

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, SEPTEMBER 5, 2012**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, September 5, 2012 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Council Members Al Coenen, Keith Johnson, Warren Stone, Mike Olson and Mayor Rykken. Also present were City Administrator Vicki Willer, City Planner Sarah Morton, City Engineer Yapp and Administrative Assistant Nicki Vogt. Mayor Rykken presided thereat.

2. APPROVAL OF AGENDA

The agenda was approved with changes.

3. APPROVAL OF MINUTES

The August 15, 2012 Regular Meeting Minutes were approved as presented.

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

None.

5. PUBLIC HEARINGS

None.

6. REPORTS/PRESENTATIONS

a. The Park Board met on Tuesday, September 4th for their regular meeting where they discussed the following:

- Received and reviewed the 2012 Summer Recreation Report
- Reviewed a request from Seasonal Campers to store personal property on site during the off-season
- Jose Cole Circus is scheduled for May 3, 2013
- The trail in Morning View Park has been installed
- Hairball Concert is scheduled for October 13th in the Civic Arena
- The Splash Pad Committee held their first meeting

b. The Planning Commission met on Thursday, August 23rd for their regular meeting where they discussed the following:

- Held three public hearings: Revision to Zoning Ordinance Section 156.022 – Size of Accessory Structures on Larger Lots, Revision to Zoning Ordinance Section 156.016 – Street Access Required and Revision to Zoning Ordinance Section 156.075 – Outside Storage. See 7h.
- Received and reviewed the July 2012 Building Permit Report.

7. ACTION ITEMS

- a. The City Council met on August 22nd in a workshop session to review the 2013 proposed revenue and expense budgets for the City. The primary focus of this meeting was to give staff an opportunity to present their budgets to the Council. The Council introduced one amendment to the budget which was to increase the City's contribution to Concerts in the Park from \$600 to \$1,000.

As it stands today, the General Fund Budget shows an increase in expenditures of \$147,654.79. Overall, the total budget shows a net increase of \$18,574.88.

This budget will continue to be a work in progress until the final adoption at the December meeting. The only constant is the levy which cannot be increased, but can be decreased at that time. The proposed levy is \$1,504,142 which is the same amount levied for 2011 and 2012.

Council Member Olson introduced Resolution No. 2012-57, Resolution Adopting Preliminary 2013 Expense and Revenue Budgets for the City of Sauk Centre. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Olson, Johnson, Stone and Mayor Rykken. Against: Council Member Coenen. The motion passed.

- b. The proposed property tax levy for 2013 has been increased by 0% as proposed at the Budget Workshop.

Council Member Stone introduced Resolution 2012-58, Adopting Preliminary 2012 Property Tax Levy, Collectible in 2013. 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.

- c. As a part of the public notice process, the City traditionally holds a public meeting in December to present the final budget to the public and to receive input, comments and questions.

The regular December meeting is on December 5, 2012 and it is recommended that the budget be discussed in public format at that meeting.

Council Member Johnson introduced Resolution No. 2012-59, Resolution Setting Public Meeting. The motion was seconded by Council Member Olson. A vote being recorded as follows: For: Council Members Johnson, Olson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

- d. City Administrator Willer presented the Council with Resolution No. 2012-60, Resolution Calling for a Public hearing on Proposed Assessments for Unpaid City and Utility Service Charges. The Public Hearing is to be held on October 3, 2012 at 6:30 p.m. or shortly thereafter in the Council Chambers.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to approve Resolution No. 2012-60, Resolution Calling for a Public Hearing on Proposed Assessments for Unpaid City and Utility Service Charges. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

- e. Sauk Centre Youth Hockey Association has submitted an Application and Permit for a 1 Day Temporary On-Sale Liquor License for a concert at the Sauk Centre Civic Arena on October 13, 2012. The fee of \$50.00 has been paid and the Certificate of Insurance has been provided.

A motion was made by Council Member Coenen and was seconded by Council Member Johnson to approve a 1 Day Temporary On Sale Liquor License for Sauk Centre Youth Hockey. A vote being recorded as follows: For: Council Members Coenen, Johnson, Stone, Olson and Mayor Rykken. Against: None. The motion passed.

- f. The Council, at its August 1, 2012 meeting, approved Resolution No. 2012-55 Advertising for quotes for Street Maintenance Garage. The City accepted sealed quotes until 11:00 a.m. on Thursday, August 30, 2012 at which time they were publicly opened. The City received 2 bids with the results as follows:

<u>Company</u>	<u>72' x 84 Building Total</u>	<u>24'x42' Lean Option Total</u>	<u>Grand Total</u>
Kostreba Contracting	\$76,740.00	\$12,540.00	\$89,300.00
St. Rosa Lumber	\$71,200.00	\$13,050.00	\$84,250.00

Bid to be awarded on Base Building only or Grand Total. The Fire Department will fund the Lean Option.

The City Council budgeted for ½ the building in 2012 and ½ to be budgeted in 2013. The building could be constructed in either year or could be constructed year end to pay for one half in December 2012 and one half in January 2013.

The total budget was \$55,000 with \$27,500 budgeted in each budget cycle. This was based on a preliminary “Ag Type” pole barn. Because of added costs recommended by the Engineer to beef up the building to the next level for wind load and snow load and also to add structural strength to carry the load if a future council determines to heat, insulate, etc, the cost of the project increased accordingly. The increase to the street department is \$16,200. If the City moves forward, the \$16,200 could be paid out of the Capital Projects Fund for Improvements. Of that \$100,000 budget, the City paid \$50,000 for sealcoating and \$12,500 for crackfilling, leaving a balance available of \$37,500. The other option for funding the balance would be through the sale of the Walnut Street Garage.

2012 Building Budget	\$27,500
2012 CIP Budget	\$16,200 (or sale of Walnut Street Garage)

2013 Building Budget \$27,500
Total Street Budget \$71,200

2012 Fire Dept (Lean) \$13,050
Project Grand Total \$84,250

Staff also researched downsizing the building to absorb the added costs. The costs, however, would not decrease at the same ratio as building size which results in a higher cost per square foot. The size selected is just under the next jump in price for rafter size so the proposed size is financially a better option from that standpoint.

Other than downsizing, sliding doors vs. overheads were reviewed. It was found that labor is higher on sliders and materials are higher on overheads so the total door cost is a wash between the two types with overhead doors being the preferred style.

Savings by backing off the wind load and snow load upgrades were reviewed; however, with the front of the building facing west and the idea that a Council in the future may convert this building to a heated and insulated building, this is not supported by the Engineer.

Council Member Stone introduced Resolution No. 2012-61, Resolution Accepting Quote for Street Maintenance Garage. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Stone, Johnson, Olson and Mayor Rykken. Against: Council Member Coenen. The motion passed.

- g. The Sauk Centre Police Department has three vehicles that have been released to the Department as forfeited. The Department has requested approval to offer the vehicles for sale online through the MN Department of Administration. In addition to the vehicles, the Street Department has for sale a 2001 455 John Deere All Wheel Steer and attachments.

Council Member Olson introduced Resolution No. 2012-61, Declaring Property as Excess and Authorizing Advertisement for Sale. 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.

- h. The Planning Commission, at its August 23, 2012 meeting, conducted a public hearing to consider an amendment to the City Code allowing for outdoor secure storage in the I/C (Industrial/Commercial) zoning district. Currently, mini-storage and warehouse storage are allowed within a building but there are no provisions within the Code that would allow for a fenced secure storage area for items such as recreational vehicles, boats, fish houses etc. As such, there is no readily available area for owners of these types of vehicles to store them except on their own property in the driveway and yard areas or on the street.

The Planning Commission reviewed the proposal and recommends an Amendment to the Code.

The Amendment would add additional language to the definition of Warehouse Storage by adding “Outdoor Secure Storage incidental to a mini-warehouse self-storage facility” as a Permitted Use in the I/C Zoning District.

This would then allow for an owner/operator of a mini-storage or self-storage facility to also offer outdoor or outside secure storage.

Provisions as to what would be allowable within the secured storage area was also reviewed and includes licensed operational vehicles, licensed recreational vehicles, and licensed utility trailers.

Council Member Stone introduced Ordinance No. 731, An Ordinance of the City of Sauk Centre Amending Section 156.048 Land Use Descriptions and Section 156.075 Outside Storage of the City Code. The motion was seconded by Council Member Olson. A vote being recorded as follows: For: Council Members Stone, Olson, Johnson and Mayor Rykken. Against: Council Member Coenen. The motion passed.

- i. As a part of the recent approval of the Storm Water Pond Easement with Sauk Centre School District 743, an agreement was reached whereby the City would install a fence around the perimeter of the pond.

The Council was presented with a sketch of the pond. The fence consists of 623’ of six foot chain link fencing with two 8’x6’ gates.

Council Member Stone introduced Resolution No. 2012-63, Resolution Approving Plans and Seeking Quotes for Stormwater Pond Fencing. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

Quotes will be opened on September 19th at 11:00 a.m.

- j. As owner of multiple parcels at the Airport, the City currently holds leases with two individuals who farm the land outside of the airport safety zones.

One lease which is held by Dennis Muellner is 94.7 tillable acres of land. His five year lease expires at the end of the 2012 season. The Public Utilities Commission negotiates the lease for the City with final approval by the City Council. The Public Utility retains the option of land applying sludge from the wastewater treatment plant on the property and pays the City \$4,000/year for land application rights.

The Public Utility has negotiated the lease for one year while the City updates the Airport Layout Plan and then expects to revert to a five year cycle.

Of the 94.7 acres, 22 acres is grassland that the PUC can haul sludge on at any time and is free of charge to Muellner. The remaining 72.7 acres is to be leased at a rate of \$50/acre or \$3,635/year. The expiring lease was contracted at \$25/acre with 40 acres at no charge.

A motion was made by Council Member Johnson and was seconded by Council Member Olson to approve the Land Lease Agreement with Dennis Muellner for 1 year. A vote being recorded as follows: For: Council Members Johnson, Olson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

k. The FAA has officially offered a Grant to the City for the projects at the Airport that were previously discussed. The grant has two components:

1. Crackfilling and Tree Removal	\$52,461.00
2. ALP & Master Plan Update	<u>\$167,359.00</u>
Total FAA Share (90%)	\$218,820.00
Total City Share (10%)	<u>\$24,313.00</u>
Project(s) Grant Total	\$243,133.33

The City has budgeted accordingly through the airport fund to fund the City's share of the project.

The next step is the execution of the Grant Documents after which the Grant will be issued and the project(s) can proceed.

A motion was made by Council Member Olson and was seconded by Council Member Johnson to approve Resolution 2012-65 Accepting Grant Offer and Authorizing Execution of Grant Documents. A vote being recorded as follows: For: Council Members Olson, Johnson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

8. UNFINISHED BUSINESS

a. City Engineer Yapp reported on the 4th Street Stormwater Project as follows:

- A Stormwater Pond Easement has been agreed upon and a fence will be installed around the perimeter of the pond.
- The outlet for discharge into the pond has been complete
- The trunk storm sewer is complete up to Birch St.
- The pipe under Main Street has been installed
- Road reclamation was recently finished

b. At the August 15th regular meeting, the City Council heard a Feasibility Report by City Engineer Yapp on the previously submitted Petition for Improvement. Yapp requested

input regarding some design features and also input on whether this road was considered a reconstruct or a new road.

The Council sent the review to the Operations Committee. Mike Olson sat in for Al Coenen due to Coenen's personal involvement.

It was noted that on the CIP all gravel roads were set to be paved in 2015. It was also noted that a Developers Contract is in place.

A motion was made by Council Member Olson and was seconded by Council Member Johnson to accept the report and call a Public Hearing to be held on October 17th. A vote being recorded as follows: For: Council Members Olson, Johnson, Stone and Mayor Rykken. Against: None. Abstain: Council Member Coenen. The motion passed.

9. NEW BUSINESS

- a. The Council was presented a Public Hearing Notice relative to the existing City Bond for hospital improvements that is required to be held prior to the integration of St. Michael's Hospital and Nursing Home with CentraCare Health Systems.

The Hearing will take place on September 19th at 6:30 p.m.

- b. As part of the integration process with CentraCare, the City Council nominates three appointees to the new CentraCare Sauk Centre Board.

Currently there are five Board Members on the existing Hospital Board whose terms are active. Of these members, one member does not wish to be considered for appointment, one member is a doctor that would not be considered a City nominee but rather a CentraCare nominee. This leaves three existing Board Members to fill three spots. The existing Board, with the concurrence of CentraCare, feels it would be appropriate for consistency to nominate these three individuals to the new positions with staggered terms.

A motion was made by Council Member Coenen and was seconded by Council Member Stone to advertise for new candidates to be considered for nomination to the CentraCare Sauk Centre Board. A vote being recorded as follows: For: Council Members Coenen and Stone. Against: Council Member Olson and Mayor Rykken. Abstain: Council Member Johnson. The motion failed due to lack of majority vote.

A motion was made by Council Member Olson and was seconded by Council Member Stone to continue the existing members to the newly created board. A vote being recorded as follows: For: Council Members Olson, Stone and Mayor Rykken. Against: Council Member Coenen. Abstain: Council Member Johnson. The motion passed.

10. CONSENT AGENDA

The Council then considered the following Consent Agenda:

- a. Schedule of Claims – Total of unpaid claims of \$227,163.41 and paid claims of \$22,052.64 for a total of \$249,216.05.
- b. Resolution No. 2012-64, Resolution Accepting Contributions. The contribution totaled \$226.75 from the Men’s Card Playing Group to be used towards the Senior Center.

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

11. INFORMATIONAL ITEMS

- a. Fall Clean-Up Day is scheduled for September 21 from 8a.m. – 7 p.m. and September 22 from 8 a.m. – noon.
- b. Grill & Chill – Saturday, September 8th – Sinclair Lewis Park.
- c. Eagles Nest Open House – Friday, September 7th – 11 a.m. – 4 p.m.

12. ADJOURNMENT

A motion was made by Council Member Olson and was seconded by Council Member Johnson 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 7:30 p.m.

Respectfully submitted,

Mayor Dennis Rykken

City Administrator Vicki Willer