

**CITY OF LE CENTER  
REGULAR COUNCIL MEETING  
TUESDAY, MAY 13, 2014 - 7:00 PM**

**\*\* MINUTES \*\***

**I. CALL TO ORDER**

Present: Mayor Fredrickson, B. Emmers, G. Meidlinger Jr., D. Woelfel, C. Harmeyer  
Absent: None

**II. APPROVAL OF MINUTES**

- A) Motion by Woelfel, Seconded by Harmeyer, Minutes from April 15, 2014 Regular Council Meeting be approved. Approved unanimously.
- B) Motion by Emmers, Seconded by Harmeyer, Notes from April 23, 2014 Workshop Meeting be approved. Approved unanimously.
- C) Council changes to Agenda: Move Up: NEW BUS. A) 2013 Audit Report

**III. APPROVAL OF BILLS TO BE PAID**

Council reviewed the bills to be paid. Motion by Harmeyer, Seconded by Emmers, to pay the bills listed and due. Approved unanimously.

**\*\* NEW BUSINESS: A) 2013 Audit Report \*\***

City Auditor Joel Stencil of EideBailly gave the 2013 Audit Report. Mr. Stencil handed out an "Executive Summary" of 2013 for council to view. Included in his summary was:

- Cash Fund Balance is up to \$231,900 vs. \$75,333 in 2012.
- General Fund Cash and Equivalents up \$140,000 over 2012.
- Net income of Revenues over Expenses was \$156,567 vs. \$127,895 in 2012.
- Water Fund net income was down \$9,300 vs. 2012.
- Sewer Fund net income was up \$91,000 vs. 2012.
- Refuse Fund net income was up \$8,900 vs. 2012.
- Liquor Fund net income was up \$25,000 vs. 2012
- Debt Service Fund deficits: 2010C Bond (\$445,000) & 2006 Bond (\$297,000)

Also discussed was the (expected) material weaknesses in Internal Controls due to lack of staff, and Legal Compliance due to using a council member to do city work. In conclusion; Mr. Stencil stated that "overall, city financials were improving."

Citing a lack of time to fully study the report; council agreed to table approval of the 2013 Audit Report until the June council meeting.

#### IV. REPORTS OF OFFICERS, BOARDS, COMMITTEES, & DEPARTMENTS

##### A) E.D.A. Report

Director Collins reported: No meetings held/ no report on the Industrial Park signs.

##### B) P & Z Report

Administrator Block reported: held an informal P & Z meeting for the new members to get accustomed to the process/ re-zone meeting next month/ demolition has started on the old motel for the new Casey's Store. Block handed to council letters and pictures of two "hazardous and substandard buildings" (houses) in the city. Attorney Moran says city can invoke Minnesota Statute #463.15 to remove substandard houses. Moran and Block were asking for council approval to pursue this process. Motion by Meidlinger, Seconded by Harmeyer, to approve pursuing the process of removing substandard buildings using Minnesota Statute #463.15 by Attorney Moran and Block. Approved unanimously.

##### C) Municipal Liquor Store

Assistant Manager Brad Collins gave the April report: Sales were \$63,168: down \$4,400 from March, and down \$1,700 from Apr.'13. Collins also reported: Inventory is approx. \$134,500/ YTD sales down \$8,000/ several graduations planned; needs city pick-up truck to move coolers and bars/ two picnic tables moved to front of store for nice weather. Muni building is in need of some serious attention; brick is deteriorating rapidly. Council agreed: Manager and Liquor Committee get pricing on several different remedies to fix. Asked by council: Collins reported several apartment renters are on a payment plan, that's why April rent income is lower than normal.

- 1) After some discussion: Motion by Woelfel, Seconded by Harmeyer, to hire Assistant Manager Brad Collins as the new Liquor Store Manager and approve the contract agreement with him as negotiated by the liquor committee; including \$20 per hour @ 45 hour work week/ salary position, no overtime/ no new comp time accumulated/ deplete comp time already accumulated/ start new position May 16. Approved by 4-1 vote; Meidlinger voting No.
- 2) Hiring committee for 2<sup>nd</sup> Head Bartender: Woelfel, Harmeyer, C. Collins, B. Collins, and MVCOG representative.

##### D) Police Department

Police Chief Pfarr reported on the police activities for month of April: 133 calls @ 2,081 miles patrolled/ total calls up 12%, total miles down 13%. Pfarr reported: the calls were mainly public nuisance complaints, scams on older residents, door-to-door sales.

##### E) Water, Sewer, Streets, Parks

Public Works Supt. Curt Roemhildt reported:

Water- city drinking water report available on-line on city web site. Gave report on frozen service lines/ gave report on water-main breaks (\$27,312.50) over budget by \$15,000/ hydrant flushing put off due to residents running water.

Parks- pool repairs done; painting collar & steps, hoping to put in water next week.

Streets- Lexington Avenue Project: well site study needed to determine where to place the new well when we do that project.

- 1) Administrator Collins presented Mayor Fredrickson with the coveted “Employer of the Year” award from Le Sueur County Developmental Services. City was awarded the honor for its continuing use of L.S. Co. Developmental to make the blue refuse bags the city uses.

F) Bolton & Menk Engineering (Joel Hawbaker, Engineer)

Engineer Hawbaker reported: advertisement for bids is out for sealcoating of the 2006 Street Project streets. Driveway at 161 South Inga Avenue will be replaced next week by BCM Const. under warranty.

- G) Fair Association- bidding again for the 2015 State Trappers Assoc. Convention four day event; asking for help from city/ car show is a “go” for Sunday at the fair/ Hillbilly Island will perform Friday & Saturday nights at the fair/ joining LC Community Club to help with communication lines/ next meeting Wednesday, May 21 at 8:00 pm.
- H) Pool- Admin. Collins and Councilman Meidlinger reported that after all the money was spent on pool repairs to the collar; there is no money left to purchase badly needed new umbrellas - asked council for other options??

## V. PUBLIC FORUM

There were no comments, questions, or statements from the general public.

## VI. OLD BUSINESS

- A) Administrator Collins announced the dates and times for: City Wide Junk Drop-off, Friday, June 6 @ 12 noon – 6:00 pm and Saturday, June 7 @ 7:00 am – 12 noon.
- B) Midcontinent Cable Franchise Agreement: Attorney Moran explained the five changes he would make to the proposed agreement. Dan Nelson from Midcontinent Cable was present to address the changes. He agreed to four of five changes suggested; but he felt that since Midcontinent was paying a franchise fee in the agreement, they should not have to pay for Right-Of -Way permits each time they did work. After much discussion; Motion by Meidlinger, Seconded by Emmers, to adopt Ordinance No. 2014-4, thereby adopting the cable franchise agreement only with Attorney Moran suggested changes. Approved unan.
- C) Council discussed the meeting dates and times for future council meetings that needed to be changed due to state or federal rules. Council agreed on Monday, August 11 @ 7 pm for August regular meeting and Monday, November 10 @ 7 pm for November regular meeting.
- D) Administrator Collins updated council on the Safe Routes To School meeting he and Supt. Roemhildt attended with Region Nine representative. He asked council to keep in mind that at some point, R-9, TCU School, and City will possibly come up with a sidewalk plan that the city will be asked to implement; and some cost sharing may be involved.

## VII. NEW BUSINESS

- A) 2013 Audit Report: see above.
- B) Motion by Harmeyer, Seconded by Meidlinger, to approve the following liquor license renewals as written: 3.2% beer licenses= Men's Softball League, Braves Baseball, St. Mary's Church Festival, Community Club, County Sheriff's Posse, Sportsmen's Club, For The Love of Joshua Softball Tourney, DRW Women's Softball Tourney.  
Le Center Lanes= 3.2% beer license, Wine license, & Consumption & Display Permit.  
On-Sale Club Licenses= VFW Post & American Legion Club. Approved unanimously.
- C) At the request of Councilman Meidlinger and Administrator Collins, Mayor Fredrickson did appoint the following to the new Capital Improvement Plan committee: C. Collins, G. Meidlinger, C. Harmeyer, C. Roemhildt, C. Block. Approved unanimously.

## VIII. ADMINISTRATION & MISC.

- A) At the request of Administrator Collins, Mayor Fredrickson appointed the following to replace former city employees on the Safety Committee: Mayor Fredrickson and liquor store manager Brad Collins. Approved unanimously.
- B) Unimin land sale: Motion by Emmers, Seconded by Harmeyer, to CLOSE the meeting to consider and negotiate the offer from Unimin for the possible sale of 80 acres farm land to Unimin Corp. Approved unanimously. Meeting Closed.

Attorney Moran explained the offer submitted by Unimin. They basically agreed to the issues and concerns previously raised by the council. Plus, they were offering \$12,050.00 per acre (\$964,000.00). Council generally agreed that the \$12,050.00 per acre was not nearly enough. Administrator Collins supplied a copy of minutes from August 2004 where the city had paid \$15,000.00 per acre for 10 acres to a farmer for land abutting the Industrial Park.

- C) Motion by Emmers, Seconded by Harmeyer, to OPEN the meeting back up. Approved unanimously. Newspaper, TV, Unimin, & public were allowed back in the council chambers.

Motion by Emmers, Seconded by Meidlinger, to reject the offer from Unimin for \$12,050.00 per acre. Approved unanimously. Mayor Fredrickson and Attorney Moran explained the decision to Unimin representatives and the reasons behind the council decision.

Unimin then made a verbal counter-offer of \$15,000.00 per acre (\$1,200,000.00). Motion by Woelfel, Seconded by Harmeyer, to CLOSE the meeting to consider the new offer from Unimin. Approved unanimously. Meeting Closed.

Council discussed the new offer from Unimin for \$15,000.00 per acre. Council generally agreed the \$15,000 per acre was not enough and had concerns about the grace period for the current renter (want thru 2018) and the city bio-solids (want 7 years grace). Council generally agreed that \$25,000 per acre may do it.

Motion by Emmers, Seconded by Meidlinger, to OPEN the meeting back up. Approved unanimously. Newspaper, TV, Unimin, & public were allowed back in the council chambers.

Attorney Moran reported that council generally agreed that they wanted Unimin to honor the Thelemann lease thru 2018, continue the city bio-solids disposal to 7 years, and come as close to \$25,000.00 per acre as possible.

Unimin explained the difficulty in granting those requests; but did counter with a new verbal offer for \$17,500.00 per acre IF that would settle it tonight AND he was allowed to make a phone call to his bosses to confirm his offer.

Attorney Moran suggested that this may not get settled that night; and Unimin should go back and discuss the city suggestion to offer “as close to \$25,000.00 per acre as possible” and continue the negotiations with Attorney Moran up to the June council meeting. Motion by Meidlinger, Seconded by Emmers, to table further discussion on the Unimin offer until the next council meeting. Approved unanimously.

## **IX. ADJOURNMENT**

There being no further business; Motion by Meidlinger, Seconded by Woelfel, for Mayor Fredrickson to adjourn the meeting. Approved unanimously. 9:55 pm.