

**Lanesboro City Council**  
**Regular Meeting**  
**Monday, October 6<sup>th</sup>, 2014**  
**5:30 p.m.**  
**City Council Chambers**

**Present:** Keith Eide, Steve Rahn, Ceil Allen, Tom Dybing and Tom Smith

**Absent:** None

**Visitors:** Tom Manion, City Attorney

**Regular Meeting:**

Mayor Rahn called the Regular Meeting to order at 5:30 p.m.

- A. Agenda:** Mayor Rahn asked if there were any additional items to be added to the agenda. No additional agenda items were identified. Council Member Dybing made a motion to adopt the agenda with the additions to be discussed under miscellaneous. The motion was seconded by Council Member Allen. Motion carried all in favor.
  
- B. Minutes:** Council Member Allen moved to approve the minutes of the September 2<sup>nd</sup>, 2014 meeting. Motion seconded by Council Member Eide. Motion carried all in favor.

**Committee/Commission Reports:**

- A. Library:** Administrator Todd provided an update to the Council regarding the Library Board meeting held on September 17<sup>th</sup>, 2014. The Library Board is working with other SELCO libraries within Fillmore County to negotiate an increase in library funding at the County level. The proposed increase is 1.5% where it had been 3% traditionally. The SELCO member libraries are seeking a coalition of other libraries in Fillmore County to negotiate the rate back to 3%. Lanesboro's Library board passed a resolution of support for Fillmore County funding to be increased to the 3% level from the proposed 1.5%. The Library Board also wished to announce that support for the library mural is increasing and that the artist painting the mural welcomes volunteers and children to paint a portion of the mural.
- B. Ambulance:** Ambulance Director Lee Peterson was on hand to address the Council on items related to the Ambulance Department. Peterson advised the Council that the ambulance service received a grant in the amount of \$23,000 for a Zoll cardiac defibrillator. Peterson indicated that the machine will be up and running and the staff trained by November 1<sup>st</sup>, 2014.
- C. Public Utilities:** PUC Member Theresa Coleman was on hand to advise the Council regarding the meeting on September 23<sup>rd</sup>, 2014. Coleman stated that the PUC, in conjunction with Davy Engineering, opened and tabulated the bids for the water treatment facility project. The project was divided into four proposals: General/Mechanical, Electric, PRV and Water mains, and Well Abandonment and Turbine Pumps. The PUC is recommending the Council approve the low bid for proposal

3, general mechanical construction of PRV stations. Davy Engineering indicated that the low bidder for this portion of the project was Winona Mechanical, Inc. out of Winona, Minnesota with a total bid of \$219,000.00. Coleman also provided an update to the Council regarding the restructuring of water rates to accommodate PFA financing. The PUC will be utilizing a Residential Equivalency Unit matrix to provide more equity to the base fees for water. The new structure will more evenly distribute the base fees to the accounts who utilize more water (the structure is based on a combination of usage, meter size, and the potential for expanded use). The PUC has placed on this Council agenda ordinance 525 establishing a REU rate structure and subsequent appendix showing the REUs assigned to each utility account for approval and publication. The PUC will be placing an explanation of the new structure in the utility bills for distribution.

- D. HPC:** Administrator Todd advised the Council on the HPC meeting that took place on September 15<sup>th</sup>, 2014. The HPC addressed the signage at Merchant's Bank in Lanesboro. The current sign violates the ordinances put in place safeguarding historic preservation in the City. The HPC gave Mr. Graner copies of the historic guidelines regarding signage and an additional 60 days to come up with a more historically appropriate sign for the bank. The HPC addressed precise expectations for the sign with Ken Graner. The HPC also addressed annual Historic Preservation Awards and have narrowed the award down to three finalists. The HPC also addressed building permits for: Mrs. B's B&B (Windows and Fire Escape) and the Legion (New Roof and Canopy).
- E. Planning and Zoning:** Council Member Dybing provided the report of the Planning and Zoning Commission meeting that took place on September 17<sup>th</sup>, 2014. Council Member Dybing stated that the P&Z Commission approved several building permits for the month; including those from Erin and Britt Amdahl (Rood and Shingles), Leland Peterson (Shingles), Mrs. B's B&B (Windows and Fire Escape) and the Legion (Roof and Canopy).
- F. Park Board:** No Meeting.
- G. Lanesboro Chamber of Commerce:** Executive Director Dee Slinde provided the monthly update of Chamber Activities to the Council. She indicated that lodging tax issue was at the forefront of Chamber discussion as the lodging tax received did not seem to be inclusive of the various campgrounds around the City of Lanesboro. Administrator Todd advised that he had received a phone call from the new owners of Eagle Cliff who advised that they had sent lodging tax money to the state as they did not realize that the payments needed to be made to the City. They indicated that they will correct the error.
- H. Fire Department:** No report.

#### **Regular Business:**

- A. Accounts Payable:** Council Member Dybing made a motion to accept the payables as presented. Motion was seconded by Council Member Smith. Motion carried all in favor.
- B. Quarterly Financial Report:** Administrator Todd presented the Council a quarterly report of the finances of the City through the end of the third quarter. Mayor Rahn asked if there were questions over the report, to which there were none. He indicated that if there were questions the Council Members could stop in and speak with Administrator Todd at his office.
- C. Liquor License Renewals 2015:** Administrator Todd presented the Council a spreadsheet of liquor license renewals for the various organizations for the year. Motion was made

by Mayor Rahn to grant the permit renewal request for entities requiring yearly renewals. Motion was seconded by Council Member Smith. Motion carried all in favor.

- D. Contract Bid Award-WTP-Recommendation from the PUC:** Motion was made by Council Member Dybing to approve Winona Mechanical, Inc as the low bidder for general mechanical construction of the PRV stations at a total of \$219,000.00. Motion was seconded by Council Member Allen. Motion carried with affirmative votes from Mayor Rahn, Council Member Dybing, Council Member Allen, and Council Member Eide. There was one “no” vote from Council Member Smith. Motion carried 4-1.
- E. WTP Financing Update:** Administrator Todd advised the Council that the PFA financing of the WTP has improved from the last update. The PFA has locked in a 1% interest rate for phase one of the project with an increase in principal forgiveness to \$658,000.00. This new principal forgiveness amount is the highest amount ever awarded by PFA for a similar project. Likewise, it is projected that the phase two of this project will also generate the same rates with a similar principal forgiveness amount. Todd advised that the financing should be finalized by the next City Council meeting.
- F. 525 Water Rate Ordinance:** Administrator Todd provided the Council with a new Water Ordinance, Chapter 525 establishing a Residential Equivalency Unit. Likewise, an addendum to the ordinance establishes REUs for each utility customer with a base and volumetric rate. The proposed ordinance would take effect January, 1<sup>st</sup>, 2015. Likewise, Resolution 2014-17 needs to be passed by the Council for PFA financing establishing the new rate structure and ordinance in order to finalize the financing. Motion was made by Mayor Rahn passing resolution 2014-17 establishing the new REU rate structure. Motion was seconded by Council Member Dybing. Motion carried with affirmative votes from Mayor Rahn and Council Members Dybing, Eide, and Allen. There was one “no” vote from Council Member Smith. Motion carried 4-1.
- Motion was also made by Mayor Rahn to approve the new 525 Water Ordinance and attached addendum establishing an REU value to each water utility customer. Motion was seconded by Council Member Eide. Motion carried with affirmative votes from Mayor Rahn and Council Members Eide, Dybing, and Allen. There was one “no” vote from Council Member Smith. Motion carried 4-1.
- G. Frozen Water Lateral Policy (Review):** The Council was advised of a new Frozen Water Laterals policy that will be implemented this winter. In light of last year’s frozen water laterals and mains, the PUC wanted to establish a protocol in order to avoid the issues from last year. The crux of the policy establishes the responsibility of the homeowner regarding which part of the system they are responsible for (from the curb-stop to the home). Essentially, the City will not be liable for plumbing on private property. Likewise, the protocol establishes the means in which the City will communicate to the residents regarding the safeguards against frozen water lines. The policy also puts in place protocol by which the residents should run water and take the water temperature to avoid frozen pipes. Lastly, the protocol indicates that they **must** contact City Hall in the event they need to run their water so that we are aware and can adjust water rates accordingly. No action taken by Council on this issue.

- H. DNR Lease at the Chamber Building (Final):** Administrator Todd advised the Council that the proposed lease for the DNR at the Chamber Building has been submitted. Todd indicated that he and City Attorney Tom Manion scrutinized the lease and came to the conclusion that it was complete. Todd advised that he needed Council approval to execute the lease with the DNR. Motion was made by Council Member Dybing to execute the DNR lease. Motion was seconded by Council Member Allen. Motion carried all in favor.
- I. Schedule of Committee Appointments (Spreadsheet):** Administrator Todd provided a spreadsheet of committee members nearing the end of their terms of service. Todd advised that to the best of his knowledge, the spreadsheet is accurate. He indicated that due to the lack of recordkeeping, he had to rely on ordinance, statute, and the word of each committee member to ascertain when the member is at the end of their term. Todd indicated that before the terms expire, he will place an advertisement in the FCJ seeking applications from those members of the public wishing to serve their community on a board or commission.
- J. Truth and Taxation Meeting (December 1<sup>st</sup>, 2014)-Reminder:** Administrator Todd reminded the Council about the truth and taxation meeting and that a quorum would be necessary for this meeting on December 1<sup>st</sup>, 2014.
- K. Request for Volunteers-Meals on Wheels:** Administrator Todd advised the Council that Julia Borgen asked Todd to seek volunteers to deliver meals on wheels in the upcoming weeks. Borgen stated that the volunteer period would last six weeks and would require a commitment of approximately 20 minutes per day, once a week to deliver meals. Todd stated that the meals were to be delivered from the Chat-n-Chew restaurant. He indicated that anyone interested should contact Julia Borgen directly.
- L. Minnesota Basic Code of Ordinances-New Version (Purchase):** Administrator Todd advised the Council that the Minnesota Basic Code of ordinance was offering the newest version complete with statutory updates. The new version is available at a cost of \$400.00. Todd stated that the resource would be a good one to have for the City and that, absent any objections; the City would purchase the new version. Council provided consensus to purchase the book. Motion was made by Council Member Dybing to allow Administrator Todd to purchase the revised set of statutes Minnesota Basic Code of Ordinance. Motion was seconded by Council Member Allen. Motion carried all in favor.
- M. Miscellaneous:** Administrator Todd advised the Council that the Bluff Country Reader had brought in three reader's choice awards. The City was selected as award recipients in the categories of: Best Festival for Buffalo Bill Days, Best Park and Picnic Spot for Sylvan Park, and Best Farmer's Market. The awards were printed certificates that were laminated and presented to the City Office.

**Next Meeting: Monday, November 3<sup>rd</sup>, 2014 at 5:30 p.m.**

**ADJOURN:** Council Member Dybing moved to adjourn at 6:45 p.m. Motion seconded by Council Member Eide. Motion carried all in favor.

Respectfully Submitted,

David Todd  
City Administrator