Ferrazzano felt this would be good to have these people involved and if the Council is not satisfied with the selected ten, the Council can then look through the applications themselves. Ferrazzano suggested that they could have all the applications e-mailed to them for review. The applications are in different formats. Snyder stated that he will come to the office to review them and will not need them e-mailed to him. Stobb asked with applications is so many different formats if they could compare apples to apples. Koopman said the Council would need to need to set up some type of criteria that they would use and if that information can be obtained from that application. A large number of them are from the Career Builder from the Argus Leader and have been received from India, Texas, Georgia, Mississippi and it would be very unlikely that they would come for an interview as the City will not be paying them travel expenses. Koopman said there are some very good applications and there are a total of 51 applications at this time.

Motion by Enderson, seconded by Stobb to adjourn at 8 p.m. All voted in favor of the motion.

June 13, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, June 13, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Snyder, seconded by Ferrazzano to approve the minutes for May 23, 2011 as presented. All voted in favor of the motion.

Additions to the agenda included: 6-C Police Commission Report, 6-D Planning Commission report: Sale of Central Livestock Property, 7-E City Shop Garage doors, 7-F Fire Hall garage doors and 13 Closed Meeting for preliminary consideration of allegations or charges against a City of Tracy employee pursuant to MN §§ Section 13D05 and Subsection 2B. Motion by Enderson, seconded by Snyder to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Robinson reported that Gervais had compiled a list of questions regarding the site for the new lagoons that were sent to the MPCA and FAA. This was approximately two weeks ago and no response has been received. Robinson will contact them and see where this stands.

Mayor Peterson stated that he has had numerous calls from the public that would like the hours for the compost site be extended. Snyder stated that he has also had several calls. The hours would be Tuesday and Thursday 4 p.m. to 7 p.m. and Saturdays 1 p.m. to 5 p.m. Stobb as if Tuesday was a day preferred by the public. Mayor Peterson stated that Tuesdays work better for Larry Moyars schedule. Motion by Snyder, seconded by Stobb to extend the compost hours as described. All voted in favor of the motion. Gervais stated the hours have been posted on the public access channel.

Koopman stated the Police Commission met on June 8 and have recommended appointing Jason Lichty as acting Police Chief while Chief Hillger is on medical leave. They are also recommending that Adam Baumann be hired for a police position contingent on passing test on June 16. Lichty has been preparing the necessary paperwork and the results of the testing will take about ten days following the test date. Motion by Snyder, seconded by Ferrazzano to approve the action recommended by the Police Commission to appoint Jason Lichty as acting Police Chief and hire Adam Baumann contingent on passing his test. All voted in favor of the motion.

Gervais stated that the Planning Commission has made recommendation to proceed with the sale of the Central Livestock property to DeRuyter Pallets. Letters will need to be sent to the present renters of the building regarding the proposed sale of the property. There is a rafter that is broken in the south storage shed and will need to be repaired by Verlinde's before the final sale. Motion by Snyder, seconded by Stobb to approve the recommendation by the Planning Commission to sell the Central Livestock Property to DeRuyter Pallets. All voted in favor of the motion. Gervais stated there is a small portion of that is affected by the Greenwood Storm Sewer project. It is roughly about 22,000 square feet that would be affected. They know the exact dimensions of that from the surveyors. There are about three years of assessments that have been paid from the original amount of about \$1000 in that assessment. Nielsen stated that he needs the legal description of the property. The contract for the renters expires July 1.

Pastor Jorde is requesting permission to put up a church sign listing the churches in the city. They would like to place is by the Panther sign on Highway 14 in Nehl's Park. He stated that one sign will be on the Wheel's museum property and one will be on private property across the street from Greenwood Nursery. The sites on Highway 14 have been approved by the DOT. Motion by Stobb, seconded by Snyder to approve the placement of the church sign in Nehl's Park. All voted in favor of the motion.

A letter was received from Casie Bangasser the Aquatic Center manager requesting that the pool be closed for the season on August 21 at 5:00 p.m. School starts on Monday, August 22. Last year the pool closed during the week and reopened for two weekends. The pool has a history of poor attendance during the Labor Day weekend. Motion by Ferrazzano, seconded by Enderson to approve the recommendation from Bangasser and close the pool August 21 at 5:00 p.m. All voted in favor of the motion.

Board and Commission vacancies are one position on the Planning Commission, one position on the EDA Board and one position on the Cemetery Commission. Mayor Peterson asked if Deb Ohman had been contacted about the position on the Cemetery Commission. She had stated before that she was very interested in that position. Stobb suggested that they contact her and if interested, to offer her the position on the Cemetery Commission and advertise for the vacancies. Motion by Ferrazzano, seconded by Snyder to offer the position on the Cemetery Commission to Deb Ohman and advertise for any vacancies. All voted in favor of the motion. Koopman will advertise for two weeks.

The auditors have advised that the city office use some internal controls to track funds and sharing of duties in the office. David Spencer had been appointed Deputy Clerk and this does not follow well with the controls as he reconciles the bank statements and should not be able to write checks. Mayor Peterson appointed Rick Robinson as Deputy Clerk. The employees met and it was discussed how to receive and track funds and sharing of duties. It was recommended by the auditors to upgrade the computer systems. Koopman said the only thing missing from the estimates presented was the cost of the computer to use with system. Everything can be interacting with the new modules. The cost of the modules would be \$795 for records, invoices and payments with the ability to print invoices and statements. The POS module would be \$2,300 plus the city would need to provide a monitor, printer and keyboard. Training is approximately \$400. Koopman stated that the funds would come from Other Financial Uses. Motion by Ferrazzano, seconded by Snyder to purchase the accounting modules and computer to use with the new system and training from Banyon from Other Financial Uses Fund. All voted in favor of the motion.

Motion by Snyder, seconded by Ferrazzano to appoint Robinson as Deputy Clerk. All voted in favor of the motion.

Bids received to replace the overhead doors at the City Shop included:

Dale Johnson III Construction LLC	\$ 9,389.70
American Garage Door Co.	\$ 5,457.51
JPJ Builders, Inc	\$ 9,520.46

Robinson is recommending the Council accept the low bid of \$5,457.51 from American Garage Door of Marshall. This would be for two 12 x 12 garage doors and one 8 x 7 garage doors. Mayor Peterson asked if these doors were budgeted for this year. Robinson said there are some funds in Building Repair and will basically clean out this fund for Streets and Parks and Utility Building repair budgets and may be a small amount more that what is in those funds. Stobb said the American Garage door bid is quite a bit lower than the other two bids and he asked if they were sure they were getting the correct door. Robinson stated that he had the building inspector go through these bids and he felt the bids are appropriate. Motion by Ferrazzano, seconded by Snyder to accept the bid from American Garage Door Co. for \$5,457.51. All voted in favor of the motion.

Robinson provided pictures from an incident at the pool recently of someone dismantled the retaining wall. Robinson said the light pool that fell was in a bad spot and in order to get at it, they had to take the fence down to change lights and bulbs. They would like to move it to a different location. The Department of Health inspected the pool and they asked the DOH where the lights could be placed as they would like to replace the one that fell with two lights that are more accessible. If pool parties are held, the suction grate on the bottom of the pool needs to be visible and with no light, parties cannot be held at this time. They are working on getting estimates for the insurance company so that lighting that is easier maintenance can be installed.

Fire Chief Dale Johnson reported that one overhead garage door at the fire hall is not working and needs to be replaced. This has been repaired in the past and everything that can be done to

repair them has been done and there is a risk of the springs breaking. There is also the potential for someone to get hurt manually lifting the door to open it or not being able to get out when a fire call is received. A price quote received from the local lumber yard for a Midland two inch energy saver door is \$4,502.22 and to upgrade to a three inch energy saver door would be \$5,122.31. Labor would be the same with any contractor. This is the only estimate received and can get more estimates if the Council wants. Both the two inch and the three inch qualify for tax credit. Motion by Ferrazzano, seconded by Snyder to accept the bid for \$4,502.22 plus contractor's labor for the Midland two inch energy saver door. All voted in favor of the motion. Johnson reported the opener is six years old and if there has been no damage to the opener from the damaged door, the opener would not need to be replaced.

Motion by Ferrazzano, seconded by Stobb to adopt a resolution approving change in pledged securities. All voted in favor of the motion. (Res. No. 2011-12)

Robinson reported that the bid letting for the alley water main project was held Friday, June 3, 2011. The city received two bids as follows:

T & E Underground \$89,712.50
Sioux Falls, S.D.

B & D Utilities \$74,820.50
Mankato, Mn

Robinson is recommending the City accept the low bid of \$74,820.50. The schedule start date of the project is June 20, 2011. Robinson stated that he has a signed contract and B&D has sent their paperwork and the bid and performance bonds have been received tomorrow. B&D has a list of addresses for the assessment notices and have sent letters to the residents concerning the installation of temporary water services. On June 20 the residents will lose access to that alley and there will be 15 days that they will be working on the project. There will be temporary service lines running from the hydrant and back feeding into hose bibs to give them service. B&D will be sub contracting with Cooreman Construction. Motion by Ferrazzano, seconded by Stobb to adopt a resolution accepting the bid from B & D Utilities for \$74,820.50. Robinson said it will be directional boring and once the mains are in, Cooreman will come in and they will go to each service and tap the main, put on saddles, incorporation cock and then curb stops will be installed and finally they will find the residents existing line. The temporary service line needs to be chlorinated and bacterial samples will have to be taken to Marshall. Using temporary lines across the yards can be challenging and can sometimes break. B&D will be on call to repair those. The City has purchased all the material except the temporary service lines as the City would probably not use them again. The roads will be allowed to settle before road restoration is done. Stobb asked if the issues with homeowners and curb stops have been resolved. Robinson said there are two or three residents that have newer curb stops. Some of the curb stops may be older than five to six years and Robinson has told the residents for \$116 they would be better off having a new one. Dick Stelter has one house next to him that he wants to demolish and does not want service brought to that house. Robinson will get his request in writing that he does not want service to that line and this will be put on file. All voted in favor of the motion. (Res. No. 2011-13)

The Consent Calendar includes: Library Board minutes for May 16 and April 18, 2011, Cemetery Commission minutes for April 21, 2011, Economic Development minutes for May 6, 2011, Fire Relief Association minutes for May 2, 2011 and Planning Commission minutes for May 2, 2011. Mayor Peterson questioned if they put unapproved minutes in the Consent Calendar. Stobb felt they should let the Library Board approve their minutes before the Council approves them. Koopman stated the Library Board Minutes will be removed until they are approved. Motion by Stobb, seconded by Snyder to approve the Consent Calendar with the Library Minutes removed until approved by the Library Board. All voted in favor of the motion.

Mayor Peterson had received a request from the American Legion Post 173 of Tracy requesting that the flags be left out under after the American Legion Convention on June 18, 2011. It was the consensus of the Council to approve this request.

Anderson reported that Holm has reported that things are going well at the cemetery with the new people doing the mowing and trimming.

Koopman expressed a thank you and appreciation to those that have volunteered their time to take care of the City flower beds. Peggi Peterson has been taking care of the flower bed on the intersection of Center Street and Highway 14. Mary Ann Ankrum has done the one by the Lutheran Church, Tornado Tree and Aquatic and other miscellaneous flower beds along Highway 14 for the Highway 14 Beautification project. Brenda Peterson from Tracy Floral has volunteered to do the one by the horseshoe court. She not only donated her flowers for that, she has also donated the flowers for the cemetery at the cost of \$711 for flowers. Someone that generous needs to be recognized. Mayor Peterson asked that the water truck that Bernie uses could be filled for the weekends so that the volunteers can water the plants.

Enderson felt there should be a committee formed to oversee the operations of the Aquatic Center. Koopman stated there has not been a committee for five years. Ferrazzano felt the pool director should be responsible for overseeing the activity at the Aquatic Center. Stobb suggested they form a committee of two to three individuals along with the pool director and this could be advertised along with vacancies on the EDA Board and Planning Commission.

Stobb asked the status on the applications for the position of City Administrator. Mayor Peterson stated the applications have been reviewed and each member of the review committee has submitted their choices. Mayor Peterson stated they each picked their top choices. They did not get together and complete a combination. Stobb was hoping that the list would come from the committee as a unit. Mayor Peterson said they handed in the selections from each committee member. Mayor Peterson said he was not in on their meeting but can check with Homer Dobson as to how they made their selections. Ferrazzano asked that Mayor Peterson send each Council member of a list of the top ten that were selected.

Motion by Stobb, seconded by Enderson to adjourn the meeting at 7:15 p.m. to conduct a closed meeting. All voted in favor of the motion.

June 27, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, June 27, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Sara Swenhaugen and April Lichty representing the Tracy Ambulance Service were present to present awards. Swenhaugen stated they taught a CPR class and two pool employees; McKenzie and Ashton were students in that class. The first day the pool was opening there was a near drowning incident of a toddler. Erin Flan was nearby pulled the child from the water and McKenzie and Ashton started CPR. Awards were given to Erin, McKenzie and Ashton in recognition for saving a life.

Motion by Stobb, seconded by Snyder to approve the minutes for June 13, 2011 as presented. All voted in favor of the motion.

Motion by Snyder, seconded by Enderson to approve the agenda as presented. All voted in favor of the motion.

Shirley Anderson stated that on June 20 the Library Board voted to ask for \$500 from the donated funds for the library open house and 75th anniversary. This will be held at the new library on July 7, 2011 from 5-8 p.m. Motion by Ferrazzano, seconded by Stobb to allow for \$500 funds from the donated funds to be used for the new library open house and 75th anniversary. All voted in favor of the motion.

Paul Knoblauch of 312 E. Hollett St. stated that he has lived in Tracy for 20 years and has never had a water problem till the last few years. He feels the problem is coming from the athletic field at Sebastian Park and also the asphalt parking lot at the Aquatic Center. In the northeast corner of it is a six inch tile and goes down that tile. Robinson was out there two to three years ago and they tried to clean that line out. There is a storm sewer around the athletic field and feels that tree roots have grown into it and possibly needs some maintenance. Knoblauch states you can see the where the water has washed from the pool and parking lot. He states that he has had problems for the past four years and it is coming from the north end of the park. Knoblauch stated that the electricity had been off for about three hours and sump pumps could not run. He did have a generator that he started and helped out the neighbors. Knoblauch feels that if the storm drain is repaired and if they go to the area where the water ends up in the low spot, that area needs a lot of attention. There are some trees growing down there that needs to be removed and the line cleaned of any roots.

Jim Fox 316 E. Hollett St. stated that his backyard faces the softball field at Sebastian Park. He stated there used to be a cinder track that ran around that complex where the football field was. This track is an area that would hold a large amount of water and needs to be drainage for that. The surface inlet is not accepting water. Knoblauch as provided a transfer pump to transfer that water from that back area and between Squire's and Knoblauch's home. This needs to be repaired to prevent water from entering the basements in that area. They are requesting that the City look at this situation.

Mary Squires of 306 E. Hollett provided pictures of the flooding. They are asking for some type of drainage or plan to get the water away from their homes.

Mayor Peterson stated that when he checked it a few days later there were six or eight inches of water above the intake. There were two quotes available. \$57,000 and \$62,000. Koopman stated these quotes were for labor and materials to excavate, install tile behind ball fields. The other quote states it is the cost for running the tile 240 feet and send it to go out the side of the hill and does not include the cost for seeding back to grass or rock and fabric on outlet side. Dale Johnson stated that Robinson had asked for bids for the low spot on the north side of the ball field and to put a catch basin in and take it down and across behind the swimming pool and take to west and get the water to run down in the open area. This would be tied into the existing

one that runs parallel with the service road and would not be replacing the one that runs parallel to the service road.

Mayor Peterson asked if there were any funds in the parks budget that could cover this cost. Koopman stated that not to this degree. Mayor Peterson suggested that they check the finances and then revisit this issue. Stobb stated this is not the first time this has been discussed. Nielsen stated that if they assessed some of the cost to the residents that benefit from the project and it would lessen the burden for the City. Mayor Peterson stated that he discussed with Robinson that it needs to be fixed. Stobb stated the \$5,700 would be the cheap solution but it could be that this is all the City could afford right now. Knoblauch stated that if this was not fixed he would build a burn so the water stays on the athletic field and would pay the fine if there was one. He is not going to contend with the water running on each side of his house and having it run to cause problems with for neighbors. Mayor Peterson asked if they were going to do any assessments would a public hearing be needed. Koopman stated they could call for that hearing tonight if the Council wishes. Stobb asked if there would be any issues with the Watershed law. Nielsen stated water is one of those things the law says you can get rid of it any way you want if you do it in a reasonable way. Robinson state the Public Works looked at that line today and if they daylight the line it can cause erosion and felt it would be better if it was tied into the existing pool drain. They would have to go another 100 feet and T it in to the existing drain down in that bottom. They planned originally they would put down some filter material and rock on top of that, but felt that it would wash this out too bad. Snyder asked if the intake would go on the north side of the fence. Robinson said it is on the north side of the fence and the intake is in the middle of that water and the new one would go in the same spot. The existing one is old and made of clay, full of roots and collapsing. The line coming from the south and going to the north is taking water and coming out the inlet. Robinson said the parking lot drain is slow and may need to be jetted out. Motion by Enderson, seconded by Snyder to put the project that Robinson described out for bids for drainage on E. Hollett Street. All voted in favor of the motion.

Koopman stated that if they are planning to assess, there is a process they have to go through to get that done. They would have to call for a preliminary hearing and at that time it would be determined if they are in fact going to be assessing some of the cost, if the project is worthwhile and then would have to advertise for bids and secure quotes. Motion by Ferrazzano, seconded by Stobb to call for a public hearing at the meeting on July 11, 2011 at 6:45 p.m. All voted in favor of the motion.

A water and sewer agreement between Lawrence and Bonnie Buysse and the City of Tracy was discussed. Mayor Peterson stated that he had looked back to minutes of April 9, 2007 YN2G wanted to hook to water and sewer services for the four-plex on Morgan Street. At that time, what they proposed was going against the ordinance, it was passed unanimously and a special circumstance may be found to make the adjustments. He asked if any of that ordinance change would apply to this contract in regard that the contract would require a unanimous vote. Snyder stated that at that time they were asking the City to put the water line at no cost to them. Nielsen did not feel that they needed a unanimous vote for the Buysse contract as they are not asking that the City install the line at the City's expense. Mayor Peterson stated that he had previously mentioned if there were any agreements, if there would be a timeline for any annexation and does not see any timelines involved in this contract. Nielsen stated that other Council members negotiated with the potential homebuilders and gave them the terms that they had negotiated and he prepared this agreement according to the information provided to him. This agreement was revised once or twice after the original version of it. If the Council wants to revise this version that would be for them to decide and it was not Nielsen's purpose to leave something out the Council wished to include in the agreement. Stobb stated that annexation was talked about in the discussion but at this time, there is no requirement or timeline. Mayor Peterson said there is a \$3,000 sewer hook-up fee and \$500 hook-up fee for water service but if they extend Hollett Street past the property, he asked if the \$3,000 hook up fee would be refunded. Stobb stated that was something that came out of the Planning Commission and was addressed there. Since the Buysse's would be paying one way or another to have a sewer line extended through there due to annexation, so rather than have them paying twice, that was put in. Mayor Peterson said he knew this was not going to be easy. People have already paid to have sewer lines here and they come by with a street project, they are reassessed again and the City is not refunding their original sewer, why would there be a refund in this agreement. Snyder said the Buysse's are not paying a first time to have the sewer line, that is what their \$3,000 fee is, to have a sewer line run

through, so why would they be charged again to pay for that sewer line to go by that they already paid for. Mayor Peterson the lines would be there and they would go further with that and then they would be assessed for the portion like you would any other property. Snyder said that is what that \$3,000 fee is for, is to say that the sewer main runs to their property, which it does not, because they are paying that \$3,000 fee plus they are paying all the expense to come back to where the main is. Mayor Peterson said that is because they are not a parcel inside the city and if they built inside the city, the utilities would be there, and if they were not there, it would be just like the Morgan Street where they had to dig in and tap in at their own expense. He states he does not understand the refund. Snyder stated they would give them a check for \$3,000; it would be credited towards any special assessments that may or may not go against that property for the sewer line extension. Mayor Peterson asked if there was another extension on Morgan Street would they be refunded. Koopman stated that from the Planning Commission's perspective and Snyder and Peterson are saying the same thing, only differently. The Planning Commission's intent was if the fee is \$3,000 and if in the future the sanitary sewer is extended past there, now that assessment per property is \$5,000, the Buysse's would have to pay an additional \$2,000 because they already prepaid the original \$3,000. Mayor Peterson stated that if there is the line that they paid to hook into and it runs whatever length, then the line is extended because it was annexed to be part of the City again and it comes time for an assessment, why would you assess the existing line, the addition is assessed. Stobb stated the Buysse's they are running an individual line and not a group line. Koopman stated the ordinance does provide that if you have been previously assessed, that you do not have to pay an additional hook-up fee. The intent is to recognize that if you have already paid once, you should get credit for that payment. Mayor Peterson stated that he did not see any reference in the contract that if in the future, they sell the property, then what happens to this particular agreement of \$3,000 and anything else. Would the second purchaser be given the same \$3,000 consideration? Nielsen felt it was the intent that the rights the Buysse's get at this time, would be transferable and taken over by any other party. One of the previous drafts of the agreement stated contrary to this and if the property was sold, the City would reserve the right to review with the buyer and determine if the credit would stand and then Stobb and Snyder would negotiate with the Buysse's on this. Enderson said he was not sure where the new home would be built, but what would the City do with their snow? Larry Buysse stated they are planning to build north of Hollett Street in line or back further from the street that is originally there. When the snowplow comes down Hollett, they can push it out into the field like they previously have done. Stobb stated that it is important to realize that whatever rules and regulations that apply to any of the residents with water and sewer, they also apply to this new construction. The Buysse's are agreeing that if major water and sewer projects would be done, they would be assessed as though it they were in the city. Enderson asked about street repairs and snow removal and all the costs that the City taxpayers pay. Stobb stated the City would not be removing any more snow than they would otherwise, and no others are charged to drive on the City streets. Motion by Ferrazzano, seconded by Snyder to enter into the Water and Sewer Service Agreement with Lawrence and Bonnie Buysse. Enderson stated that he would like to have it annexed. Stobb stated that annexation is not out of the question in the future, but it is not something that they want to put a date on. Mayor Peterson asked if in the next time frame generates enough signatures to revoke the ordinance change, how that would affect this agreement. Nielsen stated that they cannot recall the ordinance but does not know what the time limit is on that but feels they could be past that point at this time. Upon roll call the following vote was recorded with Ferrazzano, Stobb and Snyder voting aye and Mayor Peterson and Enderson voting nay. Motion carries.

The Planning Commission has recommended that a variance be granted to Jeff and Marcie Abrahamson for an addition to their home on 761 N. 3rd Street. Motion by Ferrazzano, seconded by Snyder to grant a variance to Jeff and Marcie Abrahamson. All voted in favor of the motion.

Koopman told the Council that no applications have been received for positions open on the Planning Commission and EDA Board. The position on the Cemetery Commission has been filled. There have also been no applications for the Swimming Pool Committee.

Chuck Pettipiece, representing Pettipiece & Associates was present to discuss a proposal to assist the City of Tracy with the Wastewater Treatment/Collection Funding activities. After meeting with S. Robinson and Gervais on the wastewater project they help communities find financing for projects like this. They discuss ways to find different funding through Rural Development, Public Facilities Authorities, low interest loans, some grants. Some of the things if started now are still one or two years away before getting all the funding in place. Most of the money that is

available has been coming from the federal government through USDA and Rural Development. The City does qualify for part loan and part grant. Pettipiece & Associates has worked with a number of communities in the southern half of the state and different engineering firms. Stobb stated that when he read the information, he felt that some of it is the work that S.E.H. has done or could do for the City. Pettipiece stated that they do not do any engineering and some of the other things that are in the proposal are put in there such as environmental review and working with rural development because it is something they can do working with the engineer but if S.E.H. can do that if they want. They and S.E.H. will need to coordinate services. Pettipiece stated they would strive to get the best financing for the City of Tracy. Nielsen asked if now would be the appropriate time to hire a firm such as Pettipiece & Associates as of right now, no site for construction has been identified. Pettipiece felt it is somewhat appropriate to get on board and probably for several months, they would not be doing anything and maybe give Robinson a call once in awhile to see where things stand. The reason it would be better to get on a funding list now, that way they can check to see how things are progressing. Mayor Peterson felt that with two groups, one could concentrate on development and the other can concentrate on financing. Enderson asked if the fees would be included in the project. Pettipiece said that his fees would be included in the project. There are some funding sources that will not allow them to roll their fees into that particular grant program. Koopman asked if there was any action required by the City at this time for the funds to be reimbursed, whether it is grant or loan such as a resolution on file. Pettipiece said not at this time for planning and engineering but the City could do a reimbursement type resolution and usually those come more into play if there is going to be some type of construction. Stobb asked if Pettipiece would handle getting bonds if the need arose. Pettipiece said they would work with the City's usual bond consultant because Pettipiece does not do the bond issuance themselves. S. Robinson commented that the service Pettipiece is proposing the City will need to pay for those services whether it is through them or through S.E.H. S. Robinson encouraged the Council to look at the Pettipiece proposal and seriously consider it. S. Robinson stated that his task is to concentrate on the engineering aspect of the project and not be concerned about the financing and deadlines. S. Robinson has not work with Pettipiece before but knows from his reputation that he does very good work. Motion by Ferrazzano, seconded by Stobb to enter into the Wastewater Treatment/Collections agreement with Pettipiece & Associates. All voted in favor of the motion.

S. Robinson stated that on Wednesday he and Gervais will be meeting with the FAA and will try to concentrate on nailing down a site. The preferred site for the new lagoons is north of the airport as that is within the 5,000 foot setback of the runway. They have to show that is the only viable site and if they can get the FAA to approve, there may be some wildlife mitigation steps. Robinson's approach would be to use passive mitigations, such as not mowing the grass, steep slopes and make it uninviting and have some monitoring program. Robinson stated that according to FAA records, there has never been a bird strike at the Tracy Airport. Snyder asked if someone would be coming out to look at this site. They have also discussed that the pond project may be two years out, but they want to look at being able to phase this and the in town sanitary portion and upsizing the sanitary sewer out to the pond location could be done next year. This would hopefully alleviate some of the backups that have been occurring in town for the past year or so but reluctant to move forward with that until what direction they are going. If possible some of this project could be moved up a year. He has discussed with Pettipiece if they do the two separate projects how that would affect funding, etc.

Radke stated that the Council does not have May's Profit/Loss statement but they do have April's at 6 this time. He indicated on the Profit/Loss statement the far right column should be that April's report. Sales for the month were down approximately \$640.16. There were more leaks in the roof and it was through the vents. This is not on the main building, but on the lean too in the back. Daniels approved for the vents to be removed and they were removed today. Radke said that he talked today with the auditor's about the sponsorship of the dart and pool leagues. Evidently an invoice got lost last year and so they wanted a copy of last year's invoice before they paid this year's invoice. It is then up to the Council to approve those expenses.

Verdeck stated they have been operating from the new library since June 13. The other building will be cleaned and they will be holding a book sale over Crazy Days. They had 26 visitors for the presentation by Chad Lewis on gangster hideouts in Minnesota. Good reviews were given by those that attended. Ten new library cards and two cards have been renewed since June 13. On July 14, Patrick Mader, children's author and teaches will be giving a presentation at the library. Ferrazzano stated that at the last Library Board meeting, the Library Board was asking for

authorization to put a bike rack on the corner of Morgan Street and 3rd Street by the stop sign on the southwest corner just in front of the handicapped parking spot. Snyder asked Lichty if there were any problems from the law enforcement stand point. Fire Chief Johnson felt it would be better to have it on the sidewalk. Verdeck stated that if it was on the sidewalk it could be removed in the winter. Koopman asked if that would obstruct pedestrians forcing them to use the street to get around the bikes. Ferrazzano felt the sidewalk is wide enough. It was the consensus of the Council that it would go on the sidewalk and be removed in the winter.

Gervais said they are doing the black dirt work at Orchard Lanes. There is some landscaping that needs to be completed. Six of the eight units are occupied at this time. Seventy-five people attended the Open House and lots of interest and good comments were voiced. Gervais and Daniels did inspection on the other four units and some pre-maintenance done. Gervais has received numerous calls in regard to the CDBG. There is no application in place yet as the state does not know what they are going to do with the budget at this time and if the state shuts down, this will push this back a little bit. Tracy has been approved and the grant has been cut down from 20 to 15, Tracy will get 12 and Milroy will get 3. The funding for each home is considerable. Once they know if the state is going to shut down or not, they will set a date for community meeting to talk about the grant and grant application and how it works, information needed. It will be in the paper, on public access channel and radio. At the meeting on Wednesday with the FAA he has received notification that some of the elected officials from this area will be there also. Jon Heezen, the dentist is getting his things in place and is hoping to start construction on the new office this fall. Gervais stated he does need two signatures yet on the covenants. He will be meeting with Koopman to discuss the last portion of the Central Livestock sale. Nielsen was updating the purchase agreement to incorporate the smaller shed to the south. He has the map from Robinson as far as snow removal goes, they have the completed survey from Bueltel-Moseng. Tax needed to be calculated and then should be able to complete the sale as soon as possible.

Robinson reported that they have been doing patching of potholes around town. There was a manhole collapse on Highway 14 and has been more costly to repair than first thought. They have been maintaining it with gravel until asphalt is available for repair. The safety clothes and vests along with barricades and signage had to be borrowed for the repair and they City will need to purchase their own equipment needed. Repairs have been made to the air conditioning at the Multi-Purpose Center. There was a leak in the new main that will be repaired tonight. Everyone has temporary service at this time. Once the main is installed pressure check will be done and the line will be disinfected and they will begin running service lines to the residents. There are a couple catch basins that have collapsed. New catch basins have been ordered and then arrangements will be made for someone to install those. Robinson met with the County regarding the ponding water on the corner of Center St. and State St. The County and City have done overlays on that corner that is preventing the water from flowing to the north. That section will need to be taken out and inverted cement will need to be installed. This will create a small speed bump. Repair work will need to be shared by the County and City. A pool lighting electrician will give him an estimate for the light pole that fell over and Robinson will get an estimate to place light poles at the ends of the pool. Where the pole had been located was not convenient for servicing that light. The entire airport has not been mowed due to the amount of rainfall. Scrap iron that had been collected and stored behind the shop was sold and the check was brought to the City office. The clarifier drive at the water plant is in need of repair and parts have been ordered. Adam Baumann will be going to the Police Department on July 5 and Tim has worked his six months and will need to take the month of July off before he can come back to work. The department is in need of part time help to run mowers. Snyder thought they had a plan worked out for that. Robinson stated they did but not everyone on the Council was in complete agreement with the plan. Enderson asked if they could check the gas pump again at the airport and make sure it is not full of water. It works off and on. Robinson said they will check that out.

Acting Police Chief Jason Lichty asked for any questions regarding the activity report. Public nuisance warning letters have been issued and a copy of what was sent was provided. There were 45 violations. Eight of them were sent certified mail and three they have not been able to get a recent address for and will continue to work on that. Lichty reported that 34 of the letters were served in person due to cost of certified mail. Re-inspections will be the first week of July and new violations found during the re-evaluation will get a warning letter for August 1. At the

time of delivery if the resident had any questions they were instructed on what needed to be cleaned up. Snyder felt this was a good way to handle the nuisance violations. Adam Baumann's Background check has been done and passed. His POST test has been taken and passed. Psychological exam and physical exam were passed and will be starting work next week as an officer. His POST license has been applied for and fees sent. He will be outfitted later this week. The new squad has been received from Lockwood Motors. They had looked at having it outfitted locally and found it to much less costly with Enforcement Lighting and it is currently at Enforcement Lighting and expected to be done the second week of July. Lichty is looking for permission from the Council to take equipment from the old squad and getting it ready to put into the new squad. Ideas for the old squad would be to dismantle it and place it on Craig's List and set a price rather than asking for bids. Lichty stated the Kelly Blue Book price is \$5,000, but would not be worth that as it has had equipment mounted in it and there are holes from mounting brackets. The Council felt this would be reasonable. The Public Works department stated they are interested in some of the relays and such and will help take that portion apart and utilize some of that on their equipment at the shop. The Crown Vic had a radio issue and it was sent for repairs. They found there was too much wrong with the radio in order to fix it and put new pieces in it as the radio was so old. The one that was sent to them does not have digital voice processing so there is no scrambled channel in it, which when the Federal grant comes through in February, they will have all new radios. Lichty attended a Crisis meeting at the hospital and will be working with the Principal and Staff on doing some future training and will be discussing a plan. Scam artists have been going door to door. One was an individual was trying to earn points for a trip depending on the number of magazines they sold. The other was a carpet cleaner and when the cleaner was received it was clear water. Lichty reported that all POST licenses have been renewed before possible state shutdown. The department has used MnWest at Granite Falls for training and continuing education. Lichty has talked with the Lyon County Sheriff Department trainer and they will do the training for a lower cost. Lichty was made aware that the department's tasers will need to be replaced and they are trying to get all departments phased up into the X26 or X2. To upgrade there is enough money in one of the line items for one taser but would like to see two as they will have two officers in training and during Box Car Days there are usually two officers on duty. The price for an X26 is \$814 and that is the base cost and would need an extra cartridge for each of them at \$26 and holsters for each officer which would come from their own individual uniform allowance. Lichty stated the X26 is the standard of what everyone is carrying right now. They came out with the X3 which were too big and bulky and expensive. Starting July 1, the promotion is the X2 which is more like the X26. With the promotion the department could trade theirs in for \$300 towards the X2 price of \$1,500. Motion by Snyder, seconded by Stobb to approve the purchase of two X26 tasers at the cost \$814 plus an extra cartridge for each at \$26 each. All voted in favor of the motion.

Koopman reported that during the month of May she attended two City Council meetings, Planning Commission, Cemetery Commission, Police Commission and a Hospital Advisory Meeting. She has also been updating the files in hopes that this will make it easier for the new administrator to find things. Her main concern is what is going to happen with the State of Minnesota and what the impact will be. Ferrazzano asked if the state shut down will cause in delay in the City receiving the LGA payment that is due. Koopman said that it would definitely impact receiving the LGA payments without a balanced budget. Normally the payment is received the end of June and into July before it is received. Stobb stated the LMC and the Coalition have been both lobbying for the LGA to be paid. Koopman said the total annual appropriation is \$893,000. It is a substantial part of the City's budget.

The Consent Calendar includes: Hospital Board Minutes for May 18, 2011, Cemetery Commission minutes for May 18, 2011, Municipal Accounts Payable, Economic Development Authority Minutes for June 3, 2011 and Multi-Purpose Center Board minutes for April 26, 2011. Motion by Stobb, seconded by Ferrazzano to approve the Consent Calendar as presented. All voted in favor of the motion.

Mayor Peterson received a letter from the Coalition that 75% next year's dues will be \$2,600. Stobb stated they do good work and the City has used them as a resource. Koopman agrees that it is money well spent. They provide a wealth of information when needed. Koopman did not know the exact cost for dues for the LMC but feels that it is around \$1,800. Ferrazzano felt the League also provides some services that the Coalition does not. Koopman said the League provides a lot of training. Stobb asked when that payment would be due. That would be included in the 2012 budget.

Stobb asked how things were progressing to fill the City Administrator/Clerk position. Mayor Peterson said he gave the packets to Ferrazzano last Saturday and waiting for any input from the Council. If there are no objections, he will contact the names on the list given to him by the committee. Ferrazzano stated they got the list of the selected top five. Stobb stated that they had replied with input. The last it was left was that what the committee had picked and that is why he dropped that information off. Mayor Peterson will set up interviews with those five candidates. Stobb stated that he was puzzled, but to go ahead.

Motion by Enderson, seconded by Ferrazzano to adjourn the meeting at 8:30 p.m. All voted in favor of the motion.

July 11, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, July 11, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson and R. Stobb. Absent were S. Ferrazzano and C. Snyder. Also present was A. Koopman, City Administrator.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Enderson to approve the minutes for June 27, 2011 as presented. All voted in favor of the motion.

Motion by Stobb, seconded by Enderson to approve the agenda as presented. All voted in favor of the motion.

Con Rettmer 236 Hollett Street is present to ask for the Council's permission to plant a tree at Sebastian Park in memory of Leo Sebastian. After Sebastian passed away, an account was started at Minnwest Bank to try to raise enough money to plant a couple trees with appropriate plaques. One would be at the gold course and the other at Sebastian Park. He would like to plant the trees this summer. Rettmer will consult with Robinson to see where it could be planted. Motion by Stobb, seconded by Enderson to approve the request to plant a tree in Sebastian Park in memory of Leo Sebastian. All voted in favor of the motion.

Bill Chukuske 875 Rowland Street shared his disappointment with the Mayor and Council on how the search for the City Administrator position has been conducted. He did not feel it was right the way it started out. Last week in reading the paper, he understood that the three finalists had been selected and will be bringing them in for interviews. Chukuske feels that they are missing a "diamond in the rough" and do not feel that they have been at all fair with one of the City employee, Robert Gervais. He feels Robert has the qualifications and experience to at least be given an interview. For a present employee not to even be at the table for final interviews is a slap in the face to that employee. He is asking the Council to reconsider and feels that Gervais should be a candidate in the finalists in the position they are hiring for.

Stobb stated that in reference to Chukuske's comment, he agrees with what he is saying but feels that he was out of the loop in the process and really did not have much say about it. Stobb does not feel it was right and at the very least when this is all said and done, he would like the Charter Commission to take a look at this and get some clarification on the process that needs to be done for hiring or naming a City Administrator. He also feels that this was not handled properly.

Gervais stated that he, Mayor Peterson, S. Robinson met with Candace Krull, Sandy DePotty, Steve Obenauer from the FAA and representative from MnDOT, Ton Merdan from Colin Peterson's office was there along with Chris Swedzenski. Gervais felt the tone of the meeting was very good. They were more receptive with going with the City's first location of the ponds. They did say that the City would have to remove the existing ponds. Part of the compromise would then be to look at Step 1. There are some things the City would have to write into it, and S. Robinson is working on that now writing in the wildlife mitigation steps. Gervais feels the City will need to focus on working on Site 1 and S. Robinson will be working on a proposal to go back to the FAA and wait for their approval. Gervais stated the City Farm is considered airport property and in the past the EDA has considered developing that property. That could not be done at this point, as that land is designated as airport property and the only structures that can go on that property are airport related structures. There is a process that would help relieve that. Gervais feels they have a direction now and provide information that Site 2 is unavailable and because of the lay of the land, Site 3 and 4 would not be the best sites. Mayor Peterson stated that the meeting was a positive experience and is confident the lagoons can be built on Site 1 as long as the City can acquire the land. Mayor Peterson stated they will need to get a couple people actively involved in that and does not the best choices at this time. At the next meeting a committee could be set up to look at options for securing Site 1. S. Robinson had stated the City could start planning the interior work in Tracy and get Chuck Pettipiece on board at looking at funding for the upcoming year and they could then proceed with some infrastructure work next year. Steve Obenauer said the existing ponds would be gone and could not be rehabilitated. R. Robinson said they would then lose the equalization ponds to take on the overflow of water. Mayor Peterson said his comment was to make the ponds big enough to account for this. Stobb

asked how long before land possession is needed. Gervais stated that because of the funding cycle and getting on that cycle you would be looking at two years for they can even start construction. These questions would need to be answered by Pettipiece as to the steps that need to be taken.

Motion by Stobb, seconded by Enderson to approve street closure request from the Chamber of Commerce for Crazy Days on Thursday, July 28, 2011. All voted in favor of the motion. Third Street from South Street to Morgan Street will be closed.

Motion by Enderson, seconded by Stobb to approve the list of request and street closure requests from the Tracy Chamber of Commerce for Box Car Days Friday, September 2 through Monday, September 5, 2011. All voted in favor of the motion.

1. The admission of Midwest Rides and Concessions from Elk River, Mn, for a carnival midway to operate Friday, September 2 through Monday, September 5, 2011 and waive the license fee.
2. Use of the City Parking Lot for the Beer Garden from Wednesday, August 31 through Wednesday, September 7, 2011 for the set up, operation, dismantling and clean up of the Beer Garden.
3. Use of Central Park for a "Kid's Day" on Saturday, September 3, 2011 from 10:00 a.m. to 4:00 p.m.
4. Liquor licenses for the sale of non-intoxicating malt liquors from Friday, September 2 through Monday, September 5, 2011 for the Beer Garden, Dairy land Donkey ball Sunday, September 4, 2011 only and the Softball Complex Saturday, September 3 through Sunday, September 4, 2011.

Street Closure Requests:

1. For the lineup of Grand Parade participants on September 5, 2011 from 9 a.m. to 5 p.m.
 - On East Hollett Street from First Street East to Fourth Street East
 - On East Fourth Street from East Hollett Street to Craig Avenue
 - On First Street East from East Emory Street to North Street
 - On Emory Street East from East First Street across Center Street to Second Street
 - On Park Street from Rowland Street to Emory Street.
2. For the Grand Parade on September 5, 2011 from 10 a.m. to 3:30 p.m.
 - On Emory Street from Second Street to Sixth Street
 - On Sixth Street from Emory Street to Morgan Street
 - On Morgan Street from Sixth Street to Second Street
 - On Second Street from Morgan Street to Emory Street
3. For Midwest Rides and Concessions and other carnival activities on Friday, September 2 at 6 p.m. through Tuesday, September 6, 2011 at 10:00 a.m.
 - On South Street from Fourth Street to Second Street
 - On Morgan from Fourth Street to the alley between Third and Second Streets
 - On Third Street from all south of Minnwest Bank south to South Street

At 6:45 p.m. a Public Hearing was held on improvement to the Sebastian Park area. Robinson stated that after doing a little investigation into this, they put dyed water in the intake where the water ponds that was assumed to go westerly and went into an open intake at the bottom of Warner Park. After the dyeing they did not get the water down there. They continued to take a locating device and put a wire up the line and found that the intake is actually heading southwest. They have an old map that shows that it goes westerly and after researching some more, the map they have someone just drew it in where they thought these lines went. The three homes that are affected are set up correctly so the water goes to the street and their storm water would run to Hollett Street where there is a storm system. Robinson said the westerly half of Sebastian Park; those catch basins are flowing southeast and would end up in a 30 inch pipe on Sunrise Drive.

The easterly half of where this ball field was and the track set up, they cannot tell for sure where that water drains to. They think that water has to go straight east or northeast, but not able to pick it up with the dyed water. Robinson feels that maybe that line has possibly been cut off somewhere. There are old tiles and when you dig, you could dig through them. Robinson feels that if they investigate and try and figure out where that area drains to, it would require quite a bit of televising, man hours that the department does not have right now and this would all have to be hired in. The cost could be great to figure out where that water goes. If this has been cut off underneath a street, the street would have to be cut open and repaired. Robinson is proposing a new line and they would put a structure on the easterly side and run the line westerly and connect it into a drain line that comes from the pool. It would then drain into that depression intake at the bottom of Warner Park. Robinson has two bids for that. One from Sahlstrom's for \$7,700 and one from Dale Johnson III Construction for \$7,400. Robinson felt that if they started pursuing and tried to fix the old system and see where it goes and repair it, it would cost more than the two bids. Robinson recommended that they abandon the old system and leave as it is and then put in a new intake and take the water westerly and attach to the pool drain line. Those three homes would then not be assessed as they already have a storm system in front of their houses. Enderson liked this idea and asked Knoblauch if he was acceptable to this. Knoblauch said he would be acceptable to this. Knoblauch said where the pool drains there is only about four inches showing of the 18 inch tile and feels it is a liability. Some type of fence should be put around it so no one could fall into it. It is about 5 feet deep and 5 feet across. Robinson said a structure like that, is broken down but will take water. Things have to be prioritized and there are other structures that need attention before that one does. Robinson would like to get this line put in and later on when the Surcharge Fund is healthy; they can go back and repair ones like that. Mayor Peterson said they could fence it off until they could get it fixed. Mayor Peterson agrees with Robinson's assessment and plan. The public hearing was closed at 6:55 for Council discussion. Enderson agreed also. Stobb asked that on the south end of the easterly portion, have there been any problems for the homes on 4th Street East or across the street to the south. Robinson was not aware of any problems there. Robinson said there is one spot along the fence that they will need to repair. The tile is just a few inches away from the fence and it could be possible that some of those fence posts have gone through the tile. Robinson felt that the cost should come from the Surcharge Fund. Koopman suggested that they approve the plan by resolution declaring no benefit is being received by the affected property owners on Hollett Street and accept the bid. Motion by Stobb, seconded by Enderson to approve the repair by resolution and accept the low bid of \$7,400 from Dale Johnson III Construction. All voted in favor of the motion.

One application has been received for the open position on the Planning Commission. Motion by Stobb to appoint Timothy Martin to the Planning Commission for the remainder of the term vacated by Dick Boerboom. Enderson stated he would like to wait to see if more applications would be received. Motion dies for lack of second.

Gervais stated they have been approved for the CDBG and at Koopman's request he had Nielsen review the agreement. Nielsen found no issues with the agreement. They are in standby mode at this time due to the state shutdown and Western Community Action is basically shut down in the meantime. Gervais continues to get calls asking for the money. Once the state is back up and running and Western Community Action is back up. They have started the environmental process for this portion of it. When this is done there will be a town meeting. Motion by Stobb, seconded by Enderson to enter into the Small Cities Development Program Grant Agreement. All voted in favor of the motion.

The Consent Calendar includes: Library Board minutes for May 16, 2011, Municipal Accounts Payable and Compliance Orders. Mayor Peterson questioned the payment to RWS Ventures. Koopman explained that was the tax abatement agreement that the City has with Gramstad's for the Wellness Center. Mayor Peterson questioned the payment to Sahlstrom's for the Sr. Center air conditioning. Robinson stated there was quite a bit of snow and ice on the short roof. The ice broke off the coolant lines going to the compressor. The compressor ran with dirty water in and ruined the compressor. Robinson discussed this with Shirley Anderson and they had funding for it and decision was made to install a new one. Robinson said the air conditioner was so old; they could not get parts to make repairs. Robinson said they also had to do quite a bit of duct work. Motion by Stobb, seconded by Enderson to approve the Consent Calendar as presented. All voted in favor of the motion.

Mayor Peterson stated that he, Ferrazzano and Homer Dobson met and did phone interviews with five candidates on July 6 and have narrowed that list down to three. Mayor Peterson has given the Council members copies of the three applications and encourages the Council to them and their references. He is calling for a special meeting on July 20, 2011 at 6:00 p.m. and personnel interviews will be done with the three finalists.

Motion by Stobb, seconded by Enderson to adjourn the meeting at 7:10 p.m. All voted in favor of the motion.

SPECIAL COUNCIL MEETING

July 20, 2011

A special meeting of the Tracy City Council was called to order at 6:00 p.m., Wednesday, July 20, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb, and C. Snyder. Also present was A. Koopman, City Administrator.

Pledge of Allegiance was given to the flag.

Mayor Peterson stated the purpose of the meeting was to interview the following three candidates for the position of City Administrator.

Rebecca Rupp
Forrest Neuerburg
Roger Gorius

Upon completion of the interview session, the meeting was closed for Council discussion.

The meeting was called to order again at 7:50 p.m. Mayor Peterson recommended the appointment of Roger Gorius to the position of Tracy City Administrator. Motion by Snyder, seconded by Stobb to appoint Roger Gorius as City Administrator. All voted in favor of the motion.

Motion by Enderson, seconded by Snyder to adjourn the meeting at 8:00 p.m.

July 25, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, July 25, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, E. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Mayor Peterson asked for a correction to the minutes of July 11, 2011 on the 8th paragraph, second line to read, Toni Merdan instead of Tom Merdan. Motion by Enderson, seconded by Stobb to approve the minutes for July 22, 2011 with corrections. All voted in favor of the motion.

Additions to the agenda included: 8-B City Administrator moving expenses and 8-C compensation for Acting Police Chief. Motion by Enderson, seconded by Ferrazzano to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Verdeck reported that the library has been in the building for one month now. She has done her annual week "survey". The numbers may be a little low but had 410 visitors and 109 visitors used the computers. The Board has approved the purchase of a box that can be used as a book drop. Verdeck enclosed a copy of the info regarding the drop box. The cost would be about \$600 plus less than \$100 for shipping. Stobb asked if this would impede snow removal on the sidewalk. Verdeck said it probably would but would be no larger than the garbage cans that are presently attached to the sidewalks. She feels it would be more feasible to use a box that was not connected to the building. Motion by Stobb, seconded by Snyder to approve the purchase of the drop box. All voted in favor of the motion.

Verdeck stated there are left over items in the old library such as pieces of carpet and window treatments and was asking approval to dispose of those items. Stobb asked if there were any value to the items. They are items that have been there since 1985 when the remodel was done. Ferrazzano felt they should just get rid of it. Stobb suggested that they put the items on the Crazy Days in case someone would want to purchase them. Verdeck will put them for sale on Crazy Days and if they are not purchased, will dispose of them.

Verdeck stated that Duane DeSmet will be giving her an estimate for a bike rack. Stobb questioned with it being late in the season, if it was needed now or could wait until next spring. Verdeck stated that in the fall, there are kids that ride their bikes to the library after school. Verdeck stated that they need someone to look at the front sides. The sidewalk is settling right outside the front door. A couple people have tripped on this area, but no one has fallen. Ferrazzano stated the Board had discussed this issue of fixing the sidewalk with donated funds, but felt the donated funds are to be used for items needed inside the library. He felt they should get estimates and get it repaired before someone falls. Snyder asked if this was something Public Works could repair. Robinson stated that he will get estimates for this repair. Ferrazzano stated the Board gets a budget statement but was the consensus of the Board to have a line with how much of the donated funds remains and how much has been spent year to date. Koopman stated this could be discussed with the Financial Director.

Gervais stated that seven of the eight units on Orchard Lane are filled at this time. The new City Administrator is interested in one of the town homes. Gervais said he checked the crawl spaces today to make sure things are dry and the dehumidifiers are working properly. Installing tile for drainage and landscaping work will begin soon. Gervais said there will be a meeting tomorrow night at 5:30 to discuss issues concerning Tracy Kid's World. He informed the Council there is an interested party for the purchase of the old library building. He will have more information available after August 5. Business is needed in the downtown area and the prospective buyer felt this would be a good fit. Heezen is working with a local contractor and hope to break ground next fall for the new dental office. They are hoping to have it enclosed so work can begin on the inside by next spring. DeRuyter has paid the \$1.00 for the purchase of the Central Livestock and he has also paid the remaining assessment for the Greenwood Storm Sewer Project. Gervais stated that he put in a post on the corner of the livestock property and will let John Lanoue know

about this for the upcoming harvest. Western Community Action is again functioning and he will be meeting with Chuck Swanson on Wednesday and then they should be able to put together a date for a community meeting. Gervais will also be meeting with Lyon County EDA on Wednesday afternoon.

Gervais gave a lagoon update. There is interest by one property owner in doing a cash sale for land for the new lagoon project. There are other residents that have concerns about where the lagoons are to be built. This needs to be explained to them so they understand completely what the project will entail. Gervais will meet with Chuck Pettipiece to lay out a time line and a step by step process of what needs to be done.

Acting Police Chief Lichty asked if there were any questions regarding the activity reports. He has completed the second survey for the nuisance ordinances and 30 of the 45 sites have passed inspection. Five extensions were issued, four were cited and six new warning letters of different residents or some of the same residents cited for different problems. There are three properties that the owners cannot be located. Lichty will be doing the third survey the first week of August. On August 1, the department will be using the airport for pursuit training. Officer Baumann is now licensed and is training. He will be working day shifts starting tomorrow and will be supervised by Acting Chief Lichty. Baumann should be able to be on his own the first of August. The new squad is not ready but they hope to have it ready by next week.

Robinson reported the Sebastian Park tile line project will start after the contractor receives the materials in approximately two week. He had discussion with the former public works director and he indicated that they also had tried to figure out where the water was coming from in that area. Robinson felt they made a good decision by doing the project they way they are. The dock at Swift Lake Park was taken out of the water last Friday. It is damaged and in need of repair. The rotted planking will be repaired and other repairs made. Trees along the bike trail and Swift Lake Part have been pruned and they will be doing the same in other parks and the tree farm. The trees transplanted from the tree farm last fall to the Cemetery and Central Park all survived and are looking very nice. There are many more trees that should be moved this fall before they become too large. Stobb asked if these trees would be available to residents. Robinson stated this project never got started last fall as it was wet and it was hard to pull the trees. Robinson said that many of the rental picnic tables are in need of repair and they have purchased lumber to perform repairs on days when they cannot work outside.

Robinson said there is a fire hydrant on Emory Street between 2nd Street and Center Street which has failed and is in a live position not able to be shut down but is capped. Parts for this 1950's vintage hydrant are not available. This was discussed with the Fire Chief and it was decided it is not necessary to replace this hydrant but instead to remove it. Robinson will hire a contractor to remove this hydrant from service. The 2011 alley Water Main Project is near completion. He will do a final walk through and create a punch list if necessary. He feels that the project has gone well. A collapsed storm sewer catch basin on 7th and Harvey Street has been replaced by a contractor and the next steps are to pour the curb back in place and then replace the asphalt. There are two more collapsed storm catch basins on 2nd East which will also be replaced soon. Recently the transducers in the water tower which control the water plant failed but have been replaced. He has worked with G&H Plumbing planning for the hook ups to the new home on the east end of Hollett Street. As a proactive approach they have been feeding a root control product in some of the City sanitary sewer lines. The sanitary sewer manhole collapse on Hwy 14 has been completed with the exception of placing the asphalt. The City is not allowed to place the asphalt or work in the State's Right of Way during the state shut down. Now that the State is back working, this will be patched within a week or so. On June 14th a 5.02 inch rain event occurred washing corn stalks in to the Greenwood Avenue area and plugging the culverts. A contract with a backhoe was hired for a period of time to continuously dip corn stalks from the culvert gate on High Street to prevent back up. Robinson has also spent considerable time working with the issues brought by last September's historic flooding.

The Railroad has completed its work of replacing the sanitary sewer service to the rail road shop. This was found to be one of the largest (known) contributors of I&I. There is still water coming into the system from the railroad yard, and suspect there is a leak. The Railroad is still working with the contractor to repair this leak.

Robinson reported that at the airport, a new wind sock has been ordered and will be installed. The fuel system received an inspection as required by MPCA.

At the pool Robinson has received a bid to replace the light and pole damaged from a storm. He is also working with this as an insurance claim. Robinson said the new pole will be 30 feet tall and they will still be able to see the deep end of the pool and will be easier for the department to do maintenance.

Public Works still has not found a used late model park mower. The engine on the Ford tractor is in the process of being rebuilt. The new snow plow has been delivered. The new garage doors have been installed and roof repairs were performed by a contractor on the City Shop. The double wide steel door for the water plant chemical room needs to be replaced. A quote from Tracy Ace was for \$2,210. Replacing this door will put the building maintenance portion of the utility budget in the red, but it is an important door for maintaining the security of the water plant so it will need to be replaced. Mayor Peterson asked how far in the red it would put them. Robinson felt it was at least by the \$2,200. Motion by Stobb, seconded by Snyder to purchase the door for the water chemical plant. Enderson asked if it would need to be primed or painted. Robinson stated that it would be a galvanized steel door. All voted in favor of the motion.

Koopman reported that during the month of July she attended two meetings with the city's auditing firm, three City Council meetings, Police Commission, Hospital Board Advisory, Planning Commission and Cemetery Commission meeting. She has also been working on sorting through files. Koopman stated that with the time line of preparing the budget and with the new administrator not possibly being here for the first meeting in August, she will be distributing the budget sheets to the department heads to fill out and give back to David Spencer. Stobb asked about the timeline for the budget. The preliminary budget is to be done for the August 8, 2011 meeting, the balanced budget is due the August 22 meeting and the primary levy is due the September 12, 2011 meeting and then the budget needs to be adopted in December.

Motion by Snyder, seconded by Enderson for the Satisfaction of Mortgage between the City of Tracy and the Hollywood Ballroom, Inc. All voted in favor of the motion.

A letter was received from Tracy Kid's World explaining their recent financial hardships. Mayor Peterson felt the only way that the City can assist them would be to provide moral support and write letters to their legislators and USDA in support.

Mayor Peterson stated that Roger Gorius expressed his appreciation for the position of City Administrator. He will be here starting on August 8. Mayor Peterson stated that he did not come out and directly ask for financial help with the cost of moving but Mayor Peterson brought it to the attention of the Council to get their opinions. Koopman stated that this has never been done before and the Council would be setting precedence. Snyder felt that it was not part of the package and should not be made a part of it at this time. Stobb asked why he was not starting his position until August 8 when they had the understanding that he could start immediately. Mayor Peterson stated that Gorius was finishing a project and had prior commitments. Stobb felt that funds to help with the move were not budgeted.

Additional compensation for Acting Police Chief Lichty was discussed. Lichty has been working additional hours and training of the new officer. Mayor Peterson stated that he has heard many complements about the job that Lichty has been doing. Stobb feels that additional compensation is warranted for Lichty as he has more responsibility and has been doing a wonderful job. Stobb felt they should discuss this with Lichty to see what he feels would be fair compensation. Stobb and Koopman will meet with Lichty tomorrow morning at 9 a.m. to discuss this. Koopman said the Council could okay the decision at the next meeting and make the increase retroactive.

The Consent Calendar includes: Hospital Board minutes for June 15, 2011, Municipal Accounts Payable, Firemen's Relief Association Minutes for June 6, 2011, Planning Commission minutes for June 6, 2011, Monthly Financial Report, Economic Development Minutes for June 17 & July 1, 2011 and Library Board minutes for June 20, 2011. Motion by Snyder, seconded by Ferrazzano to approve the Consent Calendar as presented. Stobb felt that according to the Planning Commission meeting, they still feel in limbo as to their responsibilities. Enderson stated that if they did not have anything to work on or nothing to discuss, they would not have a

meeting. Koopman stated at the last meeting they delayed action to amend the Planning Commission Ordinance as they did not have a quorum. Motion carries.

Mayor Peterson appointed Robinson, Gervais and Stobb to be on the committee to select a site for the lagoon project. Enderson stated that he would like to sit in on the meeting. Mayor Peterson appointed Gervais as the chairman of the committee.

Mayor Peterson thanked Koopman for all she has done for the City. Ferrazzano expressed appreciation for Koopman's support and guidance during his terms as Mayor and Councilman. Stobb expressed appreciation for her knowledge and for being the face of administration and the City of Tracy. She has been the constant that has carried them through. Snyder stated that she and her dedication to the City of Tracy will be greatly missed.

Motion by Enderson, seconded by Ferrazzano to adjourn the meeting at 7:35 p.m. All voted in favor of the motion.

August 8, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, August 8, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Snyder, seconded by Stobb to approve the minutes from July 25, 2011 as presented. All voted in favor of the motion.

Additions to the agenda included 6-B Computer Software Status; 6-C 2010 Annual Audit Report; 6-D VMC Building Repair Estimate, 6-E Library Exterior Concrete Repair Estimate, 7-B2 Planning Commission appointment, 7-C Purchase Offer of old library building and 7-D Window Replacement at the Multi-Purpose Center. Motion by Stobb, seconded by Snyder to approve the agenda as revised. All voted in favor of the motion.

There were no public comments.

Nicole Larson from Kinner and Co. presented the 2010 Annual Audit Report. The analysis of the City as a whole shows the City's combined assets increased approximately \$401,094 and \$273,076 from the prior year. Overall the financial statements materially do not have any material misstatements, however there were a couple discrepancies where there appears to be some missing revenues. The total assets did go down by about 1.4% from 2009 to 2010; however the liabilities went down 5.6%. This increases the net assets and ended up with a 5.5% increase of assets. There was a small decrease in the business type activities of \$10,000. The City of Tracy had a very strong year. Governmental revenue and expenditures shows Capital Outlay as an expense which is major purchases for the city. It also shows the debt service payments as an expense and likewise any loan proceeds and bond proceeds are revenues. There is a \$1.6 million dollar reduction because there was an Aquatic Center bond that was paid off. Revenues are down slightly. The business type activities are for profit and all of the major funds showed a profit and none had a deficit for the year. There is a deficit that is primarily coming from the Aquatic Center. Larson stated that in addition to doing the actual audit, they also look at the internal controls. They did find some deficiencies in the internal controls. Some are repeat deficiencies and there is a new deficiency. The first deficiency is a repeat and this needs to be addressed with segregation of duties among the accounting personnel. They have been working with the Mayor, Administrator and Office Staff to find ways to segregate those duties and improve the internal controls. The year end closing procedures is a common deficiency in a lot of cities and what that means is that adjusting entries needed to be done. This is very tough to avoid this finding. Larson stated the software the City uses for financial statement preparation is commonly used. She has worked with much more expensive and they do not do the full financial presentation either. There were some issues discovered during the audit with some unrecorded revenues and at the time of the audit it was \$5,936.21 that is not recorded in the financial system. The recommendation of purchase of a software module is in the process. The first page of graphs takes each of the categories of funds, the general funds, the special revenues funds, capital projects funds and debt service funds and enterprise funds and provides a five year spread of the revenues by the major categories of revenues. The ones with the most change are the special revenues, capital project and debt service. This is because there are not major projects each year. The revenue graph shows a five year history as a whole, the local and county revenue are up by \$42,600 primarily because of an increased debt service levy for 2010. The inter-governmental is down by \$139,000 and this is heavily attributable to the loss of \$74,000 in local government aid and market value credit from 2009 to 2010. The other part of the decrease is 2009 was wrapping up the CDBG grant. The sales are up because of the utility rate increase have caused the sales to go up. Larson said there are only slight changes and these are explained away and overall the City had a pretty good year with the increase. Expenditures by the fund type shows a five year spread and the major changes are in the special revenues and special projects and debt service. This year the special revenue has a huge capital outlay because there were a lot of infrastructure projects in 2010. There are no major changes except the debt service bar as a large fluctuation from last year to this year as \$1.1 million was paid off in the 2001 Aquatic Center bond. The capital outlay is down from last year because of the 2009 Street Project and did not have that type of activity going on in 2010. The summary of assets by fund

type should show no major changes from one year to the next unless there is a situation where a lot of cash is lost because of bond pay offs. City wide the cash is still very strong and Tracy is sitting very strong as far as the net assets. There are not a lot of current liabilities and these do not address the long term debt, this only addresses current liabilities and is due within the 30 days after year end. The overall change was only \$8,000.

Gervais reported that last week he and Robinson met with Melvin Klein about his concerns regarding the new lagoon project such as geese on his personnel land, smells from the ponds and the devalue of his land. Gervais and Robinson explained that the ponds would not be that much closer than they are now. The site would be in the best interest of the City for location and financial reasons. Robinson stated that the issue is in a sense, is out of the City's hands as the funders dictate what can be done and there are only so many funds that can be allotted. Gervais stated that Klein has valid concerns and no matter where the lagoons are put, there are going to be concerns. Gervais stated that he will be in contact with Chuck Pettipiece to set up a step list of things the City should be doing to get things in order. One of the things is the City should consider separating water and sewer to show potential for the agencies that would be funding the project. One of the landowners that own the western part of the potential site is not interested in selling. The City needs to come up with a more definite plans and if necessary eminent domain could be used. Stobb said that Gervais relayed the issue well and they have not talked with the one landowner directly. The way their disinterest in selling was explained that the land was promised to family members and with the lagoon there, the land would be difficult to use. They need to talk to this family and hear from them what their plans are. Gervais felt there will be some hard choices to make as this is a huge undertaking. It will be difficult to find a site where someone will not be offended. The FAA and the people that are doing the funding will dictate a lot where the ponds will go. The FAA has agreed to this site. The City also needs to consider extended costs to the City and taxpayers as to the site selected. Mayor Peterson felt they should set up a meeting with this family and get their opinion and listen to their concerns. Ferrazzano asked what a mechanical type facility type would compare in cost and this would take up less space. Robinson stated that mechanical type facilities are much more expensive and require more manpower to run. Tracy does not have the need for a mechanical facility as the City does not have any wet industry. The cost for the mechanical system may be 50% or more higher in cost from the start up. More staff would be needed, utilities would be higher and chemicals would be much higher. Through USDA funding 39 year loans are issued and the life of mechanical plants is about 20 years and then replacement of worn out components and added components would be needed to meet new regulations. Gervais stated there is a dollar limit as to what agencies will fund and another site there would be added cost for the installation of the extended line. He stated that there are only \$3 million in available funds available from the state and there are other cities in front of Tracy that need the money more.

Mayor Peterson said the need for new computer software was discussed on June 6th and the money was appropriated on June 13th. It is now the middle of August and this has not been put in place. He is disappointed and stressed the need to get controls in place. David Spencer stated that he has not gone ahead with the purchase of the invoicing system for two reasons:

1. If he finds it feasible to change the hardware over, he would like to do that before the installation of any new software is done.
2. With the disruption in staffing right now, he has found it necessary to reacquaint himself with a number of computer operations before he is able to train someone else. He needs to get all operations in the office back to some kind of normalcy before the office can take on anything new.

Spencer stated he would like to keep the accounting computer separate to keep the one accounting computer secure for any other system. With a shared system there is an ongoing cost and with no network administrator the skills would not be there if something goes down and then when that happens, everyone is down. Stobb suggested they find out what other communities are using. Ferrazzano suggested the program could be purchased now and it can then be implemented when there is time. Spencer stated that with the disruption regarding personnel, it takes time to train temporary employees and then have to retrain someone later on. The internal controls that have been implemented are taking more time. Mayor Peterson asked that a time line be presented at the next council meeting. Spencer stated this is the first time there appears to be a fault of the invoicing system in the audit. The money missing in the audit report is not the fault of the program. Ferrazzano stated they are trying to follow the advice of the auditors.

Spencer will contact Banyon and see how many customers use the invoicing program. Mayor Peterson asked that numbers and a timeline be presented at the next meeting for discussion.

An estimate for labor and materials to remove and repair loose clay caps, reuse undamaged caps and form and install new white steel cap where needed on the VMC was received from Dale Johnson III Construction for \$2,155.64. Robinson explained that if the needed repairs are not made, it will cause water problems that will need to be fixed. Motion by Stobb, seconded by Ferrazzano to accept the estimate of \$2,155.64 from Dale Johnson III Construction for repairs of the VMC. All voted in favor of the motion.

An estimate of \$1,200 for labor and materials to remove, re-pin and replace exterior concrete at the entrance to the library was received from Dale Johnson III Construction. Funds would be from Repair of Other as the budget for the library building is over budget. Mayor Peterson thought that all trip hazards were to be repaired when the street lights were installed. Johnson stated that this sinking of the concrete occurred after the street lights were installed. He will do the repairs on a day when the library is closed to prevent any disruption of services. Motion by Ferrazzano, seconded by Stobb to accept the estimate of \$1,200 from Dale Johnson III Construction for repairs to the exterior concrete at the library. All voted in favor of the motion.

Lori Johnson representing the Minnesota Angels Walk for a Cure was present to request permission to use the City's traffic cones to keep walkers within a certain distance of the road during the 10 mile walk. The Fire Department has volunteered to monitor the seven major intersections during the walk. Motion by Ferrazzano, seconded by Snyder to authorize use of traffic cones for the Walk for a Cure. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to appoint Bill Chukuske to the EDA Board to fill the remaining term vacated by Dick Boerboom. All voted in favor of the motion.

Motion by Stobb, seconded by Snyder to appoint Tim Martin to the Planning Commission to fill the remaining term vacated by Dick Boerboom. Enderson stated that with this appointment he would resign his position on the Planning Commission. He questioned if this appointment can be brought up again since it was tabled at a previous meeting. Stobb stated that no action was taken at that time. Upon roll call the following vote was recorded with Mayor Peterson, Ferrazzano, Snyder and Stobb voting aye and Enderson voting nay. Motion carries.

Gervais stated at the Tracy EDA meeting on Friday, August 5, 2011 a motion was made, seconded and passed unanimously to recommend to the Tracy City Council to work with Mark Seager, owner of Second Wind CPAP and Prairie Home Medical Supply) on a potential sale of the former Tracy Public Library property. Seager's offer is to purchase the property for \$1.00. This offer is based on the need for immediate maintenance and renovation needed to be performed on the property to accommodate his business. A letter from Seager detailing his plan and also letters of support for his business. Seager's plan is to provide durable medical equipment to local hospitals, nursing home, and assisted living facilities and to Tracy and the surrounding areas. They will also offer customers the ability to purchase DME online that will provide free and in most cases, next day shipping to the customer's door. They will create a virtual storefront at major online shipping outlets such as eBay and Amazon to offer DME on a national level. A nationally certified, state licensed Respiratory Therapist will operate PHM and the facilities will also be used for educational purposes to conduct seminars relating to various topics such as asthma education, proper care and use of various DME, smoking cessation classes, etc. PHM will be administrators of the American Sleep Apnea Association's National CPAP Assistance Program. This program will provide CPAP devices to people who for the lack of insurance or funds are not able to use this life-saving therapy to treat obstructive sleep apnea and will require a dedicated full time employee to operate the program under the guidance of the PHM owners. Seager will be seeking financial assistance of approximately \$40,000 to renovate/repair the property through the EDA. The PHM owners will contribute \$10,000 for a fund-matching loan through Western Alliance and will not seek to draw a salary for the first year of business. PHM will pursue an aggressive local advertising campaign to include newspaper, radio and direct mail advertising. Gervais stated that Nielsen would have to draft the necessary documents for the same. Nielsen stated there are other things such as commitment to the city and any conditions that would have to be met to make the sale possible. Mayor Peterson felt it should be run through the Planning Commission to make sure it meets the requirements for the Comprehensive Plan. Motion by Snyder, seconded by Ferrazzano to refer the purchase offer of

the old library building to the Planning Commission for review and upon their recommendation move forward with this request. All voted in favor of the motion.

Shirley Anderson from the Multi-Purpose Center reported that the windows on the upstairs level are deteriorated to where they are leaking badly. Two bids were received with Dale Johnson III Construction submitting the low bid of \$5,200. The windows would be paid for with donated funds. Motion by Enderson, seconded by Ferrazzano to approve the bid from Dale Johnson Construction III for replacement of windows upstairs at the Multi-Purpose Center. All voted in favor of the motion.

The Consent Calendar included the Municipal Accounts Payable. Robinson stated that on Page 4 the payment to B&D Plumbing and Heating was to come from the surcharge fund and this will be coded correctly. Motion by Stobb, seconded by Snyder to approve the Consent Calendar. All voted in favor of the motion.

Snyder reported that they had met with Jason Lichty and have come to a fair consensus for all parties involved. Lichty will be moved from the current step as an officer to Step I of the Police Chief level and this keeps in line with his years of service. This will basically be a wash with call time and overtime that has been accumulated. This will take effect from the beginning of the last pay period. Motion by Ferrazzano, seconded by Enderson to authorize this step increase for Lichty while acting Police Chief. All voted in favor of the motion.

The 2012 Budget Presentation by Department Heads was given. Shirley Anderson, Secretary for the Multi-Purpose Center Board, stated the Board would also like to request a special line on their budget sheet so they know just exactly how much they have in their donated funds account and what expenditures they have from the donated funds. Spencer stated they have a fund balance and know what they have taken in and what they have spent. He feels they need to keep an eye on themselves and members come and go. Mayor Peterson asked if he could give Anderson a total amount of donated funds and what is in that account. Spencer said he could not because it started over three years ago and their funds are not separated from General Fund money and Donated Fund money. It is together because at the time they got it they did not know what they wanted to do with it. Ferrazzano stated that when he brought this up at the last meeting about the library board wanting this information also. If in order for the Multi-Purpose Center to have a line for donated funds, you have to open another fund. Spencer stated the Library does have a whole fund because they knew specifically what they were going to do with the funds when it was donated. Ferrazzano felt that he would want to have a different fund for them and see what people are contributing. Spencer stated that the funds are almost depleted at this time and feels it would be senseless to establish a new fund. He suggested that they put a line item in their budget after they settle the amount available. This will be done and the amount carried over on that line from year to year.

Thank You was expressed to Jesse James for the boxcar wall decoration for the Council Chambers.

Motion by Ferrazzano, seconded by Enderson to adjourn the meeting at 9:00 p.m. All voted in favor of the motion.

August 22, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, August 22, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Stobb stated that the City Administrator name be changed from A. Koopman to R. Gorius. Motion by Ferrazzano, seconded by Snyder to approve the minutes as amended from August 8, 2011 as presented. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Stobb to approve the agenda as presented. All voted in favor of the motion.

There were no public comments.

Gervais reported that there has been no real progress in acquiring a site for the lagoon project. The Committee met with Dennis and Marilyn Christianson and at this time they are not interested in selling their property. It was explained to them what the City needs and why they need it. They have also had conversations with Lawrence Maeyaert and explained to him where the ponds could possibly be located. Gervais questioned Maeyaert regarding odors from the ponds. Maeyaert stated that from time to time if there is a south wind on a hot day there can be some odor but did not have any issues with that. Gervais will be meeting with Chuck Pettipiece this week to discuss the funding of the project and a timeline. This will be on Thursday, August 25 at 10:00 am in the Council Chambers. In the timeline it is going to get to the point where a decision needs to be made regarding the location of the ponds. Options and feasibility will need to be determined and if a mechanical system is ruled out, a site needs to be determined and consideration given of the cost to the taxpayers. Once the location is determined they can start looking into the infrastructure in the city limits. Ferrazzano questioned if other sites are possible. Gervais stated that going to the north and northeast of Tracy would be the most cost effective. If they would go to the west or northwest the sewage would have to be pumped uphill to the ponds.

Gervais stated that he has been working on the sale of the library property and Nielsen is preparing the preliminary agreement. It is being referred to the Planning Commission for discussion. Jon Heezen has made an offer on property for a dental building. Nielsen has the information and this will also be on the agenda for the next Planning Commission meeting. The town homes are full and Gervais continues to receive calls regarding rental properties. Stobb asked if there was still a waiting list. Gervais stated there are people on the list that have been for quite some time. They are waiting to sell their own property and like to be on the list for possibilities that could arise. Orchard Lane landscaping is near completion. There are trees at the City tree farm that need to be moved and they are considering putting four to five trees south of the property on the school property. The school has indicated there is no problem with the trees being placed on their property. The cost to move the trees would be about \$65 for each tree. There is also consideration to planting dogwoods along the south side to make a snow fence. Gervais said the 2011 audit for the EDA was discussed with Nicole Larson. The town homes are doing well and all are in the black this year. Gervais is working on a business plan with another business owner in the City.

Acting Police Chief Lichty asked if there were any questions regarding the Activity Report. This month he has delivered 22 nuisance letters. There were five citations issues, three for past violators and two new violations. Also one extension was given. The new squad is in and working well. Lichty stated that he has the Durango cleaned up and would like approval from the Council to put a price on it and sell it for the best offer. Stobb asked if this would be advertised on E-Bay and Craig's List. Lichty had discussed this with Nielsen and there were no problems found that would prevent them from doing this. Motion by Enderson, seconded by Stobb to authorize Lichty to put a price on the Durango and advertise for sale. All voted in favor of the motion. Lichty stated the department is in need of a new shogun to be put into service in the new squad and a front stock or rail system for the M-16 patrol rifle is needed. Since these items were not budgeted for, the Tracy Police Department has three old Smith and Wesson Model 66 .357 Magnums and two Ruger Model 45 .45 Cal. Rifles in storage. These have been

stored in the police department for more than 16 years. Lichty contacted Kiergaard Sports and they are interested in the guns and trading these guns for items that would be more practical and current with the department's needs. Motion by Snyder, seconded by Stobb to authorize Lichty to purchase more current and practical equipment for the department. All voted in favor of the motion. Lichty said the City has to have an ordinance to request background checks. Nielsen has been given copies to draft the ordinance that is needed. The National Weather Service has extended the City's storm readiness status until 2014.

Robinson reported that Public Works has ordered and received gravel for stock pile. They fenced off a storm water intake in Warner Park as a safety precaution. This area needs a new concrete manhole structure and should be considered as a future project. Asphalt patching has been performed in several areas where there were utility construction or road settlements. More asphalt patching will be performed in the coming weeks where there were water main breaks or utility construction. Spraying of weeds in the streets has been done. Streets were swept in the last couple weeks and will be swept again right before Box Car Days. Two loads of road salt have been ordered to get a better pricing for ordering this time of the year. Diseased Elm trees will be identified for removal. The department has been pruning and trimming of dogwoods and trees in the parks and campground. The department purchased an inexpensive hedge trimmer to get this done. Robinson said there was a water main break on August 17th on Morgan Street. This was an 8" main dating back to 1897. He had just arrived at a water/wastewater school in the Cities for a few hours when it broke and he returned to make the repairs. The 2011 Alley water main project is near completion and he will start working on the assessments soon. Sewers were dump flushed as part of the yearly sewer maintenance. Robinson continues to work on land acquisition for the ponds and has met with Melvin Klein concerning wastewater pond issues. The airport has received a load of fuel. They have started replacing a 50 foot section of the chain link fence by the terminal that was damaged by the snow last year. Robinson said at the pool a replacement security light has been ordered and they will start the shut down process as the pool is now closed for the season. At this time they still have not found a used late model park mower. The engine on the Ford tractor is in the process of being rebuilt and a leaking head gasket is being repaired in one of the dump trucks. Robinson has made arrangement with a tree cutter to trim some trees in the cemetery which are too high to reach. They have put more gravel and bladed the liquor store parking lot. The Cemetery roads are also in need of more gravel.

Enderson stated that the windsock pole is pulling out of the ground. Robinson said they did not put the base in far enough into the ground and frost has made it raise and that area is a wet area also. They are going to try and repair it with a cement box structure and the use fill to brace it.

Stobb asked if the old Explorer is being used. Robinson said the street department uses it if they are mowing out there and need to come back to town for lunch or repairs. Stobb also asked if it was necessary for Robinson to return when he is out of town for main break repairs. Robinson said that at this time they are short staffed at this time and it is a dangerous job repairing them and he prefers to come back and assist with the repairs.

Gorius stated that David Spencer will be retiring as Financial Director and it would be in the best interest of the City not to go too long a time periods without one. This issue will be discussed later in the meeting.

Motion by Stobb, seconded by Snyder to approve a request from Missie Erbes, Tracy Area Chamber Director, close Park Street from Rowland Street north for half the block on September 3 from 10am to 12 pm for a Family Day in Center Park. All voted in favor of the motion.

The Consent Calendar included the Municipal Accounts Payable, Tracy Fire Department Relief Association minutes for July 11, 2011, Monthly financial Report, Multi-Purpose Center Board minutes for May 24 and June 28, 2011 and Tracy Library Board minutes for July 18, 2011. Motion by Snyder, seconded by Ferrazzano to approve the Consent Calendar. All voted in favor of the motion.

The 2012 Budget was reviewed. Gorius stated there is preliminary tax level that reflects an overall increase of 4.38%. The General Fund tax levy at 5.58% and this includes a 3% wage increase, excluding health benefits and allowing for \$25,000 increase for contingency of future loss of LGA revenue. Gorius did express his appreciation to the department heads for sound reasoning why they wanted increases and thanked them for taking into consideration the present

economy. The 2012 budget is coming in at \$1,944,646 and last year was \$1,954,207. Stobb was glad to see on the revenue side they put additional money into the Aquatic Center to cover the shortfall that they have every year. Stobb noticed the additional expenditures for Orchard Lane and was thinking they would have the bulk of that paid this year. Spencer stated they had the first interest payment this year. What is levied in 2011 you do not receive until 2012 and that is then paid out in 2013. Snyder asked on page 19, the Community Rec and Ed, in 2011 the budget was \$53,000 and in 2012 it is \$73,000. Gorius stated this is the additional money for the Aquatic Center. On page 20, Cemetery, Snyder stated it goes from \$4,000 to \$15,000. Spencer stated the Cemetery Commission had put in a request for \$30,000 for maintenance that needs to be done at the cemetery. Gorius stated they reduced that by \$15,000 and are looking at spreading that out over a three year period of \$5,000 per year. Spencer stated the cemetery is probably going to end up in the hole this year and his personnel feeling is that this should not have been moved from the General Fund. This is supported with General Fund money through a transfer and that way if they do go over budget it makes more sense to leave it in the General Fund. It was the intent that the money from the permanent care was to take care of the maintenance and the permanent care money is only at about \$60,000. This money comes from 10% of the sale of lots and feels that some consideration needs to be made to put this back to the General Fund. Stobb feels there is need at the cemetery and if they can, to make this money available. The June 30 balance in the cemetery maintenance fund with the \$7,200 mowing bill will put this fund in the red.

Spencer stated that another area that needs some serious attention is the liquor store. Radke had put in a \$20,000 transfer and Spencer is concerned if the money is going to be there to do that.

Snyder questioned for the Aquatic Center on page 49 under temporary and part time wages there is an increase from \$40,000 to \$55,000. Spencer stated this was based on historical values from last year of \$54,000. The season has been shortened this year and with a busy year they have had some additional hours and employees out there. Ferrazzano felt they could go with \$50,000 as in 2009 and in 2009 had a regular season. Stobb stated that by December they should know what the actual cost was this year and recommend leaving that now and they could drop it later.

Spencer stated that he did add that extra line for the Multi-Purpose Center for the donations. He stated that number there now is what they will have to watch and this amount is with the window replacement off there also. If they expend money between now and the first of the next year, this line item will decrease.

Stobb stated there is a slight deduction on Code Enforcement on page 58 from \$10,000 to \$5,000. Robinson stated that they did not take down as many buildings as they had in the past.

Stobb stated that last year they looked at a figure that has a little bit of cushion, hoping it can be reduced at the finalization. He asked if they felt there was some cushion to this or if they were at the bottom line. Gorius feels there is some give in it, but not of a great deal. Spencer said the one cushion they left in there was \$75,000. Spencer stated that with legislation is going to happen next year and cut the market value homestead credit after the levy is done. Spencer stated this is not budgeted because it all falls under the tax levy anyway and do not put a figure in for that. Ferrazzano questioned the amount of LGA received is set each year or because next year will not be a budget year for legislature, is it set for two years. Spencer stated that Gorius had checked on this and they are leaving it at the same certification as this year. Gorius stated the indication they got on the LGA is that they are going to leave it alone at the present level for 2012 and 2013. Spencer stated they need to watch the market value money, it messes with bond money. Money from that is appropriated out accordingly from the levy to the bond funds, where the LGA is strictly General Fund money. If they continue to cut down on the market value money, they will have to increase the levy in the bond funds also over what was recommended by the financial consultants when the bonds were first done. Eventually the City will not be able to meet their obligation for that debt. Spencer feels that at this time the bond funds are very healthy and stable.

Snyder expressed appreciation for all the work by Gorius, Spencer and the department heads. Gorius stated with the short time preparing the budget, without the realistic approach by the department heads it would not have worked as well as it did. It helps also to have healthy and stable bond funds.

Filling the Financial Director position was discussed. Ferrazzano asked if it would be feasible to contract with an accounting firm to run the financial activities. Gorius questioned if they would have access to this firm when needed. He would like to see the Financial Director position filled but will research contracting with someone. Snyder stated that he had also considered contracting but also had the same concerns that Gorius did about availability when they are needed. Gorius stated they are not going to find a Finance Director immediately but need someone to step into that position for the time being. Spencer questioned if the City Charter calls for a clerk or treasurer position. Maybe hiring the auditors to fill in and set the way they want it done and have this in place by the first of the year. Stobb felt they should go ahead with checking into contracting or having the auditors oversee the financial activities and if there is no interest in this, the go ahead with advertising. Maybe they could check with other cities and see what is working for them. Mayor Peterson felt that the job description for a Financial Director should be updated and discuss the issue if this position should be a union position or not.

Motion by Enderson, seconded by Ferrazzano to pay membership fees for the Coalition of Greater Minnesota and not renew membership to the Mn Association of Small Cities. All voted in favor of the motion. All voted in favor of the motion.

Motion by Snyder, seconded by Ferrazzano to authorize Gorius to handle banking activities and release pledging documents. All voted in favor of the motion.

Snyder asked that the Council could be updated on the issues that Flaherty and Hood are investigating at this time and feels that this issue needs to be resolved as soon as possible.

Stobb asked if there was a status update on the annexation of the museum property. Nielsen stated the annexation of the museum property is in process and has not found any issues with this. There are some issues with the annexation of the compost site that need to be done before it meets the requirements to become part of the City. When the road to the compost site was put in and the compost site was on the west side of the railroad tracks. The railroad sold off that right of way and the City did not buy any portion of that. Nielsen stated he has done some research and apparently the people that did buy the right of way; there was a mutual 99 year lease with the City so that they could go over the railroad tracks to the compost. In exchange the City gave them some land further north. They will need to have those landowners consent to annexation. This needs to be discussed with the landowners that for their benefit this needs to be turned into a sales transaction.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 7:40 p.m. All voted in favor of the motion.

September 12, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, September 12, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Snyder, seconded by Stobb to approve the minutes for August 22, 2011. All voted in favor of the motion.

Additions to the agenda included: 7-B Trees for Central Park, 11-A Agreement with ARMER, radio transceivers on the City tower, 11-B Retirement of Chief Hillger, 11-C Retirement of Sherri Spencer as camera operator. Deleted was the Closed Meeting. Motion by Stobb, seconded by Ferrazzano to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Gorius reported that most of his time so far has been working with the 2012 Budget. He has been familiarizing himself with the various commissions and planning committees of Tracy. He attended two City Council meetings, Economic Development Board, Hospital Board, Cemetery Commission and a speaking engagement at the Tracy Senior Dining facility. The balance of the month he spent meeting and touring as many of the departments as possible.

A letter was received from the Southwest Initiative Foundation requesting \$1,250 from the City of Tracy in 2012. When this was discussed in June, the financial situation was unknown and no decision was made. Mayor Peterson stated that since that time they have changed their request to a contribution of "any" amount. Snyder asked what the contribution was last year if one was given. Mayor Peterson stated they did not give a contribution last year. Ferrazzano stated this would be a contribution, not dues to join the foundation. Nielsen stated that if this was tabled, he would research the idea of making a contribution in the form of economic development. Motion by Snyder, seconded by Stobb to table this till the next meeting after Nielsen researches this. All voted in favor of the motion.

A letter has been received from the Tracy Kiwanis Club stating that they have allocated \$260 to cover the cost of moving four oak trees from the City Tree Farm to Central Park. They are asking permission for the trees to be planted on the west and east side of the park. The Kiwanis did pay to have five oaks planted on the park's south side in the past. Stobb stated if possible to plant the trees this fall the Council should heartily accept the Kiwanis's offer and thank them for this. Motion by Stobb, seconded by Snyder to accept the offer from the Kiwanis Club to plant trees in Central Park. All voted in favor of the motion.

Gervais stated the Planning and Zoning Commission met and approve the sale of the old library building. Shane Daniels stated that on inspection it was less of hazard than they thought before and they approved the sale of the building. Gervais stated that he and Nielsen have been

working on this and should be able to get the purchase agreement finalized and get things switched over. Seager was able to purchase some durable medical equipment though an auction already for his store. Mayor Peterson stated the Council has already approved the sale pending the Planning Commission's approval.

Gervais stated that on the dental property the Planning and Zoning Commission approved the sale of the property. They have to work through a couple issues yet with Nielsen as far as the zoning goes and this was discussed at the Planning Commission meeting. They approved the concept of selling the property and at the next meeting or a Special Meeting to fine tune the zoning as it is R-2 and by special use it could adopted into that area. Nielsen has suggested limiting the size of the building, making it one story, etc. with proper planting and aesthetics to blend in. Gervais does not feel this will be an issue.

Gervais stated there will be a meeting Wednesday, September 14, 2011 at 6:00 pm that will be open to the public regarding the wastewater ponds. This will be an informational meeting to inform the citizens of Tracy and affected property owners or residents that could be affected by a new wastewater pond system. Steve Robinson from S.E.H. has put together some information outlining the plus and minuses with ponds and also a mechanical system. They will discuss issues on why it has to be done from the MPCA and FAA, why a different site needs to be chosen, etc. There will be no action taken at that time. Gervais stated they needed to move forward as soon as possible to find property and the sooner this can be done the sooner Public Works can lay the pipe within the City for that. It cannot move forward until a decision is made as to which system they will use. The public will be allowed to speak and ask questions if they want. Gervais stated that he sent letters to all the landowners northeast of town and residents that could potentially be affected by the ponds. Gervais stated that he went through old Council Meeting minutes and was able to find where the property was purchased from Nehls back in the late 1960's and the FAA recommended that the City try to find what that land was designated as when it was purchased. In the minutes it does not say that it was not purchased as airport property, but states that it was purchased for part of the airport to expand the north/south runway. Going through several books it was never clearly identified as being purchased for airport property. If the City were to put something on that property, it needs to be airport related structure and if not, they would have to get that release from the FAA in Washington D.C. and MnDOT. It is something that can be done; it is just the process of jumping through those hoops. Stobb asked if the entire airport and City Farm was purchased in one lot. Gervais stated the original airport property was purchased back in the late 1940's. The property between the airport and industrial park was purchased in the late 1960's and was purchased as part of the sewer ponds when they were built in 1967.

The Consent Calendar included the Municipal Accounts Payable, Monthly Financial Report, Multi-Purpose Center Board Minutes for July 26, 2011, Economic Development Authority Minutes for August 9, 2011, Fire Department Relief Association Minutes for August 1, 2011, Cemetery Commission Minutes for June 16, 2011 and Planning Commission Minutes for July 5, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to adopt a resolution adopting the proposed Tax Levy. This states the following sums of money be levied for the current year, collectible in 2012, upon taxable property in the City of Tracy for the following purposes:

General Fund	\$ 591,791
Permanent Improvement	\$ 10,000
Debt Service	<u>\$ 418,000</u>
TOTAL LEVY	\$1,019,791

Ferrazzano asked what the percentage would be if this number passes. Gorius stated this would be 4.8%. This can be reduced before it is finalized in December. All voted in favor of the resolution. (Res. No. 2011-

Gorius stated that he talked with Kinner and Associates about possibly contracting the financial activities out and Larson does want to check to make sure there are no legal aspects as far as them being the City's Auditor and supervising the financial activities for the City. Spencer is scheduled to leave October 1, 2011 which will leave the City with no financial director and only two people in the front office. Gorius feels it would be best for the City to hire a financial director and that would depend on who is brought back in and looking at the personnel that are in the office. Stobb said there may be some conflicts as to having Kinner as the auditor and supervising the financial activities of the office. Motion by Ferrazzano, seconded by Stobb to authorize Gorius to advertise the position of Financial Director. Gorius stated that he has discussed this with Matt Miller, Union Representative, there is a conflict with this position being Union and this position will be petitioned out of the Union. This position will be filled as a Department Head and non-union. Gorius stated the Financial Director cannot be working on the budget and representing the labor union with contracts and negotiations. It is a conflict of interest. The job description will be reviewed. Gorius stated that Spencer has gone through what

he does on a daily basis and this can be incorporated into the job description and be a template for the person that comes in. The bank is pushing for the City to go to an ACH deposit system and will be transferring to that. Stobb asked if there was an indication of where this position would start on the pay scale. Gorius felt that they should keep the pay in line as they did for replacing Koopman. Gorius stated that advertising with SGR Job Site is a good place to advertise as it covers a lot of states but would have to check out the fee for using that site. He will check to see what would be most cost effective for advertising for the position. Spencer stated that he can advertise it statewide to all the cities. Stobb felt it would be effective to put it in the Tracy paper and Marshall paper and do some local advertising also. All voted in favor of the previous motion.

Gorius stated that he received an e-mail from a Sgt. Todd Roelfsema and he is indicating he wanted to know if his predecessors and Robinson had discussed ARMER radio project. It is a fire and EMS VHF paging system to be placed on our water tower. He did send an e-mail to Nielsen since this is a legal issue and they are asking the City to enter into a contract with the County. They are indicating they will buy the equipment, installing the equipment on the tower and maintain the equipment. They are asking the City to supply electricity to the equipment and it only uses electricity during instances of daily pager testing or any calls for service that would require paging personnel (fire/ems and or any law paging needs for the local police department). They are working with the City of Tracy and City of Cottonwood and looking for a reply as they want to implement it by January 2012. Robinson stated there is already power on the tower and would not take much electricity. Motion by Ferrazzano, seconded by Snyder to enter into the agreement pending legal review by Nielsen. All voted in favor of the motion.

Mayor Peterson stated that Bryan Hillger, Police Chief has submitted his retirement notice effective October 1, 2011. Mayor Peterson stated the early retirement package that Garrels had accepted was not an open end offer. He feels this needs to be looked at on a position by position basis. Spencer stated that it was offered again the following year and does not know if it came up in the negotiation process, the offer regarding union retirement. Mayor Peterson stated the Union asked if it was open ended, but was not written in the contract. He stated it was not a permanent offer but would be considered on a case by case basis and would depend on the situation. Mayor Peterson stated that Spencer had asked for it but it was not enacted and feels that it needs to be discussed. Stobb stated that it is a whole package and it has to be accepted or rejected. The retirement part cannot be accepted with the other portion being accepted. Mayor Peterson said the intent of that offer was to reduce the cost of the City and help Garrels out because of his medical costs. Spencer stated that it was offered to everyone at that time. Mayor Peterson stated it was his idea and the intent was a one time offer and was raised again at wage negotiations and like it was offered to everyone and it was stated that it would be a case by case basis. Spencer stated that when it was brought up at negotiations the offer was made out there and left there and that is the way it was brought up at that meeting. Mayor Peterson stated that by management it was not brought up that way and the paperwork states the offer expires. Spencer stated he knows what the paperwork states and it was one year later that the Council offered an open end was offered at that negotiation meeting. Gorius asked if it was at a Council meeting. Spencer stated that it was at the labor negotiations meeting. Ferrazzano asked what it is costing the City. Mayor Peterson stated that is what he wanted the Council to look at before making a decision. He knows what it cost with Garrels but does not know what it is going to cost with this and Garrels was to finish out the year. Spencer stated it was offered a year before he retired. Spencer stated the first point it was offered for a full year but then Garrels decided to retire early because of health issues and then there was only three months left of that year. Mayor Peterson stated the offer was made in the spring of the year with a closing date, either accept the offer or not between this date and this date. It was not that the offer was good that he come in anytime of the year and state that he was retiring. The offer was to do a budget for the next year and have a decision made before the start of the budgeting process. Mayor Peterson stated that he did not know where Spencer was coming up with this whole year stuff as it was not there. When he was discussed with the Union, it was said then that it had to be addressed to the Council and have their decisions made on it because it said they were not opposed to it, but did not mean that the Council spoke. Spencer stated that the only thing he is asking is if that year is still open and the Council is going to do what they want to do regardless. That is why he put it in his resignation letter as he did because he understood that this was open for a whole year. Mayor Peterson stated that everything is open for discussion and the offer that Garrels took was closed

by March. Stobb said they are still in a cost saving mode and still interested in early retirement. No dollar amount is known. Spencer said it is basically \$970 per month. Stobb stated that is what Hillger is being paid now and his disability that could go on for an unknown amount of time. Stobb felt it made sense to accept the request from Spencer and Hillger. Mayor Peterson states the part he finds confusing the option that was given to Garrels, he retired in March and did end up with a full year. Stobb stated that Garrels was offered a year but did not need a year because he then qualified due to his age. Mayor Peterson stated the year they were talking about was that budget year that the offer was made and that small window to accept. That was not one year from the date that he retired. Stobb recalls talking about that on two different occasions and two different budget years. Ferrazzano felt they should deal with Spencer's and Hillger's now and then say after this it is not open anymore, so it is clear that it is one year from the effective retirement date. Stobb stated it could be on a case by case basis. Snyder stated that he agreed with Spencer that it was not a big issue and feels that they had decided they would review it on a case by case basis. Gorius agreed with Ferrazzano's recommendation that this be addressed and then set a policy in writing. Ferrazzano stated the point that Stobb addressed regarding Hillger's disability needs to be on there and feels that the policy adopted for his retirement is fair. Motion by Ferrazzano, seconded by Stobb to accept Hillger's retirement on the condition that he gets health insurance paid for one year from date of retirement. Motion carries. Mayor Peterson stated that Spencer is requesting the same thing. Motion by Snyder, seconded by Stobb to accept Spencer's retirement and have health insurance paid for one year from date of retirement. All voted in favor of the motion.

Mayor Peterson has received a resignation from Sherry Spencer as camera operator. In her notice Spencer indicated that Bill Woitaszewski is interested in the position. She stated that she would be available in the future for a substitute. Thanks were expressed for her services. Ferrazzano stated that if Woitaszewski is interested they should authorize him to replace Spencer. Stobb asked if they are required to advertise for this position. Mayor Peterson felt that if there is someone that wants to do it, they are better off that way. Ferrazzano stated that for the public if there is someone that is interested in the position to come to the next meeting.

Motion by Enderson, seconded by Snyder to adjourn the meeting. All voted in favor of the motion.

September 26, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, September 26, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, C. Snyder, K. Enderson, S. Ferrazzano, and R. Stobb. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Ferrazzano to approve the minutes for September 12, 2011. All voted in favor of the motion.

Addition to the agenda included: 11-D Update regarding the contract with Lyon County concerning placement of their equipment on the water tower and 12-B Police Commission Report for appointment of Police Chief. Motion by Enderson, seconded by Stobb to approve the agenda as amended. All voted in favor of the motion.

Madonna Peterson notified the Council that she has been asked to return to work by Gorius. She understands it was a unanimous decision on the Council's part and wanted to thank them for that. She would like to receive some type of formal letter lifting the restrictions that were placed on her and would also like in the letter some type of follow up in closure to all the rest of the subject matter that was in those letters. She thanked her family, friends and believers and said that she will return to work on October 3, 2011.

Con Rettmer from 235 Hollett St. stated for the past couple months, there has been a lot of rumors, innuendos, finger-pointing at Madonna. Nothing has been said publicly to the citizens of the community. He feels that if this would have happened in Marshall it would have been on the front page of the newspaper and he would like to know what the deal was and was she accused of stealing money or what was heard on the street. He would like an explanation. Mayor Peterson stated that he has no objection to laying it all out, but does not know as an entity what they can and cannot say. Gorius stated that is something that he would have to ask Madonna and when he had asked her if she had been served any papers, and she denied that she had. From what he has seen and been told, his decision was to make a recommendation to bring Madonna back because he had not seen anything that warranted him to believe that any wrong was being done on her part. He cannot answer Rettmer's question because he does not know the past circumstances. He wants to be as clear as possible and will divulge to the public what they can with consideration to what is confidential to the City and Madonna. Stobb stated that as Council members they were more or less put under a "gag restriction" and could not say anything.

Gervais stated that most of his time lately has been spent on wastewater ponds meetings, etc. They are discussing the options of moving forward with land option. In a meeting with Pettipiece today he outlined some timelines and procedures that need to be done and list of things that need to be accomplished at the City level as far as splitting the sewer and water operations and maintenance and getting records from the past three years as far as revenue and expenditures for sewer and water projects for the past three years as well. Gorius stated that he and M. Peterson would dig into that. EDA will be working on their Business Retention/Expansion program with updating lists and speaking with businesses this fall. Town homes continue to maintain their 100% occupancy. They are continuing to water at Orchard Lane and hopefully get the grass established this fall. On update on the CDBG, Jeff Gladis is currently out of the office of Western Community Action. Chuck Swanson has resigned and Gladis is on vacation so they are on a holding pattern. They did have a publication for release of funds that has been published that is part of their procedure. EDA will also be doing a lawn care/snow removal contract and will be letting bids on that for Orchard Lane, similar to what is done on the other current town homes in town. They will be paying a flat rate for easier budgeting. Gervais has also been working with Nielsen on the sale of the old library building and hope to have that completed soon. Stobb commented there has been some activity at the Central Livestock property but has not seen much in the way of fixing it up or closing it up and wondered if Gervais had talked with DeRuyter lately. Gervais stated that he spoke with him a few weeks ago and the storm back in July set DeRuyter back in his timelines. DeRuyter is still hoping to get

things closed up this fall. The purchase agreement has been signed and DeRuyter is waiting to get the abstract portion as his title company will be pulling his portion of the abstract and the City will then get their abstract back.

Verdeck reported that in August 33 new library cards went out and she reactivated four patrons. On four people attended the post office seminar. The Plum Creek Annual Appreciation Dinner was held on September 21 and 35 attended the dinner at the Multi-Purpose Center. The drop box has arrived and Gorius stated that Robinson will work on getting that installed. Verdeck enclosed information in the packet on the Network for Better Futures and a truck was sent to collect the books that are to be recycled from the old library building. If this works out as hoped, it will be an annual event.

Acting Police Chief Lichty asked for any questions on the activity report. Nuisance notices were completed again this week. The Durango sold for \$4,000 and he would like to see the money from this stay in the Equipment Replacement Fund for the Police Department until the next squad can be purchased. The light bar and siren from the Durango was sold to the Ghent Fire Department for \$75 and Lichty is requesting that money to also be placed in the Equipment Replacement Fund. Lichty stated the department has entered into a partnership with Community Safety Net which provides drug resource for children in the 5th and 6th grades. Businesses from the town sponsor so many children to buy the reading material and books and Lichty goes to the school and does a program for them for drug awareness. If they complete the material and go on-line they can compete to win some computer equipment for themselves. Lichty is working with the Sheriff's office on the DEA Take-Back Program. They will be providing a site and personnel to manage a site on October 29 from 10 AM to 2 PM. This date has not been finalized yet. The site provides a drop off site for people to dispose of prescription medications that are not needed so they do not end up in the wrong hands. Lichty stated they are looking into using Nixle which is a tool for Law Enforcement to do mass testing for alerts. This is a free program that can be utilized to give out winter snow emergencies, serious weather alerts and scams. Motion by Snyder, seconded by Stobb to put the \$4,000 from the sale of the Durango and the \$75 from the sale of the light bar and siren into the Equipment Replacement Fund for Law Enforcement. All voted in favor of the motion.

Radke reported that Box Car Days was very good for the liquor store. Sales were up \$4,371.47 over last year. He has been working on redoing prices in the Off Sale and going through inventory. Mayor Peterson asked if there would be a Liquor Committee meeting anytime soon. Radke stated he would like to have some updates on his reports before having a meeting. He does not fee that it warrants at this time to have one with the information he has.

Robinson stated that Fuller Paving has repaired and patched several areas in the street from water main breaks and utility projects. Public Works has repaired several rental picnic tables that were in need of repair. Curb and gutter repairs were made in several areas and Sebastian Park project is complete as was bid. There is still some fencing needed around the one depression where they could put a storm drain in there with a lid on it to make it safer. Public Works has been trimming boulevard trees which interfere with snow removal equipment and the sweeper. Hydrant flushing is being performed and one fire hydrant has failed and is being repaired. There have been some catch basin repairs done by Dale Johnson Construction. There are some more that have collapsed and will be repaired. A new section of chain link fence was installed at the airport which was damaged from last winter's snow. He had the airport engineer look at runway crack filing, airplane tie downs and the wind sock. The estimated cost for these repairs would be about \$30,000. The runway is in need of serious crack repair. The wind sock pole needs to be re-cemented in to prevent it from tipping over. The airplane tie downs are like a pothole with a hook in it. The planes could be damaged if they hit one of those holes. They do make a different tie down system that does not have a hole like that. These projects are 95% funded by FAA and 5% funded by the City which would total \$1,500. The budgets have been put together but he will meet with Gorius and if possible will try to include this in the budget. Robinson stated the roof repair on the VMC has been completed. He has attended a Cemetery meeting, Safety meeting and numerous Wastewater meetings. The Public works has installed a marker pipe at the cemetery to prevent a marker from being hit by a truck during snow removal. They have moved monuments that have tipped over into a building until they can be repaired. Gravel has been placed on the cemetery roads. Scrap iron has been hauled to Marshall. Robinson stated

that the clutch was out and some transmission problems on one of the plow trucks and at this time Paul is rebuilding this. The other plow truck the head gasket was blown and that is now up and running. The bi-directional Ford has a complete engine rebuild. Robinson said that with limited time they will be only spraying the cemetery and if they get more time, will do more. Enderson asked if the engine was rebuilt how they are broke in before they use them this winter. Robinson stated that Paul brought in his own Dyno and ran it for days at different rpms. Gorius stated that he and Robinson had discussed the airport projects and since the budget had already been proposed, they are going to look at discussing this with the Airport Commission about maybe they have some funds from their pancake breakfast they would want to contribute some funds. Mayor Peterson asked if the pool is shut down and winterized. Robinson said it is shut down but not winterized yet. They have received the anti-freeze and will winterize the parks and pool before the winter weather sets in.

Fire Chief Johnson reported Box Car Days went well. Fire calls down and been more training and have some controlled burns to do yet this year. They are in the process of applying for three different grants for some equipment that is scheduled to be replaced in the next five years. Fire Prevention is the second week in October and the firemen will be doing different activities. Keeping Your Family Fire Safe is the motto this year so they will be sending out a sheet with a fire safety checklist and on the back will be an area to draw the escape plan. On that Wednesday night the department will be driving around and counting the number of house lights on that have their escape route and they are going to go door to door and anybody that has their light on and done the checklist, done the diagram, and signed by the parents and the student, they will receive a certificate from the fire department thanking them for their participation. Gorius asked what Johnson felt was the primary piece of equipment that needs to be replaced. Johnson said an air compressor for the compressed air bottles was scheduled to be replaced five years ago, but it keeps passing tests and is serviced and one of these years it will not pass. It is not technically up to standards and do not have an enclosure in case of rupture of the bottles during filling them. They also need garage doors on the front. The thermal imaging camera was purchased about twelve years ago was never put on the depreciation schedule and at the time it was purchased it cost about \$24,000 and now they are anywhere from \$9,000 to \$13,000. The Fire Department has discussed having a fund raiser to purchase another one. One of the grants that Johnson is writing would have that in it and the other grant would be for the air compressor system.

Gorius presented a report last meeting to keep the Council updated. He has been going to the various different Commissions and getting to know them. He wants to do a tour of all the department heads and has not had the time to do this at this time. There are other issues on the agenda that he will speak to.

Gorius stated they have established a local area where they are thinking of constructing the lagoons and makes sense for the City to place them there. The next step was to talk to S. Robinson about finding out if this is a viable site which will take soil testing and elevation shots. A cost estimate from S.E.H. for exploratory, geotechnical by American Engineering and elevation shots of \$1,500. He is recommending for the Council to approve this expenditure. Motion by Enderson, seconded by Stobb to approve the procedure of soil testing and viability for possible location of sewage ponds. Stobb asked if this was about \$3,000 total. Gorius said it was \$3,500 for the soil testing and \$1,500 for elevation shots. Ferrazzano asked if they were going to test multiple sites or just the one they are looking at. Gorius said just the one they are looking at for now and if it is viable there is no reason to do multiple sites. Stobb asked if this testing would be done once the crops are harvested and not a problem for the farmer. Gorius stated they should know by mid-October or early November they will have the results back. All voted in favor of the previous motion.

A resignation from the Library Board was received from Shirley Anderson. Motion by Stobb, seconded by Ferrazzano to accept her resignation with thanks and advertise for that position. All voted in favor of the motion. Mayor Peterson suggested that they check the previous applications and contact the people that submitted applications to see if they are interested in filling this position.

A letter was received from AFSCME that under the current labor agreement between the City and AFSCME the individually negotiated retirement package by the Council is in strict violation

of the Labor Agreement under the Recognition Clause in Article II Section. Mayor Peterson understood they were not opposed to the package but how it was negotiated. He stated at the last meeting that the City had an offer back in 2009 and both Hillger and Spencer declined it at that time. The other issue was that it was only on the health insurance and not for a whole 12 months. Gorius stated that shortly after the Council meeting he was contacted by the Union Representative and they were adamant that the City had entered into negotiation for labor contract without union representation. They are recommending that the Council rescind this at this time. Gorius presented two figures for Spencer and Hillger and states at the top that this is available until March 06, 2009 and Gorius was not able to find any other language that states otherwise. It was not put into the contract anywhere that he could find. There are two individuals, one being a department head which is non-union, so the decision made by the Council is not going to be binding as far as they want to enter in with the department heads. It does affect the Council's ability to work with Union person. Ferrazzano questioned that the only one they have to rescind is Spencer's. Gorius stated this is correct but felt the Council should consider when they make that as far as department heads that have retired, department heads who this would be offered to and if in the future if this comes up as past practice, there are other that may want the same thing and it would become a financial issue at that time. Ferrazzano asked if the council had approved the form. Mayor Peterson stated that Spencer had typed those up for each employee and they were given a package explaining why they were offering early retirement, how long the offer was good for and basically a way to meet budget constraints in connection with the LGA reduction. All employees were offered the same option and there was only one taker. Nielsen felt it was a budget type consideration and the long term and higher paid employees could be replaced by less costly employees. Gorius stated this would have to be entered into the contract language after negotiation time and would have to be approved by the Council at that point. Right now that is not financially viable option. Enderson stated that the night they voted on this, he did not vote either way on it. Motion by Enderson, seconded by Snyder to rescind the offers of medical benefits for Hillger and Spencer. Ferrazzano stated that at one point they had discussed it was appropriate for Hillger because of health concerns. The union complaint would concern the offer to Spencer and has nothing to do with Hillger. Gorius asked if they wanted to table Hillger's request and take another look at his, but at this point is not viable. Ferrazzano agrees that they should rescind this at this time but did want to look at Hillger's again because of health concerns. Stobb asked for clarification if all they are rescinding is the health insurance offer. Gorius stated they are revisiting the monetary portion of the retirement and not rescinding Hillger's retirement in that sense. Nielsen asked if when Hillger submitted his resignation, it was contingent on getting this package or a request on his part. Mayor Peterson stated that in his letter it looked like an add-on as he stated he was requesting the 12 month medical for early retirement. Gorius stated that it was his understanding there was a negotiation at one point after that time and feels that is where the confusion came in. Mayor Peterson stated that it was mentioned last year at union negotiations that the City would be amicable to an early retirement program but that is not on the table tonight. Gorius stated that the Council is limited as to what they can do with the union employee and if they want to revisit this, they will have to discuss it with the union representative. The Department Heads are not members of the Union and the Council can decide what they want to do, but they also have to watch what is equitable for one has to be equitable for all. All voted in favor of the motion.

Nielsen stated that it was brought to his attention by Acting Chief Lichty that over the years the Sheriff's Department has done a lot of the actual investigating for the Tracy Police Department. The Sheriff's Office felt there should be more formal authority authorizing them to do that and also authorizing the Tracy Police Department for their part. Related to that as part of the research that Nielsen had done, the League had a memo that when this is done, look at what the Driver and Vehicle Services may want in the way of a business partner access agreement where driver license history and motor vehicle history can be accessed for non-criminal type purposes. Lichty stated that this has also been reviewed by the Sheriff's Office. Motion by Stobb, seconded by Ferrazzano to waive the first reading and set the second reading at a public hearing on October 10, 2011 at 6:45 p.m. All voted in favor of the motion.

The Consent Calendar includes the Municipal Accounts Payable, Tracy Economic Development Authority minutes for September 2, 2011 and Cemetery Commission Minutes for August 18, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Gorius stated the 2012 Preliminary Budget has been submitted to the County.

Gorius states that Nielsen has found no legal issues relating to a contribution to the Southwest Initiative Foundation by the City. Mayor Peterson stated they were asking for \$1,250 but would appreciate anything that the City would send them. Motion by Ferrazzano, seconded by Enderson to contribute \$500 to the Southwest Initiative Foundation from Other Financial Uses. All voted in favor of the motion.

Gorius stated he had contacted AFSCME to take the Financial Director position out of the Union and they had no objection and this position is being advertised as a non-union position. The position has been posted on the City website, Headlight Herald, Marshall Independent, Mn Works Net, LMC, Strategic Resources and MCFOA. Three hits have been received so far and it will be kept open until October 15, 2011. Two applications have been received. Gorius stated that he is basing this on his search when he looked at Tracy. He wants to find someone that is seriously considering the position.

Nielsen has reviewed the language for the contract between the City of Tracy and Lyon County to place equipment on the water tower. Nielsen stated their contract had some fill in the blanks and he sent them the information and told them that the City Council was basically in favor of executing the agreement. He received a call back today from the Sheriff's office that they had received the information and they should have some signable documents by the end of the week.

Gorius stated the technical language, wages, benefits; vacations have not been changed drastically in the Employee Handbook since the previous handbook. This is primarily looking at the gaps and had no language pertaining computer usage, cell phone usage and also somewhat weak on the harassment policies and added language with the ADA, America Disabilities Act. Gorius felt it should be updated because he has had a couple department heads informed him they have had some problems with situations and they had no guidance to go to and had a problem with an employee and had nothing they can site to say that they had read this and this is not what you are supposed to be doing on the job. This can be reviewed and any changes suggested can be made and the intent is to redistribute to all departments for the employees and then there is a form included that the employee will sign that they have received and read the handbook. This is basically the ability for supervisors to say, if there is a problem with an employee they cannot deny knowing about the procedures. Mayor Peterson asked if this needed to be approved by the Union. Gorius stated that he is not changing anything in the union negotiations as far as wages, benefits or salary as that remains constant. What has been changed is the language as to how a situation would be addressed and grievances, etc. Motion by Enderson, seconded by Snyder to approve the revised Employee Handbook. Stobb stated that it seemed very thorough and well written and his thought was if there was anything in it that does not follow the way past practice has handled those situations. He questioned if the Department Heads had reviewed this prior to this. Gorius said that it has not been distributed to the Department Heads and if the Council wishes to table this until they review it. There is an employee handbook in place and the revisions do not need to be approved tonight but feels they need to look at some of the issues in the handbook and bringing it up to date. This will allow for recourse if it is not followed. Gorius followed the previous handbook closely such as grievance procedure, use of comp time and use of employee benefits, etc. The language that he looked at closely had to do with electronic sections and the ADA was not covered very well. Gorius recommended to the Council to take the handbook and review it and if there are concerns let him know and he would be happy to look at it and rewrite it if need be. He could provide the Council with copies of the previous handbook. Stobb stated that he is not opposed to enacting what is in the revised handbook but would like to hear from the department heads if it is something they are comfortable with or would like to add anything. Gorius will provide the department heads with copies of the handbook and will revisit this at the meeting on October 10, 2011. Motion by Enderson, seconded by Snyder to rescind his previous motion and table this till the next meeting. All voted in favor of the motion.

Gorius stated the Council had voted in May to take Officer Lichty out of officer status and promote to Acting Police Chief. The Police Commission and himself met and unanimous approval to propose that they would like to remove the title of Acting Chief from Lichty and

promote him to full Police Chief on October 1, 2011 when Chief Hillger retires. There is a list of provisions and Acting Chief Lichty has been made aware of them and they have been discussed. They fall in compliance with the employee handbook and he will be on one year probation. During the probation Lichty will serve at the discretion of the Tracy Police Commission and Tracy City Council and both entities will reserve the right to rescind the position at any time within the limits of the probation should they discover grounds for such action. Gorius said the Police Commission and himself have made assurances that should he be removed from Chief he would return to Officer status pending the investigation at that time. The performance evaluation of the Chief will be done by Gorius as City Administrator and provide periodic reports to the Commission and Council for review. In conjunction with the City Administrator and Acting Chief it will be publicized at the request of the Union that the position for Lichty is vacating technically as officer. There will be three members of the City of Tracy Police Force. They will have to advertise for the last position which is a temporary position at this time and the applicants can be reviewed. Once a person is put in that position, they will begin to pay dues and become an active member of the union. Gorius recommended to the Council that they appoint Acting Chief Lichty to Chief Lichty as of October 1, 2011. Motion by Snyder, seconded by Stobb to accept the recommendation of the Police Commission and City Administrator Gorius to appoint Lichty from Acting Chief to Police Chief as of October 1, 2011. All voted in favor of the motion.

Motion by Ferrazzano, seconded by Enderson to close the regular meeting at 7:45 p.m. for a closed meeting to discuss Union Contract Negotiations. All voted in favor of the motion.

October 10, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, October 10, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, C. Snyder, K. Enderson, and S. Ferrazzano. Absent was R. Stobb. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

A ceremony appointing Jason Lichty as Chief of Police was held.

Motion by Snyder, seconded by Ferrazzano to approve the minutes for September 26, 2011. All voted in favor of the motion.

An addition to the agenda included: 9-E Discussion of adding hours to Senior dining, due to lack of volunteers. Gorius asked that the public hearing be posted for the next Council meeting to comply with the notice requirements to the public. Motion by Enderson, seconded by Ferrazzano to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Motion by Ferrazzano, seconded by Snyder to set a public hearing on Ordinance Relating to Criminal History Background and Traffic Record Check as to Applicants for City Employment and City Licenses for October 24, 2011 at 6:45 p.m. All voted in favor of the motion.

Gorius stated that as of October 3 they have been implementing the control features approved by the Council and the first was to update the log in procedure for the Banyon software. In the past there was a generic log in password and this allowed no accountability to track to see who was on the site. Each of the administrative staff has a password that is unique to them and will allow us to track problems as they occur. There were some problems with account postings remaining open when they should have been closed. Nicole Larson, Madonna and he have discussed the best way to remedy this and Larson has slated some time to work with the City to clear up any postings and implement Banyon software. They have also ordered the Point of Sale software that the Council previously approved and will provide accountability for transactions. Training will be set up with Banyon and hope to implement this by the end of the month. This software will provide the need for less supplies and manpower hours required to process the end of month reporting. Gorius would like to take the time after the POS is up and running to analyze the effectiveness of the POS and if successful would like to put it in other departments such as the Aquatic Center. The need for a server was discussed and this would tie in all the computers and give access to the employees that need it instead of working off one computer in the main office. The estimate for this server is \$3,080.98 and recommends that the Council approve this expenditure. When needed this server can be locked out so that access to any particular program can be case sensitive by his decision as to who would be allowed to enter payroll or other accounts. Mayor Peterson asked the total on the software was. Gorius stated that it was around \$3,000. Snyder asked where these funds would come from. Gorius stated that it would come from other Financial Uses. Snyder would like to purchase this local for maintenance issues. Motion by Ferrazzano, seconded by Snyder to accept the proposal from Tracy Computer Supply for the server, installation and equipment needed for the Banyon software. All voted in favor of the motion.

Gorius stated they had Buysse Roofing look at the roof of the Municipal Building and Bruce Rhykus stated that he had a bid out for some time and had not received any answer. Gorius called them and they came back and they are estimating \$13,000 to do the repair as discussed previously. Dale Johnson has looked at it and the rivets are popping out of the roof at the top. Buysse wants to pull each of those patches up and knock each one down and put an individual patch on each one. Johnson stated that this would just leak again and it should be a continuous patch over the top. Shane Daniels looked at it and discovered a soft spot in one corner. Buysse stated that this was caused because the insulation was soft underneath due to water, but there is no water coming through the ceiling tiles in that area. At this point Johnson has not been up there to look at that one particular spot but is aware of it. They do not know the cost on that.

Gorius. He suggested that the Council table any decision on this now until some harder figures can be obtained. Gorius feels the cost that Buysse is estimating is excessive and does not feel that it the way it needs to be repaired based on information that he is receiving from other individuals. This issue will be tabled till more information is received.

A letter was received from Audrey Koopman regarding the Retiree Health Insurance.

At the Council meeting held on September 26th, you rescinded your motion to grant payment for health insurance for Dave and Bryan. You agreed that the action taken on Dave was justified because it involved union negotiations; however, you still want to reconsider granting this benefit to Bryan, a non-union employee. I'm merely questioning how you can selectively grant a benefit to only one employee. The City of Tracy is not a charity; it is a public entity that uses tax payer's dollars to operate. Unless there is some law that I'm not aware of, I don't know how you can use public funds for something that does not have a public purpose. If it is the Council's choice to grant this benefit, then I am requesting that this same benefit be granted to me as a retired department head. This City's annual obligation for my health insurance is \$9,200. Ferrazzano stated that he received a call from Bryan today and he stated that he is no longer interested in receiving that benefit. Mayor Peterson stated this needs to be addressed as policy and his intent when the early retirement was offered was to give a better cash flow picture for the year and incentive was to carry out the insurance as a one time basis. That intent has rolled over into something it should not have been. Ferrazzano stated that it was good to have the date on the forms that were distributed to the employees. Gorius stated the Council has not specifically stated this is something they are not going to do, and left it open ended. At this point the Council needs to make a decision if they are going to grant this benefit in any way, shape or form and make the language reflect this. Gorius does not feel that as public employees we should grant privileges that the normal person on the outside is not entitled to. Gorius recommended the Council makes a very strong statement this is not a practice they are interested in. Mayor Peterson stated this is not a benefit the employees can apply for this was a one time management tool to increase the cash flow. Motion by Ferrazzano, seconded by Snyder the Council have a policy that early retirement incentive for health insurance be closed as offered two years ago and not available at this time. All voted in favor of the motion.

Gorius stated that Bill Chukuske had submitted a building permit for a porch and when the crew was on site and constructing it, they found they were running into an older foundation at the six foot marker. They extended it out to where they needed to drill the holes for footing and it came to eight feet instead of the six feet. Chukuske requested a variance from the Planning Commission and at the time Chukuske abstained from the vote as a member of the Planning Commission. The Planning Commission agreed they did not have any issues with this and they voted to recommend that the variance be granted by the Council. Gorius stated that one issue that should be reviewed at this time was for a public hearing in front of the Planning Commission for anyone in the neighborhood would not have any discrepancy with this. Chukuske stated that there have been no neighbors that have issued complaints and Daniels has looked at it and the porch is not in any violation as to where the center of the street or where it is aligned with the sidewalks, etc. He has looked at the structure and it looks very nice and adds quite a bit to the neighborhood. Ferrazzano stated there were only three individuals that could vote at the Planning Commission and there are six members, does that cause a problem with anything. Nielsen does not know what the quorum requirement is for the Planning Commission but does not feel there should be any issues with the vote. Gorius stated that he would have to review the language as to the requirement of a public hearing. He felt that if the Council would like to have this brought back to the Planning Commission for public hearing, it can be done. His opinion is that it would be brought back as what they have now. Motion by Ferrazzano, seconded by Enderson to grant the variance for the front porch at the residence of 875 Rowland. Mayor Peterson stated that they need to go forward with this and follow the rules and he knows of two incidents where they made the resident wait for a month to get a variance permit for something that they said they did not have to before this could start construction. It does not do the Planning Commission any justice to have a member get a variance after the project is done. All voted in favor of the motion.

Capital Improvement for the airport was discussed. Gorius stated they have a proposal from the airport to do some basic construction for route and seal cracks on the runways, install tie downs and replace the wind cone. The total proposal for this is \$31,000 and there is a 95% match from

the FAA of \$29,450 and the City would need to provide \$1,550 in funds. He contacted Homer Dobson from the Airport Commission and they have agreed to supply the \$1,550 from their benefits from the Fly-In. Gorius would like the approval from the Council to allow the repairs to be made and cost the City nothing. Motion by Ferrazzano, seconded by Enderson to approve the repairs at the airport for \$1,550. All voted in favor of the motion. Gorius expressed appreciation to the Airport Commission at getting back to him and for the civic support for this project. According to the plan, in 2015 they will be looking to rehabilitate the runway a cost of \$650,000 of which the FAA would contribute \$617,500 and the City's share would be \$32,500. There will be three years to plan this and looking forward the airport is an asset to the City.

Gorius stated that to make a revision of R-2 Zoning language to provide for a dental/medical clinic, a public notice and hearing. This would give the language that Nielsen has drafted to include the ability to have the dental/medical clinic in the R-2 zone. This provides for a restriction of the facility to be 5,000 square feet to allow for expanding as approved by the Planning Commission, a one-story building and something that is aesthetically pleasing and keeps to the general contour of the area. Nielsen also included language for fencing or vegetation to break it up from the local areas. Gorius is asking the Council for the go ahead to put this in as public notice and would slate it for a public hearing at the meeting on October 24, 2011. Motion by Ferrazzano, seconded by Snyder to waive the first reading and set the second reading at a public hearing to be held on October 24, 2011 at 6:50 p.m. Mayor Peterson asked if all the covenant waivers have been signed from the property owners to go ahead with this. Nielsen stated they have all of them but one and that is the property that was sold some years ago by the EDA to the Horners'. Early this year there were footing problems and the property was cleared. Part of the conditions that resulted in the sale of that lot was that they had to have their construction done in a certain period of time and that time has now elapsed. This needs to be taken back to the Horners' to see where they are going with this lot or get it back from them. All voted in favor of the motion.

Gorius stated that he has been contacted by the people at Senior Dining that they are having problems getting volunteers and they have requested that the Council allow for seven hours of time be added to Linda Petit's time to cover this. Motion by Ferrazzano, seconded by Enderson to increase Petit's time to 16 hours per week. All voted in favor of the motion.

Nielsen stated the BCA does require a public hearing because it needs to be enacted through an ordinance and the Joint Powers Agreement will be through a resolution. Gorius stated this resolution would allow the Police Department to enter into a joint powers agreement with the State of Minnesota, Department of Public Safety, and Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. This also provides the City with the ability to add, modify and delete connectivity, systems and tools over the five-year life of the agreement and obligates the City to pay the costs for the network connection. Motion by Ferrazzano, seconded by Enderson to adopt a Resolution Approving a Joint Powers Agreement Between the City of Tracy, on Behalf of the Police Department thereof, and the State of Minnesota. Chief Lichty would be appointed as the Authorized Representative's designee. All voted in favor of the motion. (Res. No. 2011-13)

The Consent Calendar includes the Municipal Accounts Payable and Multi-Purpose Center Minutes for August 23, 2011. Gorius suggested that on the Accounts Payable that check #045684 be removed till the next meeting so it can be reviewed. Motion by Snyder, seconded by Ferrazzano to approve the Consent Calendar as amended. All voted in favor of the motion.

Mayor Peterson asked if there was any input from the Department Heads regarding the revised Employee Handbook. Gorius received some feedback from the Police Department and they are asking for clarification as to what applies to them such as cell phone usage. He has not received any feedback from two departments and at this point would like this tabled and brought back to the Council after he receives them back. Most Department Heads are satisfied with the changes and one was concerned about the how rigid the language was and this was clarified. Mayor Peterson read through it and agrees with the changes in it.

Motion by Enderson, seconded by Ferrazzano to close the meeting for discussion of Union Contract Proposals. All voted in favor of the motion.

October 24, 2011

The regular meeting of the Tracy City council was called to order at 6:30 p.m., Monday, October 24, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, C. Snyder, K. Enderson, S. Ferrazzano, and R. Stobb. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Ferrazzano, seconded by Snyder to approve the minutes for October 10, 2011. All voted in favor of the motion.

Additions to the agenda included: Stacy Barstad, CEO Sanford Tracy Medical Center and Todd McInerney would like to speak before they have the Reports, 13-A SWIF contribution, 13-B Discussion on 2011 Water Main Assessment and 13-C bid for work on the VMC bathrooms. Motion by Stobb, seconded by Snyder to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Todd McInerney presented an engineering report of heating, ventilation and air conditioning improvements that have been recommended for the Sanford Tracy Medical Center. McInerney stated the following upgrades will need to be done:

- Replacement of the central boiler system - \$200,000
- Air conditioning upgrades - \$310,000
- Ventilation system upgrades - \$150,000
- Operating room HVAC upgrades - \$60,000

Total upgrades are estimated to cost about \$720,000 which does include some contingency funds for unexpected expenses and professional planning fees. McInerney stated the present boiler system dates back to the hospital's construction in 1961 and should be given priority for replacement. He said Sanford has qualified for a \$68,000 grant to help pay for the boiler replacement and that money needs to be used by April 2013. Also the City has some money in hospital reserve funds to pay for projects like this. McInerney explained that construction bids should be sought this coming spring so the work can be done in the non-heating season with a completion date of October 2012.

At 6:45 p.m. a public hearing was held on an Ordinance Relating to Criminal History Background and Traffic Record Check as to Applicants for City Employment and City License. There were no public comments. Motion by Ferrazzano, seconded by Snyder to adopt the Ordinance Relating to Criminal History Background and Traffic Record Check as to Applicants for City Employment and City License. All voted in favor of the motion.

Discussion resumed on the engineer report for Sanford Tracy Medical Center. Nielsen asked if there would be substantial utility savings with the new system. McInerney stated that some efficiency would be gained but with the improvements in ventilation it would require more cold outside air to be heated.

At 6:50 p.m. a public hearing was held on Ordinance Amending Tracy City Code Provisions on R-2 Multiple Family Residence Districts to Provide for Dental/Medical Clinic. Gervais said this was presented to the Planning Commission and they recommended it be brought to the City Council for approval. Stobb asked for a correction to be made under SECTION 3, (E) (1) to "Such a sign shall be single-sided, affixed only to the front side of the building and shall be at ~~right angles~~ parallel to the street in front of the clinic building." Nielsen said an additional correction need to be made under SECTION 3 (E) 1. c. "The screening hedge or fence shall ~~by~~ be of the type noted in Tracy City Code §3.10 Subd. 10 (D) 3. Motion by Snyder, seconded by Ferrazzano to adopt the ordinance Amending Certain Tracy City code Provisions To Allow specified Medical and Dental Clinic Uses in R-2 Multiple Family Residence Districts as amended. All voted in favor of the motion.

Discussion was again resumed on the engineer report for heating, ventilation and air conditioning. Mayor Peterson asked if this had been presented to the Community Hospital Board. Stacy Barstad, Sanford Tracy CEO stated that it had not been presented to the board yet but wanted to present it to the City Council in the hopes of moving forward with this as soon as possible. The Council members felt the hospital board should review the proposals and then recommend a course of action. Stobb was surprised that there are these needs with the past HVAC improvements that were done at the hospital. Snyder thought the operating room had been brought up to standards about five years ago. He stated if there were things in drawings that did not get done, if there could be any recourse. McNerney stated that the improved operating room met HVAC standards at the time but he said that at least two equipment upgrades that should have been done at that time, weren't done and the HVAC codes have been set higher for operating rooms. McNerney also explained that as changes were made in different parts of the building, "adjustment were made to make things work". Things were made to work with less than perfect solutions. Things such as covering outside ventilation intakes was done and this resulted in less than optimum air replacement rates in some parts of the building. Ferrazzano questioned if there were things that were eliminated from the project so that it could be done cheaper. Kopperud also did not know why this was missed. Gorius stated they should make sure they have everything in order this time to prevent things getting missed again. Snyder felt this is a safety concern and things should be done as required. Mayor Peterson recommended that the Community Hospital Board be given time to look over the information provided and check into financing options for this project.

Radke reported the Off-sale for September was up approximately \$7,411.10 and On-sale was up approximately \$1,223.97. So far this year compared to last year the liquor store is up \$4,679.49. Stobb asked if there are any building issues at this time and if the remainder of the roof has been repaired. Radke said the roof is about 2/3 done and the last 1/3 can be tied in at any time. The insulation has been replaced in the ceiling.

Robinson reported that he attended a meeting Ryan Wendt, GIS Coordinator for Lyon County and Wendt has completed the sign inventory program. Diseased Elm tree removal is in progress. The asphalt on 2nd Street in front of the Fire Hall has been redone so the street has a proper crown for drainage. This completes the 2009 Street Project. Trimming trees and branches on streets, alleys, sidewalks and right of ways is finished and now sweeping streets to pick up leaves is in progress. New signage for Orchard Lane has been installed to include a street sign and stop sign. Leaves have been mulched in Central Park. All park bathrooms are winterized and closed for the season. The lights in Central Park had tripped a breaker causing the time block to be off and this has been reset and the lights are working properly.

Robinson has been working on assessment cost for the 2011 Alley Water Main Project. He and Cooreman Construction removed a faulty fire hydrant from service. There are two more storm sewer catch basins which have failed. New catch basin structures and casting have recently been received and will be installed yet this fall. Hydrant flushing is being performed with one fire hydrant failure and is being repaired.

Robinson notified the Airport Engineer to proceed with the 2012 project. The new book drop box at the library has been installed. Public Works has sprayed the City Cemetery for weeds. The pool is winterized and double checked. The pool will not be filled with water to the proper level for winter. As requested by Gorius, the compost site will be open from 8:00 a.m. till dark during fall leaf clean up. Trees from the Tree Farm have been moved to Central Park and also some to the City Cemetery.

Ferrazzano asked if they have the same schedule with help at the compost site. Robinson said they are and there are times during the day when no one is stationed at the gate. Ferrazzano was concerned that they would again end up with illegal dumping. Mayor Peterson said no problems have been identified at this time. Snyder asked if Wendt has provided any report on the sign inventory. Robinson said that Wendt is near completion of the sign inventory and will then provide a report. The Street Department is down another employee and the department has discussed snow removal and options available such as contracting out some of the snow removal.

Police Chief Lichty asked for any questions on the activity report. Officer Hansen will be completing training for the Nixel system and it will be initiated soon. Lyon County Law

Enforcement will be taking back unwanted prescription drugs on October 29 from 10 a.m. to 2 p.m. at the Lyon County LEC and Tracy Police Department. Chief Lichty stated he has received 32 applications for the police officer position. The Police Commission will be meeting on October 27 to discuss testing and interviewing.

Gervais reported that he has put the hose and sprinklers for Orchard Lane away for the winter and will be winterizing and fertilizing the lawns there. He is requesting bids for snow removal and mowing at Orchard Lane. Gervais has been working with Jon Heezen to get to create a business plan so that the new dental building can be constructed. They have also been meeting with Todd Haugen. Heezen will not be licensed till next June and he will not be able to get conventional financing until his license is received. Brett DeRuyter continues to work on the Central Livestock building and has installed a roll up door on the south side. He will continue to work on it as he can. He would like to get the south building enclosed. Gervais said the state shut down and Western Community Action shut down has put the CDBG behind schedule. As soon as he receives the go ahead, a town meeting will be held at the VMC where they will go over the applications process and the selection will be determined on a first come, first serve basis. Gervais has met with Chuck Pettipiece on the waste water project and will be sending updates as they become available. The sale of the old library building will be finalized.

Gervais is requesting permission to sign the Code of Ethics document for the Discover Southwest MN Partnership. He has been participating in these meetings and believes this will continue to benefit Tracy. Nielsen felt this should be signed by the EDA and not the City of Tracy. Motion by Snyder, seconded by Stobb to authorize Gervais to sign the Code of Ethics document for the Discover Southwest MN Partnership. All voted in favor of the motion.

Gervais is requesting the Council to approve and sign the documents from Western Community Action in regard to the upcoming Community Development Block Grant. The grant will allow for 15 units of Owner Occupied Rehabilitation with 12 in Tracy and 3 in Milroy. Motion by Stobb, seconded by Enderson to enter into this agreement with Western Community Action in regard to the CDBG. All voted in favor of the motion.

Gorius stated the deadline for the applications for the position of Finance Director were due October 15, 2011 and to date had received and reviewed 11 applications. The office has been nearly a month without a Finance Director and with reinstatement of previous staffing personnel, it has allowed us to evaluate the function and interaction of the office. With this and the conjunction of implementation of new server and control mechanisms by Banyon has give us an opportunity for the City Council to consider. The Finance Director position before Spencer's retirement represented a total budgeted wage with a 3% increase. It represented a total budgeted wage for the administrative department and administrative wage and benefits of \$303,096. Gorius stated that as Administrator he could chose to give the Council a candidate. If that were done, the wage would be approximately \$5,000 above minimum level according to the qualifications stated by the applicants. The position would be at \$42,500. If this was done and the budget was left as it is, they would be looking at \$273,543 for the budgeted benefits and wages. Gorius proposed to the Council, that they allow him to eliminate the Financial Director position. He stated the office is running fine at this point and with the server that they will be implementing and the Banyon software, he is confident that the office can be run without this position. As Administrator, he will supervise the office. As far as the City's investments are concerned, he can go ahead and make those or look at the possibility of using an outsourcing on that and it would still be cheaper. The City's investments are pretty standard and do not have a whole lot of high level decisions to make on those. The budget with no Financial Director and a full time entry level Accounting Clerk the wages and benefits would be \$257,033 difference with \$16,510 from the anticipated \$273,543 with the Finance Director. If you used the \$303,096 that was slotted, it would be a \$46,000 savings in the Administrative Department. If you combine that with the difference that Gorius was hired for and what Koopman was paid in benefits \$25,649 is added to that. This would be an estimated savings of \$71,000 if this position would be filled in this way. Gorius is recommending to the Council is that absorb the Financial Director's position into his department and run the office with the existing staff. Enderson and Snyder voiced approval of the idea. Stobb stated that it is a significant savings and would like to re-evaluate in six months to see how it is going. Gorius has not had anyone from the public voice any concerns or complaints of interruption of services or getting information that they have

requested. Gorius stated they are not out of compliance with any of the financial areas and are finding a few things that are in error and those are being corrected. The server has been purchased at a cost of \$3,080.98 and are anticipating that this will be in place on November 5, 2011. At this point the training will be on November 14 for the point of sale software which will increase the productivity and accountability. These are things that are being put into effect to ensure the fact that this can be done without a Financial Director. The only concern at this point is the City was never put onto a land system and this means that the City is on a peer to peer network and this cannot be used and utilize the software that is being implemented and still stay secure. There is a \$900 cost overrun for the server that was authorized by the Council and that amount is available in the office supply budget to pay for it. Mayor Peterson feels this is a very workable idea and it can be re-evaluated in six months. He knows there are communities that are working this way and the savings can help the City further down the line. Gorius stated that he will keep the Council updated if any concerns arise. With the savings, those funds can be allocated to other areas as needed such as snow removal. Ferrazzano asked if Gorius could foresee any problems with not having a Financial Director or is there any expertise that a Financial Director may have that an accounting clerk would not that would be helpful. Gorius stated the only thing would be the investments and he would not ask an Accounting Clerk to make those investments and that would be something that he would regulate as Administrator of the office. The temporary staff has been trained on the utilities aspect and the other aspects that frees up other staff to do more in the areas that they understand. Gorius has discussed this with Nicole Larson at Kinner and they are on board with this as far as the auditing portion of it and the control systems that are coming in. Even if they would have to contract a couple of the things out, the City would still be saving a lot of money. Gorius stated that he is not comfortable outsourcing all of the work, off premises, but is comfortable that they can do it in house. Stobb agrees with what is being done here but is wondering if the Charter states that they need a Financial Director and if it does state that, then they need to get around that. Snyder felt the Charter Commission would have to take care of that. Nielsen stated that he had mentioned a couple Charter provisions that mentioned Finance Director without actually coming out and saying that it was needed. Gorius stated the Charter does not actually come right out and say that. Nielsen stated that it says that if one is appointed, how it happens, but does not necessarily state that one has to be appointed. Gorius felt it did not state that the City has to have a Finance Director and it states that if one is appointed, what their duties are and who has the power to oversee them. But it does not state anywhere that the City needs to have a Finance Director in place. Enderson stated that he would like to see the City move forward without a Finance Director. Gorius stated that if he feels they are running into problems, they have applications on file. Gorius is very confident that the staff can do this and save the City a lot of money. Gorius stated that he has talked this over with the staff that they will have to take some of each other's work and integrate it into their workload. Stobb likes the idea of having three people in the office to handle the customers as they come in with their concerns. Motion by Ferrazzano, seconded by Snyder to eliminate the Financial Director position and utilize the current staff with review in six months. All voted in favor of the motion.

A request for understanding was received from Rose Marie Brooks in regard to her being unable to finish the painting of her house. Nielsen did some research on this issue and found that Daniels had issued the original compliance order in April of 2009 and since then there have been two full warm seasons for her to do this work. He does not feel that they are getting the best effort from this individual. This has already been extended one time and was granted to October 1, 2011. On October 1 of this year the building inspector re-inspected the property and prosecution started with this case. The appeal period has passed and there has been nothing or very little done to this residence or the other residence on the property in the past year. It is not only the issue of painting but other issues such as water absorption etc. Nielsen feels it is better left to other devices in this particular case. Enderson does not like the idea of taking any of the City's taxpayers to court over paint. He would like to see her get more time. Nielsen stated that according to the report from the building inspector there has been little or no work done this year in 2011. Stobb stated there has been other clean up done on the property and it does look better. Mayor Peterson stated the other clean up done has possibly slowed down the painting process. Ferrazzano felt they should find out how much more time she does need. Nielsen felt that is part of the issue as now it is the end of October and now it would not probably get done till April or May of next year, so it is a three week extension or six month extension. Stobb questioned if she was given a three week extension and if it is not done in that time, if the prosecution could be

resumed. Nielsen stated that it has not actually been filed with the court yet so there is no question of having to go to the judge or court administrator and give them a long story why things are happening differently than anticipated. Enderson suggested that they table this till the next meeting and have Gorius visit with her to get more details on her plans. Gorius will have a discussion with her.

Gorius stated that he did have Nielsen review this resolution to make sure there were no issues in entering into this. Gorius will talk to Robinson to make sure that he knows about the dates to file for reimbursement. Motion by Ferrazzano, seconded by Enderson to adopt a resolution Authorization To Execute Minnesota Department of Transportation Grant Agreement for Airport Maintenance and Operation Contract for 2012 and 2013. This agreement states the State will reimburse the Recipient for 2/3 of the eligible maintenance and operation costs not reimbursed by any other source, not to exceed \$18,910 of State aid for each State fiscal year. All voted in favor of the motion.

The Consent Calendar includes: Municipal Accounts Payable, Cemetery Commission minutes for August 18, 2011 and Planning Commission minutes for September 6, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Mayor Peterson stated they received a letter from the Southwest Initiative Foundation thanking the City of Tracy for their tax deductible contribution. Gorius stated that he put this on the agenda because they are asking if the City has any objection for the City to be recognized in their next publication and an entity for the donation.

Gorius stated that Dale Johnson Construction had been contacted regarding estimates on the bathrooms in the VMC. He stated they are looking at a contract with the school to utilize the gym. There are a lot of corrosion on the piping and some leakage in the water in the locker rooms. Labor and materials to sheet the walls with one inch treated plywood and install a water-tight glass product he has an estimate of \$3008.04. Gorius is bringing this to the Council for their consideration. It is leaking at the point, through the wall and will cause more water damage as time goes on. Stobb was not certain whether the school would be interested in using the VMC with the building that they are constructing out at the school. Gorius stated that it was his understanding there is no seating in that building. Gorius stated that he has discussed with Nielsen what the new contract should read. Mayor Peterson asked if there would be any possibility that the Building Trades class could use this project as training where they would provide the labor and the City would provide the materials to make the area functional. Gorius stated that he will look into this and report back to the Council.

Gorius stated there was a 2011 Alley Water Main Project. It is his understanding that when a project is done by engineers, they assign the interest rates and such. The total cost of the project was \$20,316.62 and this would be divided by 22 residents. It would be \$923.48 per resident. Normally the Council was given a resolution that stated what the cost would be and where the interest rate would be and what the length of term of the assessment would be. Since this was not done through an engineer, there is no interest rate and they need to look at setting the assessment time period. After looking at other comparative assessments they came up with five years at 4% to be standard on this. Mayor Peterson stated there is one that is a bit less because they had recently installed a new curb stop and there is one that is considerably more expensive due to directional boring to put in the service line. Gorius stated the less expensive one was \$817.64 and there is one that is for directional boring to the house that will be \$3500. Mayor Peterson asked if it was possible to extend the time period on the one that is more expensive. Nielsen felt that it seemed fair in this particular case. Nielsen felt it was not something that they needed to decide at this meeting and he can do some research to make sure that would be an option. Mayor Peterson stated there was a public hearing for possible assessments on these properties, and questioned if another public hearing would need to be held. Nielsen felt they would as an amount has been set. Gorius stated they can send out the letters of notice at any time and decide the other information. Snyder felt they should table this until the next meeting to give Nielsen an opportunity to do some background on this to make the Council is not overstepping if they decide to lengthen the time period on the more expensive assessment. Ferrazzano asked if they have to charge interest. Snyder said that for the EDA it is 0.5% above prime rate. Nielsen stated there is some extra paper work that needs to be generated to do this

and 4% would be about \$36 per year and as you pay the interest goes down. Snyder said it would be interested to know what the filing costs amount to. Mayor Peterson will table this till the next meeting.

Snyder stated that he had someone bring up to him the condition of the Tornado Tree Memorial. There are some nameplates missing and some are in poor condition. Robinson stated it was a type of plaque where the letters were mounted on a plaque. Robinson suggested that maybe getting a piece of granite and having the names etched in the granite would be better. He said a rough estimate that he had at one time of a piece of granite 20 inches x 20 inches with the names etched in would be about \$800. Ferrazzano felt it would be worth the expense. Snyder said he would like to see this move ahead and check into it again. Nielsen felt the granite would be an upgrade to the memorial. Gorius stated that he has information since the Cemetery Commission is looking to put a sign at the cemetery and there are some that are really not cost prohibited.

Motion by Ferrazzano, seconded by Enderson to adjourn the meeting at 8:20 p.m. for a closed session to discuss results of union contract negotiations. All voted in favor of the motion.

November 14, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, November 14, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, C. Snyder, K. Enderson, S. Ferrazzano and R. Stobb. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Snyder to approve the minutes for October 24, 2011. All voted in favor of the motion.

Revisions to the agenda included: Deletion of 8A, Application for Animal Permit for Chris Plott and Jennifer Roach. Additions included: 12-D Server Update and 13-A EDA decision on the dental building. Motion by Enderson, seconded by Stobb to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

A request has been made by Prairie Home Hospice requesting the use of the evergreen tree in Veteran's Memorial Park for their Tree of Lights program. They are also requesting the use of the electricity for this be available at no charge to our organization. Motion by Ferrazzano, seconded by Stobb to approve the request by Prairie Home Hospice. All voted in favor of the motion.

The 2012 site use agreement from Lutheran Social Service Senior Nutrition Program was discussed. Nielsen stated that he has reviewed this and there is an additions needed into Paragraphs 11 and 12 as in past years to indicate they will be using the Multi-Purpose Center for the Nutrition Program Monday through Friday at noon for senior dining and afternoons for other senior activities and the City would be reserving the right to use the facility for other community activities that would conflict with those times. He stated otherwise it appears to be in the same format as used in the past. Motion by Ferrazzano, seconded by Snyder to enter into the agreement with LSS Senior Nutrition Program contingent on them agreeing to the changes as described by Nielsen. All voted in favor of the motion.

Gorius stated he was contacted by the County and informed they needed a letter by November 9 stating the City's intention to acquire the property located at 200 Morgan Street Parcel No. 31-100089-0 in order for them to remove it from the public auction listing. The letter was sent and provided to the Council for review. He stated that in acquiring this property, they would keep it at a minimal cost and would not go any higher than \$500 on it. The benefit to the City would be they would have a property that would be maintained and would be available for use by the Fire Department. Motion by Ferrazzano, seconded by Stobb to move forward with the purchase of this property. All voted in favor of the motion.

Gorius stated that at the last meeting the airport contract was discussed. This requires a resolution by the Council. He is asking that the Council pass the resolution for the City to enter into the contract to use the match for the airport. Motion by Snyder, seconded by Enderson to adopt a resolution Authorization to Execute Minnesota Department of Transportation Grant Agreement for Airport Improvement. All voted in favor of the motion. (Res. No. 2011-18)

The Consent Calendar included Municipal Account Payable, Tracy Economic Development Authority minutes for September 16 and October 7, 2011, Planning Commission minutes for October 3, 2011 and Cemetery Commission minutes for September 15, 2011. Gorius stated in reference to the Planning Commission minutes that Kyle Reiner has asked for a variance to put a garage on his property. The Planning Commission and Shane Daniels has reviewed this and put in front of a public hearing. There was one property owner that came to the meeting and her questions were answered. The Planning Commission has recommended to the City Council to grant this variance. Motion by Stobb, seconded by Ferrazzano to grant the variance to Kyle Reiner for an addition to his garage. Reiner stated that he would like to have Daniels verify the property line. All voted in favor of the motion. Gorius will have Daniels verify the property line

for Reiner. Motion by Snyder, seconded by Ferrazzano to approve the Consent Calendar. All voted in favor of the motion.

Gorius stated that at the last Council meeting an extension request for Rose Marie Brooks was discussed. Prior to this request, Brooks was granted an extension and in a letter to the Council dated November 19, 2010 the Building Inspector for Tracy reported that progress had been made in relation to maintenance and nuisance codes. Daniels verified that due date for compliance was December 1, 2010 and at that time he recommended to the Council they allow for continuance on the due date to expire on October 1, 2011. This allowed Brooks ten months extra to allow for necessary compliance. Gorius stated the City Codes are placed to address the physical appearance and structural integrity of buildings within the city limits. As with any rule or regulation, they are only as efficient as they are made by enforcing them. He does not want to use this as punishment against anyone, but the factors involved have to be weighed. If this would have been the first time that she had requested an extension, he would recommend looking at it closer, but in fact that she has failed to use the time in the extension, he recommends that the Council should deny this extension request. Mayor Peterson stated that in light of the fact that Brooks has not made herself available for comment, he will have to support Gorius's suggestion. He is not in favor of having to do this and is wondering if it would be better that they painted it and billed to taxes if the only issue is paint. Enderson asked if in the past there was a paint program available. Stobb stated there was a program and not sure if it was ever used and currently the funds that were there are no longer there for the paint. Enderson also wished Brooks would be available for comment. Stobb stated that the Council does not want to go forward on this but if they don't it will just cause more problems in the long run and if the Council has taken an oath to enforce the ordinances. Mayor Peterson questions if enforcing the ordinance in this situation if it is actually effective or not and feels the only way to find out is to go forward with it. Ferrazzano stated it is unfortunate they do not have an answer because even if an extension was granted for two months or so, it is going to be to the point where the weather would now allow painting to be done. Gorius stated that if an extension is granted, it would have

to be into the spring to allow time for painting. He stated the Council needs to decide how the ordinances are going to be used and whether a practice is to be established that is going to be consistent and firm. Nielsen stated that nothing has been filed with the court yet on this and is ready to go that far. In Daniel's report from the October 1 deadline he states there has been little or not work done on the property. Motion by Stobb, seconded by Snyder to deny the second extension on this property of Rose Marie Brooks. Enderson stated that he cannot see anything getting changed by sending this to the courts other than the judge saying she did not do what she indicated. Nielsen stated that in the end the judge but may give more incentive to get it done by setting a date when the weather is right. This incentive may be more persuasive. Stobb felt maybe the judge would give her a deadline to have this done. Nielsen stated the track record on cases similar to this is that the judge has found them guilty and forwarded a hefty fine, but would only require a small part of the fine if the work is done by a set date. He stated that by guessing he would say that three-fourths of those individuals did get the work done in the timeframe that the court allowed. All voted in favor of the motion.

Gorius stated that he received a preliminary schedule from Bill Tauer as to what they would be using the VMC for and there is a contract that runs through August of 2012. He stated there is water damage in the bathrooms downstairs and have received a bid from Dale Johnson for a little over \$3,000 and this would provide for water proofing the showers. If this is accepted, they would probably be faced with replacing some of the fixtures also. They would have to have a plumber come in and take a look and give an estimate on that. Gorius stated that if they are providing the facility, they should take a look at the area to make sure it is useable. Stobb stated that since the old walls there it would give an opportunity to look at the plumbing and if it needs repairs, it needs to be done. Gorius stated that he will get some estimates for the next meeting for the plumbing and those estimates can be added into what Dale Johnson has estimated. Mayor Peterson tabled this to the next meeting after more accurate estimates are obtained.

Gorius stated there is a 2011 Alley Water Main Project with an outstanding balance of \$20,316. Each of the 22 properties is at \$923.48 and there are two properties that are an exception. One of the properties had some existing infrastructure in place so the assessment would be \$817 and the

other property had no infrastructure so the cost there was \$4,423. It was discussed with Nielsen and there is nothing that says they cannot run the assessments giving five years for the lower amount and ten years for the higher amount. The question is primarily what interest rates for this would be. Gorius stated that he would look at Nielsen's recommendation when he pointed out that the interest rate is basically used to cover charges such as administrative fees that are involved with this such as paperwork that has to be taken care of. He suggests using a formula that incorporates using a percentage over prime or close to that. He does not want to cause a hardship to anyone but wants to make sure the City is covered to take care of this. The interest would come to \$184 per household on the \$923.48 property and that would drop as the principal is paid. If they run out ten years on the \$4,423 property it starts at \$442.35 for the first year without interest. It would be the Council's decision as to the timeframe they would like to go with and what the interest rates would be. Snyder stated the biggest question when first discussed was if they could use different timelines for the amounts and it seems that they can. Nielsen stated that different timelines cannot be used for different individuals as long as there is

a formula such as assessments under \$1,000 would be for "x" number of years and if it is over \$1,000 it would be "x" number of years. Ferrazzano suggested that they use five years if it is less than \$1,000 and ten years if over \$1,000. Snyder suggested that for the interest rate it be set at 0.5% above prime rate. Nielsen stated that 3% on \$1,000 assessment would be \$30 for the first year and it will decrease after that. Stobb stated that when this was discussed before, it was suggested the rate be set at 4% and felt this would be kind of high. He would be agreeable to 3% or 2.5%. Ferrazzano suggested that they go with the 0.5% above prime. Snyder stated that going with the 0.5% above prime would allow for adjustments to be made in the future. Motion by Ferrazzano, seconded by Snyder to set the assessments under \$1,000 for five years and assessments over \$1,000 to be set at ten years with the interest rate to be 0.5% above prime interest rate. All voted in favor of the motion.

Gorius stated the server is being worked on and he has been able to utilize Daniels to do some of the wiring. They will have to hire an outside electrician to put an electrical outlet for the server. Point of Sale training was held today and went well. A couple of gaps were found in what was being done prior that the server and the point of sale will address. In the point of sale, will allow to back out with the bank for checks returned for NSF and equalize that amount at the same time to allow for corrections the insufficient funds without paying the funds. The accountability of what the funds and everything that comes in will have a notation of why it came in and if someone write a check for \$800 that covers four things, the funds will be divided out and put in where it goes. Gorius stated that each person putting in data will be identified by their own password. They can know who has been in the system doing what at what time. Everything is secure at this time.

Gorius stated the EDA has decided that in light of the cost in the Horner situation and their reluctance to sign over variances and they have indicated to Nielsen they would be willing to settle for the \$1,500 that was paid for the property and they would sign the property back to the City. They could be taken to court and try to recover the cost the City put into taking care of the hole that was out there and water pumped out. It would take time and it probably cost more than what it is worth. The EDA is recommending we accept what Horner's have proposed to Nielsen and pay the \$1,500 back and get the property back.

Gorius explained there is going to be a gap between when Heezen receives his license and when he is able to assume a conventional loan on the property. They want to go ahead and start construction on the building and the cost is about \$550,000. Gramstad is willing to take that on and start building but wants some kind of assurance from the City that if at the worst possible scenario, Heezen is not able to get his license and procure funding for that, there is some recourse the City would buy that property from him. They have discussed this with various bankers and they are also concerned that if he does not have his license, this is something they really do not want to enter into until his license is received. Heezen does have about 42 to 46 acres that he is willing to put for collateral and he has a grant that he is going to use to purchase equipment. Gervais is suggesting that the City has monies in two different sections of property that could be used to guarantee to Gramstad that the money is there to pay for the building of worse came to worse. If that money needed to be paid to Gramstad they would have to discuss

bonding to pay that money back. Ferrazzano asked what his collateral is worth. Mayor Peterson stated it is about half the building cost. He stated the bankers at the table were all eager to be involved once the license was in hand and basically decided that they would share the risk between the five of those there and were satisfied with the collateral discussions. The risk that the City has would be a slight window of time. Gorius stated that if construction is not completed until June 2012 he should have his license and can get conventional financing. If there is gap when construction ends and does not get his license, that is where the City is at stating they will cover this if he does not get his license. Mayor Peterson stated the construction is contingent on getting the Horner property back and having all the covenants signed. Ferrazzano does not mind stepping up to the plate, but feels the risk should be shared and if Heezen has the collateral the City should be covering the whole \$500,000. Mayor Peterson stated the details are yet to be worked out and it was stalled until the offer was made if it would be possible for the City to do this. Gorius agreed that Heezen should have some type of commitment and be willing to put that collateral forward. Ferrazzano stated he does not mind filling the gap until he gets his license, but Heezen also has to share in the responsibility also and as long as the City is not covering the whole amount. Gorius stated that he and Gervais need to have discussions with Heezen and have him get on board and has been going to school and not putting a lot of effort forward and he is needed to put in more effort. Gorius stated that he has two boards left, one before Christmas and one in the spring. Nielsen stated that his half of the risk should be used first for collateral. Ferrazzano agreed with Nielsen. Stobb asked if this was insurable. Nielsen stated that he had discussed this with Gervais and as not so much insurable for the possibility discussed here, but there is the other possibility that he would die, licensed or not, that would be insurable but is not sure about the contingency of the risk getting his license. That type of risk would be hard to weigh. Stobb felt the bankers would want him to have some type of life insurance once they are into this process. Ferrazzano felt since this is informational Gorius could go back to Heezen and state that they are willing to go into this half and half with the understanding that Heezen knows that his collateral would be used first. Gorius will give this information to Heezen.

Motion by Enderson, seconded by Stobb to close the meeting at 7:15 for a closed session to discuss the Tracy Police Labor negotiations. All voted in favor of the motion.

NOVEMBER 28, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, November 28, 2011 in the Council Chambers of the Municipal Building. The following members were present: Mayor Peterson, C. Snyder, K. Enderson, S. Ferrazzano and R. Stobb. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Stobb, seconded by Snyder to approve the minutes for November 14, 2011. All voted in favor of the motion.

An addition to the agenda included 12-C Knology franchise. Motion by Stobb, seconded by Enderson to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Radke reported the October off-sale was down approximately \$160.49. The On-sale was up about \$678.56. Sales for the month were up approximately \$518.07. Radke would like to schedule a Liquor Committee meeting to discuss the high schools rewards program. This meeting will be scheduled for Wednesday, November 30 at 8:00 a.m. in the Council Chambers. The liquor store will start doing inventory at the liquor store during the first week in December. Verdeck reported that the signage has been put on the new library building. She said that Plum Creek is working on a completing a contract with OverDrive which will allow the libraries to provide e-books. Negotiations began at \$24,000 per year. It has now been decreased to \$15,000 for a four year contract where the price cannot be increased. Verdeck enclosed a copy of the contract and the proposed cost for each of the libraries. Stobb asked if these books will be compatible with all e-readers. Verdeck says this depends on the books that are purchased. The card catalog will give the information regarding compatibility. A committee will be formed to select the books for this program.

Gervais stated the EDA Board will be working on their BRP shortly. The EDA has approved the lawn maintenance and snow removal contract was awarded to Jeff Farber at Greenwood Nursery. There will be a meeting on December 1 to discuss funding for the dentist building. A meeting was held in regard to the CDBG with Milroy invited to take part. Sixty-five residents from attended. As of last week Tracy had 12 applications received. The grant was to do 12 homes in Tracy. Those still interested can submit their applications and will be put on the waiting list. Gervais stated that hopefully they can go into a fast track program and get more money available as they go through the program to do more homes. Western Community Action will be doing inspections and meeting with local contractors to get these projects completed. The faster the grant money is used; there could be a possibility of getting more funds to do more homes. Gervais stated the EDA Board approved one loan program with SW MN Technology, Josh and Caleb Schmidt of money that has been repaid from the 2004 program. Gervais recommended pending S. Robinson's update on the pond project, getting the land acquisition committee together and discuss future steps with that. Gervais has been helping the office staff convert some files from Lotus to Excel. Ferrazzano asked where they are at with the pallet building business. Gervais stated that DeRuyter of getting things cleaned up and has been busy grinding pallets and has the south side enclosed. He has the tin to do the rest of the building and still needs to get the doors in. Ferrazzano asked if DeRuyter has hired anyone locally to work. Gervais stated that not at this time that he is aware of. He has been bringing people from his crew and his intention is this spring to move part of his business to Tracy and have three to four full-time people here.

Police Chief Lichty asked for any questions regarding the activity report. The Nixel program is up and running. It has been advertised in the paper. To receive text messages of alerts you have to text 56175 to 888777 and you are automatically signed up. Fliers have been posted in a few spots in town. An ad will be going out in this week's paper about not parking on city streets when snow removal operations are taking place. Sixty-six letters of interest were received regarding the police officer position. Applications were sent to those 66 individuals and 36 applications were received back. Nineteen applicants showed for the job test. Of the 19 interviewed the six applicants scoring the highest were interviewed on November 23, 2011. Adam Baumann was the highest scoring candidate. The Police Commission was recommended

to the Council to appoint Adam Baumann to fill the police officer position. Motion by Snyder, seconded by Stobb to appoint Adam Baumann as full time police officer. All voted in favor of the motion. Stobb appreciated the good response to the drug take back program.

Steve Robinson, S.E.H. Engineer presented a report from American Engineering Testing, Inc. regarding the preliminary Geotechnical Exploration and Review for the Proposed Wastewater Treatment Ponds. Three borings were done: one standard penetration test boring to a depth of 26 feet where ground water was encountered. Two standard penetration test borings were done to a depth of 21 feet. One piezometer to a depth of 20' at soil boring 1 was installed and soil laboratory testing was done. Robinson stated the report indicated that clay lined wastewater treatment lagoons can be constructed in accordance with MPCA guidelines with the soils that were encountered at the soil boring locations. MPCA guidelines require additional borings before the project begins. Elevation shots showed positive gravity flow from the Hollett Street by-pass to discharge was positive. Robinson suggested the City proceed with steps to secure an option on that site but the land cannot be purchased without following the required steps to do that. The City needs to work with Rural Development and the Department of Agriculture for financing. The City also needs to select a consultant to be on board by early January and enter into a contract. This will allow for work to begin on the preliminary engineering report. This is required by the regulatory agencies to evaluate the project and what type of funding the City would be eligible for. Stobb asked if S.E.H. could be a consultant. Robinson asked that S.E.H. be considered. Ferrazzano asked if there are a number of consultants that need to be considered. Robinson stated that there should at least be a minimum of three. Mayor Peterson asked if it would be possible to start with some of the infrastructure upgrades before these other things are in place. Robinson stated it should not be started until they see what type of funding the City would be eligible for and Chuck Pettipiece has recommended not separating the project into two pieces and do as one project for funding purposes.

R. Robinson reported the Christmas decorations are all up and operational. Two semi loads of road salt and have mixed the salt with sand. Diseased Elm tree removal is in progress. Public works has worked with Cooreman Construction to repair three water main breaks. Several faulty curb stops have been repaired by Sahlstrom's. A faulty fire hydrant has been repaired and all other fire hydrants are operable. S.E.H. and Bueltel Land surveying have completed the preliminary survey shots for the pond project. American Engineering has completed the soil borings. The sewer service line at the library was televised and found a section of sewer pipe in the basement under the floor has to be replaced. Robinson has directed Sahlstrom's to perform the repair. A new sale spreader was received and installed by Public Works. All snow removal equipment is not mounted and ready to go. Robinson stated that some modifications for hydraulics were needed for the new snow plow. Mayor Peterson asked if the department had replaced the park mower. Robinson stated they have not found one that had a cab and 4-wheel drive and are waiting to find the right one. Robinson stated that there will be a personnel shortage with snow removal and they are working with Dale Johnson for a contract and this is also being reviewed by Nielsen.

Ferrazzano asked with the option of going with the land acquisition and the time line to get the land, if this is figured into the cost of the project and wondered if the funding could be used for a mechanical system as opposed to land acquisition. S. Robinson said they are looking at all viable possibilities. Once they are locked into a pond site that will give the direction the entire plant would go. The plant would not have to be built as far north as the ponds. One of the stipulations is the City has to justify their options, and if a mechanical plant is the most cost effective way to go, that will be the recommendation and that is what the funding agencies would want. S. Robinson stated the consultant will do a study, but based on past experiences, a mechanical plant would not be the most viable. They are looking at several alternatives but a location would be needed. Gorius said the reason to go with this location; it is the most viable for the least cost. R. Robinson stated that if a mechanical plant was selected, this could be placed on City owned property. Ferrazzano asked if they do not go with a mechanical plant, how much it would cost to get the land to build the ponds. Gervais felt with the cost of land, it would be more beneficial to get the land now. Ferrazzano asked if the land owners are not willing to sell, then how long it would take to get land from someone not willing to sell and what the cost would be. S. Robinson stated the owners are willing to talk and the other land that they had looked at that the owners were not willing to sell have not been considered at this time.

Gorius stated that he has forwarded the conditions of the contract negotiations to Kevin McGrath for the Tracy Police Department Local 140 regarding the LELS contract. He will be presenting the offer to both Officers Hansen and Baumann and should have a reply by the end of this week and should know where the City stands with an acceptance or need for a counter offer. The Banyon software has been installed and up and running. All the stations are hooked into the server via a secure password protected access ports. The point of sale is on line and the staff have been trained and the system appears to be running smoothly. The State Auditor is asking for points of solutions to the past problems with the accounting system and Gorius will be forwarding this to them. Gorius said he has reviewed and updated the 2012 assessment sheets and they were delivered to the County Auditor's office today. Since this is his first working with Tracy's assessment schedule, he has asked Diane at the Auditor's office to contact him if any other information is needed or any corrections are required. Gorius has begun the final review and adjustment of the 2012 budget for presentation at the next Council meeting. When he gets the confirmation on the outcome of the LELS union negotiation, he will then revise the figures to reflect the actual percentages versus the projected percentages. He will also be reviewing the reallocation of funds from the financial director and city administrator positions and then determine the overall amount needed to offset the projected decrease in LGA funding for the City. The final Tax Levy will be present to the Council on December 12, 2011 at the regularly scheduled meeting. The Truth in Taxation Public Hearing will be held in the Council Chambers on December 5th at 6:00 p.m. This meeting is intended as an open public forum to answer any questions and address citizens' concerns on the 2012 tax levy. Gorius stated that in preparing for this he has published an article in the Headlight Herald that address's the recent decision by the State Legislature to abolish the Market Value Homestead Credit and the impact it is having on the City's Resident's taxes and the overall LGA funds the City will receive. Gorius attended a conference at Fergus Falls and felt it was beneficial. He was able to meet many of the members of the Coalition of Greater Minnesota Cities and also talk with one of their lawyers, Elizabeth Wefel, whose specialty lies in waste water treatment plants funding. He has continued correspondence with her and now that the test results are in, will begin the process of moving forward on the ponds project.

Gorius stated that Rose Marie Brooks has been to his office regarding the Council's decision and what her options would be now that the Council has ruled. He informed her that she was entitled to come before the Council and appeal the decision and that in the standard order of this type of ordinance it would be referred to county court for further proceedings. She has indicated that she would like to present the Council with a written letter of appeal by the next Council Meeting. Gorius has been meeting with Nielsen to see if snow removal contract can be made.

Charles Reinert representing the Tracy Masonic Lodge #155 was present to discuss temporarily moving a portion of fixtures in the room in the VMC they use for their meetings. If the Council would give permission to move this portion of the fixtures into temporary onsite storage, we would then arrange for a qualified carpenter to loosen this portion, so it could be stored and then replaced at such time they would vacate the room. It was the consensus of the Council to allow the Masons to remove that part of the fixtures. Ferrazzano asked if they could take inventory of equipment or fixtures not needed and possibly selling them as surplus inventory. Gorius said he will have Shane Daniels take an inventory to see what is not needed in the old Council Chambers.

The Consent Calendar included: Municipal Accounts Payable and Economic Development Authority minutes for November 4, 2011. Motion by Snyder, seconded by Stobb to approve the Consent Calendar. All voted in favor of the motion.

Gorius has received estimates from GH Plumbing for eight shower facets at a cost of \$3,312, including labor. He would work with Dale Johnson Construction who will remove the old plywood and repair the walls for installation of the new facets. Also a gas valve needs to be replaced on the boiler as indicated by the state boiler inspector. The total cost of this would be about \$8,000 and they would like to take care of both of these projects at the same time. The cost estimate from Dale Johnson Construction for labor and materials to sheet the walls of the showers with ½ inch treated plywood and install a glass water tight product is \$3,008.04. Ferrazzano felt the estimates presented are fair estimates. Motion by Snyder, seconded by Ferrazzano to authorize the above described repairs to be made. All voted in favor of the motion.

Gorius presented the revised employee handbook and stated there have been no major changes by the department heads. The language is basically the same as the old handbook and the only changes addresses technology updates. Stobb indicated there are a couple typos that need to be corrected. Page 12, paragraph 6, "sick leave, reimbursement shall not be granted to any City employee who is discharged or terminated for cause. Page 13, Paragraph 1, last sentence shall read, "The employee must keep the employee's Department ~~Had~~Head informed of the approximate date of the employee's anticipated return to work. Motion by Snyder, seconded by Enderson to approve the Employee Handbook as revised. All voted in favor of the motion.

Gorius stated that a representative from Knology came to the office to propose a \$25 increase per month to update two of the servers the City has that are a slower speed. He has not had time to research these to see where they are located. Gorius stated there are four modems and one is on 1 GB and is fixed and will not go above that but he does not know where that one is located. Mayor Peterson asked if the liquor store was under a different cable provider. Stobb stated that he does not have internet service there. Gorius stated the only thing he has is the ability to do credit card swipes and that is by landline. Stobb stated that Radke was thinking about the internet for another fixture that he had there. Gorius stated that he did not want to have any action on this issue, but wanted to make the Council aware that the contract is coming due and they will have to lock into a contract with someone. Snyder suggested that they put this out for bids. Stobb stated there are two franchises in town and asked if they could get bids between the two which may be answered by looking at their previous contracts. Ferrazzano stated that with the Multi-Purpose Center and the Liquor store to have Wi-Fi like the library. Stobb stated that at one time Radke stated that he did not want the internet at the liquor store. Ferrazzano feels they should have internet at the liquor store and find out why Radke does not want it. If there was Wi-Fi access at the liquor store for customers they could use that while there.

Mayor Peterson stated that he received another thank-you letter from SW Initiative Foundation for the City's donation.

Motion by Ferrazzano, seconded by Enderson to adjourn the meeting at 7:45 p.m. All voted in favor of the motion.

DECEMBER 12, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, December 12, 2011 in the Council Chambers of the Municipal Building. The following members were present: Mayor Peterson, C. Snyder, K. Enderson and R. Stobb. Absent was S. Ferrazzano. Also present were R. Gorius, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Correction to minutes for November 28, 2011 was Page 123, Paragraph 3 should read: Gorius has received estimates from GH Plumbing for ~~eight~~ four shower facets at a cost of \$3,312, including labor. Motion by Snyder, seconded by Stobb to approve the minutes for November 28, 2011 as corrected. All voted in favor of the motion.

Motion by Enderson, seconded by Snyder to approve the agenda. All voted in favor of the motion.

Gorius stated the LELS Contract was accepted as ratified and now will be signed and returned to McGrath and this contract will be for two years. Motion by Stobb, seconded by Snyder to approve the LELS contract for two years. All voted in favor of the motion.

Gorius received a request from the Wrestling Club for an Exempt Permit for a raffle. Gorius had polled the Council and received approval from all members except Ferrazzano who was out of town. Motion by Snyder, seconded by Stobb to adopt a Resolution No. 2011-20 Approving Application for a Gambling Permit for the Panther Wrestling Club. All voted in favor of the motion.

Motion by Snyder, seconded by Enderson to approve a cigarette license to Tracy Food Pride, Tracy Liquor Store and Casey's General Store contingent on submission of paperwork and fees. All voted in favor of the motion.

Motion by Snyder, seconded by Stobb to approve a plumber's license for Christianson Plumbing, GH Plumbing & Heating, Heartland Mechanical, Kropp Sewer Service, Sahlstrom Heating, Cooling & Refrigeration, Sanderson Mechanical, Wilk's Plumbing, Water's Edge Plumbing and Steve Zens Plumbing & Heating contingent on submission of paperwork and fees. All voted in favor of the motion.

Motion by Snyder, seconded by Enderson to approve a split liquor license for The Caboose and Thelma & Louise's LLC contingent on submission of paperwork and fees. All voted in favor of the motion.

Motion by Enderson, seconded by Snyder to approve a Sunday liquor license for The Caboose and Thelma & Louise's, LLC contingent on submission of paperwork and fees. All voted in favor of the motion.

Gorius stated that the budgeted figures that were reviewed line by line, they were able to reduce the budget. The figures listed represent a 7% decrease of the tax levy. The 2011 General Levy was \$977,036 and in 2012 the requested amount is \$908,925. Gorius is requesting that the Council see this as a saving to the City and adopt this resolution. Motion by Snyder, seconded by Enderson to adopt a Resolution No. 2011-21 Approving the 2011 Tax Levy, Collectible in 2012. All voted in favor of the motion. Snyder expressed appreciation to Gorius and the City Staff for working diligently on the budget and finding savings where they can be found. In these tough times he feels this is very important. Snyder feels that even coming in late, Gorius has done an outstanding job. Gorius expressed appreciation but without the staff and department heads it would be impossible. In lieu of what happened in the State Legislature and taxes going up for a lot of people, it only makes sense to decrease the levy as much as possible.

General Fund	\$ 479,829
Permanent Improvement	\$ 10,400

Debt Service \$ 418,300

TOTAL LEVY \$ 908,529

Gorius stated that since the levy was decreased 7% there will be a little decrease on the total expenditures also. In 2011 the expenditures were \$6,515,582 and this year they have been dropped to \$6,285,408 which represents a 3.5% decrease in expenditures which will result in saving for the City and the taxpayers. Motion by Enderson, seconded by Snyder to adopt a Resolution No. 2011-22 Approving The 2012 Budget for the City of Tracy, Minnesota. All voted in favor of the motion.

GENERAL FUND	\$ 1,871,941
General Government	\$ 456,458
Public Safety	\$ 459,308
Public Works	\$ 581,618
Recreation	\$ 73,000
Other	\$ 301,467
PUBLIC ENTERPRISE	\$ 3,345,589
O'Brien Court	\$ 164,600
Eastview Apartments	\$ 63,000
5 th Street Apartments	\$ 58,000
Liquor	\$ 712,987
Utility	\$ 628,377
Utility Surcharge	\$ 182,100
Refuse Collection	\$ 131,400
Licensing	\$ 1,085,400
Tracy Medical Center Improvement Fund	\$ 102,000
Aquatic Center Operations	\$ 130,100
Orchard Lane Apartments	\$ 87,625
DEBT SERVICE AND BOND FUNDS	\$ 683,300
OTHER	\$ 384,578
TOTAL ALL FUNDS	\$ 6,285,408

Motion by Snyder, seconded by Stobb to adopt a Resolution No. 2011-19 Approving The Transfer of Funds for Loan Repayment. All voted in favor of the motion.

FROM	AMOUNT	TO
Fire Dept. Equipment Replacement Fund	\$ 16,700.00	Medical Center Trust
Fire Dept. Equipment Replacement Fund	\$ 10,000.00	Medical Center Trust
Liquor Store	\$ 2,242.47	Equipment Replacement
Liquor Store	\$ 416.41	Equipment Replacement

Motion by Snyder, seconded by Stobb to adopt a Resolution No. 2011-23 Approving Budgeted Transfers. All voted in favor of the motion.

AMOUNT	FROM	TO
\$ 134,000	Utility	2008 Bond
\$ 165,948	Utility	General
\$ 18,000	Utility	Surcharge
\$ 16,000	Utility	2001 Bond
\$ 333,948		

129

\$ 4,000	General – Police	Equipment Reserve
\$ 3,750	General – Police	Equipment Reserve

\$ 51,285	General – Street	Equipment Reserve
<u>\$ 63,535</u>		
\$ 53,924	General – Comm. Education	Aquatic Center Operations
\$ 32,000	Surcharge	2007 Bond
\$ 30,000	General – Fire	Fire Equipment Replacement
\$ 15,000	General – EDA	EDA Reserve
\$ 10,000	General – Building Inspection	Code Enforcement
\$ 7,000	Eastview Apartments	General
\$ 36,000	Licensing	General
<u>\$ 4,000</u>	Refuse Collection	General
\$ 47,000		
\$ 21,000	General – Unallocated	Senior Center
\$ 20,000	Liquor	General
\$ 4,000	General – Cemetery	Cemetery Operating
\$ 5,000	General – Street	Park Improvement
\$ 635,607	TOTAL TRANSFER	

The Council thanked Nielsen for the past five years of legal services and without requesting a pay raise. Gorius said that he has reviewed the Legal Services Agreement and the only changes would be compensation. The City will pay to Nielsen for the legal services to be provided a sum of Forty-Two Thousand and no/00 Dollars (\$42,000.00) in monthly installments of \$3,500.00 each. Motion by Enderson, seconded by Snyder to enter into the Legal Services Agreement with Frank C. Nielsen, Attorney at Law. All voted in favor of the motion.

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

Mayor Peterson and the Council expressed thanks to Gorius and the City Staff for all their work on the budget. He also wished everyone a Merry Christmas and a profitable New Year.

Stobb voiced appreciation to the emergency staff for their part in the services for Bryan Hillger. Snyder stated as an emergency person, Bryan was in the background of everything they did and it was their last chance for showing respect for Bryan and what he meant to the emergency staff.

Motion by Snyder, seconded by Enderson to adjourn the meeting at 6:50 p.m. All voted in favor of the motion.

June 13, 2011

The regular meeting of the Tracy City Council was called to order at 6:30 p.m., Monday, June 13, 2011 in the Council Chambers of the Municipal Building. The following Council members were present: Mayor Peterson, K. Enderson, S. Ferrazzano, R. Stobb and C. Snyder. Also present were A. Koopman, City Administrator and F. Nielsen, City Attorney.

Pledge of Allegiance was given to the flag.

Motion by Snyder, seconded by Ferrazzano to approve the minutes for May 23, 2011 as presented. All voted in favor of the motion.

Additions to the agenda included: 6-C Police Commission Report, 6-D Planning Commission report: Sale of Central Livestock Property, 7-E City Shop Garage doors, 7-F Fire Hall garage doors and 13 Closed Meeting for preliminary consideration of allegations or charges against a City of Tracy employee pursuant to MN §§ Section 13D05 and Subsection 2B. Motion by Enderson, seconded by Snyder to approve the agenda as amended. All voted in favor of the motion.

There were no public comments.

Robinson reported that Gervais had compiled a list of questions regarding the site for the new lagoons that were sent to the MPCA and FAA. This was approximately two weeks ago and no response has been received. Robinson will contact them and see where this stands.

Mayor Peterson stated that he has had numerous calls from the public that would like the hours for the compost site be extended. Snyder stated that he has also had several calls. The hours would be Tuesday and Thursday 4 p.m. to 7 p.m. and Saturdays 1 p.m. to 5 p.m. Stobb as if Tuesday was a day preferred by the public. Mayor Peterson stated that Tuesdays work better for Larry Moyars schedule. Motion by Snyder, seconded by Stobb to extend the compost hours as described. All voted in favor of the motion. Gervais stated the hours have been posted on the public access channel.

Koopman stated the Police Commission met on June 8 and have recommended appointing Jason Lichty as acting Police Chief while Chief Hillger is on medical leave. They are also recommending that Adam Baumann be hired for a police position contingent on passing test on June 16. Lichty has been preparing the necessary paperwork and the results of the testing will take about ten days following the test date. Motion by Snyder, seconded by Ferrazzano to approve the action recommended by the Police Commission to appoint Jason Lichty as acting Police Chief and hire Adam Baumann contingent on passing his test. All voted in favor of the motion.

Gervais stated that the Planning Commission has made recommendation to proceed with the sale of the Central Livestock property to DeRuyter Pallets. Letters will need to be sent to the present renters of the building regarding the proposed sale of the property. There is a rafter that is broken in the south storage shed and will need to be repaired by Verlinde's before the final sale. Motion by Snyder, seconded by Stobb to approve the recommendation by the Planning Commission to sell the Central Livestock Property to DeRuyter Pallets. All voted in favor of the motion. Gervais stated there is a small portion of that is affected by the Greenwood Storm Sewer project. It is roughly about 22,000 square feet that would be affected. They know the exact dimensions of that from the surveyors. There are about three years of assessments that have been paid from the original amount of about \$1000 in that assessment. Nielsen stated that he needs the legal description of the property. The contract for the renters expires July 1.

Pastor Jorde is requesting permission to put up a church sign listing the churches in the city. They would like to place is by the Panther sign on Highway 14 in Nehl's Park. He stated that one sign will be on the Wheel's museum property and one will be on private property across the street from Greenwood Nursery. The sites on Highway 14 have been approved by the DOT. Motion by Stobb, seconded by Snyder to approve the placement of the church sign in Nehl's Park. All voted in favor of the motion.

A letter was received from Casie Bangasser the Aquatic Center manager requesting that the pool be closed for the season on August 21 at 5:00 p.m. School starts on Monday, August 22. Last year the pool closed during the week and reopened for two weekends. The pool has a history of poor attendance during the Labor Day weekend. Motion by Ferrazzano, seconded by Enderson to approve the recommendation from Bangasser and close the pool August 21 at 5:00 p.m. All voted in favor of the motion.

Board and Commission vacancies are one position on the Planning Commission, one position on the EDA Board and one position on the Cemetery Commission. Mayor Peterson asked if Deb Ohman had been contacted about the position on the Cemetery Commission. She had stated before that she was very interested in that position. Stobb suggested that they contact her and if interested, to offer her the position on the Cemetery Commission and advertise for the vacancies. Motion by Ferrazzano, seconded by Snyder to offer the position on the Cemetery Commission to Deb Ohman and advertise for any vacancies. All voted in favor of the motion. Koopman will advertise for two weeks.

The auditors have advised that the city office use some internal controls to track funds and sharing of duties in the office. David Spencer had been appointed Deputy Clerk and this does not follow well with the controls as he reconciles the bank statements and should not be able to

write checks. Mayor Peterson appointed Rick Robinson as Deputy Clerk. The employees met and it was discussed how to receive and track funds and sharing of duties. It was recommended by the auditors to upgrade the computer systems. Koopman said the only thing missing from the estimates presented was the cost of the computer to use with system. Everything can be interacting with the new modules. The cost of the modules would be \$795 for records, invoices and payments with the ability to print invoices and statements. The POS module would be \$2,300 plus the city would need to provide a monitor, printer and keyboard. Training is approximately \$400. Koopman stated that the funds would come from Other Financial Uses. Motion by Ferrazzano, seconded by Snyder to purchase the accounting modules and computer to use with the new system and training from Banyon from Other Financial Uses Fund. All voted in favor of the motion.

Motion by Snyder, seconded by Ferrazzano to appoint Robinson as Deputy Clerk. All voted in favor of the motion.

Bids received to replace the overhead doors at the City Shop included:

Dale Johnson III Construction LLC	\$ 9,389.70
American Garage Door Co.	\$ 5,457.51
JPJ Builders, Inc	\$ 9,520.46

Robinson is recommending the Council accept the low bid of \$5,457.51 from American Garage Door of Marshall. This would be for two 12 x 12 garage doors and one 8 x 7 garage doors. Mayor Peterson asked if these doors were budgeted for this year. Robinson said there are some funds in Building Repair and will basically clean out this fund for Streets and Parks and Utility Building repair budgets and may be a small amount more that what is in those funds. Stobb said the American Garage door bid is quite a bit lower than the other two bids and he asked if they were sure they were getting the correct door. Robinson stated that he had the building inspector go through these bids and he felt the bids are appropriate. Motion by Ferrazzano, seconded by Snyder to accept the bid from American Garage Door Co. for \$5,457.51. All voted in favor of the motion.

Robinson provided pictures from an incident at the pool recently of someone dismantled the retaining wall. Robinson said the light pool that fell was in a bad spot and in order to get at it, they had to take the fence down to change lights and bulbs. They would like to move it to a different location. The Department of Health inspected the pool and they asked the DOH where the lights could be placed as they would like to replace the one that fell with two lights that are more accessible. If pool parties are held, the suction grate on the bottom of the pool needs to be visible and with no light, parties cannot be held at this time. They are working on getting estimates for the insurance company so that lighting that is easier maintenance can be installed.

Fire Chief Dale Johnson reported that one overhead garage door at the fire hall is not working and needs to be replaced. This has been repaired in the past and everything that can be done to repair them has been done and there is a risk of the springs breaking. There is also the potential for someone to get hurt manually lifting the door to open it or not being able to get out when a fire call is received. A price quote received the local lumber yard for a Midland two inch energy saver door is \$4,502.22 and to upgrade to a three inch energy saver door would be \$5,122.31 Labor would be the same with any contractor. This is the only estimate received and can get more estimates if the Council wants. Both the two inch and the three inch qualify for tax credit. Motion by Ferrazzano, seconded by Snyder to accept the bid for \$4,502.22 plus contractor's labor for the Midland two inch energy saver door. All voted in favor of the motion. Johnson reported the opener is six years old and if there has been no damage to the opener from the damaged door, the opener would not need to be replaced.

Motion by Ferrazzano, seconded by Stobb to adopt a resolution approving change in pledged securities. All voted in favor of the motion. (Res. No. 2011-12)

Robinson reported that the bid letting for the alley water main project was held Friday, June 3,2011. The city received two bids as follows:

T & E Underground	\$89,712.50
Sioux Falls, S.D.	

B & D Utilities \$74,820.50
Mankato, Mn

Robinson is recommending the City accept the low bid of \$74,820.50. The schedule start date of the project is June 20, 2011. Robinson stated that he has a signed contract and B&D has sent their paperwork and the bid and performance bonds have been will be received tomorrow. B&D has a list of addresses for the assessment notices and have sent letters to the residents concerning the installation of temporary water services. On June 20 the residents will lose access to that alley and there will be 15 days that they will be working on the project. There will be temporary service lines running from the hydrant and back feeding into hose bibs to give them service. B&D will be sub contracting with Cooreman Construction. Motion by Ferrazzano, seconded by Stobb to adopt a resolution accepting the bid from B & D Utilities for \$74,820.50. Robinson said it will be directional boring and once the mains are in, Cooreman will come in and they will go to each service and tap the main, put on saddles, incorporation cock and then curb stops will be installed and finally they will find the residents existing line. The temporary service line needs to be chlorinated and bacterial samples will have to be taken to Marshall. Using temporary lines across the yards can be challenging and can sometimes break. B&D will be on call to repair those. The City has purchased all the material except the temporary service lines as the City would probably not use them again. The roads will be allowed to settle before road restoration is done. Stobb asked if the issues with homeowners and curb stops have been resolved. Robinson said there are two or three residents that have newer curb stops. Some of the curb stops may be older than five to six years and Robinson has told the residents for \$116 they would be better off having a new one. Dick Stelter has one house next to him that he wants to demolish and does not want service brought to that house. Robinson will get his request in writing that he does not want service to that line and this will be put on file. All voted in favor of the motion. (Res. No. 2011-13)

The Consent Calendar includes: Library Board minutes for May 16 and April 18, 2011, Cemetery Commission minutes for April 21, 2011, Economic Development minutes for May 6, 2011, Fire Relief Association minutes for May 2, 2011 and Planning Commission minutes for May 2, 2011. Mayor Peterson questioned if they put unapproved minutes in the Consent Calendar. Stobb felt they should let the Library Board approve their minutes before the Council approves them. Koopman stated the Library Board Minutes will be removed until they are approved. Motion by Stobb, seconded by Snyder to approve the Consent Calendar with the Library Minutes removed until approve by the Library Board. All voted in favor of the motion.

Mayor Peterson had received a request from the American Legion Post 173 of Tracy requesting that the flags be left out under after the American Legion Convention on June 18, 2011. It was the consensus of the Council to approve this request.

Enderson reported that Holm has reported that things are going well at the cemetery with the new people doing the mowing and trimming.

Koopman expressed a thank you and appreciation to those that have volunteered their time to take care of the City flower beds. Peggi Peterson has been taking care of the flower bed on the intersection of Center Street and Highway 14. Mary Ann Ankrum has done the one by the Lutheran Church, Tornado Tree and Aquatic and other miscellaneous flower beds along Highway 14 for the Highway 14 Beautification project. Brenda Peterson from Tracy Floral has volunteered to do the one by the horseshoe court. She not only donated her flowers for that, she has also donated the flowers for the cemetery at the cost of \$711 for flowers. Someone that generous needs to be recognized. Mayor Peterson asked that the water truck that Bernie uses could be filled for the weekends so that the volunteers can water the plants.

Enderson felt there should be a committee formed to oversee the operations of the Aquatic Center. Koopman stated there has not been a committee for five years. Ferrazzano felt the pool director should be responsible for overseeing the activity at the Aquatic Center. Stobb suggested they form a committee of two to three individuals along with the pool director and this could be advertised along with vacancies on the EDA Board and Planning Commission.

Stobb asked the status on the applications for the position of City Administrator. Mayor Peterson stated the applications have been reviewed and each member of the review committee

has submitted their choices. Mayor Peterson stated they each picked their top choices. They did not get together and complete a combination. Stobb was hoping that the list would come from the committee as a unit. Mayor Peterson said they handed in the selections from each committee member. Mayor Peterson said he was not in on their meeting but can check with Homer Dobson as to how they made their selections. Ferrazzano asked that Mayor Peterson send each Council member of a list of the top ten that were selected.

Motion by Stobb, seconded by Enderson to adjourn the meeting at 7:15 p.m. to conduct a closed meeting. All voted in favor of the motion.