

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, JULY 18, 2018**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, July 18, 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, Keith Johnson and Mayor Warren Stone. Also present was City Administrator Vicki Willer, City Planner Sarah Morton, Police Bryon Friedrichs, and City Engineer Keith Yapp. Mayor Stone presided thereat.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES

A motion was made by Council Member Thomas and was seconded by Council Member Leach to approve the June 20, 2018 Regular Meeting Minutes, with changes. A vote being recorded as follows: For: Council Members Thomas, Leach, Kelly, Johnson and Mayor Stone. Against: None. The motion passed.

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

Lori Arends – 40651 US. Hwy 71, Sauk Centre. Lori is the head coach for the Sauk Centre Dance Team. Lori is asking that the Council allow, as a fundraiser, businesses and homes to paint the Sauk Centre logo on their sidewalks/driveways. It will last for two years. Cost is \$15. Size is 28 x 19.5.

No action taken.

5. PUBLIC HEARINGS – Hearing on Vacation of Alley

Mayor Stone opened the Public Hearing and read the Public Hearing procedure.

Application has been received from a majority of property owners abutting a public alley in the plat of Robbin's and Mendenhall's for a vacation of that alley. The petition was initiated by the Halverson family. Approval would allow for the settlement of an estate.

The alley is 12' wide and 320' long and is located in Block 19 adjacent to Lots 1 &2 of the plat, as shown on the map, located between Railroad Avenue and 8th St. S on the West side of Getty Street.

The purpose of the request for the vacation is to essentially remove the encroachment of a garage into the alley. The encroaching garage is located on the Halvorson property at 603 Railroad Avenue. The alley, if vacated, would be deeded one half to each side and would provide the Halverson's with six additional feet which would remove the one-foot encroachment of the garage.

There are phone lines in or adjacent to the alley. Arvig has requested that if the alley is vacated that a utility easement be retained. Also, if the easement remains, no structure will be permitted over the easement (with the exception of the one-foot garage encroachment).

Mayor Stone called for persons to speak in favor or opposition.

Kenneth Halverson, St. Cloud, MN. Mr. Halverson is handling his father's estate and would like to get the deed cleared up to be able to sell the property.

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

Mayor Stone closed the Public Hearing

6. REPORTS/PRESENTATIONS

a. George Eilertson, Northland Security, presented information regarding the upcoming bond sale for the 2018 Capital Improvement Projects, as follows:

- Bond would be for the North and Getty Street projects
- Bonds are structured with a 15 year financing term
- Underlying Bond Rating AA-

The Council was presented with the Finance Plan, as proposed.

In addition, the Council was asked to approve a Municipal Advisory Agreement which the City enters into an Agreement with Northland Securities to provide for the sale of the bonds.

See 7a and 7b.

b. Police Chief Friedrichs presented the June Police Report stating that there were 652 ICRs and 383 Verbal Warnings for a monthly total of 1,035.

c. Ambulance Director Kathy Struffert presented the Second Quarter Ambulance Report as follows:

- April total calls – 81
- April total billed - \$73,100.50
- May total calls – 71
- May total billed - \$65,430.70
- June total calls – 80
- June total billed - \$72,593.70
- 413 calls to date in 2018
- Special details include escort for the girls basketball team, Cinco De Mayo, Mock drill and Breakfast on the Farm
- Lucas was used 5 times

- d. The Planning Commission met on July 10th and discussed the following:
- Public Hearing regarding Garage Sales – See 7g
 - Appeal of fence permit – See 7d
 - June Building Permit and Zoning Permit reports
- e. The Airport Board met on Wednesday, July 11, 2018 for its regular meeting and discussed the following:
- Runway Rehab Project Completed. Punch List final review week of July 16.
 - Closeout reporting to begin for Runway Rehab Project.
 - Entrance Roadway Grant – Approved
 - Zoning Update Grant – Grant Fully Executed. Will be asking for interested persons to serve on Airport Zoning Update Joint Board (County, City, Township)
 - Discussed Board Vacancy – Will operate minus one until PW Supervisor hired.
 - Compass Rose to be painted mid-August. Paint has been purchased.
 - Suggestion that the City provide bikes for pilots use.
- f. City Administrator Willer presented the Public Works Department report, as follows:
- Mayor Stone and City Administrator Willer met with the Public Works Department after Zinniel’s resignation.
 - City Administrator Willer meets with the Public Works Department on a weekly basis to discuss work to be completed, etc.
 - Painting has been complete.
 - Mowing, trimming and weed spraying is in process.
 - Preparation for Sinclair Lewis Days is in process.
 - Took out retaining wall at the arena.

7. ACTION ITEMS

- a. See 6a.

As part of the bond sale process, the City utilizes Northland Securities as our Financial Advisor.

The Municipal Advisory Agreement authorizes the use of Northland Securities and provides payment of fees.

A motion was made by Council Member Thomas and was seconded by Council Member Leach to approve the Municipal Advisory Agreement with Northland Securities. A vote being recorded as follows: For: Council Members Thomas, Leach, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

- b. See 6a.

Resolution No. 2018-62 puts into motion the Sale of Bonds Series 2018A for the 018 CIP Projects (north end and Getty Street)

Council Member Kelly introduced Resolution No. 2018-62, Providing for the Competitive Negotiated Sale of General Obligation Improvement Bonds, Series 2018A. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Kelly, Thomas, Leach, Johnson and Mayor Stone. Against: None. The motion passed.

c. See 5a.

If the City determines it is in the best interest to approve the vacation, the Council should approve Resolution 2018-61. The Resolution provides for the payment of costs by the applicant for the preparation of the Deed and the recording of it.

The Resolution states that a Public Utility Easement over the property will be retained.

As an alternative, the City could vacate only the portion of the alley where the garage encroaches. This would require a Certificate of Survey to determine the description.

Council Member Thomas introduced Resolution No. 2018-61, Resolution Vacating a Portion of a City Street and Alley. The motion was seconded by Council Member Leach. A vote being recorded as follows: For: Council Members Thomas, Leach, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

d. The Planning Commission, at its regular meeting on July 12, 2018 heard an appeal of the decision of the City Planner/Zoning Administrator regarding the placement of a fence being constructed on a property and the City right-of-way. The Planning Commission recommends to the City Council that a compromise be reached with the Owner. The appeal is was presented to the Council for their review.

On June 15, 2018, the owner of property at 421 Ash St. S applied for a fence permit which was approved by the City Planner on that date. A copy of the application is was presented to the Council, along with a map of the layout. The permit was approved that day. (The property lines on air photo does not reflect the actual property lines.)

On July 3, 2018, it was brought to the attention of the City Planner that the fence appeared to not meet zoning setbacks along the curb of 5th St. S. A picture was also provided, which was presented to the Council. At that time, it was discovered that an error had been made in the issuance of the permit. The owner was notified of the error and no further work was completed. Because the fence did not meet setbacks and is actually located in the right of way, he was notified that the fence needed to be moved and located three feet behind the property line. In addition, the fence on the north property line appeared not to meet the three-foot setback.

The owner came to City Hall and informed both the Planner and Administrator that he thought he owned to the curb and stated he had considerable time and expense into the

project. He filed an appeal of the Planners direction that the fence be moved to the three-foot setback.

Based on documentation on file from when the City constructed the Ash Street project it was estimated that the property line along 5th Street is 16.5' behind the curb so the fence would need to be located 19.5' behind the curb to meet setbacks.

The owner has stated it would not be feasible to move the fence back 16.5 additional feet behind the curb. He has considerable time and expense into the project, and he feels the City has some culpability because he did everything right by obtaining advance approval for his project. He would consider a compromise. There is also a large tree on the estimated line.

From a legal standpoint, the City has a degree of statutory immunity regarding employee errors; however a legal argument could be made that the owner acted in "detrimental reliance" on the activity of an employee. The owner does certify by his signature on the application that they have identified all boundaries and holds the City harmless from liability arising from granting of the permit.

The City was presented with the following options:

1. Abide strictly by City Code and require the fence be moved to the required setbacks.
2. Authorize reconstruction of the fence on the property line (zero setback).
3. Owner's suggestion that a compromise be reached somewhere in the middle via Easement Agreement. (First line post behind the one nearest the curb is 11' from the curb).

In addition, to one of the above, or a modification of one of the above, the owner is requesting monetary reimbursement for his costs. Options could include reimbursement for materials to be removed and new material purchased, reimbursement for estimated labor for removal and reinstallation, or City provide for removal and installation.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to authorize the reconstruction of the fence on the property line and the City reimburse the expense of removal and re-installation of materials that are damaged and cannot be reused. Damaged materials to become property of City of Sauk Centre. A vote being recorded as follows: For: Council Members Thomas, Johnson and Leach. Against: Council Members Kelly and Mayor Stone. The motion passed.

- e. Mark Roberg has been and EMT with the Ambulance Department since August 6, 2008. Prior to becoming an EMT, Mark had been with the service since July 5, 2006 as a First Responder/Driver.

Ambulance Director Struffert is recommending his advancement to EMT-B Level 3.

A motion was made by Council Member Kelly and was seconded by Council Member Thomas to advance Mark Robert to EMT-B Level 3, effective August 6, 2018. A vote

being recorded as follows: For: Council Members Kelly, Thomas, Johnson, Leach and Mayor Stone. Against: None. The motion passed.

- f. With the resignation of Matt Zinniel, a vacancy exists within the Department. The Council was presented with a preliminary timeline, advertisement and job description for review.

The City Council discussed the following:

1. Does the job description reflect the current needs? By general consent, the job description does meet the current needs.
2. Is the Proposed Timeline realistic? By general consent, timeline is realistic.
3. Should the Council consider first hiring from within? By general consent, the position will be opened to the public but current employees are able to apply.
4. Should the Council consider appointment of an interim Supervisor? By general consent, City Administrator Willer will serve as the interim.

A motion was made by Council Member Leach and was seconded by Council Member Thomas to approve the Job Description, Timeline and Advertisement for the Public Works Supervisor. A vote being recorded as follows: For: Council Members Leach, Thomas, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

- g. The Planning Commission, at its July 12, 2018 regular meeting, conducted a public hearing to consider modification to the allowed frequency that one can hold a garage sale on residentially owned property.

The Commission recommends that the allowed frequency would be not more than four times per year for a maximum of three days each and that garage sales not be used for the business of resale of new retail items.

The changes recommended are as follows:

(7) ***GARAGE SALE*** means the temporary sale of home-crafted items and used household goods by the owner, resident and/or relatives, friends and neighbors of a property. None of the items offered for sale have been purchased for resale or received on consignment for the purpose of resale. Garage sales include estate, rummage, basement, yard, porch or similar sales conducted at a residentially zoned and/or used property permitted no more than ~~6~~ 4 times per year for periods exceeding no more than 3 days each.

Council Member Thomas introduced Ordinance No. 778, An Ordinance Amending Sections 156.048 Land Use Descriptions Defining Garage Sales. The motion was seconded by Council Member Leach. A vote being recorded as follows: For: Council Members Thomas, Leach and Johnson. Against: Council Member Kelly and Mayor Stone. The motion passed.

- h. A change order for the 2018 CIP was presented for approval.

1. The SCPUC has requested to increase the size of sanitary pipe from 8” to 10” on N. Main between Manholes 5 and 8.
2. The addition of a manhole and pipe for connection to the existing Eagle’s Nest service.

The total cost of the two change orders is \$4,996.02.

A motion was made by Council Member Kelly and was seconded by Council Member Thomas to approve Change Order No. 1 for \$4,996.02. A vote being recorded as follows: For: Council Members Kelly, Thomas, Johnson, Leach and Mayor Stone. Against: None. The motion passed.

- i. Stantec has submitted, on behalf of Breitbach Construction, Pay Request #2 for the 2018 North Improvement Project.

Value Completed to Date	\$396,267.38
Amount Earned	\$396,267.38
Less Retainage 5%	<u>(\$19,813.37)</u>
Subtotal	\$376,454.01

Less Amount Previously Paid \$169,057.44

Amount due this Request \$207,396.57

A motion was made by Council Member Thomas and was seconded by Council Member Leach to approve Pay Request No. 2 to Breitbach Construction for \$207,396.57. A vote being recorded as follows: For: Council Members Thomas, Leach, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

- j. City Attorney, Tom Mayer, is requesting that the City Council formally approve the added paragraph to the Easement Agreement with Centre Graphics. The added paragraph outlines what was previously discussed and approved.

1. Language regarding the storm pond along Main Street. Portions of the pond may encroach into the right of way. This has been reviewed by the City Engineer.
2. Language stating that if Centre Graphics hooks up to City Sewer in the future along Main St. N. that he can do so at his own expense with no additional assessment by the City.

16. Notwithstanding anything herein to the contrary, the City will, to the extent such does not interfere with existing utilities and roadway improvements, allow Centre Graphics to use portions of the utility easement and right of way easement for the purposes of constructing the pond along Main Street (it being understood that the pond may be partially located in said easement area to the extent it does not interfere with utilities as reasonably determined by the City’s Engineer). In addition, the City agrees to allow Centre Graphics, at a later date, to install a sanitary sewer service stub to the Centre Graphics property across Main Street in a location reasonably determined by Center Graphics and reasonably approved by the City. Centre Graphics shall be solely

responsible for the construction costs of said sewer stub, if installed, and the City agrees that the assessments (as determined by this Agreement) shall be the only charges to Centre Graphics related to said sewer extension beyond the construction costs.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to affirm Addition of Item 16 to Easement Agreement. A vote being recorded as follows: For: Council Members Thomas, Johnson, Leach, Kelly and Mayor Stone.
Against: None. The motion passed.

8. UNFINISHED BUSINESS

a. City Engineer Yapp provided the Council with the following update on the North End Project:

- Bi-monthly meeting held 07.18.18
- Dust control takes place, at minimum, twice per day
- Hospital route will be changing 07.19.18 for two days, then will switch back to the original
- Main Street utilities are complete
- 4th Street utilities are 50% complete
- Overall, 5 weeks left of utility work
- Curb and gutter on Main Street will begin soon

b. City Engineer Yapp provided the Council with the following update on the Getty Street Project:

- Utilities are finished 07.18.18
- Bottom half of “L” has gravel and is being graded
- Waiting for gas company to move services, which is slowing down the project slightly

9. NEW BUSINESS

a. The City now has the ability to make payments via ACH. This is similar to payroll Direct Deposit where a payment is made directly to a vendor’s account. The procedure eliminates the need for writing a check and sending it through the mail.

A Policy will be forthcoming to the Council for approval in the near future.

b. Staff is beginning the 2019 Budget cycle. Worksheets will be provided to Department Heads for completion which will then be submitted to the Finance Committee for review. In addition, the 5 Year Capital Improvement Plan will be updated for submittal to the Operations Committee.

The Preliminary Budget must be adopted in September.

Preliminary schedule:

- July 25 - Worksheets to Dept. Heads
- August 6 - Dept. Head Worksheets Due
- August 10 - Worksheets to Finance Committee and Operations Committees
- August 22 - Budget Workshop with Full Council
- Sept. 19 - Adoption of Preliminary Budget and Levy

c. **CITY OF SAUK CENTRE - NOTICE OF CANDIDATE FILING PERIOD**

Notice is hereby given that the City of Sauk Centre will accept Affidavits of Candidacy for the November 6, 2018 General Election from the period July 31, 2018 through August 14, 2018 in the Office of the City Administrator, City Hall, 320 Oak Street South, Sauk Centre, MN 56378.

Proper candidate forms will be accepted during the hours of 8:00 a.m. – 4:30 p.m., Monday through Friday and until 5:00 p.m. on August 14. A filing fee of \$2.00 is required. Candidates must maintain residence and be an eligible vote in the City at least 30 days prior to the General Election and have attained the age of 21 prior to assuming office on January 2, 2019.

The offices and their terms subject to an election are as follows:

- Council Members (2) - Four Year Terms
- Mayor (1) - Four Year Term

d. Gerald Christen is the owner of the two acre parcel on County 17 and Country Oak Drive as shown on an aerial view, which was presented to the Council.

The City holds a storm water easement over the westerly half of the lot. Mr. Christen is attempting to sell the lot; however, prospective buyers are concerned with liability and maintenance of the pond.

He is offering the portion over which the easement exists to the City for \$6,000. The City previously considered a \$10,000 offer and declined.

By general consent, the Council has declined purchase.

10. CONSENT AGENDA

The Council considered the following Consent Agenda Items:

- | | | |
|----|------------------------------------|---------------------|
| a. | Schedule of Claims - Unpaid Claims | \$198,911.08 |
| | Paid Claims | <u>\$0.00</u> |
| | Total | <u>\$198,911.08</u> |
| b. | June Checks Paid Claims/Payroll | <u>\$585,187.53</u> |

c. Resolution No. 2018-62 Resolution Accepting Contributions.

Men's Card Playing Group	\$195.55	Senior Center
Sauk Centre Rotary Club	\$1,800.00	Shade Tree
Anonymous Donators	\$228.64	Dog Park

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

The Council thanked the Men's Card Playing Group, Sauk Centre Rotary Club and Anonymous Donors for their donations.

11. INFORMATIONAL ITEMS

- a. Demographic Update – 4,479 People
- b. Sinclair Lewis Days Activities

12. ADJOURNMENT

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

With no further business to come before the Council, Mayor Stone adjourned the meeting.

Respectfully submitted,

Mayor Warren Stone

City Administrator Vicki Willer