

On Monday, January 9, 2012 the regular meeting of the Albert Lea City Council was called to order at 7:00 p.m. in the City Center Council Chambers by Mayor Vern Rasmussen, Jr.

**PRESENT:** Mayor Rasmussen, Councilors Schulte V, Baker, Kehr, Olson, Anderson and Brooks; City Manager Chad Adams, City Clerk Shirley Slater-Schulte, City Engineer Steven Jahnke, City Attorney Lee Bjorndal and Representative from the Albert Lea Tribune.

**CONSENT & APPROVAL OF AGENDA**

- A. Approve Minutes of the December 22, 2011 Special Council Meeting
- B. Licenses and Permits (See attached list)
- C. Resolution 12-01 Approving Amendments to Special Assessment Policy
- D. Approve Waiver of Demolition Fee
- E. Resolution 12-02 Approving Labor Agreement with Teamsters Local 320 – Dispatchers
- F. Resolution 12-03 Approving Labor Agreement with IAFF Local 1041 - Firefighters
- G. Resolution 12-04 Establishing 2012 Appointments and Designations
- H. Resolution 12-05 Designating Depositories of City Funds-Signatories-Wire Transfers
- I. Resolution 12-06 Accepting Donations
- J. Resolution 12-07 Authorizing Agreement with Capitol Lien Records and Research, Inc.

MOTION: Move to accept the agenda as presented.

Motion made by Councilor Brooks, seconded by Councilor Schulte V. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

**PUBLIC FORUM**

Mr. Harold Kamrath, 326 Glenn Road, suggested that the city save money by not hiring consultants such as for the Fire Delivery Services; also suggested that Council perform this service.

**PETITIONS-REQUESTS-COMMUNICATIONS**

**PRESENTATION OF LIFESAVING AWARDS AND MERIT AWARDS**

Police Chief Winkels acknowledged two officers for their work on the ARMER radio program over the past two years. Merit awards were presented to Lt. Darren Hanson and Officer Tim Harves. In addition, three officers were recognized for their lifesaving efforts last fall. Lifesaving awards were presented to Officer David Miller, Officer Jacob Stockwell (2<sup>nd</sup> Life Saving Award), and Officer Tim Harves (4<sup>th</sup> Life Saving Award).

On behalf of the City Council, Mayor Rasmussen Jr. thanked these and all officers serving this community.

**UNFINISHED BUSINESS**

**RESOLUTION 12-08 AMENDING 2012 WATER RATES**

City Manager Adams explained that at the December 21<sup>st</sup> Council meeting, the Council approved the proposed water rates for 2012, with the exception of the increases for the top heaviest users in the existing declining block rate structure. Staff was directed to contact the top two users to determine if a 10% increase for 2012 would be more acceptable than the proposed 25% increase. Staff has met with both users and they expressed concern that the total aggregate costs (water, sewer, taxes) would be raised by the City in the future. Considering that the City did not raise the sewer rates for nearly all users in 2012, the 10% increase was more acceptable to the top users, particularly considering that the City has committed to identifying a five-year water rate plan in coming months. Staff recommends approval of the resolution to increase the rates by 10% from the existing declining block rate structure for the top users.

Councilor Kehr moved the adoption of this resolution, seconded by Councilor Brooks. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-08  
included with these minutes)

**NEW BUSINESS**

**ORDINANCE 144,4d AMENDING CHAPTER 50, ARTICLE IV OF THE CITY CODE - SPECIAL EVENT POLICY  
(1ST READING)**

City Manager Adams reviewed the proposed ordinance and gave a slide presentation regarding the purpose and background for the Special Event Policy and type of permits that are needed. This will provide for internal approval for some events and will clarify which events need City approval. Secondary issues were possible use of city resources, and possible user fees. A stakeholder meeting was held regarding the process and recommended response time for the permitting process. Fees were also discussed at the stakeholder meeting as to what level of city service should be provided vs. charges to the applicant. City staff will track time and dollars used for these events and fees may be discussed in 2012 and proposed in the 2013 Fee schedule.

Councilor Anderson moved the adoption of the 1<sup>st</sup> reading, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed

(See Secretary's Original Ordinance 144,4d  
included with these minutes)

**PUBLIC HEARING AND RESOLUTION 12-09 AUTHORIZING LOAN TO SAR MANUFACTURING, INC.**

City Manager Adams explained that the attached resolution would authorize the Mayor and City Manager to enter into a Loan Agreement with SAR Manufacturing, Inc., in the amount of \$100,000.00 from the City of Albert Lea Economic Development Revolving Fund. SAR Manufacturing is being sold to new owners Kirk and Susan Knudtson. Their intent is to keep SAR in Albert Lea, keep jobs local and grow the business. They have received commitments for \$2.7 million from a source and are seeking “gap” financing of \$400,000.00. They are to receive \$150,000.00 from the Southern Minnesota Initiative Foundation, \$100,000.00 from Freeborn-Mower Co-op, and \$50,000.00 from Greater Jobs, Inc. The \$100,000.00 loan from the City’s revolving loan fund would close the gap. The term of the note would be seven years and interest will accrue at the rate of 4%. The parties will sign a Promissory Note, Personal Guarantees, a Corporate Guarantee, a Security Agreement and a Mortgage on the real property as security. Staff recommends entering into the Agreement.

Mayor Rasmussen Jr. opened the public hearing.

Mr. Dan Dorman, Executive Director of the Albert Lea Economic Development and Port Authority, stated that the city has been presented with an opportunity to help in the sale of this business to new owners. Mr. Dorman explained the process regarding the federal and state dollars along with city dollars to make this happen.

Kirk and Susan Knudtson introduced themselves. They are from Kasson, MN and have 10 years of HR experience, 19 years of small business experience. The Knudtson’s plan to move to the Albert Lea area in the spring of 2012, retain the current employees and add approximately eight more jobs. They stated that they are excited to be in this community.

Mayor Rasmussen Jr. called three times and then closed the public hearing.

Councilor Anderson moved the adoption of this resolution, seconded by Councilor Kehr. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-09  
included with these minutes)

**RESOLUTION 12-10 NAMING CITY ARENA ICE RINK**

City Manager Adams explained that the Parks and Recreation Advisory Board received a request from the Albert Lea Figure Skating Association to name the newest sheet of ice after Carol Colstrup, who has been involved with the Association and has taught skating in Albert Lea for over fifty years. The Board discussed the request at their November meeting and voted unanimously to support this request. The attached resolution would approve the request to name the “red” rink in honor of Carol Colstrup. The Association will pay for any signage involved with the new name. Staff recommends approval.

Councilor Olson moved the adoption of this resolution, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-10  
included with these minutes)

**RESOLUTION 12-11 APPROVING AGREEMENT FOR FIRE DELIVERY SERVICES REVIEW**

City Manager Adams explained that staff has completed the interviews for the Fire Delivery Services Review. A contract has been prepared with Almont Associates for \$29,880. A total of nine firms submitted proposals to the City. A review committee consisting of two fire captains, two fire lieutenants, Interim Fire Chief, and City Manager has been reviewing the proposals and conducting interviews. Interest earnings may be used to pay for this service. The review is to be completed in May and public input will be sought. Staff recommends approval of the resolution. Reasons for hiring a consultant and some of the issues to be looked at are:

- The review will take a significant amount of time to coordinate, which Staff currently does not have, along with experience in leading such a review.
- Future leadership of the department will be reviewed.
- Facility or facilities location will be reviewed.
- Data analysis of call load, response times and other statistics will be reviewed and compared to national standards.
- ISO rating and risks of private property insurance will be reviewed.
- Three options for comparative analysis purposes, along with a recommendation will be made.

Councilor Schulte V moved the adoption of this resolution, seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-11  
included with these minutes)

**RESOLUTION 12-12 ACCEPTING 2012 CHEMICAL, FUEL AND BITUMINOUS BIDS**

City Manager Adams explained that each year the City holds a bid opening for chemicals and fuel. This year, the City is requiring the low bidder of chemicals to also perform maintenance on the equipment. DPC Industries Inc. provided the lowest bid, however, indicated that they do not work on equipment so the City is unable to consider their bid. Engineering is recommending awarding the bid to Hawkins Chemical. It is estimated that the City will pay an additional \$632.00 per year for hydrofluosilic acid and an additional \$250.00 for liquid chlorine, but would more than make up any difference if there are problems with equipment. The attached resolution would accept and award the bids for 2012 chemicals and fuel.

Councilor Brooks moved the adoption of this resolution, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr. ; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-12  
included with these minutes)

### **MAYOR & CITY COUNCIL REPORTS**

First Ward, Councilor Schulte V. reported:

- No Committee Updates
- No Ward Items

Second Ward, Councilor Baker reported:

- Committee updates
- No Ward Items

Third Ward, Councilor Kehr reported:

- Committee Updates
- No Ward Items

Fourth Ward, Councilor Olson reported:

- No Committee Updates
- No Ward Items
- Wished everyone a Prosper New Year

Fifth Ward, Councilor Anderson reported:

- No Committee updates
- No Ward Items
- Use caution on the ice

Sixth Ward, Councilor Brooks reported:

- Committee updates
- Ward Items – Margaretha Avenue

Mayor Rasmussen Jr. reported:

- Daughter attended Youth in Government through the YMCA; encouraged youth and parents to become involved in these programs.

### **CITY MANAGER REPORT**

- City Manager Adams noted that in response to a question raised during public forum at the last Council meeting, that 5,362 homes were needed for inspection on the Inflow and Infiltration of sanitary sewer lines. He noted 168 homes failed the inspection, 131 homes have repaired the connection, leaving 37 homes still needing their connections repaired.

**RESOLUTION 12-13 APPROVAL OF CLAIMS**

Councilor Schulte V moved that the resolution be approved for payment of claims in the amount of \$2,174,123.86, with the removal of the claim for Mead & Hunt in the amount of \$18,371.91, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-13  
included with these minutes)

**RESOLUTION 12-14 APPROVAL OF CLAIM FOR MEAD & HUNT**

Councilor Kehr moved that the resolution be approved for payment of the claim for Mead & Hunt in the amount of \$18,371.91, seconded by Councilor Baker. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-14  
included with these minutes)

**ADJOURNMENT**

Councilor Baker moved and Councilor Olson seconded that there being no further business, the council meeting be adjourned at 7:40 p.m., until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Monday, January 23, 2012. On roll call vote, all councilors voted in favor of said motion. Mayor Rasmussen Jr. declared the motion passed and the meeting adjourned.

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Mayor Vern Rasmussen, Jr.

Filed and attested January 10, 2012

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Secretary to the Council