

**MINUTES  
REGULAR WASECA CITY COUNCIL MEETING  
TUESDAY, NOVEMBER 15, 2011**

**CALL TO ORDER/ROLL CALL**

- 1 The Regular Waseca City Council meeting was called to order by Mayor Roy Srp at 7:04 p.m.

Councilmembers present:

Mayor Roy Srp	Allan Rose
John Clemons	Cindy Coy
Larry Johnson	Mark Christiansen
Les Tloutan	

Staff present:

Crystal Prentice, City Manager  
Nathan Reinhardt, Finance Director  
Kimberly Johnson, Planning Director  
Russ Stammer, City Engineer  
Mary Buenzow, Records Secretary

**MOMENT OF SILENT PRAYER/PLEDGE OF ALLEGIANCE**

- 2 A moment of silent prayer was observed. The Pledge of Allegiance to the Flag was recited.

**APPROVAL OF AGENDA**

- 3 It was moved by Coy, seconded by Rose, to approve the agenda as presented; the motion carried 7-0.

**VISITORS, REQUESTS AND COMMUNICATIONS**

- 4 None

**Mayor Srp asked if there was anyone in the audience, not on the agenda, who wished to address the City Council at this time.**

**Brian Dietz, Waseca School Superintendent, Jeanne Swanson, High School Principal, and Becky Ferch, Hartley Elementary Teacher,** were present. Mr. Dietz explained he had watched the videotape of the last City Council meeting and wanted Councilmember Clemons and the rest of the Council to know how much he appreciated their comments regarding the school referendum. Mr. Dietz stated it is great to be from Waseca and a part of this community.

Mr. Dietz stated now that the referendum has passed, the school district has a lot of work to do and they will not fail. He thanked the Council and the community again for their support.

Mayor Srp stated the election result was a great vote of confidence in the school and he thanked Mr. Dietz and the school district staff for their good work. He added this is a true indication that "it's all about the kids in Waseca".

There were no further public comments.

Mayor Srp asked the City Manager for an update on his inquiry regarding out-of-state background checks. The City Manager stated she spoke with Chief Vought, who explained we are prohibited from doing background checks in other states. However, if a landlord is interested in doing a background check out-of-state, they should contact that particular state. The City is only allowed to do them within Minnesota.

### **PUBLIC HEARINGS**

- 5a **Assessment hearing** - 2010 Overlay Project #2010-03  
**Resolution No. 11-58** – Adopting Assessment Roll #266, Municipal Project #2010-03

The City Engineer presented the cost calculation and assessment roll #266 for Municipal Project No. 2010-03-2010 Street Overlays. The total cost of the project was \$615,940.24, which is lower than the estimate presented at the Project Hearing. Assessment rates were calculated in accordance with the City Assessment Policy and applied to each property according to its use. The assessments total \$182,134.40 or approximately 30% of the project cost. The remaining amount will be funded out of the General Fund.

**Mayor Srp opened the public hearing at 7:13 p.m.**

**No written comments or objections were received by City staff.**

**Floyd Lamont, 500 10<sup>th</sup> Avenue NW**, stated the blacktop on the streets was done well, but the manhole covers are too low and cars hit them with their front end. He felt this should be fixed. Mr. Lamont also questioned why the City is charging 5% interest rate when he cannot earn more than 1½% on his cd's at the bank. He also wondered if the City pays any portion of the street projects.

The City Engineer explained the manholes are intentionally set lower than the blacktop so as to not cause problems with snowplowing, so a standardized ½ inch drop is allowed. He will check these streets to make sure they are at satisfactory levels, and if needed, they can be adjusted to within the ½ inch tolerance.

Mayor Srp inquired why the manholes on Highway 14 are all in line with the wheels of a vehicle, so you drive over each one of them. The City Engineer explained at one time the road was a different width, and over time the width of the road has changed, but the manholes remain in the same place.

The Finance Director responded to Mr. Lamont's question regarding the interest rate on the assessments, and stated there is no statute that dictates what the city can charge, so the rate is based on past rates, as well as the rate the City would pay to borrow, which is currently 5.5%. The City Engineer added that an assessment is levied against the city for its portion of the project, and the assessment is calculated the same way for the city as it is for other properties.

**The public hearing was closed at 7:22 p.m.**

It was moved by Christiansen, seconded by Tlougan, to adopt Resolution No. 11-58, A RESOLUTION OF THE WASECA CITY COUNCIL ADOPTING ASSESSMENT ROLL #266 FOR STREET OVERLAYS PROJECT #2010-03; the motion carried 7-0.

**ROUTINE BUSINESS**

6a **Ordinance No. 976 – Introduction & set hearing date** – Amending Chapter 152 of the City Code, Sign Regulations, Pylon Signs

The City of Waseca is requesting an amendment to the Waseca Code of Ordinance to allow pylon signs in B3, Limited Business and B-4, Highway Business Districts. The Waseca Code of Ordinances Section 152.11 currently allows freestanding pylon signs only in B-2, Urban Fringe Business and I-2, Moderate Industry districts. Several business owners in either B-3 or B-4 zoning districts have approached the City about installing or upgrading freestanding pylon signs on their property. Further, there are currently a number of businesses in these zoning districts that have freestanding pylon signs, which, based on current code, would be considered legally existing, non-conforming signs. For these reasons, the Planning Commission chose to pursue a code amendment to allow pylon signs in B-3 and B-4 districts.

Mayor Srp requested examples of pylon signs. The Planning Director stated there is one at Dairy Queen, and typically a pylon sign is a single post, but sometimes two-post sign over 10 feet tall.

It was moved by Tlougan, seconded by Christiansen, to concur with staff and Planning Commission recommendations and approve the introduction of Ordinance No. 976, AN ORDINANCE OF THE CITY OF WASECA, MINNESOTA AMENDING CHAPTER 152 OF THE CITY CODE, SIGN REGULATIONS, PYLON SIGNS, and set the hearing date for its adoption to December 6, 2011; the motion carried 7-0.

6b **Resolution No. 11-59** – Approving Sale of \$975,000 General Obligation Refunding Bonds, Series 2011A

The Finance Director explained that an opportunity exists to refinance (refund) the General Obligation Water Revenue Bonds, Series 2001B and General Obligation Bonds, Series 2005D, resulting in a savings on interest payments without extending the term of the bond. The original proceeds of the Series 2001B Bonds were used to finance water main improvements within the City. The original proceeds of the Series 2005D Bonds were used to finance infrastructure improvements related to the City's 19<sup>th</sup> Avenue Northwest project (Marketplace). The City Council authorized the refunding of the Bonds at the October 18, 2011 meeting.

Competitive bids were received on November 15, 2011 at the office of Springsted, Inc. The bid results are presented to the Council at this time.

**Doug Green, Springsted, Inc.** addressed the Council and explained this was a very successful bond sale, with six (6) bids received. The winning bid was received from United Missouri Bank with an interest rate of 1.05%, which will result in an annual savings of \$57,000 for the City.

Mr. Green stated the City went through a credit rating process when issuing the bonds, and the City's credit rating according to Moody's is Aa3. He stated this is an excellent credit rating and above average for a city of this size.

Mayor Srp thanked Mr. Green for his presentation and stated the Council appreciates his knowledge and ability to present the information in very understandable terms.

It was moved by Tlougan, seconded by Rose, to concur with staff recommendation and adopt Resolution No. 11-59, A RESOLUTION OF THE WASECA CITY COUNCIL AUTHORIZING ISSUANCE, AWARDED THE SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF \$975,000 GENERAL OBLIGATION REFUNDING BONDS; SERIES 2011A; the motion carried 7-0.

**UNFINISHED BUSINESS**

7 None

**NEW BUSINESS**

8a **Award bid – 2010 State Aid Overlays Project #2010-02**

Staff received bids on November 2<sup>nd</sup> for the 2010 State Aid Overlay Project #2010-02. Five bids were received, the range between the three lowest bids was 11.7%. The low bid of \$353,963.75 is \$18,749.75 lower than the engineer's estimate of \$372,713.50. Staff recommends award of Project 2010-02 to Bituminous Materials, LLC in the amount of \$353,963.75, and authorizing the City Manager to enter into an agreement with them.

It was moved by Christiansen, seconded by Tlougan, to award bid for the 2010 State Aid Overlay Project #2010-02 to Bituminous Materials, Inc. in the amount of \$353,963.75 as presented; the motion carried 7-0.

Mayor Srp asked the City Engineer to pass the word to the Street Department staff that the patching on 2<sup>nd</sup> Avenue SW and 2<sup>nd</sup> Avenue SE is well done and he is very pleased.

**CONSENT AGENDA**

9 Councilmember Tlougan requested two wording changes to item 9A, minutes to the November 1<sup>st</sup> council meeting. Staff noted the changes.

It was moved by Tlougan, seconded by Coy, to approve the Consent Agenda with revisions; the motion carried 7-0 and included the following actions:

- a. Minutes – Regular City Council meeting – November 1, 2011 - were accepted as amended and placed on file.
- b. Minutes – City Council work session – October 18, 2011 – were accepted and placed on file.
- c. Payment Request #4 – Holtmeier Construction – Project #2011-01 – was authorized for payment.
- d. Payroll & expenditures – November 2011 – were authorized for payment.

### **CITY MANAGER’S REPORT**

10 The City Manager provided the following report:

- After receiving input from the Council, a work session has been scheduled for Tuesday, December 6<sup>th</sup> at 5:00 p.m. prior to the Truth in Taxation hearing at 6:00 p.m.
- Human Rights Award nominations are due this Friday, November 18<sup>th</sup>. To date we have received no nominations. If anyone is interested in nominating an individual for the Human Rights Award, please contact the City Manager or City staff.
- Information has been sent to the Council regarding the Highway 14 interchange, and this information will be brought back to a work session for future discussion.

### **ANNOUNCEMENTS**

11 Councilmember Coy reminded everyone that the Holiday Train will be coming to Waseca on Monday, December 5, 2011 at 7:30 p.m. This is a wonderful event for the community, which will benefit the local food shelf. She encouraged everyone to come and make sure they are on the north side of the railroad tracks. Hot cocoa will also be served.

Mayor Srp commented, as a railroad employee, he will have the Owatonna-to-Waseca leg of the Holiday train trip. He has four tickets and will be looking for some individuals to join him on this leg of the trip.

Councilmember Coy stated the Empty Bowls event will be on Monday, November 21<sup>st</sup> at St. John Lutheran Church. The cost is \$10.00 per person, \$30.00 per family and proceeds benefit the Waseca Area Neighborhood Service Center.

Councilmember Rose recalled an earlier time when pylon signs were popular, i.e. Standard Oil, Texaco, Shell, Union 76, etc.. He felt it is a good thing to get back to this era a little bit.

Councilmember Rose wondered if it is possible to use “incarcerated labor” for the Spring Cleanup, or if there is more information available on that issue. The City Manager stated the Park Department often uses Sentenced to Serve for various projects.

Councilmember Christiansen reminded everyone the annual Christmas House Walk is December 3<sup>rd</sup> and 4<sup>th</sup>. This is a major fund raiser for the Waseca Arts Council and this year an ornament hunt has been added to the weekend event. Tickets are now available.

Councilmember Christiansen stated the Boy Scouts are now selling Christmas wreaths. This is their major annual fundraiser and the wreath are \$13.00 each. The money received will go toward the Scouts’ “Super Trip” to New Mexico, and there have been some local scouts who have also had the experience of attending the national and world jamborees.

Mayor Srp announced that Christmas In Our City is this Saturday, November 19<sup>th</sup>. The event includes many activities, including a parade, a visit from Santa, and lighting the Christmas Tree on the Courthouse lawn at 5:00 p.m.

**ADJOURNMENT**

- 12      There being no further business to be brought before the Council, it was moved by Coy, seconded by Tlougan, to adjourn the meeting at 7:58 p.m.; the motion carried 7-0.

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R. D. SRP  
MAYOR

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MARY BUENZOW  
RECORDS SECRETARY