

**MINUTES OF THE
WATERTOWN CITY COUNCIL
Regular Meeting Tuesday, June 26, 2007**

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, June 26, 2007** 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, Steven Duske, Rick Mann and Dan Geiger. Council member Earline King was absent.

The following staff members were present: City Attorney Dave Hubert, City Finance Director Steven Wallner, City Engineer David Martini, City Planner Crystal Foust, Public Works Supt. Doug Kammerer and Planning Consultant Mark Kaltsas.

Others present were: Julie Frick of Carver County CDA, John Trebesch, Tracy Popper of Lakeland Const. Finance, Vina Marquart and Jenny Schmitz of Carver County Public Health.

2. ADOPT AGENDA

Staff asked to have the following items pulled from the agenda: 3M – Request for peddler permit by Southwestern Company (previously approved June 12, 2007).

MANN MOVED, GEIGER SECONDED A MOTION TO ADOPT THE AGENDA AS AMENDED. MOTION CARRIED 4-0.

3. REVIEW OF CONSENT AGENDA

- A. Council minutes for June 12, 2007
- B. Request for peddler permit by Abeland Construction
- C. Request for peddler permit by Turco Construction
- D. Request for peddler permit by Keavy's Kool Treats
- E. Pay request by City Attorney
- F. Pay request from M K Land
- G. Recommendation to approve letter of credit reduction for Rohs Way
- H. Metropolitan Council Planning Assistance Grant
- I. Assistant planning intern position offered to Chad Holtmeyer of Maple Grove at \$14 per hour. He will start Monday, July 9 and continue until Dec. 31, 2007 when his internship ends.
- J. Wayne Jacobson Park Commission resignation
- K. Recommendation to approve 2006 annual audit
- L. Claims roster

Geiger asked to have items 3b and 3c pulled due to lack of information

4. **CONSENT AGENDA APPROVAL**

GEIGER MOVED, DUSKE SECONDED A MOTION TO ADOPT THE CONSENT AGENDA AS AMENDED. MOTION CARRIED 4-0.

5. **OPEN FORUM**

- A. Julie Frick of Carver County CDA gave a report on the 2007 housing study. According to the study, Watertown is projected to add about 750 households between 2005 and 2015 and another 1,125 households between 2015 and 2030. To meet the projected single-family home demand, Watertown will need to maintain a supply of about 300 lots. Currently the supply is about 130.
- B. Vina Marquart and Jenny Schmitz of Carver County Public Health gave a report on how to inoculate Carver County residents in the event of a pandemic. Schmitz also stated that she was looking for several senior citizens to help with a survey that will take place Tuesday, July 10 at Watertown Community Center.

6. **CELEBRATE WATERTOWN**

- A. McDonald gave an update on the progress of the Watertown Lions who are in charge of the Rails to Trails Festival this year.

7. **NEW/OLD BUSINESS**

- A1. Recommendation to approve Ordinance 300 – Repeal Article II of Chapter 51 of the Municipal Code of Watertown, Minnesota.

DUSKE MADE A MOTION TO ADOPT ORDINANCE 300. MOTION DIED FOR A LACK OF A SECOND.

McDonald recessed the Council meeting and opened the continued public hearing for the Right-of-Way Ordinance. There was no public comment. McDonald closed the public hearing and reconvened the Council meeting.

DUSKE MOVED, GEIGER SECONDED A MOTION TO ADOPT ORDINANCE 300 REPEALING ARTICLE II OF CHAPTER 51 OF THE MUNICIPAL CODE OF WATERTOWN, MINNESOTA. MOTION CARRIED 4-0.

- A2. Recommendation to approve Right-of-Way Ordinance 301.

GEIGER MOVED, MANN SECONDED A MOTION TO ADOPT THE RIGHT-OF-WAY ORDINANCE 301 AS PRESENTED AND SUMMARY ORDINANCE FOR PUBLICATION IN THE CARVER COUNTY NEWS. MOTION CARRIED 4-0.

- B. Tuscany Village update. Council asked Trebesch to give the Council an update on his progress. He stated that the trail to the lift station had been completed and grading work for sidewalks. He stated that he had asked if Public Works could run water from the hydrant into a manhole to the lift station to help clear a blockage. Building Inspector Scott Qualle of Waldron and Associates, Inc. stated that people

have been living in units beyond the 180-day temporary occupancy permit limitation and that the permit should be revoked. Geiger stated that he has yet to see a plan to get things done on the punch list. He said that was promised at the June 12 Council meeting. Trebesch stated that work is continuing on the punch list and he can give the Council an estimated time when the items will be completed. Trebesch stated that he had asked for a meeting regarding building issues but nothing came of it. McDonald offered to meet with Trebesch the next morning to go over the punch list and have him submit dates of completion to McDonald. Martini stated that someone from his office should also be at the meeting as long as there is discussion about the punch list.

MANN MOVED, GEIGER SECONDED A MOTION TO PULL THE TEMPORARY CERTIFICATE OF OCCUPANCY FOR TUSCANY VILLAGE AND AUTHORIZE A MEETING WITH JOHN TREBESCH AND CITY OFFICIALS TO OBTAIN TIMELINE FOR COMPLETING PUNCH LIST. MOTION CARRIED 4-0.

8. CITY STAFF REPORTS

9. COMMITTEE REPORT

- A. Public Works Committee recommendation to hire Pearson Brothers Inc. for 2007 seal coating project. Kammerer stated that quotes were solicited from two companies for the 2007 seal coating project. Allied Blacktop's quote was \$68,266.50 and Pearson Brothers, Inc. was \$49,971. Duske stated that the city needs a policy as to when seal coating is needed and a maintenance schedule. He stated that this should be included in the city's manual of standards.

GEIGER MOVED, MANN SECONDED A MOTION TO AWARD THE 2007 SEAL COATING PROJECT TO PEARSON BROTHERS, INC. FOR \$49,971. MOTION CARRIED 4-0.

- B. Recommendation to approve Kings Highlands site grading. Staff received two quotes. Doboszinski & Sons, Inc. had a quote of \$25,700 and Burns Excavating, Inc. of Mayer had a quote of \$12,000.

DUSKE MOVED, MANN SECONDED A MOTION TO AWARD THE CONTRACT FOR SITE PREPARATION WORK IN KINGS HIGHLANDS PRIOR TO INSTALLING PARK EQUIPMENT TO BURNS EXCAVATING, INC. OF MAYER FOR \$12,000. MOTION CARRIED 4-0.

- C. Park and Recreation Commission recommendation to approve Kings Highland park improvements. City staff received two quotes for playground equipment. St. Croix Recreation's quote was for equipment only at \$35,015.23. The quote from Earl F. Anderson was for equipment, including installation at \$37,500. Surfacing was quoted at \$6,800 for a total of \$44,300.

MANN MOVED, GEIGER SECONDED A MOTION TO APPROVE PURCHASE OF PARK EQUIPMENT FOR KINGS HIGHLANDS FROM EARL F. ANDERSON OF BLOOMINGTON FOR A PRICE NOT TO EXCEED \$44,300 FOR EQUIPMENT, SURFACING, INSTALLATION, SHIPPING, HANDLING AND SALES TAX. MOTION CARRIED 4-0.

10. ATTORNEY'S REPORT

11. ENGINEER'S REPORT

- A. Project summary. Martini gave a report on several projects including sanitary sewer river crossing and lift station, Hwy. 25 improvements, trail project, Henschen Area improvements, downtown levee and development projects. Martini spent considerable time explaining the downtown levee situation. From a meeting with the Army Corp of Engineers, it was determined that the downtown levee was constructed as an emergency levee but has never been certified. Therefore, the area behind the levee is considered part of the floodplain. The levee cannot be certified due to the tree growth. In order to certify the levee, it will need to be rebuilt in its existing location or a new levee will need to be constructed behind it.
- B. Pay request from city engineer.

GEIGER MOVED, MANN SECONDED A MOTION TO APPROVE THE PAY REQUEST FROM BOLTON & MENK, INC. MOTION CARRIED 4-0.

12. MAYOR'S REPORT

13. COUNCIL MEMBER'S REPORT

- A. Geiger stated that he had attended the recent Comprehensive Plan Task Force.

14. ADMINISTRATOR'S REPORT

15. FINANCE DIRECTOR REPORT

- A. Recommendation to prepare Requests for Proposals for auditing services. Wallner stated that the staff is displeased with the performance of the city auditor for the past year due to the untimely completion of the annual audit.

DUSKE MOVED, MANN SECONDED A MOTION TO APPROVE PREPARATION OF REQUESTS FOR PROPOSALS FOR AUDITING SERVICES. MOTION CARRIED 4-0.

- B. Recommendation to approve Associated Financial to serve as property and casualty agent. Staff has been working on the annual renewal of the city's insurance policy. The city's insurance policy is currently with the League of Minnesota Cities Insurance Trust. The city's insurance agent for property and casualty and workers comp is Bremer Insurance. Staff requested a change from Bremer to Associated Financial. Staff is dissatisfied with the performance of

Bremer and would receive additional benefits from Associated Financial, who also currently handles the city's benefits insurance.

MCDONALD MOVED, GEIGER SECONDED A MOTION TO APPROVE CHANGING THE AGENT OF RECORD FOR PROPERTY AND CASUALTY AND WORKERS COMPENSATION INSURANCE FROM BREMER TO ASSOCIATED FINANCIAL EFFECTIVE IMMEDIATELY. MOTION CARRIED 4-0.

- C. 2007 Budget recommendations as developed by Finance Committee. Wallner explained to the Council that during the budgeting process late in 2006, it was anticipated that the city would have a tax rate of 40%. Due to the double entry of a revenue stream (local government aid), the city actually certified a tax rate of 34.1%. This mistake and a revised lower building permit projection have made it necessary for staff to recommend revisions to the 2007 budget. The impact to the residents was kept to a minimum. No major programs have been cut and residents should not feel any loss or reduction in services. Staff has discussed with the County Auditor a method to avoid this kind of error in the future. The County Auditor will provide the cities with an estimated tax rate in January. A notification from the county in January would alert staff to any potential error in the levy certification in time so that the error could be corrected. Staff has also modified the method in with the city will determine the needed tax levy through the fiscal impact analysis so that the double entry should not happen in the future.

DUSKE MOVED, GEIGER SECONDED A MOTION TO APPROVE 2007 BUDGET REVISIONS AS PRESENTED BY CITY STAFF. MOTION CARRIED 4-0.

16. CITY PLANNER REPORT

17. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS THE MEETING WAS ADJOURNED AT 9:00 PM.

Respectfully Submitted,

ATTEST:

Steven Wallner
Clerk-Treasurer

K.J. McDonald
Mayor