

**REGULAR COUNCIL MEETING MINUTES
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
Monday, March 10, 2014, 7:00 P.M.**

PRESENT: Mayor Rasmussen Jr., Councilors Schulte V, Baker, Marin, Olson, Anderson and Brooks. Also present was City Manager Chad Adams, City Engineer Steven Jahnke, City Attorney Lee Bjorndal, and Secretary Pro-Tem Wendy Flugum. A representative from the Albert Lea Tribune was also present.

CEREMONIAL ITEMS

Mayor Rasmussen proclaimed March 11, 2014 as 'Read Across America - Albert Lea Day.' The Mayor announced he is hosting a 2nd grade class from Hawthorne School at City Center and will present them with the proclamation.

PUBLIC FORUM

Mr. Harold Kamrath, 326 Glenn Road, commented that he would like to get rid of the Watershed Board and let the County run everything. Mr. Kamrath referenced several Watershed projects including dredging, removal of phosphorous, the Albert Lea dam and electric fish barriers, stating that money is being wasted.

CONSENT AND APPROVAL OF AGENDA

- A. Approve Minutes Of The February 24, 2014 Regular Council Meeting
- B. Approve Minutes Of The February 20, 2014 Work Session
- C. Licenses And Permits (See Attached List)
- D. Resolution Designating Depositories Of City Funds And Signatories For Withdrawal Of Funds And Authorizing Credit Card Use, Electronic Or Wire Transfers, Investment Of Municipal Funds, And Collateral Securing Deposits For 2014
- E. Resolution Authorizing Grant Agreement With Minnesota Department Of Transportation (MnDOT) For Airport Improvement
- F. Resolution Receiving Feasibility Report And Calling Public Hearing For 7:00 PM, April 14, 2014 For Concrete Alley Paving Project (Job 1457)
- G. Resolution Authorizing Broadway Ridge Grant Funding For Marion Ross Performing Arts Center
- H. Resolution Accepting Donation Presented To City Of Albert Lea

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

(See Secretary's Original Resolution 14-42 through 14-46
included with these minutes.)

PETITIONS-REQUESTS-COMMUNICATIONS

RESOLUTION 14-47 SUPPORTING ART PROJECT GRANT APPLICATION

City Manager Adams explained that the National Vitality Center and Arts Center will apply for the Arts and Cultural Heritage Grant Application through the Southeastern Minnesota Arts Council (SEMAC). The grant is being submitted to fund the commissioning of a sculpture that will be placed at the top of Fountain Lake Park.

Susie Petersen representing the Vitality Center Board stated that members of the Albert Lea Art Center, Destination Albert Lea, Vitality leadership team and City staff have been discussing possible funding over the last year and are planning to submit a grant application to SEMAC by April 1, 2014. They will request \$7,000 to \$10,000 and 20% is required from the applicant. The art sculpture would be unveiled at the 'Celebrate Albert Lea' event planned for September. Ms. Petersen asked Council for a resolution supporting the art project grant application.

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

(See Secretary's Original Resolution 14-47
included with these minutes.)

PRESENTATION OF ACHIEVEMENTS AND GOALS

Assistant City Manager

Assistant City Manager Thongvanh provided an overview of the department's achievements and the list of goals for 2014. Achievements included implementing iPads to decrease paper use and staff time; Survey Money software, IT services/requests for tech support, Process Improvement Teams, and training in Microsoft programs. Mr. Thongvanh also noted that an audit of the Cable franchise was performed and Charter Communications was invoiced \$26,000 as a result of the findings. Goals for 2014 include implementation of the Laserfiche electronic data management system, updating City Code Codification, increasing use of Twitter and Facebook, Green Step Cities, Election Grant, and improving Records Retention.

Legal Department

City Attorney Bjorndal provided an overview of the department's achievements and the list of goals for 2014. Achievements included moving to a paperless office workflow, managing criminal matters, presenting 'Respectful Workplace Training' to staff, and drafting and amending 18 ordinances in 2013. Goals for 2014 include speaking to Council about issues

such as the 'Land Use 101' recently presented, continuing staff training on issues to include liquor licensing, zoning changes, employment issues, and working on putting a Development Agreement in place for the Freeborn Bank project.

Human Resources and Safety

Human Resources Director Michael Zelenak provided an overview of the department's achievements and the list of goals for 2014. Achievements included Health Care Reform, with new pieces continuing to be added until 2015, Wellness and Biometric Testing for preventative health with the goal of getting lower rates, online Open Enrollment, Respectful Workplace Training, OSHA training and Lock-Out/Tag-Out Procedures at the Wastewater Treatment Plant. Goals for 2014 include Health Care implementation, continuing to update and enhance current policies and procedures, and working on health insurance renewal with a long term strategy.

UNFINISHED BUSINESS

RESOLUTION 14-48 SUPPORTING EXTENSION OF THE LOCAL OPTION SALES TAX

City Manager Adams explained that the Minnesota Legislature authorized the City of Albert Lea to conduct a special election in November 2005 for approval to impose a half-cent local option sales tax to pay for lake improvement projects detailed in the Shell Rock River Watershed Plan. The tax was approved for a 10 year term with a dollar cap of \$15 million and would expire under the first condition on March 21, 2016. Fifteen million in sales tax will not be generated by the end of the 10 year term. Staff recommended approval to support the extension of the sales tax expiration date by five years and leave in place the voter approved dollar cap of \$15 million.

Laura Lunde, 102 Lee Place, representing the Lakes Foundation stated that it is vital to create avenues for open dialogue between City staff and elected officials with the Watershed District. Ms. Lunde further stated that she has heard nothing but positive feedback for supporting the extension and also thanked Council for their efforts and consideration of the bill.

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

(See Secretary's Original Resolution 14-48
included with these minutes.)

NEW BUSINESS

RESOLUTION 14-49 APPROVING PRELIMINARY DEVELOPMENT AGREEMENT FOR FREEBORN BANK AND JACOBSON BUILDINGS

City Manager Adams presented the resolution authorizing the Mayor and City Manager to enter into a preliminary development agreement with redeveloper Cohen-Esrey and also noted that he was not able to provide full disclosure of the proposal as some data is protected. Mr. Adams explained that the preliminary agreement essentially secures exclusive rights to negotiate with one developer until December 1, 2014 provided that certain benchmarks are met along the way. Mr. Adams said the City expects to work diligently with the developer over the next few months to draft an agreement which will be brought back to Council for approval and would include the sale of the buildings. The developer's proposed plan calls for residential housing on the top three floors and working with a tenant to occupy and manage the first floor of the bank building. The City Manager noted that all proposals are subject to change and negotiation. Staff recommended approval of the resolution.

Developer Clint Jayne thanked Mayor Rasmussen, Council and Staff for entrusting them with the opportunity to redevelop this very special city asset. He expressed appreciation for the Council's significant willingness to capture and save this piece of cultural heritage and they are here to help support that. He also noted that they plan to work closely with the community, council and staff members to solidify ideas and make sure the project incorporates what the community wants. Mr. Jayne pointed out that tax dollars paid for the building and taxpayers should have access to the building. Their company is looking forward to a public/private partnership and crafting a development agreement that works for everyone. He noted that construction could begin by January or February of 2015 and the building could be placed in service by September 2015.

Several council members expressed thanks and noted the importance of this cornerstone project. Mayor Rasmussen stated that the community holds both the lakes and the Freeborn Bank building in their hearts and he looks forward to moving forward with the preliminary development agreement.

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

(See Secretary's Original Resolution 14-49
included with these minutes.)

MAYOR AND COUNCIL REPORTS

First Ward, Councilor Schulte V reported:

- Ward Items – Received calls about the extension of the sales tax and street drainage.

- Committee update – none

Second Ward, Councilor Baker reported:

- Ward Items – none
- Committee update – Councilor Baker noted that he will report on the Planning Commission at the next meeting. Mr. Baker attended the Coalition of Greater Minnesota Cities Legislative Day in St. Paul with Mayor Rasmussen and EDA Director Ryan Nolander; they met with Sen. Sparks and Rep. Savick regarding things important to this area.

Third Ward, Councilor Marin reported:

- Ward Items – Councilor Marin expressed thanks on behalf of his constituents for Street crews working as the City was inundated with snow. He also expressed his thanks to Street Supt. Overland and his competent staff. Mr. Marin noted the third ward neighborhood meeting this week with Engineering staff for the 2014 Street Overlay project; he has received several phone calls from people saying they have no way to pay for the project.
- Committee update – none

Fourth Ward, Councilor Olson reported:

- Ward Items – All items have been addressed; Council Olson thanked staff for working on potholes.
- Committee updates - none

Fifth Ward, Councilor Anderson reported:

- Ward Items - All items have been addressed; Councilor Anderson reminded residents that it is the freeze/thaw time of year and advised caution with possible slippery conditions.
- Committee updates - none

Sixth Ward, Councilor Brooks reported:

- Ward Items – Councilor Brooks noted there is flooding on Hwy. 65 and asked if it was related to a project on South Shore Drive from a couple years ago. Clayton Petersen of the Watershed Board responded that it is likely from deep frost and the water can't move.
- Committee updates – Attended the Port Authority meeting.

REPORT OF THE MAYOR

- Mayor Rasmussen attended the Port Authority meeting and stated there is a blind lead on a large distribution center.
- The Mayor stressed the importance of residents moving ahead as a community in a positive manner to enhance the quality of life in Albert Lea.
- The Mayor emphasized the positive trip to the Capitol and the great representation that Albert Lea has and noted that LGA continues to be something to lobby for in order to secure the future. Other items important to the Coalition:
 - Freeborn County has broadband in 22% of the county which is more than some but still a disadvantage for business recruitment; looking at financing and different options so the whole state becomes a viable opportunity for economic growth.
 - Looking at different economic drivers, one being business development infrastructure needs; the other a grant for an education program to allow businesses to train their employees because they know what is needed.
- Mayor Rasmussen commented that he hopes these options will help make rural Minnesota more competitive when it comes to economic challenges. He said it was a very productive day and appreciated the time to connect with Legislature.

REPORT OF THE CITY MANAGER

- City Manager Adams shared updates that continue on this theme of progress; he will be meeting with the National Vitality Center board to talk about current initiatives; he also has a follow-up meeting with Healthways who initiated the entire Blue Zones project in Iowa and is working to re-engage Blue Zones in Albert Lea. Mr. Adams is also meeting with the Downtown Association this week to talk about existing and future projects and goals in general for the downtown.

RESOLUTION 14-50 APPROVING CONTRACT WITH COUNCILMEMBER

City Manager Adams noted in the Staff report that the attached resolution directs the Mayor and City Clerk to make payment in the amount of \$3,080.65 on behalf of the City for a claim from Jones, Haugh & Smith, Inc. and to issue payment for filing the affidavit of official interest by the interested official, Councilmember John Schulte V.

Councilor Anderson moved that the resolution be approved for payment of claims in the amount of \$3,080.65 to Jones, Haugh & Smith, Inc., seconded by Councilor Brooks. On roll call vote, the following councilors voted in favor of said motion: Councilors Baker, Marin, Olson, Anderson Brooks and Mayor Rasmussen Jr. Councilor Schulte abstained. Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 14-50
included with these minutes.)

RESOLUTION 14-51 APPROVAL OF CLAIMS

City Manager Adams noted in the Staff report that the attached resolution directs the Mayor and City Clerk to issue the payment of claims as presented in the Detail of Claims report.

Motion made by Councilor Marin to approve payment of claims as presented for checks #51813 through #51961 in the amount of \$506,968.14, seconded by Councilor Olson. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Marin, Olson, Anderson, Brooks and Mayor Rasmussen Jr. Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 14-51
included with these minutes.)

ADJOURNMENT 8:05 P.M.

Councilor Schulte moved and Councilor Brooks seconded that there being no further business, the Council meeting be adjourned until the next regular meeting of the Albert Lea City Council at 7:00 p.m., on Monday, March 24, 2014. On roll call vote, all councilors voted in favor of said motion. Mayor Rasmussen Jr. declared the motion passed and the meeting adjourned.

Mayor Vern Rasmussen, Jr.

Dated this 10th day of March, 2014

Wendy Flugum
Council Secretary Pro-Tem