

**MINUTES OF THE
WATERTOWN CITY COUNCIL
Regular Meeting Tuesday, Dec. 11, 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, Dec. 11, 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, Rick Mann, Earline King, Dan Geiger and Steve Duske.

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

Others present were: Holly Reinert, Francis Condon.

2. ADOPT AGENDA

Staff asked to have items 7A (Braun Intertec inspect hockey rink asphalt) and 7B (Founders Park) added to the agenda.

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

3. REVIEW OF CONSENT AGENDA

- A. Council minutes for Nov. 27, 2007
- B. Council minutes for Truth in Taxation hearing Dec. 3, 2007
- C. Recommendation to approve 2008 licenses
- D. Tuscany Village update
- E. Recommendation to pay Expert Asphalt for work performed on trail at hockey rink
- F. Pay request from M K Land
- G. Second half of December claims processing
- H. Recommendation to approve 2008 police contract as budgeted
- I. Claims roster

Duske asked to have item 3H pulled for discussion. Duske stated that the county should be paying for the supervisory portion of the contract and he was opposed to paying for the Drug Task Force for 2008. He made a motion to take out the cost of the Drug Task Force from the policing contract. McDonald stated that it would be better to remove the item from the consent agenda for further discussion. Mandt asked the Council to approve the contract minus the items Duske mentioned. He stated that the city does not pay the first half of the contract until June. Geiger stated that it is an excellent contract and the amount spent on the Drug Task Force is well worth it. McDonald stated that the city should have an explanation on the items brought up by Duske before paying the county policing contract.

4. CONSENT AGENDA APPROVAL

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

5. OPEN FORUM

6. CELEBRATE WATERTOWN

- A. Mandt updated the Council on Santa Day, Tree Lighting Ceremony, Senior Shopping Day and Senior Dinner/Light Tour. He also mentioned that the hockey rink would be opened Saturday, Dec. 15.

7. NEW/OLD BUSINESS

- A. Mandt stated that staff recommends hiring Braun Intertec to bore core samples in the bituminous surface of the hockey rink to determine if it is the same thickness as stated by the contractor, Expert Driveways, Inc. Braun will do the work for an estimated \$1,205. Kaltsas stated that there is sufficient evidence to believe that the thickness is not adequate. He stated that the Council should hold payment until the surface is declared satisfactory. A memo to the Council from Foust stated that the specified depth of the bituminous surface was 3 ½ inches. Core samples taken from the perimeter indicate that the depth is not consistently 3 ½ inches and the finish surface is rough and in several areas loose gravel is present.

MANN MOVED, GEIGER SECONDED A MOTION TO WITHHOLD PAYMENT TO EXPERT DRIVEWAYS, INC UNTIL THE SURFACE CAN BE DECLARED SATISFACTORY AND REQUIRE THAT EXPERT DRIVEWAYS, INC PAY FOR THE COST OF BRAUN INTERTEC DOING A TECHNICAL ANALYSIS OF THE SURFACE. MOTION CARRIED 5-0.

- B. Mandt stated that the city had been looking into purchasing 80 acres at the intersection of Co. Rd. 20 and Paul Avenue for a city park, but that did not materialize. Instead, the city is being offered a chance to purchase 36 acres between the Luce Line Trail and Co. Rd. 20 east of the Stop 'n Go/BP store. This item was discussed in a workshop prior to the council meeting. From the workshop, it was determined to ask the city attorney to draft a letter to the property owners, allowing the city exclusive right to negotiate for a purchase agreement with \$2,500 paid up front. Condon, who is representing the property owners, suggested a purchase agreement date of Jan. 9, 2008. Geiger stated that during the workshop, the Council had agreed on Jan. 23.

DUSKE MOVED, KING SECONDED A MOTION TO AUTHORIZE THE CITY ATTORNEY TO DRAFT A LETTER TO THE PROPERTY OWNERS GIVING THE CITY EXCLUSIVE RIGHTS TO NEGOTIATE A PURCHASE AGREEMENT BY JANUARY 23, 2008 WITH \$2,500 PAID IMMEDIATELY TOWARD THE PURCHASE PRICE. MOTION CARRIED 5-0.

8. CITY STAFF REPORTS

9. COMMITTEE REPORT

- A. Extending of Mike Loehrs employment. Mandt stated that Eric Meemken, a utility operator, has resigned to take another position in another city. The Public Works Committee recommended to extend the employment of Mike Loehrs until the Personnel Committee can meet to review the needs and structure of the Utility Department. Loehrs will work in the Utility Department, help with snow plowing and where needed with Public Works duties.

MANN MOVED, KING SECONDED A MOTION TO EXTEND THE EMPLOYMENT OF MIKE LOEHRS UNTIL THE PERSONNEL COMMITTEE CAN REVIEW THE STRUCTURE AND NEEDS OF THE PUBLIC WORKS DEPARTMENT. MOTION CARRIED 5-0.

- B. Hiring warming house attendants. Mandt stated that interviews were conducted Dec. 5-6. Eight applied for the position. Those recommended for hiring are: Logan Pysick, Jeremy Notermann, Alexander Esler and Nathan Barthel. The recommended wage is \$8 per hour.

GEIGER MOVED, KING SECONDED A MOTION TO HIRE LOGAN PYSICK, JEREMY NOTERMANN, ALEXANDER ESLER AND NATHAN BARTHEL AS WARMING HOUSE ATTENDANTS FOR THE 2007-08 SKATING SEASON. MOTION CARRIED 5-0.

10. ATTORNEY'S REPORT

11. ENGINEER'S REPORT

- A. Pay request No. 1 for Wm. Mueller & Sons for Co. Rd. 24 trail. City engineer Martini recommended approval after reviewing the estimate and verifying the quantities for the Co. Rd. 24 trail project through Nov. 20, 2007.

GEIGER MOVED, KING SECONDED A MOTION TO APPROVE FINAL PAYMENT TO WILLIAM MUELLER AND SONS FOR WORK COMPLETED ON THE CO. RD. 24 TRAIL PROJECT. MOTION CARRIED 5-0.

- B. Recommendation to approve Change Order No. 1 for Industrial Park utilities. Martini stated that the developer has fulfilled his obligation of obtaining signed easements from the property owners adjacent to the project and agreeing to pay for the balance of the project costs over \$250,000. Martini recommended signing the contracts and approving the change order which provides for a revised completion date of June 30, 2008.

DUSKE MOVED, MANN SECONDED A MOTION TO APPROVE THE SIGNING OF THE CONSTRUCTION CONTRACTS FOR THE INDUSTRIAL PARK PROJECT AND APPROVE CHANGE ORDER NO. 1 PROVIDING FOR A REVISED COMPLETION DATE OF JUNE 30, 2008. MOTION CARRIED 5-0.

- C. Recommendation to approve letter of credit reduction for Rosewood Estates. Martini requested reduction of the letter of credit from \$87,433.74 to \$37,400. The

remaining letter of credit amount will cover the cost of the bituminous wear course, landscaping and on-going site maintenance and erosion control.

GEIGER MOVED, MANN SECONDED A MOTION TO APPROVE REDUCING THE LETTER OF CREDIT FOR ROSEWOOD ESTATES FROM \$87,433.74 TO \$37,400. MOTION CARRIED 5-0.

12. MAYOR'S REPORT

- A. McDonald mentioned that the Christmas tree lighting ceremony was well attended. He also read a Christmas card received from President George Bush.

13. COUNCIL MEMBER'S REPORT

- A. King reported that she had attended the recent W-M Community Education Advisory Committee at which they saw a student theater production.
- B. Geiger reported that he attended the grand opening of Hwy. 212, attended the tree lighting ceremony and met with city staff on the Comprehensive Plan.

14. ADMINISTRATOR'S REPORT

15. FINANCE DIRECTOR REPORT

- A. Approval of the 2008 General Fund budget. Wallner stated that the proposed 2008 General Fund budget calls for \$1,942,655 in revenues and expenditures. General Government accounts for 45% of the budget with Streets at 15%, Parks at 11%, Public Works at 7% and Public Safety at 23%. The General Fund Operating Levy is \$1,127,052.

MCDONALD MOVED, KING SECONDED A MOTION TO APPROVE RESOLUTION 2007-12-11-1 ADOPTING A FINAL 2008 GENERAL FUND BUDGET. MOTION CARRIED 5-0.

- B. Certification of the 2008 Property Tax Levy. Wallner stated that the final 2008 levy is \$1,551,919 which includes \$1,127,052 General Fund Levy, a \$97,967 Market Value Debt Service Levy and \$326,900 Debt Service Levy. The levy, not including the market value debt service, will produce an estimated 38.9864% tax rate for the City of Watertown.

MCDONALD MOVED, GEIGER SECONDED A MOTION TO APPROVE RESOLUTION 2007-12-11-2 CERTIFYING A FINAL LEVY FOR 2007 TAXES COLLECTED IN 2008. MOTION CARRIED 5-0.

- C. Recommendation to approve 2008 Cost of Living Adjustment per Federal Standards. Wallner stated that the city's COLA is based on the 2.8% Consumer Product Index for September 2007. Prior to 2001 the COLA was set at a flat 3%. Duske and Mann objected to the increase. Duske stated that the Council had approved a levy with a COLA of 2.6%. Wallner stated that he used 2.6% when he created the first budget document in June. He stated that the increase would

amount to a total of \$600 for the General Fund. Mann stated that a person making \$45,000 per year would see an additional \$1,170 at 2.6%. He stated that a lot of people, including him are not happy with the tax increases. McDonald stated that the COLA increase does not even keep up with the 4 ½ percent actual increases in the cost of living. He stated that employees are not receiving enough to keep up with the cost of living and that is the fault of the Federal Reserve Banking System. Duske stated that he did not agree with employees receiving two raises in a year (COLA and performance review). Wallner stated that this year some employees did not receive a raise other than COLA because they are at the top of the pay scale. Mann stated that the Council needs to be fiscally responsible. McDonald stated that he believes the Council is doing a good job of being fiscally responsible and it is unfortunate that there are certain situations that are beyond their control. Geiger stated that the raises in July are based on performance and if employees do not do a good job, they do not receive an increase, but those that do deserve a raise. He stated that most of the people who work for the city live in the city and pay city taxes and help share in the burden with others.

GEIGER MOVED, KING SECONDED A MOTION TO APPROVE THE 2008 COST OF LIVING ADJUSTMENT AT THE SEPTEMBER 2007 CONSUMER PRODUCT INDEX OF 2.8%. MOTION CARRIED 3-2 (DUSKE AND MANN VOTED NAY).

16. PLANNER REPORT

- A. Foust gave the Council a power point presentation on the Walkable Communities Report. The next step is to form a committee involving school, city and county officials, representative from the MnDOT and residents. A two-page flyer will be mailed out at the end of the year to residents.
- B. Foust reported that an orderly annexation public meeting will be held Thursday, Jan. 3.

17. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS THE MEETING WAS ADJOURNED AT 8:12 PM.

Respectfully Submitted,

ATTEST:

Steven Wallner
Clerk-Treasurer

K.J. McDonald
Mayor