

REGULAR COUNCIL MEETING

A regular meeting of the LeRoy City Council was held Monday, November 7, 2016, at 6:30 PM at the LeRoy Community Center with the following members present: Mayor Jennifer Gumbel, Council Members Kathleen Gottschalk, Ashley Huntley, Gene Miller, Jan Whisler, Maintenance Supervisor John Jones, and City Clerk Patty White. Others in attendance included Dave Perkins, Craig Jacobson, Cordell Stockdale, Brian Thiel, Jon & Rita Hiller, Tim Freerksen, and Deputy Tom Brogan. Mayor Gumbel called the meeting to order at 6:30 PM.

Motion by Miller, second by Whisler to approve the consent agenda. Motion carried 5-0.

No one in the audience had anything to bring during Public Input Time.

During Standing Committee Reports, Huntley reported that she is struggling being able to attend the pool board meetings; the meeting schedule is sent to the members by email, but then the meeting date gets changed and members aren't always informed of the changed meeting date. The board is trying to get a uniform meeting date and time.

Deputy Brogan reviewed the written police report. Council discussed animal issues with Deputy Brogan including the number of stray cats here in town. Council thanked Deputy Brogan for his time.

Council reviewed the investment balances available for projects and updated those present about the council work session that was held to discuss a capital improvement plan and projects to include in such a plan. Gumbel noted the council could meet in a couple of months for another work session to further discuss possible projects.

Council had no questions or comments with the proposed 2017 budget and levy. Council was reminded the 2017 budget and levy will be adopted at the December council meeting.

Jon & Rita Hiller were in attendance to discuss the possible sale of the two city lots, lots 1 & 2 in the WW Sweets addition. Dan Bartel had expressed interest in these lots, but he was not in attendance. Mr. Hiller questioned if there was water and sewer to both lots. Jones reported water and sewer are in lot 1; he didn't think utilities were in lot 2, but access could be made to the mains that run in the adjacent alley. Mrs. Hiller noted she had researched lot prices here in town; she found values range from \$3000 per lot up to \$8000 per lot. Mr. & Mrs. Hiller offered a \$7000 cash offer for both lots. Whisler noted the council could counter back at \$5000 per lot or accept this offer. Council consensus to reject Mr. Bartel's offer. Mr. Hiller noted they may build on these lots in a few years. Motion by Whisler to accept this offer of \$7000 for both lots from Jon & Rita Hiller. Second by Huntley. Motion carried 5-0.

Craig Jacobson, president of the LeRoy EDA, reported the EDA made an offer on the Bergan Buildings in the amount of \$26,000, and the offer was accepted. Mr. Jacobson, on behalf of the EDA, would like to request city funds to fund the cleanup of the west building. A quote on the demolition of this building will range from \$18,000 to \$22,000. The EDA intends to own this property to have something to work with in the future for a possible business or business expansion. The EDA would also like to request the use of the city investment account as security on the loan for this purchase. The EDA discussed this at a special meeting; the EDA is in favor of this project. Miller commented the interior of the building would be cleaned up to have available for future business opportunities. Miller noted the council could either assess the cost of the cleanup back on the property taxes for collection, the council could choose to forgive the amount of the assessment if the EDA were to sell the building, or the council could allow the use of the funds and not require repayment of them. The EDA plans to use the monthly payments from the Wildwood Grove loan to make these loan payments. It was felt these funds from Wildwood Grove will be consistent. Motion by Whisler to grant both requests of the EDA, the funds for cleanup of the west building and the use of the city investment account as security for the loan for the purchase of this property. Second by Huntley. Motion carried 5-0. Mr. Jacobson also reported the EDA has been working on getting a commuter bus service back again to transport Mayo Clinic employees and other Rochester employees from LeRoy to Rochester and back again. The route would also go through Grand Meadow, as the previous Rochester City Lines route did. The EDA had contacted Rochester City Lines and Minnesota Coaches to see if they would be interested in offering this commuter route. Both entities declined. The EDA has been looking into purchasing a bus and operating a commuter route. The EDA has looked at a 31-passenger used bus from Minnesota Coaches with an asking price of \$25,000. Axel Gumbel, Miller, and Brian Thiel met a Mayo

Transportation Committee to request the Mayo subsidy for Mayo Clinic riders on this commuter route. This request was granted. It was noted that Mayo requires the bus to be insured through the City with the employees on the city payroll. Mr. Gumbel has been in contact with potential riders. The EDA has been researching rates to charge to riders and determined to keep the rates comparable to what riders pay to get picked up in Spring Valley. The EDA felt this can work and would like to get this service up and running. Mr. Jacobson reported the EDA would like to request a parking space in the city maintenance shed for the bus, to have the bus included on the city insurance policy, to have the part-time employees (drivers) on the city payroll, and to use the city investment account as collateral for a bank loan for the purchase of the bus. Huntley expressed concern that this might not have the ridership expected; she felt people are used to carpooling now and may not come back to the bus. Thiel noted that numbers have been run based on riders either buying a monthly riding pass or 10-punch riding passes. Miller noted the bus could be used for other purposes, too. He felt it would be easier to market this service if potential riders could see the bus. Gumbel noted the city could be at risk with this venture if this does not cash flow. Miller noted that it takes a new Mayo employee working 16 years before they would be eligible for a parking spot. Miller also noted that this would be a city/EDA owned vehicle managed by the EDA; separate accounts will be set up to keep this separate from the city accounts. Gumbel noted the bus could be wrapped with advertising featuring LeRoy and the area amenities. Gumbel also noted she is not in favor of municipalities being in business that should be run by the private sector, but this has been researched and no one wants to operate this service. It was noted the EDA was unanimous with their decision to pursue this venture and the purchase of the bus. Miller reported there has been interest from Grand Meadow, Chester, and the Cresco, Iowa, areas. Motion by Miller to grant these requests of the LeRoy EDA, to put the bus on the city insurance policy, to have the employees on the city payroll, to allow space at the city maintenance building for bus parking, and to allow the use of the city investment account as security for the loan for the purchase of a bus. Second by Whisler. On a roll call of votes, Gumbel, Gottschalk, Miller, and Whisler voted aye. Huntley cast a nay vote. The motion carried 4-1.

There were no snow removal bids to review, but Jones had received an offer from Koch, Inc. for the city to lease their equipment (payloader) and person for \$160 per hour for the winter season from December 1, 2016, through April 1, 2017. Cordell Stockdale presented an offer from Stockdale Construction for the city to lease his equipment (skidloader) and person for \$80 per hour for the winter season from December 1, 2016, through April 1, 2017. Jones noted that it takes the use of a payloader, skidloader, and city tractor to clear Main Street of snow. Motion by Miller, second by Gumbel to approve these lease agreements from Koch, Inc. and Stockdale Construction. Motion carried 5-0. Motion by Miller, second by Gumbel to pass Resolution 2016-14, a resolution entering into cooperative agreement with the Minnesota Department of Transportation for snow removal from Trunk Highway 56. Motion carried 5-0.

Fire Chief Tim Freerksen reported the FEMA grant that was being written for radios was cancelled due to needing to gather too much information in a short amount of time. If the grant is applied for again, the fire department would be requesting a 10% match. Freerksen also reported the air packs are nearing their 10-year life span. These tanks cost approximately \$700/pack with 10 packs minimum plus the air tank. This purchase will be reviewed sometime in 2017.

Council consensus to meet on Monday, November 14, 2016, at 6:30 PM to serve as the canvassing board and canvass the ballots from the November 8, 2016, city election.

Council reviewed the communications file. Items included the SELS/SELCO Annual Report, a thank you from Micah & Lori Zeiset, and a thank you from the L-O FFA.

Council noted the finishing touches have not been completed yet at the Community Center.

Being no further business to come before the council, the meeting was adjourned on a motion by Huntley, second by Miller at 7:42 PM.

Jennifer Gumbel, Mayor

Attest:

Patty A. White, City Clerk-Treasurer