

**MINUTES**  
**Regular Meeting of Lake Shore City Council**  
**Monday, December 17, 2012**  
**7:00 PM Lake Shore City Hall**

Mayor John Terwilliger called the December 17, 2012 Regular City Council meeting to order at 7:00 p.m. The pledge of allegiance was recited.

**Roll Call:** Mayor John Terwilliger. Council Members present: John Bukovich, Susan Amacher, Doug Miller and John Poston. City Attorney Steve Qualley; City Engineer Dave Reese; City Administrator/Planning and Zoning Administrator Teri Hastings; Police Chief Steve Sundstrom; Public Works Jim Thomes and City Clerk Patti McDonald were present. There were 9 people in the audience.

**APPROVAL OF MINUTES**

MOTION BY JOHN BUKOVICH TO APPROVE THE REGULAR CITY COUNCIL MEETING OF NOVEMBER 26, 2012 MINUTES AS PRESENTED. JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**REPORTS**

**Police/Fire Report** – Chief Steve Sundstrom

Incident Report – From November 26, 2012 to December 16, 2012 there were 65 incidents in the city. There were 34 traffic-related incidents and 30 were miscellaneous department activity. Steve said that the department will participate in Christmas for Kids and the squad may be seen out of the city.

**Mayor's Report**– John Terwilliger

**Clerk/Treasurer's Report** – Patti McDonald

MOTION BY DOUG MILLER TO APPROVE THE FINANCIALS AS PRESENTED. JOHN BUKOVICH SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**City Administrator/Planning & Zoning Administrator** – Teri Hastings suggested acting on the Wastewater/Road Committee agenda item as it relates to the budget. Upon recommendation of the committee there is a resolution to increase the user fee from \$80 to \$100 per ERC per quarter. Teri also calculated an increase of \$10 and \$15 per ERC. The annual audit performed each year shows a revenue deficiency for the proprietary sewer fund. The wages in the 2013 budget were adjusted for sewer administration and Jim's duties to reflect the percentage of actual work. The Clerk sent a letter to the customers stating the council would act on an increase at the December council meeting; six people replied that the 25% increase was a little steep all at once. Susan asked if \$100 per quarter is comparable to other cities. Jim said that it is with Nisswa and East Gull Lake. John Bukovich said that when the sewer was installed it was supposed to support itself. John Poston asked if the fund was falling short of \$40,000 to \$50,000 per year. Patti said that the bond was paid off this year so the expenditures have gone down.

MOTION BY SUSAN AMACHER TO ADOPT RESOLUTION NUMBER 2012-12-01 FOR THE SEWER RATE INCREASE AS RECOMMENDED BY THE WASTEWATER/ROAD COMMITTEE. JOHN BUKOVICH SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Discuss and Approve 2013 Levy – The council is required to gather input and allow comments on the proposed levy and budget. The total 2013 levy is \$767,525.00. Doug asked the difference from the past two years. John Terwilliger asked for input from the audience. Teri said that the city doesn't have a lot of avenues for revenue. She explained the city budget includes expenditures for capital in the Capital Outlay fund; the majority of that is street improvements. Peter Mann asked if the city builds into the

reserve for the sewer pumps going out. Yes, it is under capital outlay. Gail Momchilovich asked how the difference is made up between the levy and the budget. That is from the tax payers. The only revenue is from the sewer and general fund. Peter asked if the city can invest the money in other than money market options. There isn't a lot available for municipalities to invest in. Teri said that the city staff attempts to stay within the budget and remain fiscally responsible.

Discuss and Approve 2013 Budget – The total 2013 budget is \$826,247.00.

MOTION BY JOHN POSTON TO ADOPT THE 2013 PROPERTY TAX LEVY OF \$767,525.00. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

MOTION BY JOHN POSTON TO ADOPT THE 2013 CITY BUDGET AT \$826,247.00. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

A 3 % cost of living adjustment for full-time city staff was included in the budget.

MOTION BY JOHN POSTON TO APPROVE THE 3% BUDGETED COST OF LIVING ADJUSTMENT FOR FULL TIME CITY STAFF. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Resolution Approving Pull-Tabs at Bar Harbor Restaurant – Confidence Learning Center requested the Lake Shore City Council to adopt a resolution to allow pull-tabs on their behalf at Bar Harbor.

MOTION BY JOHN BUKOVICH TO ADOPT RESOLUTION 2012-12-02 TO ALLOW CONFIDENCE LEARNING CENTER TO SELL PULL-TABS AT BAR HARBOR. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

November Cass EDA Activity Report – The November Cass EDA activity report was included for review.

Sept. P&Z Minutes / October and November Permit Summary – Teri included the September Planning and Zoning minutes and the October and November Permit Summaries for review.

**Wastewater/Road Committee** – John Bukovich -

Resolution Increasing Sewer User Rates – This item was acted on before the budget items on the agenda.

Resolution Setting Public Hearing on Vacation of a Portion of Cumberland Way – The Mayor explained that this portion of the road is unnecessary and there will be no access cut off if it is vacated. Teri said the area to be vacated is a steep slope.

MOTION BY SUSAN AMACHER TO ADOPT RESOLUTION 2012-12-03 SETTING PUBLIC HEARING ON VACATION OF A PORTION OF CUMBERLAND WAY ON FEBRUARY 25, 2013 @ 7:00 PM AT CITY HALL. JOHN BUKOVICH SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**Park and Recreation Committee** – John Poston said there isn't a meeting this month and there is nothing new to report.

**Environmental Committee** – Doug Miller had nothing to report.

**Trail 77 Team** – John Poston/Susan Amacher – John Poston said there was nothing new to report.

**Personnel** – John Terwilliger/Susan Amacher – Susan Amacher said there was no personnel business.

**City Attorney** – Gammello, Qualley, Pearson & Mallak – Steve Qualley said at the close of the year the city is not party to any lawsuits.

**City Engineer** – Widseth Smith Nolting – Dave Reese had noting to report.

**OLD BUSINESS** – There was no old business.

**NEW BUSINESS** – John Poston had a quote to have the three city signs refurbished. Aardvark Artwork bid is for \$5,700.00 for both sides of each of the three signs. The refinishing process includes reinforcing any separated area, and puttying any gaps or splits necessary for sealing. The borders would be re-stained with 3 coats of Sikkens Cetol. The remainder of the sign would be primed and painted with exterior latex and oil enamel, minimum of 2 coats over the primer. The backgrounds of the signs would be airbrushed, as done originally. He would match color as close as possible to the original colors for all of the painted areas, including the wildlife and scenery. None of the detail from the original work would be lost. John Poston looked at some of his work and recommends his work. He would have them done before Memorial Day.

MOTION BY JOHN BUKOVICH TO APPROVE THE QUOTE FOR \$6,100.00 BY AARDVARK ARTWORK TO REFURBISH THE CITY SIGNS. JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

**ANNOUNCEMENTS/PUBLIC FORUM** – Leadership Conference for Experienced and Newly Elected Officials – January 11 & 12 in Nisswa. Three council members are attending.

There was a thank-you from the 4-H Club.

The Crisis Line and Referral Service celebrating 25 years of service are requesting a donation.

Steve Sundstrom thanked John Bukovich for his years of service on the council.

The American Red Cross sent an announcement for their Hero's Breakfast at Target Field on June 6<sup>th</sup>.

MOTION BY DOUG MILLER TO PAY THE BILLS AS SUBMITTED (CLAIM NUMBERS 31140 THROUGH 31209 - TOTAL \$29,642.41). JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

MOTION BY DOUG MILLER TO ADJOURN THE REGULAR CITY COUNCIL MEETING OF DECEMBER 17, 2012 AT 7:34 PM. JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Transcribed by Patti McDonald  
Lake Shore City Clerk