

**Lanesboro City Council  
Regular Meeting  
Monday, July 1, 2013  
5:30 p.m.  
City Council Chambers**

**Council Present:** Steve Rahn, Joe O'Connor, Tom Smith, Keith Eide, Tom Dybing

**Staff Present:** David Todd, Thomas Manion, Theresa Coleman

**Visitors:** Mike Bubany of David Drown Associates, and Dillon Dombrovski of Yaggy-Colby Associates, Darrel Sickle, Bobbie Vickerman

**Regular Meeting:**

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

- A. Agenda:** Mayor Rahn suggested moving items D and E under Regular Business-Staff to the bottom of the agenda to be discussed after other business. Council Member O'Connor motioned to approve the agenda with the amendment proposed by Mayor Rahn as well as the Auditor's report from the June 3, 2013. Motion was seconded by Council Member Dybing. Motion carried with Mayor Rahn and Council Members Smith and Eide voting aye.
  
- B. Minutes:** Council Member Smith moved to approve the minutes of the May 6, 2013 meeting. Motion seconded by Mayor Rahn. Motion carried with Council Members O'Connor, Eide and Dybing voting aye.

**Persons with Business before the Council:**

**Mike Bubany:**

**A: Capital Improvement Plan:** Mike Bubany provided an overview of a capital improvement plan for the city of Lanesboro via PowerPoint presentation. Bubany explained that if all of the capital projects were to be considered in the CIP (Well and Water Treatment Project, Storm Water Project, Dam Project, Sylvan Park Project, Ambulance USDA Loan, Waste Water Treatment Project and the Road Project), the city's utility rates must increase in order to meet the funding obligations required to finance each of the projects (example: water, sewer, and electric rates). Bubany explained that the city's cost of services, compared to other city's within the region, was quite average. However, with the addition of \$7.5 million in projects over the next 10 years, those costs would be expected to increase quite a bit. He indicated that the city should take great care in scheduling projects and structuring the associated debt.

Council Member Smith wanted to know what the outlook would be in the CIP if it were configured without the Dam Project. Bubany stated that utility rates would still need to increase, albeit at a much smaller rate with payouts through the year 2025. Bubany also

indicated that the goal of the CIP should be to balance all sources of revenue and funding, for example rate increases mixed with higher taxes.

Mayor Rahn stated that the Dam is important to the city, both from a historic aspect and also an economic aspect. Additionally, the Dam is part of the community's identity in that many photos of Lanesboro include the Dam as well as bringing folks to the city to view it. Mayor Rahn suggested that the city would be responsible for removing the Dam if it is not repaired. Rahn stated that the city should delay making any decisions on the Dam project until next year after the bonding bill process at the state level is complete.

Council Member O'Connor suggested that the city should consider surveying the streets in order to prioritize projects. O'Connor stated that there may be FEMA money for street repair due to the recent flooding. Council Member Dybing stated that the streets will not get better without funding a method to improve them. O'Connor stated that more study on the streets needs to be conducted before any further action takes place regarding street repair.

Council Member Dybing asked what happens to grant money obtained from various sources if the city decided not to pursue a particular project. Coleman stated that any grant money would need to be returned to the entity who granted it.

Bubany indicated that the economic impact on residents of Lanesboro would equate to around an additional \$40.00 in utility payments per month should the city proceed with the current projects and that water rates should be increased at a rate of 5% per year, sewer rates at 2% per year, and electric rates .5% per year commencing immediately.

Bubany stated that he will provide a summary of this presentation to the city in PDF format.

**Dillon Dombrovsky:**

**A: Storm Sewer Project Update:**

Dillon Dombrovsky from Yaggy-Colby Associates provided the council an update from the preconstruction meeting regarding the storm sewer project. Dombrovsky stated that Blitz Construction would begin construction of the project beginning July 8<sup>th</sup> and would continue through July 15<sup>th</sup>. He stated that Blitz would be diverting traffic but that the roadway would be open to through traffic. Blitz would be responsible for barricades and signage. The project stipulates replacing the old storm sewer with a new one and adding three new catch basins. The old sewer would be plugged. Yaggy-Colby will produce the bond and insurance documents and will be forwarding those to the City Administrator who will then provide them to Thomas Manion for review.

**USDA Loan Agreement:****A: Ambulance: \$62,000 Loan and \$23,000 Grant:**

A representative from the USDA was not able to come to the council meeting. This item was tabled until the next City Council meeting on August 5<sup>th</sup>, 2013. The council was advised by David Haugen that the ambulance was ordered and was currently being built for the price that was quoted. Council Member O'Connor asked what the timetable was for delivery and Haugen stated two months.

**Bobbie Vickerman: Buffalo Bill Days Committee:**

Vickerman requested permission from the council to utilize small vehicles for administrative uses, to cordon off a parking area, and to use Hwy 250 for the parade route for the Buffalo Bill Days event. Mayor Rahn moved to approve the requests and Council Member Eide seconded the motion. The remaining Council Members were in favor voting aye. Motion carried.

**Darrell Sickle: Seeking Relief of Water Runoff Issue:**

Homeowner Darrell Sickle addressed the Council regarding a water runoff issue that was causing flooding to a portion of his property on Whittier Street. Mr. Sickle advised the Council that as water runoff from the golf course traverses the hillside, a neighboring property has placed a portion of tubing under their driveway to divert the water from coming over the driveway. In doing this, the water runoff has caused a problem of flooding Mr. Sickle's property. Thomas Manion, City Attorney, weighed in on this issue: based on legal precedent and opinion issued by the League of Minnesota Cities, the city has no jurisdiction or legal responsibility to take action; if the city has not created water works system, private landowners have the right to divert water away from their properties. Essentially, this issue should be mitigated through private party litigation between property owners. Thomas Manion stated that some years back, an engineering firm provided an opinion on water runoff from the golf course and indicated that it was of no consequence to the city and/or landowners. Manion stated that he thought the engineer was Rich Engstrum from WHKS Engineering. Manion also stated that this opinion was not solicited by the city and in fact it was a matter of conversation so there would be no public record of the opinion. Council Member Dybing stated that the previous owner of the Sickle's property had issues with flooding as well. Manion indicated that perhaps that would be another avenue of recourse for the Sickle's in addressing the disclosure statement as part of the home purchase.

**Committee/Commission Reports:**

**A. Ambulance Department:**

David Haugen addressed the position description for the part-time Ambulance Director and the adjoining budget worksheet. He stated that he wanted to have it reviewed by Ambulance staff and personnel in order to see if there were any internal candidates. Coleman stated that the budget worksheet reflected a 12% increase in rates charged by the ambulance for service in order to accommodate the new Director's salary. Council Member O'Connor advised Haugen to have the position description and associated rate increases along with the budget worksheet reviewed and present the opinions at the next Council meeting August 5<sup>th</sup>, 2013.

**B. Library: June 18<sup>th</sup>, 2013**

Library Director, Tara Johnson, advised the council that the Rhubarb Run was a success this year and that 163 runners and 20 volunteers participated which raised \$2,238.00. She wanted to express thanks to Keith Baker for his assistance in making this year's run a success. Johnson said that summer reading events have been a success so far and the average attendance for reading events has been 16 with the average number attending family events has been 61. Further, the circulation of materials checked out of the library has averaged 2000 so far this year. Johnson also stated that with the level of rainfall and flooding the library has experienced some issues with high humidity. She stated that there have been 17 days with over 60% humidity which is very bad for books and periodicals. She indicated that if the levels do not subside they may have to purchase a dehumidifier. Mayor Rahn advised to keep an eye on the humidity levels to avoid mold issues as well.

**C. Public Utilities: June 10<sup>th</sup> and June 17<sup>th</sup>, 2013**

Council Member O'Connor stated that in regards to the regular meeting June 10<sup>th</sup> and the Special Meeting on June 17<sup>th</sup> the HPC will push the energy conservation program and utilize all of the grant money toward that end. Jerod Wagner and Jim Petersen will continue to work with Tri-County and mitigate electric line loss, which is still around 12%. O'Connor also stated that they are approaching one year with the new meters.

**D. Heritage Preservation Commission:**

No Report

**E. Planning and Zoning:**

No Report.

#### **F. Park Board:**

Mayor Rahn stated that he would have a discussion of the funds in the Rochester Area Foundation with the swim and recreation committee. Currently the fund has \$102,000.00 and earns \$6,000.00 annually in interest.

Mayor Rahn stated that the sandbox was to be removed due to lack of use, shade, and the inability to keep it clean.

He also advised that the bathhouse doors will be replaced next year and that there will be a new Farmer's Market Sign placed outside city hall.

#### **G. Lanesboro Chamber of Commerce:**

Julie Charlebois with the Lanesboro Chamber Board stated that the Chamber had cancelled the City-Wide Weed Up due to rain but hopefully, Adopt a Space will take care of the weed issue. Charlebois stated that the Lanesboro Parade Float is still on the wish list.

Charlebois wanted to follow up with the City Administrator regarding the helicopter issue of soliciting rides at a rate of \$75.00 per ride. She indicated that the pilot is someone out of Rochester and that Nancy Martinsen may know who this person is. Administrator advised that he had placed two calls to the FAA to inquire about violations involving flight plans, etc. Administrator will follow up on this issue.

#### **H. Fire Department:**

Rob Wagner advised the council of specific calls for service last month with a motor vehicle accident and flood rescue up the valley. He advised that they have had issues with communication due to lack of 800 MHz radios in the fire vehicles. He stated that there is a grant from the DNR with a 50/50 match regarding a 800 MHz radio head end console for the Fire Department as well as two additional 800 MHz radio units.

Wagner advised the Council that the ceramic floor was nearing completion and wished to thank the Council for the approval for materials.

Wagner also made a request from the Council for partial street closure for a beanbag tournament fundraiser during the week of Buffalo Bill Days. O'Connor stated that they should coordinate with the police department to insure emergency vehicle access and use.

Council Member Smith asked Wagner if the entire training budget had been used and if not, check into it. Wagner said that two new members of the fire department have passed the Firefighter I and Hazmat training and also five first responders took training as well. Wagner stated that the Fire Department did have coupons to use regarding training and that training for first aid and CPR was conducted by the Preston Ambulance Service and it was already completed in January. He stated that he could put the bill for that training toward the grant money left over.

Mayor Rahn made a motion to approve the street closure for use of fundraising; the motion was seconded by Council Member Eide. Motion carried with all in favor signifying aye.

### **Regular Business: Staff**

- A. Accounts Payable:** Council Member Smith moved to approve the payment of the accounts payable as submitted. Motion was seconded by Mayor Rahn. Motion carried with all Council Members voting aye.
- B. Resolution 2013-8: Authorizing Assessment for Unpaid Utility Charges.** Council Member O'Connor made a motion to approve the resolution to collect unpaid utility charges. The motion was seconded by Council Member Dybing. Motion carried with all in favor voting aye.
- C. Resolution 2013-9: Transfer of City Funds:** Council Member Dybing moved to approve the resolution. Motion was seconded by Council Member O'Connor. Motion carried with all in favor voting aye.
- D. Ordinance Chapter X. Section 1030: Ordinance Prohibiting Littering in the City of Lanesboro and Prohibiting the use of Glass Containers on Public Waters in the City of Lanesboro:** Council Member Smith moved to adopt the resolution passing the littering ordinance as printed. Motion was seconded by Council Member Dybing. Motion carried with all in favor voting aye.
- E. Summary Publication of Ordinance Chapter X. Section 1030:** Council Member O'Connor moved to approve the summary publication of the littering ordinance as written. Motion was seconded by Council Member Smith. Motion carried with all in favor voting aye.
- F. Pay Equity:**
  - a. Violation Report:** Council was advised of a violation report sent from the Minnesota office of Budget and Management indicating that the city of Lanesboro was in non-compliance regarding wages of female class employees.
  - b. Adjustments to be made:** Council was informed that a new pay scale was engineered taking into account the lowest paid female employee classification and including adjustments to be made to the top-end pay as well as the hourly rate of employees within the city. Utilizing the Office of Management and Budget's online worksheet, a new pay scale was developed to address the inequity and to bring the city into compliance. The council was advised that the deficiencies regarding pay equity need to be reported and corrected by August,

2013 or the city could be issued fines dating back to January of 2013. Council advised the City Administrator to continue working on the numbers and report back at the next Council meeting in August. Council Member Smith made a motion to approve work on and to accept the pay equity report. Motion was seconded by Council Member Dybing. Motion carried all in favor voting aye.

**G. Consulting Services:** Theresa Coleman addressed the council regarding continuation of the consulting services she has been providing the city. She asked if the city would like her to continue her work reorganizing the ordinances, files, and providing general consulting services to the city and to assist with the transition of the new City Administrator. Council Member Smith asked Coleman to provide a breakdown of her services and also to provide the city with a list of projects, time frames, and a proposed cost of her services and report back to the Council.

**H. Public Hearings:** Council was informed of two public hearings on conditional use permits for the following businesses and people:

**RLH Grain:** Public Hearing for a conditional use permit for 18 Beacon Street.

**Eric Bunge:** Public Hearing for a condition use permit for empty lots 104 and 106, Parkway Avenue North.

**I. Liquor Licenses for Commonweal Theatre July 7<sup>th</sup>, and August 11<sup>th</sup>, 2013:**

Mayor Rahn made a motion to grant the liquor licenses for the Commonweal Theatre for performances on July 7<sup>th</sup>, 2013 and August 11<sup>th</sup>, 2013. Motion was seconded by Council Member Smith. Motion carried all in favor voting aye.

**J. County Audit Report:**

Council Member O'Connor made a motion to accept the Fillmore County Audit Report for the city of Lanesboro. Motion was seconded by Mayor Rahn. Motion carried all in favor voting aye.

**K. Council Member Update:**

- a. Council Member Joe O'Connor announced his resignation from the Lanesboro City Council, effective at midnight July 1<sup>st</sup>, 2013. O'Connor stated that his primary residence will be changing to Byron, Minnesota and that he no longer will be residing in Lanesboro and, thus, would no longer be eligible to serve on the Council. Council Member Smith stated that although O'Connor's residence status would affect his position on the Council, his position as a member of the Public Utilities Commission is not affected by residency. Smith asked O'Connor if he would be willing to retain his seat on the PUC, to which O'Connor regretfully declined. Mayor Rahn thanked Council Member O'Connor for his service to the city and citizens of Lanesboro as well as for the knowledge he provided the council on recent issues. Council Members Eide, Smith, and Dybing also thanked O'Connor for his service and expressed that he will be missed. Council Member Smith motioned to accept O'Connor's resignation from the Lanesboro City Council, effective midnight July 1<sup>st</sup>, 2013. The motion was seconded by Council Member Dybing. The motion carried all in favor voting aye.

**b. Resolution 2013-10 Declaring a Vacancy of a Council Member Position:**

Mayor Rahn motioned to approve Resolution 2013-10 Declaring a Vacancy of a Council Member Position. Motion was seconded by Council Member Eide. Motion carried with all in favor voting aye.

Thomas Manion, City Attorney, expressed opinion that the vacant council member's position be filled as soon as possible to satisfy voting quorum requirements. He also provided opinion based on Minnesota Statutes that the council could appoint a person to fill the vacancy and that it does not require an election. Council Member Eide made a motion to ask Ceil Allen to serve on the Council to replace the vacancy left by O'Connor for the remainder of O'Connor's elected term. The motion was seconded by Mayor Rahn. Motion carried all in favor voting aye.

**L. ADJOURN:**

Mayor Rahn moved to adjourn the regular meeting of the Lanesboro City Council if there were no other comments or suggestions, to which there were none. Motion was seconded by Council Member Dybing. Motion carried all in favor voting aye.

Next Council Meeting is scheduled for August 5<sup>th</sup>, 2013

Respectfully Submitted,

David Todd  
City Administrator