



MINUTES
CITY COUNCIL MEETING
December 15, 2009

CALL TO ORDER

The meeting was called to order at 6:57 pm.

Present: Mayor: Randy Gilbert; Council: Sharon Henderson, Brian Carpenter, and Liz Olson

Staff Present: City Administrator: Terrance Post; City Engineer: Toby Muse; and City Clerk: Jeanette Moeller

Absent: Council: Sam Rettinger (with prior notice)

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

Mayor Gilbert requested that Item No. 10, Employee Holiday Gift Award, be added to the agenda.

*A motion was made by Henderson, seconded by Carpenter, to approve the Agenda as amended.
Ayes: all.*

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of December 1, 2009 City Council Work Session
- B. Approve Minutes of December 1, 2009 City Council Meeting
- C. Approve Vendor Claims and Payroll
- D. Adopt Resolution No. 2009-34 Approving Issuance of 2010 Liquor Licenses
- E. Adopt Resolution No. 2009-33 Approving Issuance of 2010 Tobacco Licenses
- F. Adopt Resolution No. 2009-35 Approving Issuance of Residential and Commercial 2010 Refuse Hauler Licenses
- G. Adopt Resolution No. 2009-36 Approving a 0.0% Range Move for the 2010 Salary Pay Plan
- H. Approve Engagement Letter with Abdo Eick & Meyers LLP for 2009 Audit Services
- I. Approve Proposal from Ehlers to Conduct a Utility Rate Analysis

Council member Carpenter requested that Consent Agenda Item I be pulled for further consideration.

Council members discussed the purpose and goals of the utility rate analysis proposal from Ehlers; whether the rate analysis could be accomplished by staff versus consultants; what benefit the consultant's experience in completing similar studies could offer Long Lake; and the timing of the utility rate study. Council member Olson expressed concern a more proactive approach should have been applied to addressing the Mn/DNR's new utility rate requirements and suggested a utility rate analysis should have begun earlier in the year. Council members further discussed the consultant's fee to complete the work.

A motion was made by Carpenter, seconded by Henderson, to approve the Consent Agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

No one was in attendance to address the City Council during Open Correspondence.

BUSINESS ITEMS

Adoption of Final Payable 2010 Levy, Budget, and CIP Resolutions

Post reported that since the December 1, 2009 Truth in Taxation Public Hearing, an announcement had been made by the Governor that December 2009 Local Government Aid (LGA) payments would not be unallotted; therefore, the City's certified 2009 December LGA distribution payment is likely to be received. However, receiving the certified 2010 LGA amount remains problematic given the State of Minnesota's forecast 2009-2010 budget year shortfall.

The current 2009 final budget presented to the City Council reflects a total levy increase of .93%. The levy supports total General Fund revenues of \$1,436,680 and General Fund expenditures of \$1,436,680 resulting in a balanced budget. Assuming full receipt of certified state aids, the 2009 estimated year-end General Fund fund balance of \$868,403 represents approximately 60% of proposed 2010 General Fund expenditures.

Unlike 2009, which was characterized by several large projects, the 2010 CIP totals \$157,000 and includes a local match 5% addition for a replacement Engine only if the Fire Department is successful in obtaining a 95% match FEMA grant; parking lot seal coating for both Fire Stations; continuation of the street seal coating program; continuation of the sidewalk panel replacement program to reduce trip hazards; and replacement of the City Hall network server.

Post discussed the State Auditor's office recommendations for maintaining General Fund fund reserves.

A motion was made by Henderson, seconded by Olson, to adopt Resolution No. 2009-37 establishing the final 2009 tax levy collectible in 2010. Ayes: all.

A motion was made by Carpenter, seconded by Henderson, to adopt Resolution No. 2009-38 establishing the final 2010 total city budget. Ayes: all.

A motion was made by Olson, seconded by Henderson, to adopt Resolution No. 2009-39 establishing the 2010 Capital Improvement Plan (CIP). Ayes: all.

Application for Payment No. 2 to Hennen Construction Co. for 2009 TH 12 Watermain Replacement Project

Post stated staff received Application for Payment No. 2 from Hennen Construction Co. for the 2009 TH 12 Watermain Replacement Project in the amount of \$60,792.30. The payment application represents total contract earnings through November 13, 2009 of \$151,989.89 less Pay Application No. 1 and 5% contract retainage. Application for Payment No. 2 represents substantial completion of the project with the amount earned being approximately 7.5% below the accepted bid price. The completion of project punch list items is being held over until spring of 2010. Staff recommends approval of the payment request in the amount of \$60,792.30.

City Engineer Muse advised the Council of remaining punch list items to be addressed.

A motion was made by Henderson, seconded by Carpenter, to approve Application for Payment No. 2 from Hennen Construction Co. in the amount of \$60,792.30 for the 2009 TH 12 Watermain Replacement Project. Ayes: all.

Application for Payment No. 2 to GL Contracting Inc. for 2009 TH 12 Watermain Repair Project

Post reported staff has received Application for Payment No. 2 from G.L. Contracting Inc. for the 2009 TH 12 Bypass Watermain Repair Project in the amount of \$10,199.62. Application for Payment No. 2 represents total contract earnings through November 30, 2009 of \$121,437.30, less Application for Payment No. 1 and the retention of a 2% contract retainage amount of \$2,428.75. Remaining punch list tasks to complete the project primarily revolve around street restoration work in the Wolf Pointe Woods neighborhood that are being held over until the spring of 2010. Staff recommends approval of the payment request in the amount of \$10,199.62.

A motion was made by Carpenter, seconded by Olson, to approve Application for Payment No. 2 from G.L. Contracting Inc. in the amount of \$10,199.62 for the 2009 TH 12 Watermain Repair Project. Ayes: all.

Park Board and Planning Commission Appointments

Post stated that the Council had interviewed three candidates for two Planning Commission openings and one Park Board opening in a work session prior to the meeting. Candidates interviewed were:

- Brian Torney – Applying to serve on Park Board or Planning Commission
- Jon Crump – Reapplying to serve on the Planning Commission
- John Hughes – Applying to serve on the Planning Commission

Staff would recommend that Brian Torney be appointed to serve on the Park Board, and Jon Crump and John Hughes be appointed to the Planning Commission.

Mayor Gilbert commented that the community was very fortunate to have quality people and great citizens applying for these types of positions.

A motion was made by Henderson, seconded by Carpenter, to adopt Resolution No. 2009-40 appointing Brian Torney to the position of Park Board member serving a term effective January 1, 2010 through December 31, 2012; and Jon Crump and John Hughes to the positions of Planning Commissioner serving terms effective January 1, 2010 through December 31, 2013. Ayes: all.

Employee Holiday Gift Award

Mayor Gilbert indicated that in recognition of the tough times, salary wage freeze, and operating with a shorter staff, Council members agreed it would be nice for the city to provide employees with a \$100 appreciation gift holiday bonus. Mayor Gilbert entertained the motion.

A motion was made by Carpenter, seconded by Henderson, to authorize a one time \$100 holiday bonus gift to the City's six full-time staff members. Ayes: all.

OTHER BUSINESS

EDA Meeting – Council member Olson questioned when the EDA meeting originally scheduled for December 15 would be rescheduled. Mayor Gilbert responded that he and Post had discussed the matter and would advise rescheduling the EDA meeting for January allowing for the new Chamber of Commerce officers to participate following the Chamber's elections.

Council Goals – Council member Carpenter suggested it would be good for the Council to revisit the goals established at the Council's last goal setting session. He indicated he would like to see the

Council meet again in January perhaps on a Saturday morning to review their goals. Council members were in agreement a goal review meeting would be timely.

EDA Meeting Topic – Post stated that one of the agenda topics he would like to see on the upcoming EDA meeting would be a discussion of a spending plan for TIF District 1-2 funds, as these funds must be spent prior to the end of 2010.

Administrator Vacation – Post informed the Council he would be leaving on vacation December 16 and returning December 22.

Snowball Open – Moeller indicated that the Orono Lions Club had submitted a Special Event Permit application to host their annual Snowball Open on January 30, 2010.

Toys for Tots Drive – Mayor Gilbert stated the LLFD Slow Burn Brigade is still accepting donations for Toys for Tots. Due to their successful fundraising efforts, the Slow Burn Brigade will be highlighted on KARE 11 news.

Happy Holidays – Mayor Gilbert stated he looks forward to a productive 2010 and thanked staff for their work in 2009. He wished everyone a happy holiday season.

ADJOURN

Hearing no objection, Mayor Gilbert adjourned the meeting by general consent at 7:55 pm.

Respectfully submitted,

Jeanette Moeller
City Clerk