

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, DECEMBER 4, 2013**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, December 4, 2013 at 6:30 p.m. in the City Hall Council Chambers pursuant to due notice being given thereof. Present were Council Members Keith Johnson, Dave Thomas, Warren Stone, Mike Olson and Mayor Kirckof. Also present were City Administrator Vicki Willer and City Planner Sarah Morton. 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, with changes. A vote being recorded as follows: Council Members Stone, Thomas, Johnson, Olson and Mayor Kirckof. Against: None. The motion passed.

3. APPROVAL OF MINUTES

A motion was made by Council Member Johnson and was seconded by Council Member Stone to approve the November 20, 2013 Regular Meeting Minutes with changes. A vote being recorded as follows: For: Council Members Johnson, Stone, Olson, Thomas and Mayor Kirckof. Against: None. The motion passed.

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

None.

5. PUBLIC HEARINGS

- a. 2014 Proposed Budget. Mayor Kirckof opened the Public Hearing and read the Public Hearing Procedure.

The budget meeting notice was published in the Sauk Centre Herald, notifying the public of their opportunity to voice their concerns regarding the 2014 budget and levy and to ask questions of the Council.

City Administrator Willer presented the Council with the tax rate trends, stating that Sauk Centre will decrease from 64.791% to 63.7% in 2014. The total operating expenses including TIF and Debt Service is \$4,577,515.11. The total expense budget includes consideration for the reduction in sales tax that will no longer be charged due to the new sales tax exemption for cities with the total levy remaining unchanged from the prior year at \$1,504,142.

Mayor Kirckof called for persons to speak in favor or opposition. None spoke. Mayor Kirckof closed the Public Hearing. See 7b and 7c.

6. REPORTS/PRESENTATIONS

- a. Advantage One Insurance Agency has been moved to 9b.

- b. Insurance Agents Rich Bullard and Mark Mahoney reported on the City's insurance renewal. The City currently purchases Liability, Property & Equipment, Open Meeting Law, Excess Liability, Airport, Workers Compensation Insurance and Bonding through the League of MN Cities.

Bullard stated that the Council needs to determine whether the City continues to purchase the Excess Liability coverage and also whether the City wishes to waive the per person limit for liability which is put in place by Minnesota Statute.

The City currently purchases the Excess Liability and waives the limit.

Bullard recommended that the City purchase the Excess Liability and waive the limit. See 7a.

- c. The Park Board met on Tuesday, December 3rd and discussed the following:
- Installation of a credit card machine at City Hall. The cost for this data line would be \$20 per month during the camping season.
 - The Splash Pad Committee is continuing with their fundraising campaign.
 - Campground internet expansion discussion.
 - Review of 2013 campground improvements.
 - Staff was asked to get price quotes for irrigation and a trail in the Multi-Purpose Park.
 - There are currently 18 students in Session I figure skating. Session 2 will begin in January.
 - The circus for 2014 will be Circus Pages and it will be held at the Arena on April 27, 2014.
- d. The EDA met on Wednesday, December 4th and discussed the following:
- The City is waiting for completed appraisals for property located south of Interstate 94.
 - Recommend Council approval of 2013 TIF Pay As You Go payments. See 7d.
 - Recommend Council approval of Abatement Payments. See 7e.
 - Discussion on the decertification of TIF Districts 1-1 and 1-5.
- e. The Planning Commission met on Tuesday, November 26, 2013 and discussed the following:
- Lot Split, Re-zoning and Variance Request from Daniel O'Brien DBA Gas Mart. See 7g, 7h and 7i.
 - Review of the October 2013 monthly building permit report.

7. ACTION ITEMS

- a. See 6b. Each year when the City renews Liability Insurance coverage, a determination needs to be made whether the City purchases Excess Liability Insurance Coverage and

also whether the City wishes to waive the per person limit for liability put in place by MN State Statute.

The City currently purchases One Million Dollars of excess coverage and waives the limit.

The City has multiple boards/commissions that could be liable independently of each other so the excess liability would provide additional coverage in that instance.

The cost to purchase Excess Liability and Waive the Statutory Limit is \$9,800 and this amount was budgeted for.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to purchase the Excess Liability Insurance and waive the Statutory Limit. A vote being recorded as follows: For: Council Members Johnson, Stone, Thomas and Mayor Kirckof. Against: Council Member Olson. The motion passed.

b. See 5a.

Council Member Stone introduced Resolution No. 2013-85, Resolution Adopting Final 2014 Expense and Revenue budgets for the City of Sauk Centre. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson and Mayor Kirckof. Against: Council Member Olson. The motion passed.

c. See 5a.

According to law, the City must certify the final levy, which remains at \$1,504,142.00.

Council Member Johnson introduced Resolution No. 2013-86, Adopting Final 2013 Property Tax Levy, Collectible in 2014. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Johnson, Thomas, Olson, Stone and Mayor Kirckof. Against: None. The motion passed.

d. The EDA is recommending payment of the following:

TIF Pay As You Go Payments (PAYGO)

PAYGO Developer Payments

a. Mississippi Flats	\$17,925.64
b .Roach Center Crossing	\$28,828.25
c. Riverview Townhomes	\$5,141.97 (Semi-Annual)
d. Coborn's	\$15,295.10
e. Sauk Centre Opportunities (TALK Inc.)	\$6,892.50

Loan Repayments

- a. RLF (Formerly Fitness Guru) (Interfund Loan) \$6,933.84
- b. Walters Trucking (Interfund Loan) \$7,155.66

TOTAL PAYMENTS

\$88,172.96

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to approval the 2013 Tax Increment Financing Payments. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Olson and Mayor Kirckof. Against: None. The motion passed.

- e. The 2013 Fairway Pines semi-annual Abatement Payment is due December 1, 2013. That payment refunds the City share of the property taxes to the developer. The semi-annual amount due is \$8,809.24.

The 2013 Dunham Express (8310 Commerce Drive) semi-annual payment is due on December 15, 2013 and the amount due is \$2,656.41.

The EDA is recommending Council approval of these payments.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to approve the semi-annual Abatement Payment to Fairway Pines in the amount of \$8,809.24 and to Dunham Express in the amount of \$2,656.41. A vote being recorded as follows: For: Council Members Stone, Thomas, Olson, Johnson and Mayor Kirckof. Against: None. The motion passed.

- f. EMT Jamie Cole has been with the City for ten years as of December 7, 2013 and Ambulance Director Struffert is recommending Cole's advancement.

The Ambulance Pay Scale has pay ranges for 1-5 years, 5-10 years, 10-15 years and over 15 years.

Jami Cole remains active on the crew and meets the patient contact criteria.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to approve the advancement of Jami Cole to step EMT-B3 at \$14.79/hour, effective December 7, 2013. A vote being recorded as follows: For: Council Members Thomas, Johnson, Olson, Stone and Mayor Kirckof. Against: None. The motion passed.

- g. Administrator Willer explained that the next three actions are inter-related and all require approval for the redevelopment of the Gas Mart property on North Main. The overall plan is for Gas Mart to purchase thirty feet of property behind their existing building. That property is currently zoned Residential and is proposed to be rezoned to Commercial. This would allow Gas Mart to construct a new store behind the existing store and keep the existing store open during construction. This new store requires a

variance from the rear property line and also from the Linden Lane Right of Way. Upon completion of the new store, the existing store will be removed or demolished.

A new canopy will be installed over the pumps. A new tank and additional pumps for expansion to provide for the sale of diesel fuel to be added. The new canopy will require a variance from Linden Lane to be at its current setback and a variance from the Road Right of Way of Main Street.

Additional parking will be provided. The entire proposal will require a variance from the impervious coverage limits.

The first action is:

The Planning Commission acted upon a request by Holly Tegels/Walker for a Lot Split at its meeting on November 26, 2013. See 6e.

This lot split request is the first of three actions that, if approved, would allow for the construction of a new larger convenience store to the west of the existing Gas Mart store on Main Street North. The existing store is proposed to be relocated on the lot to the south of the car wash to be used as retail/office. A new larger canopy over the pumps with the addition of pumps for diesel would be added.

The first request is to split the East 30' of a lot located at 519 Linden Lane. The 30' segment is scheduled to be sold and added to the adjacent property (Gas Mart Property).

The parent parcel of the lot split will continue to meet all minimum zoning standards as a residential parcel. The existing house on the property will be 18' from the new property line.

The Planning Commission recommends the split be approved.

Council Member Stone introduced Resolution No. 2013-87, Resolution Approving a Minor Subdivision (Lot Split) for Holly Walker. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Stone, Johnson, Thomas and Mayor Kirckof. Against: None. Abstain: Council Member Olson. The motion passed.

- h. Due to the prior approval of the lot split application by Holly Walker, applicant Daniel O'Brien, DBA Gas Mart, is requesting the Council consider rezoning the split parcel.

The split parcel (30') is proposed to be added to the existing Gas Mart Property located on North Main Street. Because the property is zoned R-1 (Low Density Residential), it must be rezoned to C-2 (General Commerce) prior to its consolidation with the Gas Mart property and its subsequent development.

The development proposal on this parcel is the construction of a new larger convenience store. A full survey of the entire proposal was available for review by the Council; however, the rezoning is for the 30' segment split from the adjacent residential parcel only.

The Planning Commission held a public hearing on the proposal at its meeting on November 26, 2013 and they recommend approval of the Zoning Amendment.

Council Member Thomas introduced Ordinance No. 743, An Ordinance of the City of Sauk Centre Amending the Official Zoning Map of the City as Outlined in Section 156.036 of the City Code. The motion was seconded by Council Member Stone. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson and Mayor Kirckof. Against: None. Abstain: Council Member Olson. The motion passed.

- i. Action on the Variances for the Gas Mart Proposal is the third action that is required in order to facilitate the development proposal.

The proposal before the Council was to consider the granting of multiple variances which would allow for the redevelopment of the property commonly known as the Gas Mart. The Staff Report presented to the Planning Commission was available to the Council for their review.

The application was for the construction of a new larger convenience store to the west of the existing store. Existing store would be relocated on the lot to the south of the car wash to be used as retail/office. A new larger canopy over the pumps with the addition of pumps for diesel would be added.

The variance requests are:

1. Request for 5' setback from Linden Lane where 25' is required (store).
2. Request for 5' setback from rear property line where 20' is required (store).
3. Request for 15' setback from front (Main Street) where 25' is required (canopy).
4. Request for 6.2' setback from Linden Lane where 25' is required (canopy).
5. Request for 6' setback from Lake Street where 25' is required (relocated store).
6. Request for total impervious of 79.2% where 50% is required.

It was noted that the existing canopy is located at 6.2' from Linden Lane. The new canopy would be extended laterally along that same setback. It was also noted that the existing impervious coverage on the property currently exceeds the 50% allowed and is grandfathered in.

The Planning Commission held a public hearing and heard comments from the public on the proposal and heard letters read into the record. Of the eight comments on the record, four were opposed to the development, two supported the development, and two supported the development but noted concerns over noise and water runoff.

The Commission reviewed the proposal considering the following:

1. MnDot issues with Variance request from Main Street Right of Way.
2. Parking requirements.
3. Concerns if MnDot were to widen Highway 71.
4. Concerns if area is capable of handling impervious
5. Questions of proposal to relocate existing building. (South lot would need rezoning).
6. Review of similar business's impervious coverage.
 - a. Super Stop 82.5%
 - b. Casey's 76.5%
 - c. Truck Stop 73.2%
7. Plans for elevation (hill to the West). Retaining wall.
8. Grade and elevation changes to the lot.
9. Fencing adjacent to neighboring residential properties.
10. Runoff and Flooding in the Lake Street Area.
11. Alternate plans and impact on proposal.
12. Lighting
13. Neighbor's concerns on reduction in property values.
14. Increased Traffic concerns

The Commission offered a recommendation for approval of three variances, the denial of one variance, and approval of two amended variances that are less intrusive than requested. The Commission also attached several conditions to the development of the property. The approval also removes from the table the relocation of the existing building to the south lot next to Lake Street and allows for the utilization of the south lot for storm water runoff and flood control.

The recommendation is:

1. 10' Variance from Linden Lane for store (Request was 5')
2. 5' Rear Setback Variance from west property line for store.
3. 15' Variance from Main Street for canopy.
4. 6.2' Variance from Linden Lane for canopy.
5. Variance request of 6' from Lake Street for relocated store be denied.
6. Impervious Coverage Variance of a maximum of 70% be allowed but rate control at existing runoff rate to be established. (Request was 79.2%)

Conditions:

1. Parking for 40 cars.
2. 8' solid fence abutting residential to the west.
3. Must submit plan for storm water rate control and infiltration to City Engineer for approval.
4. Exterior lighting to be down-directed.
5. Trees in boulevard of Linden Lane to be preserved.

The Planning Commission recommended Council approval of the variance request as amended with conditions on a 5-0 vote.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to approve Resolution No. 2013-88, Resolution Approving Request for Variance for DOB Properties LLP DBA Gas Mart of Sauk Centre, with conditions 1-5 and lowering the parking from 40 spaces to 30 spaces. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson and Mayor Kirckof. Against: None. Abstain: Council Member Olson. The motion passed.

- j. The City has an ongoing relationship with Catholic Charities Senior Dining to provide use of the Sr. Center for its Senior Dining Program. The Program consists of both an onsite dining program and the Meals on Wheels Program.

The Lease Agreement with Sr. Dining is up for renewal. It is proposed by Sr. Dining that the renewed lease be under the same terms and conditions as the existing. The City proposes one added amendment to the contract to clarify that, for safety reasons, the Sr. Center is closed any day that Sauk Centre Public School District #743 is closed due to inclement weather.

The lease provides a payment of \$225 per month to the City as a reimbursement for costs incurred by the City as a result of the program.

After discussion, the Council tabled action on this item for further review of Section 5 which outlines times that the Sr. Center is closed and that Sr. Dining would also be closed those days. The Council asked whether the Policy on closing when the school is closed is the right way to determine closures.

8. UNFINISHED BUSINESS

- a. The Policy Committee met with members of the Watershed District and Lake Association to discuss the Weed Harvester Agreement. Questions remain unanswered and were forwarded to the District's Attorney for clarification. When his response is available this can come back before the Council.

By general consent, this item was tabled.

- b. The Market Analysis is being completed on the Walnut Street Garage by Jean McDonald. After receipt, the City Council should determine if they wish to sell the property or retain it for City Use.

Currently, the building is being used to house police impounded vehicles that were previously housed at the transit garage.

It was the general consent of the Council to send this to the Operations Committee for their review after the Market Analyses is received from Jean McDonald.

9. NEW BUSINESS

- a. The DNR has completed its inspection of the Sauk River Dam under Highway 71. The Dam as received a Satisfactory Condition Assessment.

Non-Urgent repairs needed include repairs to the rock retaining wall. Maintenance recommendations include repairs to spalled and cracked concrete surfaces, removal of small trees from the south embankment, and repair of surface erosion on the north embankment.

It was the general consent of the Council to ask that staff research the cost of the above noted repairs and report back to the Council at a future meeting.

- b. Representatives from Advantage One Insurance Agency, Steve Spanier and Ted Plombon, have been in contact with the City with a request to be considered as the City’s Agent of Record for its League of Minnesota Cities Insurance Program. They approached the City in 2012 as well, but due to timing and some other changes the City did not consider a change at that time.

They are aware that the City has used MN National Agency for many years.

They have discussed the option with the Finance Committee members and would like to present to the entire Council.

The Council felt that it was appropriate that the opportunity be given to all insurance agencies and asked that staff send out letters of interest and report back at a future meeting.

10. CONSENT AGENDA

The Council to consider the following Consent Agenda Items:

a. Schedule of Claims -	Unpaid Claims	\$69,027.76
	Paid Claims	<u>\$1,346.82</u>
	Total	<u>\$70,374.58</u>

- b. Resolution No. 2013-89, Resolution Accepting Contributions. The contributions are from the following:

- Men’s Card Playing Group \$205.97 Senior Center
- Community Connections \$3,000.00 Ambulance Department
- Sauk Centre Seniors \$3,000.00 Senior Center

Councilman Stone suggested that next time we bid out a plow truck that carbide edges be included in the specs.

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

The Council thanked the Men's Card Playing Group, Community Connections and Sauk Centre Seniors for their donations.

11. INFORMATIONAL ITEMS

- a. Charter Communications Notice of Rate Adjustment.
- b. Stearns County has revised its Five Year Road Plan moving several projects up the list. This is due to a budget increase of available funds due to the Wheelage Tax.
- c. The City has begun the process of completing the 2013 Audited Financial Statements. The city is in the third year of a three year agreement and has executed the Letter of Engagement.
- d. Notice of Public Hearings – CenterPoint Energy.

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, Olson and Mayor Kirckof. Against: None. The motion passed.

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 8:10 p.m.

Respectfully submitted,

Mayor Brad Kirckof

City Administrator Vicki Willer