

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, NOVEMBER 18, 2015**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, November 18, 2015 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Council Members Dave Thomas, Keith Johnson, Heidi Leach, Diane Kelly and Mayor Warren Stone. Also present were City Administrator Vicki Willer, City Planner Sarah Morton and Public Works Director Matt Zinniel. Mayor Stone presided thereat.

2. APPROVAL OF AGENDA

A motion was made by Council Member Leach and was seconded by Council Member Thomas to approve the agenda with the addition of 7h. A vote being recorded as follows: For: Council Members Leach, Thomas, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

3. APPROVAL OF MINUTES

A motion was made by Council Member Johnson and was seconded by Council Member Kelly to approve the November 4, 2015 Regular Meeting Minutes. A vote being recorded as follows: For: Council Members Johnson, Kelly, Thomas, Leach and Mayor Stone. Against: None. The motion passed.

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

None.

5. PUBLIC HEARINGS – Hospital Bond Refunding

a. Mayor Stone opened the Public Hearing and Read the Public Hearing Procedure.

At the October 21st City Council Meeting, the Council called a public hearing to be held on November 18, 2015 to consider the refunding (refinancing) of the Hospital Bond Series 2005C.

George Eilertson of Northland Securities presented the details of the bond refunding as follows:

- Public Hearing is required due to relationship between City and a non-profit organization.
- City's bond rating is AA-, which is a favorable rating.
- Bond will mature in 2033.
- Interest rate set to be at approximately 2.63% which will save the City approximately 1.73 million dollars over the remaining term of the bond.

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

See 7a.

6. REPORTS/PRESENTATIONS

- a. Police Chief stated that in October 2015 there were 240 Verbal Warnings and 420 ICRs for a monthly total of 660.

Chief Friedrichs noted that he would like to move forward with the hiring of a Police Sergeant. More information to follow at a December meeting.

- b. The Planning Commission met on Tuesday, November 10, 2015 and discussed the following:

- Business Registry Program – will come to the Council at a December meeting.
- Fee Schedule.
- Impervious Surface – discussion of increasing percentage allowed.
- October Building Permit Reports
- 3rd Quarter Building Permit Reports.

- c. The Airport Commission met on Thursday, November 12, 2015 and discussed the following:

- Recommended change to pump installation – See 7d.
- Recommend amendment to Grant Agreement for pump change – See 7d.
- Recommend Approval for Airport CIP – See 7e.
- Recommend Approval of Work Order for Bolton Menk – See 7f.

7. ACTION ITEMS

- a. See 5a.

Council Member Leach introduced Resolution No. 2015-82, Providing for the Issuance and Sale of \$8,905,000 General Obligation Hospital Refunding Bonds, Series 2015C and Pledging for the Security Thereof Net Revenues for the Payment Thereof. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members: Leach, Thomas, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

- b. The Planning Commission recommends Council approval to amend the City Code to require that all new businesses register with the City. There would be a one-time fee of \$25.00. Existing businesses would be grandfathered in.

This Registry will allow City to review business plans to be sure they are in appropriate zoning districts, etc.

A motion was made by Council Member Kelly and was seconded by Council Member Johnson to approve Ordinance No. 762 Establishing a Business Registration Program. A vote being recorded as follows: For: Council Members: Kelly, Johnson, Thomas, Leach and Mayor Stone. Against: None. The motion passed.

This Ordinance to become effective January 1, 2016.

- c. Each year the City writes uncollectible accounts out of the Accounting System. This includes those accounts deemed uncollectible and written off, those sent to collections, and those assessed to taxes.

SEND TO COLLECTIONS OR REVENUE RECAPTURE

Notch, Anthony/Evelyn	Fire & Rescue	(#3152)	04/22/15	381.60
Pederson, David	Fire & Rescue	(#3182)	06/17/15	206.00
Peterson, Brandy	Fire & Rescue	(#3120)	01/14/15	331.50
Thompson, Sherry	Fire & Rescue	(#3145)	03/11/15	215.00
Tonka Auto Transport	Fire & Rescue	(#3075)	09/23/14	394.40
				\$1,528.50

REMOVALS

Abokar, Samsam	Late Fees	(#3202)	07/27/15	5.40
Ahrens, Stephen	Billing Error	(#3110)	12/15/14	358.02
Alexandria Title Co.	Late Fees	(#3205)	08/06/15	.30
Bertram, Amy	Late Fees	(#3031)	06/26/14	28.13
Fitzhum, Ryan	Late Fees	(#3105)	09/23/14	11.25
Mohamed, Hussein Mohamed	Late Fees	(#3184)	06/14/15	9.00
SC Public Utilities	Billing Error	(#3245)	10/21/15	10.00
SC Youth Hockey	Late Fees	(#3142)	03/11/15	207.00
Schmitz, Gordon S.	Write Off	(#3096)	11/26/14	1,311.00
Westport, City of	Billing Error	(#3256)	10/28/15	\$660.13
				\$2,600.23

CERTIFIED TO TAXES

Doubrava, Michael	Demolition	(#3226)	04/15/15	7,328.39
Hoppe, Jessica J	Demolition	(#3227)	04/15/15	5,150.43
EMA Ent.	Demolition	(#3228)	04/15/15	8,847.38
Stein, Kathleen	Demolition	(#3230)	04/15/15	596.40
				\$21,922.60

GRAND TOTAL \$26,051.33

Council Member Leach introduced Resolution No. 2015-83, Resolution Adjusting Receivable by sending \$1,528.50 to Collections, Removing \$2,600.23 from Billing and Certifying \$21,922.60 to Taxes. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Leach, Thomas, Johnson, Kelly and Mayor Stone. The motion passed.

- d. In order to achieve a higher GPM (Gallons Per Minute) for the Airport Fueling System, the Airport Board is recommending the pump be upgraded to a larger pump.

The cost of the upgrade is \$6,551.00.

MnDot Aeronautics has agreed to fund 60% of the cost through an amendment to the existing grant agreement. These funds would be reimbursed in the next fiscal year. This leaves the City with a net cost for the upgrade of \$2,620. This amount will come directly from Airport funds.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to approve an upgrade of pump and an amendment to the Grant Agreement with MNDOT. A vote being recorded as follows: For: Council Members: Thomas, Johnson, Leach, Kelly and Mayor Stone. Against: None. The motion passed.

- e. The Airport Board has finalized the Twenty Year Capital Improvement Plan for the Airport. The Plan is in accordance with the recently adopted Master Plan and Airport Layout Plan (ALP).

As a general rule, Airport Improvements are eligible for funding at a 90/10 split with the FAA. For the next year MnDot has agreed to fund one half of the City Share making the improvements 90/5/5 which cuts the City share in half. In addition, the FAA has tentatively budgeted discretionary funding for our airport for needed safety improvements to include the runway rehabilitation and new lighting.

MnDot has also opted to fund the widening of the airstrip from 60' to 75' at an 80/20 split when done in conjunction with the rehab project.

With the above factors, it appears to be in the best interest of the City to submit the CIP with the runway rehabilitation and lighting improvements along with widening in 2016/2017 to take advantage of these cost savings.

If the City moves forward with the project, the Airport Fund would require some up front funding from the City for the local share, which could be loaned to the Airport Fund similar to the funding of the Ambulance Garage, or the Airport Fund could be allotted undesignated existing dollars.

A motion was made by Council Member Kelly and was seconded by Council Member Leach to approve submittal of a 5 year Capital Improvement Plan. A vote being recorded as follows: For: Council Members Kelly, Leach, Thomas, Johnson and Mayor Stone. Against: None. The motion passed.

- f. As part of the ongoing Airport Improvements, Bolton Menk has presented Work Order #5 according to the Professional Services Contract for the Runway 14/32 Reconstruction/Widening.

This work order would provide for Design and Bid Administration for the Runway Project which are explained in detail under section 1.1 through 1.12 and 2.1 through 2.7 of the Professional Services Contract.

These services are included in the CIP costs previously discussed.

A motion was made by Council Member Thomas and was seconded by Council Member Leach to approve Work Order No. 5 for Runway 14/32 Reconstruction/Widening. A vote being recorded as follows: For: Council Members: Thomas, Leach, Johnson, Kelly and Mayor Stone. Against: None. The motion passed.

- g. At the October 21, 2015 meeting the City Council approved utilizing SEH for grant writing for the proposed demolition and redevelopment of the racetrack property. In the preparation of the grant application for the environmental portion (Phase I and possibly Phase II) DEED representatives recommended that the City complete Phase I and then include those costs in the Phase II grant round if a Phase II is required. Their reasoning is that it is almost impossible to predict Phase II costs prior to conducting a Phase I.
- o Phase I – Book Review of what is potentially on property.
 - o Phase II- Field Work done as a result of Phase I to determine scope of necessary remediation. (Borings etc.)

As a result, SEH has submitted a proposal for completion of the Phase I study. These costs will be included for reimbursement with the Phase II portion.

A motion was made by Council Member Johnson and was seconded by Council Member Kelly to approve an Agreement with SEH for Phase I Racetrack. A vote being recorded as follows: For: Council Members Johnson, Kelly, Thomas, Leach and Mayor Stone. Against: None. The motion passed.

- h. Blue Cross Blue Shield of Minnesota previously partnered with Mii Life Insurance to offer supplemental life insurance and short term disability at a group rate to employees.

In 2008, US Able Life took over from Mii Life and all employees were ported over to US Able.

In 2016, US Able is pulling away from Blue Cross and will be standing alone for billing and administration. We will not have a local representative and have to work with the home office in Little Rock, Arkansas.

Because of these changes, staff sought out alternatives to US Able and is proposing that the City Council approve a switch to The Municipal Pool. The Pool is administered by Ochs, Inc. who represents many cities and counties in the State and also represents the League of Minnesota Cities.

Ochs has provided the City with a quote which is considerably more cost effective than what is currently being paid to US Able. In addition the benefit options available to staff are expanded.

Ochs provided two quotes. Option One would be the City to provide for \$10,000 Basic Term Life Insurance with AD&D for \$1.70 per month per employee. (19 X \$1.70 = \$32.30) Employees could then add additional insurance on an age based scale. Option Two would be the employees pay from zero on an age based scale.

A motion was made by Council Member Leach and was seconded by Council Member Kelly to Approve an Agreement with Ochs, Inc. to provide benefits through the Municipal Pool. A vote being record as follows: For: Council Members Leach, Kelly, Johnson, Thomas and Mayor Stone. Against: None. The motion passed.

8. UNFINISHED BUSINESS

None.

9. NEW BUSINESS

None.

10. CONSENT AGENDA

The Council considered the following Consent Agenda Items:

a.	Schedule of Claims - Unpaid Claims	\$50,725.05
	Paid Claims	<u>\$25,353.11</u>
	Total	<u>\$76,078.16</u>
b.	October Checks	
	#02772E-#02800E	<u>\$415,996.60</u>
	#36753-#36838	
	4 Payroll ACH Transfers	

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

11. INFORMATIONAL ITEMS

None.

12. ADJOURNMENT

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to adjourn the meeting. A vote being recorded as follows: For: Council Members Thomas, Johnson, Leach, 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