

CITY COUNCIL

7:00 P.M.

May 7, 2007

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

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

Also attending: Marie Frey, Alice Kallinen, Lillian Miller, Joanne Kallinen, Dwight and Betty Solberg, Jennifer Mattson, Margy Porter, Laurie Kallinen, Rita Wiegel, Jim and Caron Lukken, Gina Heinzen, Ed Judkins, Deb Russell, Teresa Judkins, Mark Russell

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

Motion J. Kelly, second P. Kelley to approve the Consent Agenda item 3 (minutes of the April 16, 2007, Council meeting). THE MOTION CARRIED

PETITIONS, REQUESTS, & COMMUNICATIONS

LMC LETTER RE: BOARD OF DIRECTORS VACANCIES – Mayor Johnson thanked Member J. Kelly for serving as a representative to the LMC Board of Directors. Mr. Kelly does not plan to apply for re-election.

DEPARTMENTS – CITY ADMINISTRATOR – Mr. Smith reported he had been in touch with the architectural firm regarding the cost of repairs at Mary MacDonald.

CITY ATTORNEY – REVISED EXTENSION AGREEMENT FOR MARY MACDONALD LEASE – Atty. Johnson said the lease extension for the Bay Area Vineyard, approved previously by the Council, had been completed and signed.

BELL APARTMENT PROPERTY SALES LISTING – The non-exclusive listing agreement for the Bell Apartment Site, approved by Council at a previous meeting, was prepared and sent to area realtors. Only two realtors, Century 21 and Edina, were interested in the listing agreement.

Motion J. Kelly, second Gustafson to adopt **Resolution 1007-#9, A Resolution Authorizing Bell Circle Listing Agreement**

Member P. Kelley said he did not feel comfortable voting on this Resolution because the Council had not received the paperwork until meeting time. Attorney Johnson said it was a standard agreement for a 6- month period with a 7% commission for the realtors.

Roll call vote: Member Gustafson – aye Member J. Kelly – aye
 Member P. Kelley – naye Member Marolt – aye
 Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED (P. Kelley voted naye)

CITY SHOP LAND – Although Council moved to accept the donation of land at its April 16 meeting, the State has requested a Resolution.

Motion Gustafson, second J. Kelly to adopt **Resolution 2007-#10, A Resolution Accepting Donation of Land in the City Shop Area and Behind Charles Circle.**

Roll call vote: Member Gustafson – aye Member J. Kelly – aye
 Member P. Kelley – aye Member Marolt – aye
 Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED

OLD BUSINESS

PUBLIC WORKS MINUTES OF 4/12/07 MEETING RECOMMENDATIONS --
REQUEST TO PURCHASE LAND - The Public Works Commission has recommended denying the request of a landowner to purchase the land adjacent to 49 Marks because of possible future development and because the City has an easement on that property. Council agreed and asked Mr. Smith to inform the landowner the City did not wish to sell the property.

PROPOSED SIDEWALK PROJECT – Public Works Commission recommends the City pay for the cost of installing sidewalks in the Reed/Quincy/Shaw area and that the work be completed and paid for by 2010. Following discussion about the cost (estimated at \$80,650) and ways to pay for the sidewalk, Council felt this was a budget issue and should be looked at in connection with other needs for sidewalk replacement in the city at budget time. The work will therefore not begin this summer.

Member J. Kelly felt information should be placed in the local paper to inform citizens about City Code restrictions on open fires and burning.

NEW BUSINESS

ENGINEER & BID COMMITTEE RECOMMENDATIONS—2007 WATER SYSTEM FACILITY IMPROVEMENT BIDS – The Bid Committee opened 3 bids at its May 1 meeting as follows: Springlake Contracting--\$553,000
 Rice Lake Construction--\$741,500
 RJS Construction Group--\$742,500

Motion J. Kelly, second P. Kelley to adopt **Resolution 2007-#11, A Resolution Awarding the Contract for 2007 Water System Facility Improvements** to the lowest responsible bidder, Springlake Contracting, in the amount of \$553,000 and to authorize the Mayor and the City Administrator to sign all necessary documents.

Roll call vote: Member Gustafson – aye Member J. Kelly – aye
 Member P. Kelley – aye Member Marolt – aye
 Mayor Johnson – aye

THE RESOLUTION WAS ADOPTED

REQUEST APPROVAL OF MARY MACDONALD WORKING COMMITTEE –

Motion J. Kelly to approve the Mayor and one Council member to hold discussions with the school district and the county and also to work with the Bay Area Vineyard to define parameters for the possible negotiation of the building sale. There was no second to the motion.

Motion P. Kelley, second Marolt to approve the Mayor's action in designating the city administrator, mayor, and council member Gustafson as a working committee to meet with school district representatives regarding the Bay Area Vineyard proposal to purchase Mary MacDonald Building. CARRIED

Member Gustafson reported that the working committee that met with representatives of the school district had told them the City would not violate the terms of its agreement with the district and that it would not lease space at Mary MacDonald to anyone who wanted to provide educational services to students in competition with the school district. The City would also include this restriction on competing educational services as a condition of any sale or transfer of the building. Atty. Johnson said he had informed Rev. Cheney of the terms of the agreement also. If the assertion was made that the services to be provided would be religious and therefore different than the school district could provide, that issue would be between the school district and the Vineyard, not between the City and the Vineyard, Atty. Johnson said. Discussion followed. Member J. Kelly noted there were many questions regarding the building and its value that needed to be determined before the Council could consider any offers to purchase.

RECOMMENDATION RE: BUILDING MANAGEMENT SERVICES AND LEASES FOR MARY MACDONALD – Mr. Smith stated concerns had been raised regarding building management at Mary MacDonald. The manager has not submitted a report of hours worked since February and has not responded to any communications from the City. His lease payments are in arrears also.

Motion J. Kelly, second P. Kelley to allow the city attorney and the city administrator to begin termination procedures for the Mary MacDonald building manager and to post the position opening. THE MOTION CARRIED

Motion J. Kelly, second Marolt to terminate the lease of Chris Buckley at Mary MacDonald unless he complies with the terms of the lease. THE MOTION CARRIED

ANNUAL CITY ATTORNEY CONFERENCE – Motion J. Kelly, second Gustafson to pay usual expenses for the attendance of city attorney Johnson at the LMC 2007 update conference in St. Paul in June. THE MOTION CARRIED Member P. Kelley voted naye.

CLAIMS – Member Gustafson questioned a charge from December of 2006 on the most recent bill from the city attorney. Atty. Johnson explained his office had been asked to submit bills for special projects on a quarterly basis. The late December charge had just missed being placed on that quarter's billing. He stated his office, however, had now been asked to submit bills for work on special projects on a monthly basis along with the monthly retainer. Member J. Kelly questioned the switch to a monthly billing on each special project since it caused more work in the office. Mr. Smith said the monthly bill would more accurately show what costs were each month.

Motion J. Kelly, second P. Kelley to approve payment of \$89,189.16 unpaid claims and \$117,255.34 paid claims as presented. THE MOTION CARRIED

Motion Marolt, second J. Kelly to adjourn at 8:29 p.m. THE MOTION CARRIED

Minutes taken by Betty Oslund

Scott M. Johnson, Mayor

Tom Smith, City Administrator