

application. Councilmember Tossey stated his intent to vote against the motion, preferring staff's recommendation to streamline the process by tying the term to an event as opposed to an arbitrary date.

Amendment motion by Mayor Ramsey that the City to reimburse permit and escrow soft costs (i.e., publication costs) in consideration of the hardship caused to this nonprofit.

Motion died for lack of a second.

Original motion carried. Voting Yes: Mayor Ramsey, Councilmembers McGlone, Elvig, Backous, Strommen, and Wise. Voting No: Councilmember Tossey.

7.02: Consider Approval of Environmental Policy Board's 2012-2013 Work Plan

Associate Planner/Environmental Coordinator Anderson reviewed the staff report.

Motion by Councilmember Backous, seconded by Councilmember Strommen, to adopt Resolution #12-06-097 approving the EPB's annual work plan as amended to coordinate with the Lower Rum River Water Management Organization.

Further discussion: The Council acknowledged its discussion during Work Session asking the EPB to notify the Council should an item come up mid-year for inclusion in the Work Plan. Councilmember Backous recognized the EPB members, past and present, and thanked each for their efforts on behalf of Ramsey.

Motion carried. Voting Yes: Mayor Ramsey, Councilmembers Backous, Strommen, Elvig, McGlone, Tossey, and Wise. Voting No: None.

7.03: Consider East Side Oil Equipment Lease

Councilmember McGlone recused himself due to a potential conflict of interest and left the Council Chambers at 7:31 p.m.

Associate Planner/Environmental Coordinator Anderson reviewed the staff report.

City Attorney Goodrich indicated the lease contains standard indemnity language recommended by the League of Minnesota Cities that requires East Side Oil Company to hold the City harmless for things like malfunction of equipment should a spill occur.

Motion by Mayor Ramsey seconded by Councilmember Wise, to authorize staff to execute an equipment lease agreement that contains environmental indemnity language to protect the City in the event of an oil spill, with East Side Oil Companies, subject to review by the City Attorney as to legal form.

Further discussion: The Council discussed that this service is of benefit for the City's residents and the lease contains a 30-day termination should it be found the program is not working. A

suggestion was made to ask the EPB to review the program in one year to determine if it is successful and make a recommendation. Concern was expressed by several Councilmembers that the indemnity language was only good if the company was still in business and they supported better positioning to assure the City is protected. It was pointed out that the Council had previously directed staff to explore the option of East Side Oil Companies leasing City land for its equipment, which would better position the City to limit liability. Associate Planner/Environmental Coordinator Anderson explained staff was confident the indemnity language and positive response from other communities placed the City in a good position, but would have no issue exploring a lease-back opportunity with Eastside Oil Company.

Substitute motion by Mayor Ramsey seconded by Councilmember Elvig, to postpone consideration of equipment lease agreement with East Side Oil Companies to the next meeting to allow time for staff to explore a lease-back option with East Side Oil Companies.

Substitute motion carried. Voting Yes: Mayor Ramsey, Councilmembers Elvig, Backous, Strommen, Tossey, and Wise. Voting No: None. Absent: Councilmember McGlone.

Councilmember McGlone returned at 7:48 p.m.

7.04: Authorize Interim City Engineer Contract

City Engineer Himmer reviewed the staff report and presented the contract costs, noting the Hakanson Anderson proposal was for a \$8,600/month stipend but included development review, plat and other reviews.

Motion by Mayor Ramsey, seconded by Councilmember Wise, to accept the Hakanson Anderson proposal and appoint Hakanson Anderson as the Interim City Engineer.

Motion carried. Voting Yes: Mayor Ramsey, Councilmembers Wise, Backous, Elvig, McGlone, Strommen, and Tossey. Voting No: None.

7.05: Approve Comprehensive Utility Reports; Sanitary Sewer and Water System Studies

City Engineer Himmer reviewed the staff report.

Motion by Councilmember Elvig, seconded by Mayor Ramsey, to adopt the 2012 Comprehensive Sanitary Sewer and Water System Studies.

Motion carried. Voting Yes: Mayor Ramsey, Councilmembers Elvig, Backous, McGlone, Strommen, Tossey, and Wise. Voting No: None.

7.06: Consider Award of Contract for City Improvement Project 12-20; Sunwood Drive Realignment

City Engineer Himmer reviewed the staff report and projects that the City would administer in-house. He noted the contract includes two inspectors and there is flexibility within the WSB and