

**MINUTES  
REGULAR CITY COUNCIL MEETING**

**AUGUST 22, 2012**

Mayor Jeff Thompson called the meeting to order at 6:00 p.m. Council members present were Jeff Bertram, Jean Soine, Dennis Zimmerman, and Gene Beavers. Others present were Ron Mergen, Public Works Director; Jennifer Welling, Administrative Assistant; Chuck DeWolf, Bolton & Menk, Inc.; Bill Spooner, City Attorney; Ellarry Prentice, Press; Lieutenant Robert Dickhaus; Bob McDaniel, Darlene Loven, Neil Herzberg, Kay McDaniel, and Rudy Vigil, Cable Coordinator. Renee Eckerly was absent.

The Pledge of Allegiance was recited.

Bertram led the Council in prayer. Council members gave verbal activity reports.

Bob Dickhaus reported on the following:

- Crime statistics
- August has been very busy
- Trainings attended by officers
- New Intoxilizer deployed
- Sheriff's Department – Contract Services

**CONSENT AGENDA**

Motion to approve the minutes from the following meetings: July 16, 2012 Planning Commission, July 10, 2012 Special Liquor Board, July 11, 2012 Public Works Committee, May 14, 2012 Trail Board, June 7, 2012 Policies & Procedures Committee, and July 11, 2012 City Council.

Motion to approve the following vouchers:

8/9/12	#84688-84689	\$ 4,148.57
	#84690-84695	\$ 5,132.30
	+ACH	\$ 6,925.29
8/15/12	#84696-84698	\$ 9,896.46
8/16/12	#84699-84761	\$ 75,507.55
Total		\$ 101,610.17
VOID	#84643, 84645, 84656	
Payroll:		
8/9/12	#84683-84687	\$ 3,930.95
	Direct Deposit	\$ 15,310.90
ACH:	None	

Motion to approve payment to LMCIT for the 2011/2012 City Property/Liability Insurance in the amount of \$85,207.00.

Motion to approve the attendance of Alice McColley to the 2012 MDRA Annual Meeting on Friday, September 21, 2012.

Motion to approve the attendance of Mike Stern, Jamie Soine, Dodi Greeley, and Cathy Christensen, Firefighters to the NFPA Electrical Vehicle Safety Training – Train-the-Trainer Session on Saturday, September 15, 2012.

Motion to approve the refuse license for Tom Kraemer, Inc. for the period 8/22/12 – 3/31/13.

Motion to approve step increases for Bill Ludwig, Liquor Store Manager, Grade 10, Step 3 - \$36,885.43 (\$15.77) to Grade 10, Step 4 - \$39,376.26 (\$16.83) retro to 7/8/12; Carmen Norstedt, Liquor Store Clerk, Grade 1, Step 1 (\$8.15) to Grade 1, Step 2 (\$8.33) retro to 7/14/12 (Non-Union Grade Scale); Alice McColley, Deputy Registrar, Grade 5 Step 6 (\$17.04) to Grade 5, Step 7 (\$18.00) effective 7/14/12.

**Motion was made by Zimmerman to approve the Consent Agenda. Seconded by Soine and unanimously carried.**

### **TRANSFER OF FUNDS FOR TIF 1-12 EXPENSES**

The City received a bill from Stearns County on the setup of TIF 1-12 in the amount of \$440.00. The TIF district will not receive tax increments until 2014 and in order to avoid negative interest it is recommended to transfer \$440.00 from EDAP Fund 220 to TIF 1-12 Fund 273 to be repaid when tax increments are allotted.

**Motion was made by Soine to transfer \$440 from the EDAP fund 220 to TIF 1-12 fund 273. Seconded by Beavers and unanimously carried.**

### **SAFEASSURE CONSULTANTS, INC. – 2012 CONTRACT**

The SafeAssure Consultants, Inc. 2012 Contract in the amount of \$4,304.00 was presented. This is the same amount that was charged in 2011. Mergen reported that they conduct all trainings, provide record keeping, and OSHA inspections.

**Motion was made by Bertram to approve SafeAssure Consultants, Inc. 2012 Contract in the amount of \$4,304.00. Seconded by Zimmerman and unanimously carried.**

### **AUDITOR**

The Budget and Finance Committee recommends approving the proposal from CliftonLarsonAllen to perform the auditing service for 2012, 2013 and 2014 in the amount of \$20,900.00 for each year. It was reported that this was discussed in Budget & Finance and the Committee researched an offer from them. It was reported that staff stated this is a good fit. It was suggested to ask for a lower amount as the costs should be less as they become more efficient with the City's processes and procedures. It was stated that the Committee did discuss this and part of the increase is due to the additional requirements.

**Motion was made by Soine to approve the service extension proposal from CliftonLarsonAllen to perform the auditing service for 2012, 2013 and 2014 in the amount of \$20,900.00 for each year. Seconded by Zimmerman and unanimously carried.**

## **WATER TOWER**

The Budget and Finance Committee recommends charging the Hospital District \$150.00 per month rental fee for the building at the water tower that houses the ambulance communication equipment. The hospital will be contacted to see if they would be for or against this charge once it is determined if the Council is interested in charging for this. This amount is not in the 2013 budget. Mergen reported that in 1981 the City had an agreement with NSP; that NSP would put the tower up and the City would put the building up. The ambulance, now not a part of the City, houses their equipment in the building. This structure has also incurred some expenses over the years.

**Motion was made by Bertram to charge the Hospital District \$150.00 per month rental fee for the building at the water tower that houses their communication equipment, effective January 1, 2013. Seconded by Soine and unanimously carried.**

## **2013 BUDGET**

The proposed 2013 Preliminary General Fund Budget was presented. This budget currently has a surplus of \$22,820.00 in revenue. The Budget & Finance Committee recommends approving the preliminary levy at 8%. This is being presented for review only and no action is needed until the September 12, 2012 City Council meeting when the preliminary budget will be approved. It was reported that the City's preliminary budget can be high and lowered, but cannot be increased once determined. The State has given the City some clarification on LGA numbers so that figure has been included in the budget. The Incode report shows a \$22,820.00 surplus which is a 4% increase; only the Truth In Taxation papers show an 8% increase.

## **POLICE CHIEF POSITION**

The Wage/Benefit Data for the Police Chief Position was presented. A letter from Sheriff Sanner regarding charging for the administrative support (transcription, statements, reports, etc.) in the amount of \$1,000.00 per month effective September 1, 2012 was presented. The Budget & Finance Committee has reviewed this and recommends approval. Attorney Spooner has reviewed the attached contract and stated the following:

The Sheriff's Department has indicated their intent to be flexible where ever possible. However, in entering into the contract we should be cognizant of the fact that the written agreement does provide that by October 1st we have an obligation to give notice whether we will or will not want to extend into 2013. We still have the Paragraph 7 provision regarding 60 days notice for termination.

Resolution 2012-27 Approving Contract For Police Services was also presented for consideration. Spooner reviewed the document for services and stated there is really no problem with the document; the City just needs to be aware of what is written.

**Motion was made by Bertram to approve Contract for Police Services and pay the Stearns County Sheriff's Department \$1,000.00 per month for administrative support, effective September 1, 2012. Seconded by Beavers and unanimously carried.**

**Motion was made by Soine to approve Resolution 2012-27 Approving Contract For Police Services. Seconded by Zimmerman and unanimously carried.**

It was suggested to designate Ron Mergen to sign the Resolution in Renee Eckerly's absence.

**Motion was made by Zimmerman to authorize Ron Mergen to sign the resolution. Seconded by Bertram and unanimously carried.**

The wage/benefit scale was reviewed. It was agreed to leave it as is as it gives the Council some flexibility and the range makes sense.

### **WELLS 3 & 6**

Mergen reported the following:

- Well 3, PCA replaced with Wells #7 & #8
- Well is running at a capacity as a containment well
- Controls are out
- \$20,000.00 - \$30,000.00 to fix
- Seal Well #3 at PCA's cost
- Well #6 – Traut got the sweep stuck
- There are holes in the casing
- Will bring a recommendation back to the Public Works Committee and then back to Council for consideration

### **OPPORTUNITY PARK DRIVE PROJECT**

DeWolf reported the following:

- Grading and laying class 5 is being done
- Curb and gutter are being installed
- Pavement to start next week
- Project will be quick

### **AIRPORT CIP**

The Airport Capital Improvement Plan (CIP) was presented. The Airport Commission recommends approving the CIP.

**Motion was made by Beavers to approve the Airport CIP. Seconded by Soine and unanimously carried.**

### **MPCA – FORMER MID TOWN SERVICE STATION**

Mergen reported the following:

- After the meeting with MPCA; MPCA called back and requested the minutes from the Council meeting
- The comments made and by not approving the access agreements has raised some eye brows

- MPCA has since held some meetings
- Reached Mindy Erickson regarding the Bemidji site and hope to have her come in October to give a presentation

The Correspondence from Fischbach was also presented and should serve as additional pressure on MPCA.

### **HEATHERWOOD PLAT LOTS – EXTENSION ON DEFERRED ASSESSMENTS**

This was tabled from the August 8, 2012 City Council meeting. At the August 8, 2012 City Council meeting Greg Rutten, Rutwald Properties, LLC requested an extension on the deferred assessments. The written request and recorded development agreement were presented. The past due invoice in the amount of \$11,996.19 that has not yet been paid by Rutwald Properties, LLC was also presented.

Thompson expressed his issues with past due interest and the request for deferred assessments. Spooner stated that when the gentleman was in attendance at the last meeting it appeared to him that the past due amount was news to him. Staff has pulled the billing information and it is apparent that they have received numerous bills with the amount due and it is part of the agreement. Adequate notice of monies owed has been given and the City should require that they honor their past obligations before the City issues more.

It was suggested that the two be linked; bring past due obligation current and stay current to keep the deferment. It was asked if there is a way to tie in the notice to potential buyers. Spooner stated that the agreement is recorded and should be found in a title search.

It was further stated that the taxpayers have incurred the costs and it doesn't make sense to give them more if they are not current in payments to us. This would be a terrible precedence to set.

Staff was directed to contact them regarding bringing their past due payment current and that no further request(s) would be considered until such. No action was taken.

### **INFORMATIONAL**

Thompson reviewed the following informational items: July Liquor Store Reports, July Police Reports, MorganStanley SmithBarney – Investment Report, West Central Sanitation July Garbage Rates, September & October Meeting Schedules, June & July Liquor Revenue & Expenses, Incode Financial Reports, and Capital Improvement Breakdown Reports (emailed to Council) a copy can also be obtained from the accounting department at City Hall. Library Report, TIF Report, Special City Council Meeting – Monday, August 27, 2012 at 6 pm at the Area Center. Overtime Reports and Rinke Noonan Legal Bills Report.

There being no further business, the meeting was adjourned at 7:45 p.m.

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Jeff Thompson, Mayor