

MINUTES, REGULAR MEETING  
CITY COUNCIL, CITY OF LA CRESCENT, MINNESOTA  
NOVEMBER 26, 2018

Pursuant to due call and notice thereof, the second meeting of the City Council of the City of La Crescent for the month of November was called to order by Mayor Mike Poellinger at 5:30 PM in the La Crescent City Hall, La Crescent, Minnesota, on Monday, November 26, 2018, followed by the Pledge of Allegiance.

Upon a roll call taken and tallied by the City Administrator, the following members were present: Members Bernie Buehler, Ryan Hutchinson, Brian Krenz, Dale Williams and Mayor Mike Poellinger. Members absent: None. Also present was City Administrator Bill Waller, City Attorney Skip Wieser, City Finance Director Debra Shimshak, and City Building/Zoning Official Shawn Wetterlin.

Mayor Poellinger asked if anyone wished to take action to change the agenda as presented. There were no changes requested.

**ITEM 1 – CONSENT AGENDA**

At this time, the Mayor read the following items to be considered as part of the Consent Agenda for this regular meeting:

- 1.1 MINUTES – NOVEMBER 13, 2018
- 1.2 BILLS PAYABLE THROUGH NOVEMBER 20, 2018
- 1.3 CASH BALANCE/ACTIVITY REPORT – OCTOBER 2018
- 1.4 LIBRARY REPORT – OCTOBER 2018

At the conclusion of the reading of the Consent Agenda, Mayor Poellinger asked if the Council wished to have any of the items removed from the Consent Agenda for further discussion. Member Buehler made a motion, seconded by Member Krenz, as follows:

**A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 3.1 – FINAL PAY REQUEST – CRESCENT VALLEY PROJECT**

City Council reviewed Memorandums from City Finance Director Shimshak and City Engineer Hruska regarding the final pay request in the amount of \$76,133.06 for the Crescent Valley Sewer Extension Phase 2B which was included in the 2016 Bonded Projects. This bond also included the Oak Street Reconstruction

Project which came in under budget leaving a current balance of \$50,442.61 available in the Capital Project Fund (Fund 445) to pay for the Council approved change orders related to the Crescent Valley Sewer Extension. The sewer construction costs are paid directly out of the Sewer Fund (Fund 602) so for accounting purposes a transfer from the Capital Project Fund to the Sewer Fund is required to move these funds. There are funds available in the Bonds Paid Up Fund (Fund 300) to cover the difference of approximately \$25,000. The Bonds Paid Up Fund currently has a balance of \$120,047. It was recommended to City Council to approve the transfers of the balance in the Capital Project Fund of \$50,442.61 and \$25,000.00 from the Bonds Paid Up Fund to the Sewer Fund. The project and associated punch list items have been completed to the City Engineer's satisfaction. The project has a two (2) year warranty bond associated with the work. Acceptance of the project by City Council will start the two-year warranty period. Following discussion, Member Krenz made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO APPROVE THE FINAL PAYMENT REQUEST OF \$76,133.06 FOR THE CRESCENT VALLEY SEWER EXTENSION PHASE 2B PROJECT AND TO BEGIN THE 2-YEAR WARRANTY AND TO ALSO APPROVE THE TRANSFER OF \$25,000.00 FROM THE BONDS PAID UP FUND AND \$50,422.61 FROM THE CAPITAL PROJECT FUND TO THE SEWER FUND FOR THIS FINAL PAYMENT.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 3.2 – OFF-SALE LIQUOR LICENSE APPLICATION**

City Administrator Waller reviewed with City Council a new off-sale liquor license application from M-V Enterprises, Inc., Mark Nolop and Valerie Rosenow, to operate an off-sale liquor business in what was formerly Apple Village Liquor. Also reviewed was a letter from Chief Stavenau of the La Crescent Police Department regarding the background records check. The off-sale liquor license application appears to be in order and it was recommended to City Council to approve the application and authorize it be forwarded to the Minnesota Department of Public Safety. Following discussion, Member Hutchinson made a motion, seconded by Member Buehler, as follows:

**MOTION TO APPROVE THE APPLICATION A NEW OFF-SALE LIQUOR LICENSE APPLICATION FROM M-V ENTERPRISES, INC., MARK NOLOP AND VALERIE ROSENOW, TO OPERATE AN OFF-SALE LIQUOR BUSINESS IN WHAT WAS FORMERLY APPLE VILLAGE LIQUOR AND TO AUTHORIZE IT BE FORWARDED TO THE MINNESOTA DEPARTMENT OF PUBLIC SAFETY CONTINGENT UPON A BACKGROUND CHECK OF VALERIE ROSENOW.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Mike Poellinger	Yes

Member Dale Williams abstained, and none voted against the same. The motion was declared duly carried by a 4-0 vote.

**ITEM 3.3 – APPLE BLOSSOM ACRES 3 – ACCEPT PROJECT**

City Attorney Wieser reviewed with City Council the acceptance of the Apple Blossom Acres 3 project . There were four punch list items that needed to be completed on the project and which were documented in a letter to the developer. The developer has completed three of the items. The remaining item is an adjustment to a water valve at the end of the cul-de-sac. It was recommended to City Council to accept the project and begin the maintenance period contingent upon the completion of the last item by November 30, 2018. Following discussion, Member Krenz made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO ACCEPT THE APPLE BLOSSOM ACRES 3 PROJECT AND BEGIN THE MAINTENANCE PERIOD CONTINGENT UPON THE COMPLETION OF AN ADJUSTMENT TO A WATER VALVE AT THE END OF THE CUL-DE-SAC BY NOVEMBER 30, 2018.**

Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 3.4 – ANNEXATION PETITION – 1384 VALLEY LANE**

City Attorney Wieser reviewed with City Council a Petition requesting annexation by property owners at 1384 Valley Lane. Before the adoption of an Ordinance, the City will need to hold a public hearing and provide 30 days written notice to La Crescent Township and contiguous property owners. It was recommended that the Petition be accepted and that a Public Hearing be scheduled for January 14, 2019 at 5:35 p.m. Following discussion, Member Williams made a motion, seconded by Member Krenz, as follows:

**MOTION TO ACCEPT THE PETITION FOR ANNEXATION FROM THE PROPERTY OWNERS AT 1384 VALLEY LANE AND CALL FOR A PUBLIC HEARING ON JANUARY 14, 2019 AT 5:35 PM AT CITY HALL.**

Upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 3.5 – 2019 LICENSE RENEWALS**

City Council reviewed a list of proposed license renewals for 2019. The applications appear to be in order and it was recommended to City Council to approve the license renewal applications. Following discussion, Member Buehler made a motion, seconded by Hutchinson, as follows:

**MOTION TO APPROVE THE PRESENTED LIST OF LICENSE RENEWALS FOR 2019 FOR THE FOLLOWING:**

**CIGARETTES – KWIK TRIP #437; KWIK TRIP #614; QUILLIN’S**

**OFF-SALE 3.2 - KWIK TRIP #437; KWIK TRIP #614; QUILLIN’S**

**LIQUOR OFF- SALE – SCHMITTY’S TIMEOUT TAVERN**

**LIQUOR ON-SALE - SCHMITTY’S TIMEOUT TAVERN**

**LIQUOR SUNDAY - SCHMITTY’S TIMEOUT TAVERN**

**GAS INSTALLERS – WINONA CONTROLS; HEATING & COOLING SPECIALISTS; MIKE SHERMAN PLUMBING & HEATING; AMERICAN HOME FIREPLACE & PATIO; 7 RIVERS MECHANICAL; SCHROEDER HEATING & COOLING; RON HAMMES REFRIGERATION; SCHNEIDER HEATING & AIR CONDITIONING; HENGEL BROTHERS; HORMAN’S HVAC; LA CROSSE FIREPLACE CO.; WINONA HEATING & VENTILATING CO.**

**SOLID WASTE – RICHARD’S SANITATION**

**MASSAGE BUSINESS – SIMPLE PLEASURES YOGA & MASSAGE**

**MASSAGE TECHNICIAN – SIMPLE PLEASURES YOGA & MASSAGE**

Upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 3.6 – TAX CERTIFICATION LIST**

City Council reviewed a Resolution presented at the meeting for Houston County properties making special levies for the collection with Real Estate taxes payable in the Calendar Year 2019. Following discussion, Member Williams introduced the following resolutions and moved their passage and adoption:

**RESOLUTION 11-18-30**

**RESOLUTION MAKING SPECIAL LEVIES FOR  
COLLECTION WITH REAL ESTATE TAXES PAYABLE IN THE  
CALENDAR YEAR 2019**

BE IT RESOLVED by the City Council of the City of La Crescent, Minnesota as follows:

1. It is hereby found and determined and declared that the amounts set forth in a column at the right to be levied as a special assessment against the listed property and to be collected in the calendar year 2019 as provided by law.

<b>HOUSTON CO. AUDITOR REF. NUMBER</b>	<b>PROPERTY OWNER</b>	<b>CITY ACCOUNT #</b>	<b>AMOUNT TO BE LEVIED IN 2019</b>	<b>CODE</b>
25.2089000	VERNON WALTER	33000000	92.88	80
25.1623007	MARK & SUSAN MILLER	12106500	23.22	80
25.0295000	RYAN MAHLUM	20201401	195.21	80
25.0560000	FEDERAL NATIONAL MORTGAGE ASSOC	30200502	409.60	80
25.1963000	FEDERAL NATIONAL MORTGAGE ASSOC	30400801	108.26	80
25.1261005	PAUL DAWSON	30507107	243.90	80
25.1392000	GREAT RIVER INVESTMENT	31103912	154.65	80
25.2151000	BRIAN SCHUMACHER & JANET VEIT	32027000	135.20	80
25.2199002	NATHAN & NICOLE TEACHOUT	33001500	46.44	80
25.0001000	ST. JAMES PLACE PROPERTIES	11101704	143.28	80
25.1257006	BILL KISTLER	30306502	296.43	80
25.1257006	BILL KISTLER	30306800	103.71	80
25.1257011	BILL KISTLER	30307302	131.94	80
25.0640000	LEONARD GREENWOOD	INV 2366	452.65	80
25.0081000	MICHAEL MCCORMICK	INV 2358	180.95	80

<b>HOUSTON CO. AUDITOR REF. NUMBER</b>	<b>PROPERTY OWNER</b>	<b>CITY ACCOUNT #</b>	<b>AMOUNT TO BE LEVIED IN 2019</b>	<b>CODE</b>
25.0327000	KATHLEEN COLLINS	INV 2286	51.70	80
25.2016000	MUNEER IBRAHIM SH ALBENJABI	INV 2319	51.70	80

ADOPTED this 26<sup>th</sup> day of November, 2018.

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator

The motion for the adoption of the foregoing resolution was duly seconded by Member Krenz and upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried and the resolutions duly passed and adopted.

**ITEM 7.1 – CORRESPONDENCE – MN DEPARTMENT OF HEALTH – QUALITY AWARD**

City Council reviewed a correspondence dated November 9, 2018 from the Minnesota Department of Health presenting the City with the 2017 Water Fluoridation Quality Award. No action taken.

**ITEM 8 – CHAMBER OF COMMERCE**

Travis Minegar from the La Crescent Chamber of Commerce gave an update on the Holiday Train and Christmas in La Crescent events.

At this time, Member Williams made a motion, seconded by Member Krenz, as follows:

**MOTION TO RECESS UNTIL 6:00 P.M. FOR THE PUBLIC MEETING FOR THE 2019 GENERAL FUND BUDGET AND LEVY.**

Upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

**ITEM 2 – PUBLIC MEETING – 2019 GENERAL FUND BUDGET AND LEVY**

It being 6:00 PM, Mayor Poellinger opened the public meeting on the 2019 General Fund Budget and Levy. City Administrator Waller circulated a sign-up sheet and gave an overview of the process. As a point of clarification, in April of each year the City Council holds the Board of Appeal and Equalization meeting, at which time property owners can ask questions about their proposed property value and property classification. The items included for review and consideration by the City Council were the proposed resolution setting the 2019 levy, and the memo presented in September of 2018 that summarizes the 2019 general fund budget. In addition, tax statements were included to show the proposed tax impact on a number of varying market values and tax classifications.

The tax statements this year were significantly different than those from past years. The City has reviewed a number of tax statements, and has had discussion with the County, and reviewed the following at the meeting:

1. Market values are set by the County, not the City.
2. For commercial and apartment properties, it appears that the market values remained the same from 2018 to 2019, and the impact to the 2019 taxes either went down or increased only slightly,
3. For residential properties, from 2018 to 2019 market values have for the most part either increased or decreased. The County has indicated that this is the result of a new software that the County is using to calculate market values. In some instances, the increase in market values from 2018 to 2019 was significant. The increase in market values has resulted in property tax increases in 2019, some of which are significant and far exceed the impact of the proposed increase in the levy.
4. For 2019, very few residential properties had their market values remain constant from 2018.
5. For some residential properties, their market values have been adjusted up and down over the past few years. For example, one residential property's market value was \$269,600 in 2017, was lowered to \$239,600 in 2018, only to be increased in 2019 to \$272,900. This resulted in a property tax increase for 2019 of 17.3%.

City Attorney Wieser reviewed the regular property tax refund, the special property tax refund and the senior citizen deferment.

The Mayor then asked if anyone present in the audience wished to make comments. Comments were made by the following: Geoff Dawes, Thomas Burns, John Grupa, Cheryl Jostad, Bob Cronin, Jeff Henthorne, Mike Kost, Dale Williams (from the audience), and Richard Burns. The public meeting was then closed at 6:40 p.m.

Following discussion, the following Motions were made:

Member Buehler made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO CONTINUE THE 2019 GENERAL FUND BUDGET AND LEVY RESOLUTION TO THE DECEMBER 10, 2018 CITY COUNCIL MEETING AGENDA.**

Upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

Member Buehler made a motion, seconded by Member Hutchinson, as follows:

**MOTION TO SET-UP MEETING WITH COUNTY BOARD MEMBERS AND ASSESSOR TO REVIEW THE 2019 ASSESSMENT PROCESS FOR VALUES AND TO HAVE THIS ISSUE PLACED ON THE NEXT PRACTICAL COUNTY BOARD MEETING AGENDA.**

Upon a roll call vote taken and tallied by the City Administrator, all Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

There being no further business to come before the Council at this time, Member Williams made a motion, seconded by Member Krenz, to adjourn the meeting. Upon a roll call vote taken and tallied by the City Administrator, the following Members present voted in favor thereof, viz;

Bernie Buehler	Yes
Ryan Hutchinson	Yes
Brian Krenz	Yes
Dale Williams	Yes
Mike Poellinger	Yes



and none voted against the same. The motion was declared duly carried and the meeting duly adjourned at 6:53 PM.

APPROVAL DATE: \_\_\_\_\_

SIGNED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Administrator