

**SAUK CENTRE CITY COUNCIL
REGULAR MEETING
WEDNESDAY, DECEMBER 15, 2010**

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

The Sauk Centre City Council met in a Regular Meeting on Wednesday, December 15, 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, Police Chief Bryon Friedrichs 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 with changes. 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

A motion was made by Council Member Johnson and was seconded by Council Member Coenen to approve the December 1, 2010 Regular Meeting Minutes with changes. A vote being recorded as follows: For: Council Members Johnson, Coenen, Stone, Thomas and Mayor Kirckof. Against: None. The motion passed.

4. PUBLIC OPEN FORUM

Shane Defoe, resident. Mr. Defoe has been a resident of Sauk Centre for 5 years and is interested in becoming involved with the community he lives in. He applied to be on the Planning Commission and Park Board. He also coaches for the Sauk Centre Youth Baseball and Hockey. He wants to see Sauk Centre be a place where our children will grow, work and want to live as adults.

5. PUBLIC HEARINGS

a. Road Vacation of a Part of 1st Street South

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

At the November 17th regular meeting the City Council acted upon a request to vacate a portion of 1st Street South adjacent to the Mill apartments by calling for a public hearing.

Notices were mailed to all affected property owners and legal publication was made in the Sauk Centre Herald on November 30th and December 7th.

The purpose of the proposed vacation is to vacate a portion of 1st Street South along the northerly boundary wherever the adjacent buildings overlap the right of way. A legal description of the property was prepared by a Certified Land Surveyor.

The plat was approved on August 10, 1863. Until recently, the encroachment has not been an issue; however, with new financing requirements the encroachment needs to be removed which would entail moving the building or vacating part of the street upon which it sits.

The City holds the only utility easement which is for storm sewer.

Mayor Kirckof calls for persons to speak in favor or opposition:

A comment was received from a property owner two lots down stating that they are in favor of clearing this up.

Mayor Kirckof called for additional persons to speak in favor or opposition. None additional spoke.

Mayor Kirckof closed the public hearing at 6:40 p.m.

6. REPORTS/PRESENTATIONS

- a. Police Chief Friedrichs reported that there were 162 Warnings and 227 ICRs in the month of November for a total of 389. He also reported that the both in squad cameras are in the squads and are working. One camera was received through a Grant and another was purchased with forfeiture monies.
- b. Removed from agenda.
- c. Mayor Kirckof reported on the Hospital Review Committee stating that the Parties have agreed in broad principle on certain of the terms that will be included in the formal written agreements including: (i) a long term lease of St. Michael's Hospital campus facilities; (ii) the operation by CCHS- SC of St. Michael's Hospital as a community hospital, open to all residents of the community; (iii) participation by CCHS – SC in Medicare, Medicaid and other government health plans; (iv) the formation of an Operating Board to oversee the operations of CCHS-SC, with community members appointed by the City Council and members appointed by CentraCare; (v) the transfer of certain operating assets and liabilities of St. Michael's Hospital and Nursing Home to CCHS-SC; and (vi) the employment by CCHS-SC of the employees of St. Michael's Hospital and Nursing Home.
- d. Mayor Kirckof awarded Public Works Director Wessel with a plaque thanking him for his 37.5 years of service to the City of Sauk Centre.

7. ACTION ITEMS

- a. See 5a above.

Council Member Thomas introduced Resolution No. 2010-78, Resolution Vacating a Portion of a City Street. The motion was seconded by Council Member Johnson. A vote

being recorded as follows: For: Council Members Thomas, Johnson, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

b. Bid quotes were received for the 2011 fuel/vehicle washes as follows:

<u>GAS STATION</u>	<u>Unleaded/ Ethanol Discount</u>	<u>#1 Diesel Fuel Discount</u>	<u>#2 Diesel Fuel Discount</u>	<u>Premium Diesel Fuel Discount</u>	<u>Car Washes</u>
Kranz Super Stop	0.06	0.06	.065	0.06	10 free washes per month
Northstar	0.05	.05	.05	n/a (fuel is blended for winter)	One for One – Washable Vehicle
Gas Mart	.06	n/a	n/a	n/a	Unlimited washes at \$2.00 each for Police & PW vehicles

Council Member Coenen introduced Resolution No. 2010-79, Resolution Awarding 2011 Fuel/Vehicle Wash Bid to Holiday for diesel and gasoline. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Coenen, Johnson, Thomas, Stone and Mayor Kirckof. Against: None. The motion passed.

c. The following bids were received for 2011 refuse collection service:

- Affordable Disposal \$467.99/Month \$5,615.94/Annual
- West Central Sanitation \$521.76/Month \$6,261.10/Annual
- Buecker’s City Sanitation \$636.60/Month \$7,639.05/Annual

Council Member Stone introduced Resolution No. 2010-80, Resolution Accepting Bid for 2011 Refuse Service Collection to Affordable Disposal with the condition that there be pickup the day after weekends and holidays at the Sinclair Lewis Campground. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Stone, Thomas, Coenen, Johnson and Mayor Kirckof. Against: None. The motion passed.

d. The following Board and Commission appointments were reviewed.

Hospital Board – 1 position for a 2 year term and 1 position for a 5 year term. The following nominations were submitted:

- Marlene Otte
- Bruce Wanquist
- Dr. Diane Kelly
- Darlene A. Dols
- Paul Skorheim

Pamela Borgmann
Dr. Jody LaVoi

Mayor Kirckof recommended appointing Marlene Otte to the 2 year term and Dr. LaVoi to the 5 year term.

A motion was made by Council Member Stone and was seconded by Council Member Johnson to appoint Marlene Otte to the two year term and Dr. LaVoi to the 5 year term on the Hospital Board. A vote being recorded as follows: For: Council Members Stone, Johnson, Coenen and Mayor Kirckof. Against: None. Abstain: Council Member Thomas. The motion passed.

Park Board – 3 positions for a 2 year term. The following nominations were submitted:

Shane DeFoe
Jeff Quistorff
Adam Sunderman
Mark Magnuson
Matt Wessel

Mayor Kirckof recommended appointing Shane DeFoe, Matt Wessel and Mark Magnuson.

A motion was made by Council Member Johnson and was seconded by Council Member Stone to appoint Shane DeFoe, Mark Magnuson and Jeff Quistorff to the Park Board. A vote being recorded as follows: For: Council Members Johnson, Stone, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

Planning Commission – 1 position for a 3 year term and 1 position to fill the remaining term of Jim Lawinger. The following nominations were submitted:

Don Schlichting
Shane DeFoe
Dr. Diane Kelly
Jeff Quistorff

Mayor Kirckof recommended appointing Don Schlichting to the 3 year term and Dr. Diane Kelly to the remaining term of Jim Lawinger.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to appoint Don Schlichting to the Planning Commission for 3 years and Dr. Diane Kelly to the Planning Commission to fill the 1 year vacancy left by Jim Lawinger. A vote being recorded as follows: For Council Members Thomas, Stone, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

Public Utilities Commission – 2 position for a 3 year term. The following nominations were submitted:

Dennis Rykken
Dr. Diane Kelly
Rich Bullard

Mayor Kirckof recommended appointing Dennis Rykken and Rich Bullard.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to appoint Dennis Rykken and Rich Bullard to the Public Utilities Commission for 3 years. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

Senior Center Board – 3 or more positions for a 3 year term. The following nominations were submitted:

Victor Schwinghammer
Nancy Kazlauckas
Lorraine Peschel
Pat Scherf

Mayor Kirckof recommended appointing all 4 nominees.

A motion was made by Council Member Coenen and was seconded by Council Member Thomas to appoint Victor Schwinghammer, Nancy Kazlauckas, Lorraine Peschel and Pat Scherf to the Senior Center Board for a 3 year term. A vote being recorded as follows: For: Council Member Coenen, Thomas, Johnson, Stone and Mayor Kirckof. Against: None. The motion passed.

Convention & Visitors Bureau – 2 positions for a 3 year term. The following nominations were submitted:

Evy Schilling
Dennis Heinen

Mayor Kirckof recommended appointing Evy Schilling and Dennis Heinen.

A motion was made by Council Member Johnson and was seconded by Council Member Thomas to appoint Evy Schilling and Dennis Heinen to the Convention and Visitors Bureau for a 3 year term. A vote being recorded as follows: For: Council Members Johnson, Thomas, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

Airport Commission – 2 positions for a 3 year term and 1 position for the remaining term of Public Works Director Wessel. The following nominations were submitted:

Tom Wenker

A motion was made by Council Member Stone and was seconded by Council Member Johnson to appoint Tom Wenker to the Airport Commission, re-advertise for the open position and discuss how to appropriately fill the vacancy left by Public Works Director Wessel. A vote being recorded as follows: For: Council Members Stone, Johnson, Thomas, Coenen and Mayor Kirckof. Against: None. The motion passed.

The Council thanked all persons that applied to be on a Board/Commission.

- e. During the budgeting process the Ambulance staff was directed to complete the necessary improvements and updates to the ambulance garage. The estimate for work on the building includes three parts:

Gerald Poepping Construction (includes materials)	\$2,167.21
Steiner Lumber (materials only – volunteer labor)	\$276.39
Engle Electric	\$603.29

Volunteers will be completing the flooring, painting, etc. In addition, if Gerald Poepping is hired, any volunteer work would reduce his bill incrementally.

The City budgeted \$8,000 in 2010 for building improvements.

Assistant Ambulance Director Deschene stated that their plan is to add a second office by erecting a wall and also completing other minor improvements.

The preference by the Ambulance Department is the City approve making the improvements with hired labor by Gerald Poepping and Engle Electric.

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

- f. Jason Proell resigned from his position as an EMT with the Ambulance Service due to other obligations. The resignation is effective immediately. Mr. Proell has been with the Ambulance Service since November 2009.

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

- g. The Sauk Centre Ambulance Management Team has conducted interviews, background and reference checks on the EMT applicants.

These applicants are candidates that would need to attend the classes and take the tests. Upon successful completion of the classroom requirements and licensure testing, formal appointment as a Probationary EMT will come before the City Council.

The following are the applicants:

Brianna Sebek
Quint Swedenberg
Jasmine Huntington

A motion was made by Council Member Coenen and was seconded by Council Member Stone to approve the appointment of candidates for EMT positions of Brianna Sebek, Quint Swedenberg and Jasmine Huntington. A vote being recorded as follows: For: Council Members Coenen, Stone, Thomas, Johnson and Mayor Kirckof. Against: None. The motion passed.

- h. Removed from agenda.
- i. Removed from agenda.
- j. Each year at year end, the Council formally adopts a Resolution authorizing interfund transfers within the City's accounting software.

Council Member Thomas introduced Resolution No. 2010-81, Resolution Authorizing Transfer of Funds. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Thomas, Johnson, Coenen, Stone and Mayor Kirckof. Against: None. The motion passed.

- k. This is a continuance from the December 1, 2010 Council meeting. At that meeting this item was tabled pending proposed language changes regarding daily gas pump inspections at the Airport. This was questioned due to staffing costs as a result of daily checks for weekends and holidays. Since the December 1st meeting staff received confirmation back from PROGaurd Services that they would approve tailoring that portion of the policy to require weekly rather than daily inspections.

The reason for the Policy is due to legislative changes. Due to these changes, credit card security requirements have been implemented to provide safe procedures when a provider obtains confidential credit card data. These standards are called PCI DSS (Payment Card Industry Data Security Standards).

The City currently obtains credit card data at the Campground through the use of the credit card terminal for collecting fees. A second "pay at the pump" terminal is utilized at the airport for unattended 24 hour fuel purchases. Our vendor to accept, process and

remit payment to the City is Petroleum Card Services who has contracted with PROGaurd to develop and monitor this program.

There are 12 main compliance features that must be adhered to in developing a policy under six subcategories. Because the City does not process credit cards through our computer system due to both offsite terminals being connected directly through a phone line, not all the compliance features are required.

Build and Maintain a Secure Network.

1. Install and Maintain a firewall configuration to protect cardholder data.
2. Do not use vendor supplied-supplied defaults for system passwords.

Protect Cardholder Data

3. Protect stored cardholder data
4. Encrypt transmission of cardholder data across open, public networks.

Maintain a Vulnerability Management Program

5. Use and regularly update anti-virus software or programs
6. Develop and maintain secure systems and applications

Implement Strong Access Control Measures

7. Restrict access to cardholder data by business need to know
8. Assign a unique ID to each person with computer access.
9. Restrict physical Access to cardholder data

Regularly Monitor and Test Networks

10. Track and monitor all access to network resources and cardholder data.
11. Regularly test security systems and processes

Maintain an Information Security Policy

12. Maintain an Information Security Policy

A draft policy is submitted for approval which meets PCI DSS requirements. City staff has been provided copies of the policy for review.

In Summary: No electronic media is retained. All paper copies do not list the sixteen digit credit card number. Paper copies are kept under lock and key and shredded according to the Records Retention Schedule. All access is documented including service providers. All software updates are documented.

Fiscal Implications: All vendors that accept credit cards are subject to compliance. This is an unfunded mandate. Therefore, the City will be required to pay approximately \$15 per month for each location or a total of \$360 per year for system compliance monitoring. If the City pays for the year in advance in January the fee is \$129 per site or \$258.00 per year.

Council Member Stone introduced Resolution No. 2010-77, Resolution Adopting Policy Providing for PCI DSS Compliance. The motion was seconded by Council Member Coenen. A vote being recorded as follows: For: Council Members Stone, Coenen, Johnson, Thomas and Mayor Kirckof. Against: None. The motion passed.

- l. The City has not had a formal Policy in place outlining the procedures for backing up the City's computer server. The auditors are recommending that the procedures currently utilized be laid out in Policy format and be adopted by the City Council.

The City currently uses a tape backup system. The City did solicit quotes for offsite backup management; however, that option was not selected due to cost.

The City's technology consultant has populated the list of computer files that are targeted for backup

Council Member Thomas introduced Resolution No. 2010-83, Approving Computer Backup Server Policy. 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.

- m. MN State Statute specifically allows for payment of claims prior to final council approval in certain instances. The City Auditor recommends that the City Council review the criteria where claims can be paid prior to Council approval so that all members are aware that the policy exists and that procedures are in place to prevent fraud.

Instances where claims can be paid prior to Council action are those where the City could realize a savings due to a quick turnaround time, where a contract exists laying out the terms of the payment or for payroll related items. In addition, payments required as deposits on purchases are also eligible.

Examples would be payment of a utility bill where payment is due by the 10th of the month or payments on a loan that is laid out in contract.

Council Member Stone introduced Resolution No. 2010-84, Approving Payment of Certain Claims Prior to Council Approval. The motion was seconded by Council Member Thomas. A vote being recorded as follows: For: Council Members Stone, Thomas, Johnson, Coenen and Mayor Kirckof. Against: None. The motion passed.

- n. Pursuant to Council action on November 3, 2010 declaring property as excess and offering it for sale, the City advertised the sale of a 1996 Ford Van on the MN Department of Administration website and received online bids.

Online bidding closed and the successful bid was \$1,551 for the 1996 Ford Van. The successful bidder was Paul Hartmann.

Police Chief Friedrichs recommends that the bid be accepted and the van be sold.

Council Member Coenen introduced Resolution No. 2010-85, Resolution Accepting Bids and Authorizing Sale of Various Excess City Property. The motion was seconded by Council Member Johnson. A vote being recorded as follows: For: Council Members Coenen, Johnson, Thomas, Stone and Mayor Kirckof. Against: None. The motion passed.

- o. Application was received from Michael Froseth and Gerald Schurman for a lot split of property along Fairy Lake Road in Sauk Centre. The parcel to be split is the triangular lot lying west of Fairy Lake Road in the SW corner of Section 4, directly across from Fairy Lake Road from its intersection with Hickman Drive.

Schurman is proposing to split it into two lots along the quarter section line with the northerly portion to be deeded along with the Froseth property to the west and retain the southerly portion.

The parcel will continue to be zoned Ag and is proposed to be used along with the adjacent land for Ag purposes. The parcel would need to be rezoned to R1 if at some future date they desire to build. Because the property that this parcel will be used in conjunction with is outside the City limits, a certificate will be recorded along with the split stating that the parcels meet minimum zoning requirements when treated as joined together. In the future if the owner would desire to utilize the parcel separately, a rezoning would need to occur.

City Administrator Willer noted that neither Schurman or Froseth are the property owners.

Council Member Stone introduced Resolution No. 2010-86, Resolution Approving a Minor Subdivision (Lot Split) for Gerald E. and Jane F. Schurman. 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 Coenen. The motion passed.

- p. A request was received from Tom Mayer for an extension to complete the necessary changes to the final plat of Hedin Point 1st Addition to accommodate filing requirements. Stearns County Division of Land Management has provided him with a lengthy list of requirements for the surveyor to add to the plat prior to recording.

City Code requires that a final plat be recorded within 90 days of its approval. The request is that an extension be granted for an additional 45 days to allow for the corrections to the plat. Actions to date on the plat are as follows:

Application for preliminary approval	August 12, 2009
Preliminary plat approval by the Planning Commission	September 8, 2009
Preliminary plat approval by the City Council	September 23, 2009
Action on park dedication	December 16, 2009
Application for final plat approval	August 2010
Final plat approval by the Planning Commission	September 4, 2010
Final plat approval by the City Council	September 15, 2010

With the complexities involved in this particular plat with it being a re-subdivision of an existing plat along with common properties, covenants, etc., the request does not seem unreasonable.

Staff recommends that the extension be granted.

A motion was made by Council Member Coenen to deny the extension request. The motion failed due to lack of a second.

A motion was made by Council Member Thomas and was seconded by Council Member Stone to approve the request to grant the 45 day extension for the filing requirement for the plat of Hedin Point First Addition. A vote being recorded as follows: For: Council Members Thomas, Stone, Johnson and Mayor Kirckof. Against: Coenen. The motion passed.

8. UNFINISHED BUSINESS

None.

9. NEW BUSINESS

None.

10. CONSENT AGENDA

The Council then considered the following consent agenda:

- a. Schedule of Claims – Total of unpaid claims \$24,999.81 and paid claims of \$2,090.89 for a total of \$27,090.70.
- b. List of November checks totaling \$280,050.40.
- c. Resolution No. 2010-87, Resolution Accepting Contributions. The contribution totaled \$290 from the Men's Card Playing Group to be used towards the Senior Center and \$500 from the Wal-Mart Foundation to be used towards the Police Department.

A motion was made by Council Member Thomas and was seconded by Council Member Johnson to approve the Consent Agenda. A vote being recorded as follows: For: Council

Members Thomas, Johnson, Stone, Coenen and Mayor Kirckof. Against: None. The motion passed.

11. INFORMATION ITEMS

- a. 2011 Meeting Calendar.
- b. Beyond the Yellow Ribbon local chapter meeting will be held at City Hall on December 20th at 11:00 a.m.
- c. The Council thanked Dave Thomas for his service on the City Council.

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

With no further business to come before the Council, Mayor Kirckof adjourned the meeting at 7:55 p.m.

Respectfully submitted,

Mayor Brad A. Kirckof

City Administrator Vicki M. Willer