

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, AUGUST 4, 2010**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, August 4, 2010 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, Police Chief Bryon Friedrichs, Public Works Director Butch Wessel and Administrative Assistant Nicki Vogt. Mayor Kirckof presided thereat.

2. APPROVAL OF AGENDA

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

3. APPROVAL OF MINUTES

The July 7, 2010 Regular Meeting Minutes and the July 21, 2010 Regular Meeting Minutes were approved as presented.

4. PUBLIC OPEN FORUM

None.

5. PUBLIC HEARINGS

None.

6. REPORTS/PRESENTATIONS

a. City Engineer Yapp presented the Council with the feasibility study and preliminary engineering report for storm sewer improvements within the City. Discussion items were as follows:

- Drainage Basin and Previous Assessment Map
- Proposed Improvements
- Cost Summary – 50% street and 50% storm assessed over tributary area prorated by land use runoff by area. The estimated total cost to the PUC is \$473,831.07 and the estimated total cost to the City is \$1,158,864.17.
- The estimated construction cost is \$2,148,784.46 and the total estimated project cost is \$2,857,883.33.
- Preliminary Storm Sewer Assessment Roll.
- The State of MN will not allow the City to cut open Highway 71/Main Street so the City must jack under the roadway.

Council Member Coenen suggested that during this project, the City consider opening up the Oak Street cul-de-sac. Staff is currently researching this.

b. The Park Board discussed the following at their August 3, 2010:

- The sprinkler system was installed in Brown's Park.
- Nineteen advertising signs are in the Little League Park.
- Sentence to Serve Crews have been working in Sinclair Lewis Park edging sidewalks, memorial plaques, etc.
- Shoreline maintenance and weed control was completed by the Sauk River Watershed District.
- The Public Works crew has completed a temporary fix on the ½ pipe as a means to allow staff time to find suitable decking.
- Approval of a refund request of a one night deposit at Sinclair Lewis Campground due to a medical emergency.
- Denial of a refund request of the rental of Conservation Park.
- The Hockey Association made an \$8,000 down payment towards the boards. August 15th is the tentative ship date. They should be installed in September.
- Recommend Council approval of the Arena Wall Advertising Agreement with the Hockey Association. See 7e.
- The Sauk Centre Youth Baseball Association proposed improvements to be made to the Towerview Park South Ball Field. The Park Board placed this on their CIP and will be discussing this request at a future meeting.
- Review of preliminary 2011-2015 CIP.
- Review of preliminary 2011 budget.

Staff was asked to present the Council with the proposed improvements to be made to Towerview Park South Ball Field at the next regular meeting.

c. The Hospital Review Committee meeting was held July 27, 2010 in the City Hall Upper Level Conference Room.

They received and reviewed a report prepared by Jim Platt of Fredrikson & Byron on the various options available for the future operation of St. Michaels Hospital and Nursing Home. The report included detailed descriptions of the options, business terms that might be included in pursuing these options, advantages and disadvantages and relevant legal considerations. Options include:

1. No Change – The Committee felt this was not an option due to future revenue streams, capital needs and legal limitations.
2. Non-Profit with Current Players (Hospital, Nursing Home, Clinic) The Committee felt this option is viable and formed a work group consisting of Stone and Christianson to further investigate. This option would entail forming a new 501 C3 company with a new Board and Bylaws. The advantages would be that one legal entity would oversee all operations. Disadvantages include several State and Federal Law Considerations along with access to capital limitations.

3. Non-Profit with Large Player – The Committee felt this option is viable. Rather than a new non-profit, the City would enter into an Affiliation Agreement with an existing large non-profit health system with a potential lease of the facility. Advantages include the support and resources of a larger entity. Disadvantages include maintaining a focus in Sauk Centre. A work group consisting of Kirckof and Christianson was formed to further explore this option.
4. Sale of Business –Retaining Real Estate – The Committee felt this option was so similar to Option 3 above that it recommends the two options be merged. In either case, the City would continue to own the property.
5. Outright Sale of Business and Assets – Due to the structure of the existing Hospital Bonds, a sale of the property at this time is not an option. However, as part of a long term lease in Option 3, an option to purchase could be included beyond the bond's call date in 2015.

The two workgroups are to report back at the August 11 meeting. It was decided to wait until reports are received prior to engaging testimonials from similar hospitals/cities that have undergone this process.

It was also noted that the Herald has conducted interviews and will be publishing an information piece.

7. ACTION ITEMS

- a. See 6a.

City Engineer Yapp requested that the public meetings be held sometime in mid-September and the target date for the Public Hearing of October 6th.

Council Member Coenen introduced Resolution No. 2010-40, Resolution Receiving Feasibility Study and Calling Public Meetings for 2011 Improvements 4th Street Storm Water. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Coenen, Johnson, Stone, Thomas and Mayor Kirckof. Against: None. The motion passed.

- b. Dale Bertram resigned from the Convention and Visitors Bureau. His vacated term expires on December 31, 2012

Pam Borgmann submitted a nomination form.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to appoint Pam Borgmann to the CVB for the remainder of the term left vacant by Dale Bertram, effective August 4, 2010 and expiring December 31, 2012. A vote being recorded as follows: For: Council Members Johnson, Stone, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

- c. Since the July 21st Council meeting, staff has received written clarification that the two clinic representatives intended their withdrawal from attending the meetings to be considered a resignation.

The Hospital Review Committee discussed the resignation and felt that it is appropriate to reduce the size to 5 members..

A motion was made by Council Member Stone and was seconded by Council Member Johnson to reduce the Hospital Review Committee to 5 members. A vote being recorded as follows: For: Council Members Stone, Johnson and Mayor Kirckof. Against: Council Members Coenen and Thomas. The motion passed.

- d. Police Chief Friedrichs is requesting that the City work in conjunction with the City of Melrose to hire a part time police officer. This officer would fill vacant shifts when full time officers are off duty for vacations, sick leave, court time, etc.

The department currently shares one part time officer with the City of Melrose.

Police Chief Friedrichs and Melrose Police Chief Jensen are recommending Officer Gordon Stevens. Mr. Stevens passed his POST licensing exam.

This is a budgeted item.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to appoint Gordon Stevens as a part time officer contingent upon a favorable background investigation. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

Officer Stevens will do ride-alongs with Sauk Centre Officers to become familiar with the community.

- e. The Park Board reviewed the Advertising Agreement between the Youth Hockey Association and the City of Sauk Centre for advertising at the Civic Arena. They recommended Council approval of the agreement with two changes as follows:
- Advertisement on the Zamboni will run year to year
 - The Sauk Centre Youth Hockey Association will supply capital improvement list to the City of Sauk Centre by June 30, 2010 and update the list annually.

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

8. UNFINISHED BUSINESS

None.

9. NEW BUSINESS

- a. By general consent, the Budget Workshop was scheduled for August 25, 2010 at 2:00 p.m.

10. CONSENT AGENDA

The Council then considered the following consent agenda:

- a. Schedule of Claims – Total of unpaid claims \$36,893.42 and paid claims of \$21,329.80 for a total of \$58,223.22.
- b. Resolution No. 2010-40, Resolution Accepting Contributions. The contributions totaled \$264.93 from the Men's Card Playing Group to be used towards the Senior Center and \$1,500 from the Sauk Centre Fire Relief Association to be used towards the purchase of a flag pole at the Sauk Centre Jaycee Park.
- c. Gambling Application for Exempt Permit from the Sauk Centre Rotary Club for a raffle on September 10, 24 and October 1, 20 at the Sauk Centre High School football field.

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

Mayor Kirckof thanked the Men's Card Playing Group and the Sauk Centre Fire Relief Association for their donations.

11. INFORMATION ITEMS

- a. Due to the Primary Elections, the August EDA meeting has been postponed.
- b. News release regarding the construction on County Road 186 which will be closed .7 miles west of Highway 4 beginning Wednesday, August 4, 2010 until mid October.

12. ADJOURNMENT

A motion was made by Council Member Stone and was seconded by Council Member Thomas to adjourn the meeting. A vote being recorded as follows: For: Council Members Stone, Thomas, 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 7:50 p.m.

Respectfully submitted,

Mayor Brad A. Kirckof

City Administrator Vicki M. Willer