SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, OCTOBER 5, 2011

1. CALL TO ORDER/ ROLL CALL/ PLEDGE OF ALLEGIANCE

The Sauk Centre City Council met in a Regular Meeting on Wednesday, October 5, 2011 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Mayor Dennis Rykken, Council Members Warren Stone, Keith Johnson, Michael Olson and Al Coenen. Also present were City Administrator Vicki Willer, City Planner Sarah Morton, City Engineer Yapp and Administrative Assistant Nicki Vogt. Mayor Rykken presided thereat.

2. APPROVAL OF AGENDA

The agenda was approved as presented.

3. APPROVAL OF MINUTES

The September 21, 2011 Regular Meeting Minutes were approved by general consent.

4. PUBLIC OPEN FORUM

None.

5. PUBLIC HEARINGS

a. **Proposed Assessments for Unpaid City & Utility Service Charges.** Mayor Rykken read the Public Hearing procedure.

At the August 17th meeting the Council called for a Public Hearing to be held on October 5th at 6:30 p.m. or shortly thereafter.

State Statute allows for the City to apply unpaid service charges against property taxes. Service charges can include lot mowing, snow removal, sidewalk replacement, unpaid utility bills (electric, sewer, water), etc.

The assessment calls for a $100.00 administrative fee to be added to the amount owed. After thirty days, the assessment roll will be forwarded to Stearns County for inclusion on the 2012 property tax statement.

The total of unpaid City & Utility Service charges is $2,385.80.

Mayor Rykken called for persons to speak in favor or opposition. None spoke.

Mayor Rykken closed the Public Hearing at 6:37 p.m. See 7a.

6. REPORTS/PRESENTATIONS

a. The Park Board met on Tuesday, October 5th and discussed the following:

- Recommend Council approval of seasonal employees for the Figure Skating Program and Arena. See 7d.

- Recommend Council approve the 2012 fee schedule with no changes from the 2011 Park Board fee schedule.
- Recommend Council approve the purchase of an LED scoreboard for the Arena. See 7f.
- The Park Board was provided with a listing of equipment purchased for the community Education program.
- There has been a high amount of community interest in the creation of a splash pad.
- The sprinkler system has been installed in Morningview Park. Once electric is installed, the system will be in working order.
- The Rotary Club's Musical Notes are in the process and the location has not been settled on as of yet.

The Park Board Report was accepted as presented.

7. ACTION ITEMS

a. See 3a.

A motion was made by Council Member Stone and was seconded by Council Member Johnson not to waive the $100 administration fee, if paid before certification. A vote being recorded as follows: For: Council Members Stone and Johnson. Against: Council Members Olson, Coenen and Mayor Rykken. The motion failed due to lack of majority vote.

A motion was made by Council Member Olson and was seconded by Council Member Coenen to waive the $100.00 administration fee, if paid before certification. A vote being recorded as follows: For: Council Members Olson, Coenen and Mayor Rykken. Against: Council Members Stone and Johnson. The motion passed.

Council Member Coenen introduced Resolution No. 2011-61, Resolution Adopting Assessment Roll for Unpaid City and Utility Service Charges. The motion was seconded by Council Member Olson. A vote being recorded as follows: For: Council Members Coenen, Olson, Stone, Johnson and Mayor Rykken. Against: None. The motion passed.

b. At the September 21, 2011 Regular City Council Meeting, Kevin Selfors addressed the Council regarding damage to his vehicles that he feels should be paid by the City. Two vehicles were parked in his driveway the night of July 21, 2011 and had ash deposits on them from the burning at the City brush site. The distance from the pile to Mr. Selfors' driveway is approximately 1,700 feet across country.

This was the night the brush pile at the City Public Works Facility caught on fire. The City did not set the fire and it is undetermined if vandals set the fire or if someone brought in brush they had attempted to burn which re-ignited. The Public Works Crew discovered the burn upon reporting to work at 7:00 a.m. and subsequently pulled the fire apart the fire with city equipment so the fire would go out. Some of the larger logs/stumps smoldered during the day. The City did not want the debris to burn because

a certain quantity of debris is needed for the tub grinder to come in and take the debris in exchange for the work and materials.

Mr. Selfors called City Hall at 8:00 and spoke with the receptionist who told him the City did not set the fire but we knew about it and that the public works crew was on site.

Mr. Selfors filed a police report and then took his vehicles to an auto body shop and had them buffed. He stated that he had them buffed out right away because he was told that the ash was eating through the clear coat and would damage the paint.

He then called City Hall and spoke with the City Administrator and was told to bring in the invoices and they would be turned over to the insurance agent, which they were. This is standard protocol for insurance claims. At that time, he was told that he insurance adjustor will look at whether the City was negligent and will make a determination.

A copy of the insurance denial letter was provided to the Council along with invoices and the police report. The City carries a deductible of $1,000.

Mr. Selfors is requesting the City reimburse him for $456 which is what he paid to have the two vehicles (2004 GMV pickup and a 2000 Chevrolet pickup) buffed.

It was noted that this was the only complaint filed of this nature.

A motion was made by Council Member Stone and was seconded by Council Member Coenen to deny Mr. Selfors reimbursement request of $456 based on the Police Report and LMC Denial letter. A vote being recorded as follows: For: Council Members Stone, Coenen, Olson, Johnson and Mayor Rykken. Against: None. The motion passed.

c. Anita Kaiser from Centre Floral has requested approval for the annual "Christmas by Candlelight" promotion. For the past twelve years the Chamber and Downtown Businesses have held this promotion. This will include decorating the sidewalks with luminaries (candles in paper bags) to be placed in front of the store fronts. This promotion is intended for merchandise to be sold within the store, not for sidewalk sales. The date is set for Friday, December 2, 2011 from dusk until 9:00 p.m.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to approve the "Christmas by Candlelight" event and the placement of luminaries on sidewalks in front of businesses on Friday, December 2, 2011. A vote being recorded as follows: For: Council Members Johnson, Stone, Olson, Coenen and Mayor Rykken. Against: None. The motion passed.

d. **Arena:**
With the upcoming winter season, seasonal employment for the ice Arena is proposed as follows:

Keith Sorenson	Step 8	$13.31

Andrew Rousslange	Step 4	$11.09

Both are returning employees. The part time arena workers work on an as needed basis depending on arena schedules.

Figure Skating:
The Figure Skating Instructors work on Sunday evenings only for 1.5 hours. This portion of the budget is funded by figure skating fees and is cost neutral.

Sara Linow (returning)	$26.00	$8.00 Gas When Driver
Allison Wood (returning)	$17.00	$8.00 Gas When Driver
Kelsey Krawecki (returning)	$17.00	$8.00 Gas When Driver
Alison Tischer (new)	$17.00	$8.00 Gas When Driver

Figure Skating Instructors will be required to provide Certification that they have completed Concussion Training.

The Park Board is recommending approval of hiring Seasonal Employees.

A motion was made by Council Member Coenen and seconded by Council Member Johnson to approve the appointment of the Seasonal Employment for the Ice Arena, including the Figure Skating Instructors. A vote being recorded as follows: For: Council Members Coenen, Johnson, Stone, Olson and Mayor Rykken. Against: None. The motion passed.

e. In September of 2010, the City of Sauk Centre applied to the Department of Human Services to participate in the Equitable Cost Sharing for Publicly Owned Nursing Facilities (ECPN) program.

This program will allow for an increased reimbursement rate from Medicaid to more closely reflected current costs.

The City has been accepted to participate in the program. St. Michael's Nursing Home will now be receiving State and Federal dollars as a participant. The City, in order to participate, is required to the State for its share of the dollars so it is cost neutral to the State.

The program is effective October 1, 2011 and the first payment will be sent to St. Michael's Nursing Home in November for the October billing. The first payment to the State from the City is due on October 15th.

A motion was made by Council Member Stone and was seconded by Council Member Olson to approve Payment No. 1 to the Department of Human Services for $29,713.79 for the ECPN program. A vote being recorded as follows: For: Council Members Stone, Olson, Coenen, Johnson and Mayor Rykken. Against: None. The motion passed.

f. As part of preparing for the winter season at the Arena, scoreboard repairs are contemplated. The estimate for the repair, which includes two circuit drivers and multiple bulbs, labor and mileage is estimated to be approximately $1,000.

Rather than continuing to invest dollars in keeping the old system up and running, the Hockey Association approached the City and offered to split the cost for a new LED system.

The cost of a new LED system is $6,660, including installation and freight. In preparation for this, staff conducted research and found this proposal is less than what can be obtained elsewhere. This is due to a prior quote being received before price increases and also because this vendor (AIM) is who has been maintaining the board in prior years.

An additional benefit to replacing the board is a savings in staff time. Staff works on the board several times a season changing bulbs to keep the numbers accurately lit and for periodic replacement of the drivers on the circuit boards. Maintenance is currently performed on the board by staff between 15-20 times per year, each taking between ½ to 1 ½ hours. This is in addition to the replacement of drivers in the circuit boards by AIM.

A used system was also researched; however, used LED systems that could be located are ten years old and do not carry the warranty.

If the City were to proceed with the system, the City cost would be $3,330.00. The City budgeted $6,000 for repairs and maintenance to include new railings (Maximum $1,200) and undetermined upgrades. If the City were to move forward, funds would be available in that fund.

The Association cost would be paid by them out of funds from advertising revenue over and above the $3,000 payment to the City for advertising rights. This is separate from the $50,000 annual revenue contract with the City. The past year the Association invested excess advertising funds in painting the south wall, including the logo.

The Park Board reviewed the proposal and recommended that the City approve the purchase.

A motion was made by Council Member Coenen and was seconded by Council Member Olson to approve the purchase of the updated LED scoreboard for $3,300. A vote being recorded as follows: For: Council Members Coenen, Olson, Stone, Johnson and Mayor Rykken. Against: None. The motion passed.

g. The final paperwork has been returned from Cal First Bank for the Master Equipment Lease/Purchase Agreement for the new fire truck.

The original proposal carried a rate of 2.1% over the term of the lease. The City selected Cal First over the other vendors who bid on the financing due to the savings in interest. When the paperwork was returned, the rate changed to 2.84% over the term.

The rate previously proposed from MN National Bank was 2.85% which is good until October 15, 2011. Paul Skorheim confirmed that the rate still stands and that he is willing to match the 2.84% rate with a Certificate of Indebtedness.

The City Attorney also reviewed the Lease Documents and has commented that the documents lean favorably toward the Lender (Cal First) on a number of issues which are very cumbersome and not necessarily favorable to the City.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to authorize the funding through MN National Bank at 2.84% for $130,000 over 5 years with a Resolution and documents to come before the Council at the October 19th meeting. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

8. UNFINISHED BUSINESS

a. The Personnel Committee met regarding the proposed adjustments to the job descriptions and grading for the Parks Foreman and Street Foreman. After discussion, it was determined that additional re-grading clarification is needed and then we will request a meeting with the Union.

The Union has since presented the City with their proposal.

The Committee is also looking at Seasonal vs. Full Time employment for Public Works; however, that determination is partly based on resolution of the above, due to budgetary reasons.

b. The League of MN Cities Insurance Trust has not yet settled the claim for the insurance claim for the storm event on July 10, 2011.

All the FEMA related documentation has been submitted to FEMA. They will be presenting a final application for signature in the coming weeks, pending resolution of the insurance claim.

c. Summary of 2012 Hearing and Related Info.

491 Affected Properties were sent notification of the meeting
57 were represented at the meeting,
15 of the attendees lived on an affected street, balance elsewhere.
7 spoke in opposition
3 spoke in favor
2 sent in written comments 1 for information and 1 opposed.

Abstentions: The law reads that when a super majority of votes is required to carry a vote, four votes are needed in favor. If one is absent or abstains for reasons of conflict, it still takes four yes votes. Abstention does not go with majority in this case as the law requires a "super majority of all members of the Council".

Reconsideration: A vote can be brought up for reconsideration by anyone voting on the prevailing side of the vote (Roberts Rules). Council Member Stone was the only member on the prevailing side. The motion to reconsider would have to pass by a majority vote. This has the effect as if the original action never happened. Then a new motion would be entered by any member for a vote.

Where do we go from here?

1. Shelve the project.
2. Reconsider as proposed.
3. Amend Special Assessment Policy and go back to a new public hearing.

If we move forward:

Types of Funding Opportunities:

a. Capital Improvement Bond (Requires Capital Improvement Hearing)
b. Special Assessment Bond (requires minimum of 20% of project to be assessed).
c. Street Improvement Bond
d. GO Bond – Requires referendum. (Not spread across tax base)

A motion was made by Council Member Olson and was seconded by Council Member Coenen to refer the Stormwater Project to the Policy/Planning Committee to research/discuss alternative funding. A vote being recorded as follows: For: Council Members Olson, Coenen, Johnson, Stone and Mayor Rykken. Against: None. The motion passed.

9. NEW BUSINESS

a. Current City Code does not allow alcohol in the park. It has been requested that the City Council review that policy to allow alcohol to be served during organized events.

A motion was made by Council Member Olson and was seconded by Council Member Stone to refer this item to the Policy/Planning Committee for their recommendation. A vote being recorded as follows: For: Council Members Olson, Stone, Coenen and Mayor Rykken. Against: Council Member Johnson. The motion passed.

10. CONSENT AGENDA

The Council considered the following consent agenda items:

a. Schedule of Claims – total of unpaid claims: $65,856.27 and paid claims of $53,918.12 for a total of $119,774.39.

b. Resolution No. 2011-62, Resolution Accepting Contributions. The contributions totaled $224.00 from the Men's Card Playing Group to be used for the Senior Center, $25.00 from Ione Pilate to be used for the Senior Center and $1,500 from Central MN Emergency Medical Services Region Matching Grant Program

c. Gambling Application for Exempt Permit Request from Holy Family School for a raffle on December 21, 2011 at Holy Family School.

A motion was made by Council Member Coenen and was seconded by Council Member Johnson to approve the Consent Agenda as presented. A vote being recorded as follows: For: Council Members Coenen, Johnson, Olson, Stone and Mayor Rykken. Against: None.

Mayor Rykken thanked the Men's Card Playing Group, Ione Pilate and Central MN Emergency Medical Services for their donations.

11. INFORMATION ITEMS

None.

12. ADJOURNMENT

A motion was made by Council Member Stone and was seconded by Council Member Olson to adjourn the meeting. A vote being recorded as follows: For: Council Members Stone, Olson, Johnson, Coenen and Mayor Rykken. Against: None. The motion passed.

With no further business to come before the Council, Mayor Rykken adjourned the meeting at 7:30 p.m.

Respectfully submitted,

_____ _____

Mayor Dennis Rykken City Administrator Vicki M. Willer