

**SAUK CENTRE CITY COUNCIL  
REGULAR MEETING  
WEDNESDAY, APRIL 15, 2009 – 6:30 P.M.**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, April 15, 2009 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Mayor Brad Kirckof, Council Members David Thomas, Keith Johnson, Warren Stone and Al Coenen. Also present were City Administrator Vicki Willer, City Planner Sarah Morton, Public Works Director Butch Wessel, Police Chief Bryon Friedrichs, City Engineer Yapp of Bonestroo and Administrative Assistant Nicki Vogt. Mayor Kirckof presided thereat.

**2. APPROVAL OF AGENDA**

The agenda was approved as presented.

**3. APPROVAL OF MINUTES**

The March 4, 2009 Special Meeting, March 18, 2009 Regular Meeting and April 1, 2009 Regular Meeting minutes were approved with changes.

**4. PUBLIC OPEN FORUM**

Dennis Fletcher of Fletcher's Bait was present to discuss the Carp Removal Project. He stated that he is willing to answer any questions that the Council may have regarding this project.

**5. PUBLIC HEARINGS**

None.

**6. REPORTS/PRESENTATIONS**

a. George Eilertson of Northland Securities addressed the Council on the proposal to refund the following six existing public improvement bonds:

1. \$615,000 G.O. PIR Fund Bonds, Series 1997A (Kenicott/Hendrix Phase II)
2. \$550,000 G.O. PIR Bonds, Series 2000B (12 Street improvements)
3. \$1,295,000 G.O. PIR Bonds, Series 2001A (Morningview 4<sup>th</sup> & 5<sup>th</sup> & Daybreak)
4. \$2,995,000 G.O. PIR Bonds, 2002A (Lake Ridge/Oak Ridge/E. View Heights, etc.)
5. \$670,000 G.O. PIR Bonds, Series 2003B (Sinclair Lewis Ave./Oak St./Cty. R. 186)
6. \$425,000 G.O. PIR Bonds, Series 2004A (reconstruction of Sinclair Lewis Ave. East)

The savings summary is as follows:

- Average interest rate on existing bonds #1-#6            3.7% - 5.45%

- Estimated average interest rate on new bonds 2.12%
- Estimated net bed service reduction \$109,670
- Estimated net present value savings \$100,628
- Additional paying agent savings \$9,000

Mr. Eilertson asked the Council to consider adopting Resolution No. 2009-16, Resolution Approving the Issuance of General Obligation Permanent Improvement Revolving Fund Refunding Bonds, Series 2009A. See 7a.

b. See 4 above.

Sauk Lake Owner's Association along with several community groups and individuals is spearheading a project to remove carp from Sauk Lake.

As part of the project, the City has been contacted to provide monetary assistance to the program. City Administrator Willer noted that the Council must determine the project to be a public purpose expenditure for it to be eligible for City funds.

Dennis Fletcher stated that there is approximately 400 ton of carp in the Sauk Lake. The goal is to have 80% of the carp removed within two years with the cost per winter estimated at \$10,000. This will then have to be conducted again every 5-6 years to keep the carp population down.

Fletcher stated that the reason the cost is \$10,000 per winter is because the gentleman who will be conducting the carp removal will need to purchase new netting and cribs because his equipment is infested with things that are not in the Sauk Lake.

c. Police Chief Friedrichs stated that there were a total of 522 calls in March 2009.

d. Ambulance Director Struffert presented the 1<sup>st</sup> quarter 2009 Ambulance Department report as follows:

- January 2009 – 47 total calls - \$35,730 billed
- February 2009 - 49 total calls - \$34,100 billed
- March 2009 – 31 total calls - \$21,690 billed

e. City Planner Morton reported on the April 14<sup>th</sup> Planning Commission meeting as follows:

- Paul Kane was sworn in
- The Commission was presented with the 1<sup>st</sup> quarter building permit reports, 1<sup>st</sup> quarter Building Official payment and 1<sup>st</sup> quarter building permit surcharge report
- The City will be conducting another City wide cleanup in May.

- f. The EDA held a special meeting on Monday, April 6, 2009 to discuss the City's economic development contract with Black Dog/CMF. The company is currently repaying a loan to the City and has requested a short term amendment to the loan.

The EDA is recommending that the City amend the loan repayment schedule for a period of nine months with interest only payments amortized at 2.5%

In addition, the EDA is recommending that the City continue to subordinate to MN National Bank and First State Bank its mortgage position for any new loans they may grant to the borrower. The City is currently in a subordinate (2<sup>nd</sup>) position of the existing loan.

See 7g.

- g. Public Works Director Wessel reported on the April 7, 2009 Park Board meeting as follows:

- The Board approved a refund for a camper
- 2 trees were approved to be planted in Morningview Park in honor of Arbor Day
- Hockey Association – see 7a
- Little League Association – see 7d
- Discussion on possible campground extension
- Discussion on possible sale of property along Park Trail

## **7. ACTION ITEMS**

- a. See 6a above.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to approve Resolution No. 2009-16 Approving the Issuance of General Obligation Permanent Improvement Revolving Fund Refunding Bonds, Series 2009A. A motion being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

- b. See 6b above.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to approve allocating \$1,000 to the Big Sauk Lake Association as a public purpose expenditure for use in the Carp Removal Project. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

- c. At a prior Park Board and Council meeting a proposed agreement was approved where the City would charge \$60.00 per hour for ice time for the Youth Hockey Association with the understanding that this amount would be supplemented by

the Association to a minimum of \$50,000 per year for operation of the Civic Arena. This would provide approximately 1/3 of the funds necessary to operate the arena and reduce the deficit on an annual basis. If the Association does not meet \$50,000 per year the ice time rate would default to the approved ice time rate of \$130.00/hour.

The Park Board met with the Association on April 7<sup>th</sup> and recommends a minor amendment to the agreement as follows:

The agreement will renew automatically *unless sixty days notice* is given by either party prior to expiration (November 1 of each year).

A motion was made by Council Member Johnson and was seconded by Council Member Stone to amend the Hockey Association Agreement. A vote being recorded as follows: For: Council Members Johnson, Stone, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

- d. The Baseball Association has requested the use of the Jaycee Park baseball field for practices and tournaments and has also volunteered to maintain the field. Maintenance includes mowing, trimming, watering, dragging and chalking the field. They also propose to work closely with the City to facilitate improvements to the park including dugouts, grandstand and a sprinkler system.

The Association will purchase general liability insurance for \$1,000,000.00 listing the City as an additional insured. This would cover volunteers as well as damage caused by others (ex: rock hits car while mowing).

They will continue to reserve use of the field through the City. The field will be available for use by the general public as well.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to authorize the Baseball Association to provide maintenance to the Jaycee Park field conditioned upon providing a \$1,000,000 certificate of insurance to the City of Sauk Centre listing the City as an additional insured. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

- e. City Attorney Tom Mayer has been in negotiations with the Stearns County Ag Society regarding the appeal of the special assessment against the fairground property for the Ash Street project. They have accepted the proposal of \$14,750.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to accept the proposal of \$14,750. A vote being recorded as follows: For: Council Members Thomas, Johnson, Stone and Mayor Kirckof. Against: Council Member Coenen. The motion passed.

- f. Terry Schreiner has resigned as the Sauk Centre Chamber of Commerce EDA representative. The Chamber of Commerce has been contacted regarding their recommendation for a member to serve in that position.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to accept the resignation of Terry Schreiner from the EDA. A vote being recorded as follows: For: Council Members Stone, Johnson, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

- g. See 6f.

A motion was made by Council Member Coenen and was seconded by Council Member Thomas to authorize the EDA to execute an Amendment to the Promissory Note for Central MN Finishing/Black Dog allowing for an interest rate reduction for nine monthly payments to 2.5% with interest only payments during that time period and authorization that the EDA execute a Subordination Agreement allowing the primary lenders first position on any new financing the applicant may obtain. A vote being recorded as follows: For: Council Members Coenen, Thomas, Johnson, Stone and Mayor Kirckof. Against: None. The motion passed.

- h. City Administrator Willer and the Finance Committee agreed that the City invest funds that are currently held in the City's 4M fund to generate greater interest income.

Five certificates of deposit have been purchased following solicitation of rates. Two banks, MN National Bank and First State Bank, both of Sauk Centre provided the best rates for 6, 12 and 24 month CD's. \$500,000 was transferred to each bank from the 4M for the purchase of the CD's which mature at varying times.

Adequate collateral is in place at each bank to secure the CDs according to State statute.

The final step in the process is for the execution of a Corporate Resolution authorizing the signatures for redemption which is proposed to be the same as the existing signatures on file at the bank which include City Administrator, Deputy Treasurer and Mayor of which two signatures would be required to redeem.

Council Member Stone introduced Resolution No. 2009-17 Authorizing Signatures. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

- i. At the Fire Department's April 7<sup>th</sup> meeting they approved an amendment to their bylaws changing the meeting start time from 7:30 p.m. to 7:00 p.m. for their monthly and annual meeting.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to approve the amendment to the Fire Department Bylaws changing the meeting time from 7:30 p.m. to 7:00 p.m. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

## **8. UNFINISHED BUSINESS**

None.

## **9. NEW BUSINESS**

- a. Police Chief Bryon Friedrichs is registered to attend "Train the Trainer" alcohol awareness course. He would then be certified to teach the course to bar owners and their staff. The course is recommended by the State of MN Alcohol Licensing Division (not mandatory) for owners and their staff to become more aware of their responsibilities when serving alcohol. Making the course locally available will give owners the opportunity to have staff attend without the high costs generally associated with attendance.

Attendance at a certified course could result in reductions in liquor liability insurance for owners. The City could also require the course as part of its licensing process which would entail an Ordinance Amendment.

In addition, the City has offered to host the "Train the Trainer" class and has contacted neighboring cities to determine interest.

## **10. CONSENT AGENDA**

The Council then considered the following consent agenda:

- a. Schedule of Claims – Total of unpaid claims \$41,117.05 and paid claims of \$3,730.24 for a total of \$44,847.29.
- b. List of March checks totaling \$309,596.47 (Check No. 28703 through Check No. 28811).
- c. Acknowledgment of Arbor Day, Friday, April 24, 2009. The City of Sauk Centre has participated in the observance of Arbor Day for many years by a proclamation and tree planting. An Arbor Day proclamation is also used in attaining the Tree City status each year. The City will be planting two trees in Morning View Park utilizing the Shade Tree Fund. Other trees may be donated for planting as well.
- d. Resolution No. 2009-18, Resolution Accepting Contributions as follows:

- Men’s Card Playing Group                   \$401.00           Senior Center
- Stearns Electric Assoc. Trust           \$300.00           Ambulance
- Stearns Electric Assoc. Trust           \$250.00           Police
- Stearns Electric Assoc. Trust           \$500.00           Fire
- American Legion Post 67               \$250.00           Sinclair Lewis Days

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

**11. INFORMATIONAL ITEMS**

- a.       City Administrator Willer and Mayor Kirckof have executed a Civic Arena Rental Agreement with Michelle Hoeper for the use of the Mezzanine Level for a garage sale to be held on Saturday, April 18, 2009.
  
- b.       The week of April 20-24 is Severe Weather Awareness Week.

**12. ADJOURNMENT**

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

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 8:05 p.m.

Respectfully Submitted,

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Mayor Brad A. Kirckof

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City Administrator Vicki M. Willer