

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, SEPTEMBER 19, 2012**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, September 19, 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, Police Chief Friedrichs, 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 22, 2012 Budget Meeting Minutes and the September 5, 2012 Regular Meeting Minutes were approved as presented.

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

None.

5. PUBLIC HEARINGS

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

Jim Platt of Fredrikson & Byron, P.A. was present and stated that this Public Hearing is required due to the terms of the City's \$9,505,000 General Obligation Crossover Refunding Hospital Bonds, Series 2005C which was approved by the electorate on August 5, 2003.

Mayor Rykken called three times for persons to speak in favor and/or against. None spoke. Mayor Rykken closed the Public Hearing.

6. REPORTS/PRESENTATIONS

a. George Eilertson of Northland Securities presented the Financial Plan Summary for the funding if the 4th Street Stormwater Project as follows:

- The City will issued bonds for the following
 - \$1,535,000 General Obligation Storm Sewer Revenue Bonds.
 - \$1,280,000 General Obligation Improvement Bonds.
- Proposals will be received until Wednesday, November 7, 2012 until 10:30 a.m. Council will consider the proposals until Wednesday, November 7, 2012 at 6:30 p.m.
- The bonds will mature annually each February 1, 2015 through 2029. Interest will be payable August 1, 2013 and semiannually thereafter on February 1st and August 1st.

- The prepayment option is available on February 1, 2019 and any date thereafter at a price of par plus accrued interest.
- The City can participate in the Credit Enhancement Program which would change the City's Credit Rating from A+ to AA+. This would give an interest rate of 2%. Application fee is \$500 and the City would save \$500,000 in interest.

See 7d, 7d1 and 7e.

b. Police Chief Friedrichs presented the August 2012 Police Report as follows:

- 351 ICR and 311 Verbal Warnings for a monthly total of 662
- 14.5 Safe and Sober hours were completed in August
- The new Squad car was received at the end of August

c. The Planning Commission met on Tuesday, September 11, 2012 and discussed the following:

- August 2012 Building Permit Report.
- Revision to the Zoning Ordinance amending the size of Accessory Structures on larger lots. See 7j.
- Discussion regarding re-zoning of city owned/public land.
- Reminder of Fall City Clean-up/Scrap Metal Days.
- Update on the tower of 725 8th St. S.

d. The Airport Commission meeting was cancelled due to lack of a quorum.

7. ACTION ITEMS

a. Removed from Agenda.

b. At the Council's September 5th meeting, they voted to extend the terms of the three existing City Hospital Board Members by recommending their appointments to the new Centracare Sauk Centre Board at which time the City Hospital Board terms will expire. The members are as follows:

Dan Borgmann	December 31, 2013
Joe Uphus	December 31, 2014
Dr. Jodi LaVoi	December 31, 2015

A motion was made by Council Member Stone and was seconded by Council Member Olson to make appointments to the CentraCare Sauk Centre Board of Directors as noted above. A vote being recorded as follows: For: Council Members Stone, Olson and Mayor Rykken. Against: Council Member Coenen. Abstain: Council Member Johnson. The motion passed.

Mayor Rykken reported that the Hospital Board met today and that the IRS has still not made the 501C3 designation.

- c. The City has received funds from St. Michaels Hospital and Nursing Home according to a prior resolution. The fees necessary to cover the costs associated with the Agreement were \$120,000 per quarter for the 3rd quarter of 2012. A reduction in costs in the 4th quarter reduces the fees necessary to \$105,000 per quarter.

Council Member Stone introduced Resolution No. 2012-66, Resolution Amending Fee From Hospital. 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.

- d. See 6a.

As stated during Northland Securities report on the bonding process for the 4th Street Stormwater Project, the City would benefit by participation in the MN Public Facilities Authority Credit Enhancement Program.

By participating, the City would enjoy a lower interest rate for funding the project. The cost to participate is \$500.

A motion was made by Council Member Johnson and was seconded by Council Member Olson to authorize execution of MN PFA Credit Enhancement Program, including payment of the \$500 fee. A vote being recorded as follows: For: Council Members Johnson, Olson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

- d1. See 6a.

City Administrator Willer presented the Council with Resolution No. 2012-69. This resolution authorizes the issuance of General Obligation Bonds, Series 2012A.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to approve Resolution No. 2012-69 Relating to the Issuance of General Obligation Bonds, Series 2012A; Covenanting and Obligating the City to be Bound by and to use the Provisions of Minnesota Statutes, Section 446A.086 to Guarantee the Payment of the Principal and Interest on the Bonds. A vote being recorded as follows: For: Council Members Johnson, Stone, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

The bond will cover the costs of the 2012-2013 Improvement Project.

- e. Prior to commencement of funding for the 4th Street Stormwater Project, it is recommended the City enter into a Financial Advisory Service Agreement outlining the scope of services.

The cost of bond issuance according to the Agreement for Financial Advisor Services is \$16,200. The City will also be responsible for Bond Counsel fees, publication fees and rating agency fees.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to approve the Financial Advisory Service Agreement with Northland Securities, Inc. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

f. Removed from Agenda.

g. Payment Approval No. 2 has been submitted by RL Larson for work completed on the 4th Street Project. The payment request is for \$230,747.54.

A motion was made by Council Member Johnson and was seconded by Council Member Olson to approve Partial Payment Voucher No. 2 in the amount of \$230,747.54. A vote being recorded as follows: For: Council Members Johnson, Olson, Stone, Coenen and Mayor Rykken. Against: None. The motion passed.

h. The crackfilling project at the Sauk Centre Municipal Airport was completed on Thursday, September 13, 2012. The project was completed just under the bid price.

The final cost to Barga, Inc. is \$32,382.75.

The project was completed in one day with the airport being closed from 7:30 a.m. to 6:00 p.m.

A motion was made by Council Member Stone and was seconded by Council member Olson to approve the payment to Barga, Inc. in the amount of \$32,382.75. A vote being recorded as follows: For: Council Members Stone, Olson, Coenen, Johnson and Mayor Rykken. Against: None. The motion passed.

i. A request was received from Erich Mische, Executive Director of Spare Key. Mr. Mische is asking that the City proclaim September 15th as Spare Key Appreciation Day.

Spare Key is an organization that has helped three families in Sauk Centre with mortgage payments this year.

Spare Key has been in existence since 1997. Their goal is to assist families with seriously ill or critically injured children who have experienced a reduction in household income due to the medical crisis. Often this reduction in income is due to time spent attending to medical needs.

A motion was made by Council Member Johnson and was seconded by Council Member Coenen to approve a Mayoral Proclamation for Spare Key Appreciation Day on

September 15. A vote being recorded as follows: For: Council Members Johnson, Coenen, Stone, Olson and Mayor Rykken. Against: None. The motion passed.

- j. At the Planning Commission's September 11th meeting, they conducted a public hearing to consider an amendment to the City Code allowing additional/larger accessory structures on parcels in the R-1 zoning district that are larger than two acres.

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

The amendment would regulate the amount of cumulative accessory structures and attached garages based on the size of the parcel. The maximum cumulative size of accessory structures and attached garages would be 2% of the lot area with a cap of 3,600.

For example, a three acre parcel would be allowed 2,614 square feet of cumulative structures. (3 acres X 43,560 sq feet per acre = 130,680 sq. ft X 2% = 2,614)

The maximum size of an individual building would remain 1,200 square feet so the above example could be two detached at 1,200 and 800 and one attached at 614.

Council Member Stone introduced Ordinance No. 732, An Ordinance of the City of Sauk Centre Amending Section 156.022 Accessory Structures of the Sauk Centre City Code. The motion was seconded by Council Member Johnson. A vote being recorded as follows: Stone, Johnson, Coenen, Olson and Mayor Rykken. Against: None. The motion passed.

- k. The City, at a prior meeting, authorized the sale of the John Deere 455 Lawn Tractor with attachments. The City offered the equipment for sale through the State of Minnesota Online Bidding Website. High bid amounts are as follows:

<u>Description</u>	<u>Bidder</u>	<u>Amount</u>
Tractor	3963	4,300.00
Cab	3963	1,650.00
3 Point	9758	320.00
Bagger	19325	1,710.00
Snowblower	3963	2,000.00
Weights	9758	<u>330.00</u>
Total Sale Price		10,310.00

Council Member Johnson introduced Resolution No. 2012-68, Resolution Accepting Bids for Lawn Equipment. The motion was seconded by Council Member Stone. A vote being recorded as follows: For: Council Members Johnson, Stone, Olson, 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:

- Utilities have been installed in the east section of the project.
- East Section of the project is ready for curb and gutter

9. NEW BUSINESS

None.

10. CONSENT AGENDA

The Council then considered the following Consent Agenda:

- a. Schedule of Claims – Total of unpaid claims of \$84,917.80 and paid claims of \$1,642.49 for a total of \$86,560.29.
- b. List of Checks: \$604,398.30. (Check No. 032951 – No. 033065 and No. 1627E – No. 1651E and 2 Payroll ACH Transfers).
- c. Outdoor Patio and Premise Extension for Palace Bar.

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

11. INFORMATIONAL ITEMS

a. MnDot Aeronautics and the FAA (Federal Aviation Administration) annually conduct outreach meetings around the State with public airports. These outreach meetings are an opportunity to meet one-on-one with these agencies and also to update and discuss planned improvements at the airport.

Sauk Centre will be meeting with them on October 11 at the St. Cloud Regional Airport. Staff will be attending along with Kevin Carlson, Airport Consultant.

If any Council Members wish to attend, they are welcome.

b. Stearns County will be hosting a Local Board/County Board - Board of Appeal Training on Wednesday, November 14, 2012 from 6:30 – 9:30.

Training Expiration dates:	Stone	November 2014
	Johnson	November 2014
	Coenen	July 2015

c. League of Minnesota Cities Regional Meeting is October 11 at Sauk Rapids.

d. City Scrap Metal/Clean Up Day is scheduled for September 21-22.

e. Hairball Concert is scheduled for October 13th at the Sauk Centre Civic Arena.

12. ADJOURNMENT

A motion was made by Council Member Johnson and was seconded by Council Member Olson to adjourn the meeting. A vote being recorded as follows: For: Council Members Johnson, Olson, 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 7:07 p.m.

Respectfully submitted,

Mayor Dennis Rykken

City Administrator Vicki Willer