

MINUTES
Regular Meeting of Lake Shore City Council
Monday, August 25, 2014
7:00 PM Lake Shore City Hall

Mayor John Terwilliger called the August 25, 2014 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: Susan Amacher, John Poston, Krista Knudsen and Doug Miller. City Attorney Steve Qualley; City Engineer Dave Reese; City Administrator/Planning and Zoning Administrator Teri Hastings; Police Chief Steve Sundstrom and City Clerk Patti McDonald were present. There were 6 people in the audience.

APPROVAL OF MINUTES

MOTION BY JOHN POSTON TO APPROVE THE JULY 28, 2014 REGULAR CITY COUNCIL MINUTES AS PRESENTED. SUSAN AMACHER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

REPORTS

Police/Fire Report – Chief Steve Sundstrom

Incident Report - From July 28, 2014 to August 24, 2014 there were 176 incidents in the City. There were 95 traffic-related incidents and 81 were miscellaneous department activity.

Steve said there were no major incidents during the Brainerd International Raceway NHRA races a couple weeks ago. There were no incidents during the Bar Harbor Classic Boat Show. The only problem is parking; it will have to be addressed before the National Boat Show next year.

Mayor's Report– John Terwilliger

Clerk/Treasurer's Report – Patti McDonald

Financials – MOTION BY DOUG MILLER TO APPROVE THE FINANCIALS AS SUBMITTED. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Amend Fund Balance Policy – The state recommends having a fund balance between 35% and 50% of budgeted operating expenditures. Teri explained the reason for changing the fund balance policy. She is recommending a change from 45% to 40%. It would free up about \$50,000 for necessary sewer repairs.

MOTION BY JOHN POSTON TO CHANGE THE FUND BALANCE POLICY, THE FIRST POLICY BULLET POINT TO READ: 'PROVIDE AND MAINTAIN AN UNRESERVED GENERAL FUND BALANCE OF 40% OF BUDGETED OPERATING EXPENDITURES'. DOUG MILLER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Transfer of \$56,000.00 from General Fund to Sewer Fund – Teri said that this is a start for the sewer repairs. Krista asked what the priority repairs are. Teri said the Bar Harbor and County 78 lift stations need new pumps and control panels; the county 78 lift station needs cement work. The mayor said they can't just be patched together anymore, the system needs attention. Teri said that Lee Bundy from PRASD is checking pricing and will make recommendations for prioritizing and completing the repairs.

MOTION BY JOHN POSTON TO TRANSFER \$56,000.00 FROM THE GENERAL FUND TO THE SEWER FUND. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

City Administrator/Planning & Zoning Administrator – Teri Hastings

Cass County EDC Activity Report – The EDC activity report included for review.

July Minutes and Permit Summary – The July minutes and permit summary were included for review.

Wastewater/Road Committee – John Poston

Resolution Declaring Costs – 72nd Street – A contract has been let (estimated costs have been calculated) for Improvement No. 2014-01, the improvement of 72nd Street easterly off of Jacobs Road and the contract (bid) price (estimated cost) for such improvement is \$60,391.66 and the expenses incurred or to be incurred in the making of such improvement amount to \$11,571.50 so that the total cost of the improvement will be \$71,963.16.

The portion of the cost of such improvement to be paid by the city is hereby declared to be \$18,710.42 and the portion of the cost to be assessed against benefited property owners is declared to be \$28,065.64.

Assessments shall be payable in equal annual installments extending over a period of 5 years, the first of the installments to be payable on or before the first Monday in January, 2015 and shall bear interest at the rate of 6 percent per annum from the date of the adoption of the assessment resolution.

The city clerk, with the assistance of the city engineer (consulting engineer), shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuations, as provided by law, and she shall file a copy of such proposed assessment in her office for public inspection.

MOTION BY JOHN POSTON TO ADOPT RESOLUTION 2014-08-01 DECLARING COSTS TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT IN CONNECTION WITH THE 2014 ROAD IMPROVEMENT TO 72ND STREET EASTERLY OFF OF JACOBS ROAD AT A TOTAL COST OF \$71,963.16. JOHN TERWILLIGER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Resolution for Hearing on Proposed Assessment – 72nd Street – The City Council of the City of Lake Shore, Minnesota will meet in the City Hall in the City of Lake Shore, Minnesota, on the 22nd day of September, 2014, at 6:30 p.m. All persons owning property affected by Lake Shore Road Improvements of 2014 to 72nd Street easterly off of Jacobs Road will be given an opportunity to be heard with reference to such assessment.

MOTION BY JOHN POSTON TO ADOPT RESOLUTION 2014-08-02 CALLING FOR HEARING ON ASSESSMENTS FOR THE 2014 ROAD IMPROVEMENT TO 72ND STREET EASTERLY OFF OF JACOBS ROAD. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Change Order #1 – DeChantal Excavating provided change order number 1 to add bituminous curb patching and bituminous gutter construction to the 2014 street improvement contract, which is an increase of \$2,201.10.

MOTION BY JOHN POSTON TO APPROVE THE CHANGE ORDER #1 FROM DECHANTAL EXCAVATING LLC IN THE AMOUNT OF \$2,201.10. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Pay Estimate #3 – DeChantal Excavating – DeChantal Excavating LLC submitted pay estimate number 3 for the 2014 Lake Shore Road Improvements. Widseth Smith Nolting recommends payment in the amount of \$2,091.05. A 5% retainage fee (\$9,294.99) has been applied. Dave Reese said he checked before he came to the meeting and suggested to hold off on releasing the retainage for one more month.

MOTION BY DOUG MILLER TO APPROVE PAYMENT ESTIMATE NUMBER 3 OF \$2,091.05 TO DECHANTAL EXCAVATING LLC FOR THE 2014 LAKE SHORE ROAD IMPROVEMENTS. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Miscellaneous Road Projects — The Wastewater Road committee met and reviewed the proposed road repairs quoted by Anderson Brothers for Pohl Rd, \$42,157.97; Lincoln Green, \$9,413.43; Nottingham, \$1,770.72 and Robinhood Way, \$3,845.69. There are two bids for Wienzel Point, one from Copper Creek Landscaping LLC for \$18,700.00 and one from Stoneybrook Landscaping for \$11,685.13.

The Wastewater/Road committee decided to put the Lincoln Green and Pohl Road projects off until next year. There may be some cost savings if the city works it into the overall road maintenance plan for 2015. Lincoln Green will need a small amount of Class V added before next year.

The two projects the WW/Road committee recommended that the City Council move forward with this year is the Nottingham intersection using a crushed rock mixture rather than crushed concrete at approximately \$2,500.00 and Robinhood Way for approximately \$5,000 using the same crushed rock mixture.

MOTION BY JOHN POSTON TO APPROVE THE NOTTINGHAM ROAD PROJECT TO ADD CRUSHED ROCK NOT TO EXCEED \$2,500.00 AND MOVE FORWARD WITH THE ROBINHOOD WAY PROJECT NOT TO EXCEED \$5,000.00. SUSAN AMACHER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

There is a drainage problem at the Olin residence at 1125 Wienzel Point. Dave Reese said the concept to address the issue is to add black top to the driveway to raise it up to meet the street level. On the north side of the driveway they would install an inlet pipe with drain tile that would proceed to the south to an L shaped rock filled trench with drain tile directed toward the existing ditch next to the road. John Poston said this happened when Wienzel Point was resurfaced a couple years ago and the city has had to pump the water away so the Olin's can get out of their driveway. There were two estimates, one from Copper Creek Landscaping for \$18,700 and one from Stoneybrook Landscaping for \$11,868.13.

MOTION BY JOHN POSTON TO APPROVE THE ESTIMATE FROM STONEYBROOK LANDSCAPING AT A PRICE OF \$11,685.13 TO REPAIR THE OLIN PROPERTY AT 1125 WIENZEL POINT ROAD. SUSAN AMACHER SECONDED THE MOTION. The Mayor commented that the WW/Road committee wouldn't make a motion to support the project and felt that the problem wasn't created by the city. He said the committee talked about elevations on the site plan from WSN. He also said Teri found the elevations from when the sewer was built in 1989 and they haven't changed much; however they didn't use the same elevation points in their calculations. John Poston feels it should be fixed properly. Krista asked Dave Reese if the city created the problem. He said the road is impervious surface and it definitely contributes to the runoff in the area. It's also only a 20 foot road right of way with really no area for ditching. The Olin's happen to have the lowest yard on Wienzel Point and the water just lays in their yard. Mrs. Olin said over the years people have blacktopped their driveways and it has created more runoff too. The WW/Road committee referred the decision to the city council. ROLL CALL VOTE MILLER – YES; KNUDSEN - YES; TERWILLIGER - NO; POSTON – YES; AND AMACHER –YES. MOTION PASSED.

Monthly Report from PRASD – The operations report for the month of July was included for review. John Poston said that Lee Bundy and his crew are doing a real good job. Teri said the report is simplified compared to what they are doing.

July Minutes – The July minutes were included for review.

Park and Recreation Committee – Krista Knudsen said the committee didn't meet in August. The Mayor said before it snows him and Bob H. will go through the ski trails for clearing.

Environmental Committee – Doug Miller said the committee didn't meet in August.

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

Personnel – John Terwilliger/Susan Amacher

Confirm Hiring of Part Time Maintenance – Robert Heidelberg – The Mayor said Bob is working out very well.

MOTION BY DOUG MILLER TO CONFIRM HIRING ROBERT HEIDELBERGER TO THE PART TIME MAINTENANCE POSITION. SUSAN AMACHER SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

City Attorney – Gammello, Qualley, Pearson & Mallak – Steve Qualley had nothing to report.

City Engineer – Widseth Smith Nolting – Dave Reese had nothing to report.

OLD BUSINESS – There was no old business.

NEW BUSINESS

Verizon Lease Agreement – The lease is for a five year period with an annual lease amount of \$7,200.00 per year. The Planning commission approved the conditional use permit for the tower (flag pole design) at their August meeting. The flag pole will be lit from the bottom and the flag will have the mechanism to lower the flag when it needs to be changed. The emergency generator will be contained to the building and meet the Lake Shore noise ordinance. Steve Qualley reviewed the lease; he said it is a five year lease with successive 5 year lease renewal terms. If it isn't acted on after 4 terms it would continue at the last rate of renewal.

MOTION BY DOUG MILLER TO APPROVE THE VERIZON WIRELESS LLC LEASE AGREEMENT AS PRESENTED. KRISTA KNUDSEN SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

ANNOUNCEMENTS/PUBLIC FORUM – There were no announcements or public forum.

MOTION BY DOUG MILLER TO PAY THE BILLS AS SUBMITTED (CLAIM NUMBERS 32740 THROUGH 32836 – TOTAL \$187,218.18). JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

MOTION BY DOUG MILLER TO ADJOURN THE REGULAR CITY COUNCIL MEETING OF AUGUST 25, 2014 AT 7:34 PM. JOHN POSTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

Transcribed by Patti McDonald
Lake Shore City Clerk