

## CITY COUNCIL

7:00 P.M.

May 21, 2007

Present: Scott M. Johnson  
David Gustafson  
James P. Kelly  
Pat Kelley  
Steve Marolt

Tom Smith, City Administrator  
Wayne G. Johnson, City Attorney

Also attending: Forrest Johnson

Mayor Johnson called the meeting to order at 7:00 p.m.

CONSENT AGENDA – Motion J. Kelly, second Marolt to approve the consent agenda items 3 (minutes of May 1 Joint Council/Public Utilities Meeting and May 7 regular Council Meeting) and item 4 (March Treasurer's Report). THE MOTION CARRIED

### PETITIONS, REQUESTS, & COMMUNICATIONS

Report from architect on MacDonald Center. (NEXT AGENDA)

DEPARTMENTS – CITY ADMINISTRATOR – POLICE OFFICER LETTER OF RESIGNATION & MEMO FROM POLICE CHIEF – Letter of resignation, dated 5/16/07 from Brent Peterson stating his last day of work will be June 3, 2007. Memo from Chief Billings recommending Brent Peterson for part time employment. Chief Billings will be posting the fulltime job opening within the City.

Motion J. Kelly, second P. Kelley to accept the resignation of Officer Brent Peterson with regret and to send him a letter of thanks for his service to the City. THE MOTION CARRIED

Motion J. Kelly, second Marolt to allow Brent Peterson to be considered for a part time position and to recommend that the personnel committee begin the search to fill the vacancy created by Officer Peterson's resignation as fulltime officer. THE MOTION CARRIED

CITY ATTORNEY – LEASE ADDENDUM FOR WILDERNESS FAMILY NATURALS IN MACDONALD CENTER – Atty. Johnson prepared an addendum allowing Wilderness Family Naturals to lease additional space (Room 105) in MacDonald Center for an additional \$300 per month. Atty. Johnson noted the \$300 was below the amount per square foot normally charged for space, but this lessee already leased a large amount of space in MacDonald Center. Only one month remains on their existing lease.

Motion Gustafson, second J. Kelly to approve the Addendum to the lease with Wilderness Family Naturals allowing them to lease Room 105 for an additional \$300 per month.

Member P. Kelley expressed concerns regarding that Room 105 was not designed for the type of use—cooking and drying of foods—that Wilderness Foods planned. He also questioned a reduced rate for the space since electrical usage there could be high because of cooking and drying. These issues can be addressed when the lease is renewed. A vote was called on the motion.

### THE MOTION CARRIED

WATER FACILITIES IMPROVEMENTS – All documents are in order for the contract with Springlake Contracting. Mr. Smith noted the City had just received written notice confirming that the interest rate for the PFA loan would be 1.65% instead of 2.3%. Member J. Kelley reported the Public Utilities Commission had held a public hearing earlier this day and had adopted a Resolution implementing rates increases and connection fees effective 1/1/08 and 7/1/07, respectively.

MACDONALD MANAGER – Members P. Kelley asked why the position of building manager had not yet been posted. Atty. Johnson said the contract language allowed for a 60-day notice and in this case the existing contract would expire on July 1. Because of these circumstances he felt it was more practical to allow the manager to resign. Members Marolt and P. Kelley said they felt the Council had moved to terminate the contract and post for a new manager. Member Gustafson stated the building was suffering without a manager in place. Council asked the city administrator to post the opening for an interim manager for MacDonald Center.

AIRPORT COMMISSION REQUEST FOR APPROVAL TO LEASE HANGAR SPACE TO STORE RECREATIONAL VEHICLES – Member Gustafson stated the airport currently had 5 empty hangars. In order to generate some revenue, the Commission would like approval to lease space to individuals for winter storage of RV's and boats. Two specific hangars would be designated for this storage. There could be a termination clause in the lease if the space was needed for an aircraft. Council asked that the city administrator check with the State to determine whether or not the city would lose FAA funding if it rented space for storage of items other than aircraft and to check with the insurance carrier regarding liability.

AIRPORT FUEL SYSTEM – Member Gustafson reported the airport either had to install a monitoring system (estimated cost between \$5,000 and \$10,000, of which the State would pay half) or pay \$1500 a year to have a pressure check of the system. Council discussed the cost to maintain the airport and the commitment the city made to continue operating the airport when it accepted matching funds. Council asked for a firm cost for the monitoring system and a report of the amount of fuel being sold at the airport. NEXT AGENDA

### NEW BUSINESS

DEER HUNTERS ASSOC. PERMIT FOR RAFFLE – Motion J. Kelly, second Gustafson to approve the application of the MN Deer Hunters Association Permit for a MN Lawful Gambling raffle permit. THE MOTION CARRIED

DEER HUNTERS ASSOC. PROPOSAL FOR DONATION TO RE-UNION HALL IN LIEU OF RENT – Motion J. Kelly, second P. Kelley to accept the offer from the local chapter of the MN Deer Hunters Association for a \$750 donation toward the purchase of tables for the Re-Union Hall in exchange for free rent for the group’s annual banquet in October, contingent upon their cleaning up the Hall following the banquet. THE MOTION CARRIED

CLAIMS – Motion J. Kelly, second Marolt to approve payment of \$180,860.64 unpaid claims and \$75,637.68 paid claims as presented. THE MOTION CARRIED

Motion J. Kelly, second P. Kelley to adjourn at 7:47 p.m. THE MOTION CARRIED

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Scott M. Johnson, Mayor

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Tom Smith, City Administrator