

**Lake City Common Council  
Regular Meeting  
Monday, September 8, 2014 6:00 p.m.  
City Hall Council Chambers**

Members Present: Mayor Joel Beckman, Andru Peters, Mary Lou Waltman, Gene Durand, Randy Klipfel, Phil Gartner

Members Absent: Mark Spence,

Staff Present: City Administrator Alan Lanning, City Attorney Sarah Sonsalla, Planning and Community Development Director Rob Keehn, City Clerk Kari Schreck, Public Works Director Scott Jensen.

Mayor Beckman called the meeting to order at approximately 6:00 p.m. in the Council chambers of city hall with a quorum present.

Pledge of Allegiance

Mayor Beckman led the Pledge of Allegiance.

Introductions

Introductions were made.

Review and adopt/amend agenda

Waltman will abstain from voting item 5A waive second reading and adopt Ordinance No. 537 rezoning a portion of property located at 2000 Wabasha Co. Rd. 5 from Open Space and Parks to Rural Development Transitional as she and her husband are the property owners.

Mayor Beckman stated that item 4e introduce Ordinance number 539 vacating Ohio Street has been pulled from the agenda as the resident has withdrawn the application.

**Motion Gartner second Waltman to approve the agenda as amended. All ayes 6-0-0.**

Public Forum

None

Adopt Resolution 14-071 approving the 2015 proposed General Fund total revenues and expenditures

The City of Lake City is required by Minnesota Statute 275.0065, on or before September 30, 2014 to adopt a proposed General Fund budget for the following year.

The amount of the Local Government Aid certified was increased by \$16,598 from 2014 after the proposed 2015 budget was last presented to the Council. As a result of the LGA certified amount higher than originally budgeted, half of the increased amount was transferred to the Capital Project Fund. This resolution will establish the 2015 proposed General Fund total revenues and expenditures.

**Motion Gartner, second Durand to adopt Resolution 14-071 adopting the proposed General Fund revenue budget for 2015 at \$5,594,805 and the proposed General Fund**

**expenditure budget for 2015 at \$5,586,485. Roll call vote: Beckman aye, Durand aye, Gartner aye, Klipfel aye, Waltman aye, Peters nay. Motion passes 5-1-0.**

Adopt Resolution 14-072 adopting the proposed property tax levy collectible in 2015

The City of Lake City is required by Minnesota Statute 275.0065, on or before September 30, 2014 to certify to the home county auditor the proposed taxes payable in the following year. Adopting Resolution 14-072 will establish the maximum levy collectible in 2015 thereby establishing the maximum amount of revenues to be collected from property taxes in 2015. Motion Waltman, second Klipfel to adopt Resolution 14-072 adopting the proposed levy collectible in 2015 at \$3,053,562. **Roll call vote: Beckman aye, Durand aye, Gartner aye, Klipfel aye, Waltman aye, Peters nay. Motion passes 5-1-0.**

Close City Hall Fund

The City Hall Fund was established to record the transactions related to the bonds that were issued by the EDA for the renovation of the City Hall Building. At that time City Hall was transferred to the EDA and the Marina Fund would transfer the bond payments to the City Hall fund to make the necessary bond payments. The bonds were paid off February 2012. The title to City Hall has been transferred back to the City. All that remains is to close the 401 City Hall Fund. There is no budgetary impact.

**Motion Gartner, second Waltman to return the balance of cash (\$3,979.13) in the City Hall Fund to the Marina Fund and close the City Hall Fund. All ayes 6-0-0.**

Introduce and conduct the first reading in summary form of Ordinance 538

An Ordinance Amending Title XI, Chapter 112 of the Lake City Municipal Code Regarding Lawful Gambling

It appears that the City's current regulations relating to lawful gambling (Chapter 112 of the City Code) have not been updated since 1981 and they are very outdated. Chapter 112 of the City Code is being amended to reflect changes in state regulations related to lawful gambling that have been made over the years. The model League of Minnesota Cities ordinance was used as a starting point. The model ordinance includes a number of areas related to lawful gambling that the City may (but is not required to) regulate. The following regulations have been added to Chapter 112 (all of which are optional): requiring a City permit for the conduct of gambling exempt from state licensing requirements, requiring organizations to contribute 10 percent of the net profits from the lawful gambling to a fund administered by the City that can be used for charitable purposes, and requiring an organization to expend all of its expenditures with the City's "trade area" (which must include the City and all surrounding townships). The City previously charged a local gambling tax of three percent per year of the gross receipts of gambling, less prizes actually paid out. Even though cities are authorized to charge a gambling tax, the tax must only raise the revenue necessary to cover the cost of the city regulating lawful gambling. In lieu of charging a tax, cities may impose up to a \$100 investigation fee for permits that can be used to cover its costs. A majority of cities impose the investigation fee instead of the tax for two reasons: 1) it covers a greater portion of the city's costs than the funds received from the tax; and 2) it is a much more simplified process (with the tax, cities must file an annual report with the Board and make sure that the taxes being collected do not exceed the city's costs incurred in regulating lawful gambling). Staff has outlined in the draft Ordinance proposed language that the council can consider included or excluding in the proposed new Ordinance. City Administrator Lanning was requested to contact some local groups who may be affected by

the proposed new language. A workshop session for council was discussed, but no date was set at this time.

**Motion Durand, second Waltman to introduce Ordinance No 538- An Ordinance Amending Title XI, Chapter 112 of the Lake City Municipal Code Regarding Lawful Gambling; conduct the first reading in summary form, and to adopt Resolution No. 14-066 authorizing publication of Ordinance No. 538 by title and summary. All ayes 6-0-0.**

Unfinished Business:

Waive second reading and adopt Ordinance No. 537 rezoning a portion of property located at 2000 Wabasha Co. Rd. 5 from Open Space and Parks to Rural Development Transitional.

A request to rezone the aforementioned properties was submitted by Terry and Mary Lou Waltman. The Planning Commission conducted public hearings on August 5, 2014, and voted (6-yes, 0-no) to recommend approval of the rezoning request to the City Council. There were no members of the public in attendance at the meeting, and no one spoke in opposition to the requests. The council at the August 11, 2014 meeting conducted the first reading.

**Motion Durand, second Peters to waive second reading and adopt Ordinance No. 537 rezoning a portion of property located at 2000 Wabasha County Road 5 from Open Space and Parks (OSP) to Rural Development Transitional (RD). All ayes 5-0-0.**

Waltman abstained from the discussion and vote.

Consent Agenda:

- a. Council budget retreat minutes August 11, 2014
- b. Council regular meeting minutes August 11, 2014
- c. Expense claims 8.7.14-9.4.14
- d. Adopt Resolution 14-065 amending EDA's 2014 Professional Services.
- e. Adopt Resolution 14-067 amending 2014 Fire department budget
- f. Adopt Resolution 14-068 accepting donations totally \$ 2,255.00 for the renovation/addition of the Lake City Public Library.
- g. Adopt Resolution 14-069 accepting donation for the purchase of children's supplies and amending the 2014 library budget.
- h. Adopt Resolution 14-070 amending 2014 Water budget
- i. Accept a grant in the amount of \$2,230 from Wabasha County for a bike repair station
- j. Accept a grant in the amount of \$10,000 from the Minnesota Historical Society to prepare a nomination for a local historic district along South Oak Street.
- k. Approve hire of Tanner Duffing as Electrical Apprentice
- l. Remove Malachy McCarthy from Reserve Officer status and promote to Part-time Police Officer
- m. Close 100 and 200 blocks of W Center Street for Johnny Appleseed Festival
- n. Approve installation of Stop sign at W Center and S High St intersection; and installation of Yield sign at E Center and S Washington St intersection
- o. Adopt Resolution 14-073, accepting a grant of \$39,172.94 from the Department of Public Safety-Office of Traffic Safety.

**Motion Waltman, second Gartner to adopt the consent agenda as presented. All ayes 6-0-0.**

Communication Updates:

The Library monthly updates on fundraising efforts for August 2014 have pledges to date of \$185,512.75 and receipts to date of \$6367.75.

Three Rivers Community Action Inc. provided the semiannual advisory committee report.

The Food Shelf project is continuing to move forward. Estimated costs of the project were provided to council.

Informational reports:

As presented.

Future Meeting dates:

As presented.

**Motion Waltman, second Peters to adjourn at 6:40 p.m. 6-0-0.**

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Joel T. Beckman, Mayor

ATTEST:

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Kari Schreck, City Clerk