

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JANUARY 9, 2001**

1. Mayor Torgerson called the meeting to order at 5:30 p.m. with the following members present: Mayor Marlin Torgerson, Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten. Also present: City Administrator Gary D. Plotz, Assistant Public Works Director John Olson and City Attorney Marc A. Sebor.
2. Pastor Brian Brosz gave the invocation.
3. **MINUTES**

The minutes of the regular meeting of December 12, 2000 and bid opening of December 27, 2000 were approved as presented.
4. **CONSENT AGENDA**
 - (a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS
 1. BUILDING OFFICIAL'S REPORT FOR DECEMBER 2000
 2. CHARTER COMMISSION MINUTES OF DECEMBER 28, 2000
 3. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES OF DECEMBER 7, 2000
 4. TREE BOARD MINUTES OF DECEMBER 12, 2000
 5. HUTCHINSON AREA HEALTH CARE BOARD MINUTES OF OCTOBER 17, 2000
 - (b) RESOLUTIONS AND ORDINANCES
 1. RESOLUTION NO. 11628 - RESOLUTION FOR PURCHASE
 2. RESOLUTION NO. 11629 – DESIGNATING OFFICIAL NEWSPAPER
 3. RESOLUTION NO. 11630 – APPOINTING CITY ADMINISTRATOR FOR 2001
 4. RESOLUTION NO. 11631 – DESIGNATION OF DEPOSITORIES OF CITY FUNDS IN COMMERCIAL BANKS AND INSTITUTIONS
 5. RESOLUTION NO. 11633 – RESOLUTION APPROVING SECURITIES FOR COLLATERAL FROM CITIZENS BANK AND TRUST CO. OF HUTCHINSON, MINNESOTA
 6. RESOLUTION NO. 11634 – RESOLUTION APPROVING SECURITIES FOR COLLATERAL FROM MARQUETTE BANK OF HUTCHINSON, MINNESOTA
 7. RESOLUTION NO. 11635 – RESOLUTION APPROVING SECURITIES FOR COLLATERAL FROM FIRST FEDERAL FSB OF HUTCHINSON, MINNESOTA
 8. RESOLUTION NO. 11636 – RESOLUTION APPROVING SECURITIES FOR COLLATERAL FROM BREMER BANK OF HUTCHINSON, MN
 9. RESOLUTION NO. 11638 – AUTHORIZING RELEASE OF FUNDS FOR

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TRANSIT SERVICE TO MCLEOD COUNTY SOCIAL SERVICE CENTER

10. RESOLUTION NO. 11639 – TRANSFERRING \$126,781.18 FROM WASTEWATER DEPARTMENT; \$218,392.37 FROM 2000 IMPROVEMENT CONSTRUCTION FUND; \$23,621.92 FROM 1999 IMPROVEMENT CONSTRUCTION FUND TO GENERAL FUND FOR ENGINEERING AND ADMINISTRATION FEES
- (c) APPOINTMENTS TO HEALTH BOARD:
- ◆ DR. JAMES ALLEN
 - ◆ DR. DAVID BYRON
 - ◆ DR. DENNIS MURPHY
- (d) SELECTION OF COUNCIL VICE-PRESIDENT – JOHN MLINAR
- (e) DESIGNATION OF COUNCIL REPRESENTATIVES:
1. AIRPORT COMMISSION – Marlin Torgerson
 2. HUTCHINSON AREA HEALTH CARE BOARD – Duane Hoversten
 3. HUTCHINSON COMMUNITY DEVELOPMENT CORP. BOARD (EDA) – Duane Hoversten and Jim Haugen
 4. HUTCHINSON HOUSING, INC. (HRA) – Duane Hoversten
 5. LIBRARY BOARD – Kay Peterson
 6. MID-MINNESOTA COMMISSION – John Mlinar
 7. PARKS, RECREATION, COMMUNITY EDUCATION ADVISORY BOARD – John Mlinar
 8. PLANNING COMMISSION – Jim Haugen
 9. HUTCHINSON SAFETY COUNCIL – Kay Peterson
 10. LIGHT TRAFFIC ADVISORY BOARD – Kay Peterson
 11. TELECOMMUNICATIONS COMMISSION – Marlin Torgerson
- (f) REQUESTS FOR OUT-OF-STATE TRAVEL
1. JULIE WISCHNACK, BUILDING/PLANNING/ZONING DIRECTOR, TO ATTEND NATIONAL AMERICAN PLANNING ASSOCIATION CONFERENCE IN NEW ORLEANS, LA, MARCH 10-14, 2001
 2. DIRECTOR RANDY DEVRIES, ASSISTANT PUBLIC WORKS DIRECTOR JOHN OLSEN, AND BRUCE FENSKE TO ATTEND PUMPER AND CLEANER ENVIRONMENTAL EXPO IN NASHVILLE, TN, FEBRUARY 14-18, 2001
 3. POLICE OFFICER CHRIS DOBRATZ TO ATTEND SEMINAR IN OMAHA, NE, FEBRUARY 4-17, 2001

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- (g) SHORT-TERM GAMBLING LICENSE FOR DUCKS UNLIMITED
- (h) GAMBLING LICENSE FOR MINNESOTA WATERFOWL (MIKE E. MCGINTY, GAMBLING MANAGER) TO BE CONDUCTED AT LAMPLIGHTER LOUNGE
- (i) APPOINTMENT OF FIRE DEPARTMENT OFFICERS
 - ◆ ASSISTANT CHIEF (TWO-YEAR TERM)
CASEY STOTTS AND STEVE SCHRAMM
 - ◆ LIEUTENANT (TWO-YEAR TERM)
DUANE HOESCHEN, ROBERT HAGEN, TIM HUIRAS, AND WESTON SCOTT

Motion by Mlinar, second by Peterson to approve the consent agenda except for item 4-(h), which was pulled for discussion. Motion unanimously carried.

Item 4-(h) – The City Attorney reported he had performed a check on Minnesota Waterfowl, and they are a non-profit organization. Skip Quade was listed as a local reference. He noted they also have operated other gambling within the State.

Hoversten inquired if the City Council was obligated to approve their application since they were from outside the community. The response from the City Attorney was that the City Council was under no obligation to award a gambling license.

Motion by Hoversten, second by Peterson to defer to the January 23, 2001 City Council meeting. Motion unanimously carried.

5. **INFORMATIONAL PUBLIC HEARING – 6:00 P.M.**

- (a) STORM WATER DRAINAGE UTILITY

John Olson gave a power point presentation on the storm water utility which included: a description of the storm water utility, procedures established in 1996, goals, a schedule, comments on open houses held December 7 and December 19, 2000, NPDES program requirements, minimum control measures, an analysis of user charges and rationale, advantages, benefits to the community, programs funded by the utility, potential capital projects, the 2001 budget of \$185,000, fees and charges, and the City's proposed three-year rate phase-in.

It was reported that County Commissioner Bev Wangerin was working with the County Attorney to eliminate the County ditch assessments within the City limits. At the present time, there are four county ditches that go through the City, and County ditch #18 runs into the City's storm water system.

Otto Rettig, 705 Oak Street NE, commented that in spring 2000, the City did work on College Avenue. The City tried to start a fund for street repair, but only one City Council member had an interest in it since there were other funds being considered. After he had studied the issue, he could not find anything that made this a utility. Rettig did not think he would get anything back from his payment, but he thought a person should receive a benefit from an assessment. He asked why he should pay for something that did not provide benefits. Therefore, he questioned if it was a tax on

storm water. Rettig stated there was silt in the water, and he had no contact with it except on the farm. He thought the silt came from the country rather than the City, and the run-off would go into the water and lakes. Rettig thought that if the State wanted the work done, they should fund the project. He stated his expenses keep

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going up, and he can't keep up with the increases. Consequently, he did not intend to pay for County ditch #18 and the storm water fund unless he saw a benefit. Gene Chrast, 76 N. High Drive NE, thanked the City Engineer and staff for their work. He was the person who brought up the issue about the common ditch problem and asked the City Council for assistance. Chrast did not think it was a question for the County to resolve, and he thought he was being double charged in certain areas. He stated that when people live in the country, they are notified of an assessment. However, he did not know about this one and wondered why the County had not informed the residents. Chrast also mentioned that County ditch #11 runs across the road and into the City.

Following the presentation, Olson requested that the City Council adopt Resolution No. 11637 setting the storm water utility rates for years 2001, 2002 and 2003, to waive first reading of Ordinance No. 01-289 and set second reading for January 23, 2001, and to approve the calculation procedures of the storm water credits.

Motion by Haugen, second by Peterson to close the hearing at 6:40 p.m. Motion unanimously carried.

Motion by Hoversten, second by Mlinar to approve and waive first reading of Ordinance No. 01-289 and set second reading for January 23, 2001. Motion unanimously carried.

Motion by Mlinar, second by Hoversten to adopt Resolution No. 11637. Motion unanimously carried.

Motion by Haugen, second by Hoversten to approve the calculation procedures of the storm water credits. Motion unanimously carried.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

(a) **POST OFFICE PROJECT UPDATE BY DIRECTOR CHRISTIE ROCK**

HCDC/EDA Director Christie Rock informed the City Council that the public hearing scheduled for tonight was delayed until January 23 due to continued negotiations with the United States Postal Service. She reported that the Postal Service had completed the appraisals on all the property affected by the potential redevelopment project.

Motion by Peterson, second by Mlinar to approve the hearing date of January 23, 2001 at 6:00 p.m. Motion unanimously carried.

(b) **CONSIDERATION OF REQUEST FROM DURWOOD "WOODY" LAMPRECHT TO SCHEDULE 2001 OKTOBERFEST THE WEEKEND OF ARTS & CRAFTS FESTIVAL**

Council Members Peterson and Hoversten expressed concern about holding the Oktoberfest at the same time as the annual Arts & Crafts Festival. Mlinar stated it could be a benefit to the community to have both events on the same week end, but he acknowledged that parking would be a problem.

Motion by Mlinar, second by Hoversten to reject the request. Motion unanimously carried.

7. **UNFINISHED BUSINESS**

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- (a) CONSIDERATION OF CHANGE ORDER NO. 8 FOR COMPOST OFFICE (DEFERRED OCTOBER 24, 2000)

George Bender, Earth Tech Project Inspector, reported that Change Order No. 8, (revised Change Order No. 2) submitted by Raske Building Systems, was an alternate bid for the composting facility office. The original bid in the amount of \$46,000 was deferred on October 24, 2000 and never acted upon. Bender stated the final change order amount was \$10,402.00 to cover the electrical and mechanical work done by on-site contractors. Since the City Park Department employees will be doing the plumbing and carpentry work in the office area, there will be a savings of \$54,173.43 to the City by buying its own materials and providing the installation labor.

Director Randy DeVries recommended that the City Council approve the change order.

Motion by Mlinar, second by Haugen to approve Change Order No. 8. Motion unanimously carried.

8. **NEW BUSINESS**

- (a) CONSIDERATION OF REQUEST TO PURCHASE A MECHANICAL FILING SYSTEM FOR PROPERTY INFORMATION PROJECT IN PLANNING/ZONING/BUILDING DEPARTMENT

Director Julie Wischnack requested authorization to purchase a mechanical filing system for the property information project in the Planning, Zoning and Building Department. She stated the Lektriever system from Mid America Business Systems would cost \$14,092.81, with an additional file set up charge of approximately \$2,000.

Motion by Haugen, second by Hoversten to approve the purchase. Motion unanimously carried.

- (b) CONSIDERATION OF REQUEST FROM HUTCHINSON AREA HEALTH CARE BOARD TO PURCHASE REPLACEMENT CARDIAC MONITORING EQUIPMENT FOR SURGERY

Motion by Mlinar, second by Peterson to approve the purchase of replacement cardiac monitoring equipment for surgery in the amount of \$42,950. Motion unanimously carried.

- (c) CONSIDERATION OF CHANGE ORDER NO. 2 FOR LETTING NO. 9, PROJECT NO. 00-23; FIRST ADDITION TO ROLLING MEADOWS

It was reported that Change Order No. 2 was for drainage improvements in the First Addition to Rolling Meadows. The additional work would increase the project cost by \$4,635.00 for a total cost of \$223,673.03.

Motion by Hoversten, second by Peterson to approve Change Order No. 2. Motion unanimously carried.

- (d) CONSIDERATION OF REPLACEMENT OF ROTATING AIRPORT BEACON LIGHT

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John Olson, Assistant Public Works Director, reported that the airport beacon needed to be replaced. MN/DOT had recommended a 60/40 grant match with the proportionate shares being \$4,500 (60%) from the State and \$3,000 (40%) from the City, for a total cost of \$7,500.

Motion by Haugen, second by Mlinar to approve and enter into grant agreement for airport improvement and to adopt Resolution No. 11640. Motion unanimously carried.

(e) REMOVED FROM AGENDA

(f) CONSIDERATION OF SETTING 2001 SEWER RATES

Scott Young, Project Manager from Earth Tech, reviewed the wastewater rate study conducted by Earth Tech and the proposed new rates effective in 2001, as well as future rate adjustments through 2004. He reported the three primary recommendations from Earth Tech involved sewer service charge rates, sewer and water availability charges, and metering/billing practices. Young stated the sewer service charge rates would represent a 32.6% increase over the current rates, which were developed in 1988.

It was recommended that the City change from a “trunk fee” for water and sewer utilities to the Sewer Availability Charge (SAC) and Water Availability Charge (WAC) systems for new development. The proposed rates of \$1,000/SAC unit and \$750/WAC unit would generate approximately \$155,000 a year.

Earth Tech further recommended that the City consider a deduct meter system, whereby customers would be billed for their actual contribution to the sewer system.

Motion by Mlinar, second by Hoversten to approve the 2001 sewer rates and recommendations. Motion unanimously carried.

(g) CONSIDERATION OF AUTHORIZATION FOR SHORT-TERM INVESTMENT

Motion by Peterson, second by Haugen to approve the short-term investment. Motion unanimously carried.

(h) CONSIDERATION OF SETTING BUDGET WORKSHOP DATE

The City Administrator distributed a proposed calendar for year 2001. It was suggested to schedule a budget workshop on January 23, 2001, starting at 3:00 p.m., to discuss the City enterprise fund, budget process and parameters.

Motion by Mlinar, second by Peterson to approve and set a budget workshop on January 23, 2001 at 3:00 p.m. Motion unanimously carried.

Plotz recommended that a visionary workshop be scheduled for February 22, 2001 from 1:00 p.m. to 6:30 or 7:00 p.m. He also suggested an informational breakfast meeting of City Council Members and Directors with State Legislators on January 15, 2001 from 7:30 to 9:30 a.m. at Rosie’s Restaurant. In addition, Plotz mentioned holding annual meetings with the County Commissioners, Hospital Board, Utilities Commission, School Board and HCDC Board with the dates to be determined. The City Administrator also noted that the Wage Committee would be meeting in March, April and May 2001.

Motion by Haugen, second by Peterson to approve the 2001 City Calendar. Motion

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carried with roll call vote of Haugen, Peterson, Hoversten and Torgerson voting aye and Mlinar voting nay.

(i) CONSIDERATION OF PROCEEDING WITH VEHICLE NOISE ORDINANCE

The City Attorney presented a model ordinance obtained from the League of Minnesota Cities that pertained to vehicle noise within the city limits. He stated this ordinance would prohibit the jake braking system to be allowed in Hutchinson. It was also noted that the ordinance would cover problems not already addressed in existing ordinances.

Following discussion, Seborá recommended that the City research what the State would allow for signage along the State highway.

Motion by Mlinar, second by Peterson to direct the City Attorney to investigate the present City Ordinance regarding noise. Motion unanimously carried.

(j) CONSIDERATION OF AWARDED BID FOR COMPOST SCREENER

Motion by Mlinar, second by Peterson to approve and award the bid to AEI-Aggregates in the amount of \$233,310.00. Motion unanimously carried.

(k) CONSIDERATION OF COMPOST BAGGING PROJECT

Plotz recommended to table this item to the next City Council meeting since Mr. Robert Watson could not be present tonight.

Motion by Mlinar, second by Peterson to defer this item to the next City Council meeting. Motion unanimously carried.

9. MISCELLANEOUS

(a) COMMUNICATIONS FROM CITY ATTORNEY

Seborá informed the Council that a concerned citizen had written a letter to Judge Leslie Metzen, the Chief Judge of the judicial district in Hastings, Minnesota, regarding the selection of the City's Charter Commission members. A meeting was held on January 8, 2001. The Judge, the concerned citizens, and the City Attorney had a discussion off the record regarding appointment to a City Charter Commission and the outcome of the court ruling. Thereafter, the concerned citizens withdrew

their objections, and the Judge appointed all persons currently sitting on the Charter Commission.

(b) COMMUNICATIONS FROM COUNCIL MEMBER JOHN MLINAR

Mlinar noted that the fire hydrants had been cleared of snow. He also asked for a comment from Assistant Public Works Director John Olson regarding over night parking. The Council Member further commented on the memo recently received from the Hutchinson Telephone Company. He stated that the people who had requested religious programs should contact the Phone Company or HCVN-TV.

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Mlinar also inquired about the Alcoholic/Gambling Division compliance checks for violation of the liquor ordinance, and he asked if it had an effect on the ordinance.

The City Attorney responded that the Police Department receives funding for the compliance checks. Therefore, if the establishments are found to be in violation, the City must enforce the existing ordinance. He reported that last week 11 businesses failed a compliance check.

(c) COMMUNICATIONS FROM CITY ADMINISTRATOR

Plotz summarized the discussion that took place at the Leadership Team meeting held this morning. He reported that since the ice arena consumes a large amount of energy, measures are being taken to reduce the energy conservation in this area. Also, the Police Department building has installed insulation in the roof to conserve energy. It was also recommended to turn down the thermostat and to turn off unnecessary lights in the City Center. The Mayor ordered some of the Christmas lights on Main Street to be turned off after Christmas. It was also suggested that every other street light be turned off, but the Police Chief did not recommend this action for security reasons. The City Administrator stated he was looking to the Directors for other areas in which to conserve energy.

The City Administrator reported on the workshop held January 3 between the City Council and business owners regarding no smoking in restaurants. The discussion covered the span of total ban to limited ban on smoking. It was the consensus that an in-restaurant survey should be conducted, and the City Council would receive a summary of the results. He noted that the majority of the individuals who contacted the Mayor were concerned about no smoking in restaurants for a smoke-free environment for dining and were not concerned about the bars.

Plotz commented on the City compost office to be constructed. He reported that some City employees would be doing part of the office construction work. The City Administrator also commented on bagging opportunities and trademark applications

for the products. At the present time, the City is working on an exterior design for the bag wrapper. He also presented an update on the biosolids drying facility.

Plotz reported that the Planning Coordinator position had been filled, and the City was advertising for the Building Official position.

It was noted that as a result of restructuring the Downtown Study Committee and several other groups, they would be consolidated into a Main Street Group. It was requested that a City Council Member be appointed to this newly formed committee.

Motion by Haugen, second by Mlinar to appoint Duane Hoversten to serve on the

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Main Street Group. Motion unanimously carried.

(d) COMMUNICATIONS FROM ASSISTANT PUBLIC WORKS DIRECTOR

John Olson commented that he appreciated the response to “plea in share.” He reported there were more than 1200 stick hours behind the snow equipment without any accidents or injuries. Olson also commended the maintenance crew and citizens for a good job. He further commented that some streets were signed “no parking,” and he asked the residents to avoid street parking until they had been plowed curb to curb during snow removal. If the snow and ice were removed during the winter season, it would prevent potholes.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A & B

Motion by Mlinar, second by Peterson to approve the verified claims A and authorize payment from appropriate funds. Motion unanimously carried.

Motion by Haugen, second by Peterson to approve the verified claims B and authorize payment from appropriate funds. Motion carried with Hoversten abstaining from voting.

11. **ADJOURN**

There being no further business, the meeting adjourned at 7:40 p.m.

MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JANUARY 23, 2001

1. Mayor Torgerson called the meeting to order at 5:30 p.m. with the following members present: Mayor Marlin Torgerson, Jim Haugen, Kay Peterson, and Duane Hoversten. Absent: John Mlinar. Also present: City Administrator Gary D. Plotz, Director of Engineering John Rodeberg, and City Administrator Gary D. Plotz.
2. Pastor Brian Brosz gave the invocation.

PRESENTATION OF 20 YEAR RECOGNITION PLAQUE TO MARVIN HAUGEN

The Mayor presented Marvin Haugen with a recognition plaque for 20 years of employment with the City of Hutchinson.

3. **MINUTES**

The minutes of the regular meeting of January 9, 2001 were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS BOARD AND COMMISSIONS

1. PLANNING COMMISSION MINUTES OF NOVEMBER 21, 2000

(b) RESOLUTIONS AND ORDINANCES

1. ORDINANCE NO. 01-289 – ORDINANCE TO ESTABLISH STORM WATER DRAINAGE UTILITY (SECOND READING AND ADOPT)
2. ORDINANCE NO. 01-290 – AN ORDINANCE PROHIBITING EXCESSIVE VEHICLE NOISE, INCLUDING NOISE FROM TRUCKS USING ENGINE RETARDING BRAKES, AND ADOPTING BY REFERENCE MINNESOTA STATUTES, SECTIONS 169.69 AND 169.693 AND MINNESOTA RULES, PARTS 7030.1000 TO 7030.1050 (SECOND READING AND ADOPT)
3. RESOLUTION NO. 11642 – RESOLUTION ESTABLISHING LOCATION FOR TRAFFIC CONTROL DEVICES
4. RESOLUTION NO. 11643 – TRANSFERRING \$25,000 FROM GENERAL FUND TO SELF INSURANCE FUND FOR 2000

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- (c) GAMBLING LICENSE FOR MINNESOTA WATERFOWL (MIKE E. MCGINTY, GAMBLING MANAGER) TO BE CONDUCTED AT LAMPLIGHTER LOUNGE (DEFERRED JANUARY 9, 2001)
- (d) OUT-OF-STATE TRAVEL FOR DICK NAGY TO ATTEND AMERICAN WATER WORKS ASSOCIATION CONFERENCE, MARCH 4-7, 2001
- (e) TEMPORARY ON-SALE LIQUOR LICENSE FOR GOPHER CAMPFIRE CLUB ON FEBRUARY 23, 2001
- (f) ACCEPTANCE OF SEH CONSULTING REPORT ON SOUTH GRADE ROAD TRUNK SEWER PROJECT, LETTING NO. 5/PROJECT NO. 01-18

Motion by Peterson, second by Haugen to approve the consent agenda except for items 4-(b)-1, 4-(b)-2 and 4-(c). Motion unanimously carried.

Item 4-(b)-1 - Hoversten stated that Ordinance No. 01-289 was scheduled to be effective February 1. He requested that the effective date be delayed until April 1, 2001 because of the current energy costs.

Rodeberg responded that the funding was not budgeted at this time, and the required staff had not been hired. Therefore, a delay in the effective date would not affect the households.

Motion by Haugen, second by Peterson to amend the effective date from February 1, 2001 to April 1, 2001. Motion unanimously carried.

Motion by Haugen, second by Hoversten to approve the second reading and adopt Ordinance No. 01-289. Motion unanimously carried.

Item 4-(b)-2 – Peterson stated that Ordinance No. 01-290 should be pulled from the agenda since no action was taken at the last meeting.

The City Attorney reported there was no existing ordinance that would address the issue of excessive truck noise caused by jake brakes. He stated the State Statute had an ordinance regarding muffled exhaust, but the issue is noise created by the engine.

Rodeberg commented that the ordinance presented was from the League of Minnesota Cities regarding “Vehicle Noise Law Enforced.”

Motion by Peterson, second by Hoversten to defer to the February 13, 2001 City Council meeting. Motion unanimously carried.

Item 4-(c) – The City Attorney informed the City Council that he had done a background check on the organization of Minnesota Waterfowl. Skip Quade and Virgil Voigt had

been listed as references, and they were members of a local affiliated group. He recommended approval of the gambling license based upon his findings.

Motion by Hoversten, second by Peterson to approve the gambling license for Minnesota Waterfowl. Motion unanimously carried.

5. **PUBLIC HEARING – 6:00P.M.**

Mayor Torgerson excused himself as Chair of the public hearing and appointed Council Member Peterson to serve as acting chair.

Peterson called the hearing to order at 6:00 p.m. and asked the EDA Executive Director Christie Rock and City Attorney Richard J. Schieffer to update the City Council on the proposed Post Office site.

Rock reported that the intent of the redevelopment plan was to retain the United States Post Office in a downtown location. In addition, the EDA wanted to preserve the qualities of the downtown, keep the vibrancy of the present downtown businesses, and assure that the downtown was a safe and secure place. She noted that 11 different sites in the downtown area had been considered, but the proposed site consisting of blocks 6 and 7 met the Post Office's size requirements. Rock further pointed out that there was no soil contamination, and the two lots were not in the flood plain. The proposed site would have high visibility and a good location. It would be both pedestrian friendly and the most economically feasible to relocate the property owners. These two blocks would be redeveloped, cleared and graded for development. Then the United States Postal Services would purchase the bare parcel for its new facility. In closing, she stated that zoning was an important point to consider when doing redevelopment. This area is both a Central Commercial District (C-3) and an Industrial/Commercial District (I/C).

City Attorney Richard Schieffer stated the legal issues were not as complex as they were in December. He presented two resolutions that were approved by the EDA Board and requested City Council approval. The first resolution established a redevelopment plan in Blocks 6 and 7 of downtown Hutchinson. The second resolution established a redevelopment project in Blocks 6 and 7 of downtown Hutchinson. Schieffer provided the Council with recommendations on how to proceed and stated their action would confirm the findings and conclusions made by the Commission in December 2000.

Roger Klemen, owner of Town and Country Glass, stated he owned property in the proposed area. He reported that he had attended a special meeting on December 11, 2000 and expressed opposition to the project. Three individuals spoke in favor of the project at the December meeting, but they were not property owners within the area. Klemen commented that the EDA Board unanimously approved the redevelopment plan and the redevelopment project regardless of the fact that there was opposition stated at the meeting. He did not believe that his opinion was given any recognition. Klemen further

stated that the City Council was elected to a position in city government to represent the property owners. He had not been contacted regarding the situation with the Post Office, and he thought the property owners should be kept informed. The only information he had received was what he read in the local newspaper. In closing, Klemen reported there was more opposition to the proposed site than just among the affected property owners, and he wanted the City Council to be aware of it.

Lorraine Meyer, 45 Jefferson Street SE, stated she had lived in her house for 32 years, and she was not happy to think about moving away from her home. She thought there were other sites that could be utilized.

Barb Kreckow, 18 Jefferson Street SE, commented that she had lived at her current address for nine years, and she felt it was a special house. Kreckow liked her house and the location. She stated that because of the potential Post Office development, she couldn't do any remodeling.

The sister of Evelyn Germer, 25 Jefferson Street SE, stated Ms. Germer had lived in her home for 40 years and did not want to move.

Joe Miscavage, 31 Jefferson Street SE, suggested that the property owners should be provided financial information and other pertinent data.

Tim Ulrich, HCDC/EDA Board President, reported he had chaired the meeting held in December. He stated he understood the frustration of the homeowners. However, the HCDC Board could not provide them with dollar amounts at this time since there was a process that must be followed. In closing, Ulrich acknowledged that the HCDC supported this site, and they wanted to maintain the vitality of the downtown by keeping the Post Office in the area.

Vi Mayer, President of the Chamber of Commerce, commented that he represented people from all areas of the City. There are many businesses and individuals that do not want to drive to the west end of town to pick up their mail or to send mail. Therefore, there is a consensus that the Post Office must be located in the center of town. It makes sense to have the postal service centralized.

Motion by Hoversten, second by Haugen to close the hearing at 6:23 p.m. Motion unanimously carried.

Hoversten commented that he had heard what the residents were saying, and he would have the same comments if he lived in the area. He noted that several sites had been suggested, but the Post Office had eliminated them as unacceptable. There is only one downtown site that will meet the requirements.

Haugen stated the HCDC had done its homework in looking at sites, and there was a consensus that the Post Office should be in a downtown location. He noted that homes

had disappeared in the north and south parts of town for various projects. Although the proposed block has some nice homes, the neighborhood will deteriorate with time due to the zoning. Haugen stated he would abstain from voting.

A question arose whether there would be a quorum since both the Mayor and Council Member Haugen were abstaining from voting. City Attorney Schieffer stated that there had been a quorum, and one or two votes would pass the motion.

Motion by Hoversten, second by Peterson to approve the redevelopment plan and adopt Resolution No. 11648 based upon the EDA's recommendation. Motion carried, with Haugen and Torgerson abstaining from voting.

Motion by Hoversten, second by Peterson to approve the redevelopment project and adopt Resolution No. 11649. Motion carried with Haugen and Torgerson abstaining from voting..

Director Christie Rock explained the next stage of the process would be a review of the Post Office appraiser's work. Then the acquisition process would begin when the City would prepare an offer for purchase to the property owner. Once an agreement was reached, the relocation benefits would become effective and the property owners would receive assistance in locating comparable property to purchase.

The Mayor called a five-minute recess at 6:32 p.m.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS** - NONE

7. **UNFINISHED BUSINESS**

(a) CONSIDERATION OF COMPOST BAGGING PROJECT (DEFERRED JANUARY 9, 2001)

The City Administrator gave a report on the City's bagging project. He stated the City had been working cooperatively with Great River Regional Waste Authority in Cedar Rapids, Iowa for the past two years with the design of the automated compost bagging facility. In January 2000, the City entered into a recycled organics marketing agreement with this company, and Mr. Bob Watson is their marketing department manager.

Kenneth B. Merrill, Finance Director, presented a pro-forma analysis regarding the bagging operations. He reported that the estimated annual production of the compost product would be 500,000 bags. The cost per bag was broken down into various categories for a total cost of \$0.57 per bag. A 10% sales commission would be charged, which would total approximately \$0.05 per bag. The City would receive a profit of \$0.10 per bag.

Motion by Peterson, second by Haugen to approve the estimated annual bag production cost of \$0.57 per bag with Bob Watson as the marketer. Motion unanimously carried.

8. **NEW BUSINESS**

- (a) CONSIDERATION OF ADOPTING 2001 ANNUAL WAGE ADJUSTMENT POLICY AND RECLASSIFICATIONS

Brenda Ewing, Human Resources Coordinator, presented the annual wage adjustment policy and reclassification document. She stated the policy became effective January 1, 2001. Therefore, no further increases would be given to employees during 2001.

Motion by Haugen, second by Peterson to approve the policy and adopt Resolution No. 11641. Motion unanimously carried.

- (b) CONSIDERATION OF FINAL PLAT FOR ROLLING MEADOWS THIRD ADDITION WITH FAVORABLE RECOMMENDATION WITH STAFF RECOMMENDATIONS

Motion by Hoversten, second by Peterson to approve the final plat and to adopt Resolution No. 11644. Motion unanimously carried.

- (c) CONSIDERATION OF CONDITIONAL USE PERMIT FOR WAL-MART STORES AND MURPHY OIL INC. TO CONSTRUCT A GAS STATION WITHIN C-4 ZONING DISTRICT WITH FAVORABLE RECOMMENDATION WITH STAFF RECOMMENDATIONS

Motion by Haugen, second by Peterson to approve the conditional use permit and to adopt Resolution No. 11645. Motion unanimously carried.

- (d) CONSIDERATION OF WETHERELL LEASE OF EDA PROPERTY

It was requested that this item be deferred for the EDA to review the lease agreement.

Motion by Peterson, second by Hoversten to defer until the EDA had reviewed the lease agreement. Motion unanimously carried.

- (e) CONSIDERATION OF ADOPTING 2001 LIQUOR FUND, WASTE/WASTEWATER REFUSE FUND AND CENTRAL GARAGE FUND BUDGETS

Motion by Hoversten, second by Peterson to approve the budgets and to adopt Resolution No. 11646. Motion unanimously carried.

- (f) CONSIDERATION OF ADOPTING CAPITAL PROJECTS FUND BUDGET FOR FISCAL YEAR 2001

Motion by Peterson, second by Haugen to approve the budget and to adopt Resolution No. 11647. Motion unanimously carried.

- (g) CONSIDERATION OF APROVING AMENDMENT TO 2001 GENERAL FUND BUDGET

It was requested to add two full-time positions in the 2001 general fund budget. One position would be for a Motor Vehicle Technician that had already been approved. The second position would be for a full-time person as Computer Network Technician.

The Finance Director reported that the City of Hutchinson received funding from Hutchinson Utilities for a Computer Network Technician. In return, the City will share with the Utilities the computer services of the new hire technician and Tom Kloss. Therefore, it was requested to amend the 2001 budget to show a fund increase of \$40,000 and the additional expense of the position as outlined in a memo. The contribution would fully cover wages and benefits for the new technician position.

Motion by Peterson, second by Haugen to approve the budget amendment and the new technician position. Motion unanimously carried.

Hoversten commented on the two new positions available on City staff. He moved to amend the motion to give the City Administrator authorization to make available either position to City personnel before filling the positions from outside. Second by Haugen and unanimously carried.

- (h) CONSIDERATION OF AUTHORIZATION FOR FIRE DEPARTMENT TO ADVERTISE FOR BIDS TO BE RECEIVED ON MAY 14, 2001 FOR 1975 SEAGRAVE AERIAL LADDER TRUCK AND 1985 FORD HEAVY RESCUE TRUCK

Fire Chief Brad Emans requested authorization to advertise for bids on two fire trucks to be opened on May 14, 2001 at 7:00 p.m. in the Fire Station meeting room. The revenue from the sale of the two vehicles would be applied to the cost of the new platform truck and the new rescue truck.

Motion by Peterson, second by Haugen to approve the advertisement for bids. Motion unanimously carried.

- (i) CONSIDERATION OF AWARDING BID ON SALE OF CITY FIRE TRUCK #2337 (1971/1988 PIERCE ARROW)

Fire Chief Brad Emans recommended to accept the bid of \$25,000 and to award the sale to Great Falls Fire Services Training School in the State of Montana.

Motion by Haugen, second by Peterson to accept the bid of \$25,000 and award the sale to Great Falls Fire Services Training School. Motion unanimously carried.

9. **MISCELLANEOUS**

- (a) COMMUNICATIONS FROM CITY ADMINISTRATOR

Plotz recommended that the City Council hold a workshop regarding the budget process for 2002 on Tuesday, February 27 at 4:00 p.m.

Motion by Peterson, second by Hoversten to approve a budget workshop on February 27, 2001 at 4:00 p.m. Motion unanimously carried.

- (b) COMMUNICATIONS FROM COUNCIL MEMBER KAY PETERSON

Peterson stated there were three openings on the Pioneerland Library System Board. Any interested party should contact Librarian Mary Henke at the public library. Peterson noted that Pioneerland was working on a teleconference system for future meetings so that the out-state representatives would not have to travel to Willmar once a month.

- (c) COMMUNICATIONS FROM MAYOR MARLIN TORGERSON

Torgerson reported that Rosie's Restaurant was the first to volunteer to make her business smoke free on Sundays.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

- (a) VERIFIED CLAIMS A & B

Motion by Haugen, second by Peterson to approve the verified claims A and authorize payment from appropriate funds. Motion unanimously carried.

Motion by Peterson, second by Haugen to approve the verified claims B and authorize payment from appropriate funds. Motion carried with Hoversten abstaining from voting.

11. **ADJOURN**

There being no further business, the meeting adjourned at 6:40 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, FEBRUARY 13, 2001**

1. Mayor Torgerson called the meeting to order at 5:30 p.m. with the following members present: Mayor Marlin Torgerson, Council Members Jim Haugen, John Mlinar and Kay Peterson. Absent: Council Member Duane Hoversten. Also present: City Administrator Gary D. Plotz, Director of Engineering John Rodeberg, and City Attorney Marc A. Sebor.

2. In the absence of a pastor, there was no invocation.

3. **MINUTES**

REGULAR MEETING OF JANUARY 23, 2001

Motion by Mlinar, second by Haugen to approve the minutes as amended. Motion unanimously carried.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. LIBRARY BOARD MINUTES OF JANUARY 22, 2001
2. BUILDING OFFICIAL'S REPORT FOR JANUARY 2001
3. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES OF JANUARY 4, 2001

(b) RESOLUTIONS AND ORDINANCES

1. ORDINANCE NO. 01-290 – AN ORDINANCE PROHIBITING EXCESSIVE VEHICLE NOISE, INCLUDING NOISE FROM TRUCKS USING ENGINE RETARDING BRAKES, AND ADOPTING BY REFERENCE MINNESOTA STATUTES, SECTIONS 169.69 AND 169.693 AND MINNESOTA RULES, PARTS 7030.1000 TO 7030.1050 (FIRST READING AND SET SECOND READING AND ADOPTION FOR FEBRUARY 27, 2001)

(c) **OUT-OF-STATE TRAVEL REQUESTS**

- ❖ INVESTIGATOR JAKE MAY AND SERGEANT ERIC KILIAN TO ATTEND CLASS IN NEW MEXICO, FEBRUARY 27 - MARCH 2, 2001
- ❖ HCDC/EDA DIRECTOR CHRISTIE ROCK TO ATTEND CONFERENCE IN NEW ORLEANS, LA, MARCH 10-14, 2001

(d) CHANGE ORDER NO. 2, LETTING NO. 2, PROJECT NO. 00-02

(e) CHANGE ORDER NO. 6, LETTING NO. 4, PROJECT 99-03 & 99-04

(f) THIRD ADDITION TO ROLLING MEADOWS SUBDIVISION AGREEMENT

(g) APPLICATION FOR PUBLIC DANCE PERMIT FOR JOSE G. RIVERA ON APRIL 21, 2001

Motion by Peterson, second by Mlinar to approve the consent agenda, except for item 4-(b)-1 to be pulled for clarification. Motion unanimously carried.

Item 4-(b)-1 – It was reported that the first reading of Ordinance No. 01-290 would be approved at this meeting, and the second reading and adoption would occur on February 27, 2001.

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Motion by Mlinar, second by Haugen to approve and waive the first reading and set the second reading and adoption for February 27, 2001. Motion unanimously carried.

Mlinar commented on the topics to be covered at the New Orleans conference and requested that EDA Director Christie Rock give a presentation to the City Council after she returns. The Mayor stated that the U.S. Department of Defense would reimburse Police Officers May and Killian's expenses, and the cost would not be out of the City budget.

5. **PUBLIC HEARING** – NONE

6. **COMMUNICATIONS, REQUESTS AND PETITIONS** - NONE

7. **UNFINISHED BUSINESS** - NONE

8. **NEW BUSINESS**

(a) CONSIDERATION OF SETTING 2001 PROJECT PUBLIC HEARINGS FOR LETTING NO. 2, 3 AND 4

Rodeberg reported there were three different lettings but they totaled 15 projects. He stated neighborhood meetings were held for all but three of the projects, and there were only negative comments on the Thomas Avenue project. The City will move forward on it.

Motion by Mlinar, second by Haugen to approve the 2001 public hearings and to adopt Resolutions No. 11650 through No. 11655. Motion unanimously carried.

(b) CONSIDERATION OF ROLLING MEADOWS THIRD ADDITION (LETTING NO. 6, PROJECT NO. 01-19)

Rodeberg reported this was the final phase of Rolling Meadows. He stated that 100% of the cost would be assessed with no City share. However, there is one project by private developers that the City is funding. Rodeberg noted that Rolling Meadows Third Addition is located in a first-time homebuyer's area.

Motion by Peterson, second by Haugen to approve and to adopt Resolutions No. 11656 through No. 11659. Motion unanimously carried.

(c) CONSIDERATION OF PIONEERLAND LIBRARY SYSTEM 2001 AGREEMENT AND REVISED BOARD BY-LAWS

Motion by Peterson, second by Mlinar to approve the agreement and revised by-laws. Motion unanimously carried.

(d) CONSIDERATION OF LOBBY DUES TO MINNESOTA MUNICIPAL BEVERAGE ASSOCIATION TO DEFEAT WINE (BEER, LIQUOR) IN GROCERY LEGISLATION

Director Neil Wegner reported on the lobbying efforts of the MMBA and MLBA to present a bill to the Senate, and possibly in the House, to promote the sale of wine in grocery/food stores. He proceeded to state reasons why the City of Hutchinson and other municipal liquor stores should oppose this effort. Wegner noted that the wine industry and Chief of Police Association are opposed to the sale in grocery/food stores and endorsed the opposition. Wegner stated he had met with Senator Steve Dille, Representatives Bob Ness and Tony Keilkucki, and they were also opposed to it. He requested that the City Council approve \$2,500 to help pay for lobbying in

CITY COUNCIL AGENDA – FEBRUARY 13, 2001

opposition to wine sale in grocery/food stores.

Peterson asked about a closed, separate area for the sale of wine as the law requires for the sale of tobacco. She also expressed a problem with voting against a competitor and not allowing competition. She did not feel comfortable in making the decision.

Wegner stated that the City had made the decision when it approved a liquor store. If legislation is passed, the City could not stop the sale in grocery/food stores.

Motion by Mlinar, second by Haugen to approve the \$2,500 for lobbying expense. Peterson voted nay.

Upon roll call vote, Mlinar, Haugen and Torgerson voted aye and Peterson voted nay. The motion carried.

9. **MISCELLANEOUS**

(a) CONSIDERATION OF COMPOST SITE EQUIPMENT OPERATOR POSITION DESCRIPTION

It was reported that this is a budgeted position.

Motion by Peterson, second by Haugen to approve the position. Motion unanimously carried.

(b) CONSIDERATION OF ACQUISITION OF HOSPITAL EQUIPMENT BY LEASE AND EXECUTION OF DOCUMENTS

The City Administrator reported that the Finance Director had reviewed the lease agreement and recommended approval to finance by lease the costs of acquisition of computer equipment and software for the hospital. He stated that Merrill further approved entering into a lease, or similar agreement, with BancLeasing.com, Inc., and the Lessor will assign the lease schedules to Citizens Bank & Trust Co., Hutchinson.

Motion by Mlinar, second by Peterson to approve the equipment lease and to adopt Resolution No. 11660. Motion unanimously carried.

(c) COMMUNICATIONS FROM CITY ADMINISTRATOR

Plotz commented on the following items discussed during the Leadership Team meeting held this morning.

- Proposed legislation lobbying of wine in grocery stores
- Update on expansion of the liquor store and decision to put the project on hold to see what develops from the Wal-Mart grocery store
- Update on status of pre-design for community center. Received a positive response from DTED

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- Update on testing of machinery at bagging facility; machine was up to efficiency and several pallets were completed and shrunk wrapped
- Start-up of organics composting program on April 2 with a two cart system; program will be identical to that of the residents in northwest section of city that was the pilot project
- Meeting on February 14 with Waste Management
- Annexation mediation on Friday regarding the Frank Fay property annexation
- Policy alternatives for waiving building permit fees is being prepared by Director Julie Wischnack for presentation at the next City Council meeting
- Annual City Council Visionary Workshop will be held February 22 from 1:00 – 6:00 p.m. at the Emergency Operation Center with the same agenda and program format as used last year; suggestions for topics should be in by Friday, February 16
- Future workshop date will be set for joint meeting of Utilities Commission and City Council; an additional gas line to be available for generators will be discussed

(d) COMMUNICATIONS FROM DIRECTOR OF ENGINEERING

Rodeberg reported that the City did not receive its full road salt load due to an existing shortage of salt. There are ice problems in the south as well as in the north. Therefore, the street crews did not salt any additional roads this year. Rodeberg was, however, informed that the City would receive almost full shipment so there may be enough road salt.

The City Engineer reported that the Hutchinson Utilities have four vehicles for sale that are 10 to 12 years old. The City also has four vehicles that need to be replaced. Rodeberg recommended that the City acquires the three ½ ton pickups and Dodge Caravan from Hutchinson Utilities for \$9,000 and sell the four City vehicles for \$2,200.

Motion by Mlinar, second by Peterson to approve the purchase and sale. Motion unanimously carried.

Rodeberg stated the Jefferson Street Task Force had met three or four times and planned to hold a public open house on March 1 from 5:30 p.m. to 7:30 p.m. regarding septic system, environmental and cost issues in the area. He noted that since this is an environmental issue, both County and State representatives would be present at the meeting.

The City Engineer reported that MN/DOT is setting up a T.H. 212 Corridor Management Group. They are proposing a four-lane highway to Glencoe. Since the inter-regional corridor would serve Hutchinson, it is asked that Hutchinson supply two people to serve, with one elected official on the Policy Advisory Committee and one on the Technical Advisory Committee. It was noted that the project would be

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on going for the next five years.

(e) COMMUNICATIONS FROM COUNCIL MEMBER JOHN MLINAR

Mlinar inquired if the T.H. 212 Corridor project would affect what was being done on Hwy. 7. Rodeberg responded that it would not.

Peterson asked about the test equipment to be used on Hwy. 7. The City Engineer stated it would start next year, and they are just starting to equip the ambulances. The full-scale study will begin next fall.

Mlinar complimented the City staff for their good work on snow removal. He noted that there were pile-ups on corners that needed to be cut back.

The Mayor noted that on Third Avenue by the river three fire hydrants were not visible. He suggested that residents clear out the area so the fire hydrants would be visible for possible access.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A & B

Motion by Haugen, second by Peterson to approve the verified claims A and B and authorize payment from appropriate funds. Motion unanimously carried.

11. **ADJOURN**

There being no further business, the meeting adjourned at 6:17 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, FEBRUARY 27, 2001**

1. **CALL TO ORDER**
Mayor Torgerson called the meeting to order at 5:30 p.m. with the following members present: Mayor Marlin Torgerson, Council Members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten. Also present: Gary Plotz, City Administrator, Marc Sebor, City Attorney, and John Rodeberg, Director of Engineering/Public Works.
2. **INVOCATION** – The Rev. Fredrick Macden of the Maranatha House of Prayer gave the invocation.
3. **MINUTES**

REGULAR MEETING OF FEBRUARY 13, 2001

Minutes were approved as presented.
4. **CONSENT AGENDA**
 - (a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS
 1. PLANNING COMMISSION MINUTES OF JANUARY 16, 2001
 2. HOSPITAL BOARD MINUTES OF JANUARY 16, 2001
 3. FINANCIAL REPORT FOR JANUARY 2001
 - (b) RESOLUTIONS AND ORDINANCES
 1. ORDINANCE NO. 01-290 – AN ORDINANCE PROHIBITING EXCESSIVE VEHICLE NOISE, INCLUDING NOISE FROM TRUCKS USING ENGINE RETARDING BRAKES, AND ADOPTING BY REFERENCE MINNESOTA STATUTES, SECTIONS 169.69 AND 169.693 AND MINNESOTA RULES, PARTS 7030.1000 TO 7030.1050 (SECOND READING AND ADOPTION)
 2. RESOLUTION NO. 11661 – RESOLUTION FOR PURCHASE
 - (c) SHORT-TERM GAMBLING LICENSE:
 - ❖ MCLEOD COUNTY DUCKS UNLIMITED, WOMEN’S CHAPTER 261, ON MAY 4, 2001
 - ❖ 3M CLUB OF HUTCHINSON ON APRIL 28, 2001
 - (d) OUT-OF- STATE TRAVEL FOR SGT. CHUCK JONES TO ATLANTA, GA ON MARCH 13-14, 2001, AND SGT. CHUCK JONES AND INVESTIGATOR MICHELLE HAMMOND-JOHNSON TO KNOXVILLE, TN ON NOVEMBER 5-9, 2001, AND INVESTIGATOR CHRIS DOBRATZ AND INVESTIGATOR SCOTT SCHUETTE TO AURORA, CO
 - (e) AUTHORIZATION FOR INVESTMENTS BY FINANCE DIRECTOR
 - (f) **PLANNING COMMISSION:**
 1. **CONDITIONAL USE PERMIT FOR PORTABLE SIGN AT 1200 ADAMS STREET SE AS REQUESTED BY KNIGHTS OF COLUMBUS FOR ANNUAL FISH FRY WITH FAVORABLE RECOMMENDATION AND WITH STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11664)**

2. **VARIANCE** TO REDUCE SIDE YARD SETBACK FROM 6’ TO 5.5’ FOR CONSTRUCTION OF STAIRWAY FROM SECOND LEVEL TO GROUND LEVEL AS REQUESTED BY LARRY AND SUE GILMER (561 GROVE STREET SW) WITH UNFAVORABLE RECOMMENDATION AND FAVORABLE STAFF RECOMMENDATION (**DENIED**) (ADOPT RESOLUTION NO. 11665)
 3. **VARIANCE** FOR HEIGHT INCREASE FROM 16’ TO 18.5’ FOR CONSTRUCTION OF TWO-CAR GARAGE AS REQUESTED BY COLIN AND KARI MCGRAW (536 HASSAN STREET SE) WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11666) 1
 4. **CONDITIONAL USE PERMIT** FOR HUTCHINSON PUBLIC SCHOOLS (PARK ELEMENTARY, 33 GROVE STREET SW) TO CONSTRUCT A 13,600 SQ. FT. PARKING LOT FOR USE OF SCHOOL’S VEHICLES FOR DISABLED PERSONS (**TABLED FOR SPECIAL MEETING**)
 5. **CONDITIONAL USE PERMIT** TO RELOCATE FUNERAL HOME TO ECHO DRIVE AND HWY. 15 SOUTH AS REQUESTED BY DOBRATZ-HANTGE FUNERAL CHAPEL WITH FAVORABLE RECOMMENDATION WITH STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11667)
- (g) LIQUOR LICENSE RENEWALS:
BAVARIAN HAUS (WINE/STRONG BEER)
APPLEBEE’S NEIGHBORHOOD GRILL/BAR
BEST WESTERN/VICTORIAN INN
FLYER’S/HI-TOPS BAR & GRILL
GOLD COIN, INC.
LAMPLIGHTER LOUNGE II
MAIN STREET SPORTS BAR
- CLUB ON-SALE:
AMERICAN LEGION POST 96
CROW RIVER COUNTRY CLUB
ELKS LODGE 2427
VFW POST 906

Motion by Peterson, Second by Mlinar to approve the consent agenda. Motion carried unanimously.

PRESENTATION OF CITY WEBSITE

Ken Merrill, Finance Director led a presentation of the City of Hutchinson website. Steve Gasser of Vivid Images, site designer, and Judy Otto, Data Entry Technician, who updates the site were also present.

Mr. Merrill reviewed the functions and features of the City site. There is a search function for most categories including the City Council and Planning Commission meeting minutes. Other features include the Home Page, Meet the City Officials, Commissions and Boards, Water/Sewer/Refuse, Police Services, Community Calendar, Contact the City, and relevant Links. The “Contact the City” feature allows the City to interact with residents and other site users.

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Additional proposed features will include a link to Hutchinson Utilities and a feature for the City Planning/Zoning/Building department.

Steve Madson, Police Chief, presented the Police Services home page. A featured current event on the site is the upcoming appearance of officer Amy Kilian and the department canine unit dog on an Animal Planet show on March 17, 2001.

Other features on the site include Recruitment, Policing Activities, Neighborhood Crime Stats, Questions & Answers, and Most Wanted listings.

The addresses for the sites are www.ci.hutchinson.mn.us and www.hutchinsonpolice.com, respectively.

Concilmember Hoversten encouraged the public to contact the City via the website. Mayor Torgerson noted that the public library is a resource for internet access.

5. **PUBLIC HEARING – 6:00 P.M.**

(a) LETTING NO. 3, PROJECT NOS. 01-05, 01-06, 01-09, 01-13, 01-14, 01-15, 01-16

Mayor Torgerson read Publication No. 6574 dated February 13, 2001, and regarding the letting and projects.

John Rodeberg, Director of Engineering/Public Works explained the improvement project and assessment process, including the public hearings that are held during this process.

Shady Ridge Road Project

Mr. Rodeberg presented information regarding the plans for the Shady Ridge Road project. He noted the street, water and sewer, and drainage improvements planned for the project area.

Mr. Rodeberg also discussed the estimated costs for the project and how the costs are proposed to be divided amongst the affected lots - on a per lot basis. He also noted that the estimated cost figures presented at the neighborhood meetings were correct, and the estimates noted in the public hearing handout do not reflect the proposed 65% cost assessment.

Mr. John Lietz, 719 Shady Ridge Road NW, questioned why the costs presented at this meeting are higher than those at the neighborhood meetings. Mr. Rodeberg reiterated that the information in the public hearing handout was reported higher, in error.

Mr. Bob Cady, 709 Shady Ridge Road NW, questioned if the drainage problems on his lot would be addressed. He noted previous problems with garage flooding.

Mr. Sam Colvin, 735 Shady Ridge Road NW, noted that his lot is the low point in the area. He is concerned about the drainage after the project and where the water in the area will be diverted. He asked that the City take a look at the drainage plan at the south end catch basin.

Mr. Rodeberg responded that there is no cost efficient way for the City to obtain easements or to construct improvements in this area for a new storm sewer line. He noted that the culverts that have been installed recently should be able to address Mr. Colvin's and the general drainage issues in the area.

Griffin Street Project

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Mr. Rodeberg explained the project. There were no comments from the audience.

Century Avenue SW Project

Mr. Rodeberg outlined the project. The street to be constructed will be a concrete street. The main property owners to be assessed are the Hutchinson Mall and other owners in Padens Addition. Mr. Rodeberg explained how the properties are proposed to be assessed. Other owners in the area will also be assessed for the sidewalk project.

There were no comments from the audience.

Motion by Mlinar, second by Haugen to close the hearing. Motion unanimously carried. Motion by Haugen, second by Mlinar to approve and adopt Resolutions No. 11662 and No. 11663. Motion unanimously carried.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

- (a) CONSIDERATION OF REQUEST FROM HUTCHINSON AREA HEALTH CARE TO USE CITY PROPERTY DURING CITY-WIDE MEDALLION HUNT

Motion by Peterson, second by Haugen to approve the request. Motion unanimously carried.

7. **UNFINISHED BUSINESS** - NONE

8. **NEW BUSINESS**

- (a) CONSIDERATION OF SENIOR DINING AGREEMENT WITH AUGUSTANA LUTHERAN HOMES

This item had been discussed at a previous meeting, but no action taken. There was an item that needed further attention prior to the action.

Motion by Mlinar, second by Peterson to approve and enter into the agreement with Augustana Homes. Motion carried unanimously.

- (b) CONSIDERATION OF CITY OF HUTCHINSON AND MCLEOD COUNTY TRANSIT ISSUES FORMAL LETTER OF UNDERSTANDING

This agreement is similar to the agreement adopted and effective in 2000. There are minor revisions updating the agreement that addresses transit service issues.

Motion by Peterson, second by Hoversten to approve and adopt the letter of understanding. Motion carried unanimously.

- (c) CONSIDERATION OF SETTING BOARD OF REVIEW MEETING FOR MAY 8, 2001 AT 4:30 P.M.

This date is a conflict because a regular Council meeting is scheduled for the same evening. Gary Plotz, City Administrator noted that the City may request from or recommend to the County an alternate date for the Board of Review.

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John Mlinar moved to recommend Tuesday, May 1, 2001, at 4:30 p.m. to the County for the Board of Review. Second by Haugen. The motion carried unanimously.

There was further discussion about recommending a second alternate date if May 1 is not an option for the County.

Motion by Mlinar, second by Haugen to recommend the alternate date of May 7, 2001, at 4:30 p.m. to the County for the Board of Review meeting if the May 1 date is not an option. Motion unanimously carried.

(d) CONSIDERATION OF APPROVAL OF CAPITAL PLAN FOR 2001-2005

Ken Merrill, Finance Director, presented the CIP to the Council. He noted that the plan allows the City to identify the capital items we need and the revenue sources for them. He added that adoption of the plan does not approve the purchases of the items in the plan. This is addressed during the budget process each year. If this plan is approved, the directors will begin working on the 2002 – 2006 plan document.

Motion by Hoversten, second by Mlinar to approve the Capital Plan for 2001 – 2005.

Councilmember Mlinar commented that the plan is an excellent tool for the City to assist in planning. Councilmember Hoversten also stated that this is an extensive document and a good tool for the City to get a handle on finances.

The motion was unanimously approved.

(d) CONSIDERATION OF SETTING MEETING WITH RESTAURANT OWNERS FOR MARCH 5, 2001 AT 4:00 P.M. IN CITY CENTER TO DISCUSS NO-SMOKING ISSUE

Mayor Torgerson noted that the restaurant owners have been notified of this tentative meeting. The results of a survey regarding the non-smoking issue will be discussed at the meeting.

Motion by Haugen, second by Mlinar to approve the meeting date of March 5, 2001. The motion was unanimously approved.

(f) CONSIDERATION OF APPROVING FEE SCHEDULES (POLICY NO. 2.22) FOR CITY OF HUTCHINSON HANDBOOK

Julie Wischnack informed the Council of the proposed fee changes scheduled for 2001. This is the 3rd year of a scheduled 10% per year increase in building permit fees.

Motion by Mlinar, second by Haugen to approve the fee schedules in Policy 2.22 of the City of Hutchinson Policy Handbook. The motion unanimously carried.

(g) CONSIDERATION OF ADOPTING POLICY FOR WAIVING OF FEES

Julie Wischnack presented a draft policy for the waiving of various permit fees. Mayor Torgerson read the draft policy that addresses the waiving of fees for City departments.

Councilmember Mlinar noted that the City has waived fees for the City departments in the past. He inquired if the City has researched this issue with the other entities

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regarding how this may affect them.

Ms. Wischnack noted that by adopting the policy, the City would be setting a policy that does not allow the City to waive fees for various groups, specifically non-profits, in the future. We have previously on a case-by-base basis, waived fees for groups such as Habitiat for Humanity.

Mr. Rodeberg noted that this action was not consistent and possibly could pose legal issues for the City. The draft policy allows the City to simply address this matter.

Motion by Hoversten, second by Peterson to approve the policy. The motion unanimously carried.

- (h) CONSIDERATION OF REQUEST FROM HUTCHINSON AREA HEALTH CARE TO PURCHASE PHYSICIAN BILLING AND PRACTICE MANAGEMENT SYSTEM

Motion by Mlinar, second by Hoversten to approve the request. The motion was unanimously approved.

9. **MISCELLANEOUS**

- (a) COMMUNICATIONS

Marc Sebor, City Attorney – Weatherall agreement. The first draft is under review. A completed draft is expected by next meeting.

John Mlinar- The City emergency services recently received a grant for the safety/fire training center. The City should look at forwarding a to Senator Ness and Representative Dille to thank them for their efforts on behalf of the City.

- (b) RESOLUTION NO. 11668 ACCEPTING THE BID AND AWARDING THE CONTRACT FOR LETTING NO. 7/PROJECT NO. 01-20

John Rodeberg explained that this is regarding the installation of a Building Energy Management System (EMS) at the HATS facility. A \$25,000 grant from Hutch Utilities is earmarked for this project. MNDOT's estimate for project was \$20,000. The difference in the estimate and the bids may be due to a clarification that the parts for the project are to be purchased separately. This could result in approximately a \$16,000 difference in cost per the bid.

Motion by Mlinar, second by Peterson to accept the bid from Northern Air Corp of Little Canada, MN, in the amount of \$34,230.00, contingent upon Mn/DOT approval and verification of additional funding. The motion carried unanimously.

Motion by Mlinar, second by Haugen to approve the minutes of the bid opening of February 26, 2001, regarding this letting and project. The motion unanimously carried.

COMMUNICATIONS CONTINUED

Kay Peterson – The Library Board advertised for representatives to the Pineoerland Board. Two people replied. The Library Board recommended at their meeting last evening to appoint Rev. Herman Hannemann and Roger Hibma to the Pioneerland Board.

One additional representative is still needed. The public was encouraged to send in their name to Kay Peterson or Gary Plotz at City Center if interested in serving.

Motion by Peterson, second by Haugen to approve the recommendations of Herman Hannemann and Roger Hibma to the Pineoerland Board. Motion carried unanimously.

Gary Plotz, City Administrator – Mr. Plotz updated the Council on the kickoff for the public information program for the dual collection program. A special mailing will go out in the utility bills in the near future. It is anticipated that the containers will be delivered to residents the last week in March.

The Visionary workshop with the Council and directors was held on February 22. Additional meetings will need to be scheduled to complete the second half of the agenda and to address other issues that were raised at the workshop. It was requested that the Council consider two dates for these meetings.

Motion by Peterson, second by Mlinar, to set a meeting for Thursday, March 8, 2001, at 3:00 p.m. in the Council Chambers. The motion unanimously carried.

Motion by Peterson, second by Hoversten to set a tentative second meeting date for Wednesday, March 21, 2001, at 1:00 p.m. at City Center. Motion was unanimously approved.

John Mlinar requested that the Council schedule workshops prior to the Council Meeting to address smaller, singular issues.

Mlinar moved and Haugen seconded a motion to set a tentative workshop for Tuesday, March 13, 2001, at 4:00 p.m. at City Center, prior to the Council Meeting. The subject matter will be determined at a later date. Motion unanimously approved.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A & B

Verified Claims A

Motion by Hoversten, second by Peterson to approve Verified Claims A and

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authorized payment from appropriate funds. Motion unanimously approved.

Verified Claims B

Motion by Mlinar, second by Haugen to approve Verified Claims B and authorize payment from appropriate funds. The motion carried unanimously with Hoversten abstaining.

11. **ADJOURN**

The meeting adjourned 6:50 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, MARCH 13, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. with the following members present: Mayor Marlin Torgerson, Council Members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten. Also present: Gary Plotz, City Administrator, Marc Sebor, City Attorney, and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – The Rev. Paulus Pilgrim from Faith Lutheran Church gave the invocation.

3. **MINUTES**

REGULAR MEETING OF FEBRUARY 27, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON PUBLIC LIBRARY BOARD MEETING MINUTES OF FEBRUARY 26, 2001
2. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES OF FEBRUARY 1, 2001
3. BUILDING REPORT FOR FEBRUARY 2001
4. FIRE DEPARTMENT MONTHLY REPORT FOR FEBRUARY 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11669 – RESOLUTION TO ESTABLISH LOCATION FOR TRAFFIC CONTROL DEVICES

(c) DANCE PERMIT FOR JOSE G. RIVERA ON APRIL 28, 2001 AND VOIDING OF PERMIT ISSUED FOR APRIL 21, 2001.

Motion by Hoversten, second by Haugen to approve the consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M.**

(a) LETTING NO. 2, PROJECT NOS. 01-03, 01-04, 01-11

Mayor Torgerson opened the public hearing at 6:00 p.m. and read Resolution 11672.

John Rodeberg, Director of Engineering/Public Works explained the hearing process to the audience. This is the first step, and if it is decided to go ahead with the project, a second public hearing will be held and more definite information on the project and the costs to be assessed will be presented at that time.

Mr. Rodeberg outlined project No. 01-03, improvements to Municipal Parking Lot H located at the southwest corner of 1st Avenue Southeast and Hassan Street Southeast. No costs are to be assessed to property owners for the parking lot project. Funds are available from the downtown parking fund.

Project No. 01-04 for the Block 13 Alley includes reconstruction of the alley and installation of a concrete surface. Mr. Rodeberg outlined the project costs and that they are to be 100% assessed to the adjacent property owners. The costs are determined on a per front foot basis.

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Mr. John Schutt, 117 Elks Drive SE, and of Anderson Decorating Center, 119 Main Street South inquired about the project time frame. Mr. Rodeberg noted that when the concrete is poured, it must cure properly and there will be about a one-week period when the alley will have very limited access. Mr. Rodeberg noted that the City is willing to work with the business owners on issues such as deliveries and garbage removal, and will attempt to schedule the work to accommodate the owners as much as possible. The project should be completed in a 2 month period.

Project No. 01-11 is the Block 26 alley project. This alley has a mix of adjacent residential and commercial uses. The proposed project is for a concrete alley surface. The project is by petition of the property owners. Mr. Rodeberg noted again that alleys are normally 100% assessed to the property owners. Because of the mixed uses in the project area and a potential benefit to the City, a portion of the project costs may be paid by the City.

Chuck Brill, 222 Jefferson Street SE, stated that he led the petition proposal. He commented that the gravel that has been added to the alley over the years has resulted in a grade that is higher than the garages in the area. He noted there are drainage issues as well. The owners initiated the process to see what the price would be for the paving the alley.

Alice Gehrke, 144 2nd Ave SE, noted that they have lived at this location for 44 years and they have not had any issues with their drainage or the level of the alley. She commended the City for their maintenance of the alley.

At 6:17 p.m., Haugen moved to close the hearing, second by Mlinar. The motion unanimously carried. Motion by Hoversten, second by Mlinar to approve and adopt Resolutions No. 11671 and No. 11672. Motion unanimously carried.

(b) LETTING NO. 4, PROJECT NOS. 01-07, 01-08, 01-10, 01-12

The public hearing commenced at 6:17 p.m. Mayor Torgerson read Resolution No. 11673 regarding the projects. He noted that the Post Office project, No. 01-20, is on hold at this time.

Mr. Rodeberg commented on the hearing procedures for a project. He stated that there have been neighborhood meetings regarding the proposed projects and talked about the City pavement management program and how projects are ranked and selected for consideration. He also spoke about the sewer and water system analyses that are considered.

Project No. 01-08 is the Thomas Avenue project. Mr. Rodeberg spoke about the proposed improvements and what costs are to be assessed to the property owners. He added that this is a comprehensive project, as the entire street will be removed and replaced. The City will work with the property owners to work out issues such as garbage pickup and mail delivery during the project.

Richard Sokolis, 945 Thomas Avenue SW. noted that he is concerned about the high costs estimated for the project.

Mr. Rodeberg outlined the Sherwood Street Project No. 01-10. The street is deteriorating and there are drainage issues. The sanitary sewer line will be rerouted to the Century Avenue line. There have been substantial storm sewer issues in the area south of the cemetery property.

Mr. Bill Robb, 1025 Sherwood St. SE, stated that his assessment may be about \$14,000. He asked the Council to consider any other alternatives for assessing the project to make the costs more affordable.

Mr. Rodeberg noted that the City is paying 60% of the costs for the project. Mayor Torgerson stated that the City has considered dividing assessments for other projects on a per lot basis. No decision was made to adopt this assessment method for this project.

Ms. Brenda DeSchepper, 1116 Sherwood St. SE, stated that the proposed assessments eat up

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everything that she has financially put into her house. She also has concerns about the time frame of the project and the accessibility to her property. Mr. Rodeberg commented that the project may commence in late May or early June.

Mr. Mike Meyers 1045 Sherwood St. SE, noted that he owns one of the odd-shaped lots in the project area. Mr. Rodeberg clarified how his front footage would be determined.

Mr Rodeberg explained Project No. 01-07, for Grove Street NW. A neighborhood meeting was held for the project. The street will be totally reconstructed. He also stated that the project costs are to be assessed on a per lot basis.

Mr. Todd Bradley, 345 Washington Avenue W, questioned why a storm sewer line is needed. Mr. Rodeberg replied that there is only a drainage tile in this area, and water is a major problem for maintaining good road conditions and the longevity of the street.

Mr. Rodeberg described Project No. 01-12, the Water Street NW project. This has been public right-of-way for some time and the project includes the completion of a new street with utilities. The project will resolve a number of drainage and access issues.

Mr. Harry Blake, 185 – 5th Avenue NW, asked why he will be assessed as he has water and street access off of 5th Ave. The Mayor commented that he has discussed the project with Mr. Blake and that it is a proposed solution to a property owner matter. The Mayor asked the City Attorney for any suggestions on how to proceed. He offered to meet with Mr. Blake and the adjacent neighbor to discuss the issue further.

The Council discussed that the proposed project may be an expensive solution to issues between the neighboring property owners.

James Buboltz, 211 - 5th Avenue NW, commented that he and Mr. Blake have had their issues, and he feels that this project is an extreme solution to the issues. He does not want to be assessed for the project and recommended that the project wait until future development requires the improvement.

Mr. Mlinar asked about the future ability for Mr. Buboltz to split his lot. Mr. Blake noted that he would not split his lot in the future. Ms. Peterson commented that it is not the City's policy to promote projects that force people to sell their property.

At 6:55 p.m., motion by Mlinar to close the hearing, second by Haugen. The motion carried unanimously.

Motion by Haugen, second by Peterson to adopt Resolutions No. 11673 and No. 11674 excepting Project No. 01-12. The motion unanimously carried.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS** - None

7. **UNFINISHED BUSINESS**

(a) CONSIDERATION OF LEASE AGREEMENT FOR EDA PROPERTY (LESSEE – WETHERELL - DEFERRED FROM MEETING OF JANUARY 23, 2001)

Mr. Rodeberg updated that Council on the history of the Wetherells leasing property from the City. The changes in the current version of the proposed lease agreement are minor. The agreement addresses rent amounts, rental terms, uses of the property, and salvage rights. Mr. Seboria noted that the previous agreement expires next month.

Motion by Peterson, second by Mlinar to approve the Lease Agreement for the City property with Gary and MaryAnn Wetherell. Motion unanimously approved.

8. **NEW BUSINESS**

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- (a) RESOLUTION NO. 11670 – RESOLUTION TO ADOPT A FIXED BASE OPERATOR’S (FBO) AGREEMENT FOR OPERATIONAL SERVICES AT THE HUTCHINSON MUNICIPAL AIRPORT

Mr. Rodeberg noted that the resolution is the recommendation from the Airport Board.

Motion by Mlinar, second by Haugen to approve and adopt Resolution No. 11670 regarding a Fixed Base Operator’s agreement for operational services at the Hutchinson Municipal Airport. Motion unanimously carried.

- (b) CONSIDERATION OF CONSULTANT AGREEMENT FOR PROVIDING COMPREHENSIVE PLANNING SERVICES

Mr. Rodeberg informed the Council that the planning services are in regards to the City’s Comprehensive Plan. The previous plan was updated internally a number of years ago. The City has some fringe development and environmental issues to address in the plan. Mr. Rodeberg stated that a proposal was received from one of the consultants contacted - Dahlgren, Shardlow and Uban. The total cost of the project is \$44, 000 to \$45,000. The costs for the project will be divided equally amongst the Planning, Engineering, and Water/Wastewater departments.

Mayor Torgerson inquired if the consultant will be completing everything listed. Mr. Rodeberg commented that the consultant will be compiling information that is already available, and not all the work will be new. The goal is to have a finished product that can be provided to requesting parties, such as developers.

Mr. Mlinar asked about the rates, as there was only one bid. Mr. Rodeberg noted that the City expected the resulting price range when the requests for proposal were sent. He also noted that both he and Julie Wischnack, Director of Planning, have previously worked with the firm and the named individual on projects outside of the City.

Motion by Mlinar, second by Peterson to approve the agreement for comprehensive planning consultant services with Dahlgren, Shardlow and Uban (DSU). Motion unanimously carried.

- (c) CONSIDERATION OF CONTRACTUAL AGREEMENT WITH MID-MINNESOTA DEVELOPMENT CORPORATION TO PROVIDE BUILDING OFFICIAL SERVICES

Gary Plotz, City Administrator, commented that the contract is for building official services. The City had contracted with another firm, but they are no longer to provide services to us because of their workload. This contract is in the same price range as the contract with the previous building services firm.

Motion by Haugen, second by Peterson to approve the contractual agreement with Mid-Minnesota Development Corporation to provide building official services to the City of Hutchinson. Motion carried unanimously.

- (d) CONSIDERATION OF CONTRACTUAL AGREEMENT FOR PROVIDING RECRUITMENT SERVICES

Mr. Plotz updated the Council on the status of the Building Official position. We have advertised twice for the position and have not found a candidate. The City has used this firm previously. Mr. Hoversten asked if a “to not exceed” dollar amount has been established? Mr. Plotz indicated that the City could state a maximum.

Motion to defer by Hoversten, second by Mlinar to defer this item to the March 27, 2001 meeting. Motion carried unanimously.

- (e) CONSIDERATION OF ENHANCED 911 EQUIPMENT UPGRADE

Steve Madson, Police Chief, commented on the upgrade. The existing equipment is 7 years

old. The new equipment will bring us current with the new technology trends. The 911 system handles 60,000+ calls per year. This system is mouse driven, can locate cellular users, and will be able to be tied into the GIS system.

Motion by Mlinar, second by Haugen to grant authorization to purchase the necessary equipment to upgrade the enhanced 911 system from the Hutchinson Telephone Company. Motion carried unanimously.

(f) RESOLUTION 11675. RESOLUTION TO ADOPT FEE SCHEDULE FOR COMPOST/TRANSFER FACILITY

Mr. Plotz informed the Council that the facility will be opening in April. The computerized scale system will allow us to accurately determine what is being deposited and what should be charged, if fees apply. Mr. Plotz commented on the range and type of fees. The City will begin charging for concrete and asphalt collection.

Motion by Hoversten, second by Haugen to approve and adopt Resolution No. 11675 regarding the fee schedule for the compost/transfer facility.

(g) CONSIDERATION FOR SETTING A HEARING DATE FOR KING'S WOK COMPLIANCE CHECK VIOLATION

City Attorney Marc Seboria updated the Council on this matter. King's Wok was one of the establishments that failed a compliance check in 1999. Efforts have been made to conduct the hearing but have been delayed by issues including translating. He informed the Council that the hearing must be set between March 26 and April 12, 2001, and a hearing panel of 3 council members is required.

Move by Mlinar, second by Haugen to set hearing date for King's Wok for Monday, March 26, 2001, at 9:00 a.m. with Jim Haugen, John Mlinar and Kay Peterson serving on the hearing panel. Motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

John Mlinar – The March issue of the publication from the MN Recreation and Park Association notes that Marv Haugen will be representing the Central Region on the Board of Directors. The Hutchinson PRCE department received an award from the MMRP for the local ice arenas, and Dolf Moon was recently inducted into the amateur softball hall of fame.

Gary Plotz asked the Council to consider setting additional workshops to continue the Visioning Workshop and to discuss other matters.

Moved by Mlinar, second by Peterson to set completion of the visioning workshop for 1:00 p.m. on Wednesday, March 21, 2001. Motion carried unanimously.

Motion by Mlinar, second by Hoversten to schedule a Council workshop at 4:00 p.m. on Tuesday, April 24, 2001, to discuss Liquor Hutch facility issues, and to schedule a workshop at 4:00 p.m. on Tuesday, April 10, 2001, for the purpose of meeting with the McLeod County Board of Commissioners to discuss the Southwest bypass and the HATS maintenance facility expansion. Motion carried unanimously.

John Rodeberg commented on the snow and snow removal process. The roads are in awful shape, and there are numerous potholes because of the water on the road. Please call the Street Dept at 234-HATS to report potholes.

Gary Plotz updated the Council on the compost project. One of the equipment vendors providing the containers may not make their delivery date. The bonding company has been put on notice.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Peterson to approve Verified Claims A and authorize payment from appropriate funds. With Hoversten abstaining, the motion passed unanimously.

VERIFIED CLAIMS B

Motion by Hoversten, second by Peterson to approve and authorize payment from appropriate funds.

There is a question on two items noted by Kay Peterson. Ms. Peterson requested that the motion be amended to withhold approval of two items until the legitimacy of the claims is verified.

Hoversten agreed to amend his motion as stated. Second by Peterson to amend the motion. The amendment and the amended original motion passed unanimously.

COMMUNICATIONS CONTINUED

Correspondence was received by the Council regarding the Board of Equalization. The date of May 1, 2001 is available.

Motion by Mlinar, second by Peterson to set the Board of Equalization for Tuesday, May 1, 2001, at 4:30 p.m. at City Center. The motion was unanimously approved.

Marc Sebora asked the Council to reconsider the setting of the date for the King's Wok Hearing. A recalculation of the time frame requirements indicates that it must be held between March 28 and April 12, 2001.

Mlinar withdrew his previous motion and Haugen withdrew his second.

Motion by Mlinar, second by Haugen to set the hearing hearing date for the King's Wok compliance check violation hearing for Wednesday, April 4, 2001 at 9:00 a.m. The motion unanimously passed.

11. **ADJOURN**

The meeting adjourned at 6:55 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, MARCH 27, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

The meeting was called to order by Council Vice President, John Mlinar, due to the absence of Mayor Marlin Torgerson. Council members present: Kay Peterson, Jim Haugen and Duane Hoversten. Also present: Gary Plotz, City Administrator, Marc Sebor, City Attorney, and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION**

Rev. Paulus Pilgrim, Faith Lutheran Church, gave the invocation.

3. **MINUTES**

REGULAR MEETING OF MARCH 13, 2001

Motion by Hoversten, second by Haugen to approve as presented. The motion carried unanimously.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. PLANNING COMMISSION MEETING MINUTES OF FEBRUARY 20, 2001
2. PLANNING COMMISSION MEETING MINUTES DRAFT FOR MARCH 20, 2001
3. MINUTES FROM BID OPENING OF MARCH 14, 2001 FOR LETTING NO. 6 / PROJECT 01-19
4. HUTCHINSON HOUSING & REDEVELOPMENT AUTHORITY REGULAR BOARD MEETING OF FEBRUARY 20, 2001
5. CITY FINANCIAL REPORT AND REPORT ON INVESTMENT FOR FEBRUARY 2001
6. HAHC MONTHLY FINANCIAL REPORT FOR FEBRUARY 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11676 – RESOLUTION OF APPRECIATION TO CO. B, MINNESOTA NATIONAL GUARD FOR SNOW REMOVAL ASSISTANCE
2. RESOLUTION NO. 11686 – RESOLUTION FOR PURCHASE
3. RESOLUTION NO. 11687 – RESOLUTION FOR RELEASE OF PLEDGED SECURITIES
4. RESOLUTION NO. 11688 – RESOLUTION AUTHORIZING EXECUTION OF GRANT AGREEMENT

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **CONDITIONAL USE PERMIT** FOR A BED & BREAKFAST AS REQUESTED BY DENNIS HECKES LOCATED AT 325 HASSAN STREET SOUTHEAST WITH FAVORABLE RECOMMENDATION AND WITH STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11685)

(d) LETTING NO. 6 / PROJECT NO. 01-19 (LOUISIANA STREET NW, CAROLINA PARKWAY NW, AND 7TH AVE NW) AND ASSESSMENT ROLL NO. 5047

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- RESOLUTION NO. 11677 – RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT
 - RESOLUTION NO. 11678 – RESOLUTION WAIVING HEARING ON PROPOSED ASSESSMENT
 - RESOLUTION NO. 11679 – RESOLUTION ADOPTING ASSESSMENT ROLL NO. 5047
 - RESOLUTION NO. 11680 – RESOLUTION ACCEPTING AND AWARDED CONTRACT
- (e) APPLICATION FOR TEMPORARY RECYCLABLE MATERIAL COLLECTION FOR ELOUISE CARLSON – CAN MAN 2 RECYCLING
- (f) APPLICATION FOR PUBLIC DANCE PERMIT TO JOSE MEDINA AND MARIA ORNELAS FOR APRIL 28, 2001 (**UNFAVORABLE RECOMMENDATION BY POLICE DEPARTMENT – DANCE ALREADY APPROVED FOR DATE**)
- (g) OUT-OF-STATE TRAVEL REQUEST FOR KENNETH MERRILL TO PHILADELPHIA, PA ON JUNE 3-6, 2001, TO ATTEND THE NATIONAL GOVERNMENT FINANCE OFFICER CONFERENCE
- (h) CONSIDERATION OF INVESTMENT AUTHORIZATION
- (i) OUT-OF-STATE TRAVEL REQUEST BY JOHN RODEBERG, DIRECTOR OF ENGINEERING/ PUBLIC WORKS, TO ATTEND THE 2001 INTERNATIONAL TRANSPORTATION TECHNOLOGY TRANSFER SYMPOSIUM FROM JULY 29 TO AUGUST 2, 2001, IN ST. PETERSBURG, FLORIDA. THERE IS NO COST TO THE CITY FOR THIS TRAVEL REQUEST.

Item 4(g) was removed from the consent agenda and not considered for action.

Motion by Peterson, second by Hoversten to approve the consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M.** There were no public hearings.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

- (a) PRESENTATION OF RESOLUTION NO. 11676 EXPRESSING THE CITY'S APPRECIATION TO HUTCHINSON CO. B OF THE MINNESOTA NATIONAL GUARD FOR SNOW REMOVAL ASSISTANCE

Vice Chair Mlinar presented Specialists Clabo and Schimmel of Company B with the resolution of appreciation from the City of Hutchinson for their efforts with the 2000/2001 snow removal efforts.

7. **UNFINISHED BUSINESS**

- (a) CONSIDERATION OF CONTRACTUAL AGREEMENT FOR PROVIDING RECRUITMENT SERVICES (**DEFERRED FROM MARCH 13, 2001**)

John Rodeberg noted that this was deferred as there had been no "cost to exceed" noted previously. He stated the contract indicates a maximum of 40 hours or a total of \$4,000.

Motion by Hoversten, second by Haugen to approve the contractual agreement with Delacore Resources for recruitment services. The motion carried unanimously.

8. **NEW BUSINESS**

- (a) LETTING NO. 8 / PROJECT NO. 01-21 (SCHOOL ROAD NW)

- RESOLUTION NO. 11681 – RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT
- RESOLUTION NO. 11682 – RESOLUTION RECEIVING REPORT AND WAIVING HEARING ON IMPROVEMENT
- RESOLUTION NO. 11683 – RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS
- RESOLUTION NO. 11684 – RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

Mr. Rodeberg explained that this is a state aid funded project. No city property owners will be assessed.

Motion by Haugen, second by Peterson to approve Resolutions No. 11681, No. 11682, No. 11683, and No. 11684. The motion carried unanimously.

(b) CONSIDERATION OF ENTERING INTO CONSULTING AGREEMENT FOR INFLOW AND INFILTRATION (I & I) REDUCTION PROGRAM

Mr. Rodeberg commented that this is the “sump pump” program. The consultant will be visiting all homes in Hutchinson during the project. Two firms were considered for the project. There is a substantial difference in the costs proposed by the firms, but each is confident that their quotations are accurate.

Motion by Peterson, second by Haugen to approve entering into the consulting agreement for the inflow and infiltration (I & I) reduction program with Bolton & Menk. The motion carried unanimously.

Mr. Mlilnar questioned when the project will start. Mr. Rodeberg stated in late April or early May so that the project can be completed this year. There will be meetings and notices sent to inform the residents of the program and the scheduled home visits. The City can consider implementing a fine for uncertified systems.

(c) CONSIDERATION OF ENTERING INTO AGREEMENT WITH PINKERTON SERVICES GROUP TO CONTINUE DRUG-FREE WORKPLACE SERVICES

Brenda Ewing, Human Resources Coordinator, noted that this is a continuation of the agreement currently in place with Pinkerton. The testing prices quoted are lower than those of the current agreement.

Motion by Haugen, second by Hoversten to approve entering into the agreement with Pinkerton Services Group to continue the drug-free workplace services for the City of Hutchinson. The motion carried unanimously.

(d) CONSIDERATION OF ENTERING INTO WAREHOUSE RENTAL AGREEMENT WITH WAL-MART STORES, INC. FOR SPACE AT THE HUTCHINSON CIVIC ARENA

Mr. Rodeberg noted that Dolf Moon, Director of PRCE, worked with WalMart on the drafting of the agreement.

Motion by Hoversten, second by Peterson to approve entering into the rental agreement with WalMart Stores, Inc. for space at the Hutchinson Civic Arena. The motion carried unanimously.

(e) CONSIDERATION OF SETTING A COUNCIL WORKSHOP TO MEET JOINTLY WITH THE HRA BOARD AT 12:00 NOON ON TUESDAY, MAY 15, 2001, AT CITY CENTER

Motion by Peterson, second by Haugen to set a council workshop for 12:00 noon on

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Tuesday, May 15, 2001, for a joint meeting with the Hutchinson HRA Board. The motion carried unanimously.

- (f) CONSIDERATION OF SETTING A COUNCIL WORKSHOP FOR 4:00 P.M. ON TUESDAY MAY 8, 2001, TO DISCUSS BONDING ISSUES WITH EHLERS & ASSOCIATES

Motion by Hoversten, second by Peterson to set a council workshop for 4:00 p.m. on Tuesday, May 8, 2001, to discuss bonding issues with Ehlers & Associates.

9. MISCELLANEOUS

- (a) COMMUNICATIONS

Marc Sebor – The compost facility is scheduled for inspection by the State this week so that operation may begin. The supplier of the digesters recently informed the City that they would not be able to provide the equipment on a timely basis. Staff was able to locate suitable substitute equipment from a City in New Hampshire and for a lesser price. The City has contacted the first supplier to demand our original down payment, but has not received a response.

Kay Peterson – Updated the Council that there will be two vacancies on the Library board as of April. The Library Board recommends that the Council appoint two individuals from the five excellent candidates who expressed interest. Julie Jensen and John Hassinger are recommended for appointment.

Motion by Kay Peterson, second by Haugen to appoint Julie Jensen and John Hassinger to the Hutchinson Library Board.

Ms. Peterson updated the Council on the roof problems at Greencastle Condominiums. Residents were evacuated at 5:00 a.m. on the morning of the incident. The Hutchinson fire and police departments and Lenny Rutledge, Building Inspector, should be congratulated for their efforts in dealing with this issue.

Duane Hoversten – Echoed Ms. Peterson's comments and congratulations to the City employees regarding the Greencastle situation.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

- (a) VERIFIED CLAIMS

Motion by Peterson, second by Haugen to approve and authorize payment from appropriate funds.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 5:57 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, APRIL 10, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

The meeting was called to order at 5:33 p.m. by Mayor Torgerson. Also present were Council members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten; and Richard Schieffer, City Attorney, Gary Plotz, City Administrator, and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – Rev. Todd Ertsgaard of Oak Heights Covenant Church gave the invocation.

3. **MINUTES**

REGULAR MEETING OF MARCH 27, 2001

The minutes of the regular March 27, 2001, meeting were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. MONTHLY UTILITY FINANCIAL REPORT FOR FEBRUARY 2001
2. HUTCHINSON PUBLIC LIBRARY BOARD MEETING MINUTES FOR MARCH 26, 2001
3. HUTCHINSON POLICE COMMISSION MEETING MINUTES FOR FEBRUARY 27, 2001
4. BUILDING DEPARTMENT MONTHLY REPORT FOR MARCH 2001
5. FIRE DEPARTMENT MONTHLY REPORT FOR MARCH 2001
6. PRCE ADVISORY BOARD MINUTES OF MARCH 1, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11691– RESOLUTION TO APPROVE PURCHASE OF ACCESSIBLE DOORS FOR THE HUTCHINSON LIBRARY AND TO RECOGNIZE THE HUTCHINSON AREA COMMUNITY FOUNDATION AND COMMUNITY MEMBERS FOR CONTRIBUTIONS TO THE PROJECT
2. RESOLUTION NO. 11692 – RESOLUTION FOR PURCHASE
3. RESOLUTION NO. 11702 - APPROVAL OF THE RESOLUTION FROM THE MINNESOTA DEPARTMENT OF TRANSPORTATION OFFICE OF AERONAUTICS APPOINTING AND DESIGNATING THE COMMISSIONER OF TRANSPORTATION AS THE AGENT FOR THE CITY OF HUTCHINSON TO PREPARE AND SUBMIT THE APPLICATION FOR FEDERAL ASSISTANCE AND TO RECEIVE AND DISPERSE FEDERAL FUNDS AS REQUIRED UNDER MINNESOTA STATUTES

(c) REQUEST BY HUTCHINSON WOMEN’S CLUB FOR PERMISSION TO USE A PORTION OF THE MUNICIPAL PARKING LOT AT HASSAN STREET SE AND 1ST AVE SE ON SATURDAY, MAY 12, 2001, FROM 8:00 A.M. TO 12:00 NOON FOR A PLANT SALE

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(d) APPOINTMENTS

1. ELIZABETH TOKARCZYK TO THE SENIOR ADVISORY BOARD
2. LYNN OTTESON TO THE HUTCHINSON PLANNING COMMISSION

(e) LETTING NO. 3/PROJECT NOS. 01-05(SHADY RIDGE ROAD NW),01-06 (GRIFFIN AVE NE), 01-09 (CENTURY AVE SW), 01-13 (ROBERTS PARK), 01-14 (CENTURY AVE SE TRAIL), 01-15 (CENTURY AVE SW SIDEWALK), AND 01-16 (TH 15 S); ASSESSMENT ROLL NO. 5048

- RESOLUTION NO. 11689 – RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT
- RESOLUTION NO. 11690 – RESOLUTION FOR HEARING FOR PROPOSED ASSESSMENT

(f) OUT-OF-STATE TRAVEL REQUEST FOR RANDY DEVRIES, DIRECTOR OF WATER/WASTEWATER OPERATIONS TO LACROSSE, WISCONSIN ON MAY 13-16, 2001, TO ATTEND THE CENTRAL STATES WATER ENVIRONMENT ASSOCIATION ANNUAL MEETING AND CONFERENCE

(g) OUT-OF-STATE TRAVEL REQUEST FOR RICHARD NAGY, WATER SYSTEMS SUPERVISOR, TO WASHINGTON, DC ON JUNE 16 – 20, 2001, TO ATTEND THE AMERICAN WATER WORKS CONFERENCE.

(h) RETAIL ON-SALE, NON-INTOXICATING MALT LIQUOR (3.2 BEER) LIQUOR LICENSE RENEWALS

- GOLD COIN, INC.
- HUTCHINSON HUSKIE BASEBALL ASSOCIATION
- LITTLE CROW BOWLING LANES
- GODFATHER’S PIZZA

(i) RETAIL OFF-SALE, NON-INTOXICATING MALT LIQUOR (3.2 BEER) LIQUOR LICENSE RENEWALS

- COBORN’S INC – CASHWISE
- TOM THUMB #196 – BONKERS
- SPEEDWAY SUPERAMERICA
- CITGO QUIKMART
- ERICKSON OIL PRODUCTS - FREEDOM VALU CENTERS

(j) SHORT TERM GAMBLING LICENSE - **WITHDRAWN**

- ST ANASTASIA CATHOLIC CHURCH

(k) INVESTMENT AUTHORIZATION

Motion by Haugen, second by Peterson to approve the consent agenda with item 4(j) being withdrawn. The motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

(a) UPDATE ON ACTIVITIES OF THE MINNESOTA SMOKE FREE COALITION BY JEREMY HANSON, ADVOCACY DIRECTOR

Mr. Jeremy Hanson, Advocacy Director for the Minnesota Smoke Free Coalition, was present to address the Council and provided the Council with prepared written materials. Mr. Hanson updated the Council on activities of the statewide organization throughout

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Minnesota, including the cities of Moose Lake, Duluth and Rochester. He stated that his organization has been working with citizens of Hutchinson on the issue of second hand smoke effects.

Mr. Hanson talked about the specific activities in Hutchinson including a telephone survey. He indicated that the results of the survey supported the passing of an ordinance to create a smoking ban in area restaurants. He also stated that the Coalition is in favor of the passage of such an ordinance.

Mayor Torgerson applauded the Coalition for their efforts and the actions of the City residents on this matter. He indicated that the Council has not determined what, if any, action the City may take in regards to this issue.

Council member Mlinar questioned Mr. Hanson about the Little Falls ordinance that was passed and subsequently repealed. Mr. Hanson indicated that every community is unique and that one reason the ordinance was repealed may be due to lower turnout of voters for the referendum on the matter.

Mr. Mlinar also asked about the media campaign in the metro area regarding smoking and its effects. Mr. Hansen stated that this is an activity of an organization that was created as a result of the tobacco settlement and the campaign will be concentrated statewide.

(b) UPDATE TO COUNCIL ON STORM WATER UTILITY

Ken Merrill, Finance Director, updated the Council on the Storm Water Utility. The next City water/sewer/refuse billing will have a line item for the utility. The engineering and water billing staffs have been working diligently to implement the utility billing. Each household has been sent information on two occasions to notify them of the utility and its implementation.

Stormwater credits were discussed. John Rodeberg, Director of Engineering/Public Works, noted that those interested in receiving the credits, generally non-residential properties, must make application with the City.

Mr. Merrill informed the Council that the general fund will be amended to remove the utility funds and to establish a separate fund for them as is required.

7. **UNFINISHED BUSINESS** - NONE

8. **NEW BUSINESS**

(a) CONSIDERATION OF FIRE DEPARTMENT APPLICATION FOR ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM

Motion by Mlinar, second by Peterson to approve the Fire Department application for assistance to the Firefighters Grant Program. The motion carried unanimously.

(b) CONSIDERATION OF RECLASSIFICATION REQUEST FOR INFORMATION TECHNOLOGY COORDINATOR POSITION

Gary Plotz, City Administrator, commented on this item. He indicated that the position of IT Coordinator has changed to include more management responsibilities. A review of the position was completed by the consultant, Stanton Group, and the recommendation is to reclassify the position to Grade 9.

Motion by Hoversten, second by Haugen to approve the reclassification request for the

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position of Information Technology Coordinator to a Grade 9 position on the City's Job Evaluation and Compensation Plan. The motion carried unanimously.

(c) APPOINTMENT OF COUNCIL MEMBER TO SERVE AS THE COUNCIL REPRESENTATIVE ON THE CITY OF HUTCHINSON COMPREHENSIVE PLANNING COMMITTEE

Motion by Mlinar, second by Peterson to approve the appointment of Council member Haugen to the Hutchinson Comprehensive Planning Commission Committee. The motion carried unanimously.

(d) CONSIDERATION OF SETTING A COUNCIL WORKSHOP FOR 4:00 P.M. ON TUESDAY, MAY 22, 2001, AT CITY CENTER TO DISCUSS HOME OCCUPATION ISSUES

Motion by Hoversten, second by Peterson to set a Council workshop for 4:00 p.m. on Tuesday, May 22, 2001, at City Center to discuss home occupation issues. The motion carried unanimously.

(e) CONSIDERATION OF RESCHEDULING A DATE FOR THE COUNCIL WORKSHOP FOR THE CONTINUATION OF THE VISIONING WORKSHOP ORIGINALLY SCHEDULED FOR MARCH 21, 2001.

Mr. Plotz noted that three topics including the capital plan, the city charter and a visioning exercise will be agenda items.

Motion by Peterson, second by Mlinar to set the rescheduled date for the Council visioning workshop for Tuesday May 1, 2001 at 2:00 p.m. at City Center. The motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

Jim Haugen – Welcomes Lynn Otteson to the Planning Commission, and he looks forward to working with her.

John Mlinar – Stated that he is pleased about the resolution and project for the Library doors.

Mr. Mlinar spoke about the safety concerns in the area of the dam when flooding occurs. He inquired if there can be some permanent fencing or other barriers put in this area to keep individuals back at a safe distance.

John Rodeberg answered that we can review this matter, but there is already high fencing in the dangerous areas. He also stated that the DNR is looking at reconstruction of the dam and that this is an issue that can be reviewed as part of that process.

Mr. Rodeberg also spoke to the activity at the dam during this flooding incident. The gates have been opened to protect the dam. He stressed that opening the dam does not increase the water downstream, it only helps to limit damage to the dam. The structure is not a flood control device.

The DNR is also using flow meters to verify flow information at the Main Street Bridge and at other locations along the river. The bridge structure is not being compromised at this time.

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Gary Plotz, City Administrator – Updated the Council on the Community Center project. The closing on the property is proposed for April 16, 2001.

Mr. Plotz reviewed the items discussed at the Leadership Team meeting earlier today that include:

The carts (3,800) for the organics collection have been delivered to the residents. We have received many phone calls from residents, and most have been positive. Those not wanting to participate are around 1 to 2% of the residents. The pick-up of organics material has begun. The mayor noted that the bins used in the test area (NW portion of the City) have been replaced by the green bins and will be picked up in the near future.

The compost facility received preliminary approval from the MPCA to operate on March 30, and the approval is valid through May 2, 2001. The facility will be reinspected at that time.

The new restaurant located at 15 - 2nd Ave. SW has inquired about a sidewalk café. It has been determined that a franchise is required.

Other issues included the comprehensive plan committee, EDA purchase of additional land for the industrial park and the reclassification acted on tonight. The meeting also included a discussion of the fire at the biosolids plant.

Mayor Torgerson encouraged the residents of Hutchinson to visit the Compost Site when the open houses are held later this year. John Mlinar requested that Lawrence Winter, Resource Recovery Coordinator, make a presentation on the organics project at a future Council meeting.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Peterson to approve Verified Claims A and authorize payment from appropriate funds. With Council member Hoversten abstaining, the motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Haugen, second by Hoversten to approve Verified Claims B and authorize payment from appropriate funds. The motion carried unanimously.

11. **ADJOURN**

With no further business to discuss, the meeting adjourned at 6:25 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, APRIL 24, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Council members present: Jim Haugen, John Mlinar, and Kay Peterson. Absent: Duane Hoversten. Also present were Marc Sebor and Richard Schieffer, City Attorneys, Gary Plotz, City Administrator, and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – Rev. Todd Ertsgaard, Oak Heights Covenant Church, gave the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF APRIL 10, 2001

(b) BID OPENING OF APRIL 10, 2001, FOR LETTING NO. 2/PROJECT NOS. 01-03/01-04/01-11; AND LETTING NO. 4/PROJECT NOS. 01-07/01-08/01-10

(c) BID OPENING OF APRIL 17, 2001, FOR LETTING NO. 8/ PROJECT NO. 01-21

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. FINANCIAL REPORTS FOR MARCH 2001

2. CERTIFICATES OF DEPOSIT

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11695 – RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT FOR SPECIAL ASSESSMENT NO. 5049, LETTING NO. 2

2. RESOLUTION NO. 11696 – RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT NO. 5049, LETTING NO. 2

3. RESOLUTION NO. 11697 – RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT FOR SPECIAL ASSESSMENT NO. 5050, LETTING NO. 4

4. RESOLUTION NO. 11698 – RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT NO. 5050, LETTING NO. 4

5. RESOLUTION NO. 11699 – RESOLUTION FOR POLICE DEPARTMENT TO APPROPRIATE / SELL AT AUCTION UNCLAIMED PROPERTY

6. RESOLUTION NO. 11703 – RESOLUTION RELEASING PLEDGED SECURITIES FROM CITIZENS BANK & TRUST CO., HUTCHINSON, MN

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF **CONDITIONAL USE PERMIT** FOR MEADOW LINKS GOLF COURSE FOR AN ADDITION OF TWO HOLES LOCATED AT 940 NORTH HIGH DRIVE NW WITH FAVORABLE RECOMMENDATION AND STAFF

RECOMMENDATION (ADOPT RESOLUTION NO. 11700)

2. CONSIDERATION OF **CONDITIONAL USE PERMIT** FOR HUTCHINSON PUBLIC SCHOOL'S (HUTCHINSON HIGH SCHOOL, 1200 ROBERTS ROAD SW) TO EXPAND AND RECONSTRUCT AN EXISTING PARKING LOT. THE CURRENT LOT IS 6,850 SQ FT AND THE NEW LOT WOULD BE 9,780 SQ FT. FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11701)
- (d) CHANGE ORDER NO. 2, LETTING NO. 1/PROJECT NO. 00-01 (JEFFERSON STREET SEWER PHASE I)
- (e) INVESTMENT AUTHORIZATION
- (f) APPROVALS AND PERMITS FOR THE 59TH ANNUAL HUTCHINSON JAYCEE WATER CARNIVAL FOR JUNE 11 – 17, 2001
- (g) OUT-OF-STATE TRAVEL REQUEST FOR MARION GRAHAM, WASTEWATER LABORATORY TECHNICIAN TO LACROSSE, WISCONSIN ON MAY 13-16, 2001, TO ATTEND THE CENTRAL STATES WATER ENVIRONMENT ASSOCIATION ANNUAL MEETING AND CONFERENCE AND TO RECEIVE THE LAB ANALYST EXCELLENCE AWARD
- (h) RETAIL ON-SALE, NON-INTOXICATING MALT LIQUOR (3.2 BEER) LIQUOR LICENSE RENEWAL
 - KING'S WOK (RECOMMENDATION FOR DENIAL BY POLICE DEPT) ***WITHDRAWN BY APPLICANT***
- (i) SHORT TERM GAMBLING LICENSE
 - ST ANASTASIA CATHOLIC CHURCH
 - AMERICAN CANCER SOCIETY @ CROW RIVER COUNTRY CLUB
- (j) SHORT TERM, RETAIL ON-SALE NON-INTOXICATING MALT LIQUOR LICENSE
 - ST ANASTASIA CATHOLIC CHURCH
- (k) TRANSIENT MERCHANT LICENSE FOR RICHARD SEIPEL, DBA THE COUNTRY STOP, INC
- (l) CONSIDERATION OF FINAL ACCEPTANCE OF AIRPORT – PHASE 2 IMPROVEMENTS

Motion by Mlinar, second by Haugen to pull item (h) from the agenda and to approve the remainder of the consent agenda. The motion carried unanimously.

5. **PUBLIC HEARING** – 6:00 P.M.

- (a) ASSESSMENT HEARING FOR ASSESSMENT ROLL NO. 5048, LETTING NO. 3/PROJECT NOS. 01-05, 01-06, 01-09, 01-13, 01-14, 01-15, 01-16; AND CONSIDERATION OF RESOLUTION NO. 11693, RESOLUTION ADOPTING ASSESSMENT AND RESOLUTION NO. 11694, RESOLUTION ACCEPTING BID AND AWARDED CONTRACT

The public hearing commenced at 6:05 p.m.

John Rodeberg, Director of Engineering/Public Works, presented the information for the projects that are subject to discussion. There have been neighborhood meetings for each project and a previous public hearing. The City has gone out for bids on the project and each resident/owner has been provided with specific information regarding the individual assessment cost to each owner for the projects. Mr. Rodeberg talked about assessment

payment options for the property owners.

Shady Ridge Road

Mr. Rodeberg outlined the typical costs per lot for each project and noted that the bids came in under the projections presented at earlier meetings

Mr. Ken Athmann, 700 Shady Ridge Road NW, addressed the Council to voice his opposition to the assessments. Because of the costs, he prefers that there not be curb and gutter put in. He stated that he understands that the project replaces three fire hydrants, and he feels that they do not need to be replaced. He is of the opinion that some aspects of the project are not needed and are too costly.

Mr. Rodeberg responded that this is a minimal project replacing the road and doing some limited additional work to deal with water and drainage issues, and includes only minimal curb and gutter at one location. If hydrants are replaced, this is done at City cost and is not part of this project.

Jeffrey Hart, 707 Shady Ridge Road NW, asked for clarification on the assessment notice. The notice has stated “storm sewer”. He added that when it rains, all of the water from the area flows onto his property. He has taken measures to deal with the water, but he still gets water when it rains heavily. He feels he doesn’t see anything in this project that will take care of the water problem. He asked if the lowering of the street will solve the drainage issues or could the owners install a culvert along the front of their lots.

Mr. Rodeberg noted that to do more would raise the costs significantly. Installation of a culvert will not solve all of the water issues. An area-wide study is needed to determine what should be done. The addition of storm sewer to the project is a costly. The City did consider a number of ways to address the water, however, there is no cost effective way to address all drainage concerns without doubling or tripling the proposed costs.

Griffin Street

Mr. Rodeberg outlined the costs for the project and again noted that the cost per lot is lower than what was projected at the earlier meetings.

Roger DeMeyer, 307 Griffin Avenue NE, asked if the costs could go up due to the fluctuation in fuel costs. Mr. Rodeberg stated that the assessments to the owners will not be raised due to fuel costs.

Mr. DeMeyer inquired about the project start and the time frame of the project. Mr. Rodeberg noted that the project could start within 3-4 weeks and the duration for inconveniences is up to six or more weeks. Mr. DeMeyer asked about additional services – driveway paving, etc. Cal Rice, Asst. to the Engineer, or the contractor can be resources to the owners for these issues.

Troy Boettcher, 205 Griffin Avenue NE, stated that he is in favor of the project at the costs presented.

Century Avenue

Mr. Rodeberg explained the improvements included with this project. The costs for this project also came in substantially lower than the proposed costs.

Motion by Mlinar, second by Peterson to close the hearing at 6:40 p.m. The motion carried unanimously.

Motion by Haugen, second by Peterson to approve the Griffin Street Project and adopt Resolution No. 11693 adopting the assessment and Resolution No. 11694 accepting the bid and awarding the contract.

Motion by Mlinar, second by Peterson to approve the Century Avenue project. The motion was unanimously approved.

Mayor Torgerson asked the owners for the Shady Ridge Road project to come forward if they had any input on whether or not to proceed with the project. Mr. Rodeberg noted that if nothing is done, the City can consider a maintenance assessment or reduced maintenance for the street. This project was proposed because the street has received a great deal of maintenance and is in great need of repair.

Bob Cady 709 Shady Ridge Road NW, stated that he feels that the project will not solve his water and drainage issues. He is in favor of running a culvert down the easterly side of the street in front of his property.

Councilmember Peterson asked about if a culvert would work. Mr. Rodeberg answered that a culvert is not a solution to this issue. The major issue is where to move the water. The street replacement design will act somewhat like the culvert to move the water to the south. The City can review the stormwater and drainage issues, but, again, such a project will be significantly more costly.

Jeff Hart asked what is meant by limited maintenance. Mr. Rodeberg noted that it can mean grading to gravel or to assess the residents for patching. Mr. Hart stated that there has to be a road, and he wants the new street. He asked what other minor adjustments can be made for him to divert the water.

Mr. Mlinar asked if time limits permit the Council to seek feedback from the property owners not present tonight. Mr. Rodeberg noted that the bid can stay open only for a certain period of time. Mr. Haugen inquired about the scope of assessments. The scope of assessment can be reduced, but may not be increased without an additional hearing.

Motion by Peterson, second by Mlinar to award the bids for Letting No. 3 excepting Project No. 01-05 that will be deferred to the May 8, 2001, meeting. The motion passed unanimously.

6. COMMUNICATIONS, REQUESTS AND PETITIONS

(a) PRESENTATION OF PROCLAMATION TO MARY LYNNE COX OF THE FOUNDATION FOR CHALLENGED CHILDREN PROCLAIMING MAY 2001 AS THE MONTH OF THE CHALLENGED CHILD IN HUTCHINSON

Mayor Torgerson read the proclamation proclaiming May 2001 as the month of the challenged child.

(b) PRESENTATION BY LAWRENCE WINTER, RESOURCE RECOVERY COORDINATOR, ON STATUS OF IMPLEMENTATION OF GREEN BIN COLLECTION SYSTEM

Lawrence Winter, Resource Recovery Coordinator, presented information on the green bin collection system project that was implemented City wide in April 2001. He reviewed the typical breakdown of garbage for residences and what can be expected to be recycled. He then provided information as to how the City's program collection compares to this norm.

The bins were delivered beginning April 2nd and collection started on April 5, 2001. So far, over 17 tons of waste have been diverted from the landfill. Mr. Winter also presented information on the demographics of the pick-up areas.

An automated tracking system is pending that will provide the City with more exact information on percentages of participation. In addition, information from the landfill regarding solid waste amounts will be gathered to determine actual waste reductions.

There were a large number of calls, approximately 850, from residents due to the

implementation of the program. Mr. Winter highlighted some of the frequently asked questions regarding what can be discarded in the green bin.

The compostable bags will be redistributed to the residents on a regular basis. Newsletters and helpful hints will also be provided with the bag deliveries. If additional bags are needed in between the deliveries, they can be purchased at City Center.

Mayor Torgerson talked about a call he received from a resident who lives in a townhome. The resident indicated that a green bin is not needed for every residence because they don't have the room, have lawn service, etc. The City is working to address this issue.

Councilmember Mlinar talked about the reduction of waste in the garbage bin and the ability to downsize the container or to go to an every other week pickup if already using the smallest container. There is a cost savings for downsizing, and the green bin can still be put out every week.

7. **UNFINISHED BUSINESS - NONE**

8. **NEW BUSINESS**

(a) **CONSIDERATION OF SANITARY SEWER AGREEMENT WITH PROPERTY OWNERS ON JEFFERSON STREET SOUTH**

Mr. Rodeberg spoke to the Council about the issues that have affected this area in regards to sewer/septic system failures. The City has looked at options for the property owners to deal with the problem including pumping from a holding tank or hooking them up to a City sewer line. Mr. Rodeberg noted the recommendation in the packet with conditions and the immediate health concerns. Mr. Rodeberg also noted that this may set a precedent for future similar situations.

Mr. Mlinar asked about the County's role in this. Mr. Rodeberg stated that if the County gets involved and is made aware of the specific situations and violations, they are required to work to eradicate the violation. The owners must replace the system or resolve the issue in a short time frame.

The contractor is available this week to hook up the two properties to the City sewer. This would be done prior to the adoption and signing of an agreement. In addition, the properties must be annexed before the City can bill them for sewer costs.

Mr. Jeff Keppler, 1310 Jefferson, explained that the water is shut off in his home and his septic is overflowing into his backyard.

Motion by Mlinar, second by Peterson to approve the consideration of the sanitary sewer agreement with property owners on Jefferson St. South including the four conditions noted in the City engineer's recommendation and to allow hook-up prior to the execution of an agreement. The motion carried unanimously.

(b) **RESOLUTION NO. 11704 – RESOLUTION ESTABLISHING GARBAGE RATES**

Ken Merrill presented information to the Council on how the rates were established. Mr. Merrill noted the changes in the resolution from the document that was provided in the packet. The Senior Citizen rates are available to those 65 and older.

Motion by Mlinar, second by Peterson to approve and adopt Resolution No. 11704 establishing City garbage rates. The motion carried unanimously.

(c) **CONSIDERATION OF REQUEST BY THE HUTCHINSON HRA FOR SETTING A PUBLIC HEARING FOR MAY 8, 2001, TO REVIEW THE PERFORMANCE OF THE SCDP ADAMS STREET PROJECT AND THE SCDP EQUITY LOAN ASSISTANCE FOR NEW HOUSING CONSTRUCTION**

Motion by Haugen, second by Mlinar to set a public hearing for 6:00 p.m. on May 8, 2001, for the review of the performance of the Small Cities Development Program (SCDP) Adams Street project and the SCDP equity loan assistance for new housing construction. The motion carried unanimously.

(d) CONSIDERATION OF SETTING HEARING DATE TO REVIEW LIQUOR LICENSE VIOLATIONS BY LIQUOR ESTABLISHMENTS

City Attorney Marc Seborra noted that a number of local liquor establishments failed the necessary compliance checks. The establishments are Lamplighter II, Bonkers, Godfathers Pizza, and Main Street Sports Bar. The hearings must be held between May 10 and May 25, 2001.

Motion by Haugen, second by Peterson to set Thursday, May 24, 2001, at 9:00 a.m. as the hearing date and time to review the liquor license violations for Lamplighter II, Bonkers, Godfathers Pizza, and Main Street Sports Bar. The motion carried unanimously.

(e) RESOLUTION NO. 11705 – RESOLUTION ESTABLISHING COMPOST FACILITY RATES

Mr. Plotz stated that with the addition of the scale at the Compost Facility, exact measurements for bulk materials can be established and a fee schedule applied. The rates noted are recommended for approval.

Motion by Peterson, second by Haugen to approve and adopt Resolution No. 11705 establishing compost facility product rates. The motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

John Mlinar – Mr. Mlinar updated the Council on the 212 Corridor meeting held last week. Hutchinson has selected to participate because the city is a hub for retail, medical, etc. Additional meetings and sub-committee meetings will be held now through the summer. Emphasis is being put on the idea of interregional corridors, and we are fortunate to be involved in this process.

Kay Peterson – The week of April 15 – 2, 2001 was National Library Week. On April 21, Author Faith Sullivan was at the library and signed books.

Ms. Peterson also raised the issue of barking dogs and dogs running loose. She sent a plea to all owners to keep their dogs leashed and quiet.

Gary Plotz – Mr. Plots reminded the Council of the continuation of the visioning workshop on May 1 at 2:00 p.m.

At the workshop held prior to the Council meeting and regarding the Liquor Store, options to expand the current facility or to look for another location were discussed. To continue the discussion, appraisals of the current site, another downtown site, and a location on the south end of the City are needed to properly review and consider options. Mr. Plotz asked the Council for approval to proceed with obtaining prices for appraisal services.

Motion by Mlinar second by Peterson to approve with proceeding with obtaining price quotes for appraisal services.

John Rodeberg – Mr. Rodeberg noted that the stormwater utility was implemented on April 1. Very few calls have been received from residents.

There will be open houses regarding the Sump Pump Program on May 10, 2001 from 11:00 a.m.

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to 1:00 p.m. and from 4:00 p.m. to 6:00 p.m. to meet with residents and answer questions. The City will meet with the local plumbers on how to upgrade or install proper sump pumps. Information on this project is available on the web site.

The water coming over the dam is higher than the elevations of the last weeks. It should be peaking in the next 24 hours.

Mayor Torgerson – The mayor received a letter from the mediation attorney regarding the Hwy 7 East annexation. We have not provided him with comments regarding the mediation. City Attorney Dick Schieffer noted that comments from the staff will be sent to the mediator and will be addressed.

The Mayor read a Certificate of Commendation received by the Hutchinson Wastewater Facility from the MPCA.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS

Motion by Mlinar, second by Peterson to approve and authorize payment of the verified claims from the appropriate funds. The motion carried unanimously.

11. **ADJOURN**

The meeting adjourned at 7:45 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, MAY 8, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m.

2. **INVOCATION** – Dr. Jerry Fluth, Hunter’s Ridge Community Church, gave the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF APRIL 24, 2001

(b) OPENING OF QUOTATIONS FOR DESIGN PROPOSAL FOR THE HUTCHINSON COMMUNITY/CONFERENCE CENTER OF MAY 1, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON PUBLIC LIBRARY BOARD MEETING MINUTES OF APRIL 23, 2001
2. HUTCHINSON UTILITIES COMMISSION BALANCE SHEET - MARCH 31, 2001
3. PLANNING COMMISSION MEETING MINUTES OF MARCH 20, 2001
4. HUTCHINSON FIRE DEPARTMENT MONTHLY UPDATE FOR APRIL 2001
5. HUTCHINSON BUILDING DEPARTMENT REPORT FOR APRIL 2001
6. HUTCHINSON AREA HEALTH CARE BALANCE SHEET - MARCH 31, 2001
7. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES OF APRIL 5, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11706 – RESOLUTION FOR PURCHASE
2. ORDINANCE NO. 01-292 – AN ORDINANCE OF THE CITY OF HUTCHINSON, MINNESOTA, AUTHORIZING THE SALE, DISPOSITION OR TRANSFER OF CERTAIN REAL ESTATE FROM HUTCHINSON COMMUNITY DEVELOPMENT COMMISSION – EDA TO DUANE MICHAEL HAEFNER AND ADOPTING, BY REFERENCE, CITY CODE CHAPTER 1 AND SECTION 2.99 WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS ***(WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR MAY 22, 2001)***
3. RESOLUTION NO. 11707 – RESOLUTION TO SELL AT AUCTION SURPLUS PROPERTY

(c) APPLICATION FOR RETAIL ON-SALE NON-INTOXICATING MALT LIQUOR LICENSE RENEWAL

- SKY VENTURES DBA PIZZA HUT

(d) APPLICATION FOR LICENSE TO SELL TOBACCO AT RETAIL

- K-MART CORPORATION

(e) CONSIDERATION OF RENEWAL APPLICATION FOR SET-UP LICENSE

- LITTLE CROW BOWLING LANES DBA HUTCH BOWL

(f) PEDDLERS LICENSE (ONE DAY) APPLICATION FROM GERALD JOHNSON TO

SELL NOVELTY ITEMS AT THE WATER CARNIVAL GRANDE DAY PARADE

- (g) CONSIDERATION OF APPROVAL OF LEASE AGREEMENT BETWEEN HUTCHINSON AREA HEALTH CARE (HAHC) AND HUTCHINSON MEDICAL CENTER (HMC)

Motion by Mlinar, second by Haugen to approve the consent agenda. The motion passed unanimously.

5. **PUBLIC HEARING – 6:00 P.M.**

- (a) ASSESSMENT HEARING FOR ASSESSMENT ROLL NO. 5049, LETTING NO. 2/PROJECT NOS. 01-03, 01-04, 01-11 (MUNICIPAL PARKING LOT H, BLOCK 13 ALLEY AND BLOCK 26 ALLEY); AND CONSIDERATION OF RESOLUTION NO. 11709, RESOLUTION ADOPTING ASSESSMENT AND RESOLUTION NO. 11710, RESOLUTION ACCEPTING BID AND AWARDING CONTRACT

The public hearing was called to order by Mayor Torgerson at 6:00 p.m.

Mr. Rodeberg explained the scope of the projects and that this is the assessment hearing for the projects. The notice sent to the owners has the exact cost to be assessed to each property. If approved, the bids are awarded, the assessment roll is approved, and the costs can be assessed to the property. Mr. Rodeberg also provided information about payment options and deferments for assessments.

Municipal Lot H and Block 13 Alley

Mr. Rodeberg explained the project and noted that the bid received was lower than anticipated.

Block 26 Alley

Mr. Rodeberg explained the project and identified the properties whose owners originally signed a petition in favor of initiating the project. A second petition was received that contains signatures from 50% of the property owners who are opposed to the project.

Mr. Rodeberg requested that the Council consider a cost share proposal between the City and property owners for the project. He proposed the City bear 1/3 of the cost. One-third of the cost would amount to approximately \$12,000. He stated that a benefit to the City is that alley maintenance is more easily facilitated in paved alleys. There was discussion as to whether this cost share proposal sets a precedent for the City. Mr. Rodeberg asked the Council for direction regarding the cost share and if the Council preferred to defer this item to a future meeting so that a neighborhood meeting can be held next week.

Motion by Peterson, second by Haugen to approve City participation in a cost share for the alley project (\$12,000). The motion carried unanimously.

Nancy Murphy representing Edna Hutchins of 212 Jefferson Street SE stated that Ms. Hutchins signed a petition only to investigate the costs of the project.

Brad Paulson, 209 Hassan Street SE stated he has concerns about maintenance and snow removal in the alley and how the alley will be graded. Mr. Rodeberg confirmed that the alley project will be a concrete surface and the alley will be lowered to obtain the proper grade.

Brad Lueneberg, owner of 233 and 237 Hassan Street SE, indicated he is in favor of the project to improve the drainage in the area. Chuck Brill 222 Jefferson Street SE also stated that he is in favor of project and is pleased to hear that the surface will be concrete.

Motion by Peterson, second by Hoversten to close the hearing at 6:20 p.m. Motion carried unanimously.

Motion by Peterson, second by Mlinar to approve and adopt Resolution No. 11709 and No.

11710 for Letting No. 2/Projects 01-03 and 01-04 and to defer project No. 01-11 until May 22, 2001. The motion carried unanimously.

- (b) ASSESSMENT HEARING FOR ASSESSMENT ROLL NO. 5050, LETTING NO. 4/PROJECT NOS. 01-07, 01-08, 01-10 (GROVE STREET NW, THOMAS AVE SW AND SHERWOOD ST SE); AND CONSIDERATION OF RESOLUTION NO. 11711, RESOLUTION ADOPTING ASSESSMENT AND RESOLUTION NO. 11712, RESOLUTION ACCEPTING BID AND AWARDING CONTRACT

The public hearing was called to order by Mayor Torgerson at 6:20 p.m.

Grove Street NW

Mr. Rodeberg explained the project. He noted that the bids received were lower than the previous estimates.

Thomas Ave.

A letter outlining project concerns was received from the residents, and a response was sent by Mr. Rodeberg. Mr. Rodeberg explained the scope of the project and that the original street was constructed approximately 40 years ago. The project includes street replacement, new curb and gutter, water and sewer lines, and sewer and water services.

Mr. Rodeberg explained the proposed costs for the project and the amounts to be assessed to the properties. The bids were near the lower end of the previous cost estimates. Mr. Rodeberg talked about the costs to maintain the street as it is and a possible maintenance assessment.

Tom Pohlen, 975 Thomas Avenue SW, spoke on behalf of a number of the property owners. He thanked Mr. Rodeberg for his quick response to the resident's concerns. He noted that there are still questions that remain about the costs, specifically the necessity for replacement of the sewer and water lines. Mr. Pohlen also stated a concern about the truck traffic contributing to the wear of the street. Mr. Rodeberg noted that this is an enforcement issue.

Mr. Pohlen indicated that the residents have concerns about the quality of the street to be constructed and the trees that may be lost during the project. He stated he is opposed to any part of the project that will affect existing trees. Mr. Rodeberg explained that the utility construction would be the portion of the project that may affect trees and the contractor is probably open to working around trees if possible.

Mr. Rodeberg explained that it is not City policy to replace a street over a service (water, sewer, etc.) that will need replacement in the near future. This is not a responsible fiscal policy and is not followed by the City. Mr. Rodeberg noted that the age of the lines and the safety issues as a result of the condition of the lines are factors for determining if replacement is recommended.

Steve Senart, 986 Thomas Avenue SW, stated he has concerns about the project and the effect on the existing trees. During a previous improvement project, a tree on his lot sustained damage and was removed. He noted that the replanting of the tree was not in the same location as the previous tree and was significantly delayed. He asked the Council to be receptive to the Thomas Avenue residents if they need trees replaced next year.

Richard Sokolis, 945 Thomas Avenue SW, stated he is opposed to the project and asked that it be deferred for a few years. He asked about a maintenance assessment for the street and what the road surface would be. Mr. Rodeberg stated that if the project is not approved, the road surface would probably be reverted to gravel.

Henry Reiner, 460 Dale Street SW, asked about assessments for a corner lot. Mr. Rodeberg explained how the assessment policy addresses corner lots and the credit that is given to the lots. Mr. Reiner noted that he has drainage problems and the sewer service to his lot needs repair. He is opposed to a maintenance assessment and stated that replacement costs will only be more expensive in the future.

Jason Krohn, 966 Thomas Avenue SW, stated that he is concerned about the cost and the protection of the trees. He asked the City to request that the contractor do what they can to protect the trees. He is in favor of the street project.

Sherwood Street

Mr. Rodeberg explained the project and the proposed costs to be assessed to the properties. Mr. Rodeberg proposed to the Council that the maximum assessment be capped at the rate for a 100' wide lot.

Ron Novotny speaking for Ardella Novotny, 1076 Sherwood Street SE, inquired about deferment information for an elderly person. Gary Maus, 1070 Sherwood Street SE, questioned how and when assessments can be paid.

Brian Anderson 1086 Sherwood Street Se, questioned if his driveway can it be widened and had questions about the tree removal phase of the project. Mr. Rodeberg advised him to contact Keith Messner of the Engineering Department.

Bill Robb, 1025 Sherwood Street SE, inquired about the proposal to cap the assessment on his large, corner lot. The Council responded that they can do this in their motion if the project is to be approved and the assessment roll can be amended. He is not in favor of spending this amount for a project, but he realizes the project is necessary because of the drainage problems in the area.

Jon Block, speaking for his parents at 1055 Sherwood Street SE, asked if the assessment amount over the cap will be divided amongst the other properties. Mr. Rodeberg stated the City would absorb this cost. Mr. Block also asked in there will be periods when sewer and water service is interrupted. Mr. Rodeberg noted that if this occurs, there will be proper notification from the contractor.

Diane Brenhaug, 10966 Sherwood Street SE, questioned why driveway aprons that are new must be removed. Mr. Rodeberg noted that this is done to match up the elevations of the new construction to the driveway. Ms. Brenhaug had questions regarding how the trees were selected for removal. Mr. Rodeberg noted that there are a number of criteria used. Council Member Kay Peterson encouraged the property owners to contact Keith Messner if they have any questions or concerns about the tree removal.

Motion by Mlinar, second by Haugen to close the hearing at 7:15 p.m. Motion carried unanimously.

Motion by Hoversten, second by Peterson to limit the assessable lot length maximum to 100' for project No. 01-10. The motion carried unanimously.

Motion by Haugen second by Hoversten to approve and adopt Resolutions No. No. 11711 and Resolution No. 11712 for Letting No. 4/Project Nos. 01-07, 01-08, 01-10. The motion carried unanimously.

- (c) PUBLIC HEARING TO CONSIDER ORDINANCE NO. 01-291 AMENDING THE HUTCHINSON CITY CODE REGARDING SECTION 3.03 AND SUMP PUMP CONNECTIONS TO THE SANITARY SEWER SYSTEM (***WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR MAY 22, 2001***)

The public hearing was called to order by Mayor Torgerson at 7:40 p.m.

John Rodeberg explained the current ordinance and that the ordinance revisions clarify language in the ordinance. A video regarding the sump pump program was shown.

Bob Brown with the consulting firm of Bolton and Menk explained the schedule for the program. There are open houses planned for May 10 and May 21, 2001. The inspections will start the week of May 28, 2001, and should be completed in September. Mr. Rodeberg

also noted that a meeting will be held on May 10 with the area plumbers to educate them on proper installations and the inspection program.

It was discussed that improper sump pump installations cause increased flows to the wastewater treatment plant during rain events and, in turn, can cause damage to properties and homes through sewer back-ups.

Mr. Rodeberg outlined the revisions to the ordinance language including the imposition of a surcharge for non-compliance.. The current ordinance allows the City to inspect sump pumps on homes and buildings and language was added to clarify this.

Mr. Mlinar asked about air conditioner water. Mr. Rodeberg noted that in residential uses it can be discharged to the floor drain and sanitary sewer.

Motion by Mlinar, second by Peterson to close the hearing at 8:03 p.m. Motion carried unanimously.

Motion by Peterson, second by Mlinar to set the second reading and adoption of Ordinance No. 01-291 for the May 22, 2001, regularly scheduled City Council meeting.

The public was reminded that information about the sump pump program and proper installation is included on the City website at ci.hutchinson.mn.us.

(d) PUBLIC HEARING FOR THE HUTCHINSON HRA TO REVIEW THE PERFORMANCE OF THE SMALL CITIES DEVELOPMENT PROGRAM (SCDP) ADAMS STREET PROJECT AND THE SCDP EQUITY LOAN ASSISTANCE FOR NEW HOUSING CONSTRUCTION

Mayor Torgerson called the public hearing to order at 7:20 p.m.

Jean Ward, HRA Director, presented information to the Council regarding the SCDP program. The Adams Street project should be completed by June 2001. Ms. Ward outlined the Federal objectives and citizen participation for the project. The program goal is to correct housing deficiencies and to improve the housing stock in the area.

Mary Chelin informed the Council that twenty-seven single family homeowners participated in the project. Ms. Chelin also explained the income requirements for the various levels of grants and loans and outlined what the HRA learned as a result of the Adams Street project through the evaluations received from the program participants.

Jean Ward presented information on the Hutchinson Home Purchase Opportunity Program (HHPOP). A goal of the program was to work to provide first time homebuyer opportunities. The neighborhoods included in the project are Rolling Meadows and Island View Heights. Citizen participation workshops were held in 1998.

Judy Flemming, HHPOP Specialist, presented information to the Council on the process to apply for and obtain funding through the program. She also provided statistics on the program participation and the dollar amounts that have been brought into the community.

Motion by Mlinar, second by Peterson to close the hearing at 7:40 p.m. The motion was unanimously approved.

6. COMMUNICATIONS, REQUESTS AND PETITIONS

(a) PRESENTATION OF THE AWARD OF FINANCIAL REPORTING ACHIEVEMENT FROM THE GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA TO KENNETH MERRILL, CITY OF HUTCHINSON FINANCE DIRECTOR

Mayor Torgerson read the award and presented it to Kenneth Merrill, Finance Director. Mr. Merrill recognized his staff for their efforts in obtaining the award.

(b) REVIEW OF LEGISLATION ON LAWN FERTILIZERS CONTAINING PHOSPHOROUS BY GARY PLOTZ, CITY ADMINISTRATOR

Mr. Plotz provided the Council with a list of cities in Minnesota who have adopted resolutions of support limiting the amount of phosphorous and fertilizer to be used in their cities.

Motion by Mlinar, second by Hoversten to approve the drafting of a resolution of support to be submitted to the Minnesota Legislature. Motion passed unanimously.

7. **UNFINISHED BUSINESS**

(a) CONSIDERATION OF RESOLUTION NO. 11713, RESOLUTION ADOPTING REVISED ASSESSMENT, AND RESOLUTION NO. 11714, RESOLUTION ACCEPTING BID AND AWARDED CONTRACT, ASSESSMENT ROLL NO. 5048, LETTING NO. 3/PROJECT NO. 01-05, SHADY RIDGE ROAD NW (*DEFERRED FROM APRIL 24, 2001*)

Mr. Rodeberg updated the Council on the actions taken since the meeting of April 24, 2001. Cal Rice, Assistant to the City Engineer, has met with residents in the area and the City recommends that the City move ahead with the project.

Arle Schlecht, 715 Shady Ridge Road NW, asked a number of questions. Mr. Schlecht is concerned about the cost of a 20' versus a 24' wide street. He inquired about relocating irrigation points in his yard. He will be responsible for identifying and reinstalling any located in the boulevard. Mr. Schlecht inquired about the possibility of installing an outlet directly to the lake. Mr. Rodeberg stated that easement and tree issues restrict this. He is concerned about how the water will run passed his property to the catch basin. Mr. Rodeberg answered that if the catch basin is constructed correctly it should relieve his water issues.

Motion by Hoversten, second by Haugen to approve and adopt Resolution No. 11713 and Resolution No. 11714 regarding Letting No. 3/Project No. 01-05. Motion carried unanimously.

8. **NEW BUSINESS**

(a) CONSIDERATION OF RESOLUTION NO. 11708, RESOLUTION ACCEPTING BID AND AWARDED CONTRACT FOR LETTING NO. 8/PROJECT NO. 01-21 (MUNICIPAL STATE AID PROJECT #133-117-10/SCHOOL ROAD NW)

Mr. Rodeberg explained the project is a continuation of School Road from its current northerly termination to North High Drive. This is a State Aid Project and totally funded by the State. There will be street lights at the intersection with Golf Course Road.

Motion by Haugen, second by Peterson to approve and adopt Resolution No. 11708 for Letting No. 8/Project No. 01-21. Motion carried unanimously.

(b) LETTING NO. 5/PROJECT NO. 01-18 (SOUTH GRADE ROAD SANITARY SEWER COLLECTOR)

- RESOLUTION NO. 11715 – RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT
- RESOLUTION NO. 11716 – RESOLUTION RECEIVING REPORT AND WAIVING HEARING ON IMPROVEMENT
- RESOLUTION NO. 11717 – RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS
- RESOLUTION NO. 11718 – RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

Mr. Rodeberg explained the project.

Motion by Hoversten, second by Peterson to approve and adopt Resolutions No. 11715, No. 11716, No. 11717, and No. 11718 of Letting No. 5/Project No. 01-18. Motion carried unanimously.

(c) CONSIDERATION OF PARK/RECREATION/COMMUNITY EDUCATION ADVISORY BOARD RECOMMENDATION TO REVIEW COST PROJECTIONS FOR A BALLFIELD COMPLEX, POOL EXPANSION AND DEPARTMENTAL IMPROVEMENTS FROM THE CAPITAL IMPROVEMENTS PLAN AND TO AUTHORIZE UTILIZATION OF FUNDS TO DEFINE THE PORJECTS

Dolf Moon, Director of PRCE, addressed the Council regarding this issue. The City has been working for a number of years to resolve stormwater issues and the option of using the Linden Park property for this purpose. This would eliminate ball fields for recreational use. The City has been looking to identify other locations in the City that might be options for field construction.

Mr. Moon spoke about options at the Linden Park location and the decline in use of the existing outdoor pool. The PRCE Advisory Board is looking for direction to seek more information about community needs and the options to realize them.

Motion by Mlinar, second by Peterson to direct staff to follow PRCE staff recommendations and review cost projections for the addition of a ballfield complex, pool expansion, and other improvements and to allow the PRCE board to seek community input. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

Marc Sebor – The City Attorney updated the Council on the Biosolids fire. An attorney specializing in this litigation, Mark McKeon of Cold Spring, is recommended to be retained for this purpose. Councilmember Peterson asked if there is a maximum dollar amount for his services. Mr. Sebor estimated that the total cost will not exceed a few thousand dollars.

Motion by Hoversten second by Haugen to approve the City Attorney to engage co-council for this project with the total cost not exceeding \$2,000. The motion passed unanimously.

Kay Peterson – The Bike & Blade Bonanza was held on May 5, 2001. This is the largest event of this kind in the State of Minnesota. 250 helmets were provided and the participation and attendance was nearly 100%.

Duane Hoversten – Mr. Hoversten noted that he has received dozens of phone calls over the past months from concerned citizens giving their input. He thanked them for their input.

Gary Plotz – Mr. Plotz updated that Council on the items that were discussed at the May 8 Leadership Team Meeting. The Police Chief and Fire Chief presented information on improving the public works and emergency services radio system. A proposal will be coming before the council in the near future.

Requests for Quotations for services for the event center were received from two firms. Costs range from \$75,000 to \$125,000. Staff is in negotiations and will bring a proposal before the Council in the future.

The PRCE recommendation acted on previously was also discussed along with an addressing issue on Hwy 15 South.

Mr. Plotz informed the Council of a proposal at Legislature to eliminate the State Department of the Office of Environmental Assistance (OEA). Mr. Plotz explained the type of work the OEA does and what they have done in Hutchinson. Mr. Plotz proposed that the City of Hutchinson take a position of support for the continuation of the OEA. He asked for

permission to prepare a resolution to send to the House Conference Committee expressing the City's support of retaining the OEA.

Motion by Mlinar second by Haugen to approve a resolution to the legislature stating the support of the OEA. The motion carried unanimously.

The National BioCycle conference will be held in Twin Cities in two weeks. A charter bus will be coming from the conference on May 23 to tour the Compost Facility from 10:00 am to Noon. If the Council is interested in attending the tour, they are welcome.

Mr. Plotz requested that the Council set a date for the continuation of visioning workshop. Phil Graves of HAHC will be contacted to act as the facilitator.

Motion by Peterson second by Hoversten to tentatively set Friday, May 25, 2001 at 8:30 a.m. or Tuesday, May 29, 2001 at 8:30 a.m. for the continuation of the Council Workshop. The motion carried unanimously.

Mayor Torgerson – The Mayor indicated that the speed limit on Hwy 15 South near Ridgewater College is 55 mph. He proposed sending a resolution to MnDot to lower the speed in this area.

Motion by Haugen, second by Peterson to allow John Rodeberg, City Engineer, to send a resolution to MnDot to request a speed limit reduction on Hwy 15 South. The motion carried unanimously.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Peterson with Council member Hoversten abstaining to approve and authorize payment of verified claims A from appropriate funds. The motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Hoversten, second by Haugen to approve and authorize payment of verified claims B from appropriate funds. The motion carried unanimously.

11. **ADJOURN**

With no further business to discuss, the meeting adjourned at 8:20 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, MAY 22, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Council members Jim Haugen, John Mlinar, Kay Peterson, and Duane Hoversten were present. Also present were Dick Schieffer, City Attorney, Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works, and Julie Wischnack, Director of Planning, Zoning and Building Enforcement.

2. **INVOCATION** – Dr. Jerry Fluth, Hunter’s Ridge Community Church, gave the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF MAY 8, 2001

(b) BID OPENING OF MAY 14, 2001, FOR THE SALE OF THE FIRE DEPARTMENT LADDER AND RESCUE TRUCKS

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. FINANCIAL REPORT FOR APRIL 2001

2. CERTIFICATES OF DEPOSIT AS OF APRIL 30, 2001

3. HUTCHINSON AREA HEALTH CARE BALANCE SHEET AS OF APRIL 30, 2001

4. HUTCHINSON AREA HEALTH CARE STATEMENT OF REVENUES AND EXPENSES FOR PERIOD ENDING APRIL 30, 2001

5. HUTCHINSON AIRPORT COMMISSION MINUTES OF MAY 14, 2001

6. HUTCHINSON PLANNING COMMISSION MEETING MINUTES OF APRIL 17, 2001

(b) RESOLUTIONS AND ORDINANCES

1. ORDINANCE NO. 01-291 – ORDINANCE AMENDING THE HUTCHINSON CITY CODE REGARDING SECTION 3.03 AND SUMP PUMP CONNECTIONS TO THE SANITARY SEWER SYSTEM (***WAIVE SECOND READING AND ADOPT***)

2. ORDINANCE NO. 01-292 - AN ORDINANCE OF THE CITY OF HUTCHINSON, MINNESOTA, AUTHORIZING THE SALE, DISPOSITION OR TRANSFER OF CERTAIN REAL ESTATE FROM HUTCHINSON COMMUNITY DEVELOPMENT COMMISSION – EDA TO DUANE MICHAEL HAEFNER AND ADOPTING, BY REFERENCE, CITY CODE CHAPTER 1 AND SECTION 2.99 WHICH, AMONG OTHER THINGS, CONTAINS PENALTY PROVISIONS (***WAIVE SECOND READING AND ADOPT***)

3. RESOLUTION NO. 11730 – RESOLUTION OF APPRECIATION FOR JANET BERRYHILL AND SIG SCHEURLE OF THE MINNESOTA OFFICE OF ENVIRONMENTAL ASSISTANCE FOR THEIR EFFORTS WITH THE HUTCHINSON COMPOST/ORGANICS COLLECTION PROJECT

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **CONDITIONAL USE PERMIT** REQUESTED BY

CITY COUNCIL MINUTES – MAY 22, 2001

- EDOUARD VERDON AND MARTINE FORTIN TO PUT UP A 6' PRIVACY FENCE IN THE FRONT YARD AT 715 SHILOH STREET NW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11722)
2. CONSIDERATION OF A **VARIANCE** REQUESTED BY DWAYNE ANDERSON TO HAVE MORE THAN ONE ACCESSORY BUILDING IN A R-1 DISTRICT LOCATED AT 1455 SOUTH GRADE ROAD SW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11723)
 3. CONSIDERATION OF A **CONDITIONAL USE PERMIT** REQUESTED BY CARLIE KARG TO CONSTRUCT A 50' X 80' POLE BUILDING LOCATED AT 546 2ND AVENUE SE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11724)
 4. CONSIDERATION OF A **CONDITIONAL USE PERMIT** REQUESTED BY CRAIG GILL TO REPLACE AN EXISTING GARAGE WITH A GARAGE EXCEEDING 1000 SQUARE FEET LOCATED AT 405 HURON STREET SE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11725)
 5. CONSIDERATION OF A **CONDITIONAL USE PERMIT** REQUESTED BY 3M COMPANY TO APPROVE A PROPOSED SITE ENTRANCE AND SECURITY BUILDING CONSTRUCTION (WHICH INVOLVES GRADING IN THE 100 YEAR FLOOD PLAIN) LOCATED AT 905 ADAMS STREET SE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11726)
 6. CONSIDERATION OF A **VARIANCE** REQUESTED BY MURPHY OIL (WAL-MART) TO INCREASE THE MAXIMUM CANOPY SIZE ALLOWANCE AND A 48 SQUARE FOOT VARIANCE FROM THE MAXIMUM TOTAL SQUARE FOOTAGE ALLOWED IN A C-4 DISTRICT WITH UNFAVORABLE RECOMMENDATION TO REJECT (ADOPT RESOLUTION 11727)
 7. CONSIDERATION OF A **LOT SPLIT** REQUESTED BY THE CITY OF HUTCHINSON LOCATED AT HWY 15 SOUTH AND FREEMONT AVENUE (PLAZA 15) WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11728)
 8. CONSIDERATION OF A **LOT SPLIT** REQUESTED BY EARL OLSON LOCATED AT 1125 CHEYENNE STREET SW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11729)
- (d) APPLICATION FOR SHORT TERM GAMBLING LICENSE FOR CROW RIVER HABITAT FOR HUMANITY FOR RAFFLE ON AUGUST 21, 2001
 - (e) APPLICATION FOR TEMPORARY ON-SALE LIQUOR LICENSE FOR THE AMERICAN LEGION POST 96 FOR EVENT JUNE 7-9, 2001
 - (f) APPLICATION FOR PEDDLERS LICENSE FOR MARVIN WILLHITE TO SELL PRODUCE
 - (g) DANCE PERMIT APPLICATION FOR JAKE BANDEMIER FOR THE POLKA FEST AT THE MCLEOD COUNTY FAIRGROUNDS JUNE 7 – 9 (APPROVAL RECOMMENDED BY THE HUTCHINSON POLICE DEPARTMENT)
 - (h) CONSIDERATION TO SELL CITY EQUIPMENT (STREET DEPARTMENT AUSTIN-WESTIN MOTOR GRADER)

CITY COUNCIL MINUTES – MAY 22, 2001

- (i) CONFIRMATION OF SETTING CONTINUATION OF COUNCIL WORKSHOP FOR FRIDAY, MAY 25, 2001, AT 8:30 A.M. AT THE BEST WESTERN VICTORIAN INN
- (j) INVESTMENT AUTHORIZATION
- (k) CONSIDERATION OF REQUEST BY HUTCHINSON AREA HEALTH CARE (HAHC) TO AUTHORIZE \$375,000 EXPENDITURE FOR THE PHYSICAL PLANT AND NETWORK SECURITY, \$153,000 EXPENDITURE TO MODIFY SPACE AT THE PLAZA 15 SHOPPING CENTER TO RELOCATE THE HAHC BUSINESS OFFICE, \$39,609 EXPENDITURE FOR THE PURCHASE OF LOTUS NOTES UPGRADE, AND \$67,162.39 EXPENDITURE TO PURCHASE AN ANESTHESIA MACHINE

Item 4(C) 1 and item 4(C) 6 were pulled for separate action.

Motion by Mlinar, second by Haugen to approve the consent agenda with the exception of item 4(C)1 and item 4(C)6.

Item 4(C)1. Martine Fortin, 715 Shiloh Street NW, approached the Council regarding her conditional use permit request. She is requesting that the Council consider allowing her to place the fence up to the southerly property line, rather than the 5' setback from the right-of-way recommended for approval by the Planning Commission. It was noted that a stop sign will be erected at the intersection of Shiloh Street NW and 7th Street NW in the near future. Ms. Fortin provided photographs to show where her proposed fence would be placed and commented on how she believes it will affect the site lines at the intersection. The City is concerned that proper site lines be maintained. If placed up to the property line, the 6' fence will affect the site lines and the City is uncomfortable with the safety issues if the fence is placed per the property owner's request.

Motion by Mlinar, second by Hoversten to approve the Conditional Use Permit request and Resolution No. 11722 with the Planning Commission recommendations. The motion passed unanimously.

Item 4(C)6 – Mr. Dan Weese of CEI Engineering approached the Council regarding the Variance request. Mr. Weese explained that the recommendation only allows for one price sign and this places them at a competitive disadvantage in regards to other local gas establishments. The Murphy Oil design incorporates a kiosk style building rather than a larger building similar to other establishments. He asked that the Council consider what the ordinance allows, if it could be revised, and if the variance request that was recommended for denial by the Planning Commission be reconsidered for approval by the Council.

Ms. Wischnack explained the two variances that have been requested - one for the canopy size and the second for the amount of signage allowed. The sign ordinance addresses sign size limits for canopies and how they are determined based on building size.

Mr. Haugen, who serves on the Planning Commission, noted that the discussion at the Planning Commission centered around the requirement of the applicant to demonstrate a hardship.

Mr. Schieffer stated that the Planning Commission also struggled with the size of the building and the code. The City code and State Statutes state that a variance cannot be issued if the hardship is created by the applicant or property owner. Sending this item back to the Planning Commission will not necessarily change the recommendation, but they can review the ordinance requirements and possible amendments regarding this issue.

Ms. Wischnack also noted that if the item is sent back to the PC, a waiver will be needed from the applicant per the 60-day rule.

Mr. Glen Roy, Murphy Oil of Franklin, TN, spoke to a possible solution based on allowing sign size based on the face of the canopy.

Mr. Schieffer recommended that the issue be sent back to the Planning Commission for review provided the applicant agrees to an extension of the 60-day rule. The applicant verbally agreed.

Motion by Mlinar, second by Peterson to accept a waiver to the 60-day rule per the applicant and to refer the item back to the Planning Commission for further review.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS - NONE**

7. **UNFINISHED BUSINESS**

- (a) LETTING NO. 2/PROJECT NO.01-11 (BLOCK 26 ALLEY); AND CONSIDERATION OF RESOLUTION NO. 11720, RESOLUTION ADOPTING ASSESSMENT AND RESOLUTION NO. 11721, RESOLUTION ACCEPTING BID AND AWARDDING CONTRACT (*DEFERRED FROM MAY 8, 2001*)

Mr. Rodeberg explained the progress of the project to date and the deferment from last meeting. Currently, there is not a majority of owners against the project. Another meeting was held with the owners on Wednesday, May 15, 2001, to further discuss the project. At the meeting, four (4) owners stated they are in favor of the project.

Mr. Rodeberg noted that the quotes for the project are favorable and the City is willing to contribute to the costs because the design and concrete construction is anticipated to provide a cost saving to the City for future maintenance.

John Lofdahl, 542 Jefferson Street SE, Charles Brill, 222 Jefferson St. SE, and Brad Lueneburg, owner of the property at 237 Hassan Street SE, all stated that they are in favor of the project.

Alice Gehrke, 144 2nd Avenue SE, stated she is opposed to the project and noted that she obtained the signatures from other owners opposed to the project. She feels that 50% of the owners who signed her petition are also opposed.

Mr. Rodeberg noted that one of the owners who had previously indicated they were not in favor of the project changed their mind. As a result, there is no longer a majority opposed to the project.

Motion by Hoversten, second by Mlinar to approve and adopt Resolution No. 11720 and Resolution No. 11721. Motion carried unanimously.

8. **NEW BUSINESS**

- (a) CONSIDERATION TO AWARD THE BID FOR SALE OF THE FIRE DEPARTMENT RESCUE TRUCK #2335 AS RECOMMENDED BY THE FIRE DEPARTMENT

Motion by Mlinar, second by Peterson to approve the bid for the sale of the Fire Department rescue truck #2335. Motion carried unanimously.

- (b) CONSIDERATION OF A **VARIANCE** REQUESTED BY BRUCE SCHULTZ TO REDUCE THE REQUIRED SIDE YARD SETBACK FROM 6' TO 2' FOR THE CONSTRUCTION OF A GARAGE ADDITION LOCATED AT 545 MAIN STREET SOUTH WITH RECOMMENDATION TO REJECT

Ms. Wischnack explained the variance application that requests a reduction of the side and rear property lines. She also explained the discussion and vote on the item at the Planning Commission level. The hardship criteria were also discussed.

Mayor Torgerson asked if granting the variance would affect the neighborhood in that other

CITY COUNCIL MINUTES – MAY 22, 2001

structures or lots may be affected in the future. Ms. Wischnack talked about the fire code separation of six feet (6') which could affect where buildings can be built on other properties.

The applicant, Bruce Schultz, 545 Main Street South, approached the Council and explained that there are trees and telephone/cable TV utilities located on his lot that he feels prohibit him from placing the garage and/or an addition on another location on the lot. He stated that he thinks it is unwise to build a garage that would require entry from and exit onto Main Street.

Council member Hoversten asked if Mr. Schultz considered moving the garage to another location to the south on the lot that would allow him to retain access from the alley. Mr. Schultz stated that he could, but that would probably mean that the utilities would need to be moved, and it would be difficult to enter and exit at the resulting angle from the alley.

Ms. Peterson asked if he could move the entire garage and addition approximately two feet (2') to the south of the present garage location. Mr. Schultz stated that he felt he could.

Mr. Rodeberg noted that there are concerns regarding the alley maintenance and snow removal issues and how a new structure, if damaged, may affect City liability.

There was additional discussion regarding the movement of the garage four feet (4') from the current location so that the side yard setback would not need a variance for reduction. Mr. Schultz asked if the utility boxes can be moved. Ms. Wischnack responded that this is generally done at the property owner's expense.

June Wick, an adjacent neighbor at 535 Main Street South, does not feel that a hardship has been established. She feels that placement of the garage will restrict her from doing any additional building or making improvements to her lot. Ms. Wick recommends that the City ordinances be followed, and she stated she is opposed to the variance.

Motion by Peterson, second by Hoversten to grant a variance for the placement of the garage two feet (2') from the alley with the condition that the applicant adhere to the six foot (6') side yard setback. The hardship is that any other configuration would require that a tree be removed. The motion passed unanimously.

- (c) CONSIDERATION OF ORDINANCE NO. 01-293 GRANTING THE HUTCHINSON DOWNTOWN ASSOCIATION THE RIGHT TO LOCATE A POPCORN WAGON OVER AND ABOVE CERTAIN PROPERTY LOCATED IN THE LIBRARY SQUARE, IDENTIFIED AS THE LIBRARY AND PARK TRACT BETWEEN BLOCKS 7 AND 8, SOUTH ONE HALF OF THE CITY OF HUTCHINSON ***(WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR JUNE 12, 2001)***

Motion by Mlinar, second by Haugen to set second reading and adoption of Ordinance No. 01-293 for June 12, 2001. The motion carried unanimously.

- (d) CONSIDERATION OF ORDINANCE NO. 01-294 GRANTING LINDO MEXICAN RESTAURANT THE RIGHT TO PROVIDE A SIDEWALK CAFÉ OVER AND ABOVE CERTAIN PROPERTY LOCATED IN PUBLIC RIGHT OF WAY ON SECOND AVENUE SOUTHWEST ***(WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR JUNE 12, 2001)***

Mr. Rodeberg noted that the property has been reviewed by the planning, engineering, and police departments. There should be sufficient room for movement on the sidewalk, and the items on the sidewalk will be able to be removed in a short period of time, if necessary. Staff is of the opinion that the eating area proposed will create a nice ambience in the downtown area. If there are any special events, the applicant is open to removing items for that period of time. Tables will not be taken off the sidewalk each night, and they are heavy enough to tolerate high winds.

CITY COUNCIL MINUTES – MAY 22, 2001

Ms. Peterson stated that the City should consider some general standards for sidewalk use that do not require a franchise.

Motion by Mlinar, second by Haugen to set second reading and adoption of Ordinance No. 01-294 for June 12, 2001. The motion carried unanimously.

- (e) CONSIDERATION OF ORDINANCE NO. 01-295 GRANTING THE COFFEE COMPANY THE RIGHT TO PROVIDE A SIDEWALK CAFÉ OVER AND ABOVE CERTAIN PROPERTY LOCATED IN THE PUBLIC RIGHT OF WAY ON 18 MAIN STREET SOUTH (***WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR JUNE 12, 2001***)

Mr. Rodeberg noted that the coffee shop proposal has also been reviewed by staff and should pose no safety or movement issues. The tables can be removed in a short period of time, if necessary. It is planned that the tables will not be on the sidewalk during the winter months.

Motion by Mlinar, second by Haugen to set second reading and adoption of Ordinance no. 01-295 for June 12, 2001. The motion passed unanimously.

- (f) CONSIDERATION OF APPRAISAL SERVICES FOR THE LIQUOR STORE EXPANSION

Gary Plotz, City Administrator, noted that direction was given at the last Council meeting for staff to obtain appraisal cost information. He also noted that it is still the City's intent to maintain a presence in the downtown area with the liquor store but also to explore other future options. The cost estimated for the appraisals is \$4,500.

Motion by Hoversten, second by Peterson to accept the appraisal proposal from Robinson Appraisals for the properties to be evaluated for the Liquor Store expansion. The motion passed unanimously.

- (g) CONSIDERATION OF SETTING A COUNCIL WORKSHOP FOR TUESDAY, JUNE 26, 2001, AT 4:00 P.M. AT CITY CENTER REGARDING THE FINDINGS OF THE HUTCHINSON WATER SYSTEM REVIEW

Mr. Rodeberg noted that this is Earthtech's response to the work they have done on the City water system. This includes information on the results of how the various water treatment applications can be applied to the water system.

Motion by Peterson, second by Haugen to set a council workshop for 4:00 p.m. on Tuesday, June 26, 2001, at City Center to discuss the findings of the Hutchinson water system review. The motion carried unanimously.

- (h) CONSIDERATION OF PAYMENT OF TEMPORARY AND PERMANENT STREET AND UTILITY EASEMENTS FOR THE EDMONTON AVENUE PROJECT

John Rodeberg updated the Council on the status of this matter.

Motion by Mlinar, second by Haugen to accept and authorize the payment of the temporary and permanent street and utility easements for the Edmonton Avenue project. The motion carried unanimously.

- (i) CONSIDERATION OF REQUESTS FROM THE HUTCHINSON AREA CHAMBER OF COMMERCE FOR THE 27TH ANNUAL ARTS AND CRAFTS FESTIVAL TO BE HELD ON SEPTEMBER 14 - 15, 2001

- USE OF LIBRARY SQUARE FOR EXHIBITORS
- CLOSING OF DESIGNATED STREETS AND MUNICIPAL PARKING LOTS
- CLOSING OF PARKING AREAS ON STREETS FOR EXHIBITOR LOADING AND UNLOADING

Motion by Haugen, second by Mlinar to approve the requests from the Hutchinson Area Chamber of Commerce for the 27th Annual Arts and Crafts Festival to be held on September 14 – 15, 2001. The motion passed unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

Gary Plotz, City Administrator – Mr. Plotz updated the Council on the items discussed at the Leadership Team Meeting earlier in the day. The removal of the foundation of the elevator near Tartan Park and information on the awarding of the bid were discussed. The Council is inquiring if a workshop can be held to discuss the status of the Biosolids Facility fire and insurance activity. Mr. Schieffer noted that the status of the claims is that the general contractor's attorney has agreed orally to assume responsibility for the loss. They do reserve the right, if investigation shows need, to make a claim against the city. There have been four meetings at the site with legal counsel and computer and fire experts retained by the various subcontractors at the site. This has proven to be a long and complicated process.

Mr. Schieffer recommends that a workshop not be held in the event that anything that is stated could be used as evidence against the City if a future suit is brought. City Attorney Marc Sebor and Mr. Schieffer will discuss the workshop proposal and will look into data practices issues with holding a workshop and the ability to hold a closed meeting.

Mr. Haugen asked if there is a time line for bringing the plant back up on line. Mr. Schieffer noted that reconstruction and clean-up has been allowed to begin since the review of the site by legal counsel and other parties has been completed. The City has put the contractors on notice about the odor, particulate emissions, and drying issues that need to be corrected.

A meeting was held on Friday, May 18 with representatives of the Hutchinson Schools, McLeod County, and the City. The purpose of the meeting was to discuss a possible coordination of efforts to manage the fairgrounds facilities. Additional utilization of the facility is available and additional staff to maintain it is also needed.

The issue of the transition from the odd to even year elections was raised, but will be discussed later.

Mr. Plotz spoke about the progress at the Compost Facility. The BioCycle Conference has offered the opportunity for attendees to view the site tomorrow, May 23. Forty-five conference attendees will be present, as will many other dignitaries and interested parties. Recognition for the Office of Environmental Assistance will also be part of the event. An additional community open house will be held later in June for the general public.

Duane Hoversten inquired about the liquor violation hearings, and they were confirmed for May 24, 2001.

Mr. Hoversten also reported that the Southwest Minnesota Foundation was awarded a \$7 mill grant by the McKnight Foundation. Mr. Hoversten extended his congratulations to them.

Kay Peterson reported that the groundbreaking ceremony for the County Veterans Memorial was held on May 18. Ms. Peterson also noted that the Council previously declared May as the month of the challenged child. A fund-raising event was held on Saturday, May 19 sponsored by the Foundation for Challenged Children. Over 450 motorcycles and classic cars were involved with the event.

John Mlinar spoke the Duluth Smoking ban article that appeared in the Minneapolis Star/Tribune. He noted that the League of Minnesota Cities conference is in Duluth in June and asked if the Council could do some informal research when they are there.

Mayor Torgerson spoke with the Council members and legal counsel about the transition from odd to even year elections per the recent city charter amendments. He recommends a special election in 2001 for a one-year term for the mayor and council seats affected, and a

second election in 2002 for regular terms.

The Mayor also noted that the Charter Commission is currently reviewing the charter. Any changes would require an election. Other issues that could be voted on include a smoking ban, hospital bonding, and a park/ballfield complex. This election issue will be discussed later.

Richard Schieffer presented a Declaration of Easement, Covenants, and Common Wall Agreement for the Plaza 15/Hospital property. This declaration is a requirement of the grant agreement for the \$1 million dollars for the Community/Conference Center as provided by the state. Mr. Schieffer requested that the Council approve the declarations and authorize the Mayor and City Administrator to execute the documents.

Motion by Hoversten, second by Peterson to approve the document and to authorize the execution of the documents. The motion passed unanimously.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS

Motion by Haugen, second by Peterson with Hoversten abstaining to approve and authorize payment of verified claims A from the appropriate funds. The motion carried unanimously.

Motion by Haugen, second by Peterson to approve and authorize payment of verified claims B. The motion carried unanimously

11. **ADJOURN**

With no further business to discuss, the meeting adjourned at 7:15 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JUNE 12, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Council members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten were present. Others present were Ken Merrill, Finance Director, John Rodeberg, Director of Engineering/Public Works, and City Attorneys Marc Sebora and Richard Schieffer.

2. **INVOCATION** – Rev. Jon Lindekugel of Christ the King Lutheran Church gave the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF MAY 22, 2001

(b) MINUTES FROM BID OPENING FOR LETTING NO. 5/PROJECT 01-18 (SOUTH GRADE ROAD) OF JUNE 4, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. FIRE DEPARTMENT MONTHLY REPORT FOR MAY 2001

2. HUTCHINSON CHARTER COMMISSION MEETING MINUTES OF MAY 21, 2001

3. HUTCHINSON PUBLIC LIBRARY BOARD MEETING MINUTES OF MAY 29, 2001

4. HUTCHINSON UTILITIES STATEMENT OF INCOME & EXPENSE FOR APRIL 30, 2001

5. BUILDING DEPARTMENT MONTHLY REPORT FOR MAY 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11732 – RESOLUTION ESTABLISHING LOCATION FOR TRAFFIC CONTROL DEVICES (SHILOH ST. NW, CAROLINA PKWY NW, & WALNUT ST NE)

2. RESOLUTION NO. 11737 – RESOLUTION FOR PURCHASE OF POLICE SQUAD CARS (2)

3. CONSIDERATION OF ORDINANCE NO. 01-293 GRANTING THE HUTCHINSON DOWNTOWN ASSOCIATION THE RIGHT TO LOCATE A POPCORN WAGON OVER AND ABOVE CERTAIN PROPERTY LOCATED IN THE LIBRARY SQUARE, IDENTIFIED AS THE LIBRARY AND PARK TRACT BETWEEN BLOCKS 7 AND 8, SOUTH ONE HALF OF THE CITY OF HUTCHINSON (***WAIVE SECOND READING AND ADOPT***)

4. CONSIDERATION OF ORDINANCE NO. 01-294 GRANTING LINDO MEXICAN RESTAURANT THE RIGHT TO PROVIDE A SIDEWALK CAFE OVER AND ABOVE CERTAIN PROPERTY LOCATED IN PUBLIC RIGHT OF WAY ON SECOND AVENUE SOUTHWEST (***WAIVE SECOND READING AND ADOPT***)

5. CONSIDERATION OF ORDINANCE NO. 01-295 GRANTING THE COFFEE COMPANY THE RIGHT TO PROVIDE A SIDEWALK CAFE OVER AND ABOVE

CERTAIN PROPERTY LOCATED IN THE PUBLIC RIGHT OF WAY ON 18 MAIN STREET SOUTH (***WAIVE SECOND READING AND ADOPT***)

6. RESOLUTION NO. 11738 - RESOLUTION PROCLAIMING JUNE 18, 2001, AS ARBOR DAY IN HUTCHINSON
- (c) APPLICATION FOR ON-SALE INTOXICATING LIQUOR LICENSE FOR APPLE AMERICAN LIMITED PARTNERSHIP OF MINNESOTA DBA APPLEBEE'S NEIGHBORHOOD GRILL & BAR TO CHANGE AN OFFICER AND A DIRECTOR
- (d) CONSIDERATION OF CHANGE ORDER NO. 3 FOR LETTING NO. 1/PROJECT NO. 00-01
- (e) CONSIDERATION OF CHANGE ORDER NO. 4 FOR LETTING NO. 1/PROJECT NO. 00-01

Motion by Haugen, second by Mlinar to approve the consent agenda. The motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

- (a) PRESENTATION BY MARY SEEKON AND PAM PERRINE OF THE MCLEOD ALLIANCE FOR VICTIMS OF DOMESTIC VIOLENCE

Ms. Pam Perrine, Board Member for the McLeod Alliance for Victims of Domestic Violence, addressed the Council regarding the purpose and functions of the Alliance.

Mary Seekon, Alliance Director, also addressed the Council. She explained the special population the organization serves. They deal with crises and other issues that affect those in need. She further explained that the Alliance works in conjunction with other organizations in the City and County to serve their clients.

Ms. Seekon noted that the Alliance's budget has been reduced to \$195,000 for the coming year and revenue sources have also been depleted. She further noted for the council a number of the Alliance's major budgetary items and existing funding sources. Sixty-seven percent of the budget is made up by donations, grants, etc. The Alliance is asking the City to consider a donation of \$12,000 to fund the operations of the Alliance.

- (b) UPDATE BY DOUG JOHNSON, COMPOST SITE COORDINATOR, REGARDING THE OPERATIONAL STATUS OF CREEKSIDE COMPOSTING FACILITY

The compost facility officially received approval from the MPCA on Tuesday, June 5, 2001. The current hours of operation are 9:00 a.m. to 8:00 p.m., Monday through Friday, and Saturdays from 10 a.m. to 7 p.m. The large recycling receptacle is on site and residents can drop items at the site. Garbage transfers have also begun. The facility can be reached by telephone at 320-587-6762.

The recent BioCycle tour and the County Recognition tour were big successes for the facility. There has been much interest from outside parties. There will be a public open house featuring guided tours on June 27, 2001, from 1:00 to 7:00 p.m. The final product of the facility will be available for viewing at the open house.

Mr. Johnson thanked the Council for their support and efforts in making the Compost facility a reality. He also complimented the citizens for their support of the project through their participation in the organics and yard waste program.

Mr. Johnson reminded the residents that the brush product that can be accepted in the green organics container is limited to "about the size of the diameter of your finger". Anything

larger should be brought separately by the residents to the facility. The larger brush causes the equipment to clog and could cause damage. Mr. Johnson also noted that the temporary compost site is now closed and the product has been moved to the new facility.

Mr. Johnson also reminded the residents of the need to stop by the office via the drive through window to check in when they bring product to the facility. The majority of products brought by McLeod County residents are accepted by the facility free of charge. Directional signs will be posted soon to assist the visitors at the site.

The Mayor commented that this is the only facility of this kind in North America. Visitors to the site have come from all over the world. The Mayor extended thanks and appreciation to Mr. Johnson for his work at the facility.

(c) REQUEST BY STEVE COOK FOR THE COUNCIL TO CONSIDER THE FOLLOWING:

Steve Cook, 720 Juul Road SW, addressed the Council on the following issues:

▪ PUBLIC STATEMENT OF THE PLANS FOR THE TRANSITION FROM ODD TO EVEN YEAR MUNICIPAL ELECTIONS

Mr. Cook thanked the Council for their vote to approve the resolution earlier in the meeting regarding the special election in 2001.

▪ COMMUNITY VOTE REGARDING THE USE OF THE PLAZA 15 PROPERTY FOR A COMMUNITY CENTER

Mr. Cook asked the Council to consider a vote to determine what the public wants in regards to a Community Center. He spoke to the issue of the Park Elementary structure due to the recent publication of the school district's long range facility plan. He noted that the school's plans do not include the future use of Park as a school. He stated that a community vote could stimulate community discussion regarding this issue.

The Mayor asked Mr. Cook what it would cost to renovate the Park structure. Mr. Cook stated the figure of \$6 million. The Mayor noted that such a project could require a referendum for the bonding.

▪ ORDINANCE TO CHANGE THE PERCENTAGE FROM 20% TO 10% FOR THE SIGNATURES REQUIRED FOR A PETITION TO INITIATE A REFERENDUM, RECALL OR INITIATIVE PER THE CITY CHARTER

Mr. Cook noted that this request is not an attempt to circumvent the vote on the Charter Amendment in 2000 that resulted in setting the percentage at 20%. He wants the voters to have another chance to consider the issue.

The Mayor noted that the Charter Commission has the responsibility to review this issue and bring it to the people for a vote if they so decide.

Councilmember Hoversten commented that the previous vote to approve the change to 20% was a message from the voters and they have decided that 20% is the appropriate figure.

Mr. Cook spoke about the election turnouts and how this affected the percentage of petition signatures required. Mr. Cook stated that the approved change is to have a more stable number to with which to work.

Councilmember Peterson questioned how Mr. Cook's request to change the percentage would be viewed by the citizens of the City who voted for the change per Mr. Cook's recommendation. Ms. Peterson further stated that she is not in favor of this request if it does not come through the Charter Commission and because the citizens have spoken

that this is not what they wanted.

Councilmember Hoversten noted that considering a few items from the Charter, rather than a comprehensive review of the document, tends to take things out of context. Mr. Hoversten suggested that Mr. Cook take the issues he has regarding the Charter to the Charter Commission for review and possible consideration.

Mr. Hoversten questioned why Mr. Cook is signaling out the Community Center Issue. The City has considered two, separate needs studies that identified a community center. He further commented that this issue is a capital project for the City like other projects such as fire trucks, sewer, streets, etc. This issue is not about a specific building, but about serving the citizens. The City has an opportunity to use a \$1 million grant for this purpose at a selected site. We have a current option and it is the Council's responsibility to determine what to do.

Mr. Mlinar talked about the time the grant option became available. At that time, the time frame for the grant application was not consistent with that of a referendum process.

The Mayor stated that he has asked Brad Emans, Fire Chief, to chair a committee to look at the Park Elementary structure and the covenants affecting the use of the property. Councilmember Hoversten will be representing the Council on the committee. There are many questions that need to be answered prior to discussing what the Park structure can be used for.

Mr. Cook questioned how he should address the Charter Commission. Mr. Seboria noted that Mr. Cook may attend the Commission's next meeting on June 25, 2001, at 4:00 p.m.

Mike Ribich, 1350 Campbell Lane NW, asked the Council to act on the ordinance Mr. Cook proposed regarding the vote on a Community Center.

Mr. Schieffer, legal counsel, addressed the Council and stated that he is unclear as to what action Mr. Ribich and Mr. Cook are asking the Council to take. The final documents for the grant for the Community Center are receiving final approval by the state and should be receiving final approval, soon. All of the documents submitted state that we have identified a site and have made a commitment to the project. To decide to bring this to a vote of the people would be detrimental to this process. The City would have to officially withdraw the application and subsequently lose the grant funds.

Mr. Ribich asked the Council again to vote on the ordinance that Mr. Cook requested.

7. **UNFINISHED BUSINESS**

(a) CONSIDERATION OF RESOLUTION NO. 11739 SETTING A SPECIAL ELECTION TO FILL MAYORAL AND COUNCIL MEMBER VACANCIES

The special election is scheduled to be held on Tuesday, November 13, 2001. The Mayor read the entire resolution for the benefit of the audience. The terms for the Mayor and Council members elected will be for the one year period beginning on January 1, 2002.

Motion by Mlinar, second by Haugen to approve and adopt Resolution No. 11739. The motion carried unanimously.

8. **NEW BUSINESS**

(a) CONSIDERATION OF FIRE DEPARTMENT PROPOSED PLAN TO SELL THE 1975 SEAGRAVE LADDER TRUCK

Brad Emans, Fire Chief, presented information to the Council regarding the previous efforts of the department to sell the ladder truck. There does not seem to be much interest from fire departments. The fire department is proposing to offer the truck for public sale.

Motion by Hoversten, second by Peterson to approve the fire department proposed plan to sell the 1975 Seagrave ladder truck. The motion carried unanimously.

Mr. Emans also commented on his appointment to the committee to review the Park Elementary facility. Mr. Emans noted that he will be looking for unbiased parties – representative from the State Fire marshal’s Office, etc. – to serve on the committee, and the Council endorsed this plan.

(b) CONSIDERATION OF RESOLUTION NO. 11733 SUPPORTING H.R. 951, THE HOUSING CREDIT AND BOND MODERNIZATION AND FAIRNESS ACT

Motion by Mlinar, second by Haugen to approve and adopt Resolution No. 11733. The motion carried unanimously.

(c) DISCUSSION OF THE AIRPORT FUELING SYSTEMS CONTROLS

Mr. Rodeberg addressed the Council and stated that no action on this item is needed at this time. He noted that the fueling controls at the airport have ceased to work consistently and fuel is required to be pumped manually. Funding for this project is through a 50/50 match with the State.

(d) DISCUSSION OF EASEMENT ACQUISITION FOR SOUTH GRADE ROAD TRUNK (LETTING NO.5/PROJECT NO. 01-18)

Mr. Rodeberg stated that necessary information was not received from the appraiser for this discussion and requested that the item be referred to the next meeting.

Motion by Peterson, second by Haugen to refer the item to the next Council meeting on June 26, 2001.

(e) CONSIDERATION FOR SETTING A HEARING TO REVIEW LIQUOR LICENSE VIOLATION FOR LAMPLIGHTER FAMILY SPORTS BAR AND GRILL

Mr. Seboria informed the Council that the previously scheduled hearing was not previously held for this establishment as their legal counsel was not available to attend. The hearing must be held within specific time frames.

Motion by Mlinar, second by Haugen to set the hearing to review liquor license violation for Lamplighter Family Sports Bar and Grill for 1:00 p.m. on Friday, July 6, 2001. The motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

1. UPDATE ON THE MCLEOD COUNTY REDISTRICTING INFORMATION BY GARY PLOTZ, CITY ADMINISTRATOR

Ken Merrill, Finance Director, commented on this item in Mr. Plotz’ absence. He noted that several redistricting workshops are being held throughout the State this summer. Anyone interested, staff and Council, may attend. The redistricting deadlines are April 30, 2002.

The Mayor talked about options for the City to make minor adjustments to the districts.

2. CONSIDERATION OF RESOLUTION NO. 11740 AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR PUBLIC UTILITIES PURPOSES

Mr. Schieffer presented Resolution No. 11740 for consideration by the Council. The

resolution is in regards to Hutchinson Utilities and the needs for increased power supply and the corresponding transmission lines. The Utilities passed a resolution to construct a power substation and corresponding power line in Hassan Valley Township.

Hutchinson Utilities has acquired the property for the substation and is working to obtain easements for the power line. This is a combined project with the County as it is along County Highway 25 and a portion is located in the right-of-way.

Easements have been obtained from a number of property owners, but some have not been finalized. Property owners are requesting payments significantly in excess of the appraised value. Hutchinson Utilities may not purchase property and is, therefore, requesting the Council to consider and to approve the resolution and the authorization of eminent domain proceedings.

Motion by Mlinar, second by Hoversten to approve Resolution No. 11740. Mr. Haugen questioned why this matter did not require a public hearing. Mr. Schieffer noted that this issue has received several public hearings at the Planning Commission level. The motion carried unanimously.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Mlinar second by Haugen to approve and authorize the payment of Verified Claims A from appropriate funds with Councilmember Hoversten abstaining. The motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Haugen, second by Hoversten to approve and authorize payment of Verified Claims B from appropriate funds. The motion carried unanimously.

Miscellaneous Communications

John Mlinar inquired about possible “dead spots” regards to the severe weather warning sirens located in the City. Mr. Rodeberg noted that the City has a sufficient number of sirens and reminded residents that they are not designed to be heard in all indoor locations. They are for those people who are outside or do not have access to other media. Mr. Mlinar asked Mr. Rodeberg to review the location of sirens near the Craig Avenue area.

Mr. Mlinar also encouraged residents to take part in the Water Carnival events and the Music in the Park events.

Ken Merrill, Finance Director, reviewed the Leadership team meeting items that were discussed earlier in the day:

1. The Hwy 7 East annexation process was discussed and Mr. Frank Fay was present. After the discussion it was agreed that the attorneys and the mediator should meet to bring a final resolution to the matter.
2. The League of Minnesota Cities Conference will be held in Duluth next week. The City will attempt to organize a meeting with the Hutchinson and Duluth Council members regarding the smoking ordinance issue.

Mr. Schieffer spoke to the Highway 7 East annexation issue. A meeting with Mr. Couri, the township attorney, will be held on June 21. The main issues include financing of the utilities.

The Mayor questioned what development costs would be incurred by the Township. The township is not incurring costs, but its residents are affected, specifically those located in the

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area between the annexation property and the current City boundaries. Mr. Hoversten commented that it is the hope that the meeting of the 21st can resolve these issues and finalize this process.

John Rodeberg informed the Council that City personnel were sent to Litchfield to assist with the storm clean-up.

The sump pump inspections are continuing and are going well. The City is receiving consistent questions regarding the need for solid pipe inside the dwellings and winter connections. It should be noted that winter connections are not allowed.

A ten-foot, multi-use, bituminous trail is being installed in the Highway 15 South area near South Grade Road. This trail will connect the residential and commercial uses in this area.

Steve Cook again addressed the Council. He spoke to the State's involvement with the \$1 million grant and stated that he does not believe that the state would look unfavorably at the City if they delay the grant process by putting the Community Center issue to a vote. The Mayor noted that the public needs to have an understanding that this funding could be lost if the process is not completed in the near future.

11. **ADJOURN**

With no further business to discuss, the meeting adjourned at 7:15 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JUNE 26, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Council members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten were present. Others present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works, and City Attorneys Marc Sebor and Richard Schieffer.

2. **INVOCATION** – Rev. Randy Chrissis of Christ the King Lutheran Church gave the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF JUNE 12, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. PARKS, RECREATION, AND COMMUNITY EDUCATION ADVISORY BOARD MINUTES OF MAY 3, 2001
2. HUTCHINSON HOUSING AND REDEVELOPMENT AUTHORITY REGULAR BOARD MEETING MINUTES OF MAY 15, 2001
3. PIONEERLAND LIBRARY SYSTEM BOARD MEETING MINUTES OF APRIL 19, 2001
4. CITY OF HUTCHINSON FINANCIAL REPORT FOR MAY 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11753 – RESOLUTION ADOPTING REVISED ASSESSMENT FOR ASSESSMENT ROLL NO. 5050, LETTING NO. 4, PROJECT NOS. 01-07/01-08/01-10 (GROVE STREET NW, THOMAS AVENUE SW AND SHERWOOD STREET SE)

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **VARIANCE** REQUEST TO REDUCE THE SIDE YARD SETBACK FROM 6' TO 1' FOR THE CONSTRUCTION OF A NEW GARAGE AS REQUESTED BY MARK REINARTS LOCATED AT 446 GLEN STREET SW WITH DENIAL RECOMMENDED BY THE PLANNING COMMISSION
2. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO CONSTRUCT A GARAGE 3' FROM THE SIDE PROPERTY LINE AS REQUESTED BY MARK REINARTS LOCATED AT 446 GLEN STREET SW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11741)
3. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO PLACE A PRIMARY BUILDING (10' X 12') ON A LOT THAT IS ZONED C-5 AS REQUESTED BY CROW RIVER VETERINARY CLINIC LOCATED AT 164 4TH AVENUE NW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11742)
4. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO BUILD A

CHIROPRACTIC OFFICE ON A LOT THAT IS ZONED C-5 AS REQUESTED BY GUY CASPERS AND LOCATED AT 103 3RD AVENUE NW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11743)

5. CONSIDERATION OF A **PRELIMINARY PLAT** TO BE KNOWN AS JACOB'S FIRST ADDITION LOCATED EAST OF JAMES STREET AND NORTH OF 3RD AVENUE NW AS REQUESTED BY GUY CASPERS WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11744)
 6. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO MOVE THE CHAMBER OF COMMERCE BUILDING FROM THE PRESENT LOCATION TO 145 GLEN STREET SW AS REQUESTED BY RICH WESTLUND WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11745)
 7. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO BUILD A POLE CONSTRUCTED BUILDING IN AN I-2 DISTRICT AND A **VARIANCE** TO DECREASE THE REQUIRED SIDE YARD SETBACK FROM 20' TO 10' AS REQUESTED BY NRG, LLC LOCATED AT 1025 5TH AVENUE SE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11746)
 8. CONSIDERATION OF A **LOT SPLIT** FOR PROPERTY LOCATED AT 1150 13TH AVENUE NW AS REQUESTED BY HAZEL DANIELS WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11747)
 9. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO CONSTRUCT A 6' PRIVACY FENCE IN THE FRONT YARD AS REQUESTED BY LEONARD FISCHER LOCATED AT 850 WALNUT STREET NE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11748)
- (d) APPLICATION FOR OFF-SALE NON-INTOXICATING LIQUOR LICENSE FOR TWIN CITIES AVANTI STORES, LLC, DOING BUSINESS AS TOTAL MART
 - (e) APPLICATION FOR RETAIL TOBACCO LICENSE FOR TWIN CITIES AVANTI STORES, LLC, DOING BUSINESS AS TOTAL MART
 - (f) REQUEST TO SET THE DATE FOR THE 27TH ANNUAL CITY APPRECIATION PICNIC FOR WEDNESDAY, AUGUST 22, 2001
 - (g) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 1, LETTING NO. 3, PROJECT NO. 01-09
 - (h) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 2, LETTING NO. 6, PROJECT NO. 00-17

Motion by Haugen, second by Mlinar, to approve the consent agenda. The mayor asked for a clarification of the staff recommendation for item 4(C)9. The motion passed unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**
6. **COMMUNICATIONS, REQUESTS AND PETITIONS - NONE**
7. **UNFINISHED BUSINESS**
 - (a) DISCUSSION OF EASEMENT ACQUISITION FOR SOUTH GRADE ROAD TRUNK

(LETTING NO.5/PROJECT NO. 01-18) (*DEFERRED FROM JUNE 12, 2001*)

Mr. Rodeberg explained the easement acquisition and the associated improvement project to the Council. In most cases, the pieces of property on which easement are to be acquired are relatively small. This project includes a large trunk sewer line that will serve the southwest area of the City. The line will run on the north side of the road in the ditch area for most of the project. The road in this area will be retained in a rural state, similar to what currently exists.

Motion by Hoversten, second by Mlinar, to approve the easement acquisition process. The motion passed unanimously.

8. **NEW BUSINESS**

- (a) CONSIDERATION OF RESOLUTION NO. 11754 A SPONSORING UNIT OF GOVERNMENT RESOLUTION REGARDING THE CEDAR CREST PROJECT SUBMITTED TO THE SOUTHWEST MINNESOTA FOUNDATION'S PARTNERSHIP WITH THE STATE OF MINNESOTA CHALLENGE LOAN PROGRAM

Ms. Roz Ewald of Cedar Crest explained that the resolution is in to express City support required for the grant funding that Cedar Crest has received from the Southwest Minnesota Foundation.

Motion by Mlinar, second by Haugen, to approve Resolution No. 11754. The motion passed unanimously.

- (b) LETTING NO. 1, PROJECT NO. 01-01 (MUNICIPAL STATE AID PROJECT NO. 133-117-11/SCHOOL ROAD SW)
- RESOLUTION NO. 11749 – RESOLUTION ORDERING PREPARATION OF REPORT ON IMPROVEMENT
 - RESOLUTION NO. 11750 – RESOLUTION RECEIVING REPORT, WAIVING HEARING AND ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS
 - RESOLUTION NO. 11751 – RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

Mr. Rodeberg explained the improvement project that includes resurfacing of School Road South. This project will be paid for 100% by State Aid funding. Bids will not be taken for the project for approximately 3 to 4 weeks.

Motion by Peterson, second by Hoversten, to approve Resolution No. 11749, Resolution No. 11750, and Resolution No. 11751. The motion carried unanimously.

- (c) RESOLUTION NO. 11752 – RESOLUTION ACCEPTING BID AND AWARDED CONTRACT FOR LETTING NO. 5, PROJECT NO. 01-18 (SOUTH GRADE ROAD)

Mr. Rodeberg noted that the contractor recommended to be awarded the bid for this project has not worked previously in the City. He stated that the references have been checked and the recommendations received have been stellar.

Motion by Mlinar, second by Haugen, to approve Resolution No. 11752. The motion carried unanimously.

- (d) CONSIDERATION OF THE PURCHASE OF A COMBINATION SEWER MAINTENANCE JETTER/VACUUM TRUCK

Mr. Rodeberg commented on the quotations that were received for the truck. The staff recommendation is to award the bid to the higher priced vehicle. He noted that these types of vehicles are not identical and cannot be compared as such. The recommendation is to award the purchase to McQueen. The resale value and the maintenance costs associated with

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this vehicle are perceived to be higher and lower, respectively, than the other bid received.

Mr. Rodeberg offered to further review the matter and present his findings to the Council at the July 10, 2001, meeting.

Motion by Mlinar, second by Peterson to defer the item to the July 10, 2001, meeting. The motion carried unanimously.

(e) CONSIDERATION OF SETTING A COUNCIL WORKSHOP FOR 4:00 P.M. ON TUESDAY, JULY 10, 2001, FOR THE REVIEW OF THE CITY FINANCIAL STATEMENTS

Mr. Plotz noted that the purpose of the workshop is to review the City audit results.

Motion by Mlinar, second by Haugen, to set a workshop for 4:00 p.m. on Tuesday July 10, 2001. The motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

Jim Haugen – Mr. Haugen commented on the League of Minnesota Cities (LMC) Conference that was held in Duluth June 19 – 22. He noted that the conference seminars were informative.

John Mlinar – Mr. Mlinar reiterated that the LMC Conference provided good information, especially in regards to technological advancements for cities. Mayor Torgerson also noted that the City of Hutchinson seems to be on the forefront of issues.

Kay Peterson – Ms. Peterson also commented on the LMC Conference and that the City seems to be knowledgeable of the issues that were discussed. The City appears to be well into implementation or the planning phase to address most major issues raised at the conference.

Ms. Peterson also noted that on July 24, 2001, the Hutchinson Foundation and the Hutchinson Public Library will hold a ribbon cutting ceremony at 3:30 p.m. for the new automatic doors that have been installed at the library.

Duane Hoversten – Mr. Hoversten echoed the comments of the other Council members regarding the City being up to speed on the issues affecting cities. He commended the directors for their work in this area. He too noted that the sessions presented at the LMC Conference were issues we have already dealt with or are addressing.

Gary Plotz – Mr. Plotz reported that an Open House for the general public will be held at the Creekside Compost Facility from 1:00 p.m. to 7:00 p.m. on Wednesday, June 27, 2001. Refreshments and guided tours will be available. He encouraged anyone who is interested to attend.

Mr. Plotz also noted that a retirement party for Marilyn J. Swanson is scheduled for Wednesday, June 27 at 2:30 p.m. at City Center. Ms. Swanson has been employed with the City of Hutchinson for over twenty years in the Administration and Motor Vehicle departments.

Melissa Starke, the new Administrative Secretary, was introduced by Mr. Plotz. He also thanked Brenda Ewing, Human Resources Coordinator, for her efforts during the time the position of administrative secretary position was vacant.

Mr. Plotz requested that the Council meet regarding the BioSolids Facility. He recommends that the Council be updated on both the status of the facility and a threat of potential litigation regarding the fire at the facility. It was requested that a closed meeting session be held in the near future to discuss this, and Mr. Plotz asked the Council to consider setting the closed meeting for July 24, 2001, at the end of the regular Council meeting.

Motion by Peterson, second by Haugen to hold a closed continuation of the regular July 24, 2001, Council meeting as a closed meeting to discuss subject matter limited to the BioSolids facility. The motion passed unanimously.

John Rodeberg – Mr. Rodeberg spoke to the possible State shutdown. We are not certain of the impact a shutdown will have at the shared HATS facility. He noted that there may be some annoyances and some projects that the City may need to pick up. A second issue related to the shutdown are the payments for State Aid Funded projects.

Mr. Rodeberg also reported on a trench collapse with the improvement project on Sherwood Street Southeast. OSHA has been out and reviewed the site and the accident. The project contract places all responsibility for safety issues on the contractor.

An open house for the Southwest Bypass will be held from 5-8 p.m. on Monday, July 9, 2001. The consultant will be present and public input will be obtained. This information will then be presented to the County Commissioners and the City Council for review.

A meeting of Jefferson Street Task Force will be held on Thursday, July 12, 2001, at 4:30 p.m. Surveys of the area residents regarding their septic systems have been completed and compiled. The task force members have expressed support of a proposal that does not include annexation to the City but rather that residents attempt to resolve their situations on their own. There are a number of health and safety issues in the area. The City has exposure to liability and the costs that could be incurred with this situation. The County is the jurisdiction that will be enforcing the septic laws in this area.

The City will continue to review our potential liability with this issue and work to diminish our exposure. As the enforcement begins, these residents will be coming to the City for assistance. From the survey results, 75% of the systems in the area are definitely non-compliant.

Mayor Torgerson directed Mr. Rodeberg to work with legal counsel to better determine any City liability associated with our knowledge of the situation, tile lines in the area, and our efforts to deal with it.

Mr. Plotz also updated the Council on the efforts of the Charter Commission. The Commission, at their meeting of June 25, 2001, appointed two subcommittees as follows:

1. A three-member committee to meet to further discuss the language related to Hutchinson Utilities. This sub-committee will also be meeting with representatives of the Utilities Commission.
2. A three member ad-hoc committee to address issues regarding financial and budgetary language. The sub-committee members are Gary Plotz, Phil Graves of HAHC, and City legal counsel.

Richard Schieffer, City Attorney – Mr. Schieffer reported on the status of the Highway 7 East Annexation proceedings. Mr. Schieffer met with the township's attorney to resolve financing issues. He believes the remaining issues have been resolved in an advantageous manner for the City in regards to utility extension. The annexation resolution has been redrafted and will be before the Council for consideration at the next regular meeting.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS

Motion by Mlinar, second by Peterson, to approve and authorize payment of Verified Claims from appropriate funds. The motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 6:15 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JULY 10, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Vice President John Mlinar called the meeting to order at 5:30 p.m. Council members Jim Haugen, Kay Peterson and Duane Hoversten were present. Absent was Mayor Torgerson. Others present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works, and City Attorney Richard Schieffer.

2. **INVOCATION** – The Council dispensed with the invocation in the absence of the clergy.

3. **MINUTES**

(a) REGULAR MEETING OF JUNE 26, 2001

A correction was made to Page 4 Item 8(e) – date change from July 12 to July 10 for the motion to set a workshop to review the city financial statements.

The minutes were approved as presented with the date change for the workshop.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. FIRE DEPARTMENT MONTHLY REPORT FOR JUNE 2001
2. HAHC MAY 2001 FINANCIAL REPORT
3. BUILDING DEPARTMENT MONTHLY REPORT FOR JUNE 2001
4. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES FROM JUNE 7, 20001, MEETING

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11755 – RESOLUTION RE-SETTING SPECIAL ELECTION DATE TO NOVEMBER 6, 2001 TO FILL MAYORAL AND TWO CITY COUNCIL MEMBER VACANCIES
2. RESOLUTION NO. 11758 – RESOLUTION CONSIDERING STATE OF MINNESOTA GAMBLING CONTROL BOARD PREMISES PERMIT FOR VFW POST 906
3. RESOLUTION NO. 11759 – RESOLUTION TO DESIGNATE DEPOSITORIES OF HUTCHINSON UTILITIES COMMISSION IN COMMERCIAL BANKS AND INSTITUTIONS

(c) CONSIDERATION OF ON-SALE NON-INTOXICATING LIQUOR LICENSE FOR LINDO MEXICO RESTAURANT – Recommend Denial

(d) CONSIDERATION OF SHORT-TERM ON-SALE NON-INTOXICATING LIQUOR LICENSE FOR R.C. PROMOTIONS FOR TRACTOR PULL AT FAIRGROUNDS

(e) CONSIDERATION OF TRANSIENT MERCHANT'S LICENSE FOR TAP ENTERPRISES

(f) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 2, LETTING NO. 3, PROJECT NO. 01-09

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(g) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 5, LETTING NO. 1, PROJECT NO. 00-01

Item 4(b)3 was pulled from Consent Agenda.

Motion by Peterson, second by Hoversten, to approve the consent agenda with the exception of Item 4(b)3. The motion passed unanimously.

Hoversten asked for further information as far as bank deposits for third parties in regards to the Utilities. Patrick Spethman, Hutchinson Utilities, made a presentation on the estimated cost savings of using a bank in Albert Lea as a depository. Forty percent of the staff time of two Utilities employees is spent processing statements. Spethman proposed using a third party to do these functions. The Utilities would have quicker access to their funds and costs would be largely reduced.

Spethman also explained that requests for proposals for these services were sent to several banks, including local institutions, and four proposals were received. It was also noted that payments may still be made directly to the Utilities or deposited in the local drop boxes. Local banks will also still be used for deposits for payments received locally by the Utilities.

Motion by Hoversten, second by Haugen to approve Resolution No. 11759 to designate depositories of Hutchinson Utilities Commission in commercial banks and institutions. Motion carried unanimously.

PUBLIC HEARING – 6:00 P.M. - NONE

5. COMMUNICATIONS, REQUESTS AND PETITIONS

(a) DISCUSSION OF AUTHORIZATION FOR THE ACQUISITION OF REAL PROPERTY FOR PUBLIC UTILITIES PURPOSES

Attorney Richard Schieffer updated the Council on the previous eminent domain process that was approved in conjunction with the power line and substation project to be constructed along County Road 25. He explained that McLeod County will be reviewing the City's requests later this month, but the Utilities needs to continue to move forward because of construction schedules. Mr. Schieffer requested that the Council consider Resolution No. 11756 that includes an additional six parcels in the eminent domain process.

Motion by Peterson, second by Hoversten to approve Resolution No. 11756. Motion carried unanimously.

6. UNFINISHED BUSINESS

(a) CONSIDERATION OF JOINT RESOLUTION NO. 11757 OF THE CITY OF HUTCHINSON AND THE TOWNSHIP OF HUTCHINSON AS TO THE ORDERLY ANNEXATION OF PROPERTY

Julie Wischnack, Director of Planning, Zoning and Building Enforcement, addressed the Council regarding the proposed final joint resolution to the annexation issues. She explained that the annexation area includes approximately 100 acres east of the current city limits bordered by the Luce Line Trail, Highway 7, and the Highway 22 bypass. There is a five-year time frame on a future annexation area. Hutchinson Township will be considering this Resolution at their July 12, 2001, meeting. If the Resolution is accepted by the city and township, it will be forwarded to the State Planning Agency for final approval. This process may take one to one and a half months.

Peterson inquired as to whether or not the state would question why the annexation area skips over several properties. Ms. Wischnack explained that when it gets to the state level, they assume those types of issues have been addressed and resolved.

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Motion by Peterson, second by Haugen, to approve Resolution No. 11757. The motion passed unanimously.

7. **NEW BUSINESS**

(a) CONSIDERATION OF THE REVIEW AND ACCEPTANCE OF 2000 AUDIT

Ken Merrill, Finance Director, introduced Auditor Kyle Meyers of Abdo, Eick and Meyers, who reviewed the 2000 audit results and report with the Council. Mr. Meyers presented and explained the various financial statements included in the document to the Council. The various City funds, revenues and expenditures for the year were summarized.

Motion by Haugen, second by Hoversten, to accept 2000 audit. The motion carried unanimously.

(b) CONSIDERATION OF FUNDING REQUEST FOR MCLEOD ALLIANCE FOR VICTIMS OF DOMESTIC VIOLENCE, INC.

Mr. Plotz explained that the City has done research on these types of fund requests. The City can contribute to certain types of event-related activities, such as Music in the Park. The League of Minnesota Cities has advised cities not to make contributions to non-event activities except in certain situations allowed by law. Requests similar to that of the Alliance are normally held until later in the year when the City has more information regarding the budget process.

Mr. Schieffer stated that he will research state statute regarding this matter and report back to the Council.

Motion by Peterson, second by Haugen, to defer request of funding for McLeod Alliance for Victims of Domestic Violence, Inc. until more research can be done. The motion carried unanimously.

(c) CONSIDERATION OF REORGANIZATION PROPOSAL FOR PARK AND RESOURCE RECOVERY DEPARTMENT

Dolf Moon, PRCE Director, explained that following the resignation of John Arlt, PRCE Coordinator, the department has an opportunity to review the staffing alignment of the Park and Recreation Dept. He requested that the Council consider transferring a current employee into the Parks Resource Management position, allow for an internal departmental posting for up to two Lead Maintenance Operator positions, and advertising publicly for the positions of full-time Maintenance Operator and Resource Recovery Coordinator.

Mlinar inquired as to how the funds balance out with the changes. Mr. Moon explained that sound decisions have been made as far as the reorganization is concerned and the costs are similar or slightly less.

Motion by Haugen, second by Hoversten, to approve reorganization of Park and Resource Recovery Department. Motion carried unanimously.

(d) CONSIDERATION OF SETTING A COUNCIL WORKSHOP FOR 4:00 P.M. ON TUESDAY, AUGUST 14, 2001, FOR THE REVIEW OF LIQUOR STORE LOCATION ALTERNATIVES

Motion by Hoversten, second by Peterson, to schedule a council workshop for 4:00 p.m. on August 14, 2001, at City Center to review liquor store location alternatives. Motion carried unanimously.

8. **MISCELLANEOUS**

(a) COMMUNICATIONS

Change Order No. 4 Letting No.

Mr. Rodeberg explained that this order is for Rolling Meadows improvement project. The change order includes adjustments necessary for the final payment and is an auditing requirement.

Motion by Peterson, second by Haugen to approve. Motion carried unanimously.

Kay Peterson – Ms. Peterson informed the group that on July 24, 2001 the Hutchinson Area Foundation and the Hutchinson Public Library will have a ribbon cutting ceremony at 3:30 p.m. for the dedication of the new automatic doors for the Library.

John Rodeberg – Mr. Rodeberg explained that there have been problems with the Crow River dam stemming from the flooding this spring. Gates were damaged during the flooding and haven't been able to be repaired or completely shut. Now that the water has receded, both gates have been repaired and closed. Discussion has been brought forward in regards to modifying the dam as discussed with the Dept. of Natural Resources. The Council encouraged further discussion with the DNR.

On Wednesday, July 18, 2001, there will be a meeting at City Center from Noon to 2:00 p.m. regarding the comprehensive plan update relating to transportation issues. Also on Wednesday July 18, there will be an open house for the Southwest Ring Road proposal from 4:30-7:00pm at HATS. Public opinion will be accepted as far as the route is concerned. The public is encouraged to attend. A formal presentation will be held at the beginning of the open house.

Mr. Mlinar asked about other cities implementing watering bans. Mr. Rodeberg explained that at this time Hutchinson has no problems. Mr. Mlinar also asked that if citizens have sodded their yards, would there be an exception to the watering ban. Mr. Rodeberg stated that typically there are not exceptions. Mr. Rodeberg also gave tips as to how to conserve water – avoid watering between 11:00 a.m. and 6:00 p.m. and water about 1 inch per week.

9. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Haugen, to approve and authorize payment of Verified Claims A from appropriate funds. The motion carried unanimously.

(b) VERIFIED CLAIMS B

There were no Verified Claims B to approve.

A member from the audience inquired about a liquor license for Lindo Mexico restaurant. Mr. Mlinar explained that the police department conducts a background check and that they had recommended denial. He referred the individual to the police department for further information.

10. **ADJOURN**

With no further business to discuss, the meeting adjourned at 6:15 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, JULY 24, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Council members Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten were present. Others present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works, and City Attorneys Marc Sebor and Dick Schieffer.

2. **INVOCATION** – Pastor Eric Goodwin of Peace Lutheran Church delivered the invocation

3. **MINUTES**

(a) REGULAR MEETING OF JULY 10, 2001

(b) MINUTES FROM BID OPENING FOR LETTING NO. 1 PROJECT NO. 01-01 (SCHOOL ROAD SW) OF JULY 20, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON HOUSING & REDEVELOPMENT AUTHORITY BOARD MEETING MINUTES FROM JUNE 19, 2001
2. PIONEERLAND LIBRARY SYSTEM BOARD MEETING MINUTES FROM MAY 17, 2001
3. HUTCHINSON CHARTER COMMISSION MEETING MINUTES FROM JUNE 25, 2001, AND JULY 16, 2001
4. HUTCHINSON PLANNING COMMISSION MINUTES FROM MAY 15, 2001, MEETING
5. HUTCHINSON PLANNING COMMISSION MINUTES FROM JUNE 19, 2001, MEETING
6. HUTCHINSON AREA HEALTH CARE BOARD OF DIRECTORS MEETING MINUTES FROM JUNE 19, 2001
7. HUTCHINSON AREA HEALTH CARE FINANCIAL REPORT FOR JUNE 2001
8. HUTCHINSON UTILITIES COMMISSION FINANCIAL REPORT FOR MAY 2001
9. CITY OF HUTCHINSON FINANCIAL REPORT FOR JUNE 2001
10. CITY OF HUTCHINSON REPORT ON INVESTMENTS FOR JUNE 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11760 – RESOLUTION TO DONATE COMPUTER EQUIPMENT TO INDEPENDENT SCHOOL DISTRICT 423
2. RESOLUTION NO. 11761 – RESOLUTION ESTABLISHING LOCATIONS FOR TRAFFIC CONTROL DEVICES (MAHOGANY CT SW & ROBERTS ST SW)

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3. RESOLUTION NO. 11769 – RESOLUTION FOR PURCHASE OF COMPUTER HUB EQUIPMENT

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO DEVELOP PARKLAND (PLAYGROUND, VOLLEYBALL COURT, BIKE AND PEDESTRIAN TRAIL) IN AN AREA THAT IS CURRENTLY UNDEVELOPED, AS REQUESTED BY THE CITY OF HUTCHINSON, PARKS DEPARTMENT, LOCATED IN THE AREA OF ONTARIO STREET AND 2ND AND 3RD AVENUE (ADOPT RESOLUTION NO. 11764)
2. CONSIDERATION OF A **VARIANCE** TO REDUCE THE REQUIRED SIDE YARD SETBACK FROM 6' TO 3' AND THE REQUIRED DRIVEWAY SETBACK FROM 5' TO 2' AS REQUESTED BY JASON RUPRECHT, 575 HASSAN STREET SE (ADOPT RESOLUTION NO. 11765)
3. CONSIDERATION OF A **VARIANCE** TO PLACE AN ACCESSORY BUILDING ON THE PROPERTY LINE NEXT TO AN UNIMPROVED ALLEY AS REQUESTED BY PAUL AND NICHOLE DIETEL, 237 COLLEGE AVENUE NE (ADOPT RESOLUTION NO. 11766)
4. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO PLACE A 6' PRIVACY FENCE IN THE FRONT YARD 2' FROM THE PROPERTY LINE AS REQUESTED BY MURIEL FELSKA, 103 ELKS DRIVE (ADOPT RESOLUTION NO. 11767)
5. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO RELOCATE GARY'S GARAGE TO MCCLURE'S BUILDING WHICH IS ZONED I-1, LOCATED AT 945 5TH AVENUE SE, AS REQUESTED BY DICK MCCLURE (ADOPT RESOLUTION NO. 11768)

- (d) CONSIDERATION OF PUBLIC DANCE PERMIT FOR JOSE PALACIOS FOR AUGUST 4, 2001 AT HUTCHINSON NATIONAL GUARD ARMORY

- (e) CONSIDERATION OF THE REAPPOINTMENT OF THOR SKEIE TO THE HRA BOARD FOR A SECOND TERM

- (f) CONSIDERATION OF SHORT-TERM ON-SALE NON-INTOXICATING MALT LIQUOR LICENSE TO MCLEOD COUNTY AGRICULTURAL ASSOCIATION FOR MCLEOD COUNTY FAIR

- (g) CONSIDERATION OF OUT-OF-STATE TRAVEL FOR RANDY DEVRIES AND MARION GRAHAM TO ATTEND THE WATER ENVIRONMENT FEDERATION ANNUAL CONFERENCE IN ATLANTA, GA FROM OCTOBER 13 – 17, 2001

Motion by Mlinar, second by Haugen, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

- (a) PRESENTATION OF 2001 BIOCORP ENVIRONMENTAL AWARD TO CITY OF HUTCHINSON

Mayor Torgerson read the letter from BioCorp awarding the City of Hutchinson the environmental award. Mayor Torgerson presented the award to Lawrence Winter, Resource Recovery Coordinator. Mr. Winter gave thanks to these types of corporations that are

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recognizing the City's composting efforts. Mr. Winter recognized the "team" that it took to get the Composting Site up and running. He also thanked the city staff and City Council as being part of the team.

Mr. Torgerson commented on the fact that he gave a tour to a gentleman from Florida. The Floridian was very impressed with the composting facility.

(b) "THANK YOU" TO CITY OF HUTCHINSON FROM CITY OF LITCHFIELD FOR ASSISTANCE IN STORM CLEAN-UP

Mayor Torgerson read a thank you letter from the mayor of Litchfield. Mayor Torgerson asked that John Rodeberg pass the recognition on to his staff.

(c) UPDATE ON TAX AND LOCAL GOVERNMENT AIDS

Ken Merrill, Finance Director, explained the preliminary tax changes for the year 2002.

Levy limits are in place and will continue to be in place for the next year. Taxes must be set by September 17, 2001. Taxes may not be increased by the levy date but may be reduced. Mr. Merrill explained that there is no longer any Homestead and Agricultural Credit Aid (HACA) money for cities. The City of Hutchinson did get a nice amount in local government aid, however, due to the fact that there will be no funds from HACA, the City actually will be receiving less money in 2002 than in 2001. Mr. Merrill noted that there is only one other city in out-state MN that is receiving a lessor amount of funds. There is no explanation as to why we are receiving a lessor amount. The only way these funds will be recouped is by a local tax levy.

Mr. Merrill also explained that property taxes should be decreased within the City. The area of concern for the city is the commercial-residential property tax decrease.

Truth In Taxation hearing is not required this year because of the late session. It would be the City's option to hold a hearing, but the publication requirements would not have to be met. A public notice will go out to the property owners if such hearing is scheduled.

The biggest concern for the City is that we are one of the very few cities losing state aids. Mayor Torgerson asked Mr. Merrill to research it further. Mr. Merrill explained that he has spoken to the League of MN Cities and they informed him that the only thing that can be done is the fact that the formula needs to be looked at to ensure that the numbers are correct. Mr. Merrill will continue to keep on top of the situation.

7. UNFINISHED BUSINESS

(a) CONSIDERATION OF THE PURCHASE OF A COMBINATION SEWER MAINTENANCE JETTER/VACUUM TRUCK

Motion by Mlinar, second by Hoversten, to approve the purchase of a combination sewer maintenance jetter/vacuum truck from MacQueen Equipment, Inc. (State of MN Contract #426147, Release S-845 (5)). Motion carried unanimously.

(b) CONSIDERATION OF A VARIANCE TO INCREASE THE MAXIMUM CANOPY SIZE ALLOWANCE AND A 48 SQ FT VARIANCE FROM THE MAXIMUM TOTAL SQ FT ALLOWED IN A C-4 DISTRICT AS REQUESTED BY MURPHY OIL (WALMART) WITH STAFF RECOMMENDATION TO REJECT

Mayor Torgerson spoke with Julie Wischnack and she informed him that this item could be deferred until the next Council meeting without Murphy Oil being penalized or having to go through the application process again.

Motion by Peterson, second by Hoverten, to defer this item until Aug. 14, 2001 Council meeting. Motion carried unanimously.

8. **NEW BUSINESS**

(a) CONSIDERATION OF AIRPORT IMPROVEMENT PROGRAM FEDERAL GRANT

Mr. Rodeberg explained that the City's match of this grant was included in the 2001 budget. Federal Aviation Administration will pay 90% and the City's 10% of the funds will be for the pavement maintenance and snow removal equipment acquisition projects included.

Motion by Peterson, second by Mlinar, to approve Airport Improvement Program federal grant. Motion carried unanimously.

(b) CONSIDERATION OF ORDINANCE NO. 01-296 AMENDING SECTION 10.14 RELATING TO THE SIGN REGULATIONS (GAS STATIONS) (***WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR AUGUST 14, 2001***)

Mr. Rodeberg explained the changes to the ordinance. He explained that it is somewhat more lenient but not as lenient than what Murphy Oil would like. He also explained that this ordinance would be very difficult to be "fair" to all businesses. Ms. Peterson agreed that the size of the sign should be in conjunction with the size of the lot. Mayor Torgerson explained that there would not be a problem if Murphy Oil would conform with the size of other gas station signs. Mr. Hoversten suggested the Downtown Sign Committee come up with a recommendation for next meeting. Mayor Torgerson's opinion was that the Downtown Sign Committee dealt with more conformity issues amongst downtown businesses.

There were no issues with the actual ordinance. Mayor Torgerson asked Mr. Rodeberg if he had any recommendations. He thought the new ordinance and staff recommendations seemed in line. Mr. Plotz suggested having a workshop to discuss the sign ordinance. Mr. Haugen explained that the sign ordinance will not be able to please all businesses.

The Council decided to obtain more information from staff and hold a Council Workshop on August 14, 2001 to discuss the sign ordinance.

Motion by Mlinar, second by Peterson to waive first reading and set second reading for August 14, 2001. Motion carried unanimously.

Motion by Mlinar, second by Peterson to set Council Workshop for August 14, 2001 to review information from staff for second reading of ordinance.

(c) CONSIDERATION OF RESOLUTION NO. 11763 ACCEPTING BID AND AWARDED CONTRACT FOR LETTING NO. 1 PROJECT NO. 01-01 (SCHOOL ROAD SW)

This project involves milling a portion of the current bituminous surface and placing a new bituminous overlay on School Road SW from McDonald Drive SW to TH 7.

Motion by Hoversten, second by Peterson, to approve Resolution No. 11763. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

John Mlinar – Mr. Mlinar commented on the Hwy 212 Corridor meeting with Glencoe. The highway stretch from Eden Prairie to Cologne is a 65 mph speed zone. The group recommends that that speed zone stretch out to Glencoe. There were also some revisions to the Vision Statement.

Kay Peterson – The ribbon cutting ceremony was held this afternoon for the automatic doors at the Hutchinson Public Library. Also, on July 6, 2001, the National Guard delivered the tank to

the McLeod County Veterans Park

Gary Plotz – Two sub-committees of the Charter Commission have been established. One is a sub-committee working on a new chapter dealing with Hutchinson Area Health Care. A chapter has been drafted and the sub-committee will be bringing it to the Charter Commission at the next Commission meeting. The second sub-committee is working on language that should be used in the Charter as it pertains to the Utilities. That sub-committee is meeting this week and should have a draft also for the Charter Commission at the next meeting.

John Rodeberg – The SW Ring Road Open House was held last week and overall it went very well. More meetings will be held in the future. FEMA funding may be granted for the bridge. If funding is received, this will determine where the route goes dependent on where the bridge is located.. Also, Rick Kjonaas, County Engineer, has resigned and accepted another position with MnDOT.

Mr. Mlinar asked that a resolution be created to thank Rick for his services to the City. Mr. Torgerson commended John Rodeberg for his working relationships with other government agencies.

Mayor Torgerson read a certificate from the Board of Peace Officer Standards & Training. The certificate was awarded to the Hutchinson Police Department in recognition of the compliance of POST Board mandates.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Haugen, second by Mlinar to approve and authorize payment of Verified Claims A from appropriate funds

(b) VERIFIED CLAIMS B

There were no Claims B presented to approve.

Mr. Dick Schieffer, city attorney, explained that the next portion of the meeting will be closed due to the fact that the Council has asked for legal advice in regards to the BioSolids fire. Members present at the closed meeting would consist of the Mayor and Council, Gary Plotz, City Administrator, Melissa Starke, Council Secretary, Randy DeVries, Director of Water/Wastewater Treatment Facility, and City Attorneys Dick Schieffer and Marc Sebor.

Mr. Schieffer went into some detail in regards to the events that have been happening since the fire. Following the fire, he and Marc Sebor made the decision to shut down the facility so that no information or equipment could be altered. There are various sub-contractors that worked on the facility and each of them wanted their own opportunity to do an examination of the site so as to disprove their role in regards to the fire. The League of MN Cities had a fire expert on site and coordinated other fire experts to conduct examinations of the site. Those examinations were completed in May. The computer at the site was also downloaded and that disc will be distributed to the appropriate parties.

The general contractor of the project, McCormick, has notified the City of Hutchinson that they will pay the re-construction costs, however they reserve the rights to sue the City or whomever they so choose in regards to the cause of the fire. Mr. Schieffer stated that notice of claim exceeding \$300,000 had been received, including an allegation that certain controls had been incorrectly set by city employees, and that certain parts of the equipment had not been properly cleaned. He indicated that a discussion of legal strategy is advisable because the insurance company sending the notice of claim would be suing for reimbursement. In addition, Mr. Schieffer stated that the city authorized the rebuilding of the facility, but reserved it's right to claim improper design and construction, and these legal issues should be discussed.

CITY COUNCIL MINUTES – JULY 24, 2001

Mr. Schieffer also explained the Open Meeting Law. He explained the first leg of the law states that if there is threatened or impending litigation, the City Council has the right to a closed meeting to obtain legal advice from their attorneys. The second leg of the law states that the legal advice given does have to be specific to the threatened or impending litigation and not miscellaneous matters.

Terry Davis, reporter from the Hutchinson Leader, voiced an official objection to the closing of the meeting. His reasoning was that the filing of a contractor after an accident is very standard. Mayor Torgerson explained that the Council will be taking the advice of their legal counsel and will be closing the regular meeting. Mr. Hoversten stated that the reason for the closed meeting is that legal counsel was seeking direction from the City Council and it was not just a regular session of legal communication. Mr. Mlinar excused himself from the meeting.

Motion by Peterson, second by Hoversten to close the regular City Council meeting. Motion carried unanimously. The regular Council Meeting was closed at 6:30 p.m.

11. ADJOURN

The regular meeting resumed at 7:25 p.m. With no further business to discuss the meeting adjourned at 7:26 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, AUGUST 14, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Councilmembers Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten were present. Also present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works and Marc Sebor, City Attorney.

2. **INVOCATION** – Rev. Sam Grozdanov, Shalom Baptist Church, delivered the invocation

3. **MINUTES**

(a) REGULAR MEETING OF JULY 24, 2001

With a date change on the header information, the minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. BUILDING DEPARTMENT MONTHLY REPORT FOR JULY 2001
2. HUTCHINSON PUBLIC LIBRARY BOARD MEETING MINUTES FROM JULY 24, 2001
3. FIRE DEPARTMENT MONTHLY REPORT FOR JULY 2001
4. HUTCHINSON UTILITIES COMMISSION FINANCIAL REPORT FOR JUNE, 2001
5. PIONEERLAND LIBRARY SYSTEM FINANCIAL REPORT FOR JUNE 2001
6. CHARTER COMMISSION MEETING MINUTES FROM JULY 30, 2001

(b) RESOLUTIONS AND ORDINANCES

1. ORDINANCE NO. 01-296 - AN ORDINANCE AMENDING SECTION 10.14 RELATING TO THE SIGN REGULATIONS (GAS STATIONS) (SECOND READING AND ADOPTION)
2. RESOLUTION NO. 11771 – RESOLUTION APPROVING PARTICIPATION IN A GRANT PROCESS THROUGH THE MINNESOTA HISTORICAL SOCIETY
3. RESOLUTION NO. 11770 – RESOLUTION ESTABLISHING JOINT AND COOPERATIVE AGREEMENT FOR USE OF POLICE PERSONNEL AND EQUIPMENT

(c) CONSIDERATION OF TRANSIENT MERCHANT LICENSE FOR JAN'S CLOSET DBA PLUS AT A PRICE TO SELL CLOTHING AT THE NATIONAL GUARD ARMORY ON AUGUST 15, 2001 (RECOMMEND DENIAL)

(d) CONSIDERATION OF SHORT TERM GAMBLING LICENSE FOR DUCKS UNLIMITED ON SEPTEMBER 6, 2001

(e) CONSIDERATION OF RETAIL OFF-SALE NON-INTOXICATING LIQUOR LICENSE FOR WALMART SUPER CENTER

(f) CONSIDERATION OF TRANSIENT MERCHANT LICENSE FOR HOMIER

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DISTRIBUTING, INC. TO SELL TOOLS AT THE NATIONAL GUARD ARMORY ON AUGUST 28, 2001

- (g) REQUEST TO SET A PUBLIC HEARING FOR AUGUST 28, 2001, TO REVIEW THE RE-SUBMISSION OF THE FRANKLIN-GROVE NEIGHBORHOOD SMALL CITIES REHAB GRANT APPLICATION
- (h) CONSIDERATION OF OUT-OF-STATE TRAVEL FOR STEVE MADSON, CHRIS DOBRATZ AND TOM KLOSS TO TRAVEL TO DES MOINES, IA TO MEET WITH REPRESENTATIVES OF THE IOWA DIVISION OF CRIMINAL INVESTIGATION
- (i) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 3, LETTING NO. 3, PROJECT NO. 01-09

Items 4(b)1 and 4(c) were pulled for further discussion.

Motion by Mlinar, second by Haugen, to approve the consent agenda with the exception of Items 4(b)1 and 4(c). Motion carried unanimously.

Item 4(c) – Mayor Torgerson explained that initially this license was recommended for a denial. After further investigation by the Hutchinson Police Department, the recommendation was changed to approve.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

7. **UNFINISHED BUSINESS**

- (a) CONSIDERATION OF A VARIANCE TO INCREASE THE MAXIMUM CANOPY SIZE ALLOWANCE AND A 48 SQ FT VARIANCE FROM THE MAXIMUM TOTAL SQ FT ALLOWED IN A C-4 DISTRICT AS REQUESTED BY MURPHY OIL (WALMART) WITH STAFF RECOMMENDATION TO REJECT (ADOPT RESOLUTION NO. 11727) (DEFERRED FROM JULY 24, 2001)

Julie Wischnack, Director of Planning/Zoning/Building, reminded the council that staff had recommended denial of this variance.

Motion by Haugen, second by Hoversten to deny the variance as requested by Murphy Oil. Motion carried unanimously.

Item 4(b)1 – Julie Wischnack proposed a new sign ordinance in relation to gas stations to the Council. She explained that with the opening of Murphy Oil, some canopy signage issues were raised which prompted Planning Staff to review the current sign ordinance. Ms. Wischnack explained that the current ordinance did not address the issue as to when a business has no building on site. The new ordinance proposed will address the small size of building sites or no building sites at all. She further explained that Staff had done intensive research on other cities' gas station signage ordinances which aided them in the creation of the new ordinance. She also reminded the council that this new ordinance only pertains to gas stations.

The changes to the ordinance are: 1) signage on canopies shall be limited to 10% of the total square footage of the canopy; and 2) the total square footage of the canopy and/or total gas station signage shall not exceed 250 square feet.

Ms. Wischnack also explained that this ordinance will not make the majority of other gas stations non-conforming.

Councilmember Hoversten commented that Staff had provided pictures of various signs throughout the community to the council for comparison. Councilmember Peterson

CITY COUNCIL MINUTES – AUGUST 14, 2001

explained that there are gas stations throughout Minnesota that do not have any buildings and noted that our old ordinance did not address these issues.

Motion by Peterson, second by Haugen, to approve the second reading of the sign ordinance. Motion carried unanimously.

Ms. Wischnack explained how this ordinance pertains specifically to Murphy Oil and how their new signage will look. This does not meet all of Murphy Oil's requests, but it does give them more flexibility.

Mr. Glenn Woelfel, Little Dukes, explained that his company does not approve of the new ordinance. With Little Duke's property taxes being triple of Murphy Oil's, he feels that Murphy is at an advantage. He stated that Cash Wise is a progressive and community-oriented company and they feel that the old ordinance should remain in place.

8. NEW BUSINESS

(a) CONSIDERATION OF ALTERNATIVES TO THE SALE OF THE 1975 SEAGRAVE LADDER TRUCK

Brad Emans, Fire Chief, noted that the new fire trucks have arrived and invited the Council, staff and community to "check them out" after the Council meeting.

Kay Peterson abstained from this discussion.

Brad Emans explained that the fire department had brainstormed three options to sell the 1975 Seagrave ladder truck. He also explained that they had done everything they could to sell the truck by advertising its sale. However, the highest bid they received for the truck was \$1500. Mr. Emans stated that there really is no market for a truck of this age and that the Hutchinson Fire Department no longer has a use for it. Mr. Emans was asking for a recommendation from the Council.

Mayor Torgerson's opinion is to sell it to a neighboring community for \$100. However, he felt there should be a stipulation that they need to retain the truck for their use and not sell it for salvage. If they would decide to sell it, it would have to come back to the City of Hutchinson.

Councilmember Mlinar agreed that Hutchinson has gotten their use out of the truck. He also expressed the thought that another community may very well be able to use it. The Public Relations is also beneficial to the community of Hutchinson. Mlinar feels that if there is an entity out there that can use the truck, they should be able to have it without cost. This question was brought forward to Marc Sebora, city attorney, as to whether or not we actually had to receive payment for the truck.

Mr. Sebora stated there is no requirement to receive payment for it. However, he raised the point as to whose responsibility it would be to make sure the truck is maintained in another community. Mr. Emans was not concerned with this issue. Mr. Emans has been contacted by two fire departments that are interested in the truck. If it turns out that these other two departments are not interested, then the high bid of \$1500 should stand. Mr. Haugen stated that the maintenance stipulation needs to have an expiration date. Mayor Torgerson asked for Mr. Emans to further research if there are communities seriously interested in the truck and bring the information back to the Council.

Motion by Mlinar, second by Haugen to authorize Mr. Emans to further research interested communities and report to the Council on August 28, 2001 with his findings. Motion carried unanimously.

(b) CONSIDERATION OF PROPOSED FUNDING AGREEMENT FROM MINNESOTA DEPARTMENT OF TRANSPORTATION FOR AIRPORT IMPROVEMENT PROGRAM

CITY COUNCIL MINUTES – AUGUST 14, 2001

Motion by Mlinar, second by Hoversten to approve proposed funding agreement from Minnesota Department of Transportation for Airport Improvement Program. Motion carried unanimously. John Rodeberg, Director of Engineering/Public Works, explained that this parallels the federal agreement that was approved previously.

(c) CONSIDERATION FOR APPROVAL OF RENEWAL OF INSURANCE POLICIES

Dennis Potter, Insurance Planners, explained that the renewals are up about 25% this year due to more exposure, bigger budgets and the amount of property that was obtained. He explained in detail each item and its increase.

Motion by Mlinar, second by Peterson to approve the renewal of insurance policies. Motion carried unanimously.

(d) CONSIDERATION FOR APPROVAL OF THE SALE OF 2001 IMPROVEMENT BONDS

Jim Prosser, Financial Consultant from Ehlers & Associates, Inc. reviewed the Bond Sale Report. He explained that there are ten improvement projects with a total cost slightly over \$3 million and that approval is being asked for the assessed and levied portions. This will be a level debt service that is gradual and with a smooth transition. The call provision will be in the year 2009 which allows for refund if interest rates are lower. The interest rates are at 4 ½% to 5% on bonds.

The issuing process would be scheduled as follows: distribute official statement week of August 20; bond sale August 28, closing September 13, 2001.

John Rodeberg explained that the post office project was dropped and that all projects came in appropriately in regards to cost.

Motion by Peterson, second by Hoversten to approve sale of improvement bonds. Motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

John Mlinar - Mr. Mlinar brought up the point that there has been discussion in regards to only having one reading of an ordinance. He stated that it is very beneficial to have two readings of ordinances as demonstrated with the sign ordinance.

He also reminded the community that they are invited to the City Council Workshops as they are not only for City Council members.

Duane Hoversten – Mr. Hoversten thanked the police department for their assistance with the National Night Out.

Gary Plotz – Mr. Plotz gave an update as to what was discussed at the Leadership Team Meeting that morning. Discussion occurred in regards to the following: Insurance coverage changes and change of agent; fire dept finances; 2001 improvement bond financing; report on city budget – budgets have been submitted and we are waiting on information from the state (numbers from LGA were incorrect and have been narrowed); consideration of workshop to discuss the budget; dates for filing of public office; information technology and telephone policy (internal use of city computers); township action – joint annexation (Hwy 7 East) - a portion of the area has been removed and will be coming back to the council for recommendation for a decision; sign ordinance; update on arena operations; additional treatment at the water plant (membrane filtration system) – Mr. Plotz recommends researching consultants to look at alternatives to the water treatment project; liquor store expansion (Nash Finch unable to meet) so this needs to be rescheduled

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Mr. Plotz asked for official action in regards to appointing a committee to create a consultant list for the water treatment plant. Hoversten and Haugen were appointed to lead the group.

Motion by Mlinar, second by Peterson, to approve a group be formed to research consultants for the water treatment plant. Motion carried unanimously.

Mr. Plotz also asked for official action in regards to setting a workshop to review the 2002 budget.

Motion by Haugen, second by Mlinar, to set a Council Workshop for August 28, 2001 at 4:00 p.m. to review the 2002 budget. Motion carried unanimously.

John Rodeberg - Mr. Rodeberg explained that a bituminous overlay project will start on School Road between State Highway 7 and the High School this Thursday. He asked the public to please use an alternate route if travel is not required on this road. It is hoped that the project will be complete by the time school starts, dependant on weather and potential conflicts during construction.

There is a second project at the intersection of School Road and South Grade Road. This project should be completed this week.

Mayor Torgerson – reiterated that the new ladder truck and rescue truck will be outside the City Center after the Council meeting for public viewing. He also noted that he accompanied the fire department staff to Appleton, WI to obtain the new trucks. He commended the fire dept for their selection of the fire trucks.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

With Hoversten abstaining, there was a motion by Mlinar, second by Peterson, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Mlinar, second by Peterson, to approve and authorize payment of Verified Claims B from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 6:35 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, AUGUST 28, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Councilmembers Jim Haugen, John Mlinar, Kay Peterson and Duane Hoversten were present. Also present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering/Public Works and Marc Sebor, City Attorney.

2. **INVOCATION** – Rev. Sam Grozdanov, Shalom Baptist Church, delivered the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF AUGUST 14, 2001

(b) BID OPENING OF AUGUST 22, 2001 FOR POLYMER FEED SYSTEM

Gary Plotz, City Administrator, explained that this polymer feed system is for the Wastewater Treatment Facility. The current system is 15 years old and is in constant need of repair. Haugen questioned if the City could accept only one bid. Marc Sebor explained that it is acceptable when all proper actions have been taken to solicit bids.

Motion by Peterson, second by Haugen, to approve minutes as presented

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES FROM JULY 5, 2001
2. PIONEERLAND LIBRARY SYSTEM BOARD MINUTES FROM JUNE 21, 2001
3. HUTCHINSON POLICE COMMISSION MINUTES FROM JUNE 25, 2001
4. HUTCHINSON POLICE COMMISSION MINUTES FROM MARCH 27, 2001
5. HUTCHINSON AREA HEALTH CARE BOARD MEETING MINUTES FROM JULY 17, 2001
6. HUTCHINSON AREA HEALTH CARE FINANCIAL REPORT FOR JULY, 2001
7. CITY OF HUTCHINSON FINANCIAL REPORT FOR JULY, 2001
8. CITY OF HUTCHINSON REPORT ON INVESTMENTS FOR JULY, 2001
9. HUTCHINSON PLANNING COMMISSION MINUTES FROM JULY 17, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11778 – A RESOLUTION AMENDING CITY OF HUTCHINSON RESOLUTION NO. 11757
2. RESOLUTION NO. 11780 – A RESOLUTION ESTABLISHING INCOME GUIDELINES AND ASSET LIMITATIONS FOR SENIOR CITIZENS
3. RESOLUTION NO. 11781 – RESOLUTION TO SELL AT AUCTION UNCLAIMED PROPERTY

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **VARIANCE** TO REDUCE THE FRONT YARD SETBACK FROM 25' TO A 0' SETBACK AND A **CONDITIONAL USE PERMIT** TO CONSTRUCT A GARAGE LARGER THAN 1,000 SQUARE FEET AS REQUESTED BY MICHAEL SCHLUETER, 405 MONROE ST WITH DENIAL RECOMMENDED BY THE PLANNING COMMISSION (ADOPT RESOLUTION NO. 11775)
2. CONSIDERATION OF A **VARIANCE** TO REDUCE THE REQUIRED BOUNDARY SETBACK FOR THE PLACEMENT OF MANUFACTURED HOMES AS REQUESTED BY JEFF MUNSELL, COUNTRY CLUB TERRACE, 448 CALIFORNIA STREET NW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11774)
3. CONSIDERATION OF A **VARIANCE** TO REDUCE THE REQUIRED FRONT AND SIDE YARD SETBACK FOR THE LOT-SPLIT AT PLAZA 15 AS REQUESTED BY THE CITY OF HUTCHINSON WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11776)

(d) APPOINTMENTS TO PARK & RECREATION/COMMUNITY EDUCATION ADVISORY BOARD

1. JAY BEYTIEN – REAPPOINTMENT TO YEAR 2004
2. BERNIE MINER – REAPPOINTMENT TO YEAR 2004
3. PEGGY WESTLUND – FILLING VACANCY TO YEAR 2004
4. CLAIRE LENZ – NEW APPOINTMENT TO YEAR 2004

(e) CONSIDERATION OF ACCEPTING BIDS FOR SECURITY SYSTEM UPGRADES AT HUTCHINSON AREA HEALTH CARE

(f) CONSIDERATION OF ACCEPTING BID AND AWARDED CONTRACT TO VESSCO INC. FOR PURCHASE OF POLYMER FEED SYSTEM

Item 4(b)1 - Julie Wischnack, Director of Planning/Zoning/Building updated the Council on the changes made to the resolution regarding the annexation issues. Boundaries have changed in the immediate annexation areas with the removal of 12.2 acres. Ms. Wischnack also explained some concerns that the City has if Hennen's Furniture does not develop in the immediate future. There are considerable costs that will be incurred for water and utility hook ups in order for development in that area. Concerns mainly relate to who would incur those costs. This issue may be covered in a development agreement with a future developer.

Mayor Torgerson's opinion was that a developer would need to pay upfront costs and that it would not be the taxpayer's responsibility to cover these costs.

Motion by Mlinar, second by Peterson, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M.**

(a) REVIEW THE RE-SUBMISSION OF THE FRANKLIN-GROVE NEIGHBORHOOD SMALL CITIES REHAB GRANT APPLICATION

Jean Ward, HRA Executive Director, presented a Power Point presentation on the re-submission of the grant application. This presentation will be included with the minutes in the next City Council packet.

Mayor Torgerson asked if there were any members of the audience that wished to be heard.

CITY COUNCIL MINUTES – AUGUST 28, 2001

Duane Hoversten noted that the last Small Cities Development Project was a huge success and this would greatly benefit the residents of this area.

Mary, resident from the area, questioned whether or not property taxes would raise after improvements were made. Jean Ward explained that Minnesota statute (“This Old House”) provides for exemption from the property tax for all or a portion of the value of improvements made to homes 35 years of age or older. This law is effective for improvements made through January 2, 2003.

Ms. Brown, resident of the area, stated this would very much help her with improvements to her home.

Motion by Mlinar, second by Peterson, to close public hearing. Motion carried unanimously.

Mlinar asked what had changed that this grant needs to be re-submitted. Jean Ward explained that the first application was denied by only 2.5 points. The HRA obtained more leverage funds from rural development and from First Federal. Because they were so close the first time, it was recommended to them to reapply again.

Motion by Mlinar, second by Haugen, to approve the Franklin-Grove Neighborhood Small Cities Grant Application. Motion carried unanimously. With the approval of this grant application, Resolution No. 11782 was adopted.

6. COMMUNICATIONS, REQUESTS AND PETITIONS

(a) REQUEST TO BE HEARD FROM JUDY OLSON REGARDING THE DENIAL OF THE SALE OF EGGS TO MINORS BY LOCAL GROCERY STORES

Judy Olson, citizen of Hutchinson, explained that she had sent her children to two local grocery stores to purchase eggs and they were denied due to an agreement between the police department and the grocery stores to not allow the sale of eggs to minors. Ms. Olson feels that this is a poor mechanism to use to control vandalism with children. Ms. Olson suggested that the City Council look at alternatives to control vandalism, such as rewards to kids that will inform the police department of other kids that are taking part in such activities. She requested that a policy be put in place to adopt disciplinary actions in regards to vandalism.

Mayor Torgerson noted that “egging” vandalism has reduced in the last few years and that the Council will look at the issue and may be able to become more lenient.

7. UNFINISHED BUSINESS

(a) CONSIDERATION OF ALTERNATIVES TO THE SALE OF THE 1975 SEAGRAVE LADDER TRUCK

Marc Sebor, City Attorney, stated that the City of Winsted has agreed to purchase the above mentioned truck for \$100 and for a 5-year agreement under certain criteria established by the City. The Council was provided with a copy of a purchase agreement the Mr. Sebor had created. Stipulations required by the City are that the City of Winsted maintain the truck in good operating condition, that they will make the truck available to the City of Hutchinson if needed in mutual aid situations and if the City of Winsted does not comply with the required conditions, the truck would be returned to the City of Hutchinson upon immediate demand.

Mlinar commented that this is a very good use of tax dollars. Hoversten commented that he has been informed that the City of Winsted is very excited about this purchase.

Motion by Mlinar, second by Hoversten, with Peterson abstaining, to approve the sale of the 1975 Seagrave Ladder Truck to the City of Winsted. Motion carried unanimously.

8. **NEW BUSINESS**

(a) CONSIDERATION OF PURCHASING A 1997 MACK DUMP TRUCK

Mr. Rodeberg explained that staff has researched various options to purchase an updated dump truck. Based on recommendations, a 1997 Mack RD690S chassis was chosen.

Motion by Haugen, second by Peterson, to approve the purchase of a 1997 Mack dump truck. Motion carried unanimously.

(b) CONSIDERATION FOR PURCHASE OF FIRE AND PUBLIC WORKS RADIO COMMUNICATIONS SYSTEMS

Motion by Hoversten, second by Mlinar, to table this item until a future meeting . Motion carried unanimously.

(c) CONSIDERATION OF RESOLUTION NO. 11779 AWARDED BIDS FOR 2001 GENERAL OBLIGATION IMPROVEMENT BONDS

Steve Ehlers, Ehlers & Associates, explained that these general improvement bonds are sold each year for water, sewer, street projects. Moody's Investor Service has reconfirmed the A3 rating for the City. Seven bids were received with US Bank/Piper Jaffrey having the lowest bid. Mr. Ehlers noted that obtaining 10-year money at 4 ½ % is very good. This resolution needs to be passed and then Ehlers will notify the bidder of the award.

Motion by Hoversten, second by Peterson, to approve Resolution No. 11779. Motion carried unanimously.

(d) CONSIDERATION OF ORDINANCE NO. 01-299 AMENDING CHAPTER 6, ENTITLED "OTHER BUSINESS REGULATION AND LICENSING" BY ADDING SECTION 6.50, "PROHIBITING SMOKING IN RESTAURANTS AND LIQUOR ESTABLISHMENTS" (*WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR SEPTEMBER 11, 2001*)

Gary Plotz explained background information regarding smoking restrictions in restaurants. In Spring 2001, Marc Sebor, City Attorney, was asked to draft an ordinance regarding smoking restrictions in restaurants. At that time the Council asked for further research before an ordinance adoption. Mr. Plotz explained that a survey had been sent out to local restaurants regarding smoking restrictions. Mr. Plotz reviewed the survey results with the Council. Further research was done on how to present the proposed restrictions to the city. The League of Minnesota Cities informed the City that the City Council cannot delegate the adoption of an ordinance to the city at large. Per legal research that was conducted, the Council would first need to either reject or accept the ordinance and then have it presented to citizens.

Marc Sebor noted that several meetings were held in the past with restaurant owners. Sebor's interpretation was that restaurant owners would not necessarily be against restrictions as long as it was uniform amongst local establishments. Sebor explained that the ordinance presented would prohibit smoking in local restaurants with the exception of clubs. He also explained that penalties would be served to restaurant owners if smoking was allowed and/or if they provided smoking accessories (i.e. matches, ashtrays).

Gail Plaisance, owner of Hutch Bowl, expressed that he feels "hurt" in regards to the ordinance proposed. No notification was sent to those affected in regards to this agenda item. Mr. Plaisance suggested having restaurant owners sit down again with the Council and work out the details of the ordinance so that it can meet everybody's needs. He requested only the people effected be present (Councilmembers and restaurant owners, not smoke-free coalition members).

Mr. Mlinar explained that this is only the first reading and no final action will be made

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tonight. Mr. Plaisance feels that this ordinance may in effect have to make business owners close their doors due to financial problems.

Mayor Torgerson stated that in a previous conversation he had with Mr. Plaisance, it was stated that the ordinance would effect restaurants and not Mr. Plaisance's business due to the fact that his business was not categorized as a restaurant. Things have changed and now Mr. Plaisance's business would be in the restaurant category. Mr. Plaisance feels that it is possible his establishment could also be classified as a private club.

Jean Johnson, McLeod County Public Health, presented some information on second-hand smoke. Information on illnesses, cancer and disease in relation to second-hand smoke was presented.

Jeremy Hanson, MN Smoke Free Coalition, handed out a packet of information to the Council titled, "Economic Benefits of Smoke-Free Ordinances". Mr. Hanson presented that this information illustrates that smoke-free ordinances do not harm businesses, but actually increases business.

Adam Ling, student at HHS, voiced that as a young adult working at a smoking-allowed restaurant, it does effect him. He stated that he agreed that the restaurant owners and councilmembers definitely should work together on the ordinance. He wanted it to be known that young people do appreciate the concern of city officials in regards to this issue.

Judy Olson, concerned citizen, stated that she has asthma and is unable to frequent some establishments due to the extreme second-hand smoke that is present. She also noted that her husband obtained health problems due to second-hand smoke.

Hoversten commented that he has done extensive research on this issue. He does have concern on how it will effect the small business owners. He has met with some restaurant owners and they have brainstormed the impact of such an ordinance. Mr. Hoversten voiced that this is a serious health concern and the questions need to be answered as to whether or not the city should do something.

Kay Peterson noted that she feels it is not her decision as a city official to tell a local business how to run their establishment.

Jay Landreville, Lamplighter Lounge, stated that at an earlier meeting he was under the understanding that it was decided that the ordinance would effect all restaurants and not exclude clubs. His concern was that this ordinance excludes clubs and would hurt his business after a certain hour.

Jerry Messner, concerned citizen, stressed the responsibility of the local government. He proposed an example of desegregation and the fact that the government had to make the decision to allow African Americans the same rights as White Americans.

Evelyn Swanson, concerned citizen, commented on the Duluth ordinance and the fact that it was revised and updated to meet needs of work places within the community. She asked the council if this will effect all work places. Mayor Torgerson stated the council will look at this situation.

Becky Felling, citizen of Hutchinson and Public Health nurse, spoke in addition to Mr. Messner's comments in regards to government making the final decision to keep the air clean for all citizens.

Denise Sertell (sp.), McLeod County Public Health, noted that the County adopted a policy on restrictions as to where smokers could smoke outside their work building. She stated that this policy went into effect with no ill effects.

Matt Woefel, Country Kitchen, spoke before the council stating that the restaurant owners do not want to offend non-smokers nor smokers. He requested that the owners and Council

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work together on this issue.

Judy Olson made the comment that people that smoke amongst other non-smokers do harm other people in the area and it is a serious health issue and that smokers need to be accountable of their actions to other people.

Hoversten asked Marc Seboria if a first reading was adopted can changes be made before the second reading. Mr. Seboria stated if more restrictions are added a third reading may be needed. If the ordinance becomes more lenient a second reading should suffice.

Hoversten was concerned with children in the workplace. He feels that the ordinance should possibly include work places and not just bars/restaurants. Mr. Seboria stated that a third meeting would definitely be needed to accomplish these changes.

Mr. Haugen stated that an additional meeting should be held with business owners in regards to the ordinance before the next reading.

Jay Landreville commented that if work places were going to be considered, it should be considered now and not at a later date.

There was discussion as to how many work places there may be in the community that currently restrict smoking.

Motion by Hoversten, second by Mlinar, to approve first reading of Ordinance No. 01-299 and set second reading for September 11, 2001 with a meeting with business owners to be held before the second reading. When vote for motion was held, Councilmember Peterson voted nay. Roll call was taken with the following results: Haugen – I, Mlinar – I, Peterson – nay, Hoversten – I, Torgerson – I. Motion carried 4 to 1.

Pause for tape change.

Meeting called back to order at 7:05 p.m.

(e) CONSIDERATION OF AUTHORIZING STAFF TO SOLICIT BIDS FOR SALE OF FOUR INVESSEL COMPOSTING BINS WITH SYSTEM CONTROLS

Motion by Mlinar, second by Haugen, to approve . Motion carried unanimously.

(f) CONSIDERATION OF ENTERING INTO AGREEMENT WITH THE STATE OF MINNESOTA FOR A \$1 MILLION DOLLAR GRANT FOR EVENT/COMMUNITY CENTER

Mr. Schieffer, City Attorney, presented on the grant contract with the State of MN. Mr. Schieffer stated the history of this grant and the fact that last March the Council had voted unanimously to allow Mayor Torgerson and City Administrator Plotz to sign the grant agreement with the State of Minnesota. There were some errors in language in the original agreement presented by the state that Dolf Moon, Director PRCE, and Mr. Schieffer had requested be changed. Those changes were made, however the errors were not removed. Mr. Schieffer and Mr. Moon will have a meeting with the State of MN to obtain a new agreement with all required changes. Mr. Schieffer noted that the changes are very minor and that there should be no delay with the Wold Architect contract. Once the appropriate changes are made, proper signature will be obtained by Mayor Torgerson and Mr. Plotz and will be sent into the State of Minnesota.

(g) CONSIDERATION OF ENTERING INTO AGREEMENT WITH WOLD ARCHITECTS AND ENGINEERS TO SUPPLY ARCHITECTURAL SERVICES FOR EVENT/COMMUNITY CENTER

Motion by Hoversten, second by Haugen, to approve entering into agreement with Wold Architects to supply architectural services for event/community center. Motion carried

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unanimously.

- (h) CONSIDERATION OF ORDINANCE NO. 01-297 AMENDING SECTION 3 RELATING TO THE DEFINITIONS OF LOT REAR AND YARD, REAR (*WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR SEPTEMBER 11, 2001*)

Mr. Rodeberg explained that the changes are clarifications with the definitions.

Motion by Haugen, second by Mlinar, to approve first reading of Ordinance No. 01-297. Motion carried unanimously.

- (i) CONSIDERATION OF ORDINANCE NO. 01-298 AMENDING SECTION 8 RELATING TO DRIVEWAY SETBACKS FOR RESIDENTIAL ZONED PROPERTY (*WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR SEPTEMBER 11, 2001*)

Mr. Rodeberg explained this amendment allows older driveways to be 3' from the property line if they are already 3' from the property line. There was concern by staff over all the variances that would need to be issued for these older driveways to meet the 5' requirement and was much easier to make the amendment to this ordinance.

Motion by Haugen, second by Peterson, to approve first reading of Ordinance No. 01-298. Motion carried unanimously.

- (j) CONSIDERATION TO PURCHASE AIRPORT WHEEL LOADER WITH SNOW REMOVAL EQUIPMENT FROM ST. JOSEPH EQUIPMENT, INC.

Mr. Rodeberg noted that this is the actual purchase from the Airport Improvement Fund agreement that was approved.

Motion by Hoversten, second by Peterson, to approve purchase of airport wheel loader with snow removal equipment. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

Haugen – Mr. Haugen thanked all of the citizens that were in attendance tonight regarding the smoke free ordinance.

Mlinar – Mr. Mlinar requested that a meeting be scheduled with restaurant/club owners for 7:00 p.m. on Thursday September 6, 2001

Motion by Mlinar, second by Haugen to schedule meeting with restaurant/club owners for Thursday September 6, 2001 at 7:00 p.m. Motion carried unanimously.

Hoversten – Mr. Hoversten thanked the community for contacting councilmembers by phone and in person with issues. He stressed that it is greatly appreciated.

Plotz – Mr. Plotz explained that there was a Budget Workshop earlier that day. He requested that an additional Workshop be scheduled for September 11, 2001 at 4:00 p.m. to further review the budget. Hoversten explained that due to so many legislative changes, it is very hard to determine what numbers will be available and agreed that another workshop should be held.

Motion by Peterson, second by Mlinar to set a budget workshop for September 11, 2001, at 4:00 p.m.

Rodeberg – Mr. Rodeberg stated that most major work has been done on School Road and the project should be complete by the end of the week (weather permitting). There is a project occurring on South Grade Road that hopes to be completed by next week as well.

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Mayor Torgerson commented that the road improvements that have occurred the past two weeks are a prime example that a third site needs to be looked at for a bypass. Mr. Rodeberg stated that work is being done on locating a third site. Mayor Torgerson commended John and his staff on the projects that were completed this season.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Peterson, second by Haugen, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 7:25 p.m.

MINUTES
SPECIAL MEETING – HUTCHINSON CITY COUNCIL
THURSDAY, SEPTEMBER 6, 2001

Purpose: To discuss potential smoking restrictions within the community

Mayor Torgerson called the meeting to order at 7:00 p.m. Members present: Mayor Torgerson, Jim Haugen, John Mlinar, Kay Peterson, Duane Hoversten. Also present were: Gary Plotz, City Administrator, Marc Sebor, City Attorney and Melissa Starke, Recorder.

Mayor Torgerson noted that HCVN was taping this meeting and that it would be broadcasted at a later date.

Mayor Torgerson presented a letter from Jerome Green from Morgan, MN. This letter was expressing the idea that second-hand smoke does not cause lung cancer or any other such diseases.

Mayor Torgerson gave a brief history as to how this issue came about. Last November, Mayor Torgerson posed a question to the Council as to if there was an interest in smoking restrictions within the city. The Mayor was confronted by a business owner and a couple of private citizens with this issue. Following that meeting, a letter was sent out to restaurants and bars posing this same issue to receive their input. The Mayor also shared some comments with the audience that were received by the Duluth City Council.

Gary Plotz stated that he received a phone call from the Chamber of Commerce Director from Cloquet, MN. She explained to Mr. Plotz that there are two questions on their ballot for November to either totally remove the smoking restrictions or to change the restrictions.

There was discussion in regards to the 15% decrease in sales tax and how cities would be able to administer it. Ken Rocklers, Executive Director of Bowling Proprietors Association of Minnesota gave an explanation as to how Duluth had problems administering the 15% decrease.

Mayor Torgerson went on to explain that the City sent out a survey to Hutchinson residents and he proceeded to explain the results of that survey. Mayor explained that he had received approximately 300 phone calls in response to the smoking restrictions. 250 of those calls were in favor of an ordinance and 50 were opposed to the ordinance. Mayor Torgerson explained that he and the Council are here to serve the citizens and follow what the majority of the citizens wish.

The Mayor opened the discussion to the audience.

Gail Plaisance, Hutch Bowl, spoke before the council. Mr. Plaisance explained that the local business owners had met and that representatives from local establishments were going to present before the council.

Angie Juergens, Hutch Café, explained that her business has been in Hutchinson for 32 years. Ms. Juergens read a letter from a café owner in Duluth who's business has declined immensely due to the smoking ban. Ms. Juergens explained that some of her customers have told her that this will effect her business.

Jay Landreville, Lamplighter Family Sports Bar & Grill, presented to the Council that he had circulated a petition to his customers and that the overall vote was that they felt that they have their own choice as to what establishments they want to patronize.

Gail Plaisance, Hutch Bowl, stated that he is a non-smoker and that his business is located in Hutchinson. He has much concern about the loss of business that he is threatened with if this ordinance is passed. Mr. Plaisance conducted a two-day survey of 281 of his customers. The survey was completed mainly by non-smokers with the majority vote stating that smoking restrictions should be regulated by the business owner. Further results of Mr. Plaisance's survey indicated that if this smoking ordinance is put in place, 1/3 of his business will not patronize his establishment. Mr. Plaisance also shared comments that were given to him on the survey. Mr. Plaisance expressed that he needs all of his customers and not just 70% of them. He also explained that he would not be able to hold state/district tournaments at his center if a smoking

restrictions are passed. These tournaments bring a lot of revenue into the City. Mayor Torgerson asked Mr. Plaisance if he has asked his customers to contact the Council. Mr. Plaisance stated that he has to some of them. The mayor stated that he has only received five or six phone calls but no calls from business owners. Mr. Plaisance explained that many of the business owners are being neutral and low-key. They do not want to upset any of their customers, whether they are smokers or non-smokers.

Mr. Mlinar stated that he has received a large amount of calls that are opposing the ordinance. Kay Peterson also stated that she has received a large amount that are opposing the ordinance. Duane Hoversten said the majority of his calls are in favor of the ordinance. The mayor stated that he is not personally pushing for this ordinance, however the majority of the calls that he has received have been in approval of the ordinance and he is making it known to the public. Mayor Torgerson explained that he and the council members are very pro-business and they do not want to see any of the businesses fail. Mayor shared some information from a Rochester bowling alley that had changed their business to smoke-free. It has been very positive for this particular bowling alley. Mr. Rockler explained that he believed that the center in Rochester has 16 lanes and doesn't allow smoking in the lanes, however there is smoking allowed in the bar that is directly adjacent to the bowling alley.

Woody Lamprecht, Bavarian Haus, presented before the Council. Mr. Lamprecht feels that clubs should be included in the ordinance. He also feels that restaurants should be able to make their own decisions whether or not to be smoke-free. His restaurant currently has a separate smoking room. Mr. Lamprecht expressed that he feels this ordinance will not effect his business too much, however he is concerned for his fellow restaurant owners. His final feeling was that the City Council should not be the decision makers on this issue and leave it in the State's hands.

Matt Woelfel, Country Kitchen, presented before the Council. Mr. Woelfel stated that the Country Kitchen in Duluth has lost 15% of their business and that this has been the worst quarter for their business in 22 years. Mr. Woelfel handed out an article from the Duluth newspaper stating that 36 out of 40 businesses had declining sales after the smoking ban was put in place. He also handed out a second article from Kenosha, WI showing that 20 businesses had declining business of 15% - 20%. He also handed out another letter from a Baker's Square restaurant stating that business decreased 7% after a smoking ban was issued. Mr. Woelfel also expressed that they want to please all of their customers.

Roger Olson, American Legion, presented before the Council. Mr. Olson commented that he has been encouraging people to call the council members and the response that he has received is that they would prefer to wait for the ballot box because the council "will not listen to them anyway". Mr. Olson stated that he was speaking on behalf of the American Legion, VFW, and the Elks Lodge. All of them want to be included in the ordinance. Mr. Olson explained that a large part of their business comes from pull tab sales. If a smoking ban is put in place, there is a large amount of people that will not patronize their businesses and they will lose a huge amount of money in pull tab sales alone. Mr. Olson stated that these clubs donate a very large amount of money to youth and families, with a large portion of the donated funds coming from pull tab sales. Scholarship programs, baseball, softball and hockey programs, as well as the band program are all supported by these clubs. Mr. Olson pleaded with the council to not pass this ordinance for the good of the youth and the community. He asked that the council give this serious consideration.

Mayor Torgerson expressed that he takes offense to the fact that people are not contacting him and the council because people believe that their minds are already made up. Mayor Torgerson listens to everything that people express to him.

Bob Gehlen, Elks member, American Legion member, presented before the Council. Mr. Gehlen presented information to the council in regards to the activities of other cities in regards to smoking bans. There are 11 out of 15 cities within Minnesota that have denied smoking bans. Mr. Gehlen also handed out resolutions from Proctor and Hermantown that deny the consideration of smoking bans within their communities. He also presented information that there is a repeal on the Duluth ballot to reverse the smoking restrictions in their city. Mr. Gehlen explained information on how the MN Smoke Free Coalition was established. He also handed out the Coalition's budget. Mr. Gehlen expressed the fact that the Hutchinson hospitality industry is upset that an outside organization is lobbying the local City Council on

dictating how local businesses should run their establishments. Mr. Gehlen handed out a sample resolution that the Council could adopt that would allow the state to mandate smoking restrictions and not city government.

Mr. Mlinar expressed his appreciation to Mr. Gehlen for the effort he put forth in providing all of the information to the Council.

Aurelio Mendez, Lindo Mexico Restaurant, presented before the council. Mr. Mendez explained that he opened his business four months ago and decided to be smoke-free. He feels that each business should have the right to decide for themselves whether they want to put in place smoking restrictions.

Randy Flagg, private citizen, presented before the council. He expressed his thoughts that he does not favor the idea of local government dictating local businesses.

Michelle Lagenhagen, business owner, presented before the council. Ms. Lagenhagen stated that statistics and surveys could favor either argument, therefore they could be misleading. She is a business owner in Hutchinson, however not the owner of a bar or restaurant. Ms. Lagenhagen expressed her thoughts that businesses and customers have rights to make their own decisions. Ms. Lagenhagen questioned where the restrictions would stop – just with smoking or further (i.e. not selling red meat, eating healthy, etc.).

Bruce Santleman, Country Kitchen, presented before the council. Mr. Santleman shared with the council how it would impact the restaurant business. He explained that this would effect his market share. Mr. Santleman feels that this is a livelihood issue with the local businesses. He expressed concern as to why restaurants are singled out for issues such as this. He is also concerned with the enforcement issue for the restaurants.

Don Pankake, American Legion, presented before the council. Mr. Pankake shared several points. He presented information with the council that a supper club in Hermantown has completely increased business due to the smoking ban in Duluth. They are right across the border and have acquired much business from the Duluth area. His second point was that the Rochester bowling alley has gone smoke free due to the owner's discretion. His third point was that a survey was taken at 3M and the overall feeling was that local government should not mandate local businesses.

A pause was taken for a tape change.

Bob Bowen, private citizen, presented before the Council. He feels that every time a law is passed, citizens lose a little more freedom. He feels that everyone should have a say in this issue and it should not be arbitrarily passed.

A waitress from Country Kitchen presented before the Council. She expressed concern that if Country Kitchen loses business, she will not be able to raise her family. She feels that patrons will go to neighboring communities where they will be able to smoke.

Ken Rockler, Exec. Director MN Bowling Proprietors Association, expressed his belief in independent choices. Mr. Rockler stated that Hutchinson would be the first city with a mandated smoke-free bowling center. He stated to the council that if Hutch Bowl becomes smoke-free, the large tournaments will not come to the community. These large tournaments bring huge amounts of money into communities. He stated that this is a business issue and not a health issue.

Bob Gehlen stated that the one business that came forward to be smoke-free has the option to be smoke-free and it should not be mandated to all other businesses to do the same.

Mark McCaleb, private citizen, presented before the council. Mr. McCaleb expressed to the council that businesses should be able to make their own decisions and have their freedom to decide how to run their business.

Duane Hoversten expressed appreciation to everyone that shared with the Council tonight. Mr. Hoversten asked for a solution to the 70% of non-smokers in the city that want to patronize only non-smoking establishments.

Mayor Torgerson stated that there are 10 restaurants in town that are smoke-free. However, they are not "finer restaurants" but rather fast-food types. There are not a lot of choices in town for the non-smokers in the city that would prefer a complete non-smoking facility.

Jay Landreville presented a solution to Mr. Hoversten's question. The 70% of the community that are non-smokers should put their money in one bank and open their own non-smoking restaurant.

Mayor Torgerson presented the ideas of what rights non-smokers have.

Kay Peterson thanked everyone for coming and that it was important to hear from everyone.

Jim Haugen stated that this is a very tough issue for the council. Mr. Haugen stated that this issue has shifted from health issues to business/economic issues.

John Mlinar thanked everyone for attending tonight. Mr. Mlinar stated that the phone calls that he has received have shifted from favoring the ordinance to opposing it. He also expressed the idea that this definitely is a health issue, but at what cost? Mr. Mlinar stated that there are many spins to this issue.

Mayor Torgerson read a letter from a concerned citizen. This letter expressed the thought of common courtesy of smokers and that it has come down to government to legislate the common courtesy of smokers. Mayor Torgerson thanked the community for attending tonight and sharing all the information that they had obtained.

The issue will be addressed at the September 11, 2001 City Council meeting.

Meeting adjourned at 9:10 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, SEPTEMBER 11, 2001**

1. CALL TO ORDER - 5:30 P.M.

Mayor Marlin Torgerson called the meeting to order at 5:30 p.m. Members present were Kay Peterson, John Mlinar, Jim Haugen and Duane Hoversten. Also present were Gary Plotz, City Administrator, John Rodeberg, Director of Engineering and Marc Sebor, City Attorney.

Mayor Torgerson asked for a moment of silence in lieu of the tragic events in New York City. Kay Peterson requested all citizens fly residential flags at half mast.

2. INVOCATION – In the absence of Rev. Scott Daniels, Vineyard United Methodist Church, the invocation was not delivered.

3. MINUTES

(a) REGULAR MEETING OF AUGUST 28, 2001

Minutes were approved as presented

4. CONSENT AGENDA

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. CHARTER COMMISSION MEETING MINUTES FROM AUGUST 6, 2001
2. HUTCHINSON HOUSING & REDEVELOPMENT AUTHORITY BOARD MEETING MINUTES FROM JULY 17, 2001
3. UTILITIES FINANCIAL STATEMENT FROM JULY 2001
4. PIONEERLAND LIBRARY SYSTEM FINANCIAL REPORT FROM JULY 2001
5. HUTCHINSON AIRPORT COMMISSION MEETING MINUTES FROM MAY 14, 2001
6. FIRE DEPARTMENT MONTHLY REPORT FOR AUGUST 2001
7. BUILDING DEPARTMENT MONTHLY REPORT FOR AUGUST 2001

(b) RESOLUTIONS AND ORDINANCES

CITY COUNCIL AGENDA – SEPTEMBER 11, 2001

1. ORDINANCE NO. 01-297 – AN ORDINANCE AMENDING SECTION 3 RELATING TO THE DEFINITIONS OF LOT REAR AND YARD, REAR (SECOND READING AND ADOPTION)
 2. ORDINANCE NO. 01-298 – AN ORDINANCE AMENDING SECTION 8 RELATING TO DRIVEWAY SETBACKS FOR RESIDENTIAL ZONED PROPERTY (SECOND READING AND ADOPTION)
 3. RESOLUTION NO. 11784 – A RESOLUTION ESTABLISHING LOCATIONS FOR TRAFFIC CONTROL DEVICES
 4. RESOLUTION NO. 11783 – A RESOLUTION TEMPORARILY SUSPENDING PARKING RESTRICTIONS ON WEST SIDE OF JEFFERSON STREET DURING ARTS & CRAFTS FESTIVAL
 5. RESOLUTION NO. 11785 – A RESOLUTION SETTING INTEREST RATE FOR 2001 ADOPTED ASSESSMENT ROLLS
- (c) APPOINTMENT OF JOHN HOULE TO HRA BOARD TO AUGUST 2002 (REPLACING JOHN PORTZ)
- (d) CONSIDERATION OF SHORT-TERM GAMBLING LICENSES FOR 3M CLUB
- (e) CONSIDERATION OF APPROVAL OF CHANGE ORDER NO. 1, LETTING NO. 6, PROJECT NO. 01-19

Item 4(b)4 was pulled for further discussion.

Mayor Torgerson suggested the property south of Shopko be used for additional parking.

Motion by Mlinar, second by Hoversten to add the property south of Shopko to the Resolution for additional parking. Motion carried unanimously.

Motion by Mlinar, second by Peterson, to approve consent agenda. Motion carried unanimously.

5. PUBLIC HEARING – 6:00 P.M. - NONE

6. COMMUNICATIONS, REQUESTS AND PETITIONS

7. UNFINISHED BUSINESS

- (a) CONSIDERATION FOR PURCHASE OF FIRE AND PUBLIC WORKS RADIO COMMUNICATIONS SYSTEMS

Police Chief Madson presented before the council. Chief Madson explained to the council the issues and failures with the current radio system. Chief Madson further explained that these are two different projects with funding coming from two different areas.

Chief Madson described the goals and solutions that these organizations have compiled to accommodate the system that they need. Chief Madson also explained the various systems that would be most usable for the departments within the City.

John Mlinar asked if scanners would still have the ability to receive the information. Chief Madson replied that that capability would still remain.

Chief Madson went into further explanation as to the specific costs to obtain the appropriate communication systems. He did stress that \$12,000 would be lost due to the funds that the City currently receives from the tower revenue. However, over the years it would be considered a wash with the use of the upgraded system and the exceptional customer service that the City would be receiving from the supplier.

Chief Madson recommended that the City enter into a partnership with Alpha Wireless as the supplier/manager to operate the UHF trunking system. The benefits of this partnership were presented to the Council.

Two issues were presented for action: 1) To approve the purchase of the system, and 2) To approve entering into a partnership with Alpha Wireless.

Marc Sebor, City Attorney, noted that the Alpha Wireless agreement meets all the City's requirements.

Motion by Mlinar, second by Haugen, to approve the purchase of the public works radio communication systems and enter into agreement with Alpha Wireless. Motion carried unanimously.

Mlinar suggested further discussion should be held in regard to the payment of this project.

Chief Madson continued on with the second portion of the project which concerns an upgraded system for the fire department. He described to the Council the current system that is being used. With the current system, there is base station interference when other cities are using the radio tower, as well as an inability to talk between hand-held radios if the distance is further than three blocks.

The project costs were explained to the Council. Chief Madson suggested an emergency generator be included with this system upgrade.

Mayor Torgerson commented that this system is more than 20 years old and should be

upgraded.

Mlinar suggested that there should be further discussion as to the payment of this project.

Motion by Peterson, second by Mlinar, to approve the upgraded communication system for the fire department.

- (b) ORDINANCE NO. 01-299 - AN ORDINANCE AMENDING CHAPTER 6, ENTITLED “OTHER BUSINESS REGULATION AND LICENSING” BY ADDING SECTION 6.50, “PROHIBITING SMOKING IN RESTAURANTS AND LIQUOR ESTABLISHMENTS” (SECOND READING AND ADOPTION)

Mayor Torgerson noted that this will be open to public comment due to the nature of the issue. Mayor played a video to the audience that was provided by Blue Cross Blue Shield.

Mayor Torgerson commented that this a serious issue for all involved.

Kay Peterson made a statement that the other council members were not aware of the video presented and was not represented by all Council members.

Jean Johnson, private citizen, presented before the council. Ms. Johnson thanked the Council for all of the research they have done in regard to this serious health issue. She explained that various citizens would be presenting health-related stories to the council.

Denise Ertl, McLeod County Public Health, reminded the council of the economic data they had received in regard to the non-effect of financial hardship to Duluth businesses after the ban was put in place, rather net sales have increased.

Cindy Sandberg, private citizen, presented before the council. Ms. Sandberg explained to the Council how smoking and second-hand smoke has effected her immediate family. She pleaded with the Council to not underestimate the danger of smoking or second-hand smoke. She stressed the impact second-hand smoke has on the teenagers that work in the food industry that are not smoke-free.

Ronda Hart, private citizen, presented before the council. Ms. Hart presented to the council the destruction that smoking had done to her mother. Ms. Hart commented on all of the public places that currently do not allow smoking (movie theater, sporting events, etc.) and how this does not seem to effect the number of people that attend these events.

Dr. Catherine McGinnis presented on the serious health effects that second-hand smoke presents, especially to pregnant women. Dr. McGinnis commented that passing this ordinance may lower the health care costs within the community. She urged the council to be proactive and be a leader among other cities.

CITY COUNCIL AGENDA – SEPTEMBER 11, 2001

Paul Veck, teenage worker at McCormick's Restaurant, presented before the council. He explained to the council the impact that second-hand smoke has on him while he is at work. Jean Johnson spoke on behalf of Bobbi Cogley, waitress at McCormick's Restaurant. Ms. Cogley wanted to express the impact that second-hand smoke has on her while at work as well.

Becky Felling, private citizen and Director of McLeod County Public Health, presented before the council. Ms. Felling presented that approximately \$3 million per year is spent in Hutchinson on health-related issues due to smoking and second-hand smoke.

Kevin Johnson, private citizen, presented before the council. Mr. Johnson shared personal issues that had evolved due to smoking and second-hand smoke. He stressed that he does not want to see the local businesses fail, however this is a health issue for the workers that are employed in these establishments.

Michael Kamrath, student at Hutchinson High School, expressed that he is in favor of the ordinance.

Bruce Eckhart, teacher at Hutchinson High School, presented before the Council. He gave visual examples of the effects of smoking and second-hand smoke. He stressed that the children in the community need the council to protect them from these health issues.

Gail Plaisance, Hutch Bowl, presented before the council. Mr. Plaisance thanked the council for meeting with the business owners last week. He also stressed that the majority of his customers agree that it should be the business owner's right to decide to be smoke-free within the establishment. Mr. Plaisance explained that he is going to be smoke-free on Sundays and evaluate how this effects his business. Mr. Plaisance also spoke on behalf of Jay Landreville, Lamplighter Bar & Grill, who has also stated that he will also be smoke-free one night out of the week during the dinner hour.

Bob Gehlen, past President of Elks Lodge, member of American Legion, presented before the Council. Mr. Gehlen reviewed the information that was presented to the Council at last week's Special City Council Meeting by the local business owners. Mr. Gehlen requested that the Council consider options in regard to the ordinance and not just postpone the action. Mr. Gehlen presented the number of businesses that will be effected by this ordinance and who are also very concerned with this issue. Mr. Gehlen also gave examples of the estimated loss of revenue that businesses may be effected with if their business should decline due to the smoking ordinance. If the smoking ordinance is defeated, he recommended that a sign ordinance be adopted that would consist of red, yellow and green indicators that would be posted by the door of each restaurant. Red: no smoking allowed in the establishment, Yellow: both smoking & non-smoking allowed, Green: smoking allowed throughout the establishment. Mr. Gehlen asked that the Council consider various options.

Mayor Torgerson addressed that the only paid tobacco lobbyist was Jeremy Hanson who

CITY COUNCIL AGENDA – SEPTEMBER 11, 2001

attended one city council meeting. Also, he noted that there are only 10 non-smoking restaurants in town and that there are 28+ restaurants within the community.

Becky Walradth, private citizen, presented before the council. Ms. Walradth explained that both of her parents died of smoking-related matters and she is a previous smoker. Ms. Walradth is against the smoking ordinance. She feels that the decision should be made by the business owner. Ms. Walradth requested that this be put on an election ballot for a public vote. Mayor Torgerson explained that the city is not able to place it on an election ballot due to the legal process.

Judy Olson, private citizen, presented before the council. She explained to the council the health-related issues she has grown up due to second-hand smoke. She expressed her constitutional right to life and the pursuit of happiness. She related these issues to drinking and driving and how the government made the decision that it is unlawful to drink and drive. She pleaded with the council to protect her rights.

Matt Woelfel, Country Kitchen, presented before the council. Mr. Woelfel reminded the council of the research he had presented to them at last week's special meeting. The Country Kitchen in Duluth had lost 15% of their revenue after the smoking ban was put in place. Mr. Woelfel expressed that he feels this is a state issue and they should make the ultimate decision.

A pause was taken to change video tape.

The meeting presumed at 7:20 p.m.

Tim Vigil, private citizen, presented before the council. Mr. Vigil explained that he works at the hospital and is presented every day with people that want to do as much as they can without getting hurt and will push their limits. He put faith in the council to make the "right decision".

Roger Olson, elected official of American Legion, member of VFW and Elks Lodge, presented before the Council. Mr. Olson expressed that he had learned as a commander that "you let the people guide you and tell you what to do". He noted that in his many travels, people have commented on what a great city Hutchinson is. Mr. Olson has concerns as to the number of conventions that will not come to Hutchinson if there is a smoking ban. He explained that 168 requests were made to the American Legion for funding. Mr. Olson repeated the vast amount of money that is donated to the youth organizations throughout the community from the three clubs in Hutchinson.

Norma Elrott, private citizen, commended the VFW, American Legion and the Elks Lodge and the donations that they contribute to the youth organizations. However, she expressed the concern she has about the environment these funds are comprised in.

Jerry Block, private citizen, presented before the Council. Mr. Block commented on the conventions that would not be held in the City of Hutchinson if there is a non-smoking ordinance. He also commented on all of the other health issues that exist in workplaces (i.e. carbon monoxide, pollution, etc.) and that smoke-filled rooms are only one of many hazards.

Mayor Torgerson noted that he had received feedback that some citizens believe his mind is already made up. He commented that this is simply not true. He also noted that he received a phone call from a councilmember in Cloquet that received so much “heat” in regard to the smoking ban issue that their council had considered, that she resigned from the council. Mayor Torgerson explained that the council operates for the people. A citizen presented this issue to them, so they considered it. Mayor Torgerson made the comment whether or not this is “worth it” in regard to the turmoil that it is causing.

John Mlinar asked if anyone else in the audience wanted to be heard.

A concerned citizen approached the council. She explained that she was just released from the hospital due to cancer treatments and her husband was a chronic smoker. However, she feels it should be the individual business owner’s choice on how to operate their business.

Mayor Torgerson noted that all citizen’s comments are very well taken. The mayor also noted that he had suggested to the restaurants to go smoke-free and only one took action. Councilmember Hoversten commented that he would like to work this out as a community so that there are no “losers”. He stated that he is in favor of a smoke-free community. However, his concern is how the City can accomplish this. He asked the restaurant owners to work with the council and be smoke-free on certain days and times. This would then be re-evaluated to see the effects it had on the local businesses.

Kay Peterson commented that she had voted against the first reading of this ordinance, but not due to the fact that this is not a serious health issue. She commented that at this time smoking is not legal and if it was illegal, she may change her mind. She feels it is not her place to tell businesses how to operate.

John Mlinar commented that there is no doubt that smoking effects health, however it is evident that this issue can tear a city apart. Mr. Mlinar commended Bruce Eckhart on his presentation to the council. Mr. Mlinar feels that this is definitely a health issue. He feels that the Council has not appropriately addressed the contents of the ordinance presented. He agrees that they have thoroughly reviewed the information that was presented to them, both by the citizens and by the business owners. However, this ordinance may need to be revised. He believes that it would not be fair to all involved to pass this ordinance as presented.

Jim Haugen agrees that this is a health issue for the city of Hutchinson. He thanked everyone that called and educated the city on all aspects. Mr. Haugen agreed that he would like to see Hutchinson be smoke-free, however the issue is how to get there.

Motion by Mlinar, second by Peterson, to reject the ordinance in its present form. Duane Hoversten agreed that the ordinance should be reviewed and needs some changes. Mr. Mlinar commented that it may be viewed as an injustice to the non-smokers of the community if this ordinance is rejected. However, he feels that due to the fact that the businesses are willing to work with the council on alternatives, they should be granted that opportunity. Motion carried unanimously.

Mayor Torgerson noted that he, as well as the other council members, have been inundated with phone calls in regard to this issue. He suggested the public put together a petition and place it on the November ballot in regard to a smoke-free Hutchinson to see what the outcome would be.

Duane Hoversten requested that he have the opportunity to meet with all business owners to move in the direction of a smoke-free Hutchinson.

Marc Sebor, City Attorney, explained the procedure to pass a petition and gave information on initiatives and referendums. Based on this information, it would not be possible for a petition to be placed on the November ballot.

Mayor Torgerson apologized for the misinformation he gave in regard to putting this item on the November ballot.

8. **NEW BUSINESS**

(a) CONSIDERATION OF RESOLUTION NO. 11786 – SETTING 2002 PRELIMINARY TAX LEVY FOR CITY OF HUTCHINSON

Ken Merrill, Finance Director, presented that this is the maximum amount that can be set for 2002. With this amount, there would be an excess in the general fund, therefore this levy could be reduced.

Motion by Peterson, second by Hoversten, to approve Resolution No. 11786 setting 2002 preliminary tax levy for the City of Hutchinson.

John Mlinar clarified that this would be the maximum amount to be levied. Mr. Mlinar commented that it has been difficult to reduce the amount once a levy has been set. A roll call was taken for approval: Haugen – I, Mlinar – nay, Peterson – I, Hoversten – I, Torgerson – I. Motion carried 4 to 1.

CONSIDERATION OF RESOLUTION NO. 11787 – SETTING 2002 PRELIMINARY TAX LEVY FOR SPECIAL TAXING DISTRICT HUTCHINSON REDEVELOPMENT AUTHORITY

Ken Merrill noted that this is preliminary and that the City Council will be meeting with the

HRA Board to review the final numbers.

Motion by Peterson, second by Haugen, to approve Resolution No. 11787 setting the 2002 preliminary tax levy for special taxing district Hutchinson Redevelopment Authority. Motion carried unanimously.

John Mlinar questioned the amount from last year. Ken Merrill explained the percentage increase for this year is 18%. This can also be reduced.

(c) CONSIDERATION OF SETTING BUDGET WORKSHOPS

Ken Merrill requested the Council set one longer meeting in addition to the Council Workshops. Duane Hoversten requested that one longer meeting be set initially and then finish the budget meetings as work shops. John Rodeberg, Director of Engineering/Public Works, commented that the directors within the city would need 7 – 10 days to prepare to meet with the Council for a longer session.

Motion by Mlinar, second by Haugen, to schedule a budget workshop for September 28, 2001, at 9:30 a.m. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

Jim Haugen – Mr. Haugen commented that a workshop should be scheduled with the restaurant owners to work out the issues of the smoke-free days and times. He suggested that the restaurant establishments coordinate the days to be the same amongst them to lessen the confusion for the public.

John Mlinar – Mr. Mlinar urged the council and the public to keep communicating.

Duane Hoversten – Mr. Hoversten noted that he felt that tonight was a prime example of how good government can work.

Gary Plotz – Mr. Plotz asked the public to pass on any comments that they may have in regard to the service of Waste Management.

John Rodeberg – Mr. Rodeberg noted that the fountain on the Crow River has not been in operation due to the fact that it has been “sucking up mud” and basically knocked itself out of operation. The fountain does need to be turned off when the water is so low.

Mr. Plotz also noted that at the work shop earlier today, discussion was held in regard to a new liquor store location. Future meetings will be held in regard to this issue. Also, discussion was

held in regard to the various products that will be bagged at the compost facility. There was an update on the event center by the Park, Recreation and Community Education Director. The last item that was discussed was the paving of the parking lot at Oak Heights Covenant Church.

Mayor Torgerson stated that the Hutchinson Ministerial Association will be holding prayer services Wednesday, September 12, 2001, at the local churches in regard to the tragic events that happened today.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Peterson, second by Mlinar, with Hoversten abstaining, to approve and authorize payment of Verified Claims A from appropriate funds

(b) VERIFIED CLAIMS B

Motion by Haugen, second by Peterson to approve and authorize payment of Verified Claims B from appropriate funds

11. ADJOURN

With no other business to discuss, the meeting adjourned at 8:20 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, SEPTEMBER 25, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Members present were John Mlinar, Jim Haugen, Kay Peterson and Duane Hoversten. Also present were Gary Plotz, City Administrator, Marc Sebor, City Attorney and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – Rev. Scott Daniels, Vineyard United Methodist Church, delivered the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF SEPTEMBER 11, 2001

(b) SPECIAL MEETING OF SEPTEMBER 6, 2001

Minutes were approved as presented

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. CHARTER COMMISSION MEETING MINUTES FROM AUGUST 27, 2001

2. PIONEERLAND BOARD MEETING MINUTES FROM JULY 19, 2001

3. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES FROM AUGUST 9, 2001

4. HUTCHINSON AREA HEALTH CARE BOARD MEETING MINUTES FROM AUGUST 21, 2001

5. CITY OF HUTCHINSON FINANCIAL REPORT FOR AUGUST 2001

6. CITY OF HUTCHINSON REPORT OF INVESTMENTS FOR AUGUST 2001

7. HUTCHINSON HOUSING & REDEVELOPMENT AUTHORITY BOARD MEETING MINUTES FROM JULY 17, 2001

8. HUTCHINSON HOUSING & REDEVELOPMENT AUTHORITY BOARD MEETING MINUTES FROM AUGUST 21, 2001

9. HUTCHINSON LIBRARY BOARD MINUTES FROM AUGUST 27, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11788 – A RESOLUTION DESIGNATING THE LOCATION OF THE POLLING PLACE FOR ALL CITY AND SCHOOL DISTRICT 423 PRECINCTS AND APPOINTING JUDGES FOR THE 2001 SPECIAL CITY AND INDEPENDENT SCHOOL DISTRICT 423 ELECTION

2. RESOLUTION NO. 11789 – RESOLUTION FOR PURCHASE OF MANHOLE SEALANT AND RECONSTRUCTION

(c) PLANNING COMMISSION ITEMS

CITY COUNCIL MINUTES – SEPTEMBER 25, 2001

1. CONSIDERATION OF ORDINANCE NO. 01-302 – AN ORDINANCE APPROVING VACATION OF PERIMETER EASEMENTS FOR LOTS 3-6, BLOCK 3 OF WALNUT RIDGE ESTATES AS REQUESTED BY PAUL BETKER, 810-840 HILLCREST RD NE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (*WAIVE FIRST READING AND SET SECOND READING FOR OCTOBER 9, 2001*)
 2. CONSIDERATION OF A PRELIMINARY AND FINAL PLAT TO REPLAT 4 LOTS INTO 6 FOR THE CONSTRUCTION OF 2 TWIN HOMES AND 2 SINGLE FAMILY HOMES TO BE CALLED WALNUT RIDGE ESTATES PLAT 3, AS REQUESTED BY PAUL BETKER, LOCATED AT LOTS 3-6 BLOCK 3 WALNUT RIDGE ESTATES, 810-840 HILLCREST ROAD NE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11791)
 3. CONSIDERATION OF ORDINANCE NO. 01-301 – AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF HUTCHINSON TO INCLUDE CERTAIN LAND OWNED BY BRIAN AND BRADLEY LOKENSGARD (L & P SUPPLY) (*WAIVE FIRST READING AND SET SECOND READING FOR OCTOBER 9, 2001*)
 4. CONSIDERATION OF ORDINANCE NO. 01-300 – AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF HUTCHINSON TO INCLUDE CERTAIN LAND OWNED BY JEFF AND THEA KEPLER AND GEORGE AND GEORGIA FORMHAL (*WAIVE FIRST READING AND SET SECOND READING FOR OCTOBER 9, 2001*)
 5. CONSIDERATION OF A FINAL PLAT TO REPLAT 5 LOTS INTO 2 FOR THE CONSTRUCTION OF A CHIROPRACTIC OFFICE IN A C-5 DISTRICT, AS REQUESTED BY GUY CASPERS, 103 3RD AVENUE NW WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11790)
- (d) CONSIDERATION OF SHORT-TERM GAMBLING LICENSE FOR 3M CLUB ON OCTOBER 27, 2001
- (e) CONSIDERATION OF OUT OF STATE TRAVEL FOR ROBIN SHOEN, CHRIS DOBRATZ AND TOM KLOSS
- (f) CONSIDERATION FOR APPROVAL OF CHANGE ORDER NO. 1, LETTING NO. 8, PROJECT NO. 01-21

Motion by Haugen, second by Mlinar, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**
6. **COMMUNICATIONS, REQUESTS AND PETITIONS**
7. **UNFINISHED BUSINESS**
8. **NEW BUSINESS**

- (a) CONSIDERATION FOR PURCHASE OF EMERGENCY GENERATOR

Steve Madson, Chief of Police, presented before the council. Mr. Madson explained that the reason for the need of the generator is that we do not currently have the resources to provide electricity if power would be lost in the case of an emergency. The funding for the generator would come out of this year's operating budget.

Motion by Mlinar, second by Peterson, to approve the purchase of an emergency generator.
Motion carried unanimously.

(b) CONSIDERATION FOR LEASING SPACE ON THE SOUTH WATER TOWER FOR CELL PHONE ANTENNAES

Marc Seborá explained that this request was presented to the city by Midwest Wireless Communications L.L.C. Mr. Seborá explained that there are currently two issues that need to be assessed further. One is that OSHA requires a safety ring be installed on the top of the water tower. The cost of adding this ring is estimated at \$35,000 and determination needs to be made as to where the funding will come from. Secondly, there is a building that needs to be constructed next to the water for equipment. The city does not own the land around the water tower on which the construction is being proposed. Rather, this land belongs to Ridewater College. Due to these two circumstances, Mr. Seborá recommended tabling this item until the next City Council meeting.

Motion by Mlinar, second by Peterson, to table this item until October 9, 2001.

Duane Hoversten questioned the need for two antennae being placed on top of the tower. Chuck Beisner, representative from Midwest Wireless Communications, explained that the second antennae needs to be added to the tower for extra capacity due to the amount of usage of cell phones.

John Mlinar asked if there are any issues in regard to the building that needs to be constructed. Marc Seborá explained that this issue is Ridewater College's responsibility due to the fact that the land belongs to them.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

Duane Hoversten – Mr. Hoversten gave a public invitation to the restaurant/bar owners in Hutchinson to meet and discuss the non-smoking issues. He will be at the City Center on October 2, 2001, at 4:00 p.m. The meeting will held in the City Council chambers. Also, the Event/Senior Center committee will be holding a meeting October 22 at 9:00 a.m. This meeting will be held for potential caterers for the Event/Senior Center.

Gary Plotz – Mr. Plotz gave an update on the topics that were covered at the Leadership Meeting held earlier in the day. Topics covered were the Event Center, security in regard to city buildings, candidates that have filed for office, residents that have approached the office in regard to sump pumps, and Tom Daggett and Jeff Haag presented in regard to the Hutch Hotel.

John Rodeberg – There will be a Jefferson Street meeting at 7:00 p.m. on October 22, 2001. Approximately half of the residents are interested in being annexed into the city.

Mr. Rodeberg requested that an additional traffic signal be added on Hwy 15 at the Menards intersection. He explained that the funding would be in next year's bond. He requested permission to research quotations for this project.

Motion by Hoversten, second by Peterson to proceed with receiving quotes on the traffic signal.

Mr. Rodeberg also mentioned the paving of the Oak Heights Covenant Church.

Mr. Kegley, Oak Heights Covenant Church, requested that an amendment be made to the Conditional Use Permit that was issued to them in regard to the paving of the church parking lot. The added language would require the church to complete the paving process by August 1, 2002.

The main concern of discussion was the date that Oak Heights would complete the paving. Mr. Rodeberg explained that staff is comfortable with the proposed date. The original proposal was

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for paving to be complete by October 31, 2001.

Motion by Mlinar, second by Hoversten to amend the language in the conditional use permit to change the paving completion date from October 31, 2001 to August 1, 2002.

Randy DeVries, Water/Wastewater Director, presented before the council. Mr. DeVries and Richard Nagy, Water Systems Supervisor, presented security measures proposed for the Water Plant. The proposal is to install a fence around the Water Treatment Plant.

Mayor Torgerson noted that he had gone to the Water Treatment Plant earlier in the day to review the plan and how it relates to the building. He felt this was a good concept that would not hinder the residents.

Mr. DeVries disbursed a price break down and two price quotes. The quotes include fencing around the water towers. He requested the council move forward with the first quote, which was a very low bid. This includes an electric fence at the entrance of the Water Treatment Plant.

Mr. Mlinar questioned how the fencing will affect the building that will be constructed by the south water tower (inside or outside the fence).

Chuck Beisner, Midwest Communications, commented that either location would work fine with in regard to the equipment building.

Motion by Mlinar, second by Hoversten to approve the recommended plan of security fencing, which includes the Water Treatment Plant and city water towers.

Mr. Hoversten recommended the second option which encompasses a smaller perimeter.

Motion carried unanimously.

Mayor Torgerson made a comment regarding left-turn signals at School Road and Hwy 7 West. He noted that the road is extremely busy and it is difficult to get more than one car through the arrow. Mayor Torgerson asked that Mr. Rodeberg consider this along with the additional traffic signal on Hwy 15.

Mr. Rodeberg explained that this issue is the responsibility of MNDot.

Mr. Rodeberg also noted that the Golf Course Road/California St. intersection is currently under construction but should be completed within the next couple of weeks.

Mr. Mlinar noted that the vehicle noise signs have not yet been installed. Mr. Rodeberg will confirm where staff is in the process.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Haugen, second by Peterson, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 6:00 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, OCTOBER 9, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Members present were John Mlinar, Jim Haugen, Kay Peterson and Duane Hoversten. Also present were Gary Plotz, City Administrator, Marc Sebora, City Attorney and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – In the absence of Rev. Jim Hakes, Seventh Day Adventist Church, no invocation was given.

3. **MINUTES**

(a) REGULAR MEETING OF SEPTEMBER 25, 2001

Minutes were approved as presented

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. CHARTER COMMISSION MEETING MINUTES FROM SEPTEMBER 24, 2001
2. HUTCHINSON UTILITIES FINANCIAL REPORT FOR AUGUST 2001
3. HUTCHINSON AREA HEALTH CARE FINANCIAL REPORT FOR AUGUST 2001
4. BUILDING DEPARTMENT MONTHLY REPORT FOR SEPTEMBER 2001
5. FIRE DEPARTMENT MONTHLY REPORT FOR SEPTEMBER 2001
6. PIONEERLAND LIBRARY SYSTEM FINANCIAL REPORT FOR AUGUST 2001

(b) RESOLUTIONS AND ORDINANCES

1. CONSIDERATION OF ORDINANCE NO. 01-300 – AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF HUTCHINSON TO INCLUDE CERTAIN LAND OWNED BY JEFF AND THEA KEPLER AND GEORGE AND GEORGIA FORMHAL (SECOND READING AND ADOPTION)
2. CONSIDERATION OF ORDINANCE NO. 01-301 – AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF HUTCHINSON TO INCLUDE CERTAIN LAND OWNED BY BRIAN AND BRADLEY LOKENSGARD (L & P SUPPLY) (SECOND READING AND ADOPTION)
3. CONSIDERATION OF ORDINANCE NO. 01-302 – AN ORDINANCE APPROVING VACATION OF PERIMETER EASEMENTS FOR LOTS 3-6, BLOCK 3 OF WALNUT RIDGE ESTATES AS REQUESTED BY PAUL BETKER, 810-840 HILLCREST RD NE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (SECOND READING AND ADOPTION)
4. RESOLUTION NO. 11797 - RESOLUTION ESTABLISHING LOCATION OF TRAFFIC CONTROL DEVICES (GOLF COURSE ROAD NW AND SCHOOL ROAD NW)

(c) CONSIDERATION OF AWARDED BID (TH 15 SOUTH/EDMONTON AVENUE TRAFFIC SIGNAL REVISIONS/LETTING NO. 10/PROJECT NO. 01-22)

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- (d) CONSIDERATION OF 2001/2002 STREET LIGHT PROGRAM (LETTING NO. 9/PROJECT NO. 01-02)
- (e) APPOINTMENT OF CHARLES BRILL TO AIRPORT COMMISSION FOR FIVE-YEAR TERM (REPLACING STEVE CROW)
- (f) CONSIDERATION FOR APPROVAL OF INVESTMENT AUTHORIZATION
- (g) CONSIDERATION FOR APPROVAL OF TRANSFERRING OF FUNDS

Motion by Haugen, second by Peterson, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

- (a) CONSIDERATION OF SETTING COUNCIL WORKSHOP FOR TUESDAY, NOVEMBER 20, 2001, AT 8:00 A.M. TO ATTEND THE PRESENTATION OF THE HRA HOUSING STUDY

Motion by Hoversten, second by Mlinar, to set Council workshop for November 20, 2001, at 8:00 a.m. to attend the presentation of the HRA Housing Study. Motion carried unanimously.

- (b) DISCUSSION OF JEFFERSON STREET SOUTH NEIGHBORHOOD MEETING AND STATUS OF SEPTIC SYSTEM REVIEW

John Rodeberg, Director of Engineering/Public Works updated the Council on the Jefferson Street Septic System project. He explained that the neighborhood is divided on whether to be annexed or remain as a rural development.

Mr. Rodeberg explained that a task force was created in early 2001 to work on this issue. The task force recommended this neighborhood not be annexed. Mr. Rodeberg explained that the county has performed tests on the field tile lines in this area and have found sewage-related contamination.

The county has required that all homes in this area have their septic systems be tested for compliance. The testing needs to be complete by November 1, 2001. Any major failures need to be corrected no later than June 1, 2002.

Additional residential meetings have been held since July in order that all residents have pertinent information.

Mr. Rodeberg explained that by previous policy, he has informed residents that the city will no longer be granting individual annexations. All annexations will have to be a regional effort. Mr. Rodeberg also expressed that the city is not proposing that this area be annexed, but that the effort be driven by the neighborhood.

Mr. Rodeberg also explained the cost and other assessment issues if residents would choose to be annexed. Mr. Rodeberg emphasized that the city will not be forceful on this issue, but will try to satisfy the residents' needs as a whole.

Due to concern of the amount of assessment fees, Mr. Rodeberg explained possible options to pay these fees.

Mr. Rodeberg requested an affirmation of the city policies that are currently in place.

Marlin Torgerson expressed that the Council and City Staff have done everything possible to aid this neighborhood and that all city policies should stand. He feels that this neighborhood

needs to come to a cooperative agreement. Mr. Rodeberg explained that city staff is more than willing to work with residents, however there are health issues and risk issues that need to be addressed.

Mayor Torgerson asked Marc Sebor, City Attorney, what the City's liability is in terms of the fact that they are aware that contamination is being funneled into the Crow River. Mr. Sebor feels that the City is held liable for this situation, however he feels that the County Environmentalist needs to address this issue.

Mr. Rodeberg explained that the County Environmentalist has been very active with this project.

Mayor Torgerson feels that the city policy should remain as adopted.

(c) **PRELIMINARY REVIEW OF HUTCHINSON DOWNTOWN TRAFFIC STUDY**

John Rodeberg explained the traffic study that was conducted on Main Street. Mr. Rodeberg explained the goals of the study and the specific projects that were presented to the consultant, SRF Consulting.

Various alternatives and options were presented to alleviate the back-ups of traffic at the four intersections on Main Street. It was discovered that there is no easy solution to fix these traffic problems.

No major reductions in traffic were perceived from the alternatives presented. Mr. Rodeberg explained that a large portion of the traffic on Main Street is local drivers. A consideration would be for drivers to use an alternate route to reduce the traffic flow on Main Street. There are no State plans to reconstruct Main Street within the next 5-10 years.

Additional studies will be completed in association with the Downtown Association's comprehensive planning process.

Mayor Torgerson feels that this issue should continually be monitored and eventually a solution will arise.

7. **UNFINISHED BUSINESS**

(a) **CONSIDERATION FOR LEASING SPACE ON THE SOUTH WATER TOWER FOR CELL PHONE ANTENNAES**

Motion by Mlinar, second by Haugen, to table this item until October 23, 2001. Motion carried unanimously.

8. **NEW BUSINESS**

(a) **CONSIDERATION OF REVISING REFUSE/ORGANIC CONTRACT WITH WASTE MANAGEMENT**

Gary Plotz, City Administrator, explained the current process that Waste Management, refuse hauler for the city, is using for trash and organics collection. Currently, a two-compartment truck, manufactured by McNeilus, is being used. Mr. Plotz explained that concerns have risen with the ability that this truck has to actually pick up the compartments. Mr. Plotz explained that a two-compartment truck from a different manufacturer was considered, however did not meet all of the City's criteria. Due to the fact that there are no other two-compartment truck options with McNeilus, Waste Management has proposed that the City use a two truck system to pick up the compartments.

Mr. Rodeberg explained that he and Steve Metz have discussed the weight of the trucks that will be used. The weight of trucks effects the condition of streets immensely. There will be additional costs to repair streets due to the heavy weight on the streets daily.

Steve Metz, Waste Management, addressed the Council. He explained that McNeilus had expressed to them that they would be able to meet the City's and Waste Management's needs, but have not been able to do so. Overall, the process and program is working out very well. He appreciates the City's cooperation.

Motion by Mlinar, second by Hoversten, to approve revising refuse/organic contract with Waste Management. Motion carried unanimously.

John Mlinar questioned whether or not resident's fees would be reduced based on the savings the city will obtain from the change in the contract. Mr. Plotz explained that this will be considered as the agreement is being revised.

(b) CONSIDERATION TO AMEND 2001 GENERAL FUND BUDGET & ESTABLISH BUDGET FOR STORM WATER REVENUE FUND

Ken Merrill, Finance Director, explained that some city department directors have requested that individual areas be eliminated from their budget and aligned into a larger department. However, these items/areas will still be able to be tracked via the accounting system. Mr. Merrill is also proposing that money that was allocated in the general fund be pulled and a Storm Water Fund be created.

Motion by Mlinar, second by Peterson, to approve the amendment of the 2001 general fund budget and establish budget for storm water revenue fund. Motion carried unanimously.

(c) CONSIDERATION TO AMEND ORDINANCE NO. 93-94 – AN ORDINANCE ESTABLISHING THE SALARIES OF MAYOR AND ALDERMEN

Ken Merrill explained that these changes would need to be made before the November 6, 2001 Special Election.

Mayor Torgerson explained that there has been one increase to the Council member's salary in the past 18 years. He feels that the workload has increased and changed significantly in these years.

Mr. Mlinar feels that in accordance with the salary survey of surrounding cities, Hutchinson is in the ballpark of council member salaries.

Motion by Mlinar, second by Peterson, to leave the Mayor and Council members' salaries as currently stated. Motion carried unanimously.

(d) CONSIDERATION OF SETTING BUDGET WORKSHOP FOR TUESDAY, OCTOBER 23, 2001, AT 4:00 P.M.

Motion by Mlinar, second by Peterson, to set a budget workshop for October 23, 2001, at 4:00 p.m. Motion carried unanimously.

John Mlinar questioned Ken Merrill on the shortfall of \$220,000 in local government aid. Mr. Merrill noted that the League of Minnesota Cities is researching the reason for the distinct decrease in funds. Mr. Merrill will bring additional information to the Council before the end of the year.

Mr. Mlinar feels that the city should be informed if the city may be doing something "wrong". Mayor Torgerson would like to know who should be contacted to explain the reason that Hutchinson received such a significant decrease in funds compared to previous years. Mr. Merrill explained that the state strike does propose a problem to answer any questions in relation to this issue.

9. MISCELLANEOUS

CITY COUNCIL MINUTES – OCTOBER 9, 2001

(a) COMMUNICATIONS

John Haugen – Mr. Haugen reminded the community to review fire procedures and check their smoke detectors at home.

John Mlinar – Mr. Mlinar asked the community to “keep the faith” through the trying times of our nation and our city.

Gary Plotz – Mr. Plotz reviewed the topics covered at the Leadership Team meeting earlier in the day. Topics included Jefferson Street Project, update on Linden Park, and the League of MN Cities Insurance Trust and claims that had been submitted.

John Rodeberg – Mr. Rodeberg explained that an assessment roll for Letting No. 4 was approved in May 2001. However, the follow-up procedures were never completed. Therefore, approval of such assessment roll was requested.

Motion by Peterson, second by Mlinar to approve the assessment roll. Motion carried unanimously.

Mr. Rodeberg explained that the School Road North intersection may take another week to complete. The contractors are paying a daily penalty due to the lack of timeliness. The sub-contractor is having trouble transporting the hot mix to Hutchinson.

Mayor Torgerson – Mayor Torgerson explained that a \$20,000 environmental grant was given to the city from 3M to conduct work on the Crow River.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Peterson, second by Haugen, with Hoversten abstaining, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Peterson, second by Hoversten, to approve and authorize payment of Verified Claims B from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no other business to discuss, the meeting adjourned at 6:40 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, OCTOBER 23, 2001**

1. **CALL TO ORDER - 5:30 P.M.**
2. **INVOCATION** – Rev. Jim Hakes, Seventh Day Adventist Church, delivered the invocation.
3. **MINUTES**
 - (a) REGULAR MEETING OF OCTOBER 9, 2001
 - (b) BID OPENING FROM OCTOBER 18, 2001Minutes were approved as presented.
4. **CONSENT AGENDA**
 - (a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS
 1. PARKS, RECREATION & COMMUNITY EDUCATION ADVISORY BOARD MINUTES FROM SEPTEMBER 13, 2001
 2. PIONEERLAND LIBRARY BOARD MINUTES FROM AUGUST 16, 2001
 3. HUTCHINSON AREA HEALTH CARE BOARD MEETING MINUTES FROM SEPTEMBER 18, 2001
 4. HUTCHINSON AREA HEALTH CARE FINANCIAL REPORT FROM SEPTEMBER 2001
 5. HUTCHINSON PLANNING COMMISSION MINUTES FROM SEPTEMBER 18, 2001
 6. CITY OF HUTCHINSON REPORT OF INVESTMENTS FOR SEPTEMBER 2001
 7. CITY OF HUTCHINSON FINANCIAL REPORT FOR SEPTEMBER 2001
 - (b) RESOLUTIONS AND ORDINANCES
 1. RESOLUTION NO. 11806 – RESOLUTION PROCLAIMING THE PERIOD OF OCTOBER 22 – NOVEMBER 23, 2001 AS MINNESOTA MANUFACTURERS MONTH
 2. RESOLUTION NO. 11813 – RESOLUTION RELEASING PLEDGED SECURITIES FROM CITIZENS BANK & TRUST, CO., HUTCHINSON, MN
 3. RESOLUTION NO. 11814 – RESOLUTION AMENDING RESOLUTION NO. 11785 SETTING INTEREST RATE FOR 2001 ADOPTED ASSESSMENT ROLLS
 4. RESOLUTION NO. 11807 – RESOLUTION CERTIFYING ASSESSMENTS OF THE CITY OF HUTCHINSON TO THE COUNTY OF MCLEOD
 5. RESOLUTION NO. 11815 – RESOLUTION FOR PURCHASE OF 30,000 LBS. OF SEALING MATERIAL
 - (c) PLANNING COMMISSION ITEMS
 1. CONSIDERATION OF A 5’ VARIANCE TO REPLACE A DECK THAT WAS REMOVED TO CONSTRUCT A PORCH IN A SHORELAND AREA, AS

REQUESTED BY ROBERT HANTGE, 1210 LEWIS AVENUE WITH STAFF RECOMMENDATION AND FAVORABLE RECOMMENDATION (ADOPT RESOLUTION NO. 11808)

2. CONSIDERATION OF A CONDITIONAL USE PERMIT TO MOVE A HOUSE FROM 336 FRANKLIN STREET SW TO 505 FRANKLIN STREET SW AND TO HAVE A GARAGE LARGER THAN 1000 SQUARE FEET AND CONSIDERATION OF A VARIANCE FROM THE 25' RIGHT OF WAY SETBACK REQUIREMENT AS REQUESTED BY LINDA AND JAMES FAHEY WITH STAFF RECOMMENDATION AND FAVORABLE REDOMMENDATION (ADOPT RESOLUTION NO. 11809)
 3. CONSIDERATION OF A CONDITIONAL USE PERMIT AMENDMENT FOR A REVISED STORAGE AREA IN THE I/C DISTRICT AT THE COMPOST SITE, AS REQUESTED BY THE CITY OF HUTCHINSON, 1500 ADAMS STREET SE WITH STAFF RECOMMENDATION AND FAVORABLE RECOMMENDATION (ADOPT RESOLUTION NO. 11810)
 4. CONSIDERATION OF THREE LOT SPLITS FOR PROPERTY LOCATED AT LOT 4, BLOCK 1, NORTH PARK RIDGE TOWNHOMES AND CONSIDERATION OF A VARIANCE TO HAVE LOTS SMALLER THAN 5000 SQUARE FEET AND A DEVIATION FROM THE MAXIMUM 35% LOT COVERAGE AS REQUESTED BY DENNY KAHL AND KEVIN COMPTION WITH STAFF RECOMMENDATION AND FAVORABLE RECOMMENDATION (ADOPT RESOLUTION NO. 11811)
- (d) RE-APPOINTMENT OF DON WALSER TO UTILITIES COMMISSION FOR FIVE-YEAR TERM
- (e) CONSIDERATION OF ACCEPTING BID FOR PURCHASE OF LOGS AND WOOD TO JIM BOLL
- (f) CONSIDERATION FOR APPROVAL OF ASSESSMENT AGREEMENT WITH MCLEOD COUNTY
- (g) CONSIDERATION FOR APPROVAL TO ACCEPT BID FOR SECTIONS OF ROOF REPLACEMENT AT PLAZA 15 FOR HUTCHINSON AREA HEALTH CARE
- (h) CONSIDERATION FOR APPROVAL OF CHANGE ORDER NO. 1 LETTING NO. 7 PROJECT NO. 01-20

Motion by , second by , to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M.**

- (a) REVIEW OF 1997 FLOOD RECOVERY GRANT

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

7. **UNFINISHED BUSINESS**

8. **NEW BUSINESS**

- (a) CONSIDERATION FOR APPROVAL OF UPDATING POLICY #2.40 – SNOW REMOVAL POLICY

Motion by , second by , to approve updating Policy #2.40 – Snow Removal Policy. Motion carried unanimously.

- (b) CONSIDERATION FOR APPROVAL OF JOINT POWERS AGREEMENT REGARDING COUNTY DITCH 18

Motion by , second by , to approve the Joint Powers Agreement with McLeod County regarding Ditch 18. Motion carried unanimously.

- (c) CONSIDERATION FOR APPROVAL OF AGREEMENT BETWEEN CITY OF HUTCHINSON AND THOMAS PARKER, FIXED BASE OPERATOR FOR PROFESSIONAL SERVICE

Motion by , second by , to approve agreement between city of Hutchinson and Fixed Base Operator for professional service. Motion carried unanimously.

- (d) CONSIDERATION FOR APPROVAL OF HANGAR RENTAL AGREEMENT

Motion by , second by , to approve hangar rental agreement. Motion carried unanimously.

- (e) CONSIDERATION FOR APPROVAL OF SECURITY AND SAFETY MEASURES AT HUTCHINSON MUNICIPAL AIRPORT

Motion by , second by , to approve security and safety measures at Hutchinson Municipal Airport. Motion carried unanimously.

- (f) CONSIDERATION OF SETTING DATE FOR CANVASSING RESULTS FROM SPECIAL ELECTION TO BE HELD ON NOVEMBER 6, 2001

Motion by , second by , to approve setting date for canvassing results from Special Election for November 7, 2001 at 7:00 a.m. Motion carried unanimously.

- (g) CONSIDERATION TO APPROVE ASSESSMENT ROLL DEFFERAL FOR SENIOR CITIZEN

Motion by , second by , to approve assessment roll deferral for Margaret Hazzard, senior citizen. Motion carried unanimously.

- (h) CONSIDERATION OF SETTING COUNCIL WORKSHOP FOR THURSDAY, NOVEMBER 15, 2001 AT 5:30 P.M. TO ATTEND THE VISIONING WORKSHOP FOR THE DOWNTOWN REVITALIZATION MASTER PLAN

Motion by , second by , to approve setting council workshop for Thursday, November 15, 2001, at 5:30 p.m. to attend Visioning Workshop for the Downtown Revitalization Master Plan. Motion carried unanimously.

- (i) CONSIDERATION FOR APPROVAL OF AGREEMENT WITH HUTCHINSON COMMUNITY VIDEO NETWORK, INC. (HCVN)

Motion by , second by , to approve agreement with Hutchinson Community Video Network, Inc. Motion carried unanimously.

- (j) CONSIDERATION OF ACQUIRING PROPERTY NEAR CITY POLICE STATION ON A CONTRACT FOR DEED

Motion by , second by , to approve acquiring property near city police station on a contract for deed. Motion carried unanimously.

- (k) CONSIDERATION OF ACCEPTING BID FOR CONSTRUCTION WORK AT HUTCHINSON EVENTS CENTER

Motion by , second by , to approve bid for construction work at Hutchinson Events Center. Motion carried unanimously.

- (l) CONSIDERATION OF AMENDMENTS TO CITY POLICY NO. 3.24 – WAGE

CITY COUNCIL MINUTES – OCTOBER 23, 2001

COMMITTEE POLICY

Motion by , second by , to approve amendments to city policy No. 3.24 – Wage Committee Policy. Motion carried unanimously.

(m) CONSIDERATION OF CITY POLICY NO. 3.26 – EXCEPTIONAL SERVICE PAY POLICY

Motion by , second by , to approve City Policy No. 3.26 – Exceptional Service Pay Policy. Motion carried unanimously.

(n) CONSIDERATION OF SETTING BUDGET WORKSHOP FOR NOVEMBER 13, 2001 AT 4:00 P.M.

Motion by , second by , to approve setting budget workshop for November 13, 2001, at 4:00 p.m. Motion carried unanimously.

(o) CONSIDERATION FOR APPROVAL OF SIGNING AGENT OF RECORD LETTERS

Motion by , second by , to approve signing agent of record letters. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by , second by , to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no other business to discuss, the meeting adjourned at

MINUTES
SPECIAL MEETING – HUTCHINSON CITY COUNCIL
WEDNESDAY, NOVEMBER 7, 2001

The Special Meeting was called to order by Mayor Torgerson at 7:05 a.m. The following were present: Mayor Marlin Torgerson, Council Member Kay Peterson, Council Member John Mlinar and Council Member Jim Haugen. Absent: Council Member Duane Hoversten. Also present: City Administrator Gary Plotz, City Attorney Marc Sebor and Election Administrator Melissa Starke.

CANVASSING OF ELECTION RESULTS

Election Administrator Melissa Starke presented the Council with the sealed envelopes containing the count of ballots by precinct. The Council Members then proceeded to canvass the election returns of November 6, 2001.

A motion was made by Mlinar, seconded by Haugen, to certify the election results as submitted and to waive reading and adopt Resolution No. 11821. Motion carried unanimously.

There being no further business to discuss, the meeting adjourned at 7:25 a.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, NOVEMBER 13, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Torgerson called the meeting to order at 5:30 p.m. Members present were John Mlinar, Jim Haugen, Kay Peterson and Duane Hoversten. Also present were Gary Plotz, City Administrator, Marc Sebor, City Attorney and John Olson, Assistant Public Works Director.

2. **INVOCATION** – Father Andy Michaels, St. Anastasia Catholic Church, delivered the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF OCTOBER 23, 2001

(b) SPECIAL MEETING FROM NOVEMBER 7, 2001

Minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON UTILITIES FINANCIAL STATEMENT FOR SEPTEMBER 2001

2. HUTCHINSON PUBLIC LIBRARY BOARD MINUTES FROM SEPTEMBER 26, 2001

3. HUTCHINSON PUBLIC LIBRARY BOARD MINUTES FROM OCTOBER 22, 2001

4. PARKS, RECREATION AND COMMUNITY EDUCATION ADVISORY BOARD MINUTES FROM OCTOBER 4, 2001

5. CHARTER COMMISSION MINUTES FROM OCTOBER 15, 2001

6. BUILDING DEPARTMENT MONTHLY REPORT FOR OCTOBER 2001

7. PIONEERLAND LIBRARY SYSTEM FINANCIAL REPORT FOR SEPTEMBER 2001

8. FIRE DEPARTMENT MONTHLY REPORT FOR OCTOBER 2001

9. PIONEERLAND BOARD MEETING MINUTES FROM SEPTEMBER 20, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11822 – RESOLUTION TRANSFERRING FUNDS FROM THE GENERAL FUND, ECONOMIC LOAN, ENERGY LOAN, 1980, 1990 AND 1992 TAX INCREMENT DEBT SERVICE FOR 2001, TO HUTCHINSON COMMUNITY DEVELOPMENT (EDA) FUND

2. RESOLUTION NO. 11823 – RESOLUTION TRANSFERRING \$203,000 FROM WATER SEWER & REFUSE FUND TO 1994 IMPROVEMENT BONDS, 1995 IMPROVEMENT BONDS AND GENERAL FUND

3. RESOLUTION NO. 11824 – RESOLUTION TRANSFERRING \$264,000 FROM LIQUOR FUND TO GENERAL FUND

4. RESOLUTION NO. 11825 – RESOLUTION TRANSFERRING \$155,000 FROM

CITY COUNCIL MINUTES – NOVEMBER 13, 2001

SPECIAL ASSESSMENT FUND TO CENTRAL GARAGE FUND

5. RESOLUTION NO. 11826 – RESOLUTION REAFFIRMING THE CITY OF HUTCHINSON’S ASSESSMENT POLICY WITH REGARD TO SOUTH GRADE ROAD PROJECT (LETTING NO. 5, PROJECT NO. 01-08)

- (c) CONSIDERATION OF SHORT-TERM GAMBLING LICENSE FOR HUTCH DANCE CENTER ON DECEMBER 15, 2001
- (d) CONSIDERATION OF TRANSIENT MERCHANT LICENSE FOR T.A.P. ENTERPRISES, INC. ON DECEMBER 15, 2001
- (e) CONSIDERATION OF IMPROVEMENT PROJECT CHANGE ORDERS
- (f) CONSIDERATION OF APPROVING AMENDED ASSESSMENT ROLL SA-5048 (GRIFFIN STREET – LETTING NO. 3/PROJECT NO. 01-06)
- (g) CONSIDERATION OF APPROVING ASSESSMENTS ON SOUTH GRADE ROAD – ASSESSMENT ROLL NO. 5051 (SABINSKI AND B&B PROPERTIES)

Motion by Mlinar, second by Haugen, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING** – 6:00 P.M. - NONE

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

7. **UNFINISHED BUSINESS**

8. **NEW BUSINESS**

(a) CONSIDERATION OF APPROVAL OF REQUEST FOR PROPOSALS FOR CODIFICATION OF THE HUTCHINSON MUNICIPAL CODE

Gary Plotz, City Administrator, explained the guidelines outlined in the proposal drafted by Dick Schieffer, City Attorney.

Motion by Peterson, second by Hoversten, to approve authorization of seeking request for proposals for codification of the Hutchinson Municipal Code. Motion carried unanimously.

(b) CONSIDERATION OF APPROVAL OF CITY ATTORNEY POSITION DESCRIPTION

Gary Plotz explained that the City of Hutchinson currently has a contract with a private law firm to provide legal services. The city is exploring other alternatives in the way these services are provided, with one option being having a city attorney on site at City Center as an employee of the City of Hutchinson.. This action item is only to approve the authorization to seek proposals for the city attorney position from the external market.

Motion by Peterson, second by Mlinar, to approve the request to seek proposals for the city attorney position. Motion carried unanimously.

(c) CONSIDERATION OF AWARD OF BIOSOLIDS WATER MAIN PROJECT

John Olson explained that this project is extending watermain to the Biosolids Drying Facility. Juul Contracting was the low quote for this project and he recommended accepting their quote.

Motion by Mlinar, second by Haugen, to award the biosolids water main project to Juul Contracting. Motion carried unanimously.

The funds for this project are coming from the wastewater plant.

(d) CONSIDERATION OF ACTIVATION OF PREVIOUSLY DEFERRED ASSESSMENTS

Kay Peterson will be abstaining from voting on this issue. John Rodeberg explained that a number of deferrals have occurred over the last few years. He further explained that this past summer, the Engineering department conducted a computer query on any properties that may have “missed” any deferred assessments. Some assessments were never activated and the city is now activating them. Mr. Rodeberg explained that these assessments are legally due and payable since they have not been paid on these properties. He explained that there have been calls and complaints by residents in regard to these extra costs that they were not planning on. The City is only charging interest through the year 2000 due to the fact that the residents were notified late in the year.

Mayor Torgerson explained that he had spoken to one resident that had several questions in regard to why these assessments were not activated before he had purchased his property. Mayor Torgerson explained that typically it is the buyer’s responsibility to conduct assessment searches against properties they are purchasing.

Attorney Seborá explained that if all title closings were conducted appropriately, these assessments would have appeared in the city’s records and the residents purchasing these properties would have received the proper notification.

Motion by Mlinar, second by Haugen, to approve the staff recommendation of the activation of previously deferred assessments. Motion carried unanimously.

(e) CONSIDERATION OF CHANGE ORDER FOR EVENT CENTER

Dolf Moon, PRCE Director, explained that an engineering estimate was developed during the pre-design term of the Event Center located at Plaza 15. In that estimate, the recommendation given was to have city staff conduct the demolition process of the event center. Due to the fact that the bid came in lower than expected, it is being recommended to have the contractors conduct demolition work.

Motion by Mlinar, second by Hoversten, to approve the change order for the Event Center. Motion carried unanimously.

(f) CONSIDERATION OF SALE OF REFUNDING UTILITY BONDS & CAPITAL NOTES

Jim Prosser, Ehlers & Associates, reported before the council, stating that there are two separate issues that need action taken, one being the sale of utility bonds and the other being capital notes covering fire equipment. The net interest savings for the utilities bonds for the city will be approximately 4.4% or \$200,000. Mr. Prosser explained that the market is very strong and interest rates are favorable for both of these issues. Mr. Prosser detailed the differences between negotiated sales and competitive sales in regard to the utility bonds. The firm of Ehlers & Associates recommends the competitive sale of bonds. He explained for the Council that both options may not occur at the same time – sales either need to be negotiated or competitive. Once bids have been negotiated and accepted, they cannot be rejected. However, if the bids are negotiated and not accepted, the City could then enter into the competitive market.

Patrick Spethman, Business Manager of Hutch Utilities, presented before the council. Mr. Spethman explained that past history shows that the same entities have been in the negotiated market. He also explained that rates could be negotiated, however do not have to be accepted. If the city would not be in favor of the negotiated bids, they could reject them and look in the competitive market.

Attorney Seborá explained that the deciding factor of which option to choose will be the time line of the city. His concern is that if a negotiated rate is not agreed upon and the city needs to hit the competitive market, will there be enough time to achieve that. He explained that

the negotiating process needs to be supervised by the city's financial advisor.

Mayor Torgerson stressed that he would like to allow Mr. Spethman the opportunity to sell the bonds in the negotiated market.

Kay Peterson asked Ken Merrill how comfortable he was with entering the negotiated market. Mr. Merrill stressed that his background is different from Mr. Spethman's and he believes in bidding be open to the public, or in other words, working in the competitive market. He feels that if the bonds are sold by public bidding, there will be no question as to why/how a contract was awarded to a certain entity.

Mr. Mlinar expressed that we have an excellent financial staff that we can trust and rely on for their recommendations.

Motion by Mlinar, second by Haugen, to approve entering into the negotiated market for the sale of utility bonds, adopting Resolution No. 11827. A roll call was taken for the vote: Haugen – I, Mlinar – I, Peterson – nay, Hoversten – nay, Torgerson – I. Motion carried 3-2.

Motion by Mlinar, second by Peterson to approve selling equipment certificates in competitive market, adopting Resolution NO. 11828. Motion carried unanimously.

9. **MISCELLANEOUS**

(a) COMMUNICATIONS

John Mlinar – Mr. Mlinar commended all of the individuals' efforts that were put into the McLeod County Veterans Memorial Park Dedication. He also feels the issue of surplus dollars in TIF District 4 needs to be addressed.

Kay Peterson – Ms. Peterson added comments to John Mlinar's commendation of the Veterans' Park dedication. Ms. Peterson applauded Lawrence Winter and Dolf Moon and the city staff.

Duane Hoversten – Mr. Hoversten echoed Mlinar's and Peterson's comments regarding McLeod County Veterans Park.

Gary Plotz – Mr. Plotz explained the items discussed at the Leadership Team meeting earlier in the day. The issues discussed were as follows: a moratorium on the annexation issues on Hwy 7 and a library grant for new windows was not accepted. Mr. Plotz also presented a Resolution for purchase for 700 cases of 20 lb. organic bags for the compost site.

Motion by Peterson, second by Hoversten to approve resolution for purchase of 700 cases of organic bags. Motion carried unanimously.

10. **CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS**

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Peterson, with Hoversten abstaining, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Haugen, second by Peterson, to approve and authorize payment of Verified Claims B from appropriate funds. Motion carried unanimously.

11. **ADJOURN**

With no further business to discuss, the meeting adjourned at 6:25 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, NOVEMBER 27, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

Mayor Marlin Torgerson called the meeting to order. Council Members present were John Mlinar, Kay Peterson, Duane Hoversten and Jim Haugen. Also present were Gary Plotz, City Administrator, Marc Sebor, City Attorney and John Rodeberg, Director of Engineering/Public Works.

2. **INVOCATION** – Father Andy Michaels, St. Anastasia Catholic Church, delivered the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF NOVEMBER 13, 2001

The minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON AREA HEALTH CARE BOARD MEETING MINUTES FROM OCTOBER 16, 2001
2. HUTCHINSON PLANNING COMMISSION MINUTES FROM OCTOBER 16, 2001
3. CITY OF HUTCHINSON REPORT OF INVESTMENTS FOR OCTOBER 2001
4. CITY OF HUTCHINSON FINANCIAL REPORT FOR OCTOBER 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11831 – RESOLUTION TO SELL AT AUCTION/DISPOSE OF UNCLAIMED PROPERTY

(c) PLANNING COMMISSION ITEMS

1. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO EXPAND AN EXISTING BUILDING LARGER THAN 1000 SQUARE FEET FOR PROPERTY LOCATED AT 1150 13TH AVENUE NW, AS REQUESTED BY SCOTT AND JUDY PLOWMAN WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11832)
2. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO CONSTRUCT A POLE FRAME ADDITION TO AN EXISTING POLE STRUCTURE IN AN INDUSTRIAL/COMMERCIAL DISTRICT AS REQUESTED BY BRENT REINER, LOCATED AT 805 HWY 7 WEST WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11833)
3. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO PLACE FILL IN THE FLOODWAY AS REQUESTED BY RHONDA BURGE, 1480 HWY 7 WEST WITH DENIAL RECOMMENDED BY THE PLANNING COMMISSION (ADOPT RESOLUTION NO. 11834)
4. CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO CONSTRUCT A 24' X 12' ADDITION TO AN EXISTING BUILDING IN AN INDUSTRIAL/COMMERCIAL DISTRICT AS REQUESTED BY DOUG AND NANCY DWINNEL AT 755 HWY 7 WEST WITH FAVORABLE

RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11835)

5. CONSIDERATION OF A 10' **VARIANCE** TO CONSTRUCT A PARKING LOT 10' FROM THE RIGHT OF WAY AS REQUESTED BY MCLEOD COUNTY, 1065 5TH AVENUE SE WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11836)
6. CONSIDERATION OF AN **EXTENSION** FOR A CONDITIONAL USE PERMIT THAT WAS APPROVED IN JUNE TO BUILD A POLE CONSTRUCTED BUILDING IN AN I-2 DISTRICT AND A **VARIANCE** TO DECREASE THE REQUIRED YARD SETBACK FROM 20 FEET TO 10 FEET, AS REQUESTED BY NGR, LLC WITH FAVORABLE RECOMMENDATION AND STAFF RECOMMENDATION (ADOPT RESOLUTION NO. 11838)
- (d) CONSIDERATION OF TEMPORARY ON-SALE LIQUOR LICENSE FOR LITTLE CROW FRIENDS OF NRA ON NOVEMBER 29, 2001
- (e) CONSIDERATION OF OUT-OF-STATE TRAVEL FOR JOHN RODEBERG TO ATTEND THE NATIONAL TRANSPORTATION RESEARCH BOARD CONFERENCE IN WASHINGTON, D.C. FROM JANUARY 12-17, 2002
- (f) CONSIDERATION FOR APPROVAL OF CHANGE ORDER NO. 1 (LETTING NO. 1, PROJECT NO. 01-01)
- (g) CONSIDERATION FOR APPROVAL OF INVESTMENT AUTHORIZATION

Item (g) was pulled from the Consent Agenda. Motion by Mlinar, second by Haugen, to approve consent agenda, excluding Item (g). Motion carried unanimously.

5. **PUBLIC HEARING – 6:00 P.M. - NONE**

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

7. **UNFINISHED BUSINESS**

8. **NEW BUSINESS**

- (a) CONSIDERATION OF REQUESTING PARTNER SUPPORT FOR JEFFERSON STREET INFRASTRUCTURE IMPROVEMENTS

John Rodeberg, Director of Engineering/Public Works explained to the Council that the county is requesting the Jefferson Street residents to have their septic systems upgraded by June 15, 2002. He displayed a graphic as to the addresses that are in compliance and those that need the immediate upgraded systems.

Mr. Rodeberg requested that the City of Hutchinson pledge their support to the township and county for any infrastructure improvements. There are serious public health and safety concerns for the areas that are not in compliance.

It is projected that sewer and water connections could be in place by next fall, as well as a gravel road.

Mr. Rodeberg explained that the goal of the city, county and township is to work together to reach a common solution. Mr. Rodeberg repeated that the city is not in favor of “forcing” any of the residents to be annexed.

Mr. Rodeberg explained that if the sewer/water project is started next spring/summer, yet has not met the June 15 upgrade deadline, the county would have to get a variance from the

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MPCA to continue with the project. The County Environmentalist believes that this would not be an issue.

Mayor Torgerson stated that this is ultimately a county issue and not a city issue. The city is truly willing to work with the county on this project.

Motion by Mlinar, second by Peterson, to approve Resolution No. 11837 pledging partner support for Jefferson Street infrastructure improvements. Motion carried unanimously.

(b) CONSIDERATION OF CONSULTING AGREEMENT WITH BARR ENGINEERING COMPANY (EROSION CONTROL AT OLD CITY LANDFILL SITE)

John Rodeberg, Director of Engineering/Public Works, explained that the Crow River bank by the old City Dump is eroding due to the numerous floods in the past few years. Mr. Rodeberg is recommending entering into an agreement with Barr Engineering for erosion control of the Crow River. Barr Engineering has indicated that there may be possible funding sources for this project. Mr. Rodeberg explained that this is a two phase project with the first phase being a design phase and the second phase consisting of the development of plans and specifications.

Motion by Peterson, second by Hoversten, to approve the consulting agreement with Barr Engineering Company for erosion control at old city landfill. Motion carried unanimously.

(c) CONSIDERATION OF CONSULTING AGREEMENT WITH BARR ENGINEERING COMPANY (CROW RIVER DAM EVALUATION)

John Rodeberg, Director of Engineering/Public Works, explained that there are additional repairs that need to be completed on the dam since the 1990 project. The Department of Natural Resources approached the City of Hutchinson and requested that the dam be completely reconstructed. Mr. Rodeberg further explained that there is suspected damage to the dam gates. This agreement is to develop a proposal for the reconstruction of the dam and present it to the DNR.

Motion by Hoversten, second by Mlinar, to approve the consulting agreement with Barr Engineering Company to conduct Crow River Dam evaluation. Motion carried unanimously.

(d) CONSIDERATION OF CONSULTING AGREEMENT WITH EARTH TECH FOR PILOT TESTING FOR PROPOSED WATER TREATMENT FACILITY UPGRADES

John Rodeberg requested that this item be deferred to an undetermined date. The cost of the project, as well as other issues, have raised the question as to whether or not this should be considered as the project is into further development.

Motion by Mlinar, second by Haugen, to defer this item to a later date. Motion carried unanimously.

(e) CONSIDERATION TO SET BUDGET WORKSHOP FOR DECEMBER 11, 2001, AT 4:00 P.M.

Motion by Peterson, second by Hoversten, to schedule budget workshop for December 11, 2001, at 4:00 p.m. at the City Center. Motion carried unanimously.

(f) CONSIDERATION OF ORDINANCE NO. 01-303 – APPROVING AN INTERIM ORDINANCE (MORATORIUM) WHICH PROHIBITS ALL APPLICATIONS FOR SUBDIVISIONS, REZONINGS, AND PERMITTING WITHIN THE HIGHWAY 7 EAST AREA (*WAIVE FIRST READING AND SET SECOND READING AND ADOPTION FOR DECEMBER 11, 2001*)

Julie Wischnack, Director of Planning/Zoning/Building, explained that the Hutchinson

Planning Commission recently received a sketch plan for the newly annexed area on Hwy 7 East. The Planning Commission is recommending a moratorium due to the fact that there are issues in this area regarding development without sanitary/sewer hook-up. There is some interest from a few smaller local businesses to develop in this area. Staff has recommended that a moratorium be granted while an ordinance can be written to address development in this area.

Ms. Wischnack explained that according to current ordinance a developer must provide a preliminary plat laying out streets, sewer lines, lot lines, etc. John Rodeberg commented that staff needs to develop guidelines for development in this newly annexed area.

This moratorium will provide staff an ample amount of time to write an ordinance to address issues regarding new developments without sewer hook-ups.

Motion by Peterson, second by Haugen, to approve first reading and set second reading and adoption for December 11, 2001. Motion carried unanimously.

(g) CONSIDERATION OF APPROVAL OF DECLARING COST TO BE ASSESSED AND CALLING FOR HEARING ON PROPOSED ASSESSMENT

John Rodeberg, Director of Engineering/Public Works, explained this is regarding a project that occurred on Griffin Street last summer. There was a second property that did not receive the notification due to the fact that the City was not aware of a lot split.

Motion by Mlinar, second by Hoversten, to approve the declaring of cost to be assessed and calling for hearing on proposed assessment. Motion carried unanimously.

(h) UPDATE ON TAX INCREMENT DISTRICT #4

Christie Rock, HCDC/EDA Director, explained that there has been discussion amongst the EDA Board regarding the residual funds from TIF District #4. Ms. Rock, on behalf of the EDA Board, is requesting support from the Council for them to use the funds for development in the downtown area, as well as in Industrial Park. Ms. Rock explained that the board is requesting that these funds be used specifically in TIF District #4. She is requesting that these funds not be designated to areas outside of the downtown master plan project and industrial park projects.

Ken Merrill, Finance Director, explained that these funds are from interest earnings and land sales, and are not tax increment funds. The City has been advised from their financial advisors to close out this fund. Tax increment dollars would need to be returned to the county and disbursed. These residual funds can be used at the discretion of the Council. There could be approximately \$572,000 available.

Duane Hoversten questioned whether or not there was a time frame that these monies needed to be allocated. Mr. Merrill explained that there really is no deadline that these funds need to be designated by.

Kay Peterson stated that she would like a legal opinion as to whether or not these funds can be used for what they are being requested for.

Mr. Merrill explained that there is a possibility of acquiring state funds, if available, if there is a deficit in a TIF District. These funds can be designated after the City audit in June.

Steve Cook, resident, addressed the Council. Mr. Cook explained that there was a law passed in July 1997 regarding TIF dollars. This law requires that these funds be transferred into another TIF District or returned to the taxpayers through disbursements from county auditor. Mr. Cook stated that, as a taxpayer, he would like to see a reduction in the tax levy by using these additional dollars.

Mayor Torgerson explained that although the tax levy is raising 20%, that doesn't

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necessarily mean that the bottom line of property taxes will be raising 20%.

(i) CONSIDERATION OF APPROVAL OF PROCEDURE FOR ADOPTING 2002 GENERAL FUND BUDGET AND SETTING 2002 TAX LEVY

Ken Merrill, Finance Director, explained that there is no requirement for a truth-in-taxation hearing this year. Mr. Merrill requested that a public hearing be held at the December 11, 2001, City Council meeting to discuss the 2002 budget and tax levy. Following the public hearing, he requested action to be taken to adopt the 2002 general fund budget and tax levy, barring no rejections during the public hearing.

Motion by Peterson, second by Mlinar, to set a public hearing to discuss 2002 budget and tax levy for December 11, 2001, at 6:00 p.m. Motion carried unanimously.

(i) CONSIDERATION FOR APPROVAL RESOLUTION NO. 11839 - EARLY CALL OF 1994 IMPROVEMENT BONDS

Ken Merrill, Finance Director, explained that our financial consultants have found that the city has substantial funds from the 1994 improvement bonds and are recommending an early call. This resolution will call for the early sales of these bonds and will save the city monies all around.

Motion by Peterson, second by Hoversten, to approve the early call of 1994 improvement bonds, adopting Resolution No. 11839. Motion carried unanimously.

Ken Merrill, Finance Director, explained to the Council that the Public Works department has requested orders be placed for four police vehicles. These vehicles will not be arriving until 2002, therefore the funding will be from the 2002 budget. It was stated that these vehicles need to be ordered now, as to receiving them in early 2002.

Motion by Haugen, second by Mlinar to approve the purchase of four police vehicles, adopting Resolution No. 11840. Motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

John Mlinar – Mr. Mlinar reminded the residents of the city to be sure to shovel out their fire hydrants in case of emergencies. Also, be sure to keep snow off the vents of houses so that they do not become plugged and fill the houses with sewer gas.

Duane Hoversten – Mr. Hoversten requested that the Council re-schedule the second meeting in December due to the fact that it falls on December 25, Christmas Day.

Motion by Hoversten, second by Haugen to re-schedule the regular City Council meeting for December 21, 2001, at 7:30 a.m. Motion carried unanimously.

Gary Plotz – Mr. Plotz reviewed the following items covered at the Leadership Meeting earlier in the day: Water Treatment Plant, Jefferson Street Project, Crow River Dam, TIF District 4 funds and re-scheduling the second Council meeting in December.

John Rodeberg – Mr. Rodeberg explained that it took 50% more time to plow snow today due to the weight of the snow. There was also some damage to city vehicles. Not all streets were completely cleaned today and city staff will be starting up again at 12:00 a.m. to finish clean-up. He asked that residents be patient with city staff due to the vast amount that was accumulated.

Mayor Torgerson – The Mayor explained that he has received several calls in regard to the adult entertainment establishments that have opened in Cosmos and Nicollet. He has received calls inquiring whether or not the City has an ordinance in regard to these establishments. The

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city does have an ordinance that prohibits these establishments exclusively from opening within the city limits. This ordinance may need to be revisited and Marc Sebor, City Attorney, will research this issue.

Gary Plotz stated that, due to the vast amount of snow on the boulevards, garbage and organic carts can be placed at the end of driveways as an alternate placement.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Peterson, second by Haugen, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 6:45 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
TUESDAY, DECEMBER 11, 2001**

1. **CALL TO ORDER - 5:30 P.M.**

2. **INVOCATION** – Rev. Greg Nelson, Bethlehem United Methodist Church, delivered the invocation.

3. **MINUTES**

(a) REGULAR MEETING OF NOVEMBER 27, 2001

Minutes were approved as presented.

4. **CONSENT AGENDA**

(a) REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

1. HUTCHINSON AREA HEALTH CARE FINANCIAL REPORT FOR OCTOBER 2001
2. HUTCHINSON UTILITIES FINANCIAL REPORT FOR OCTOBER 2001
3. FIRE DEPARTMENT MONTHLY REPORT FOR NOVEMBER 2001
4. CHARTER COMMISSION MINUTES FROM OCTOBER 29, 2001
5. BUILDING DEPARTMENT MONTHLY REPORT FOR NOVEMBER 2001
6. PIONEERLAND LIBRARY SYSTEM BOARD MEETING MINUTES FROM OCTOBER 18, 2001
7. PIONEERLAND LIBRARY SYSTEM FINANCIAL REPORT FOR OCTOBER 2001
8. PARKS, RECREATION & COMMUNITY EDUCATION BOARD MEETING MINUTES FROM NOVEMBER 1, 2001

(b) RESOLUTIONS AND ORDINANCES

1. RESOLUTION NO. 11841 – RESOLUTION AUTHORIZING MUTUAL AID
2. RESOLUTION NO. 11843 – REVISED RESOLUTION ACTIVATING DEFERRED ASSESSMENTS (REVISING RESOLUTION NO. 11816)
3. RESOLUTION NO. 11844 – RESOLUTION ADOPTING ASSESSMENT ROLL NO. 5052 (LETTING NO. 3/PROJECT NO. 01-06)
4. ORDINANCE NO. 01-303 – AN INTERIM ORDINANCE WHICH PROHIBITS ALL APPLICATIONS FOR SUBDIVISIONS, REZONINGS AND PERMITTING WITHIN THE HIGHWAY 7 EAST AREA (*SECOND READING AND ADOPTION*)

(c) CONSIDERATION OF APPROVAL OF TRANSIENT MERCHANT LICENSE FOR RICHARD SYLVESTER (dba OFF PRICE CLOTHING CO.)

(d) CONSIDERATION FOR APPROVAL OF APPOINTMENTS TO HUTCHINSON FIRE DEPARTMENT

(e) **2002 LICENSE RENEWALS**

1. BINGO LICENSES

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2. GAMBLING DEVICES LICENSES
3. COMMERCIAL/RECYCLING HAULERS
4. PAWN SHOP LICENSE
5. TOBACCO LICENSES

Motion by Haugen, second by Hoversten, to approve consent agenda. Motion carried unanimously.

5. **PUBLIC HEARING** – 6:00 P.M.

(a) OVERVIEW OF 2002 TAX LEVY AND GENERAL FUND

Ken Merrill, Finance Director, presented an overview of the 2002 tax levy and general fund. Mr. Merrill explained that there was not a requirement to hold a truth-in-taxation hearing, however the Council requested that a public hearing be held explaining the levy and general fund increases. Mr. Merrill also noted that residents had not received their tax statements yet, but should be receiving them within the next week.

Mr. Merrill noted that state funding had been reduced by \$212,000, which created quite an impact on this year's levy.

Mr. Merrill explained that the preliminary tax levy proposed was \$4.8 million. The final proposal is now \$4.5 million for the 2002 tax levy.

Mr. Merrill gave an overview of the numbers for the tax assessors market value, tax capacity, the City of Hutchinson tax levy and the tax rate. There is an increase of approximately 22% from last year's levy. This is mainly due to the state statute formula for tax capacity and the loss of state funding.

Mr. Merrill showed comparison examples for homestead and commercial property using the proposed 2002 tax levy. He detailed a breakdown of where residents' tax dollars are specifically being allocated to (i.e. public safety, streets & highways, etc.). Mr. Merrill noted that commercial properties will be acquiring a new state tax as well.

Mr. Merrill also detailed the cost increase for the 2002 general fund.

Roger Krantz, resident of Hutchinson, commended the Council for holding this public hearing. Mr. Krantz commented that he was appalled at the lack of residents at the Council meeting. He felt that the low attendance displayed a lack of interest in residents' property taxes.

Gail Plaisance, resident and business owner of Hutchinson, commented that "times are tough" with business owners, as well as the state and the city. He asked that the Council "watch" the amount of spending.

Mayor Torgerson commented that it is frustrating for the Council and city staff to set a budget when the state keeps changing the level of funding. He noted that the tax capacity was reduced by the state, although the City of Hutchinson is constantly growing and expanding. He reminded the citizens that state funding was reduced by \$212,000, while other communities were receiving increases.

Duane Hoversten stated that had the city received the same amount of funding from the state as in previous years, the budgeted numbers would not be as high in the levy and general fund. He also noted that our tax levy rate would be the same as last year.

Kay Peterson also noted that due to the new state formulas on tax capacity, the Hutchinson tax capacity went down \$2 million even though our actual property values went up \$30 million.

Mayor Torgerson stated that the more progressive Hutchinson is, the less funding it receives

from the state.

John Mlinar noted that there is a Board of Review that residents can attend after they have received their tax assessments. Typically, more residents are apt to attend that meeting than a public hearing such as this. Tentative numbers should be sent out to residents next week.

Mayor Torgerson also noted that the school district portion of assessments will not be included on tax statements.

JoAnn Yost, resident of Hutchinson, asked the Council if there is anything that citizens can do to work with state legislature in regard to the lack of funding that was given to the City. The Council urged citizens to write to the state legislature to voice their concerns.

Motion by Mlinar, second by Peterson to close public hearing. Motion carried unanimously.

6. **COMMUNICATIONS, REQUESTS AND PETITIONS**

7. **UNFINISHED BUSINESS**

8. **NEW BUSINESS**

(a) CONSIDERATION FOR ADOPTION OF 2002 TAX LEVY

Motion by Haugen, second by Peterson, to approve Resolution No. 11845, adopting the 2002 tax levy. A roll call was taken: Haugen – I; Mlinar – nay; Peterson – I; Hoversten – I; Torgerson – I. Motion carried 4 to 1.

(b) CONSIDERATION FOR ADOPTION OF 2002 GENERAL FUND BUDGET

John Mlinar noted that at a previous budget workshop, it was mentioned that a few items be reduced (i.e. energy costs, equipment). He asked if any of those could yet be reduced. He also noted that in the preliminary plans, a 5% increase was projected to make up the difference of the loss of \$212,000 in state aid. He also commented that there seemed to be a large increase in the personnel area with insurance costs and addition of staff.

Ken Merrill stated that the amount budgeted for energy costs is lower than the amount budgeted in 2001. Mr. Merrill also noted that with the Event Center being added, the city needs to be sure there are sufficient funds for fuel, electricity, etc.

John Mlinar also questioned whether or not hiring could be put off for another year, as well as possibly reducing the annual market adjustment.

John Rodeberg commented that the city conducted a market survey with surrounding cities and Hutchinson was placed in the average area compared to the other cities surveyed. He also commented that the increase in pay is a market adjustment to keep city employees earning average wages as those in other cities.

There was further discussion in regard to the annual market adjustment. Mayor Torgerson noted that two council members were part of the wage committee that had compiled the data for the recommendation of the annual market adjustment. He felt that they had done their “homework” and carefully considered the numbers being proposed. Kay Peterson added that other cities in the market survey are granting 3.2%, 3.4% and higher market adjustment rates for their employees. She feels that if Hutchinson does not incorporate a 3% market adjustment rate, it makes us fall that much farther behind in comparison to other city’s wages.

Duane Hoversten explained that he feels the process used to arrive at the personnel cost increase is very acceptable. He is not in favor of the end result of the amount of the overall increase, but supports the process.

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Brenda Ewing presented a list of the cities used in the market analysis. On the bottom of the list, it is noted that this list will have longevity and be used again in the future for market comparisons.

John Mlinar requested that the percentages of increases and reductions be configured. The percentage of decrease was figured from the preliminary numbers to the final proposed numbers for the general fund budget. Percentages were also configured for the reduction from the preliminary numbers for the tax levy proposal. Mr. Mlinar referred to the percentages that were forecasted in the Hutchinson Leader as far as increases from 2001 to 2002. He was concerned with the fact that the final numbers are in line with what was projected.

Duane Hoversten noted for the listening audience that the city did reduce the preliminary budget approximately \$300,000.00. He also commented that the state may have to cut more funding to cities due to the deficit.

Ken Merrill noted that the City reduced the proposed tax levy amount from the preliminary amount by \$383,000, which is 8%.

Motion by Peterson, second by Haugen, to approve Resolution No. 11846, adopting the 2002 general fund budget. Roll call taken: Haugen – I, Mlinar – nay, Peterson – I, Hoversten – I, Torgerson – I. Motion carried 4 to 1.

(c) CONSIDERATION FOR ADOPTION OF 2002 TAX LEVY FOR SPECIAL TAXING DISTRICT HUTCHINSON REDEVELOPMENT AUTHORITY

Mr. Merrill commented that this has also been reduced from the preliminary figure.

Motion by Mlinar, second by Hoversten, to approve Resolution No. 11847, adopting the 2002 tax levy for special taxing district Hutchinson Redevelopment Authority. Motion carried unanimously.

(d) CONSIDERATION OF REDUCING ASSESSMENTS ON TAX FORFEIT PROPERTY

Ken Merrill, Finance Director, explained that a parcel of property located at 1145 Cheyenne Street SW, Lot 4, Block 6, Plaza Heights, has been tax forfeit for several years. A party has come forward that is interested in purchasing this property. This party has requested that the assessments be reduced by approximately \$3000.00. By having a party purchase this property, it would put it back on the tax roll. A condition of the purchase of this property would require a cash payment.

Motion by Peterson, second by Hoversten, to approve the reduction of assessments on tax forfeit property. Motion carried unanimously.

(e) CONSIDERATION OF AWARDING SALE OF \$680,000 GENERAL OBLIGATION CAPITAL NOTES

Steve Apfelbacher, Ehlers & Associates, presented before the Council. Mr. Apfelbacher explained that Stifel, Nicolaus & Company was the lowest bidder for the general obligation capital notes. The City received an A3 rating from Moody Investments.

Motion by Mlinar, second by Peterson, to approve Resolution No. 11848, awarding the sale of \$680,000 general obligation capital notes. Motion carried unanimously.

(f) CONSIDERATION OF AWARDING SALE OF UTILITY BONDS

Patrick Spethman, Hutch Utilities, explained that these bond rates were negotiated and the lowest rate bid was from Stifel, Nicolaus & Company. Steve Apfelbacher explained that Moody Investments rated the Utilities at an A1 rating. H also explained that this is a revenue issue and revenues only will be pledged and not the tax base.

Motion by Hoversten, second by Mlinar, to approve Resolution No. 11849, awarding the sale of utility bonds to Stifel, Nicolaus & Company. Motion carried unanimously.

(g) CONSIDERATION FOR APPROVAL OF 2002 PAY PLAN

Brenda Ewing, Human Resources Coordinator, explained that the pay plan is a document that needs to be approved each year. This pay plan establishes the position grades and the “step plan” for the wage increases.

John Mlinar recommended that this item be acted on after the public hearing discussing the budget.

Motion by Mlinar, second by Peterson, to approve Resolution No. 11842, adopting the 2002 pay plan. Motion carried unanimously.

(h) CONSIDERATION FOR APPROVAL OF PERSONAL VEHICLE POLICY

Gary Plotz, City Administrator, explained that city staff had been looking at policies pertaining to various accountability issues of city employees. This policy details policy and procedure for employees with car allowances.

Motion by Peterson, second by Mlinar, to approve Personal Vehicle Policy. Motion carried unanimously.

9. MISCELLANEOUS

(a) COMMUNICATIONS

John Mlinar – Mr. Mlinar requested an update on the status of the Charter Commission. Mr. Plotz explained that the Charter Commission had completed a draft of the new City Charter and will be holding a public hearing the end of January for residents to raise questions and provide input. After the public hearing, appropriate changes may be made to the Charter and it will come before the Council for final approval.

Gary Plotz – Mr. Plotz updated the council on the codification proposals received for the Hutchinson Municipal Code. Two proposals have been received and will need further review before Council action is taken. A committee of city staff will report to the Council at the next meeting. Mr. Plotz also reported that three proposals have been received for the position of City Attorney. Mr. Plotz is requesting that a committee be appointed to review the proposals and make a recommendation at the next Council meeting. John Mlinar, Mayor Torgerson, and Gary Plotz will serve on the committee. Mr. Plotz will appoint other city staff members to the committee.

John Rodeberg – Mr. Rodeberg reported that a resident contacted his department requesting a consideration for costs to be reduced for extensive work done under Main Street (T.H. 15) during water service replacement. Mr. Rodeberg is requesting the Council grant him the ability to negotiate the final cost with this resident and bring back that negotiated cost to the Council at the next meeting for approval. Mr. Rodeberg is estimating that this resident’s bill may be double of what is a normal charge.

Melissa Starke, Administrative Secretary/Election Official, noted for the Council that there are state funds available in a matching grant for new voting machine equipment. Cindy Schultz, McLeod County Auditor, is completing the application process for the City and needs to have a resolution adopted in support of the grant application. Ms. Starke requested the Council adopt Resolution No. 11850.

Motion by Peterson, second by Haugen, to approve Resolution No. 11850, authorizing and pledging support for voting equipment grant application. Motion carried unanimously.

10. CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

(a) VERIFIED CLAIMS A

Motion by Mlinar, second by Peterson, with Hoversten abstaining, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

(b) VERIFIED CLAIMS B

Motion by Peterson, second by Haugen, to approve and authorize payment of Verified Claims B from appropriate funds. Motion carried unanimously.

11. ADJOURN

With no further business to discuss, the meeting adjourned at 7:15 p.m.

**MINUTES
REGULAR MEETING - HUTCHINSON CITY COUNCIL
FRIDAY, DECEMBER 21, 2001**

CALL TO ORDER – 7:30 A.M.

Vice President Mlinar called the meeting to order. Members present were Jim Haugen, Kay Peterson and Duane Hoversten. Mayor Marlin Torgerson was present after the start of the meeting. Also present were Gary Plotz, City Administrator, Marc Sebor, City Attorney and John Rodeberg, Director of Engineering/Public Works

INVOCATION – Due to the absence of Rev. Greg Nelson, the invocation was withheld.

MINUTES

REGULAR MEETING OF DECEMBER 11, 2001

Minutes were approved as presented

CONSENT AGENDA

REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

PLANNING COMMISSION MINUTES FROM NOVEMBER 20, 2001 MEETING

CITY OF HUTCHINSON REPORT OF INVESTMENTS FOR NOVEMBER 2001

CITY OF HUTCHINSON FINANCIAL REPORT FOR NOVEMBER 2001

HUTCHINSON AREA HEALTH CARE BOARD MEETING MINUTES FROM NOVEMBER 20, 2001

RESOLUTIONS AND ORDINANCES

RESOLUTION NO. 11852 – A RESOLUTION RELEASING PLEDGED SECURITIES FROM MARQUETTE BANK GOLDEN VALLEY - HUTCHINSON OFFICE

PLANNING COMMISSION ITEMS

CONSIDERATION OF A **CONDITIONAL USE PERMIT** TO OPERATE A COMPUTER UPGRADING, REPAIRING AND SOFTWARE STORE IN AN INDUSTRIAL/COMMERCIAL DISTRICT AS REQUESTED BY JAMES BROWN AND BONITA COX, LOCATED AT 255 HWY 7 EAST WITH STAFF RECOMMENDATION AND FAVORABLE RECOMMENDATION (APPROVE RESOLUTION NO. 11851)

CONSIDERATION FOR APPROVAL OF STATE PREMISES PERMIT RENEWALS FOR CROW RIVER SNO PROS AND HUTCHINSON HOCKEY ASSOCIATION

2002 LICENSE RENEWALS

BINGO LICENSES
COMMERCIAL/RECYCLING HAULERS
TAXI CAB LICENSE
TOBACCO LICENSES

CONSIDERATION FOR APPROVAL OF SHORT-TERM GAMBLING LICENSE FOR THE HUTCHINSON BASEBALL ASSOCIATION ON FEBRUARY 2, 2002

CONSIDERATION FOR APPROVAL OF AIRPORT MAINTENANCE CONTRACT (ADOPT RESOLUTION NO. 11858)

CITY COUNCIL MINUTES – DECEMBER 21, 2001

Melissa Starke, Administrative Secretary, noted that the Crow River Country Club had also submitted their application and payment for a tobacco license. She requested that their license be approved with the other license applicants. Ms. Starke also noted that the Hutchinson Hospital Board is requesting that John Houle, 3M Plant Manager, be appointed to the board, replacing Paulette Slanga for a five-year term.

Motion by Haugen, second by Peterson, to approve consent agenda. Motion carried unanimously.

PUBLIC HEARING – 6:00 P.M. - NONE

COMMUNICATIONS, REQUESTS AND PETITIONS

UNFINISHED BUSINESS

NEW BUSINESS

CONSIDERATION FOR APPROVAL OF AWARDED CODIFICATION SERVICES TO THE LEAGUE OF MINNESOTA CITIES

Melissa Starke, Administrative Secretary, explained that an Ordinance Codification Committee consisting of city employees had met and compared the three proposals for codification services. Proposals were received from the following agencies: Kennedy & Graven, League of MN Cities and Municipal Codifiers of MN. The committee compared such items as services provided to other cities, specific codification experience and costs. Reference checks were also completed. Based upon the compared information, the committee is recommending that codification services be awarded to the League of MN Cities. It was noted that the quote for services from the League of MN Cities was approximately \$16,000.00.

Motion by Peterson, second by Hoversten, to award the codification services to the League of Minnesota Cities. Motion carried unanimously.

CONSIDERATION FOR APPROVAL OF 2002 FEE SCHEDULE FOR CEMETERY OPERATIONS

John Rodeberg noted that Hutchinson's rates were on the low end of standard rates for Minnesota and are proposed to be raised slightly. On average the proposed rates went up 5 – 10%. Rates in relation to cremains went up on average about 20%.

Motion by Mlinar, second by Haugen, to approve the 2002 fee schedule for the cemetery operations. Motion carried unanimously.

CONSIDERATION FOR APPROVAL OF LEGAL SERVICES FOR 2002

Marc Seboria excused himself from this discussion. Brenda Ewing disbursed documentation in regard to legal services. Included was a proposal from the city's current law firm, Anderson, Dove, Fretland, Van Vaulkenburg; a survey of other city's legal services information; and a current cost estimate summary/proposal. Information included in the cost estimate were the hourly rates for the attorney, paralegal and half-time support as well as operational expenses.

Gary Plotz stated that Hutchinson Area Health Care and Hutchinson Utilities have verbally assured him that they will each contribute \$25,000 towards the City Attorney position.

The estimated cost to hire an attorney in-house is approximately \$90,000. The proposal from the city's current legal representative is approximately \$102,000.

It was noted that specialized legal services would not be included in the estimated proposal amounts.

Duane Hoversten noted that his preference is to have the City Attorney position as a contract employee, as well as supporting staff. He has concerns that if these positions are put on the step plan and incorporated into the city's pay plan, it would be difficult to discontinue their services if need

be.

Brenda Ewing explained that there is a contract currently being drafted by an attorney from the League of MN Cities that would allow either party to cancel the contract at any time.

Duane Hoversten and Kay Peterson both commented they would like to see the drafted contract and have further discussion before a decision is made.

Gary Plotz noted that the City's current legal services have offered to extend their contract for 30 days until a decision is made.

Mayor Torgerson commented on the background as to the consideration of bringing legal services in-house.

Gary Plotz explained that the contract being drafted requires that the City Attorney position be appointed on an annual basis. It also requires a six-month notice of cancellation of contract by either party with no cause having to be addressed.

Motion by Hoversten, second by Peterson to table this item until the contract can be reviewed. Motion carried unanimously.

CONSIDERATION FOR APPROVAL OF CITY POLICY REGARDING INFORMATION TECHNOLOGY, COPY EQUIPMENT AND COMMUNICATION EQUIPMENT

Tom Kloss, Information Services Coordinator, explained that due to the advancement in technology, this policy needed to be updated. There is a process established in regard to the acknowledgement of the policy by city employees.

Motion by Mlinar, second by Haugen, to approve the city policy regarding information technology, copy equipment, and communication equipment. Motion carried unanimously.

CONSIDERATION FOR APPROVAL OF WATER SERVICE COST SHARING

Mr. Rodeberg explained that this property in question was on Main Street, which made the construction much more difficult. Mr. Rodeberg received an estimate from a contractor under "normal conditions" to complete this type of work, which was approximately \$3000.00. The city ordinance clearly states that such costs are the homeowners' responsibility. Mr. Rodeberg has concern that if the city arbitrarily reduces the costs for this specific property, it sets a precedent for other property owners. He is brainstorming a policy establishing alternative options to have payment be made for such costs. Mr. Rodeberg commented that this will be difficult to draft because of so many different scenarios, but is needed due to the fact that this issue has arisen several times and needs to be addressed. It was recommended that a workshop be held early next year to consider policy and procedure options.

Motion by Peterson, second by Mlinar, to approve water service cost sharing. Motion carried unanimously.

CONSIDERATION FOR ADOPTING WATER WASTEWATER REFUSE COMPOST FUND

Ken Merrill, Finance Director, disbursed a revision to the numbers previously proposed. Mr. Merrill noted that this budget was discussed at an earlier Council workshop. The Water and Sewer numbers remain the same. The Refuse numbers were changed significantly due to a new contract going into effect. The equipment to be purchased has changed from the original proposal. Sewer rates will increase for 2002 approximately 3 – 3.5%. Water rate increases were considered for 2002. Rates would increase from \$.27 - \$.51 based on the usage. Bonding will need to occur to cover some costs. The approved resolution will need to be revised before adoption.

The compost equipment costs have been decreased from what was originally proposed. Revisions in a current contract for refuse hauling show numbers at a loss in the refuse fund.

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Duane Hoversten questioned whether or not a pro forma needed to be completed before any official action can be taken. Mr. Merrill feels that the revised numbers reflect that.

Gary Plotz noted that bulk sales at the compost site from July 1, 2001, were approximately \$83,000 (i.e. compost, wood chips). He noted that due to the fact that the compost site does not have a full year of operation, it is difficult to estimate the amount of sales. Mr. Plotz also noted that there is a vast supply of compost in inventory that will be sellable in the near future.

Mr. Merrill explained that the bagging costs will be incorporated into inventory. Randy DeVries, Director of Water/Wastewater/Resource Recovery, explained that he and the Compost Manager took a realistic look at the budget. Mr. DeVries explained that the updated budget was reduced significantly from the proposed budget earlier. Items such as staff, pallets, bags, etc. were removed from the preliminary proposal.

Mr. Merrill explained that all rates will be approved at a future meeting of the Council.

Motion by Peterson, second by Mlinar, to adopt the water wastewater refuse compost fund, adopting Resolution No. 11853. Motion carried unanimously.

CONSIDERATION FOR ADOPTING 2002 CENTRAL GARAGE FUND BUDGETS

Mr. Merrill explained details of the central garage fund.

Motion by Mlinar, second by Haugen, to adopt the 2002 central garage fund budget, adopting Resolution No. 11854. Motion carried unanimously.

CONSIDERATION FOR ADOPTING 2002 LIQUOR FUND BUDGET

Mr. Merrill explained that there is a positive balance after all transfers have been made. These numbers do not include construction or remodeling.

Motion by Hoversten, second by Peterson, to adopt the 2002 liquor fund budget, adopting Resolution No. 11855. Motion carried unanimously.

CONSIDERATION FOR ADOPTING THE CAPITAL PROJECTS FUND BUDGET FOR FISCAL YEAR 2002

Ken Merrill explained that outlying expenditures were reduced by \$100,000.

Motion by Mlinar, second by Haugen, to approve the capital projects fund budget for fiscal year 2002, adopting Resolution No. 11856. Motion carried unanimously.

CONSIDERATION FOR APPROVAL OF ESTABLISHING MUNICIPAL STATE AID HIGHWAYS

John Rodeberg explained that former TH 22 needs to be officially put on Hutchinson's municipal state aid. This will bring revenue to the city. He noted that the resolution that needs to be approved needs to have a sentence added before final signing.

Motion by Peterson, second by Hoversten, to approve establishing municipal state aid highways. Motion carried unanimously.

CONSIDERATION FOR ACCEPTING WATER TREATMENT REPORT

Mr. Rodeberg that the report needs to be approved by the Council before further work can be done with the engineers in regard to the new Water Treatment Plant. The estimated cost of the plant is \$8 - \$10 million. Pilot testing is being considered. Prior to further action, Mr. Rodeberg is requesting the report be approved. If the report is approved, an engineering review will be conducted and then move on to pilot testing.

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Motion by Mlinar, second by Peterson, to approve accepting the water treatment report from EarthTech. Motion carried unanimously.

MISCELLANEOUS

COMMUNICATIONS

John Mlinar – Mr. Mlinar made a motion to approve a request by Hutchinson Area Health Care to purchase an orthopedic table. Kay Peterson seconded the motion. Motion carried unanimously.

Gary Plotz – Mr. Plotz explained that large amounts of asphalt and concrete have been obtained from local contractors at the compost site. He further noted that approximately 8000 tons need to be crushed. He is requesting that authorization be granted to have a contractor crush this material for \$30,000.

Motion by Hoversten, second by Peterson to approve granting the request for purchase to crush concrete.

John Rodeberg – Mr. Rodeberg noted that Mn/DOT is starting the design work on Hwy 7 from School Road to approximately Bluff Street. A meeting will be occurring on January 2 at 1:00 p.m. to discuss this reconstruction project.

The Jefferson Street residents and city/county officials have not met for some time. The County has proposed conducting a feasibility study on this area and have the City cover 50% of the costs of such a study. There are risks with the city taking this action, however the residents in this area do need some assistance.

Mayor Torgerson feels that it is a little excessive for the City to pay for 50% of a feasibility study for this area. The City of Hutchinson can aid in some way, but not at half the cost.

Kay Peterson felt that due to the health issues of this matter, the City could consider aiding in such a way to correct the problem.

Duane Hoversten suggested having the county front the money and the city would reimburse if a project does occur. Mr. Rodeberg will suggest this to the county.

Mr. Rodeberg stated that the goal is to complete a feasibility report outlining more accurate potential costs to the Jefferson Street residents. He feels that another meeting should not be held until there is further information to give them. Mr. Rodeberg is hoping that if annexation does occur, it can be staged so that at least some of those that do not want to be annexed will not have to be.

All Council Members wished everyone a Merry Christmas and a Happy Holiday season. Mayor Torgerson commended city staff for a job well done in 2001.

Carlene Taylor, HCVN, noted that there was an audio problem earlier in the meeting and the meeting will be aired next Tuesday at 5:30 p.m. in its entirety.

Gary Plotz also noted that a reimbursement request of \$500,000 had been received from the State of MN for the Event Center.

CLAIMS, APPROPRIATIONS AND CONTRACT PAYMENTS

VERIFIED CLAIMS A

Motion by Peterson, second by Hoversten, to approve and authorize payment of Verified Claims A from appropriate funds. Motion carried unanimously.

ADJOURN

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With no further business to discuss, the meeting adjourned at 8:45 a.m.