

Committee of the Whole
February 2, 2016

Present: Mayor Vulich, Council Members Gassman, Seeley, McGraw, Determann, O'Neill, Connell, Allesee, City Administrator, City Attorney (by telephone), City Clerk, Press and interested citizens.

1. Retirement Incentive Policy – Ed O'Neill

City Attorney Patrick O'Connell advised the Council that he has no comments regarding what the Council wants to do; however, he would discuss his legal analysis at the February 9, 2016 City Council meeting.

M/S, Allesee-McGraw moved to discuss the Retirement Incentive Policy at the next Committee of the Whole. On roll call, Seeley, McGraw, Determann, Connell, Allesee – Yes; Gassman, O'Neill – No. Motion carried.

In discussion before roll call, Councilmember O'Neill stated that the Council needs to have further discussion and background regarding this issue. Mayor Vulich inquired regarding whether the City Attorney had more information. City Attorney O'Connell stated that he was standing by for any additional legal questions; however, he was not saying that there would not be legal issues.

2. Disposal of City-Owned Properties – Jessica Kinser

City Administrator Jessica Kinser advised the Council that at a recent budget workshop, we discussed the cost of maintaining properties owned by the City anticipated in fiscal year 2017 through mowing and other maintenance. Many of these properties are empty lots which have not been disposed of or have some issues the City needs to address before they can be disposed of. She stated that the City of Clinton ordinance regarding the disposal of City-owned properties is cumbersome and recommended changes to the ordinance. She continued in stating that the first paragraph and subparagraph (C) are overly burdensome and restrictive in situations where there is no relative value to the property or it is not the desire of the Council for a property owner to pay an appraised price. The requirement to have an appraisal adds cost to the process for the City as well. She recommended an amendment to the ordinance to have it read as follows: "The Council shall make the final determination on the sale of property or the granting of an easement over property and the total price thereof" which still gives the City Council the ability to direct the price and sales method without making the process overly burdensome.

She further stated that if the Council would like to proceed with the disposal of the properties on the list, she would suggest moving the change in the ordinance language forward to the next Council meeting would simplify the process.

Councilmember Determann inquired regarding the cost the City has on some properties which it has demolished or currently mows. Councilmember Gassman stated that some properties are \$60,000. City Administrator Kinser stated that the City has owned some of the lots for a long time. She continued in stating that staff has been mowing them for multiple years and she did not know the maintenance cost. Mayor Vulich stated that the City should have a demolition history on some of the parcels.

Councilmember O'Neill inquired regarding why the Liberty Square and South Clinton parcels were not included. City Administrator Kinser stated that she is already working off of a list of over 700 properties. Councilmember Seeley stated that this is an ideal process for several properties which are not valuable except to the neighbors; however, the handling of other valuable properties should not be done this way. City Administrator Kinser stated that the City does not need such a stringent process on every property; however, there are properties which need to be treated differently. Councilmember Seeley stated that he is concerned regarding the Council selling properties without a basis of value. The Council, as a whole, are not real estate experts; however, the City should not spend hundreds of dollars on a parcel that is only worth \$1. City Administrator Kinser stated that the proposed changes would not take anything away from the Council's wanting to get a certain price for certain properties. Councilmember Seeley stated that the City must have appraisals done on buildable lots. City Administrator Kinser stated that some of the properties are buildable and would be handled differently. She continued in stating that the City has appraisals done on easements.

Mayor Vulich inquired regarding whether comparable cities dispose of properties in a certain way. City Administrator Kinser stated that they generally follow state law. She continued in stating that discussion needs to take place regarding the disposal method; however, she could not move forward without making the proposed changes to section C. Councilmember Seeley stated that there should be a certain lot size that would require an appraisal. Mayor Vulich inquired regarding whether other cities follow this procedure. City Attorney O'Connell stated that they follow state law. He continued in stating that properties should be sold for fair market value. Mayor Vulich inquired regarding whether the city could sell a 30'X100' lot if the best bid received was \$30. City Attorney O'Connell stated "No" and recommended that the City put a "floor" on the bids. There must be a reasonable indication of what a lot is worth. Certain lots are not worth anything on the open market. He continued in stating that he did not recommend not having parameters.

M/S, O'Neill-Determann moved to forward the amendment to the ordinance to the next Committee of the Whole agenda. On roll call, carried unanimously.

3. McClure Engineering Company Development Agreement – Jessica Kinser

City Administrator Kinser advised the Council that McClure Engineering has proposed some changes to the existing development agreement now that a broker is in place. In order to remove the 5% of sales provision, they are proposing to be paid out for work done as part of Rail.One and NRM and to be paid at hourly rates for all future work done in the Railpark.

Councilmember O'Neill inquired regarding whether the City will have McClure Engineering exclusively for engineering at the Railpark. City Administrator Kinser stated "Yes". Councilmember O'Neill thanked Kevin Bailey, McClure Engineering, for coming back to work for the City. He stated that certification is coming up and hopefully a lot of growth out at the Railpark. Mr. Kevin Bailey stated that step three must be submitted to McCallum Sweeney by March 1, 2016. He continued in stating that step 3 is 80% completed and they hoped to move forward to have everything to the CRDC by March 15, 2016.

M/S, Determann-O'Neill moved to forward the McClure Engineering Company Development Agreement to the next City Council agenda. On roll call, carried unanimously.

4. Wi-Fi at Eagle Point Lodge – Gregg Obren

Parks and Recreation Director Gregg Obren advised that he has been working to get Wi-Fi to Eagle Point Lodge with the Rotary Club Project. He stated that the City is the owner of the property but not the project. Rotary is researching the possibilities of providing Wi-Fi capabilities as part of the renovation of Eagle Point Lodge. He continued in stating that they looked at Dish; however, cannot access a signal. He further stated that Mediacom does not go that far north; however, has provided a proposal of \$25,000 for installation of the fiber. The cost of the installation will be financed by the Rotary Club. The City would need to pay a monthly service charge of \$500. He proceeded to state that he is not ready to enter into an agreement yet since there is a lot of research which needs to take place. Mayor Vulich stated that he thought \$500 is too expensive.

Councilmember O'Neill inquired regarding what Wi-Fi would be used for. Director Obren stated that it would allow business and industry presentations to be made at the lodge. Mayor Vulich suggested that Verizon or U.S, Cellular be looked into. City Administrator Kinser stated that the City has the opportunity to make Eagle Point Park a wireless connection and make it the lodge and the park more marketable.

Councilmember Connell stated that the City needs to negotiate with Mediacom. Councilmember Seeley stated that someone from the City should help Director Obren with the negotiations. He continued in stating that this needs to be more cost effective. City Administrator Kinser stated that staff can work as a team; however, lack of a franchise agreement does not help.

5. Mayor & Council Member Updates

Councilmember O'Neill stated that he would be holding his first public forum of 2016 on Saturday, February 6, 2016 from 9:30 AM to 11:30 AM at the Ericksen Community Center.

M/S, Determann-Gassman moved to adjourn. All in favor.

Respectfully Submitted,

Pat Van Loo
City Clerk