

**MINUTES OF THE
WATERTOWN CITY COUNCIL
Special Meeting September 20, 2004**

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 **Monday, September 20, 2004** by Mayor Stephen T. Sarvi at 5:30 PM at the Watertown City Hall.

Upon roll call the following members were present: Mayor Stephen T. Sarvi, Council Members Mike Crom, Steven Duske, Jennifer Randall and Nels Tuvey.

The following staff members were present: City Administrator David Mandt, City Finance Director Steven Wallner, Liquor Operations Manager Beau Hickman, City Attorney Dave Hubert, and Liquor Commissioner Dave Smith.

Others present were: Dean Mau of Paul Waldron & Associates, Allen von der Hoff, Rick Mann, EIRoy Vidlund, John Radde, Marilyn Hunz, John Millar, Rodney Herzog and Beth Wentland

2. NEW/OLD BUSINESS

A. Purchase of 305 Lewis Avenue South

Mandt presented the Braun Intertech asbestos report to the city council. The report stated that asbestos was found in the floor tiling in the bathroom, plaster on the ceiling in the entry, pipe wrapping on the second floor and the floor tiling on the second floor.

He further stated that Braun did not conduct a mold test because the technician from Braun felt that the test would be skewed due to the musty books and other items in the building.

Duske questioned the reliability of the report due to the small number of samples taken.

Sarvi stated that this is what a report looks like and is similar to the report the city received on the Fullerton building. He stated that it would be nice to know what the cost of the clean-up would be.

Sarvi questioned whether the owner would be willing to be part of the clean-up costs.

Mandt stated that at the previous meeting on September 7, 2004 the owner had expressed a willingness to participate in the cost of the clean-up.

Herzog rescinded his offer to pay half of the clean-up costs due to the delays and the disruption of his timeline. After consulting with his realtor, Herzog said that he would reduce the asking price from \$175,000 to \$174,000.

Dean Mau from Paul Waldron & Associates stated that the asbestos found could be encapsulated to allow for continued use of the building but the asbestos would need to be abated following MPCA guidelines if extensive remodeling or demolish were to occur.

DUSKE MOVED TO RESCIND THE PURCHASE AGREEMENT FOR 305 LEWIS AVENUE SOUTH. THE MOTION WAS SECONDED BY SARVI.

Tuvey questioned what happens if this motion passes.

Duske said that he agreed to the \$150,000 originally and feels that the city should renegotiate if there still is a desire to own the property. He also stated that he probably wouldn't agree to \$150,000 at this time.

Crom stated that he believes the property is still important for expanding the community center/city hall/library.

The meeting recessed at 6:10 p.m. to tour the building.

The meeting reconvened at 6:29 p.m.

Randall stated that the expansion of city hall/community center/library will be an asset to the community and hopes that the owner will renegotiate with the city.

John Millar question how long the liquor store would be in the building.

Crom answered 2-3 years at a minimum.

Sarvi stated that he has a problem with the cost of the purchase. He is more concerned about mold than the asbestos.

THE MOTION WAS APPROVED 3-2 WITH CROM AND RANDALL VOTING NAY.

Sarvi questioned what next. He felt that the owner should feel entitled to put the building back on the market.

The council directed staff to work on a lease for the property and to update the financial models for the liquor operations.

Duske wants all costs to come out of the liquor fund.

Sarvi stated that liquor can reimburse the general fund if the store does go in there but feels the costs should be from the general fund for now.

Hubert stated that the city will need to have a mutual termination agreement written for the purchase agreement.

Duske thinks that community center/city hall/library can add on to the south.

Sarvi and Crom both felt that the parking was too valuable.

Duske suggested renting trailers for a temporary liquor store.

Sarvi stated that the city should conduct a space needs analysis before making any more decisions.

Mandt will research temporary structures for the liquor operations.

3. **ADJOURNMENT**

THERE BEING NO FURTHER BUSINESS, RANDALL MOVED, TUVEY SECONDED A MOTION TO ADJOURN THE MEETING AT 7:10 PM.

Respectfully Submitted,

ATTEST:

Steven Wallner
Clerk-Treasurer

Stephen Sarvi
Mayor