

PRESENT: Mayor Rasmussen Jr., Councilors John Schulte V, Larry Baker, Ellen Kehr, Reid Olson, Larry Anderson and Al Brooks. Also present was City Manager Adams, City Engineer Steven Jahnke, City Attorney Lee Bjorndal and City Clerk Shirley Slater-Schulte.

CONSENT AGENDA

- A. Approve Minutes of the November 26, 2012 Regular Council Meeting
- B. Approve Minutes of the November 20, 2012 Work Session
- C. Licenses and Permits (See attached list)
- D. Resolution 12-232 Authorizing Agreement to Join Minnesota Water Agency Response Network (MnWARN)
- E. Resolution 12-233 Authorizing Agreement for TH-69 and Highway 13 Traffic Signal Replacement
- F. Resolution 12-234 Approving Small Cities Development Program (SCDP) Section 3 Compliance Plan

MOTION: I will move to approve the consent agenda as amended by addition of Resolution Regarding the Razing of 318 Winter Street.

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 e Secretary's Original Resolutions 12-232-12-234
included with these minutes.)

PUBLIC FORUM

Mr. Keith Porter, 1634 Masee, inquired as to whether the City and County are for or against Kwik Trip coming into town and encouraged the council to work with this business.

PETITIONS-REQUESTS-COMMUNICATIONS

UNFINISHED BUSINESS

ORDINANCE 155,4d - GRANTING FRANCHISE TO CC VII OPERATING LLC, D/B/A CHARTER COMMUNICATIONS TO OPERATE AND MAINTAIN A CABLE COMMUNICATIONS SYSTEM IN THE CITY OF ALBERT LEA; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF THE FRANCHISE; PROVIDING FOR REGULATION AND USE OF THE SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS (2nd READING)

City Manager Adams explained that the Council introduced the attached ordinance at its regular meeting of November 26, 2012. The City's legal counsel, Bob Vose of Kennedy and Graven, is recommending approval of the franchise agreement after both parties have agreed to terms. One of the substantive changes to the agreement would be the City's ability to institute a Public, Education, Government (PEG) fee to use for acquisition of new video and audio equipment needed to enhance our local programming. The City can make a decision on that PEG fee at a later date. The term of the franchise is 15 years. Staff recommends adoption of the ordinance.

Motion to adopt the Summary and 2nd reading of Ordinance 155,4d as presented. Motion was introduced by Councilor Baker and 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.

ORDINANCE 156,4d - AMENDING CHAPTER 22, ARTICLE XI – PROHIBITING SMOKING AND TOBACCO RELATED PRODUCTS OF ANY KIND AT CITY HALL (2nd READING)

City Manager Adams explained that the Council introduced the attached ordinance at its regular meeting of November 26, 2012. The ordinance would amend Section 22 of the City Code to prohibit smoking and tobacco related products at City Hall. City Hall will include the facility and all adjacent parking owned by the City at the property. Staff recommends adoption of the ordinance and summary.

Mr. Randy Kehr, 1712 Plainview, read a letter from Mr. Joel Spoonheim regarding the proposed tobacco policy. Mr. Kehr stated that two sister cities in the Blue Zones program in California have adopted a new "No Smoking" policy. Mr. Spoonheim encouraged the City of Albert Lea to adopt this ordinance.

Mr. Kehr stated that Alice Englin and the National Vitality Center agree that both the city and arena should be smoke free.

Mr. Jason Fornwald, 1373 Eastgate Road, would like the arena and city hall to become smoke free, with a possible designated smoking area for visitors at the arena.

Mr. Jon Ford, HRA Director stated that the Shady Oaks building is now smoke free.

Motion to adopt the Summary and 2nd reading of Ordinance 156,4d as presented. Motion was introduced by Councilor Kehr and seconded by Councilor Anderson. On roll call vote, the following councilors voted in favor of said motion: Councilors Baker, Kehr, Anderson, Olson and Mayor Rasmussen Jr. Councilor Schulte V and Brooks voted nay. Mayor Rasmussen Jr. declared the motion passed.

NEW BUSINESS

PUBLIC HEARING AND ORDINANCE 157,4D AMENDING ZONING FOR ALBERT LEA MUNICIPAL AIRPORT (1ST READING)

City Manager Adams explained that a public hearing is being held to receive public comment regarding the first reading of an ordinance to amend zoning for the Albert Lea Municipal Airport. The amendment to the City's Zoning Ordinance, Chapter 74 of the City Code was approved by the Director of the Office of Aeronautics, MnDOT, on October 31, 2012. Staff recommends adoption of the ordinance.

Mayor Rasmussen Jr. opened the public hearing for the Albert Lea Municipal Airport

Mr. Harold Kamrath, Glenn Road, inquired as to the following:

- Zoning changes for this airport.
- Questions regarding the fence that is being built.

Mayor Rasmussen called three times and then closed the public hearing

Motion to adopt the 1st reading of Ordinance 156,4d as presented. Motion was introduced by Councilor Anderson and 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 HEARING REGARDING VACATION OF ROADWAY EASEMENT

City Manager Adams explained that a public hearing is being held to consider the petitions of Convenience Store Investments, Inc. (aka Kwik Trip) and Albert Lea

Motorcars, LLC (aka Vern Eide) to vacate a frontage road located between Sykes Street and Westron St. along the west side of Bridge Avenue, with all utility easements to remain in place. Convenience Store Investments, Inc. is seeking to vacate the roadway easement in order to have a right turn constructed to its property. In order to vacate a roadway easement, a valid public purpose must be demonstrated to warrant the vacation. Staff is seeking input on any findings to warrant the vacation of the roadway easement. The Council has the option to continue this hearing until a future date if no determinations are made at this meeting. Staff continues to have discussions with Kwik Trip on the project. Kwik Trip has requested the hearing be continued to December 20th. Staff also recommends continuing the hearing until December 20th.

Mayor Rasmussen Jr. opened the public hearing.

Mr. Keith Porter, 1634 Masee, stated that the city should be encouraged to work with Kwik Trip.

Mr. Harold Kamrath, 326 Glenn Road, inquired as to where the money is coming from for this project and also asked about the area of the easement.

Mayor Rasmussen Jr. called three times for more public input.

Motion offered by Councilor Baker to continue this meeting until December 20, 2012, 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

TRUTH IN TAXATION – PUBLIC COMMENT

City Manager Adams explained that a PowerPoint presentation would be given to provide the Council and public with an overview of the proposed tax levy and 2013 budget. Public comment followed the presentation.

RESOLUTION 12-235 ESTABLISHING TAX LEVY FOR 2013

City Manager Adams explained that in September, the City Council approved a preliminary levy of \$5,463,342 for 2013 which included \$4,758,453 for the General Fund operating levy and \$704,889 for debt service. Staff recommends approval of the resolution.

Mr. Don Blake, 2710 Campus Lane, represented a group of concerned citizens. Mr. Blake handed out a Property Tax Comparison of eleven communities, showing Albert Lea to be the highest of the communities, which included all local property taxing jurisdictions.

Mr. Harold Kamrath, 326 Glenn Road, inquired about several items, including the LEC lease and last payment, whether Police are still taking cars home, remodeling costs for the council chambers, replacement of the roof at City Center, other priorities of the city, and how much of a reserve the city needs.

Mr. Keith Porter stated that residents have a choice about living in this community.

Motion was introduced by Councilor Schulte V and 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 12-235
included with these minutes.)

RESOLUTION 12-236 ESTABLISHING HOUSING AND REDEVELOPMENT AUTHORITY LEVY FOR 2013

City Manager Adams explained that the Housing and Redevelopment Authority requested a special levy for 2013 which is permitted by Minnesota Statutes 469.033, Subdivision 6. The maximum special levy allowed is \$140,596 with \$50,000 recommended by staff and approved as the preliminary levy in September. The attached resolution recommends the \$50,000 special levy for the Housing and Redevelopment Authority. Staff recommends approval of the resolution.

Mr. Jon Ford, HRA Director, stated that the levy request is for \$50,000. The usage of these funds would be for a housing study which the City would no longer have to contribute to every three years and for matching funds to secure grants from a \$15 million funding pool for housing rehabilitation projects.

Motion was introduced by Councilor Kehr and 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 12-236
included with these minutes.)

RESOLUTION 12-237 ADOPTING 2013 BUDGET AND ESTABLISHING FUND APPROPRIATIONS

City Manager Adams explained that the proposed 2013 General Fund budget is being recommended for approval at \$14,497,439 which is an increase of \$212,624 from the original proposed budget in September. Of the increase, \$23,000 is offset by corresponding revenue to record tax abatement correctly. The remaining increase of \$189,624 will be using a portion of the surplus from 2011. The additional costs include a transfer of \$100,000 to the Building Maintenance Fund for large projects and \$55,000 to the Solid Waste Management Fund for the acquisition of a compactor and staffing adjustments. The 2011 General Fund surplus was \$347,736. Staff recommends approval of the resolution.

Motion was introduced by Councilor Brooks and 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 12-237
included with these minutes.)

PUBLIC HEARING AND RESOLUTION 12-238 ADOPTING 2013 FEE SCHEDULE

City Manager Adams explained that the attached fee schedule was reformatted to provide a comparison between the 2012 schedule and proposed 2013 fees. In addition, the utility rates for billing have been incorporated into this resolution, so all City fees are in one document. There are some new fees for planning such as Annexation Requests and Site Plan Reviews; City Center Room Rentals and Parks and Recreation has new deposit fees for facility rentals. Several other fees have been increased slightly with the majority of fees not being adjusted. The Water fees are being recommended at an average increase of 12% and the sewer fees are being recommended at an average increase of 2%. Staff recommends approval of the resolution.

Mayor Rasmussen Jr. opened the public hearing.

Mr. Harold Kamrath, 326 Glenn Road, commented that water rates are going up by 12% and the City should cut expenses.

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

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

(See Secretary's Original Resolution 12-238
included with these minutes.)

RESOLUTION 12-239 ADOPTING 2013 - 2017 CAPITAL IMPROVEMENT PLAN

City Manager Adams explained that each year, the staff develops a five-year Capital Improvement Plan for the City of Albert Lea. The attached resolution would adopt the proposed 2013 – 2017 Capital Improvement Plan. One of the best approaches to this decision making process is to use long-range planning as a means of identifying needs, available resources and the significance of the impact. The five-year Capital Improvement Plan is a long-range planning tool the City can successfully use in setting priorities for the community's infrastructure improvement. The projects submitted for 2013 total \$9,877,500 and includes the City Center HVAC, Broadway Avenue Streetscape, street overlay and reconstruction projects and utility system improvements. Staff recommends approval.

Motion was introduced by Councilor Brooks and 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 12-239
included with these minutes.)

ORDINANCE 158,4D ADOPTING INDUSTRIAL USERS WASTE WATER REBATE PROGRAM (1ST READING)

City Manager Adams explained that this ordinance is proposed to allow a rebate of up to twenty-five percent of wastewater charges for certain new and expanded industrial wastewater users. This is an economic development tool. The State legislature passed a special law that permits this, waiving the State law requirements of Minnesota Statute 444.075, where charges must be "just and equitable" and "proportionate to the cost of furnishing the service." Staff is awaiting written approval of federal authorities for an

interpretation of whether this may violate federal law and the terms of the grant agreement building the waste treatment plant. The law and protection of the special law will not become valid unless the City files a certificate of approval with the Secretary of State before the first day of the upcoming legislative session. The program would also require an applicant for the program to create new jobs within five years. Staff recommends approval.

Motion to adopt the 1st reading of Ordinance 156,4d as presented. Motion was introduced by Councilor Brooks, seconded by Councilor Anderson Baker. On roll call vote, the following councilors voted in favor of said motion: Councilors Baker, Kehr, Anderson, Brooks and Mayor Rasmussen Jr. Councilor Schulte V and Olson voted nay. Mayor Rasmussen Jr. declared the motion passed.

RESOLUTION 12-240 APPROVING AGREEMENT TO RAZE HAZARDOUS BUILDING BETWEEN CITY OF ALBERT LEA AND FREEBORN COUNTY (318 WINTER AVENUE)

City Manager Adams explained that the house at 318 Winter Avenue has been damaged by fire. Its title is with Freeborn County due to tax forfeiture. The County has agreed to pay up to \$5,000 in removal costs. The resolution would permit the City to do the work and assess the costs to the property pursuant to City Code. Staff approves this agreement and resolution.

Motion was introduced by Councilor Baker and 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 12-240
included with these minutes.)

MAYOR & CITY COUNCIL REPORTS

First Ward, Councilor Schulte V. reported:

- Committee Updates– Library Meeting
- Ward Items –None

Second Ward, Councilor Baker reported:

- Committee Updates – Planning Commission Meeting
- Ward Items – All items are being addressed.
- Thanked the people in his ward for their support and concerns.
- Thanked Mr. Bob Graham for his years of service.

Third Ward, Councilor Kehr reported:

- Committee Updates –Port Authority Meeting
- Ward Items – Thanked everyone in the 3rd Ward for the opportunity to represent residents in the ward. Thanked Mayor Rasmussen Jr., Council and City staff for their support and friendship; also stated it's been a privilege to work for the City of Albert Lea and that women must be a part of the process.

Fourth Ward, Councilor Olson reported:

- Committee Updates – Thanked Ellen for her years of service
- Ward Items – Citizen concern about dog walkers that are not taking their responsibility and leash law. Also shop locally.

Fifth Ward, Councilor Anderson reported:

- Committee Updates – None
- Ward Items – None. Request from the community, improve our tax base, and to work together.

Sixth Ward, Councilor Brooks reported:

- Committee Updates – None
- Ward Items – None
- Thanked Mr. Graham for his years of service; Basketball Games – to play rated #2 team; Thanked Ellen for her years of service.

Mayor Rasmussen Jr. reported the following:

- Openings on Boards & Commissions, Planning Commission, etc.
- Thanked Mr. Graham for his years of service and volunteering.

CITY MANAGER'S REPORT

City Manager Adams reported that the County Board has committed \$6,500 in 2013 to be used for the Broadway Grant Fund. The County had not committed any dollars to the fund in the past year.

RESOLUTION 12-241 APPROVING CONTRACT WITH COUNCILMEMBER BROOKS

City Manager Adams explained that the attached resolution directs the Mayor and City Clerk to make payment on behalf of the City for a claim from Brooks Safety Equipment and to issue payment for filing the affidavit of official interest by the interested official, Al D. Brooks.

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

(See Secretary's Original Resolution 12-241
included with these minutes.)

RESOLUTION 12-242 APPROVING CLAIMS

Councilor Anderson moved that the resolution be approved for payment of claims as presented for check #46435 through check #46625 in the amount of \$1,061,503.26, 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 12-242
included with these minutes.)

ADJOURNMENT

Councilor Anderson moved and Councilor Olson seconded that there being no further business, the council meeting be adjourned at 9:05 p.m., until the next regular meeting of the Albert Lea City Council at 5:30 p.m. on Thursday, December 20, 2012. 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 December 11, 2012

Secretary to the Council