

**PRESENT:** Mayor Vern Rasmussen, Councilors John Schulte V., Larry Baker, Ellen Kehr, Reid Olson, Larry Anderson and Al Brooks; City Engineer Steven Jahnke, City Clerk Shirley Slater-Schulte, and City Manager Chad Adams.

Mayor Rasmussen Jr. congratulated the 2012 Citizens Police Academy Graduates. Thanked the Albert Lea Police Department for their dedication and training.

**CONSENT & APPROVAL OF AGENDA**

- A. Approve Minutes of the April 23, 2012 Regular Council Meeting
- B. Approve Minutes of the April 19, 2012 Work Session
- C. Licenses and Permits (See attached list)
- D. Resolution 12-77 Authorizing Agreement Between City of Albert Lea and Freeborn County for Telephony Infrastructure Agreement
- E. Resolution 12-78 Authorizing Agreement with Albert Lea Ice Skating Association to Operate Concession Stand at the Albert Lea Aquatics Center
- F. Resolution 12-79 Approving Lease Agreement Between City of Albert Lea and Prairie Wind Coffee, LLC for Rental at 211 Broadway Avenue
- G. Authorize Internal Loan from Building Services Fund for Vitality Center
- H. Resolution 12-80 Approving Extension of Conditional Use Permit for Prairie Senior Cottages, LLC
- I. Resolution 12-81 Approving Extension of Conditional Use Permit for Summerdale Townhome Development
- J. Resolution 12-82 Approving Extension of Summerdale Townhomes Third Subdivision Plat
- K. Scheduling Public Hearing for May 29, 2012 for Sub-recipient Agreement Between City and Local Development Organization
- L. Airport Federal Aviation Administration Terms and Conditions of Accepting Airport Improvement Program Grants
- M. Resolution 12-83 Certifying Adequacy of Petition for Amendment to the Albert Lea City Charter
- N. Resolution 12-84 Accepting Donations
  - Item G - Change internal loan for Vitality Center from \$5,000.00 to \$10,000.00
  - Item V. (#5) - Change to a Resolution Declaring Wind Down Wednesdays as a Community Event

MOTION: Move to accept the consent agenda as amended.

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

(See Secretary's Original Resolutions 12-77-12-84  
included with these minutes)

**PUBLIC FORUM**

Mr. Tim Engstrom thanked the city for accepting the donation of trees from Modern Woodmen of Albert Lea.

**PETITIONS-REQUESTS-COMMUNICATIONS**

**REQUEST FROM DOWNTOWN ASSOCIATION REGARDING WIND DOWN WEDNESDAYS – 2012 EVENTS**

Ms. Tami Staker and Ms. Susie Peterson, representatives of The Downtown Association are requesting Council to declare the '2012 Wind Down Wednesday' events as Community Events. The events will include music, arts, crafts, caterers, etc. They showed an example of the cup/glass that would be used for serving alcohol during these events. Council thanked the committee for their hard work.

**RESOLUTION 12-85 DECLARING "WIND DOWN WEDNESDAYS" A COMMUNITY EVENT WITHIN THE CITY OF ALBERT LEA**

MOTION: I will move to adopt this resolution.

Motion made by Councilor Baker, 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 Resolutions 12-85  
included with these minutes)

**UNFINISHED BUSINESS**

**NEW BUSINESS**

**PUBLIC HEARING AND RESOLUTION 12-86 APPROVING VACATION OF UTILITY EASEMENT**

City Manager Adams explained that the Planning Commission met on March 6, 2012 to review the public purpose for a utility easement in Summer Dale Addition and Summer Dale Second Addition. Vacating the utility easement is necessary in order to approve and record the plat of Summerdale Townhomes Third Subdivision, which does not require the utility easement and establishes new easement as needed. Approving the vacation of the utility easement is the first step in approving the Summerdale Townhomes Third Subdivision and the Conditional Use Permit to allow "for sale" townhomes. A public hearing is being held for public input. Staff recommends approval of the utility easement vacation.

Mayor Rasmussen Jr. opened the public hearing and called three times.

No one spoke to this issue. Mayor Rasmussen Jr. closed the public hearing.

Motion made by Councilor Olson, 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 12-86  
included with these minutes)

**PUBLIC HEARING AND RESOLUTION 12-87 ORDERING IMPROVEMENT AND PREPARATION OF PLANS  
FOR WEST MAIN STREET SANITARY SEWER EXTENSION PROJECT (JOB 1118)**

City Manager Adams explained that a public hearing is being held for public input on the proposed assessments for Job 1118. The project involves the construction of a 12" PVC sanitary sewer line connecting the existing trunk sanitary sewer line north of the Canadian Pacific (CP) rail to the Hills Garden area. This line would be bored under the CP rail line and run across farmland currently owned by Mark Jones. It would then be run into the Hills Garden area on easements that would be provided by the homeowners. There are currently 16 properties to be provided with sewer. In 2011 the City met with the homeowners and the majority of homeowners appeared in favor of the City providing sanitary sewer service. There are 16 lots which engineering believes could be assessed. This trunk sanitary sewer line could also service 202 acres located south of West Main Street in the future.

There is approximately 85.6 acres which are currently surrounded by the City but remain in the County. The property is proposed to be annexed. The township has verbally indicated they would accept the petition to have the properties annexed in order to provide sanitary sewer service. The annexation process will be started following the same timeline as advertising and awarding the project. In order to install the trunk sanitary sewer, easements will be required from the majority of the property owners. Four of the easements are still in the process of being secured. The City currently has no right of way for this sanitary sewer. In general 50 foot wide easements are required for the project.

The breakdown of the costs is as follows:

Total Project Cost	\$319,062
Assessable Portion	\$196,612
City Cost	\$122,450

A neighborhood meeting was held April 18th to discuss the project with the affected residents. Staff recommends approval of Job 1118.

Mayor Rasmussen Jr. opened the public hearing and called three times.

Mr. Chad Robran (son-in-law), representing Paul and Judy Hill, family business of Hill's Garden, East Main Street, stated concerns and questions as follows:

- Regarding the proposed assessment, overall 25% of the costs.
- Some parcels that need review that may not be assessed.
- Expansion of the store.

- Questions regarding annexation and how will that affect this property, such as Green Acres, etc.
- Questions on zoning issues for this property.

Mr. Robran will meet with staff and keep working together to resolve these issues.

Mr. Dean Warner, 2410 E. Main, has had problems with sewer and is in support of this project, needs to be completed.

Mayor Rasmussen Jr. closed the public hearing.

Motion made by Councilor Schulte V, 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 12-87  
included with these minutes)

**PUBLIC HEARING AND RESOLUTION 12-88 ORDERING IMPROVEMENT AND PREPARATION OF PLANS FOR 12<sup>TH</sup> STREET AND 13<sup>TH</sup> STREET COMPLETE RECONSTRUCTION FROM MARGARETHA AVENUE TO EAST ENDS (JOB 1020)**

City Manager Adams explained that a public hearing is being held for public input on the proposed assessments for Job 1020. The proposed project consists of the following improvements: The complete reconstruction of 12th Street and 13th Street from Margaretha Avenue to the east ends. The watermain in both of these streets, which was installed in the 1950's and 60's, has been subject to a disproportionate number of breaks. Most of these breaks have been caused by corrosion due to the soil chemistry in the area. This project proposes to replace the existing cast iron watermain with plastic pipe which is resistant to this type of corrosion. Along with the watermain, the existing bituminous surface and aggregate base will be replaced, along with the curb and gutter along 12th Street. There is no curb and gutter along 13th Street. This project proposes to install new curb and gutter along 13th Street. The project would also include sliplining the existing sanitary sewer. This process involves pulling a resin-soaked fabric sock through the existing sewer pipe. The sock is then inflated to fill the inside of the pipe and the resin is heat-cured using either hot water or steam. This process essentially results in a brand new pipe within the existing sanitary sewer main.

The cost breakdown for this project is as follows:

Total Project Cost:	\$962,370.66
Assessable Portion:	\$451,831.97 (46.9%)
Sanitary Sewer Costs:	\$119,025.00 (12.4%)
Watermain Costs:	\$214,009.25 (22.2%)
City General Funds:	\$177,504.38 (18.4%)

A neighborhood meeting was held April 18th to discuss the project with affected residents. Staff recommends approval of Job 1020.

Mayor Rasmussen Jr. opened the public hearing and called three times.

No one spoke to this issue. Mayor Rasmussen Jr. closed the public hearing.

Motion made by Councilor Brooks, 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 12-88  
included with these minutes)

**RESOLUTION 12-89 DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES OF PROJECT  
NO. 1118 – WEST MAIN STREET SANITARY SEWER EXTENSION**

City Manager Adams explained that the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met. The attached resolution declares that the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of tax-exempt bonds. Staff recommends approval.

Motion made by Councilor Kehr, seconded by Councilor Olson. 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 12-89  
included with these minutes)

**RESOLUTION 12-90 DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES OF PROJECT  
NO. 1020 – 12TH AND 13TH STREET RECONSTRUCTION**

City Manager Adams explained that the attached resolution also declares that the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of tax-exempt bonds.

Motion made by Councilor Brooks, 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 12-90  
included with these minutes)

**RESOLUTION 12-9 AUTHORIZING SALE OF GENERAL OBLIGATION PERMANENT IMPROVEMENT REVOLVING FUND BONDS, SERIES 2012A**

City Manager Adams explained that the City has established a Permanent Improvement Revolving Fund (the "PIR Fund") to provide permanent financing for assessable public improvements undertaken by the City. Staff recommends that the sum of \$2,175,000 is necessary to provide funds for ongoing assessable improvements, to maintain the integrity of the PIR Fund, and pay the costs of issuance of obligations proposed to be issued to finance these costs. To provide funds for the operation of the PIR Fund, the City will issue and sell Bonds in the amount of \$2,175,000. Staff recommends approval of the resolution.

Mr. Doug Green, Representative from Springsted, Inc. explained that this resolution is setting the date and time of the bond sale and if the council decides to move forward, Springsted will finalize the final statement, conduct the rating call with Moody Investor's, monitor the market, and stay in contact with city staff. The Bond Sale is scheduled for June 11, 2012; results will be forwarded to staff and this item will be placed on a future agenda. Mr. Green explained the process regarding special assessments and how the bonds are structured for repayment, etc. Levy may increase approximately \$98,000; this would be about a \$7.00 increase on a home that has a value of \$200,000. Bonds are expected to be at a very low interest rate; the City has an excellent credit rating and this reflects very well on the city.

Motion made by Councilor Brooks, 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 12-91  
included with these minutes)

**RESOLUTION 12-92 AMENDING CITY FEE SCHEDULE**

City Manager Adams explained that the attached resolution with Fee Schedule and related exhibits would be amended to include the following fees:

- 1) Burn Permit \$ 10.00
- 2) Burn Permit \$200.00  
(Appeal Process)
- 3) Vitality Center Rental Fee \* \$10.00 / 2 hrs. (Profit/Non Profit Use / 2 hr. minimum)  
\* Fee will be waived for groups affiliated with Vitality Center Initiatives;
- 4) The word "penalties" will be changed to "fees" for false alarms.

Motion made by Councilor Anderson, 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.

(See Secretary's Original Resolution 12-92  
included with these minutes)

**RESOLUTION 12-93 ACCEPTING BID AND AWARDING CONTRACT FOR 2012 MOWING SERVICES**

City Manager Adams explained that the City advertised for bids for the mowing and trimming of grass on private and public properties that violate the city's ordinance regarding yards to be free of tall grass and weeds. Bids were submitted that included a charge for lots or yards up to 12,000 square feet in area, 12,100 to 20,000 feet in area and over 20,000 feet in area. The city received only one bid from Mr. Dennis J. Olson, Albert Lea, MN. The bid was \$45.00 compared to \$45.00 (2011) for property up to 12,000 square feet in area and \$58.00 compared to \$55.00 (2011) for property up to 12,001 to 20,000 square feet in area. Staff recommends accepting the bid.

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, Kehr, Olson, Anderson, Brooks and Mayor Rasmussen Jr.; Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-93  
included with these minutes)

**RESOLUTION 12-94 ACCEPTING BID AND AWARDING CONTRACT FOR 2012 BITUMINOUS MATERIALS**

City Manager Adams explained that the City received only one bid for 2012 bituminous materials. The lowest and only bidder was Flint Hills Resources, LP of St. Paul, MN. The bid was for \$520.49/ton for CRS-2, and \$595.49/ton for CRS-2P and does not include tax. Staff recommends accepting the bid.

Motion made by Councilor Kehr, 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 12-94  
included with these minutes)

**MAYOR & CITY COUNCIL REPORTS****MAYOR RASMUSSEN JR. – ANNOUNCEMENT OF SPECIAL EVENTS**

The following Events will be held over the next two weeks:

- Wednesday, May 16<sup>th</sup> – Opening Day of the 2012 Albert Lea Farmers Market – N. Broadway Parking Lot, 4 to 6PM
- Thursday, May 17 – Classic Car Show, at the Thornecrest Retirement Community, 1201 Garfield Avenue – 3 to 7PM
- Saturday, May 19 – Free Family Bike Rodeo at Southwest Middle School, from 9 to 11 AM, with Bike safety checks, free helmets, rules & riding drills.
- Sunday, May 20 – Land Between the Lakes Triathlon: Swimming, biking, and running event at Edgewater Park – race starts at 9AM – with the Awards Ceremony at approximately 12 noon or after the last finisher.
- May 15, 2012 – Peace Officer's Memorial Day

First Ward, Councilor Schulte V. reported:

- No Ward Items
- Committee updates – HRA Meeting

Second Ward, Councilor Baker reported:

- Ward Items Committee updates
- Downtown Clean-up Day, May 19, 2012

Third Ward, Councilor Kehr reported:

- Ward Items
- Committee updates

Fourth Ward, Councilor Olson reported:

- Ward Items
- No Committee updates

Fifth Ward, Councilor Anderson reported:

- Ward Items
- No Committee updates

Sixth Ward, Councilor Brooks reported:

- Committee updates
- Ward Items

Mayor Rasmussen Jr. reported:

- Attended the Southwest Battle of the Books Event
- National Nursing Home Week
- Attended the Health Care of Southeast of Minnesota
- Albert Lea was named Tree City USA

### **CITY MANAGER REPORT**

City Manager Adams did not have any updates.

### **RESOLUTION 12-95 APPROVAL OF CLAIMS**

Councilor Anderson moved that the resolution be approved for payment of claims in the amount of \$599,765.88, seconded by Councilor Kehr. On roll call vote, the following councilors voted in favor of said motion: Councilors Baker, Kehr, Olson, Anderson, and Mayor Rasmussen Jr. Councilor Brooks and Schulte V. abstained. Mayor Rasmussen Jr. declared the motion passed.

(See Secretary's Original Resolution 12-95  
included with these minutes)

**ADJOURNMENT**

Councilor Brooks moved and Councilor Baker seconded that there being no further business, the council meeting be adjourned at 8.05 p.m., until the next regular meeting of the Albert Lea City Council at 7:00 p.m. on Tuesday, May 29, 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 May 14, 2012

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Secretary to the Council