

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, MAY 16, 2018**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, May 16, 2018 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Council Members Diane Kelly, Dave Thomas, Heidi Leach and Keith Johnson. Also present was City Administrator Vicki Willer, Police Chief Bryon Friedrichs, Public Works Supervisor Matt Zinniel, Administrative Assistant Nicki Vogt and City Engineer Keith Yapp. Mayor Stone was absent. Acting Mayor Thomas presided thereat.

2. APPROVAL OF AGENDA

A motion was made by Council Member Leach and was seconded by Council Member Kelly to approve the agenda as presented. A vote being recorded as follows: For: Council Members Leach, Kelly, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

3. APPROVAL OF MINUTES

A motion was made by Council Member Kelly and was seconded by Acting Mayor Thomas to approve the May 2, 2018 Regular Meeting Minutes as presented. A vote being recorded as follows: For: Council Members Kelly and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. Abstain: Council Members Leach and Johnson. The motion passed.

4. PUBLIC OPEN FORUM (Comments Limited to 3 Minutes)

None.

5. PUBLIC HEARINGS

None.

6. REPORTS/PRESENTATIONS

- a. Representatives from the Community Garden Project, which is a sub-committee of the Sauk Centre Area Foundation, were present at the meeting and provided information regarding the proposed use of the old Outdoor Hockey Rink for a Community Garden Project.

Multiple areas were identified as potential locations; however, this was selected as the preferred location. Other areas including the John Wiese Ford field area, Hickman Park, Vacant lot on Birch St. S, Jaycee Park outfield, and the City property by Cates Estates were also evaluated.

Details are:

- Request use of old Outdoor Rink (the one where the boards were taken down)
- Committee is forming bylaws, rules and regulations

- Fiscal Agent (501C3) to be used for accepting donations and purchasing supplies – Centracare Health
- 2018 to be a Pilot Year to work out the kinks.
- Garden to be a combination of raised and in ground beds including accessible beds and a children’s plot.
- Irrigation is planned from the river with a donated pump. The Club to be responsible for the pump and electricity.
- Donations have been pledged for soil.
- Master Gardeners to assist as well as conduct classes on gardening tips etc.
- Weekly responsibility for care will be divided among the Committee.
- \$3,000 was received from Sauk Centre Community Foundation.

The City was asked for permission to utilize the area along with some assistance for initial prep of the site that includes removing the clay layer from the base of the old rink and spreading new soil/filling raised beds.

See 7b.

- b. Representatives from the Arts Committee (sub-committee of the Sauk Centre Area Community Foundation) presented their proposal to the City Council for the re-location of the Little Red Schoolhouse.

The Committee presented its proposal to the Park Board at the May 1, 2018 meeting.

Representative Sara Thompson presented the following details:

- Request is to relocate the Little Red Schoolhouse to the front of Sinclair Lewis Park near T.H. 71
- Committee will raise funds necessary to provide for moving
- Proposal is to place the building on a concrete slab with electricity
- Intent is to have the building used more with more tours
- Use could include Santa during the lighting ceremony and “a day at a one room schoolhouse tour for the schools”
- Proposal is to have it moved and ready prior to Sinclair Lewis Days

See 7d.

- c. Tabled.

- d. City Planner Morton presented the Planning Commission Report as follows:

- May 15 meeting date
- Variance request – see 7a
- April 2018 monthly building permit report with a total construction value of \$893,860
- Scrap Metal Clean-Up Day May 26, 2018

- Household Hazardous Waste Day – June 13, 2018
- e. The Airport Board met on Wednesday, May 9, 2018 and discussed the following:
- Reviewed Final Punch List for 2017 Runway Reconstruction Project
 - Reviewed Timeline for 2018 Road Entrance Paving Project
 - Recommend Transfer of Entitlement Dollars Owed to the City
 - Moving Forward with Grant Application for Airport Zoning Update
 - Discussed Options for Ongoing Fuel Pump Failure

7. ACTION ITEMS

- a. See 6d.

The Planning Commission, acting as the Board of Adjustment, conducted a Public Hearing regarding the proposal of the Sauk Centre Public Utility Commission for a deviation from the setback from 1st St. S. to allow for the construction of a warehouse to be used by the Electric Department. The request is to allow for a setback of 14.4 feet where 30 feet is required along 1st St. N.

The Planning Commission is recommending Council approval.

Council Member Kelly introduced Resolution No. 2018-43, Resolution Approving Request for Variance. The motion was seconded by council Member Leach. A vote being recorded as follows: For: Council Members Kelly, Leach, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- b. See 7b.

The Park Board, at their May 1st meeting unanimously voted to recommend the use of the old outdoor rink be approved.

The City’s Comp Plan and Master Park Plans state:

- Property in the flood plain, if developed, should not include permanent structures but may include obstacle free improvements such as fencing, picnic areas and other improvements that would be impervious to flood damage.
- The City should work to promote opportunities for healthy living.
- The City should provide opportunities for social engagement of its residents.
- The City should provide recreational opportunities for those at all stages of life.

A motion was made by Council Member Leach and was seconded by Council Member Kelly to approve the use of the outdoor rink for the Community Garden Project. A vote being recorded as follows: For: Council Members Leach, Kelly, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

Continued updates regarding rules, layout and schedules of opportunities will be provided.

- c. Carol Griffith has been working with the Park Department to identify an area on City property that would be appropriate on which to develop an Off-Leash Dog Park.

The Park Board, at its meeting on May 1, 2018, considered the property across First St. South from the Public Works facility as a potential location and unanimously voted that the area is an appropriate use for the property and that further planning is authorized. The Board previously considered and ultimately rejected the use of Hickman Park, the area surrounding the hockey rink by the new City Well, the old landfill (owned by MPCA) and the area at the east end of the campground.

If approved, plans will be made laying out the details including size and layout, type of materials, budget and fundraising for the proposal and will come back for final approval. At the present time, there is no request for funding by the City, however some staff time may be needed and the City does have some chain link fencing that may be available for re-purposing.

In the interim, the Outdoor Hockey Rink is available for use by dog owners as an off-leash area until the new area can be completed. The rink is gated and has dog litter bags and disposal can available as well as water dishes.

The Comp Plan and Master Park Plan State:

- The City should work to provide a variety of recreational opportunities
- The City should maintain dog control ordinances that prevent dogs running at large.
- The City should provide opportunities for social engagement of its residents.
- Property in the flood plain, if developed, should not include permanent structures but may include obstacle free improvements such as fencing, picnic areas and other improvements that would be impervious to flood damage.

It was the general consent of the Council to proceed with the Dog Park.

- d. See 7d.

The City has discussed eight previous ideas for location of the Little Red Schoolhouse. Of those eight ideas, four were eliminated and four remain on the table along with this new (9th) proposal. It is the intent of the City Council to select a location and put a plan in place so that upon a future sale of the property, the selected plan can be implemented.

The Council should determine what type of use the Schoolhouse should be utilized for in the future and as it relates to this specific proposal what the use of the Sinclair Lewis Front Park is intended for.

The Comp Plan and/or the Master Park Plan state:

- The City should advocate for the preservation of its historic features.
- Sinclair Lewis Park should be utilized as an active play area for the middle park and as passive open space in the front park.

The Park Board recommended the proposal in a non-unanimous vote.

A motion was made by Council Member Kelly and was seconded by Council Member Johnson to table action on this item and have Operations Committee meet within two weeks to discuss/make recommendation. A vote being recorded as follows: For: Council Members Kelly, Johnson, Leach and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- e. On April 18, 2018, the City Council passed a Resolution Authorizing Solicitation of Bids for the purchase of a new Ambulance.

Proposals were received from two vendors, both through the government discount process. Bids were for gas rigs only as diesel is no longer available in the Ambulance/RV Cut-A-Way model. The proposals are as follows:

Chevy G-4500 V-8 RV Cutaway

PSV:	\$144,668.00 (after \$15,000 Trade-In)
Lifeline:	\$153,459.00 (after \$5,000 Trade-In)

Ford E-450 V-10 RV Cutaway

PSV:	\$143,533.00 (after \$15,000 Trade-In)
------	--

An estimated \$2,500 for radio installation and logo will be required. Cash is available in the Ambulance Dept. fund for the purchase without bonding or borrowing.

The Ambulance Department is recommending the City purchase the Ford E450 from PSV.

Cost	\$158,533.00
Trade	(\$15,000.00)
Striping/Radio	<u>\$2,500.00</u>
Total	<u>\$146,033.00</u>

The prior ambulance was purchased in 2012 for \$146,163.00.

Council Member Johnson introduced Resolution No. 2018-44, Resolution Accepting Bid and Authorizing Purchase of an Ambulance for the Sauk Centre Ambulance Department. The motion was seconded by Council Member Kelly. A vote being recorded as follows: For: Council Members Johnson, Kelly, Leach and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- f. At the April 4, 2018 City Council meeting, the Council approved Resolution 2018-27 Authorizing Solicitation of Bids for grading and paving of the Street Department Yard and the Campground Extension and Loop.

Bids were opened on May 15, 2018 with three bidders presenting bids for the project.

<u>Company</u>	<u>Bid</u>
Mark Lee Excavating	\$54,959.60
Riley Bros. Construction	\$55,332.00
Central Specialties	\$58,146.74

Staff estimate for the project was \$57,908.00.

The project is proposed to be paid through available funds in the 2018 Street Maintenance Fund and the Campground Fund. The Campground share of the project is \$13,929.90 which the Park Board has recommended to proceed and the Street share of the project is \$41,019.70.

Previously, the City Council approved Sealcoating of \$82,125.00. This is proposed to be paid from the Small Cities Street Maintenance Dollars that were received in 2015 and 2017 in the amount of \$91,210.00. The balance of those dollars will be utilized for crack filling prior to the sealcoating process. By utilizing these dollars for the sealcoating and the Street Dept. Maintenance budget for the paving, a budget balance of \$68,980 will remain which will give the Council flexibility to put into the sinking fund for a larger project in 2019.

Council Member Leach introduced Resolution No. 2018-45, Resolution Accepting Quote for 2018 Miscellaneous Paving Projects. The motion was seconded by Council Member Kelly. A vote being recorded as follows: For: Council Members Leach, Kelly, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- g. With the mowing season upon us, Matt Zinniel, Public Works Director is requesting that the City authorize the return of one of the prior year's seasonal student employees.

The City utilized two seasonal student employees in 2017 in addition to Dennis Christensen who has been a returning employee for many years.

Grant Struss is the selected employee to return. Struss would return to the City at Seasonal Step Two.

A motion was made by Council Member Johnson and was seconded by Council Member Leach to approve the appointment of Grant Struss at seasonal Step 2. A vote being recorded as follows: For: Council Members Johnson, Leach, Kelly and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- h. The City previously approved a Master Agreement with Verizon for the location of small cell wireless antennas on City light poles.

Five proposals for location have been presented for approval. A schematic of how the poles will look was presented to the Council, along with the five location maps.

1. NE corner of Main and 9 ½
2. W side of Main at Snap Fitness
3. NW corner of Ash and Walmart Parking Lot
4. NE corner of 6th St. S and Main
5. W of Main between Truck Stop Entrances

Locations 1-2 and 4-5 are co-located on light poles. Location 3 is proposed to be a new pole with no light unless the City Council determines that a light should be located on the pole. The Operations Committee did express a concern over why the City would want to own a pole at Location 3. (Verizon stated the reason for the location is so that there would be good Verizon signal inside the businesses in the area including Wal-Mart.)

According to the Master Lease Agreement, Verizon will provide and install the new light poles and then turn them over to the City. The City will receive \$250 per year per location as a lease payment along with electric utility fees to the SCPUC.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve the Supplemental Lease Agreement for locations 1-5 with Verizon Wireless. A vote being recorded as follows: For: Council Members Kelly, Leach, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- i. In 2014, the City authorized the City of Owatonna to utilize \$62,000 of its allotted FAA dollars for airport improvements which were to be repaid in 2017.

Currently, the City does not have a need for the return of the allotted FAA dollars for a project. The Airport Board is recommending that the City authorize an Agreement transferring those dollars for use by the Hutchinson Airport for repayment back to the City of Sauk Centre in 2021, at which time they may be used for a future project.

In summary, the allotment to be repaid to the City in 2017 by Owatonna will now be repaid to the City in 2021 by Hutchinson.

A motion was made by Council Member Johnson and was seconded by Council Member Leach to approve the execution of a Repayment Agreement with Hutchinson for Federal FAA entitlement dollars. A vote being recorded as follows: For: Council Members Johnson, Leach, Kelly and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- j. Blaine Kostreba submitted her resignation from the Sauk Centre Ambulance Department effective May 15, 2018. Blaine has been with the Department since May of 2013.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to accept the resignation of Blaine Kostreba from the Ambulance Department. A vote being recorded as follows: For: Council Members Kelly, Leach, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

The Council thanked Mrs. Kostreba for her service.

- k. Ambulance Director Kathy Struffert submitted for appointment as Probationary EMTs the following two individuals that are currently certified:

Neal Rhode - Thirteen Years' Experience
Gina Eggert - Five Years' Experience

Upon completion of probationary requirements, they will be eligible for appointment as regular EMTs with the Department.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve the appointment of Neal Rhode and Gina Eggert as Probationary EMTs, effective immediately. A vote being recorded as follows: For: Council Members Kelly, Leach, Johnson and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

- l. The Contract for Private Development with Felling Trailers, Inc. for Tax Increment Financing for the construction of the corporate office building has been prepared and reviewed and is now ready for execution. The Public Hearing relative to this contract was part of the hearing creating TIF District 1-12.

This funding returns to the owner increased property taxes generated as a part of the project, except for the State and School Referendum taxes.

The EDA recommended that the City Council authorize execution of the contact.

- Contract is for maximum of nine years of increment
- Principal maximum of \$361,750 and Interest maximum of \$105,583
- Job Creation is 30 new jobs
- Value of new construction for tax purposes is 2.3 million

Council Member Johnson introduced Resolution No. 2018-47. Resolution Approving Contract for Private Development with the Economic Development Authority for the City of Sauk Centre, Minnesota and Felling Trailers, Inc. for Certain Property in the City of Sauk Centre. The motion was seconded by Council Member Kelly. A vote being recorded as follows: For: Council Members Johnson, Kelly, Leach and Acting Mayor Thomas. Against: None. Absent: Mayor Stone. The motion passed.

8. UNFINISHED BUSINESS

- a. City Engineer Yapp reported on the 2018 North End CIP Project as follows:

- Preconstruction meeting Friday, May 18th – 10 a.m.
- Construction to start Monday, May 21st.
- Notices will be sent to all area residents on Thursday, May 17.

9. NEW BUSINESS

- a. As part of the ongoing property maintenance program, City staff identified houses within the City that appear to be beyond repair and is recommending that the City Council consider proceeding under the “Hazardous Building Act” to have them demolished.

If the City Council agrees that it should take this course of action, documentation will be provided to the City Attorney for initiation of the process. Part of the process will include inspections at which time the determination will be made whether the property meets the definition of Hazardous Building.

The two houses are located at:

825 Pine St. S – Vacant
805 Railroad Avenue - Vacant

By general consent, staff will proceed.

10. CONSENT AGENDA

The Council considered the following Consent Agenda Items:

- a. Schedule of Claims

Unpaid Claims	\$125,121.65
Paid Claims	<u>\$0.00</u>
Total	<u>\$125,121.65</u>
- b. April Checks

Paid Claims/Payroll	<u>\$316,911.03</u>
---------------------	---------------------
- c. Resolution No. 2018-46, Resolution Accepting Contribution. The contribution is as follows:

The Men’s Card Playing Group	\$244.00	Senior Center
------------------------------	----------	---------------
- d. Every year by June 30th, Liquor Licenses are up for renewal. To date, the following applicants have the appropriate paperwork completed and fee paid. Listed below are the Liquor Licensees and their License Number:

- Next Door Bar & Lounge (On-Sale, Off-Sale & Sunday) 2018-15
- Bear Trap (On-Sale, Off-Sale & Sunday) 2018-16
- Mustang Bar III (On-Sale, Off-Sale & Sunday) 2018-17
- J.T.’s Pub & Grill (On-Sale, Off-Sale & Sunday) 2018-18
- Old Course Sauk Centre (On-Sale, Off-Sale & Sunday) 2018-19
- M & M’s Corner Bar (On-Sale & Off-Sale) 2018-20
- El Fogon (On-Sale & Sunday) 2018-21
- American Tap & Eatery (On-Sale & Sunday) 2018-22
- ElmerZ (On-Sale & Sunday) 2018-23
- American Legion Post 67 (On-Sale & Sunday) 2018-24

- The Palmer House (On-Sale & Sunday) 2018-25
- West Side Liquor (Off-Sale) 2018-26
- Hartmann’s Moonshine Shoppe (Off-Sale) 2018-27
- Walmart, Inc. (Off-Sale) 2018-28
- Northside Liquor (Off-Sale) 2018-29

e. Every year by June 30th, On/Off Sale 3.2 Beer Licenses are up for renewal. To date, all of the applicants have the appropriate paperwork completed and fee paid. Listed below are the On/Off Sale 3.2 Beer Licensees and their License Number:

- Jitters Java Café (3.2 Beer & Wine) 2018-30
- Isaac’s North Star, Inc. (3.2 Off-Sale) 2018-31

f. Every year by June 30th, Cigarette Licenses are up for renewal. To date the following applicants have the appropriate paperwork completed and fee paid. Listed below are the Cigarette Licensees and their License Number:

- Next Door Bar & Lounge 2018-32
- West Side Liquor 2018-33
- The Moonshine Shoppe 2018-34
- Bear Trap 2018-35
- Mustang Bar III 2018-36
- Coborn’s 2018-37
- Sauk Centre Fleet Supply 2018-38
- Casey’s General Store 2018-39
- Isaac’s North Star, Inc. 2018-40
- Walmart, Inc. 2018-41
- Trucker’s Inn Truck Stop 2018-42
- Gas Mart of Sauk Centre 2018-43
- Northside Liquor 2018-44
- Holiday Stationstores, Inc. 2018-45

g. Request from the downtown bars (Mustang, Next Door, American Pub & Eatery & Corner Bar) for a Temporary Extension of Premise Permit and road closure for a Sinclair Lewis Days Street Dance on July 21, 2018. The road closure request is a one block area from Main Street (Stoplights) to Oak Street. The bars plan to close the road at 3:00 P.M. for set-up and re-open at 2:00 A.M. following clean-up. The fenced area will be from the east side of the Shaney’s Tavern (previously Red Carpet) across to Main Street Drug and at the intersection of Oak Street.

The Street Dance/Road Closure Permit Application will be sent to Jodi Teich at the County, if approved by the Council.

h. Request from Eric Hellermann dba Next Door Bar & Lounge VIII, LLC for Temporary Extension of Premise Permits for a Spring Party with music on June 2, 2018 in the back parking lots (Next Door’s, Food Shelf’s & Antique Store) from 6:00 p.m. – 3 a.m.

- i. Request from Eric Hellermann dba Next Door Bar & Lounge VIII, LLC for Temporary Extension of Premise Permits for a 9th Anniversary Party with music on July 28, 2018 in the back parking lots (Next Door's, Food Shelf's & Antique Store) from 6:00 p.m. – 3 a.m.
- j. An Assembly Permit Request from Father Greg Paffel/Deborah Holt for a Corpus Christi Procession to be held on June 3, 2018 at Our Lady of Angels. About 200 people are expected to attend. The procession will be from Our Lady of Angels Church down Ash Street to St. Paul's Church and back down Birch Street.

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

11. INFORMATIONAL ITEMS

None.

12. ADJOURNMENT

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

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

Respectfully submitted,

Mayor Warren Stone

City Administrator Vicki Willer