

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, DECEMBER 5, 2007 – 6:30 P.M.**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, December 5, 2007 at 6:30 p.m. at the City Hall Council Chambers pursuant to due notice being given thereof. Present were Mayor Kirckof, Council Members David Thomas, Warren Stone, Al Coenen and Keith Johnson. Also present were City Administrator Vicki Willer, Public Works Director Wessel, Police Chief Metcalf and Administrative Assistant Nicki Vogt. Mayor Kirckof presided thereat.

2. APPROVAL OF AGENDA

The agenda was approved with additions and deletions.

3. APPROVAL OF MINUTES

The Council's November 21, 2007 regular meeting minutes were approved as presented.

4. PUBLIC OPEN FORUM

None.

5. PUBLIC HEARINGS

2008 Proposed Budget (Truth in Taxation)

Mayor Kirckof opened the Public Hearing at 6:32 p.m. and read the Public Hearing procedure.

The purpose of the Public Hearing is to receive input from the public in regards to the budget and property taxes that the City is proposing to collect to pay for the costs of services the City will provide in 2008.

City Administrator Vicki Willer stated that the final budget and tax levy cannot be adopted until a subsequent meeting, which is scheduled for December 19, 2007 in conjunction with the Council's next regular meeting. She then handed out a packet which she reviewed with the Council.

The total budget amounts below compare with the City's 2007 total actual budget with the amount the City proposes to spend in 2008.

<u>2007 Total Actual Budget</u>	<u>Proposed 2008 Budget</u>	<u>Change From 2007-2008</u>
\$5,690,360.03	\$5,780,451.04	1.58%

The property tax amounts below compare to that portion of the current budget levied in property taxes in the City of Sauk Centre for 2007 with the property taxes the City proposes to collect in 2008.

<u>2007 Property Taxes</u>	<u>Proposed 2008 Taxes</u>	<u>Change From 2007-2008</u>
\$1,383,961.07	\$1,478,289.00	6.89%

The following compares the City's current local tax rate, the City's rate for 2008 if no tax levy increase is adopted, and the City's proposed tax rate for 2008.

<u>2007 Tax Rate</u>	<u>2008 Tax Rate if NO Levy Increase</u>	<u>2008 Proposed Tax Rate</u>
63.422%	56.43%	60.321%

It was noted that the Local Government Aid (LGA) has decreased approximately \$53,282 in 2008. This amount is an annual legislative decision which the City has not control over.

City Administrator Vicki Willer also noted that out of the 30 surrounding Cities, Sauk Centre is in 23rd place for tax rate which has improved since 2006 at which time the City was in 29th place for highest tax rates.

Mayor Kirckof called for persons to speak in favor or opposition.

Joe Heinen, 601 Hickman Drive, Sauk Centre, MN 56378. Mr. Heinen questioned what caused the debt service to decrease and City Administrator Vicki Willer responded stating that the decrease was due to the refinancing of a bond issue.

Terry of Getty Street Assisted Living questioned the Council as to where the tax market value is established and City Administrator Vicki Willer responded stating that that amount is set by the County Assessor and a meeting is held in May to discuss.

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

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

6. REPORTS/PRESENTATIONS

a. The City's insurance agent Rich Bullard reported on the City's option to waive the statutory per-person limits for liability coverage. The LMCIT liability coverage is issued with a \$1,200,000 per occurrence limit. The coverage form does not automatically waive the statutory provisions that limit the City's liability to \$400,000 per claimant; however, the City has the option to waive the statutory per-person limits. The practical effects of waiving the statutory per-person limit are as follows:

- If the City does not waive the statutory tort limit, an individual claimant would be able to recover no more than \$400,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would

be limited to \$1,200,000. These statutory tort limits would apply regardless of whether or not the City purchases the optional excess liability.

- If the City waives the statutory tort limit and does not purchase excess liability coverage a single claimant could potentially recover up to \$1,200,000 on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,200,000, regardless of the number of claimants.

Mr. Bullard recommended that the City continue with what they have done in the past which is waive the tort liability statutory limits and purchase umbrella coverage.

It was noted that the cost of waiving the statutory tort limits is \$2,000 and purchasing the umbrella coverage is approximately \$6-7,000 annually.

b. Public Works Director Wessel reported that the Park Board met on December 4, 2007 and discussed the following:

- 2008 Fee Schedule.
- Heritage Hills Plat. The Board chose Park Dedication Fees over land.
- Internet/Cable TV. The Board felt that staff should survey campers to see what their interests are.
- Contribution. Stearns Electric contributed \$250 to be used towards the outdoor skating rink. Summer staff has expressed interest in returning to work at the outdoor rink. Ice at the rink should be put in early this season due to the recent snowfalls.
- County Road 17 Walking Trail. The Snow Cleats asked if they could groom the trail. The Board felt that this trail should be kept as a walking trail. It was noted that the project is not yet finalized between Stearns County and the City.
- 2008 Meeting Calendar. The January and November meetings were rescheduled to the next day due to Holidays.

c. Public Works Director Wessel reported that the two recent snow emergencies went well. Seven vehicles were towed the first emergency and 9 were towed the second emergency. The Public Works crew put in 155 overtime hours. One mailbox was hit during the emergency.

Mayor Kirckof thanked the Public Works Crew and Police Department for their hard work during the snow emergencies which shows their dedication to the City.

7. ACTION ITEMS

a. See 6a above.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to waive the tort liability statutory limits and purchase umbrella coverage as recommended by Insurance Agent Rich Bullard. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

It was noted that this is budgeted for.

- b. At the November 21 Council meeting staff asked for and received approval to proceed with consideration of a credit card policy. In conjunction with the City Auditor, a policy with guidelines was prepared. A credit card will be obtained to be used for online purchases and registrations and other instances where payment is required immediately upon purchase. Anyone authorized to use the card will have to sign acknowledgment of responsibility prior to use of the card.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to adopt a Credit Card Policy. A vote being recorded as follows: For: Council Members Johnson, Stone, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

- c. City Administrator Vicki Willer stated that the 2007 Tax Increment Pay As You Go (PAYGO) payments are due as follows:

• Duckwall/Alco Stores	\$16,801.24
• St. Michael's Hospital	\$17,005.53
• Sauk Centre Welding	\$17,024.21
• Mississippi Flats	\$17,776.16
• Sauk Centre Opportunities	\$4,971.19
• Roach Centre Crossing	\$25,048.65
• River View Townhomes	\$5,364.58
• Cabinet Components (to Bank of Zumbrota)	\$10,115.94
• Walters Trucking (to Internal Note)	\$8,014.22
• Fitness Guru (to Internal Note)	\$9,540.35
TOTAL:	\$131,652.07

These amounts are due by December 15, 2007.

A motion was made by Stone and seconded by Thomas to approve the 2007 PAYGO payments. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson and Mayor Kirckof. Against: Council Member Coenen. The motion passed.

- d. A proposal was obtained from Weidner Plumbing & Heating Co., Inc. for a renewable one year contract for preventative maintenance for the City Hall HVAC system. The proposal would require Weidner to conduct this maintenance twice a year and the cost would be \$1,495.00 (May \$620 and September \$875). If additional work is required the rate during the week would be \$75/hour and weekends and holidays would be \$112.50/hour. The agreement as proposed would be for a one year period commencing January 1, 2008 and would automatically renew for subsequent one year periods unless cancelled or terminated by either party.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to enter into the Maintenance Agreement with Weidner Plumbing &

Heating Co., Inc. for the maintenance of the City's HVAC System. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

It was noted that if the rates are increased, a contract amendment will be presented to the Council.

e. The City's contract for cell phones is up for renewal. Currently, the City contracts with Verizon Wireless for fifteen phones as follows:

- Police-3
- Fire-3
- Ambulance-4
- Public Works-4
- Campground-1

The Police/Fire/Ambulance phones are proposed to be renewed at the same rate and new phones will be provided with that renewal. The proposal also includes the purchase of the necessary clips, vehicle chargers, mounting devices, etc. to accommodate the new phones.

The Public Works Department, including the campground, is proposing to switch contracts to Nextel their contracts to Nextel which would allow them to use "push to talk" phones thereby allowing them to discontinue the use of two way radios which are in need of replacement. The cost to replace the radios is estimated at \$4,280. The monthly rates are comparable per phone. The difference is that all of the public works employees would need phones as they are also the two way radios. This would increase the monthly bill from \$118 to \$196/month by going from five to nine phones. In addition, phones that are classified as more rugged phones will be purchased at a 50% discount.

The total cost for renewal and/or change are as follows:

Police	\$149.94
Fire	\$149.91
Ambulance	\$99.96
Public Works	\$505.91 (plus \$78/month for additional lines)

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

f. Staff has received inquiries on the speed zone on Sinclair Lewis Avenue by Holy Family School which is presently 30 mph. There are currently concerns that 30 mph is too fast primarily because of the high traffic volume in this area.

Typically, when a school is on a major traffic road there would be a reduced speed limit to 20 mph when children are present.

In order to change speed, the County would need a letter from the City asking for this change in speed limit. They would then conduct a traffic study on the requested area.

Council Member Stone requested that the speed be reduced on County Road 17 near the cemetery.

A motion was made by Council Member Stone and was seconded by Council Member Thomas to initiate the proposed reduction in speed limit in the areas by Holy Family School and County Road 17 by the cemetery by sending a request to the County Engineer to conduct a speed study. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

g. Removed from the agenda.

h. St. Michael's Hospital currently provides services to Stearns County Human Services through Sauk Centre Homecare, a division of St. Michael's Hospital. The County is requesting that the City renew their authorization previously approved by Resolution No. 2000-58 (approved September 20, 2000), which authorizes the Hospital Administrator to exercise and deliver the purchase of a Service Agreement.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to adopt Resolution No. 2007-96, Resolution Authorizing St. Michael's Hospital Administration to Enter Into an Agreement with Stearns County Human Services Board for Certain Hospice and Homecare Services. A vote being recorded as follows: For: Council Members Thomas, Stone, Coenen and Mayor Kirckof. Against: None. Abstain: Council Member Johnson. The motion passed.

Services provided will be one or more of the following: Alternative Care (AC), Elderly Waiver (EW), Community Alternatives for Disabled Individuals (CADI), Traumatic Brain Injury (TBI) and Developmentally Disabled Waiver Services.

i. A pay request was received from Bonestroo for the airport hangar improvements. The net amount due to Chad Monson Excavating under this voucher is \$46,822.13 after a 5% retainage.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to authorize payment of the pay request to Chad Monson Excavating in the amount of \$46,822.13. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

8. UNFINISHED BUSINESS

a. The City has received nominations for the following:

St. Michaels Hospital and Nursing Home – 2

Library Board – 0
Park Board – 0
Planning Commission – 0
Public Utilities Commission – 2
Senior Center Board – 3
Airport Commission – 2

Mayor Kirckof encouraged interested persons to apply for the vacant position. Action will be taken at the December 19th meeting.

9. NEW BUSINESS

None.

10. CONSENT AGENDA

The Council then considered the following consent agenda:

- a. Schedule of Claims - Total of unpaid claims \$33,196.84 and paid claims of \$7,721.13 for a total of \$40,917.97.
- b. Resolution No. 2007-97, Resolution Accepting Contribution. This contribution's were from the Men's Card Playing Group (\$426) to be used towards the Senior Center, Stearns Electric Association Trust – Operation Round Up (\$250 for Park and \$500 for Ambulance).

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

Mayor Kirckof thanked the Men's Card Playing Group and Stearns Electric for their donations.

11. INFORMATIONAL ITEMS

- a. 2008 Meeting Calendar.

12. COUNCIL COMMENTS

City Administrator Vicki Willer stated that there will be a joint Council/PUC meeting on December 12, 2007.

Council Member Coenen stated that he would like to see term limits on Board and Commissions and suggested that persons be limited to serving no more than 3 consecutive terms.

Council Member Coenen made a motion to split the Personnel/Finance Committee into two Committees. The motion failed due to lack of a second.

Council Member Stone stated that the times of the Board/Commission meetings may be limiting people. Mayor Kirckof asked that if anyone has an interest in a particular Board/Commission but cannot make it due to the time that they notify staff.

Council Member Johnson stated that he is open to looking at two separate Committees.

Council Member Stone reminded the public to shovel their sidewalks.

Council Member Coenen reminded citizens to remove their vehicles from the street during a snow emergency.

13. ADJOURNMENT

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to adjourn the meeting. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone and Mayor Kirckof. Against: Council Member Coenen. The motion passed.

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 8:00 p.m.

Respectfully Submitted,

Mayor Brad A Kirckof

City Administrator Vicki M. Willer