SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, NOVEMBER 16, 2011

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, November 16, 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, Police Chief Friedrichs, City Engineer Yapp and Administrative Assistant Nicki Vogt. Mayor Rykken presided thereat.

2. APPROVAL OF AGENDA

By general consent, the agenda was approved as presented.

3. APPROVAL OF MINUTES

The November 2, 2011 Regular Meeting Minutes were approved as presented.

4. PUBLIC OPEN FORUM

None.

5. PUBLIC HEARINGS

None.

6. REPORTS/PRESENTATIONS

a. Police Chief Friedrichs reported that in October there were 300 ICRs and 188 Warnings for a total of 488. A total of 8 Safe/Sober hours completed in October. The department has been busy working on thefts/burglary crimes.

b. The Planning Commission met on Tuesday, November 8th and recommended that the Council adopt Ordinance No. 713 – Floodplain. See 7f.

c. The EDA met on Tuesday, November 8th and discussed the following:

- A report was heard from a Chamber of Commerce Representative regarding the activities of the Chamber.
- Discussion was held regarding outdoor storage on Industrial Park property.
- Approval was made to move forward with the For Sale sign on the Information Center property.
- Recommendation for Council approval was made for the 2011 Pay As You Go and Abatement payments.
- A report was received on Revolving Loan Fun payment receipts.

d. The CVB met on Thursday, November 10th and discussed the following:

- Shelly Leahy has been hired as the Executive Director of the CVB.

- Discussion was held regarding Sub-Lease Agreement with the Chamber of Commerce.
- A report was received from Pam Borgmann regarding a Festival and Event Management Class that she attended.
- A new sign has been placed on the Interpretive Center property.

7. ACTION ITEMS

a. The City currently works with Larson Allen for auditing services. The PUC and St. Michaels Hospital also work with them.

The City's three year Agreement for Services has expired and a proposal for a three year extension has been obtained. 2010's rate was $21,500.

2011 $22,200
2012 $23,000
2013 $23,900

A motion was made by Council Member Stone and was seconded by Council Member Olson to approve a 3 year extension for Auditing Services with Larson Allen at the proposed rates for 2011 through 2013. A vote being recorded as follows: For: Council Members Stone, Olson, Coenen, Johnson and Mayor Rykken. Against: None. The motion passed.

b. Pursuant to prior action, a Work Order has been requested by MNDOT that the City continue to provide services which include snow removal on Highway 71. MNDOT will plow the middle 24' of the roadway. The City will be responsible for removing the snow from the roadway curb to curb (including the snow pushed off the 24'). The City will invoice MNDOT for costs incurred for hauling equipment.

A motion was made by Council Member Johnson and was seconded by Council Member Olson to approve the Work Order with MNDOT for snow removal for the 2011-2012 season. A vote being recorded as follows: For: Council Members Johnson, Olson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

c. The EDA recommended Council approval of the following payments:

PAYGO Payments

a. St. Michaels Hospital (Clinic)	$20,772.57 (Final)
b. Mississippi Flats	$16,152.10
c. Roach Center Crossing	$26,065.14
d. Riverview Townhomes	$5,077.53 (Semi-Annual)
e. Coborns	$12,835.28

PAYGO Loans

a. RTS (Formerly Fitness Guru – Interfund Loan)	$10,061.69
b. Walters Trucking (Interfund Loan)	$9,596.83
c. Cabinet Components (Revenue Bond)	$9,679.51 (Semi-Annual)

Transfer of Prior PAYGO to Bond Fund

a. Sauk Centre Welding (Felling) $18,620.81 (Semi-Annual)

TOTAL $128,861.46

A motion was made by Council Member Stone and was seconded by Council Member Johnson to approve the 2011 PAYGO payments. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen and Mayor Rykken. Against: Council Member Coenen. The motion passed.

d. The 2011 Fairway Pines semi-annual abatement payment is due December 1, 2011. The payment refunds the City share of property taxes to the developer. The semi-annual payment due is $7,238.30.

The 2011 Dunham Express (8310 Commerce Drive) semi-annual payment is due December 15, 2011 in the amount of $2.474.26.

The EDA is recommending Council approval.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to approve the semi-annual abatement payment to Fairway Pines in the amount of $7,238.30 and to Dunham Express in the amount of $2,474.26. A vote being recorded as follows: For: Council Members Johnson, Stone, Olson and Mayor Rykken. Against: Council Member Coenen. The motion passed.

e. The following have been invoiced through the accounting system and are recommended to be removed for the following reasons:

SEND TO COLLECTIONS

Proell, Amanda	Fire/Rescue Call	(#2502)4/20/11	$300.00
Rajdl, Tyler	Fire/Rescue Call	(#2410)9/23/10	$315.00
Uphus, Dan	Fire/Rescue Call	(#2452)12/20/10	$ 380.00
			$ 995.00

WRITE OFF AS UNCOLLECTIBLE

Esparza, Rosio	Park Rental	(#2409) 9/23/10	$32.07
Jenc, Ken	Hangar Late Fee	(#2506) 5/17/11	$25.00
Sauk Air, LLC	Hangar Late Fee	(#2423) 9/30/10	$25.00
Sauk Air, LLC	Hangar Late Fee	(#2428)10/22/10	$25.00
Thull, Butch	Hangar Late Fee	(#2445)11/19/10	$25.00
Thull, Butch	Hangar Late Fee	(#2507) 5/17/11	$25.00
			$157.07

REMOVALS/CORRECTIONS

Bauer, Dorothy	Park Rental (Couldn't Use Due to Storm Damage)	(#2539) 8/3/11	$32.06
Fisher, Mark	Elm Tree Removal (Billed to Past Property Owner)	(#2408) 9/23/10	$601.17
Thull, Butch	Hangar Rental (Receipted as Cash)	(#2445) 11/19/10	$120.00
Jenc, Ken	Hangar Rental (Receipted as Cash)	(#2523) 7/14/11	$120.00
Unger Furniture Co.	Arena Rental (Exchange for Furniture)	(2242)10/29/09	$1,200.00
			$2,073.23
	TOTAL TO BE REMOVED		$3,225.30

Council Member Olson introduced Resolution No. 2011-68, Resolution Approving Adjustments to Accounts Receivable. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Olson, Johnson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

f. The National Flood Insurance Program (NFIP) was established with the passage of the National Flood Insurance Act of 1968. The NFIP is a Federal program enabling property owners in participating communities to purchase insurance as a protection against flood losses in exchange for State and community floodplain management regulations that reduce future flood damages.

As a participating community, we are responsible for making sure that our floodplain management regulations meet or exceed the minimum requirements of the NFIP. By law, FEMA cannot offer flood insurance in communities that do not have these regulations in place.

Updating of the Ordinance and related flood maps has been a lengthy process including a flood study which identifies hazards, develops base elevations and floodways. A flood hazard database has been developed. The mapping info has been submitted to the City by FEMA for review and adoption. (The City first submitted proposed changes to the map in 2007.) The updated flood maps become effective six months after the final appeal date and are scheduled to go into effect in February of 2012.

If a community does not adopt or amend its floodplain management regulations before the effective date, the community is suspended from the NFIP.

- Property owners will not be able to purchase flood insurance.

- Federal Grants and Loans for development will not be available in flood hazard areas. (SBA, EPA, HUD etc)

- Federal Disaster Assistance will not be provided.

- Federal Mortgage Insurance or Loan Guarantees will not be provided such as FHA and VA.

- Lenders must notify applicants that the community is non-participating and not eligible for disaster assistance.

The Planning Commission held a Public Hearing on the proposed Ordinance and recommends its adoption.

Council Member Stone introduced Ordinance No. 713, An Ordinance Updating Section 152 of the Sauk Centre City Code Adopting Updated Regulations Governing Development Within the Flood Plan District Including Adoption of Updated FIRM (Federal Insurance Rate Map) Maps. The motion was seconded by Council Member Olson. A vote being recorded as follows: For: Council Members Stone, Olson, Coenen, Johnson and Mayor Rykken. Against: None. The motion passed.

g. MN Statute allows for Summary Publication of approved Ordinances rather than publication of the full text of the Ordinance when the title of the Summary Publication gives the reader an idea of the content of the Ordinance. The reader can then request a free copy of the full Ordinance. The purpose of this legislation is a cost savings measure.

Ordinance No. 714 has been prepared and requires a 4/5th vote.

Council Member Stone introduced Ordinance No. 714, an Ordinance of the City of Sauk Centre Authorizing Summary Publication of Ordinance 713, An Ordinance Updating Section 152 of the Code Adopting New Regulations Governing Development Within the Flood Plan Including Adopting of Updated FIRM (Federal Insurance Rate Map) Maps. The motion was seconded by Council Member Olson. A vote being recorded as follows: For: Council Members Stone, Olson, Coenen, Johnson and Mayor Rykken. Against: None. The motion passed.

h. Following discussion of the City Council at the preceding Council meeting on November 2, 2011, staff has prepared documentation to begin the process of conducting a Public Hearing on improvement for the 4th Street Project. The project has been amended by reducing the size of the Improvement District to those abutting the property and removing the storm water expenses from the assessment. The project does; however, include street assessments at fifty percent per the Assessment Policy.

A Resolution has been prepared calling a public Hearing for December 14, 2011 unless a different date would be more acceptable to the Council. Updated assessment roles and project costs will be available for review at the meeting.

Council Member Johnson introduced Resolution No. 2011-69, Resolution Receiving Feasibility Study and Calling Public Improvement Hearing for 2012 Improvements 4th Street Improvement Project. The motion was seconded by Council Member Stone. A vote being recorded as

follows: For: Council Members Johnson, Stone, Olson and Coenen. Against: None. Abstain: Mayor Rykken. The motion passed.

i. The Chamber is proposing to sponsor a winter event at Sinclair Lewis Park on December 3, 2011 and is requesting Park Road be closed to through traffic from 1:00 p.m. until 5:30 p.m. The event will run from 2:00 p.m. until 5:00 p.m. and will include the following:

1. Pictures with Santa
2. Sleigh rides
3. Fish house display
4. Hot chocolate, cider and treat bags for participants
5. Tree lighting ceremony at dusk
6. Food provided at the Sauk Centre American Legion

Chief Friedrichs stated that he had no objections to this request.

A motion was made by Council Member Olson and was seconded by Council Member Johnson to approve the use of the park for the Winter Lighting Event and closure of Park Road from 1:00 p.m. to 5:30 p.m. A vote being recorded as follows: For: Council Members Olson, Johnson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

j. The Personnel Committee has been working with the Public Works Foremen through Teamsters Local 320 regarding the amendments to job descriptions and the establishment of a new grade and range placement on the range. A tentative agreement (Memorandum of Understanding) has been reached which requires approval of the City Council.

Both positions will be moved to Grade 11 with placement at Step 5 retroactive to January 1, 2011. They will be eligible for step advancement on January 1, 2013. A 2% increase to the scale will go into effect on January 1, 2012.

The total fiscal impact to the City for 2011 is $14,817, which includes pay, FICA, Medicare and PERA.

A motion was made by council Member Stone and was seconded by council Member Johnson to approve the amended Job Descriptions and Memorandum of Understanding. A vote being recorded as follows: For: Council Members Stone, Johnson, Olson, Coenen and Mayor Rykken. Against: None. The motion passed.

k. The Department of Public Safety has used the civic arena for driver's testing for the past four years and would like to renew their contract for another 3 years. The following terms are proposed for a lease agreement:

1. Term of use is for 3 years commencing October 1, 2011 through September 30, 2014.
2. Facility will be used one day (Wednesday) each week from 8a.m. – 4:30 p.m.
3. Fee shall be $45 for each day of use.
4. Lessee is responsible for internet connection capabilities.

5. Lessor will provide space for storage of file cabinet and incidental supplies.
6. Lessor will provide use of five tables with accompanying chairs.
7. Use shall include use of the parking lot for motorcycle testing approx. 5 times/yr.
8. Lessee will be responsible for damages to parking lot due to heavy vehicles.

A motion was made by council Member Olson and was seconded by council Member Stone to approve Resolution 2011-70 Authorizing Execution of Minnesota Department of Public Safety Lease Agreement for Use of Civic Arena. A vote being recorded as follows: For: Stone, Johnson, Olson, Coenen and Mayor Rykken. Against: None. The motion passed

8. UNFINISHED BUSINESS

a. As part of the ongoing storm water improvements projected into the future, a timeline has been prepared to keep on track for the potential project known as 4th Street Storm Water Project. Several approvals will have to be made along the way.

1. Amend Improvement Policy – re: City Share Storm Sewer Costs

a.	11.16.11	Send to Policy Committee
b.	12.07.11	Policy Committee Recommendation
c.	12.07.11	Adopt Policy Amendment

2. Improvement/Assessment Hearing on Portion of Project

a.	11.16.11	Call Hearing on Improvement (Abutting Property Only)
b.	12.14.11	Public Hearing on Improvement
c.	12.14.11	Adopt Resolution Ordering Improvement and Preparation of Plans and Specs.
d.	Jan/Feb	Scope of Project Workshops*
e	Jan/Feb	Workshop to Review Plans and Specs
f.	March	Approve Plans and Specs & Order Bids (Action on this item should not occur prior to adoption of Storm Water Utility Ordinance below.)
e.	April	Bid Opening/Award Bids

3. Storm Water Utility

a.	11.02.11	Council Direction to Proceed with Preparation of Report/Hearing
b.	Ongoing	Fieldwork/Development of Ordinance/Property Database
c.	February	Call Public Hearing
d.	March	Conduct Public Hearing/Adopt Ordinance (This Ordinance must be adopted either prior to or at the same time as Approving Plans and Ordering Bids above.)

Scope of Project Workshops should include direction on potential opening of Oak Street Circle to a through street, discussion on inclusion of Old City Hall Parking Lot and Alley in project (storm water issue), obtaining easements for discharge area, solicitation of potential grant funding, and working with Public Utility on billing issues etc.

The Council discussed the option of opening Oak Street at the 4th Street Intersection.

A motion was made by council Member Olson and was seconded by council Member Stone to approve the timeline and direct staff to investigate opening Oak Street Circle. A vote being recorded as follows: For: Stone, Johnson, Olson, and Coenen. Against: None. Abstentions: Mayor Rykken. The motion passed.

b. As part of the proposed timeline above, an amendment is required to the Local Improvement (Assessment) Policy.

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

9. NEW BUSINESS

a. The Governmental Accounting Standards Board (GASB) has enacted new regulations that the City must follow to remain in compliance with Generally Accepted Accounting Principals (GAAP).

The newest Standard is named GASB 54. GASB 54 is intended to provide consistent reporting among different units of government by requiring specific categorization of fund balances.

All Government Funds will be categorized into one of five categories:

Nonspendable	(Inventory – Endowment Funds)
Restricted	(Legislatively restricted ie: Debt Service, TIF etc.)
Committed	(Council Committed and Council Spent)
Assigned	(Amount Government intends for a specific purpose)
Unassigned	(Amounts used for any purpose)

A City Policy needs to be developed to implement this program. Staff proposes to develop the policy in house. This mandate comes without funding or financial assistance to develop.

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

10. CONSENT AGENDA

The Council considered the following consent agenda items:

a. Schedule of Claims - Total of unpaid claims $22,375.01 and paid claims $577.64 for a Total of $22,952.65. See attachment 10a.

b. List of October checks totaling $384,062.15 (Check #032003 through Check #032094 & ACH Pmts #1377E-#1394E and 2 Payroll ACH Transfers 10/07, 10/07, 10/21.

c. Resolution No. 2011-71 Resolution Acknowledging Contributions. The contribution totaled $300.00 from an Anonymous Donor to be used for the Park and $50.00 from Earl Pauly Family & Mel Ehlert Family to be used for Senior Center. It is recommended that the City acknowledge the contributions received and commend the Anonymous Donor and Earl Pauly Family & Mel Ehlert Family.

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

11. INFORMATION ITEMS

None

12. ADJOURNMENT

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

With no further business to come before the Council, Mayor Rykken adjourned the meeting at 7:10 p.m.

Respectfully submitted,

_____ _____

Mayor Dennis Rykken City Administrator Vicki M. Willer