

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, OCTOBER 20, 2010**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, October 20, 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 Dave Thomas, Keith Johnson, Warren Stone and Al Coenen. Also present were City Administrator Vicki Willer, City Planner Sarah Morton, 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 Stone and was seconded by Council Member Thomas to approve the agenda. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

3. APPROVAL OF MINUTES

The October 6, 2010 Regular Meeting Minutes and the October 6, 2010 Workshop Session Meeting Minutes were approved as presented.

4. PUBLIC OPEN FORUM

Mike Nelson, MN Engineering & Construction Services. Mr. Nelson stated that they are a low overhead engineering firm with expertise in reconstruction projects. Their firm has an interest in the storm water project and feel that they can reduce the total project cost by \$800,000 or more.

5. PUBLIC HEARINGS

a. Development District 1-11

Mayor Kirckof opened the Public Hearing at 6:35 and read the Public Hearing Procedure.

Rusty Fifield of Northland Strategies stated that he is present to discuss the proposed establishment of TIF District 1-11. The TIF District is being established to assist with the construction of an 8,000 square foot manufacturing and warehouse facility (Talk, Inc.). The Council will also be asked to consider the removal of property from TIF District No. 1 and the ratification of the Development Program for Development District No. 1.

Mr. Fifield stated that all notifications required by the TIF Act were accomplished. He also noted that the proposed development is projected to create annual tax increment revenue of \$10,549. The City will retain the first 5% of annual tax increment revenue. This money can be used to pay for administrative expenses incurred by the City. Tax increment will be used to pay State and County administrative expenses. The remaining tax increment will be used to reimburse Sauk Centre Opportunities for land provided for this project in an amount not to exceed \$95,000. The City reserves the right to collect tax increment for the maximum 8 years from receipt of initial tax increment allowed by State law (9 years of revenue to be received).

The Planning Commission met and found this project to be in conformance with regulations.

Mr. Fifield recommended that the City adopt Resolution No. 2010-59. See 7a.

Adam Suelflow of Talk, Inc. thanked the Council for their time and consideration.

Mayor Kirckof called for persons to speak in favor or opposition. None spoke. Mayor Kirckof closed the Public Hearing at 6:45 p.m.

b. Public Hearing on the Proposed Assessments for Unpaid Utility and City Service Charges.

Mayor Kirckof opened the Public Hearing at 6:45 p.m.

At the Council's September 1, 2010 meeting called for a Public Hearing to be held on October 20, 2010 at 6:30 pm or shortly thereafter.

State Statute allows for the City to apply unpaid service charges against property taxes. Service charges can include lot mowing, snow removal, sidewalk replacement and unpaid utility bills.

Parcel no. 94.58484.0000 was a home in foreclosure. The snow removal date was February 11, 2010 and the closing date was February 12, 2010.

The assessment calls for a \$100 administrative fee to be added to the amount owed. In the past, the Council has waived that fee for anyone who paid the amount owed within 30 days which was an incentive to clear the bill. After thirty days, the assessment roll will be forwarded to Stearns County for inclusion on the 2011 property tax statement..

Mayor Kirckof called for persons to speak in favor or opposition. None spoke. See 7b.

6. REPORTS/PRESENTATIONS

a. The total calls for the Police Department in September was 490 with 257 Verbal Warnings and 233 ICR's.

b. City Planner Morton reported on the October 12, 2010 Regular Meeting as follows:

- There were 25 building permits in September 2010 with 5 commercial, 19 miscellaneous and 1 residential.
- The total building permits to date are 146. Last year at this time the total was 160.
- TIF District 1-11 was recommended for Council approval as it aligns with the Comprehensive Plan.
- Discussion of outdoor furnaces.

- Discussion on Body Art and the fact that the state is mandating licenses.
- A Planning Commission meeting will be held on October 26th.
- The Fall Scrap Metal Clean Up Day was successful.

Mayor Kirckof thanked City Planner Morton for coordinating the successful fall cleanup.

- c. The EDA met in a regular session on Tuesday, October 12, 2010. The Focus of the meeting was to meet with and “fill in the blanks” on a Developer Contract with Adam Suelflow of TALK, Inc. This will be the actual contract between Suelflow and the City. This contract will obligate Suelflow to perform according to the contract by creating jobs and tax base for the City. It will obligate Sauk Centre Opportunities according to its Letter of Intent to deed the property to Suelflow and will obligate the City to pay 95% of the increment generated to Sauk Centre Opportunities as payment for the property.

The final contract is being drafted by City Attorney Tom Mayer.

See 7f.

- d. The League of Minnesota Cities hosts multiple Regional Meetings around the State of Minnesota each year for elected officials and staff.

Willer and Morton attended the Regional Meeting in Grove City on October 14, 2010.

There were multiple items on the Agenda from 1:00 p.m. to 7:30 p.m. The main item was what cities are doing to cope with reduced revenues.

- There has been a steady increase in cooperation between governmental agencies with cost sharing of staff and equipment, and joint efforts.
- There has been an increase in shared bulk purchasing.
- There has been a steady decrease in staffing levels as cities choose not to fill vacant positions.
- There has been an increase in the use of furloughs (time off without pay).
- There have been efforts to get the public to get more involved with understanding the budget and the decisions the Council has to make. (YouTube, Facebook etc). The video has a link on www.outsidetheox.org.
- Many cities are looking at ways to privatize some of the services they have traditionally provided and focusing their budget dollars on providing the necessary services. The League has formatted a worksheet that can be used to conduct an in depth City Program/Service analyses of all programs or services offered.

There was also a segment on Legislative Updates from the previous legislative session and also Policy initiatives for the upcoming legislative session.

7. ACTION ITEMS

- a. See 5a.

The Council was presented with Resolution No. 2010-59, Resolution Establishing Municipal Development District No. 1 and Approving the Development Program and Establishing Tax Increment Financing (Economic Development) District No. 1-11 and Approving the Tax Increment Financing Plan Within Municipal Development District No. 1 and Approving Modifications of Tax Increment Financing District No. 1.

This Resolution amends the overall Development District for the City, removes a parcel from the existing TIF District 1-1, creates TIF District 1-11 and approves the plan.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to approve Resolution No. 2010-59, Resolution Establishing Municipal Development District No. 1 and Approving the Development Program and Establishing Tax Increment Financing (Economic Development) District No. 1-11 and Approving the Tax Increment Financing Plan Within Municipal Development District No. 1 and Approving Modifications of Tax Increment Financing District No. 1. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

b. See 5b.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to approve Resolution No. 2010-60, Resolution Adopting Assessment Roll for Unpaid City and Utility Service Charges, to waive the \$100.00 administrative fee if paid before November 15, 2010 and to write off fees for 94.58484.0000. A vote being recorded as follows: For: Council Members Johnson, Thomas, Coenen and Mayor Kirckof. Against: Council Member Stone. The motion passed.

Staff was asked to look into the possibility of charging interest.

c. On May 19, 2010 the Council adopted Resolution No. 2010-28 authorizing the removal of hazardous property on Birch Street. The owner has agreed to the assessment of the costs to his property taxes and has signed a waiver which allows the assessment without the need to proceed to public hearing.

The total costs incurred by the City for demolition and removal are as follows:

Demolition Costs:	\$8,164.00
Demolition Permit:	\$10.00
Legal Fees	<u>\$1,611.42</u>
TOTAL:	<u>\$9,785.42</u>

Council Member Thomas introduced Resolution No. 2010-61, Resolution Authorizing Certification of Special Assessment. The motion was seconded by Council Member Coenen. A vote being recorded as follows: For: Council Members Thomas, Coenen, Stone, Johnson and Mayor Kirckof. Against: None. The motion passed.

- d. Because of the changes to the election law where all absentee ballots are counted by the Absentee Ballot Board at the County level, we will not be involved in the processing of Absentee Ballots at the General Election.

What this means is that we may not be informed of the results of the election until sometime during the days following the election when we get the absentee ballot votes added to the votes of those that vote in person on election day.

The County is asking that we schedule our canvassing board to certify the election no earlier than Monday, November 8, 2010. It must be completed by November 12th.

It was the general consent of the Council to schedule the meeting to canvass election results for November 10, 2010 at 3:00 p.m. in the City Hall Council Chambers.

- e. Several of the EMTs with the Ambulance Department have received promotions in their respective careers outside of being EMTs. With these promotions, it has become increasingly difficult to fill day shifts.

The Ambulance Department is requesting permission to advertise licensed EMTs or for people interested in attending classes to become a licensed EMT. The next class is in January in Alexandria.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to authorize advertisement for licensed EMTs and individuals interested in attending licensure classes. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

- f. The EDA has reviewed a proposed Developer Contract with TALK, Inc. for Tax Increment Financing (TIF). TIF contracts are contracts with the EDA which require approval of the Council to execute.

Once the final contract is presented with the terms agreed upon at the previous EDA meeting, it will be reviewed for conformance with those terms. If they are in agreement, the President and Secretary of the EDA will execute. If not, it will go back to the EDA for further review.

Terms include:

- Land will be deeded by the Sauk Centre Opportunities to TALK, Inc.
- TIF payments of eight years following the first year (total of 9 payments)
- Maximum amount to be paid is \$95,000.
- City to retain 5% for administrative expenses.
- Construction of an 8,000 square foot building.
- Jobs created: 3 full time plus 1 per year for five years (\$13/hour plus benefits).
- Payment of increment will be made to Sauk Centre Opportunities.

A motion was made by Council Member Coenen and was seconded by Council Member Stone to authorize the President and Secretary of the EDA to execute the Developer Contract. A vote being recorded as follows: For: Council Members Coenen, Stone, Thomas, Johnson and Mayor Kirckof. Against: None. The motion passed.

- g. In 2007 the Council amended the Development Agreement for the East River Heights plat eliminating the requirement that the developer plant boulevard trees between County Road 185 and East River Boulevard. The agreement had required 4' high coniferous trees every fifteen feet along County Road 185.

The owners of the property have requested that the City plant trees in order to eliminate glare from southbound traffic which shines into their windows. They have agreed to water and take care of the trees in the formative years and to assist with determining the most effective location of the trees.

The City has a balance of \$1,273.31 in the 2010 Shade Tree Budget.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to allocate up to \$500 towards the purchase of trees for East River Boulevard. A vote being recorded as follows: For: Council Members Stone, Johnson, Thomas and Mayor Kirckof. Against: Council Member Coenen. The motion passed.

8. UNFINISHED BUSINESS

- a. The Operations Committee will be meeting to review and recommend a process for winter snow removal from sidewalks where the adjacent property owner has not cleared the snow within the first 24 hours following a snow fall or other event that caused the snow to collect. Last year there was concern raised when snow was removed from sidewalks following a wind storm.

Several options such as door hangers, post cards, etc. were previously discussed.

It was the general consent of the Council to schedule the Operations Committee meeting for October 26, 2010 at 3:00 p.m.

- b. Following the October 6, 2010 Storm Water Workshop, staff was requested to provide two informational items to the Council as follows:
 1. Schedule of maintenance and video camera work – The lines were found fairly clean.
 2. Increased costs if designed for a 10 year rain event versus a 5 year rain event – would be an increase of \$150,000.

Mayor Kirckof stated that he does not feel it appropriate to allocate a 2.8 million dollar project for a new Council to see through completion. His recommendation is to postpone the project until the new Council is in place.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to postpone this project until January 1, 2011. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

9. NEW BUSINESS

- a. In order for the City to retain the Board of Review at the local level, at least one Council Member must have attended this training within the last 4 years. This year's session is November 10 from 6:30-9:30 at the Stearns County Service Center in Waite Park.

Council Members Johnson and Stone volunteered to attend.

10. CONSENT AGENDA

The Council then considered the following consent agenda:

- a. Schedule of Claims – Total of unpaid claims \$48,215.71 and paid claims \$21,685.23 for a total of \$69,900.94.
- b. List of September checks totaling \$220,256.54.
- c. Gambling Application for Exempt Permit Request from Isaac's Journey for a raffle on March 26, 2011 at Gerard's Dining & Banquet.

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

11. INFORMATION ITEMS

- a. The Public Test for the voting machines will be held Thursday, October 28, 2010 at 10:00 a.m. in the City Hall Council Chambers.
- b. The General Election will be held in the City Hall Council Chambers on November 2, 2010 from 7:00 a.m. to 8:00 p.m.
- c. Don Struss has been with the City for four years as of October 23, 2010. According to the Public Works Union Contract, he will move to Step 5 (\$19.65) of the wage scale.

It was noted that there is a Vote 2010 tab on the City website for those people interested in reviewing the ballot.

The Candidate Open Forum will be held in the Sauk Centre High School Gymnasium on Thursday, October 21, 2010 at 7:30 p.m.

12. ADJOURNMENT

A motion was made by Council Member Thomas and was seconded by Council Member Stone to adjourn the meeting. A vote being recorded as follows: For: Council Members Thomas, Stone, 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 7:45 p.m.

Respectfully submitted,

Mayor Brad A. Kirckof

City Administrator Vicki M. Willer