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CITY OF GAYLORD
REGULAR CITY COUNCIL MEETING
Wednesday, May 18, 2016
6:30 P.M., City Hall

Members Present: Mayor Boeder and Members DeVlaeminck, Landaas, Losure, Muchow and Uecker
Members Absent: None
Staff Present: Don Lannoye, Schauer Law Office; Kevin McCann, City Administrator; Ty Reimers, City Services Manager; Delaine Elseth, Aquatic Center General Manager; Ivan Martinez, Intern; and Lori Waltz, Accountant/Clerk
Visitors Present: Dianna Karau, Jon Auringer, Dave Robbins and Duane Messner, Park Board Members; Phillip Keithahn, Chuck Klimmek, EDA President; Joshua Colonna, Tom Olinger, Abdo, Eick and Meyers; and Joe Deis, Gaylord Hub

1. Call Meeting to Order

Pursuant to due call and notice thereof, the meeting of the City Council was called to order by Mayor Boeder at 6:30 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited by Council and visitors present.

3. Consider 5-18-16 Agenda

McCann stated that he would like to add item 10.B. – School Use of Storm Water Pond.

COUNCIL MEMBER LANDAAS MOVED, COUNCIL MEMBER DEVLAEMINCK SECONDED, TO APPROVE THE AMENDED MAY 18TH, 2016 AGENDA. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

4. Comments, Updates, Concerns

Per Municipal Policy 1500, citizen comments are intended to afford the public an opportunity to address concerns to the City Council. Citizen comments will be no longer than ten (10) minutes in length and each presenter will have no more than two (2) minutes to speak, unless additional time is granted by the Mayor. Topics of discussion are restricted to City topics rather than private or political agendas. The City Council may discuss, but will not take formal action on public comments.

4.A.i. Citizens

Colonna explained that he had sent a letter to McCann regarding the reducing/removal of the sump pump charge on his utility bill for the property he owns in Gaylord from years ago. Colonna stated that he had a scheduled meeting with the Water Superintendent to discuss the water meter for the building. Colonna said that this meeting had to be rescheduled as the Water Superintendent did not show. Colonna explained that he scheduled a second meeting. Colonna stated that during the second meeting the Water Superintendent explained that the water shut off valve was damaged and inspected the building for a sump pump. Colonna stated that he feels that the City should reimburse him for the fees charged to his utility bill for the monthly sump pump charges and for the water access charges.

Boeder asked if Colonna had a site plan for his property improvements.

Colonna stated that he is sorry that he wasn't able to get anything done on the property, but he has been on active duty with the Air Force on a month by month basis. Colonna explained that he has asked for six (6) months off from the Air Force starting July 8th, before his next deployment. Colonna has been working through his financials to decide if he will hire the work done or do it himself.

Muchow asked that McCann research this issue and bring to a future council meeting.

4.B. Council Members

Boeder stated that he went to the ground breaking ceremony in Arlington today for the Sibley East School. Boeder explained that they will start remodeling as soon as school is out for summer.

Muchow stated that the EDA Sign and Awning Grant Program is going good and they are almost out of funds again. Muchow explained that McCann will create a resolution for the transfer of funds.

5. *** Consent Agenda**

Uecker requested that she would like to have the MN Historical Society invoice for \$7,500 pulled from the Accounts Payable list and have it be item 9.A.

COUNCIL MEMBER LOSURE MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE THE AMENDED CONSENT AGENDA, WHICH INCLUDED THE FOLLOWING ITEMS. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

5.A. Minutes

5.A.i. May 4, 2016 – Regular City Council Meeting

5.B. Accounts Payable

5.C. Resolutions and Ordinances

5.C.i. Resolution 2016-09 – Approving CUP for Storage Building in Shoreland Overlay Dist.

5.D. Reports of Officers, Boards, and Commissions

5.D.i. EDA Minutes – April 11, 2016

5.D.ii. HPC Minutes – April 27, 2016

5.D.iii. P&Z Minutes – April 13, 2016

5.E. Other

5.E.i. None

6. **Public Hearings – 7:00 PM**

6.A. None

7. **Communications, Requests, and Petitions**

7.A. MN Historical Society 4th St. Historical Survey Grant Award Notice

8. **Department and Committee Reports and Action Items**

8.A. Gaylord Area Aquatic Center – Delaine Elseth, GAAC Manager

8.A.i. 2016 Season Operations Plans

Elseth explained that the rates will be the same as 2015. Elseth stated that registration started on Monday, May 16th. Elseth stated that she has received 120 registrations as of today. Elseth stated that opening day is scheduled for Wednesday, June 8th.

8.A.ii. Consider 2016 Staff and Wages

Elseth stated that she is requesting approval for the 2016 GAAC staff and the proposed wages. Elseth noted that Hannah Walz should be removed from the staff list and Chloey Kellerman should be added. Elseth said that this year in lieu of a base pay increase for lifeguards and WSI's, the Park Board is recommending a "bonus" plan if lifeguards work a minimum of 240 hours over the summer. This incentive would be paid at the end of the summer.

COUNCIL MEMBER DEVLAEINCK MOVED, COUNCIL MEMBER LOSURE SECONDED, TO APPROVE THE 2016 STAFF AND WAGES AS PRESENTED. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.B. Administration Department – Kevin McCann, City Administrator

- 8.B.i. 2015 Audit – Tom Olinger, Abdo Eick Meyers
Olinger explained that GASB 68 was not implemented in this audit. Olinger stated that the number of adjusting entries that the auditors have had to make have decreased from last year. Olinger reported that there were material audit adjustments that were needed. Olinger noted that there were a number of checks in excess of the three-year limitation. Olinger also noted that during the audit sampling there were some checks that were paid after the 35 days of receipt. Olinger stated that the General Fund balance is healthy. Olinger explained that the Fund Balance has helped the city score well on bonding. Olinger noted that the expenditures for the General Fund were over budget by \$122,000. Olinger noted that there were a couple of new funds created, that were related to the Small Cities Program. Olinger noted that the Nursing Home Fund proceeds decreased \$65,000 to help pay GAAC bond payments. Olinger stated that most funds have positive balance. Olinger noted that the total of all Debt Service Funds is \$15.6 million. Olinger reported that in 2017 and 2018 some debt will be coming off the books. Olinger stated that the Water Fund had a significant increase in cash, but this is mostly from bond proceeds. Olinger suggested continuing to build water reserves. Olinger stated that even though there is a healthy cash balance, it is important to monitor rates to ensure they are sufficient to maintain reserves. Olinger noted that the Refuse Fund deficit has been gradually decreasing. Olinger noted that the Storm Water Fund has a slight decrease in the cash flow, but it is sufficient to maintain reserves, pay debt and keep up with increasing system costs. Olinger stated that everything went well with the audit process.

COUNCIL MEMBER LOSURE MOVED, COUNCIL MEMBER DEVLAEINCK SECONDED, TO APPROVE AND ACCEPT THE 2015 AUDIT AS PRESENTED. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

- 8.B.ii. May Investment Report – Northland Securities
McCann presented the May Investment Report from Northland Securities. McCann stated that investments are earning income for the City.

8.B.iii. Economic Development Director Vacancy Update – PRESENTED AT MEETING

McCann explained that the Council held a joint meeting with the EDA to discuss this vacancy. McCann stated that after the joint meeting, he was instructed to update the job description and has placed the job opening on the LMC website. McCann stated that he has already received one (1) application.

Klimmek stated that he had met with the Arlington Mayor last Friday, to discuss the possibility of a Joint EDA Director. Klimmek explained that the Arlington Council met on Monday night, but they would like to discuss the possibility of a Joint EDA Director with their EDA Board, but the board will not be meeting until June.

Boeder said that this sounds like a good work in progress.

9. Unfinished Business

- 9.A. MN Historical Society Invoice – Jessica Uecker, Council Member
Uecker stated that she wanted to make sure that everyone understood what this invoice was for.

McCann explained the City received the Historical Preservation Grant in 2014. McCann explained that the City had previously worked with Pat Smith on previous grants and decided because of previous relations to

work with him again on the new grant. McCann explained that the Historical Preservation Grant required three (3) bids. McCann stated that he sent a letter to the State to explain his reasons for not going out for bids, but they refused and requested that the City pay back the grant that they received. Muchow stated that McCann had sent a decent letter to the State, but they reviewed it and said no.

COUNCIL MEMBER UECKER MOVED, COUNCIL MEMBER LOSURE SECONDED, TO APPROVE THE PAYMENT OF THE MN HISTORICAL SOCIETY INVOICE. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

10. New Business

10.A. Discussion Regarding Former Junk Yard Property – Justin Horstman, Top Notch Const. Horstman was not in attendance, item will be placed on a future agenda.

10.B. School Use of Stormwater Pond
McCann stated that the State of MN would like a written letter from the City for the Sibley East School to discharge water in the stormwater pond.

COUNCIL MEMBER LANDAAS MOVED, COUNCIL MEMBER DEVLAE MINCK SECONDED, TO APPROVE THE SCHOOL DISCHARGING INTO THE STORMWATER POND. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

10.C City of Excellence Award – Phil Keithahn
Keithahn explained that he just received an email this evening stating that the RS Fiber Joint Powers Board has won the 2016 City of Excellence Award. Keithahn explained that he had sent an entry for the RS Fiber Joint Powers Board to the League of MN Cities for the award. Keithahn stated that the award will be presented at the LMC Conference in June.

Council meeting was recessed at 7:14 pm.

11. Other

11.A.i.

Council Workshop – Comp Plan Update

Jeff Miller and Tim Solmonson from Hoisington Koegler Group (HKG) gave a presentation to the Council stating that they are working with SEH, city staff, Project Task Force and Council to update the City's Comprehensive Plan.

Miller stated that the areas to talk about are:

- Land use and Community Design
- Downtown
- Housing
- Parks, recreation, trail and open space
- Transportation
- Community resources and Public facilities

Miller explained that there will probably be five (5) meetings for the Task Force members. Miller stated that there will be Public Workshops and Public Hearings in June, August and December. Miller explained that he will work on items to be placed on the City website next week.

Muchow suggested putting information about the Comprehensive Plan update into the City newsletter and also on the City Facebook page.

Miller explained that the process for updating the Comprehensive Plan is:

- Project Kickoff (today, May 18th)
- Community Audit and Visioning
- Explore Future Direction
- Prepare Updated Comp Plan
- Seek Approval of Updated 2035 Plan

Landaas inquired how do you plan a vision with a possible medical school?

Miller stated that they can look at other cities with a large employer coming in and use that as a framework. Miller explained that the goal is to complete the Comprehensive Plan by the end of the year.

Miller reviewed the Land Use, Downtown, Housing, Parks and Transportation sections and what have been the changes since the 2000 Comprehensive Plan was completed. Miller discussed the Key Future Issues and Opportunities and what would the Council like to tell them or suggest.

- What existing areas need improvement?
- Community assets that need protection?
- Where are there gaps that can be filled in?
- Where should future growth occur?
- General trends to be aware of?

Boeder suggested working on trying to fill up downtown businesses.

Keithahn noted that there will be visits in the fall by City members to see the Southern communities where the Medical Schools have been started in small communities and wondered if this would be helpful for the comprehensive plan?

Landaas is concerned with rushing the comprehensive plan.

McCann stated that the comprehensive plan is only a tool, a living document that can be picked up and looked at.

Landaas doesn't want to stop the process, just wanted to make sure that they will have enough information.

Miller stated that during the Audit Process, their company will review the previous Comprehensive Plan.

Keithahn stated that by September 1st, he should know more about the medical school status.

Keithahn stated that he will get information from the previous comprehensive plan to Miller.

The Council Workshop concluded at 8:15 pm.

12. Upcoming Meetings and Events

- 12.A. Thursday, May 19th – 8:30 AM – Coffee with the Mayor – Prairie House
- 12.B. Monday, May 30th – Memorial Day – CITY OFFICES CLOSED
- 12.C. Tuesday, May 31st – 7:00 – Fire Department Meeting
- 12.D. Wednesday, June 1st – 6:30 – Council Meeting – City Hall
- 12.E. Monday, June 6th – 6:30 – Ambulance Meeting
- 12.F. Wednesday, June 8th – 5:30 – P&Z Meeting – City Hall
- 12.G. Wednesday, June 8th – 6:30 – HPC Meeting – Library
- 12.D. Monday, June 13th – 5:30 – EDA – City Hall
- 12.E. Wednesday, June 15th – Council Meeting – City Hall
- 12.F. Monday, June 20th – 7:00 – Park Board – Library
- 12.G. Thursday, June 23rd – Sibley County Municipalities Meeting – EJ's
- 12.H. Monday, July 4th – Fourth of July – CITY OFFICES CLOSED
- 12.I. Wednesday, July 6th – NO COUNCIL MEETING