Minutes  
Silver Lake City Council  
Regular Meeting  
September 19, 2011

Mayor Bruce Bebo called the meeting to order at 6:30pm.

Members present: Mayor Bruce Bebo, Councilors Carol Roquette, Eric Nelson and Nolan Johnson (arrived at 6:35pm)

Absent: Willie Krohn

Others present: Kerry Venier, Clerk; Kristi Mesenbrink, Deputy Clerk; Bill Hummel, PD Chief; Dale Kosek, PW Supervisor, Alyssa Schauer, Sandra Keswick, Frank Koelfgen, Owner of Molly’s Café; Steve Cook, Mayor of Hutchinson; Steve Stotko, Mayor of Winsted; Kristi Rice, DNR; Dolf Moon, Hutchinson PW Director, Ray Bandas.

A motion was made by Councilor Roquette seconded by Councilor Nelson to approve the Agenda.   
Vote for: Unanimous

Absent: Councilor Krohn  
Motion carried.

Consent Agenda:

1. Approve the minutes of the August 15, 2011 regular meeting.
2. Approve payroll #17, 18 & August Amb.
3. Claims to be paid: $116,593.14 (8/26/11)  
    $ 16,839.28 (9/8/11)  
    $ 28,420.83 (9/19/11)  
      
   *A motion was made by Councilor Roquette seconded by Councilor Johnson to approve the consent agenda.  
   Vote for: Unanimous*

*Absent: Councilor Krohn  
Motion carried.*

\*Mr. Ray Bandas of the Silver Lake Knights of Columbus presented a donation to the City to be used for the Pool Operations.

Old Business:

1. The Luce Line Trail Committee requested that the council reconsider supporting the paving of the trail and many individuals showed up in favor of it to speak to the council.

Steve Cook, Mayor of Hutchinson, asked the council to reconsider supporting the paving of the Luce Line Trail. He presented the council with an overview of the project and clarified some key points. Steve Cook stated that snowmobilers would still be able to use the trail and horseback riders would still be able to use a parallel trail. He also emphasized that it would be a way to provide economic development potential to the area as well as a safe way for more people to utilize the trail and bring surrounding communities together. The paving of the trail would be funded through a bonding bill through the State of Minnesota that is set up for the development of trails across the state. It would not be eligible for Legacy dollars which is reserved only for the maintenance of trails.

Steve Stotko, Mayor of Winsted, addressed the council stating that the paving of the trail is a way for Winsted to bring people to their downtown area and give an economic boost to the economy.

Frank Koelfgen, Owner of Molly’s Café, spoke in favor of paving the trail sharing his experiences with trail users that frequent his café. He stated that if it wasn’t for the trail, his business might not have made it. He also added that many of the trail users comment on the poor condition of the trail and do not return. He presented a book of comments he has gathered from them and a letter/essay that was written by a local student in support of the paving of the Luce Line trail. Frank argued that Minnesota trails attract people from all over the world and the State is going to continue to spend money on them. All that he is asking is that they spend the money here for our economic benefit.

Councilor Johnson said that he could not support paving the trail because the Cro River Sno Pros organization is a supporter of the Fire Department. Councilor Nelson said he could not support paving the trail because he would feel like he is supporting the State spending of the money which he does not agree with.

Mayor Bebo spoke in favor of the trail saying that we need to be looking at the economic advantages that the trail can bring in these economic times. He continued to say that since losing the gas station, we need to be looking for anything we can do to give our City an economic boost.

Councilor Roquette stated that we shouldn’t pass up the opportunity to bring people to our city because we need to generate the most income we can in the smallest possible ways.

Kristi Rice, DNR, gave an overview of how the paving of the trail would take place to accommodate everyone. The gravel was originally done as a base to something that would come later and was never completed so something will need to be done to the trail whether it will be limestone or a paved top. She also stated that from a maintenance standpoint, a paved top would be better.

*A motion was made by Councilor Roquette but failed for lack of a second to support the paving of the Luce Line Trail.  
Motion failed.*

1. Councilors reviewed the water rate proposals and the effect that rate increases would have. Clerk Venier showed them where the rates would need to be to bring the City into a range that would help them qualify for Rural Development Funding, which is approximately 1.5% of the median household income. The engineer estimates that have been given for needed projects adds up to a loan amount of roughly $1,162,131.00. Of those projects, the PW Supervisor spoke on the need for water storage stating that the current water tower holds only about half of what it should.

Councilor Nelson asked if we were better off raising the usage fee to cover the debt since it charges those who are using more. Clerk Venier said if we only raise the usage fee and people start using less water, there is a risk that we won’t have the money to cover our debt payments. Clerk Venier stated that there are many ways of approaching the rate increases but recommends using the base fee to cover all debt payments and the usage fee to cover all operational costs of the system. He also recommends raising the rates gradually to allow people to get use to the increases and converting to monthly billings. The council settled on a base fee of $8/month and the water usage fee of $3.05/1,000 gallons used but will make a decision at the October meeting. The council will address the Sewer fund at the next regular meeting. It is the goal of the council for the increases to be in place by year end.

1. Clerk Venier reminded the council that a decision needs to be made regarding the Capital Improvement Plan/County Road Turnback Proposal. Mayor Bebo said they would revisit this topic at the end of the meeting if time allowed.

New Business:

1. Councilors reviewed a 1-day liquor license application for the American Legion Post 141 for September 25, 2011.  
   *A motion was made by Councilor Johnson seconded by Councilor Roquette to approve a one day liquor license for the American Legion Post 141 on September 25, 2011.  
   Vote for: Unanimous  
   Absent: Councilor Krohn  
   Motion carried.*
2. Councilors reviewed a 1-day liquor license application for the American Legion Post 141 for October 23, 2011.  
   *A motion was made by Councilor Johnson seconded by Councilor Nelson to approve a one day liquor license for the American Legion Post 141 on October 23, 2011.  
   Vote for: Unanimous  
   Absent: Councilor Krohn  
   Motion carried.*
3. Councilors reviewed a 1-day liquor license application for the American Legion Post 141 for November 27, 2011.  
   *A motion was made by Councilor Johnson seconded by Councilor Nelson to approve a one day liquor license for the American Legion Post 141 on November 27, 2011.  
   Vote for: Unanimous  
   Absent: Councilor Krohn  
   Motion carried.*
4. Councilors reviewed a 1-day liquor license application for the American Legion Post 141 for December 18, 2011.  
   *A motion was made by Councilor Johnson seconded by Councilor Nelson to approve a one day liquor license for the American Legion Post 141 on December 18, 2011.  
   Vote for: Unanimous  
   Absent: Councilor Krohn  
   Motion carried.*
5. Councilors reviewed a request from AT&T regarding the water tower lease. AT&T would like to offer money to the City in lieu of removing their equipment. Clerk Venier recommended to the council that they request $10,000.00 in addition to outstanding lease payments which would help pay for the truck that was being paid for with the lease payments. Mayor Bebo questioned the amount it would cost to get rid of the equipment while Councilor Roquette wondered in someone else was interested in using the equipment. Clerk Venier mentioned that we were planning on having the equipment there through the entire lease so waiting to see if someone else wanted to lease the space would be an option.

*A motion was made by Councilor Nelson seconded by Councilor Roquette to approve a proposal to be submitted to AT&T stating that if they pay the City $15,410.59 by September 30, 2011 the City will retain the cellular antenna equipment that is described in the Lease Agreement they have with the City. The proposal is to also include amendments as proposed by the City Attorney.  
Vote for: Unanimous*

*Absent: Councilor Krohn  
Motion carried.*

Department Reports:

1. Municipal Liquor: Councilor Johnson reported the following:  
    Aug’11 Aug ’10 YTD ’11 YTD ’10  
   Sales $51,465 $42,537 $351,825 $369,162  
   Cost of Goods $27,994(53.5%) $32,181(74.4%) $199,734(55.8%) $210,537(55.7%)  
   Wages & Benefits $11,859(22.6%) $12,383(28.6%) $ 94,553(26.4%) $ 99,947(26.4%)  
   Overhead $6,078 (11.6%) $6,490 (15.0%) $ 46,201 (12.9%) $ 51,685(13.6%) Net Profit $6,335(12.12%) $(7,817) -18.0% $ 17,373(4.8%) $ 15,501(4.1%)  
     
   Councilors discussed the need to hire another cleaner or cleaning service. Clerk Venier stated that the cleaning service cost would be considerably higher for events held in the auditoriums but would be about the same for the Liquor store cleaning. Clerk Venier will work with Jerry on doing a cost comparison on the cleaning service and in house cleaners.
2. Public Safety: Chief Hummel reported the following:
   1. National Night Out showed excellent public attendance.
   2. Pola-Czesky Days focused on controlling the alcohol consumption outside the barricaded areas. Overall, the transition was successful and security could be reduced for upcoming public celebrations.
   3. In response to an increase in complaints involving rental properties, Chief Hummel asked the council to reconsider an ordinance controlling inspections and background process for rental property owners and their prospective tenants. Councilor Johnson stated that they were suppose to receive additional information last year on this ordinance but did not receive any. Mayor Bebo wants to know what will be done to enforce the ordinance. The council agreed to hear from an apartment complex manager at an upcoming meeting regarding the ordinance.
   4. Patrolling of the new one-way has been worked into regular PD hours and has been going well. The council discussed putting up a stop sign at Gehlen and Grove to slow down traffic which Chief Hummel advised to do it soon so that it is not confusing to motorists. Clerk Venier indicated that the original plans from the engineer did include a stop sign there and it certainly wouldn’t hurt anything to have one. The council agreed to have the stop sign put up to help slow the traffic.
3. Public Works: PW Supervisor, Dale Kosek reviewed the following:
   1. Repairs are needed to the 100kw generator from the DNR. PW Director stated that the injector pump is bad and recommends fixing it because the trade-in value would not allow them to get a newer model. Estimates for the repairs were obtained from Ziegler Cat for $2100 and to remove and reinstall the generator from Pokornowski Farm Services for $420.

*A motion was made by Councilor Nelson seconded by Councilor Johnson to approve the repairs needed up to $2600.00 for the generator and $420.00 to Pokornowski Farm Services to remove and reinstall the generator.   
Vote for: Unanimous  
Absent: Councilor Krohn  
Motion carried.*

* 1. Quotes for Televising the storm sewer near Frant St were received from:
     1. Visu-Sewer $330 per hour for jetting/televising (extra if addt’l jetting is needed)
     2. Infratech $435 per hour for jetting/televising (extra if addt’l jetting is needed)
     3. Underground Technologies $1.15 per foot for jetting/televising
     4. Midwest Trenchless Technologies $5221.00 for jetting/televising 2,200 feet and cleaning 20 catch basins.

*A motion was made by Councilor Nelson seconded by Councilor Johnson to approve the proposal from Underground Technologies of Minnesota LLC for televising/jetting the 2200 feet of system that needs to be worked on.  
Vote for: Unanimous  
Absent: Councilor Krohn*

*Motion carried.*

The Council discussed possible repairs that will be needed but decided that any repairs will be discussed after they have completed the jetting/televising process.

* 1. Staff will begin prepping for fall discharge, street sweeping and other seasonal items.
  2. Councilor Nolan requested that an inventory be done on the storm sewer intakes rating them based on the condition they are in.

1. Repairs need to be done to the sewer connection between the main and the roof drains off the school. The school will pay to fix the storm sewer lines connecting the manhole to the school, and the City will cover the repairs to the manhole. Councilor Nelson thought the school should pay for all repairs because he felt their tile lines caused the problem. The council reminded Supervisor Kosek that the repairs fall within his limits to approve.
2. Community Development: Clerk Venier reported the following:
   1. The Planning Commission will meet each month only if there is business to discuss. The Council Liaison was not in attendance at last meeting and Clerk Venier asked the council if someone could fill in so that the Council has representation at the meetings. Mayor Bebo said he would fill in as long as the committee agreed to meet on the second Monday of each month. Clerk Venier will set up a meeting with Mayor Bebo and the Council Liaison.
   2. Clerk Venier reported a summary of Revenues and Expenses for the 2011 Summer Rec Program.

Actual Budgeted

Revenues $8,339.31 $8,500.00 Expenses $7,297.62 $7,868.00 Surplus $1,041.69 $ 632.00

*A motion was made by Councilor Roquette seconded by Councilor Johnson to transfer $1000.00 from the General Fund to the Pool and Parks Capital fund earmarked for the Summer Rec Program.  
Vote for: Unanimous.*

*Absent: Councilor Krohn  
Motion carried.*

* 1. Clerk Venier reported a preliminary summary of Revenues and Expenses for the 2011 Pool stating that some expenses have been estimated because the final bills are not all in yet:

Actual Budgeted

Revenues $29,544.94 $28,200.00

Expenses $50,138.90 $60,735.00

Deficit $20,593.96 $32,535.00

1. Administration: Clerk Venier presented the following:
   1. August’s Treasurer’s report.
   2. Presented Resolution 11-23 approving State of Minnesota Joint Powers Agreements with the City of Silver Lake on behalf of Its City Attorney and Police Department.

*A motion was made by Councilor Roquette seconded by Councilor Nelson to approve Resolution 11-23 approving the Joint Powers Agreement with MN DPS.  
Vote for: Unanimous*

*Absent: Councilor Krohn  
Motion carried.*

Open Discussion:

* Clerk Venier handed out information found in the Star Tribune regarding the new property tax calculations for the council to review.
* Mayor Bebo expressed his disappointment that the council did not support the paving of the Luce Line Trail. Councilors Johnson and Nelson restated their reasons for opposing the paving. Mayor Bebo reminded the councilors to focus on what is good for the City.

*A motion was made by Councilor Roquette seconded by Councilor Nelson to adjourn this regular meeting of the Silver Lake City Council.  
Vote for: Unanimous*

*Absent: Councilor Krohn  
Motion carried; meeting adjourned at 10:00pm*

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Bruce Bebo, Mayor

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Kerry Venier, Clerk/Treasurer