

**MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY,
DECEMBER 3, 2008 - 6:00 P.M. – ROCKVILLE CITY HALL.**

The meeting was called to order by Mayor Brian Herberg. Roll Call was taken and the following members were found to be present: Council Members Vern Ahles, Bill Becker, John Koerber, Susan Palmer, Don Simon & Randy Volkmuth. Absent: None.

Staff members present were: Administrator/Clerk Rena Weber, Public Works Director Rick Hansen, 1st Assistant Fire Chief Ralph Walz, Planning Commission Chair Toni Honer, EMS Director Mike Hofmann & Engineer Scott Hedlund.

Others present were: Pat Grelson, Tудie Hermanutz, Corey Gerads, Fred Schilplin, Jerry Schmitt, Duane Willenbring, Jeff Hagen & Clarence Bloch.

ADDITION TO THE AGENDA: Motion by Member Simon, second by Member Palmer, to approve the addition to agenda for discussion purposes.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth
Motion passed on a 7 to 0 vote.

CONSENT AGENDA: Member Volkmuth questioned the David Drown bill and what it was for. Rena Weber reported it was bond issuance costs for the County Road 82 project.

Motion by Member Palmer, second by Member Ahles, to approve the consent agenda as presented:

- a) **Approve minutes of 11/19/08**
- b) **Approve Treasurer's Report of 12/03/08**
- c) **Approve List of Bills and Additions of 12/03/08**

Accounts Payable CK #010793 to 010815	\$850,860.35
Payroll CK #003275 to 003282	5,434.07
EFT - #000161 to 000163	3,715.87
- d) **Approve Tobacco License Renewals for 2009**
Corkey's and B's Liquor

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth
Motion passed on a 7 to 0 vote.

BOARD/STAFF REPORTS

PLANNING COMMISSION – Chair Toni Honer reported on the following:

SCHILPLIN CONCEPT PLAN – Toni introduced Corey Gerads and Fred Schilplin as developers of the property located northeast of Pleasant Lake (Schilplin property).

Corey Gerads explained that is a proposed assisted living facility with patio homes, 4 plex's and 6 plex's. This will be a private development. They are looking for someone to come into the development and manage it. There will be no sales, all rentals. They will incorporate the wetlands into the design, save trees where they can. This is very preliminary, but they wanted to get the feelings of the council.

Member Palmer asked if a market analysis had been done. Fred Schilplin indicated they were waiting for a nod of approval from city before they did that.

Member Palmer asked how it fits in with the comp plan. Toni Honer reported the comp plan targets this area for higher density R-1. They will do a PUD and this will allow the city to maintain control.

Member Palmer asked Mr. Schilplin what is his role. Fred Schilplin indicated they would be the developer and somebody will own it and run it.

Member Palmer asked if the Planning Commission looked at this in regards to their financial backing. Toni Honer indicated that no this is a concept plan and they are looking for a nod of approval prior to spending any major money.

Member Becker voiced concern now is not the time to go into a development stage. Development is not happening. Member Becker also suggested they look in assisted living stats as this is not going that well either. Fred Schilplin indicated that from what he has read medical assistance building types have increased 13%. This won't be government funded; it is an upscale development and will be a total different type of look.

Toni Honer indicated they wish to do the development in stages. She urged the council to look at www.preshomes.com and see what this management company does.

Member Palmer indicated that she likes the concept and there will be a need for this type of housing with the aging demographics. She wonders about buying a patio home without having a grocery store nearby. Fred Schilplin explained the amenities:

Walking trails, gardens for the tenants to use, community kitchen, hair salon, media center, grocery store, exercise room, post office, chapel, etc.

Member Volkmuth asked if this is taken over by Good Shepherd or Presbyterian Homes – you aren't looking at tax exempt status. Fred Schilplin stated no.

Mayor Herberg questioned the road coming in from County Road 137 (furthest east) and would this connect to the Vogt development. He indicated that he likes the through road to the patio homes. City water/sewer is going to require some sort of right of way and this would be a benefit to the Vogt property. Fred Schilplin stated if need be the road through the patio homes could be public.

Member Volkmuth stated that from his perspective this is a good start and has some potential, but there are some bridges to cross. It is doable. They have to figure out the marketing and go from there.

Member Palmer asked if there is an age limit. Corey Gerads replied 55.

Member Palmer asked if there will be a major traffic increase. Fred Schilplin stated this should be less due to the age of the renters. This should not have an impact on the lake itself.

Member Ahles asked if there is sewer capacity. Yes there is.

Member Volkmuth stated this is close to Pleasant Lake and suggested the developers should meet with the residents of Pleasant Lake before they get too far into the project. Corey Gerads indicated they will do so and will contact Bill Becker when the time comes to do that.

Member Palmer asked that the Planning Commission do some due diligence on the financial backing of the project.

Member Koerber stated it was okay – take a look at it.

Member Simon stated it is an opportunity and we should look at it. Get your analysis done. With private funding we aren't going to be on the lamb for costs.

Member Ahles asked them to talk about the garages for the 6 plex's. Fred Schilplin stated they will be small, but room enough for a single car.

FIRE DEPARTMENT – 1st Assistant Ralph Walz reported on the following:
 DNR GRANT – Ralph reported that in September he applied for a matching grant from the MN DNR for the purchase of 6 pagers for the Fire Department. The total cost is \$3537.42 which includes sales tax. The DNR will not pay the sales tax so the maximum amount they have granted the city is \$1600 or ½ of \$3200. The Fire Department has \$3487.00 in designated funds and I would ask that approval be given to expend the \$1937.42 from the designated fund 101-42200-540 Machinery & Equipment.

Motion by Member Simon, second by Member Ahles, to accept the grant as presented.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

UPDATE ON CALLS – Ralph reported this past month they had 12 calls: 5 were medical, 5 were fire and 2 were accidents. Some Fire Fighters are going through refresher courses.

MAINTENANCE DEPARTMENT – Mayor Herberg reported that Rick Hansen asked for approval to accept salt brine in exchange for plowing certain county roads: County Road 8 & 47 and also the road next to Capital Granite (not named). Mayor Herberg indicated that salt sand is at a shortage. This agreement should help us and Rick is looking for approval to continue this practice.

Motion by Member Palmer, second by Member Koerber, to continue the practice of accepting salt brine in exchange for plowing certain County jurisdiction streets in the City of Rockville.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

NEW SIGN RETRO-REFLECTIVITY REQUIREMENTS – Rick Hansen submitted a memo regarding the 2012 requirement as an FYI to inform the Council of this added upcoming cost.

NEW BUSINESS

COLD SPRING JAYCEES – SOUP & CHILI COOK OFF – Rena Weber reported that the Cold Spring Jaycees will be sponsoring another Soup & Chili cook off on January 24th at the Cold Spring Brewing Company Distribution Center. Brian Eisenschenk and the Jaycees have decided to back the Rocori Trail and are willing to donate their proceeds to that effect. Cold Spring has agreed to match their donation. Last year the donation amounted to \$5,000. The city can decide if they want to match the amount or say just up to a certain amount. The Jaycees also would like judges from the Rockville Council.

Member Volkmuth stated in his opinion this is not a good move with the economy being that as it is.

Mayor Herberg stated that he disagrees with this idea, as when the trail does get done it will be a health issue and affects the residents of the city. He stated he would support spending up to \$2000. He has been to the State Legislature and the Rocori Trail has obtained close to \$1,000,000 in grants and we need to continue on with the process.

Member Koerber stated he would support if it connected to the entire city of Rockville. We need to get back to the consolidation plan. He does not support it.

Member Volkmuth stated that in talking to Pleasant Lake residents they say we have got to watch spending. Maybe this is a good idea, but not right now.

Member Becker asked the Mayor how he got to \$2000. Mayor Herberg explained the match could be \$5000 to \$6,000 which divided by 3 (Rockville, Cold Spring & Richmond) would amount to \$2000 from each.

Member Becker indicated that he likes the idea, but \$2000 is too high.

Member Simon stated that he likes the idea too, but not \$2000. He would like to see roads done first.

Member Ahles stated that eventually the trail will come through and will hook up to the trail to Quarry Park which will cross Highway 23 and this will allow us to connect to trails around the city. He indicated that we should donate something.

Member Palmer stated that you have to balance it. If you want to attract people to the city you need to provide amenities. Member Palmer suggested a donation up to \$1000.

Motion by Member Becker, second by Member Ahles, to approve a match of \$1000 to the Rocori Trail as part of the Cold Spring Jaycees Soup & Chili Cook Off on 1/24/09.

AYES: Ahles, Becker, Herberg, Palmer & Simon

NAYS: Koerber & Volkmuth

Motion passed on a 5 to 2 vote.

Judges – Susan Palmer and Don Simon to check their calendars and may be judges.

MAINE PRAIRIE TOWNSHIP – Rena Weber reported that first one board member decided they did not want to meet with the negotiating team; then another indicated that they do. Now the Twp. just wants this council to agree to plow the roads up until 1/15/09 whereby they hope to meet with the new council in January and discuss other issues. They will be present on 12/17/08 to discuss this with the present council.

Member Becker asked why wait for the new council, we are taking on a risk.

Member Palmer indicated that we made the offer to continue plowing snow until 12/31/08. They can come to the table or they can meet with the negotiating team.

Mayor Herberg stated that on the 5th or 6th he talked to John Wicker and offered to plow the road and cover the fire protection, then MP asked us to give to them more.

Member Volkmuth indicated they are finding out that it wasn't such a good deal. This does not preclude us from taking over the maintenance, but they should meet with us. He would like to hold fast to the agreement to plow roads until the end of the year. We are making a good faith effort by offering to provide them snow plowing until the end of the year. They need to come back to us.

Member Palmer agreed that we have offered to plow snow until 12/31/08.

Mayor Herberg suggested that we have them schedule a meeting before the 17th with the negotiating team.

Member Volkmuth stated that they have pulled out of what we agreed to. He too agreed that they need to negotiate between now and the 17th.

Mayor Herberg indicated that when we annexed from St. Joseph Township there was a progression of taxes. This is not the case with detachment and he felt we need to go with the ALJ ruling.

Member Volkmuth asked what about the fire contract.

Mayor Herberg indicated the Fire Contract is different. We are already contracting with them for a smaller portion and need to just make it bigger.

Member Simon stated they don't have a big issue with the fire contract as the rate of calls is so small. The contract is based on a percentage of calls and valuation of structures.

Motion by Member Volkmuth, second by Member Ahles, to stick with the resolution that was agreed to at last meeting to plow snow in the detached area until the end of the year and try to negotiate before December 17th.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

Mayor Herberg stated in regards to an orderly annexation agreement and the Shoreland concerns; this is so far down the road that this may never be a factor. He reminded the council that St. Joseph Township wanted to do an Orderly Annexation for the triangle (between County Road 6 and Highway 23) and the people were upset. He does not see the benefit of setting something up to bring them back.

Member Volkmuth stated that also talked to Jim Mogen and felt it looks better to seek an orderly annexation to prevent somebody else from trying to leave the city.

Mayor Herberg indicated he felt the money spent to follow up with the Shoreland control would be better spent fighting the detachment and going through the Stearns County Court system.

ENGINEER REPORT

400 CLUB DRAINAGE EASEMENT – Scott Hedlund reported that the DNR has requested this easement drawing and plan. The next step is to officially apply for the easement across state land which needs a \$500 fee for the application and resolution. Scott presented plans and explained the easement.

Member Koerber asked how this will affect the water quality of Pleasant Lake. Member Becker replied that it should help.

Scott Hedlund reported that native grasses will be planted as part of the project.

Member Volkmuth introduced the following resolution and moved for its adoption:

RESOLUTION NO. 2008-25

RESOLUTION SEEKING A PERMANENT DRAINAGE EASEMENT

WHEREAS, the Rockville City Council wishes to obtain a drainage easement over & across State of MN owned land, and;

WHEREAS, obtaining of such easement is necessary for the re-routing of storm water drainage from Lake Road, and;

WHEREAS, re-routing of the storm water should improve the water quality of Pleasant Lake.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Rockville, Stearns County, Minnesota:

1. **The City of Rockville respectfully requests approval for a permanent drainage easement over:
NW ¼ NW ¼ Government Lot 1, Section1, Township 123 N, R29W, Stearns County with total acreage amounting to 0.122 acres.**

The motion for the foregoing resolution was duly seconded by Member Palmer with the following vote being taken:

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

ADDITIONS TO THE AGENDA –

FIRE DEPARTMENT RAFFLE – Motion by Member Ahles, second by Member Simon, to approve the Rockville Fire Department raffle for 3/27/09.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

COMMITTEE REPORTS

MAYOR – Mayor Herberg has nothing to report.

FINANCE COMMITTEE – Acting Chair Volkmuth reported on the latest finance committee meeting.

BUDGET AMENDMENTS SINCE 9/15/08 – Member Volkmuth reported that the change to reflect the new Finance Director's wages were noted along with the health insurance reductions. There was also a change to interest allocation.

Rick Hansen presented the possible detachment area changes, but the Finance Committee is not recommending a change at this time until we have a contract.

Police Contract – The rate per hour will change from \$40.00 to \$45.00 in 2009 and the Finance Committee recommends reducing the hours 45.5 to 42.0 hours per month to stay within the budget.

Motion by Member Koerber, second by Member Simon, to approve the reduction in contract hours with Stearns County Sheriff's Department to 42 hours per month effective 1/1/09.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

City Hall Security system – Member Volkmuth stated that this will go to the EDA for consideration as there is no money for it in the general fund budget.

Plow truck – Member Volkmuth reported that the yellow snow truck is in dire straits and valued at \$8000. The cost to repair it sometimes outweighs the value.

Member Simon agrees it is in bad shape and we can get a pretty decent truck for 18,000 to \$20,000. Putting good money into the truck is throwing away money. The committee will look into a replacement.

Fire Department – There is a request for a raise in fire fighters pay from \$9.00/hour to \$12.00/hour and the officer's pay.

Officer pay – Proposed	Current
Chief \$1500	\$1250
1 st Asst. 1250	1000
2 nd Asst. 1100	750
Secretary	1050
Captain (3) <u>1500</u>	<u>750</u>
\$5350	\$4800

Member Volkmuth stated that he would like all of the information from other departments to include retirement. Other information requested was the total budget and the number of the staff.

Telephone Service – Member Volkmuth reported that staff has researched telephone service and switching to Intertel saves the city \$100/month. The Finance Committee recommends going with a 3 year contract.

Motion by Member Palmer, second by Member Koerber, to approve entering into a 3 year agreement with Intertel Communications effective 1/1/09.

AYES: Ahles, Becker, Herberg, Koerber, Palmer, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

Rock Fest – Member Volkmuth reported that Rock Fest presented their annual report and it shows that they broke even.

ADMINISTRATOR – Rena Weber had nothing new to report.

OPEN FORUM

Tudie Hermanutz, 211 1st St W – stated that she is wondering if there is anyway the city can help with a business. There has been no gas at the gas station for three days now.

ADJOURNMENT – Motion by Member Ahles, second by Member Palmer, to adjourn the meeting at 7:10 p.m. Motion carried unanimously.

VERENA M. WEBER-CMC
ADMINISTRATOR/CLERK

BRIAN HERBERG
MAYOR