

Minutes
Silver Lake City Council
Regular Meeting
August 19, 2019

Mayor Butler called the meeting to order at 6:30pm.

Members present: Mayor Dorothy Butler, Councilors Josh Winfrey, Brenda Fogarty, Chris Penaz and Nolan Johnson

Staff present: Jon Jerabek, Clerk/Treasurer; RJ Cripps, Police Chief; Dale Kosek, Public Works Supervisor (PWS)

Others present: Karin Ramige, McLeod Publishing; David Krueger, SEH; Bruce Bebo, Joe Yates, Jason Eischens

Motion by Councilor Johnson seconded by Councilor Penaz to approve the agenda.

Vote for: Unanimous

Motion carried.

Consent Agenda

1. Approve minutes from July 15, 2019 Regular Meeting
2. Approve payroll #15, 16, 17 and July Ambulance
3. Claims to be paid:

\$25,626.62	(July EFT)
\$68,835.35	(7-19-19)
\$34,008.89	(8-2-19)
\$70,660.72	(8-16-19)

Motion by Councilor Fogarty seconded by Councilor Winfrey to approve the Consent Agenda.

Vote for: Unanimous

Motion carried.

Public Comment

1. No public comment.

Old Business

1. Multi-Unit Housing Certificate Review. Property manager is gathering quotes for drug use cleanup.
2. Business Subsidy Policy. Council reviewed a proposed policy for business subsidy criteria.

Motion by Councilor Winfrey seconded by Councilor Penaz to approve Resolution 19-12: Resolution Approving City of Silver Lake Policy on Business Subsidy Criteria.

Vote for: Unanimous

Motion carried.

3. Motel Multi-Unit Housing. Council discussed redefining "motel" in the Zoning Ordinance to include length of stay requirements.

Motion by Councilor Penaz seconded by Councilor Fogarty to direct the City Attorney to draft a new definition for "Motel" in the Zoning Ordinance that includes length of stay maximum of twenty-nine days in a sixty consecutive day period.

Vote for: Unanimous

Motion carried.

4. Resolution 19-11: Resolution Approving Limited Parking on Grove Ave NE.

Motion by Councilor Fogarty seconded by Councilor Johnson to approve Resolution 19-11.

Vote for: Unanimous

Motion carried.

5. Second Reading Ordinance 95: An Ordinance Amending Chapter 9 Section 6 Subdivision 2 of the Silver Lake Municipal Code Regarding Parking Regulations.

Motion by Councilor Winfrey seconded by Councilor Penaz to approve Ordinance 95.

Vote for: Unanimous

Motion carried.

6. Yard Waste/Recycling Site. Council discussed options including fencing, surveillance, and a sign-in sheet at City Hall for securing the yard waste site and adding the recycling site. The subject will further be discussed at a future workshop.

7. McLeod County Shop Agreement. Council reviewed an agreement with McLeod County for purchasing the shop located at 305 Main St E for \$72,200. The city would perform street sweeping, snow plowing and/or snow removal, and salt/sand applications on all county roads within the city valued at \$5,200 per year for 14 years. At any point the city may cancel the service agreement and pay the county for the remaining balance.

Motion by Councilor Fogarty seconded by Councilor Winfrey to approve the agreement with McLeod County for the shop located at 305 Main St E.

Vote for: Unanimous

Motion carried.

New Business

1. Capital Improvement Project Engineer Report. David Krueger of SEH presented an agreement for a Preliminary Engineer Report (PER) and Environmental Report (ER). The reports are necessary if the city wishes to pursue a USDA Rural Development loan for a possible capital improvement project. The proposed cost of the agreement was \$100,000 and would take roughly four months to complete. Council discussed reviewing the proposal further at a future workshop as well as researching financing options with the city's financial advisor.
2. Personnel Wage Increase and COLA. Council reviewed options presented by Personnel Committee for wage increases for Dale Kosek and Gary Jerabek. The two employees did not receive a COLA increase for 2019 nor a review increase due to their wages being above the current pay scale for their positions.

Motion by Councilor Winfrey seconded by Councilor Penaz to approve a 2% COLA for Dale Kosek and Gary Jerabek for salary received in 2019.

Vote for: Unanimous

Motion carried.

Motion by Councilor Fogarty seconded by Councilor Penaz to eliminate the Longevity Pay Policy beginning January 1, 2020.

Vote for: Unanimous

Motion carried.

Motion by Councilor Fogarty seconded by Councilor Winfrey to approve an optional, as voted by the City Council, 1% annual review increase for full-time employees that are at or above the maximum step pay for their position beginning January 1, 2020.

Vote for: Unanimous

Motion carried.

3. Personnel Policy Updates. Personnel Committee presented updates to the City Personnel Policy including revisions to minimum age for Municipal Liquor Store employees and revisions to the Sick Leave section.

Motion by Councilor Fogarty seconded by Councilor Penaz to approve the revisions to the Personnel Policy.

Vote for: Unanimous

Motion carried.

4. 2020 Preliminary Budget Review. Clerk Jerabek presented a draft of the preliminary budget for 2020. The total tax levy would increase 5.27% to \$546,629 under the version. Wages were calculated with a 2.5% COLA and health insurance was calculated to increase roughly 5.5%. The preliminary budget must be set by September 30.

Mayor Butler called for a brief recess at 8:00pm.

Mayor Butler called the meeting back to order at 8:03pm.

Department Business

1. Public Works

- a. Pola-Czesky Days were successful.
- b. Discharge gate at wastewater pond was replaced.
- c. Catch basins
 - i. Lake Ave and Howard St basin replaced.
 - ii. Obtaining quotes for basin at Lake Ave and Center St
- d. Reviewing cost of tree trimming on Frank St from Oliver Ave to Queen Ave.
- e. Well house controls to be installed week of August 19, 2019.
- f. Emergency bypass pump under repair.
- g. Obtaining service quote on 100kw generator.
- h. Pool mushroom feature to cost \$20,000-\$25,000 to repair. Will look at removing and adding small slide instead.
- i. Plow truck is being sanded and painted.
- j. Request to purchase Omni-Site dialer for well for \$2650 with electrical installation of approximately \$350. Funds would be taken from PeopleService maintenance budget.

Motion by Councilor Fogarty seconded by Councilor Winfrey to approve the purchase of the Omni-Site dialer for \$3,000.

Vote for: Unanimous

Motion carried.

- k. Reviewed June 2019 PeopleService report.
2. Public Safety
- a. Fire Department
 - i. Reviewed calls for month.
 - ii. Fire Officer Class started August 15, 2019.
 - iii. Commended weather spotters on critical information provided during tornado near the city.
 - iv. Walk for Fallen Firefighters during Pola-Czesky Days parade was well received.
 - v. Reviewed FD Officer position descriptions and qualifications. FD has been working toward a more defined officer hiring process.
Motion by Councilor Fogarty seconded by Councilor Penaz to approve the FD Officer position descriptions and qualifications.
Vote for: Unanimous
Motion carried.
 - b. Ambulance Department
 - i. Reviewed calls for month.
 - ii. One EMT and one EMR have been placed on crews.
 - iii. Letters were mailed for recruitment.
 - iv. Discussed Ambulance storage room.
 - c. Police Department
 - i. Reviewed 6-Month Review for Officer Ian Coates.
Motion by Councilor Fogarty seconded by Councilor Winfrey to approve the review for Officer Ian Coates and to retain with wage increase to \$18.85.
Vote for: Unanimous
Motion carried.
 - ii. Request to hire Victoria Cripps for Police Records/Transcriptionist position. Position estimated to receive 10-20 hours per month. If hired, Cripps would be under supervision of Officer Coates.
Motion by Councilor Fogarty seconded by Councilor Johnson to approve Victoria Cripps as Police Records/Transcriptionist at starting wage of \$14.35 pending background check and drug screen.
Vote for: Unanimous
Motion carried.
 - iii. Reviewed arrests and call activity for month and Pola-Czesky Days.
 - iv. Chief Cripps recommended that all job positions with city have list of disqualifiers for background checks.
3. Municipal Liquor
- a. Sales for July were \$44,414.87 with a net loss of \$8,958.97 and year-to-date sales were \$295,415.31 with a net profit of \$12,756.04.
 - b. Request to approve Car and Bike Show by Fire Relief Association on Main Street from Lake Ave to Thomas Ave on September 21, 2019 from noon to 7pm.
Motion by Councilor Penaz seconded by Councilor Fogarty to approve the Car and Bike Show on September 21, 2019.
Vote for: Unanimous

Motion carried.

- c. Request to approve the hire of Connie Schultz as part-time bartender.

Motion by Councilor Penaz seconded by Councilor Johnson to approve hire of Connie Schultz as part-time bartender at starting wage of \$10.27 pending drug test and background check.

Vote for: Unanimous

Motion carried.

- d. Request to approve the hire of Dana Wait as part-time bartender.

Motion by Councilor Penaz seconded by Councilor Winfrey to approve hire of Dana Wait as part-time bartender at starting wage of \$10.27 pending drug test and background check.

Vote for: Unanimous

Motion carried.

- e. Request to approve the hire of Travis Rohling as part-time bartender.

Motion by Councilor Penaz seconded by Councilor Winfrey to approve hire of Travis Rohling as part-time bartender at starting wage of \$10.27 pending drug test and background check.

Vote for: Councilor Penaz, Councilor Johnson, Councilor Winfrey, Mayor Butler

Vote against: Councilor Fogarty

Motion carried.

- f. Council reviewed MLS policy for allowing individuals under 21 years of age as customers.

Motion by Councilor Penaz seconded by Councilor Johnson to approve policy outlining individuals under 21 years of age to patronize the establishment.

Vote for: Unanimous

Motion carried.

4. Community Development

- a. Planning Commission will meet in August 22, 2019.

- b. Clerk Jerabek met with U.S. Census representative on Complete Count Committees ahead of 2020 Census.

- c. Dog Barking Ordinance

Motion by Councilor Johnson to table dog barking ordinance until next regular meeting.

Vote for: Unanimous

Motion carried.

- d. No tenting sites were rented for Pola-Czesky Days.

5. Administration

- a. Reviewed July Treasurer's Report

- b. Reviewed Peddler's Permit application from Jon Lawrence Trout with Roof Co. N.A. for one year. Chief Cripps recommendation to approve.

Motion by Councilor Fogarty seconded by Councilor Johnson to approve the Peddler's Permit application from Jon Lawrence Trout for one year.

Vote for: Unanimous

Motion carried.

- c. Reviewed updated PeopleService contract with monthly rates lowered \$100 to reflect weekend checks performed remotely beginning October 1, 2019.

Motion by Councilor Fogarty seconded by Councilor Penaz to approve updated contract with PeopleService in effect October 1, 2019.

Vote for: Councilor Fogarty, Councilor Penaz

Vote against: Councilor Johnson, Councilor Winfrey, Mayor Butler

Motion failed.

Council expressed concern over locating services provided by PeopleService.

- d. Reviewed SafeAssure contract for 2019-2020 for \$2,648.78.

Motion by Councilor Winfrey seconded by Councilor Johnson to approve the September 1, 2019 to September 1, 2020 SafeAssure contract for \$2,648.78.

Vote for: Unanimous

Motion carried.

- e. City Hall administration will be seeking affordable training and educational workshops.
- f. Computer Use Policy, Social Media Policy, and Internal Accounting Controls Policy will be reviewed at a future meeting.

Open Discussion

- 1. Discussed building permit questions and requirements.
- 2. Discussed setting workshop date.

Motion by Councilor Fogarty seconded by Councilor Winfrey to adjourn this regular meeting of the Silver Lake City Council.

Vote for: Unanimous

Motion carried.

Meeting adjourned at 10:32pm.

Jon Jerabek, Clerk/Treasurer

Seal of the City:

**CITY COUNCIL
CITY OF SILVER LAKE**

**RESOLUTION 19-11: RESOLUTION APPROVING PROHIBITED PARKING
ON GROVE AVENUE NE**

WHEREAS, The City of Silver Lake has the authority to designate specific areas as limited parking for convenience of the public or to minimize traffic hazards and preserve the free flow of traffic, and

WHEREAS, The City of Silver Lake has deemed a section of Grove Avenue NE as a potential area for traffic hazards, and

WHEREAS, The City of Silver Lake has determined that prohibited parking along the west side of Grove Ave NE from State Highway 7 to the south 155 feet would lessen the potential for traffic hazards, and

THEREFORE BE IT RESOLVED, by the City Council of the City of Silver Lake that along the west side of Grove Ave NE from State Highway 7 to the south 155 feet shall be designated as a prohibited parking zone.

Adopted by the Council this 19th day of August, 2019.

Dorothy Butler, Mayor

Seal of The City:

Jon Jerabek, Clerk/Treasurer

**CITY COUNCIL
CITY OF SILVER LAKE**

**RESOLUTION 19-12: RESOLUTION APPROVING CITY OF SILVER LAKE
POLICY ON BUSINESS SUBSIDY CRITERIA**

WHEREAS, the City of Silver Lake (the “City”) acknowledges the need to provide financial assistance to businesses in the City to further economic and development objectives of the City, and

WHEREAS, of Minnesota Statutes 116J.993 through 116J.995 requires the City to establish Business Subsidy Criteria before any new business subsidy can be provided, and

WHEREAS, the City has performed all actions required by law to be performed prior to the adoption of the Silver Lake Business Subsidy Criteria, including the holding of a public hearing upon published notice as required by law.

THEREFORE BE IT RESOLVED, by the City Council of the City hereby adopts the Silver Lake Business Subsidy Criteria as defined in the attached Exhibit A.

Adopted by the Council this 19th day of August, 2019.

Dorothy Butler, Mayor

Seal of The City:

Jon Jerabek, Clerk/Treasurer

**CITY OF SILVER LAKE
Policy Regarding
Business Subsidy Criteria**

The following business subsidy criteria are intended to satisfy the requirements of Minnesota Statutes 116J.993 through 116J.995 (the “Act”). The Term “City” means collectively the City of Silver Lake, and its Economic Development Authority.

Criteria

The City hereby expresses its support for the use of business subsidies that meet the below listed criteria.

- But-for Test. There is a substantial likelihood that the project would not go forward without the business subsidy requested. This criteria must be supported by representations of the applicant for business subsidy.
- Redevelopment. The project will remove, prevent or reduce blight or other adverse conditions of the property, thereby protecting the City’s property values and the general public health, safety, and welfare.
- Attraction of New Business. The project will attract or retain competitive and financially strong commercial and industrial companies, which offer the potential for significant growth in employment and tax base.
- Highest and Best Land Use. The use of the business subsidy will encourage quality construction and promote the highest and best use of land, consistent with the City’s Comprehensive Plan.
- Needed Services. The project will provide a needed service in the community, including health care, convenience and social services which are not currently available.
- Unmet Housing Needs. The project will provide housing alternatives the community currently needs but are not available.
- Economic Feasibility. The recipient can demonstrate that it has experience and adequate financing for the project, and that the project can be completed in a timely manner.
- Impact on City Services and Infrastructure. The project will not significantly and adversely increase the demands for service needs in the City.
- Job Creation. The project will create or retain jobs within the community paying at least minimum wage. The City may take into account the special needs of

Exhibit A

small or growth-phase businesses with potential to create high paying jobs in the future.

- Tax Base. The project will increase the City's tax base and generate new property tax revenue.

Evaluation

The City will evaluate each request for a business subsidy on a case by case basis. Meeting all or a majority of our criteria does not mean a subsidy will be awarded or denied. A decision to approve or reject a request for subsidy will be based on the merits of the project and the overall benefit to the community.

Valuation of a Business Subsidy

The City will calculate the value of assistance provided to a business in the following manner.

1. If the subsidy is a contribution or sale of real or personal property, the amount of the subsidy will be the fair market value of the property as determined by the City, less any amount paid.
2. If the subsidy is a loan, the amount of the subsidy will be the principal amount of the loan.
3. If the subsidy is a loan guarantee, the amount of the subsidy will be principal amount of the loan guaranteed.
4. If the subsidy takes the form of payments over time (such as pay-as-you-go tax increment) the amount of the subsidy will be the sum of projected payments, discounted to a present value using a discount factor determined by the City which approximates the interest rate available to the business from a commercial lender.

**ORDINANCE 95: AN ORDINANCE AMENDING CHAPTER 9 SECTION 6
SUBDIVISION 2 OF THE SILVER LAKE MUNICIPAL CODE REGARDING
PARKING REGULATIONS**

The City Council of the City of Silver Lake, Minnesota does hereby ordain:

Section 1. Chapter 9 Section 6 Subd 2 of the Silver Lake Municipal Code shall be amended as follows:

Subd. 2. It shall be unlawful for anyone to park a vehicle on Thomas Avenue from Main Street to Cleveland Street unless signage installed by the city on said street permits parking.

Section 2. This ordinance shall take force and be in effect from and after its passage and publication.

Adopted this 19th day of August 2019.

CITY OF SILVER LAKE

SEAL:

By: _____

Dorothy Butler, Its Mayor

ATTEST:

By _____

Jon Jerabek, Its City Clerk