

**REGULAR CITY COUNCIL MEETING MINUTES
CITY COUNCIL CHAMBERS, CITY OF ALBERT LEA
Monday, July 22, 2013, 7:00 P.M.**

PRESENT: Mayor Rasmussen Jr., Councilors John Schulte V, Larry Baker, George Marin, Reid Olson and Larry Anderson. Also present was City Manager Chad Adams, City Engineer Steven Jahnke, City Attorney Lee Bjorndal, Finance Director Terry Berg and City Clerk Shirley Slater-Schulte. Also present was a representative from the Albert Lea Tribune. Councilor Brooks was absent.

REVIEW COUNCIL AGENDA OF JULY 22, 2013

- A. Approve Minutes of the July 8, 2013 Regular Council Meeting
- B. Approve Minutes of the July 8, 2013 Work Session
- C. Licenses and Permits (See Attached List)
- D. Resolution 13-125 Of Support to Secure State Bonding for Blazing Star Trail
- E. Resolution 13-126 Declaring Official Intent to Reimburse Certain Expenditures from the Proceeds of Bonds to be Issued by the City (Job 1126)
- F. Resolution 13-127 Declaring Official by the City - Marion Ross Performing Arts Center
- G. Resolution 13-128 Authorizing Acquisition of Tax Forfeiture Properties
- H. Resolution 13-129 Accepting Donations Presented to the City of Albert Lea
- I. Resolution 13-130 Approving Purchase of Equipment

Motion: I will move to approve the consent agenda as presented.

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

PUBLIC FORUM

Mr. Stan Jensen, 2010 Capital Lane, stated the caution signs located near his property take away from the beautiful landscape and requested that these signs be removed.

PETITIONS-REQUESTS-COMMUNICATIONS

REQUEST FROM HRA TO WAIVE BUILDING PERMIT AND LANDFILL FEES FOR 2013 SHINEFEST INITIATIVE

Mr. John Ford, from the Albert Lea HRA, stated this is the second year for the Rock the Block Project. The request to Council is to waive the Building Permit and Landfill Fees for construction

and dumping fees which should not exceed \$600.00. The United Way and others have partnered to work with four local homeowners for the second annual 'week of giving project. The work to be done on the four homes will range from general interior improvements and repairs, to exterior painting and landscaping. State surcharge fees would still need to be paid and all building permit applications and inspections would still be required.

MOTION: Motion to waive the building permit and landfill fees for 2013 Shinefest project, State surcharge fees will be paid.

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

REVIEW OF 2012 FINANCIAL STATEMENTS - CLIFTONLARSONALLEN

Kim Hillberg, CPA with CliftonLarsonAllen reviewed the 2012 Financial Statements with the Council. Hard copies of the 2012 Comprehensive Annual Financial Report, Executive Audit Summary, and Other Auditor Reports were provided to the Mayor and Council. Staff recommends that Council accept the financial statements.

MOTION: Move to accept the 2012 Financial Statement as presented.

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 and Mayor Rasmussen Jr. Mayor Rasmussen Jr. declared the motion passed. Councilor Brooks was absent.

APPROVAL OF SPECIAL EVENT PERMIT

City Manager Adams explained that a special event permit application was received from Mike and Vicki Larson requesting permission to hold their annual Family Food Shelf Fundraiser at their home. The purpose of the event is for guests to bring groceries which are then donated to the local food shelf. The event is planned for August 17, 2013 and they are expecting about 30 people to attend the outdoor function. They will have a DJ playing music from 8 to 11 p.m. in the front yard. Police and Fire staff will not waive parking restrictions, and therefore, streets must remain open and clear. The City Council is being asked to waive enforcement of the nuisance ordinance for this event. The Larson's have held the fundraising event in prior years without any problems.

MOTION: Motion to approve the request as submitted by Mike and Vicki Larson for a special event permit next to Pioneer Park.

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

and Anderson. Mayor Rasmussen Jr. abstained. Mayor Rasmussen Jr. declared the motion passed. Councilor Brooks was absent.

UNFINISHED BUSINESS

REQUEST FROM ALBERT LEA PORT AUTHORITY TO REZONE PROPERTIES FROM IDD-INTERSTATE DEVELOPMENT DISTRICT TO I-1 LIMITED INDUSTRIAL DISTRICT

City Manager explained the following:

- Application made on May 7, 2013 to rezone four parcels along Plaza Street, east of County Road 20 from Interstate Development District to I-1 Limited Industrial District
- New proposed use for one of the parcels is an excavation company that needs significant outside storage
- Planning Commission recommended denial on June 4, 2013
- 60-day extension was granted by the City. City must act on application prior to September 6, 2013
- Showed the area map for the rezoning
- Planning Commission held public hearing on July 16th to review text revision to IDD. Action tabled. Special meeting being held on August 7th.
- Progress made includes:
 - Eliminating IDD review committee and requiring Planning Commission review
 - More flexibility on outside storage, benefits these parcels, but may negatively impact others
- OPTIONS:
 - Resolution denying rezoning request
 - Ordinance introducing 1st reading of rezoning
 - Table action to August 12th meeting.
- Because of the statutory timeline, the Council will need to take action on the first reading for either ordinance on August 12, with the second reading on August 26
- Staff ultimately recommends the four parcels being requested for rezoning to stay as IDD, with text amendments that are presently being worked on.

Dan Dorman, Executive Director of Albert Lea Economic Development Agency had the following comments regarding this request:

- Discussed this project with city staff on April 10, 2013
- Good idea to bring this business into the community
- Currently, we are at 102 days and are no closer to resolution
- Suggested that the city rezone this property and review the IDD District
- Review some covenant language and move forward

MOTION: Motion to rezone the properties from Interstate Development District to Limited Industrial District for the Port Authority

Councilor Olson moved the adoption of the first reading of Ordinance 171,4d, seconded by Councilor Schulte V. On roll call vote, the following councilors voted in favor of said ordinance: Councilors Schulte V, Marin, Olson, Anderson and Mayor Rasmussen Jr. Councilor Baker voted nay. Mayor Rasmussen Jr., declared the first reading of this ordinance passed. Councilor Brooks was absent.

Councilor Schulte V suggested that the staff review to include Freeborn Lumber and Plaza Landscape in a rezoning.

Councilor Baker stated that there are some issues regarding outside storage in the zoning districts that must be reviewed. There is a special meeting scheduled for August 7, 2013. City must be careful about changing all of the zoning areas so as not to create more problems.

Councilor Marin stated that he desires this business to locate in Albert Lea and the city must work on getting this accomplished.

(See Secretary's Original Ordinance
170,4d included with these minutes)

NEW BUSINESS

PUBLIC HEARING AND RESOLUTION 13-131 APPROVING CURRENCY EXCHANGE LICENSE APPLICATION FOR REYES MULTISERVICE, INC

City Manager Adams explained that the City Clerk received a copy of an application submitted to the Minnesota Department of Commerce by Ruden Reyes on behalf of Reyes Multiservices, Inc. The company intends to operate a currency exchange business at 101 S. Newton Avenue in Albert Lea. Minnesota Statutes 53A.04(a) states, "the governing body shall give published notice of its intention to consider the issue and shall solicit testimony from interested persons, including those in the community in which the applicant is located or is proposing to be located." A notice of public hearing has been published to receive public input on July 22, 2013. The attached resolution would approve the currency exchange license application from Mr. Reyes. Staff recommends approval.

Mayor Rasmussen Jr. opened the public hearing.

No one from the public commented on this issue.

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

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

(See Secretary's Original Resolution 13-131)

included with these minutes)

RESOLUTION 13-132 PROVIDING FOR THE SALE OF \$5,440,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2013A

Rebecca Kurtz, Senior Financial Advisor with Elhers & Associates presented the Pre-Sale Report for the City of Albert Lea sale of the \$5,440,000 General Obligation Permanent Improvement Revolving Funds Bonds, Series 2013A as follows:

- Bonds are being issued to finance the 2012/13 Improvement Project including the Broadway Streetscape, 2013 MSA Overlay, 2013 Neighborhood Overlay, the West 9th Street Project and the 2012 Myers Road Project.
- The improvement bonds means that a percent of each project will be assessed, so they will not be counting against the city's debt limit but they are a general obligation of the city backed by the city's full-faith credit and taxing powers.
- Debt service payments will include special assessments, sewer and water revenues, some state funds applied towards the project and for the West 9th Street there will be contribution from the Township. With the bond, we are looking at a ten year term for the bonds, principal will be due in years 2015-2024 with a call date for 2021.
- City has worked with Moody's Investor Services; may want to consider working with Standard and Poor's (may give higher ratings).
- Competitive sales, reviewed outstanding bonds and debt and reviewed the possibility of refinancing or refunding opportunities and will continue to monitor this item
- If council wishes to move forward with the sale, awarding the sale and placing this item on the August 26th meeting, funds would be available on September 16, 2013
- Staff recommends approval of this resolution.

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

(See Secretary's Original Resolution 13-132
included with these minutes)

RESOLUTION 13-133 CALLING FOR PUBLIC HEARING ON THE PROPOSED MODIFICATION TO DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 5 AND THE PROPOSED ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 5-23 AND ADOPTION OF A TAX INCREMENT FINANCING PLAN

Rebecca Kurtz, CIPFA Senior Financial Advisor reviewed an application that has been received from Pro Advantage for tax increment financing assistance with the construction of a new building on East Main Street as follows:

- The project would be eligible for an economic development tax increment district that has nine years of tax increment beginning 2015.
- Staff recommends approval of this resolution which would set the public hearing date for August 26, 2013.

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

(See Secretary's Original Resolution 13-133
included with these minutes)

MAYOR & CITY COUNCIL REPORTS

First Ward, Councilor Schulte V. reported:

- Ward Items– None
- Committee Updates – Shell Rock Watershed Meeting
- Received calls regarding Kwik Trip
- Neighborhood Project is moving forward, removal of curbs, pour curbs, paving the next week
- St. John's Project is moving forward

Second Ward, Councilor Baker reported:

- Ward Items – none
- Committee Updates – Wind Down Wednesday – attendance was down – but was successful
- Shell Rock Watershed Meeting
- Planning Commission Meeting
- Ribbon Cutting and Airplane Ride

Third Ward, Councilor Marin reported

- Ward Items- Concerns about placement of sidewalk on County 13
- Compliments to City Manager on getting back to council on a timely basis
- Sunset Street Extension updates
- Progress on 4th Street, driveways not always accessible
- Traveled 4600 miles, this is a very fine city. Home is where the heart is, we have a great city and staff, council and residents. This is America's finest city.
- Committee Updates - None

Fourth Ward, Councilor Olson reported:

- Ward Items – mosquito & alley issues
- Committee Updates - Tour of parks

Fifth Ward, Councilor Anderson reported:

- Ward Items –none
- Committee Updates- Thank you to the businesses and volunteers who shared this experience with families. Grandchildren truly enjoyed the airplane ride and these are great memories.

Sixth Ward, Councilor Brooks absent

Mayor Rasmussen Jr. reported:

- Thanked all of the volunteers
- Happy Days Event and Marion Ross – amazing lady
- Airplane Ride - amazing ride
- Freeborn County Museum opening
- Blandin Community Leadership Program – need 24 people from Albert Lea
- Port Authority Retreat

CITY MANAGER REPORT

City Manager Adams reported on the following:

- Met with the Youth Soccer Association officials regarding the new soccer fields near the Edgewater Pavilion, working on the timelines and where they are moving on the project. A more complete update at the next council meeting, may need to request an extension of time.
- Edgewater Cottage Meeting over the last several weeks, meeting schedule this coming Thursday regarding the status and timeline of this project.

RESOLUTION 13-134 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 Schulte V to approve payment of claims as presented for checks #49667 through #49811 in the amount of \$1,175,970.65; seconded by Councilor Marin. On roll call vote, the following councilors voted in favor of said motion: Councilors Schulte V, Baker, Marin, Olson, Anderson and Mayor Rasmussen Jr. Mayor Rasmussen Jr. declared the motion passed. Councilor Brooks was absent.

(See Secretary's Original Resolution 13-134
included with these minutes.)

ADJOURNMENT

Councilor Marin moved and Councilor Baker seconded that there being no further business, the council meeting be adjourned at 8:09 p.m., until the next regular meeting of the Albert Lea City Council at 7:00 PM on Monday, August 12, 2013. 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.

Filed and attested this 23rd day of July, 2013

Secretary to the Council