

**MINUTES OF THE
WATERTOWN CITY COUNCIL
Regular Meeting Tuesday, January 26, 2010**

1. CALL TO ORDER AND ROLL CALL

Pursuant to due call and notice thereof, the regular meeting of the Watertown City Council was called to order, on **Tuesday, January 26, 2010** by Mayor K. J. McDonald at 6:30 PM in the Watertown City Hall Council Chambers.

Upon roll call the following Council Members were present: McDonald, Rick Mann, Steve Duske, Earline King and Dan Geiger.

The following staff members were present: City Engineer David Martini of Bolton & Menk, Inc., Senior Planner Crystal Foust, and Acting Administrator/City Clerk-Treasurer and Finance Director Steven Wallner.

Also present was: Scott Qualle, Rich Lerew and Tom Burandt.

2. ADOPT AGENDA

Wallner asked to have the following item added to the agenda: Item 8A-2 (Xcel Energy Agreement).

DUSKE MOVED, GEIGER SECONDED A MOTION TO ADOPT THE AGENDA AS AMENDED. MOTION CARRIED 5-0.

3. REVIEW OF CONSENT AGENDA

- A. Council Minutes for January 12, 2010 meeting
- B. Planning Commission minutes from December 10, 2009
- C. Approval of Mike Hagerty as a member of the Commission on Aging
- D. Pay request from the City Attorney – Melchert, Hubert, Sjodin, PLLP
- E. Pay request from City Building Official – MNSPECT, Inc.

MANN MOVED, KING SECONDED A MOTION TO ADOPT THE CONSENT AGENDA. MOTION CARRIED 5-0.

4. OPEN FORUM

5. CELEBRATE WATERTOWN

- A. Wallner stated that the local Boy Scout Troop had volunteered to help an elderly resident remove snow from her walk. They have offered to do this for other residents
- B. Wallner stated that the city has received a \$368,000 Met Council grant for redevelopment of the south end of the downtown area. He praised Senior Planner Crystal Foust for her work on the grant application.

6. NEW/OLD BUSINESS

A. Presentation on Building Permit Fees – MNSPECT, Inc.

Scott Qualle of MNSPECT, Inc. went through the process of a building permit and how the building official computes the cost of the permit. He stated that he would like to present a quarterly educational session to the Council. McDonald stated that the cost of a building permit for a new home makes it tough on a young family. Duske stated that he would like to see the building official charge the home builder only for the time spent on an inspection. Qualle stated that according to the contract with the city, the building inspector's obligation goes beyond just the inspections and he believes the method of billing is done in a fair and balanced manner.

B. Tuscany Village Agreement

Justin Templin represented Hoff, Barry and Kozar at the council meeting. He stated that there had been a lack of communication on the part of Lakeland's attorney, Marc Kruger. Templin stated that Kim Kozar had sent Kruger a draft of the agreement January 15 with changes to protect the city's interest. Templin stated that Lakeland didn't want to have the agreement titled as an amendment to the development agreement. Templin stated that he didn't care, but the agreement needs to be recorded against the property.

Rich Lerew, vice president of Lakeland Construction Finance, referred back to the agreement draft presented to the Council on November 24, 2009. He thought the agreement offered in November was agreed upon by the Council. Duske pointed out to Lerew that the Council agreed to have Kim Kozar look over the agreement and revise it for Council approval. Lerew stated that there is no sense spending more money on attorney fees if there is nothing in return. He stated that the new draft was far from what was agreed on November 24.

McDonald stated that he saw no risk to proceed on the language agreed to November 24. Mann stated that he was not willing to expose any more tax dollars toward the project. Geiger agreed with McDonald to go forward but stated that the residents of Watertown shouldn't be burdened anymore. Duske agreed to proceed without putting the city's residents at risk.

Lerew stated that he would be willing to bring in Kruger and himself to work with Kozar and city representatives to work out an acceptable agreement. Wallner suggested that two council members work with Kozar, Kruger and Lerew. Duske and McDonald offered to represent the Council.

7. **COMMITTEE REPORT**

8. **CONSULTANTS' REPORTS**

A. City Engineer

1. Acceptance of bid for Highway 25 Project

Martini presented the bids submitted on the Highway 25 project. Of the 11 bids received, Wm. Mueller & Sons of Hamburg had the low construction bid of \$864,523.72. Martini stated that this was below the estimated construction

cost of \$880,000. Martini stated that the total cost of the project is \$1,114,023 of which the city's share is \$349,876. The amount of government stimulus money to be received for the project is \$704,000.

GEIGER MOVED, MANN SECONDED A MOTION TO AWARD THE HIGHWAY 25 PROJECT TO WM MUELLER & SONS OF HAMBURG WITH A LOW BID OF \$864,523.72. MOTION CARRIED 5-0.

2. Xcel Energy Agreement

Martini stated that Xcel Energy has to relocate a utility pole in the area of the proposed roundabout at Paul Avenue and Co. Rd. 20. The estimated cost of the relocation is \$100,000. Carver County is requesting that the City of Watertown deposit \$10,000 in an escrow account with Xcel and share the remaining cost with the county. Geiger stated that he didn't see any reason not to pay the \$10,000 but the county should pay the remaining cost since the county is constructing the roundabout. McDonald stated that he would talk with County Commissioner Tim Lynch about having the county pick up the entire remaining cost of the pole relocation.

GEIGER MOVED, KING SECONDED A MOTION TO AUTHORIZE THE CITY OF WATERTOWN TO DEPOSIT \$10,000 IN ESCROW WITH XCEL ENERGY. MOTION CARRIED 5-0.

3. Project Update

4. Pay Request

KING MOVED, GEIGER SECONDED A MOTION TO APPROVE THE PAY REQUEST FROM BOLTON & MENK, INC. MOTION CARRIED 5-0.

9. **MAYOR'S REPORT**

- A. McDonald stated that he was outraged and wished more people would be outraged and complain to their representatives and congress members about how the federal government is making subordinates out of the local and state governments.

10. **COUNCIL MEMBERS' REPORT**

- A. Mann stated that the Public Works Committee discussed electrical retrofitting of fixtures at Public Works. He stated that the payback on the fixtures would be 11.3 months.
- B. King stated that the Rec Zone in the school district is open and the schedule of events available is in the new Community Education brochure.

11. **STAFF REPORTS**

B. Community Development Report

1. Approval of grant application Resolution 2010-01-26-1

Foust stated that the city has prepared a grant application for downtown redevelopment on the south end of Lewis Avenue. She asked for Council authorization to submit the grant which is 50% funded by the city.

DUSKE MOVED, KING SECONDED A MOTION TO ADOPT RESOLUTION 2010-01-26-1 IDENTIFYING THE NEED FOR REDEVELOPMENT GRANT FUNDING AND AUTHORIZING AN APPLICATION FOR GRANT FUNDS. MOTION CARRIED 5-0.

D. Finance Director

1. Request for approval of voucher list/claims roster.

GEIGER MOVED, KING SECONDED A MOTION TO APPROVE THE VOUCHER LIST/CLAIMS ROSTER. MOTION CARRIED 5-0.

12. **ADJOURNMENT**

THERE BEING NO FURTHER BUSINESS THE MEETING WAS ADJOURNED AT 8:20 PM.

ATTEST:

Steven Wallner
Clerk-Treasurer

K.J. McDonald
Mayor