

PUBLIC WORKS / FINANCE / SAFETY COMMITTEE MEETING

Monday, February 3, 2020

Present: Mayor Caron and Council Members Albertsen, Buhler, Heuer, Holien, Lalim, Mantey, Redemske, Roby, Vilhauer & Weyh

Also Present: Heath VonEye, Colin Paulsen, Kristen Bobzien, Matt Roby, Todd Syhre, John Yost, Terry Kelly, Dan Miller & others

The meeting was called to order by Mayor Sarah Caron.

Approval of the Consent Agenda

Motion was made by Beth Mantey and seconded by Ried Holien to approve the following items on the Consent Agenda: minutes from the January 21, 2020 Public Works/Finance/Safety Committee meeting. All voted in favor and motion carried.

Public Comment

None

Approval of the Agenda

Motion was made by Glen Vilhauer and seconded by Adam Lalim to approve the agenda; all voted in favor and motion carried.

Council Consideration of Change Order No. 3 (Final) with J&J Earthworks, Inc. for the 2018 Street Improvements Project, Project No. 1801-D, 26th Street SE, for an increase of \$16,359.39, bringing the final contract amount to \$191,089.39.

Public Works Director/City Engineer Heath VonEye reviewed Change Order No. 3 (Final) with J&J Earthworks for the 26th Street SE Street Improvements Project, for an increase of \$16,359.39. This brings the final contract amount to \$191,089.39 and closes out the project. The costs of this project will be assessed to the adjacent property owners. The changes are for pricing and project overruns on paving and base course. A sanitary sewer manhole price adjustment was also included. This was due to an error found on the bid that was submitted, and would not have affected who the low bidder was. Motion was made by Josh Weyh and seconded by Bruce Buhler to recommend approval of Change Order No. 3; all voted in favor and motion carried.

Council Consideration of Pay Estimate No. 5 (Final) for the Hangar Taxilane Expansion Project (AIP #3-46-0058-032-2017) with J&J Earthworks for \$29,050.00, bringing the final contract amount to \$661,166.53.

Heath reviewed the Pay Estimate No. 5 (Final) for the Hangar Taxilane Expansion Project. The final change order was executed in October 2019, but the final pay estimate could not be processed until lien waivers were received from all the subcontractors. The original contract amount was \$727,502.50, with two change orders bringing the total contract down to \$661,163.53. This is an AIP-eligible project, so the City's share is 5%, for a total of \$33,058.33 for the project. Motion was made by Ried Holien and seconded by Michael Heuer to recommend approval of the Final Pay Estimate; all voted in favor and motion carried.

Council Consideration of a Professional Services Agreement for miscellaneous engineering services for annual Airport duties, with Helms and Associates, in the not-to-exceed amount of \$15,050.

Heath explained that this is an annual agreement with the City's Airport Consultant, Helms & Associates, for miscellaneous engineering services associated with the Airport. The budget allows for up to \$15,050.00. This agreement was recommended for approval by the Airport Board at their January 24, 2020 meeting. Motion was made by Ried Holien and seconded by Beth Mantey to recommend approval of the miscellaneous services agreement; all voted in favor and motion carried.

Recommendation to City Council from Parks and Recreation Board for authorization to enter into a professional services contract with TSP Architects for \$64,000 to be paid in FY 2020 for the design of the Animal Care Building. (Requesting a supplemental transfer from the Capital Improvement Fund).

Mayor Caron announced that the City has had an offer of a tremendous gift in the amount of \$1M to build the animal care facility at the Bramble Park Zoo. The City is very grateful, because the animal care building is needed in order to retain AZA Accreditation. Interim Park & Recreation Director Terry Kelly explained that the LAZS and the Park & Recreation Board recommended that the zoo proceed with the construction of the animal care facility, and staff requests authorization to enter into an agreement with TSP Architects to design a floor plan. Finance Officer Kristen Bobzien stated that, since this is not budgeted in 2020, a budget supplement will be brought forward at a later meeting. Terry Kelly and Zoo Director Dan Miller answered questions from the council. Glen Vilhauer expressed gratitude to the anonymous donor for the generous gift. He also commended the Mayor, LASZ, Park & Rec Board, and staff for all their work behind the scenes, and for the communication and cooperation between the entities. Motion was made by Glen Vilhauer and seconded by Adam Lalim to recommend approval for the Mayor to enter into a professional services contract with TSP Architects for \$64,000.00 to be paid in FY2020 for the design of the Animal Care Building; all voted in favor and motion carried.

Recommendation to City Council from Parks and Recreation Board to accept a \$90,000 grant from Watertown Community Foundation to fund a two year Full Time Zookeeper position with the balance of funds coming from the Lake Area Zoological Society and Parks and Recreation Funds.

The discussion continued from the previous item on the steps necessary for the zoo to retain AZA Accreditation. Terry Kelly stated that the recommendation from the AZA was for two new zookeepers. One new zookeeper was approved in the City's 2020 budget. The Watertown Community Foundation has offered a \$90,000.00 grant for two years (\$45,000.00 per year) to fund the second position. The LAZS has approved a commitment of an additional \$8000.00 per year, and another \$8000.00 will come from the zoo's operational budget. Staff intends to work on ways to sustain the additional position by modernizing animal exhibits, and making other changes where needed over the next two years. Kristen stated that, as in the previous item, a budget supplement will be brought forward. Motion was made by Glen Vilhauer and seconded by Adam Lalim to recommend that the grant from the Watertown Community Foundation be accepted, with the balance of funds coming from the LAZS and Park & Recreation Budget to fund a two-year full-time zookeeper position; all voted in favor and motion carried.

Discussion on Airport funding for a proposed tank farm expansion for commercial Airport fueling operations.

Heath introduced the topic and noted an error on the agenda, in that this item was listed twice and the discussion of the ArkStar contract was inadvertently omitted. The reason this discussion is being brought to the council is the need for an expansion of the fuel farm at the airport, at an approximate cost of \$100,000.00, which is not budgeted in 2020. Airport Manager Todd Syhre and John Yost, ATY Aviation, were present to explain the need for the expansion and to answer questions from the council. Todd explained that the current 12,000 gallon fuel tank at the airport is not adequate to address the additional fuel needs of the additional general aviation traffic at the airport, and the likelihood of even more traffic. The 12,000 gallon tank has 9600 useable gallons, and a tanker load delivery carries 8000 gallons. This leaves only 1600 gallons to play with. John Yost reported that ATY Aviation has recently been awarded a Corporate Aircraft Association (CAA) contract. The CAA is a fuel supplier of private jets that operate for businesses. The members of the Association pay a fee for their aircraft, which qualifies them to have fuel supplied at a discount per the contract. This includes small and large jets. The concern is that the fuel has to be drained down to 1600 gallons before a tanker can be brought in to refill. The fuel has to be ordered 3-4 days in advance and is delivered from Minneapolis. Weather factors can affect the delivery, making it difficult to predict when to place an order. John assured the council that the priority is to make sure the passenger airline flight can be fueled, but they also don't want the customers with private jets to land and not be able to get fuel. There have been a couple of close calls with this. Todd added that another factor is that LATI is expanding their Professional Pilot Program, and they will be using jet fuel later in their training. Also, John has flight instruction that uses

jet fuel. The fuel farm expansion project would enable more fuel to be available for all the activity that the airport currently sees, and for future needs. Heath explained that a source of revenue to fund the expansion would be the Fuel Flow Fee that the city collects and is banked away at the state. This fund currently holds around \$35,000.00, and the fuel farm expansion is an eligible project for that fund to be used. That leaves a remainder of \$65,000.00 to be funded. Another source of funding to apply to this item, or the next one on the agenda, is the \$30,000.00 budgeted for second paint machine at the airport. Staff discussions have determined that the airport can withhold the purchase in 2020, and use the \$30,000.00 for this project or the ArkStar Agreement to be discussed next. Todd responded to questions about the type and positioning of the new tank. It will be a 20,600 gallon, above-ground tank that will fit into the existing fuel farm, after repositioning some smaller tanks. The project has been recommended by the Airport Board for approval. A formal request will be brought forward at the next meeting for a budget transfer. No action was taken.

Discussion on Airport funding for ArkStar professional services contract renewal

Heath explained that the six-month contract with ArkStar has expired. Staff proposed to renew the agreement for a 12-month period at \$3500.00 per month, or \$42,000.00 annually. As discussed in the previous agenda item, some funds in the airport budget can be put toward this contract which has been identified as a higher priority. Todd expanded on the services that ArkStar has provided, and stated that they have done a phenomenal job for the airport. They have contacts within the airline industry that can be contacted if we have questions, concerns or problems. They run weekly reports to make sure our fares are within \$75 of other airports we compete with. They added the Propel Program, where businesses with six or more employees can be set up to earn points, and the employee who travels also earns points. One local company has an agreement with ArkStar where they allot a portion of their travel budget to be used to fly United from the Watertown Airport. The airport gets a portion of the money, and it has amounted to 7500 enplanements for just this one company. Ried Holien, Airport Board Liaison, commented that there a lot of wants and needs at the airport, but the Airport Board has identified this as their first priority to keep the momentum going. He commended them for the job they have done, and for not overloading the council with a lot of requests, but only the ones they feel are vital. A contract will come forward at a future meeting after further staff discussions. No action was taken.

Old Business

None

New Business

Discussion regarding election by majority vs. election by plurality.

Glen Vilhauer introduced the topic and proposed an ordinance amendment to allow for election by plurality instead of election by majority. This would eliminate the need for runoff elections that delay processes, are costly, and have a very low turnout. Commissioners, Senators, Representatives all require a plurality vote. City Attorney Matt Roby related that state statute stipulates that plurality is the rule unless the municipality decides to do something different. Previously, cities of over 25,000 population were required to elect their representatives by a majority, but that was changed. For some reason, in 2005 we adopted the majority requirement that was imposed on larger cities. If we decide to make a change, we can just default to state statute or put something in the ordinance that reflects the state statute. The council had no objections for changing the ordinance. Matt will bring a draft ordinance to a future meeting for the committee's consideration.

Executive Session

Motion made by Josh Weyh and seconded by Adam Lalim to adjourn meeting at approximately 5:10 p.m. to Executive Session, for the purpose of consulting with legal counsel on contract negotiations and personnel issues; all voted in favor and motion carried.

Respectfully submitted,
Lori Marscheider