

WATERVILLE CITY COUNCIL
REGULAR COUNCIL MEETING
December 6, 2016, 7:00 P.M.

There was a regular meeting of the Waterville City Council held in Council Chambers at 7:00 p.m. on December, 2016.

Present: Vail, Schmidtke, McIntyre, and Mayor Mihalik

Absent: Wollin

Also Present: Administrator/Clerk Teresa Hill, Jason Femrite of Bolton & Menk, and City Attorney Jason Moran

Also Absent: None

1. Call to Order. Mayor Mihalik called the meeting to order at 7:00 p.m., noting that all Council members were present, except Wollin. Also present were Teresa Hill, Administrator/Clerk, Jason Femrite of Bolton & Menk, and Jason Moran, City Attorney. Pledge of Allegiance was recited.

2. Approval of Minutes – November 1, 2016 and November 15, 2016. Motion by Vail, seconded by McIntyre to approve the minutes of November 1, 2016 and November 15, 2016. Unanimous vote. Motion carried.

3. Approval of Agenda/Additional Items to Agenda. Mayor Mihalik said he has one additional item to add to the agenda and that is for the Fire Department Relief fund which will be letter 7L. Motion by McIntyre, seconded by Mihalik to approve the agenda with the one addition. Unanimous vote. Motion carried.

4. Written Petitions, Requests etc.

A. Zoning Classification Change – The Village in Waterville. The Village in Waterville is currently zoned R-3 and is requesting a zoning classification to B-2 which is a commercial residential shoreland district. Mr. McIntyre asked if this would change their status for taxation in the City. Mayor Mihalik said they would remain a non-profit organization. Ms. Hill said this is for the land use of it, what the City will allow that property to be used for. Before it was a nursing home which was an R-3 like an apartment complex. This zoning request actually goes along with the properties to the north and east of that. Cannon Gate and the boat landing are both a B-2 and it abuts a B-4 district on the other side. Motion by McIntyre, seconded by Vail to approve the zoning classification of the Village in Waterville to a B-2. Unanimous vote. Motion carried.

B. Liquor License Request – The Village in Waterville. The Evangelical Church DBA The Village in Waterville is requesting a club house liquor license and an intoxicating on-sale liquor license. Mr. Guarrero was present at the Council meeting and advised Council that this simply goes along with what the Community wants to use the building for so when they have different events they have the opportunity to offer alcohol at some of those events. Ms. Hill said they are putting in a request for both licenses. Under the liquor licensing laws they would possibly qualify for a club license. Under the licensing laws the club house license would be one area where he could have beer and wine but if they determine that the Village is really not a club under their statutes of membership then the only way he would be able to serve any kind of alcohol is a full liquor license. The first request is for the Club House license to be granted first. Motion by Mihalik, seconded by McIntyre to approve the liquor license requests for The Village in Waterville. Unanimous vote. Motion carried.

5. Unfinished Business

A. Memorandum of Understanding for sewer connection by Jeremiah and Stacy Johnson. Mayor Mihalik advised that this item was discussed at the last meeting and this memorandum of understanding is formalizing what we already have agreed on. Mr. Moran said the memorandum of understanding say we will allow one hook-up. They are not in the City limits and any time a property adjacent to theirs is annexed into the City limits theirs would automatically come in under this Memorandum of Understanding. They will pay the base rate and our user charge times two since they are not in the City limits and they will take on all responsibility for the line and they will pay for the installation and any upkeep. Any and all responsibility for it. Ms. Hill said they will put in a private service line. Motion by Schmidtke, seconded by Vail to accept the Memorandum of Understanding for sewer connection by Jeremiah and Stacy Johnson. Unanimous vote. Motion carried.

6. Citizen Time (Comments, Information from those present) –

A. Barb Schluender, 508 Tetonka View Drive said she just wanted to thank you Steve and you Val for all the time and effort that you put forth guiding the City and directing it and the direction it has gone. We out on our road definitely saw the benefits. Al good luck in your new venture. Mr. Schmidtke said thank you. Ms. Schluender said we are here to support you as well. Mayor Mihalik and Ms. Vail said thank you.

B. Dave Arnold, 604 Tetonka View Drive. Mr. Arnold said he would like to go again with Barb saying thank you Mayor Mihalik and Ms. Vail. Thank you so much for all your work that you have done on the City to improve it. He moved here three years ago and so many things have been done since then. Our City is heading in the right direction. He wants to say thank you very much and good luck in everything you have done and in the future. We welcome the new Council members and Al for the future we hope everything keeps going the same as it is. Mayor Mihalik and Mr. Schmidtke said thank you.

7. New Business.

A. Truth in Taxation Hearing. Mayor Mihalik said there has been no increase in the City tax levy this year from the 2016 to the 2017 proposed. If taxes have gone up or down it would be due to a change in value or classification of that home. Those are set by the Board of Equalization in April and done by the County. Mayor Mihalik opened the meeting for the Truth in Taxation hearing. No one addressed Council. Motion by Mihalik, seconded by McIntyre to close the Truth in Taxation hearing. Unanimous vote. Motion carried.

B. Resolution 2016R-044 Adopting the 2017 Budget. Motion by McIntyre, seconded by Schmidtke to adopt Resolution 2016R-044 adopting the 2017 budget. Unanimous vote. Motion carried.

C. Resolution 2016R-045 Adopting 2017 Levy. Motion by Mihalik, seconded by Vail to adopt Resolution 2016R-045 adopting the 2017 levy. Unanimous vote. Motion carried.

D. Proposed Ordinance Revisions for inclusion of Boat, Trailer and RV Parking.

1. Ordinance 71.04-2016 Parking Limits – Second Reading. Mayor Mihalik said this will be considered our seconding reading of Ordinance 71.04-2016 Parking Limits. Motion by

Vail, seconded by McIntyre to accept this as the second reading of Ordinance 71.04-2016 Parking Limits. Unanimous vote. Motion carried.

2. Ordinance 71.05-2016 Vehicle left unattended Second Reading. Motion by McIntyre, seconded by Mihalik to accept this as our second reading of Ordinance 71.05 – 2016 Vehicle left unattended. Unanimous vote. Motion carried.

3. Public Hearing Date for Proposed Ordinances 71.04-2016 and 71.05-2016. Mayor Mihalik said it would be his preference that the new Council have a chance to make that decision on their own when they want to set that. Motion by Mihalik, seconded by Schmidtke to table item D3 for the regular January meeting. Unanimous vote. Motion carried.

E. Legislative Prayer. Mayor Mihalik said as we went through this last election season watching the news whether it be local or state, obviously this is one thing he feels is missing in our government. Mayor Mihalik said he did a little research and he noticed that there are many federal, state and local governments that do offer a legislative prayer before their meetings. Mayor Mihalik said he wanted to bring this up for discussion this month for the City of Waterville to begin their regular meetings with a legislative prayer. This would give an opportunity for local churches to be involved with the City and work in partnership with the City. That is one element that hasn't been done. Mayor Mihalik said this would be an opportunity for local churches to open up our Council meetings with a prayer. He did check with Mr. Moran and this is permitted. There has been a district court that made a ruling that this is legally defensible. Discussion held. Mr. Moran said he would suggest that if we are going to do this practice that we study a procedure on how we are going to do it. The preferred practice is to do it by resolution and also to invite the different churches in the area to select someone that would come in and give an invocation right before the meeting. Mayor Mihalik said he would like to make the recommendation to have Mr. Moran draft a resolution for the Council to discuss in January. Motion by Mihalik, seconded by Schmidtke to table the legislative prayer discussion for the 1st meeting of January. Unanimous vote. Motion carried.

F. Letter of Resignation – James Fallon of the Planning and Zoning Commission. Motion by Vail, seconded by McIntyre to accept the resignation of James Fallon from the Planning and Zoning Commission. Unanimous vote. Motion carried.

G. I & I Plumbing Contract. Council received three quotes. Motion by Schmidtke, seconded by McIntyre to accepting Waterville Heating & Air Conditioning for the I & I plumbing contract at the rate of \$62.00 an hour. Unanimous vote. Motion carried.

H. Reed Street South water and sewer project.

1. Authorization for Preliminary Engineering Report. Mr. Femrite said he provided Ms. Hill an e-mail outlining the process for following the 429 process for assessing these improvements. We will tie this in with the Le Sueur County project and bid them together. To get this moving and bid this in the spring of the year for construction in 2017 he outlined a draft schedule for Council to consider this evening. Authorizing the preliminary engineering report would be the first item on the docket. Mr. Femrite discussed the outline of how the process should go. Discussion held by Council. Motion by McIntyre, seconded by Vail authorizing the preliminary engineering report for the Reed Street South water and sewer project. Unanimous vote. Motion carried.

2. Special Meeting Date to present preliminary Engineering Report.

3. Meeting Date for Improvement Hearing Date.

Motion by Mihalik, seconded by McIntyre to table items H2 and H3 the special meeting date to present the preliminary engineering report and the meeting date for the improvement hearing date until the first meeting in January. Unanimous vote. Motion carried.

I. Human Resources Committee Recommendations.

1. AFSCME Contract. Motion by Schmidtke, seconded by McIntyre to accept the AFSCME contract. Unanimous vote. Motion carried.

2. Public Works Supervisor Contract. Motion by McIntyre, seconded by Vail to accept the Public Works Supervisor contract. Unanimous vote. Motion carried.

3. Hire recommendation for Emergency Management team member. Motion by Mihalik, seconded by Schmidtke accepting the hire recommendation from the HR Committee of Ms. Valerie Vail on the Emergency Management team member at the rate of \$12.00 per hour. Voting for: Schmidtke, McIntyre, Mihalik; Abstain: Vail Motion carried.

J. Wapasha Construction Pay Estimate #16. Motion by McIntyre, seconded by Mihalik to approve Pay Estimate #16 in the amount of \$682,030.08 to Wapasha Construction. Unanimous vote. Motion carried.

K. Sex Offender Placements – Attorney Moran. Mr. Moran said as he indicated a few months ago we are going to have to be dealing with the issue of sex offender placements. The Minnesota Sex Offender treatment program in St. Peter was originally set to release five level 3's in Le Sueur County. Le Sueur County rushed through the County Commissioner Board the level three ordinance which is very similar to what the City has in place here. It is going to become imperative for Waterville to pass a rental license ordinance. Mr. Moran said he will pull other city ordinances in regard to rental units and rental licenses and will bring some of those before the new Council in January. Mr. Moran said he would like to start having a discussion with the Council about passing a rental license ordinance that targets blight and potentially even caps the number of rentals that Waterville would potentially have. Le Center did pass a moratorium on the issuance of any further licenses in Le Center and ideally his other cities will do that as well. Waterville is the only city of the cities that he represents that does not have a rental ordinance in place. We would need to get that rental ordinance in place first before we could address a moratorium. It is definitely something we want to be targeting and we will address it in January. Discussion regarding the different levels of sex offenders. Discussion regarding the proposed rental ordinance.

L. Fire Department Relief Association Request. Motion by McIntyre, seconded by Vail to pay the Fireman's Relief fund the \$3,000 budgeted in 2016 for additional relief. Voting for: Vail, McIntyre, Mihalik; Abstain: Schmidtke. Motion carried.

8. Engineer's Report. Mr. Femrite said that he had nothing to add. Ms. Vail said at the sewer plant we are 67% done. She asked Mr. Femrite if everything is okay. Mr. Femrite said they are progressing and it sounds like the first part of the summer or late spring they will be fully up and running.

9. Attorney's Report. Mr. Moran said he does not have anything.

10. Administrator's Report.

A. Ms. Hill said FEMA declared individual assistance for Le Sueur County as part of the declaration. They have established as of today that they will be using our Senior Center for a registration center for individuals to meet with them. We did a quick mailing today to try to get information out. Their hours are going to be Monday through Friday 8:00 a.m. to 7:00 p.m., Saturday 8:00 a.m. to 5:00 p.m. and Sunday 8:00 a.m. to 5:00 p.m. They will be opening this Sunday. Individuals can come in to chat with them to see whether or not their expenses are eligible or not. One thing that we wanted the public to understand was they classified it as flood damage but it is water damage. If you had sewer back-ups, drain back-ups, sump pump failures, all during that time they should be checking on those expenses and see. Most of it is uninsured damages of course. Ms. Hill said she is not sure how long they will be here. It depends on how quickly they move and how much our residents respond.

B. Mr. Moran said we will be closing on a property next week on one of the flood properties from a few years ago.

11. Council Discussion.

A. Mr. Schmidtke said he would like to thank you Mayor for all the things you have done here and Val we really appreciate it. We are going to miss you guys and we wish you the best of luck. Mayor Mihalik said thank you.

B. Mr. McIntyre said he will ditto that what Al Schmidtke said. It was great working with both of you and look forward to continuing doing things since Valerie is going to be on our emergency management which he is also on and also any projects that we may get involved in.

C. Ms. Vail said she does look forward working on the emergency management team. She was very active with Doug on that this year so hopefully she can bring a lot of knowledge to that. Ms. Vail said she would like to just thank the residents of the City of Waterville for electing her to the Council for the past 12 years. She has learned how the City can serve the residents by different committees she has served on from the Park Board, the EDA, the HR, Community Education Advisory Board, Audit Committee and the Long Range Planning Committee. She is glad to have built a good working relationship with the surrounding communities and County Officials through the Le Sueur County Governmental Officials meetings since 2012. She has enjoyed working with the City Engineer, Jason and the City Attorney, Jason, and the different Councils through the years, there have been quite a few over the last 12 years. And especially the City Staff. A special thank you to Teresa. Ms. Vail said the audit committee which she has been on for the last 12 years has expanded her knowledge of the everyday workings of the City. She counted these up and she has reviewed over 15,000 checks and bills in the last 12 years. She was amazed when she added them up the other day. Ms. Vail said a special passion of hers has been working with the Park Board with special emphasis on water quality in our lakes and rivers and how it affects tourism. We have received well over \$200,000 in grants for projects in our City. She is really proud of the Park Board, thank you. Finally thank you to this Council and Mayor. Thank you. Mayor Mihalik said before he says his good-byes, Ms. Vail it has been a pleasure to serve on the Council with you. You have been an awesome part of this City.

D. Mayor Mihalik said these last four years have been awesome. He took a look at all of the agendas that we have gone through and what we have done. Agendas like tonight where it is all business as usual, you think gosh what do you do so it is amazing to go through four years of agendas. Mayor Mihalik said he made a list of what he thought were some of the highlights of these four years. He just wants to go through those. We started the four years off

writing a new long range comprehensive plan. We put new signs at the north and south side of the city. The new City shop is now completed. We have nearly completed the wastewater treatment plant with six million dollars' worth of grants, thank you Mr. Femrite and Bolton & Menk. Children at Play signs near Day Care Centers. We have overcome two major floods, and a major fire. The EDA has offered financial benefits to businesses downtown. We have added the pledge of allegiance to Council meetings, maybe even prayer. The new City Website came up in these last four years as well as a Facebook page. We have paved a dirt road and last but not least but probably one of the most fun things the City has done and he thanks you because it was a limited success this last week was Santa Claus and thank you to the Fire Department for taking Santa Claus to children around the City. He does hope that this is a tradition that continues here in the City. It is certainly a benefit to the kids, and it doesn't come at that much of a cost to the City and brought a lot of joy. That was just his top ten. That being said a big thank you to Teresa who has been a big guide for him over the last four years, so thank you Teresa. A huge thank you to the City staff, Mr. Peach and the rest of the team. Our Fire Chief and our Police Chief who have been awesome at keeping everybody up to date. Thank you to the City Council for our lively and productive discussions and last but certainly not least a thank you to my family who has supported me and supported the City of Waterville over the last four years. So thank you very much and thank you to the residents who have really shaped what we have done in the last four years as a City Council so a big thank you to the residents.

12. Approval of Disbursements. Motion by Vail seconded by Schmidtke to approve the disbursements in the amount of \$1,175,445.93. Unanimous vote. Motion carried.

13. Impress Cash Fund. Motion by McIntyre seconded by Vail to approve the impress cash fund in the amount of \$98.43. Unanimous vote. Motion carried.

14. Adjourn. Motion by Mihalik, seconded by Vail to adjourn. Unanimous vote. Motion carried. Meeting adjourned 7:35 p.m.

Stephen Mihalik, Mayor

Teresa Hill, Administrator/Clerk