

**MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY,
DECEMBER 19, 2007 - 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: Mayor Herberg, Council members Vern Ahles, Jeff Hagen, Jim Pflapsen, Don Simon & Randy Volkmuth. Absent: Susan Palmer.

Staff members present were: Administrator/Clerk Rena Weber, Maintenance Person Rick Hansen & Attorney Jim Mogen.

Others present were: Tудie Hermanutz, Aaron Cheeley, Joe & Sharon Sponheim, Jerry Schmitt, Bob Froehling, Judy Neu, Duane Willenbring, Mike Hofmann, Jeff Howe, Scott Stenseth, Jerry Bechtold, Dan Hansen, & Lt. Jon Lentz.

ADDITIONS TO THE AGENDA – Motion by Member Simon, second by Member Volkmuth, to approve the additions to the agenda for discussion purposes.

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

CONSENT AGENDA – Motion by Member Volkmuth, second by Member Ahles, to approve the consent agenda as presented:

- a) **Approve minutes of 12/5/07 & 12/12/07**
- b) **Approve Treasurer’s Report of 12/19/07**
- c) **Approve List of Bills and Additions of 12/19/07**

Accounts payable CK # 009748 to 009798	\$110,783.62
Payroll CK #002908 to 002916	5,694.72
EFT #000126	391.19
- d) **MESA request to sponsor ice fishing contest – Grand Lake 2/2/08**

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

BOARD/STAFF REPORTS

POLICE REPORT – Lt. Jon Lentz reported the contract hours for November were 69 and listed the types of calls/citations.

2008 POLICE CONTRACT – Rena Weber reported that the 2008 Police Contract has been reduced to 45.5 hours to reflect the reduced budget.

Member Simon asked if this could be increased should the need occur. Lt. Lentz replied that it could be increased.

Motion by Member Volkmuth, second by Member Simon, to approve the 2008 Police Contract as presented.

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

PLANNING COMMISSION – Rena Weber reported on the following:

Ordinance No. 2007-44 – The Planning Commission reviewed the proposed ordinance and recommends approval as presented. The amendment was due to the fact that the city auditor cited a change needed to be made and this should accomplish that need.

LAND USE TRAINING – Rena Weber reported that on 1/22/08 – 6 p.m. the Planning Commission would be receiving free training from Jed Burkett – League of MN Cities, on land use training. The Planning Commission would like to invite the council to attend as well.

PARK & RECREATION BOARD – Chair Scott Stenseth presented the year end report:

- 2 new members were welcomed this year (Michelle Monson and Rick Hansen)
- Easter egg hunt resulted in 130 children attending and they also collected 150 lbs. of food for the Cold Spring food shelf
- Ball program – over 100 kids were enrolled in baseball, T-ball and softball

- Concrete was poured under the Lion's park shelter
- Tractor pedal pull – 70 contestants
- Santa Day – 60 youths attended and they collected 70 more lbs. for the food shelf
- Eagle Park project – 2000' of trail were placed, a granite sign and several benches were also placed
- Scott thanked John & Linda Peck for their work, Tim Gross, and everyone on the Park & Recreation Board and all volunteers.

NEW BUSINESS

2008 FINAL TAX LEVY AND BUDGET – Motion by Member Volkmuth, second by Mayor Herberg, to approve the 2008 Tax Levy as presented:

2008 Tax Levy

Revenue	\$640,638
1997 Imp. Bonds	9,780
1998 Imp. Bonds	7,938
Fire Protection	110,288
E.D.A.	10,000
2004 Prairie Industrial Park	6,000
Rock Fest	4,175
City Facilities	219,135
Road & Bridge Maintenance Fund	6,000
TOTAL	\$1,013,954

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

Motion by Member Volkmuth, second by Mayor Herberg, to approve the 2008 Budget as presented:

PROPOSED BUDGET 2008 REVENUE VS EXPENSE
 REVISED 12/7/07

FUND #	FUND	REVENUE	EXPENSE
101	GENERAL FUND	\$922,498.00	\$922,962.00
201	ARCON DEVELOPMENT	\$0.00	\$0.00
202	PUBLIC LAND DEDICATION	\$2400.00	\$0.00
203	LIONS PARK IMPROV FUND	\$500.00	\$0.00
204	SEWER REPLACEMENT FUND	\$2,000.00	\$0.00
206	VOIGT DEVELOPMENT FUND	\$0.00	\$0.00
207	CLARENCE BLOCH DEV FUND	\$0.00	\$0.00
208	VAN LITH/PLEASURE ACRES	\$0.00	\$0.00
209	ECONOMIC DEVELOPMENT	\$10,000.00	\$10,000.00
212	BOUNDARY COMMISSION	\$18,000.00	\$0.00
213	SCHILPLIN DEVELOPMENT	\$0.00	\$0.00
215	ROAD & BRIDGE MAINTENANCE	\$6,000.00	\$12,000.00
216	MITCHELL LANE ROAD PROJECT	0.00	0.00
217	ROAD & BRIDGE RECONSTR. FD	0.00	0.00
218	WAC/TRUNK ACCESS FUND	\$19,450.00	0.00
219	SAC/TRUNK ACCESS FUND	\$38,900.00	0.00
220	TAMARACK CT. DRAIN PROJECT	\$6,500.00	0.00
301	1997 GO DISPOSAL SYST BD	\$9,780.00	\$9,314.00
302	1998 GO DISPOSAL SYST BD	\$7,938.00	\$7,560.00
303	2001 GO WATER REV BOND	\$42,732.00	\$40,985.00

304	CITY FACILITIES FUND 304	\$219,135.00	\$210,600.00
305	2004 \$990,000 IMP BD-PIP	\$114,512.00	\$119,450.00
306	PRAIRIE IND PK-ADDTL PROJ AMT	\$13,033.00	\$13,033.00
307	2005 WTR IMP PROJ BOND	\$81,123.00	\$29,510.00
308	CR 82 STREET IMP BOND	\$0.00	\$0.00
309	LAKES SEWER PROJ BOND	\$390,965.00	\$555,400.00
404	2005 WTR IMP PROJ-CONST	\$0.00	\$0.00
405	S J LOUIS CONSTRUCTION	\$0.00	\$0.00
406	PRAIRIE IND PK CONSTR FND	\$0.00	\$0.00
407	LAKES SWR PROJ CONSTR	\$0.00	\$0.00
408	ANNUAL EVENT FUND	\$14,927.00	\$14,927.00
409	CR 82 STREET IMP-CONSTR	\$0.00	\$0.00
601	WATER FUND	\$93,730.00	\$128,429.00
602	SEWER FUND	\$196,340.00	\$137,905.00
604	SEWER DEBT RETIRE-PFA	\$60,700.00	\$43,479.00
605	UNDISTRIBUTED RCPTS	\$100.00	\$100.00
	TOTALS	\$2,271,263.00	\$2,555,654.00

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

2007 BUDGET AMENDMENTS – Motion by Member Volkmuth, second by Mayor Herberg,
to approve the budget amendments for 2007 as presented:

(A complete copy is hereby attached and marked Exhibit A)

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

HIGHWAY/STREET DESIGNATED FUNDS – Rena Weber reported that the Highway & Street Department had a few areas where money was left over and they request approval to designate to Fund 215 – Road Maintenance Fund.

Motion by Mayor Herberg, second by Member Ahles, to approve the designation of certain funds to Fund 215 as requested:

Road Patching	101-43100-308	\$19,000
Seal Coating	101-43100-317	\$ 8,650
Crack Filling	101-43100-319	\$ 6,000
Blading Roads	101-43100-327	\$ 2,250
Overlay/Shouldering	101-43100-337	\$12,800
Crushing/Gravel Purch	101-43100-338	\$ 2,950
Total		\$51,650

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

DESIGNATED FUNDS – Rena Weber requested council approval on the designation of other funds. Rena reported that this process is done each year for projects that were not completed or items that were not purchased. Rena also reported that the minimum amount to designate was set at \$1,000.

Discussion was held on the minimum designated balance going from \$1000 to \$5000. It was determined that this discussion would go back to the Finance Committee for their input.

Motion by Mayor Herberg, second by Member Ahles, to approve the designated fund transfers as presented.

(A copy is hereby attached and marked Exhibit B)

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

BARNES PUMPS – Rena Weber reported that a representative from Barnes Pumps would not be attending the meeting this evening as a new president took office on 12/10/07 and has not had time to familiarize himself with the situation. They are requesting time at a future council meeting.

The amount of unpaid bills is \$22,276.52 of which the city has paid Delta Electric. The city was informed that this would be at no cost to the city.

Mayor Herberg asked if the meeting should take place at the Street Committee level. Rena Weber reported that this has been to the Street Committee and the city was promised payment.

Attorney Mogen indicated that numerous attempts have been made to collect the money and you may be at the point where legal action needs to occur.

Member Simon reported that there are other areas (Chain of Lakes) who may be interested in purchasing these pumps.

Member Hagen asked what the agreement was with them.

Rena Weber reported that in January of 2006 a Street Committee it was determined that they would replace all the pumps (10 at a time) plus they would cover the cost for labor to replace them for installation.

Member Hagen stated that we have an agreement with them, there is nothing to discuss, and the attorney should write a letter.

Member Pflepsen suggested that Barnes pay this and give the city more to cover the other installs.

Member Volkmuth indicated he would go either way – bring them in, and if no action then seek legal.

Member Hagen indicated the reason he is not in favor of bringing them in is because that will open the door to negotiation.

Motion by Member Hagen, second by Member Volkmuth, to authorize Jim Mogen to send Barnes Pump a letter demanding payment plus legal fees

Member Simon voiced concern that we need to press more for future pumps. Rick Hansen needs to explain how he wants the pumps delivered.

Rick Hansen explained the process for switching out the pumps (10 at a time)

Jim Mogen asked for an amendment to allow him the opportunity to negotiate as he did not think the legal fees could be reimbursed. Legal fees are then seen as a cost of collection.

Member Hagen then felt the letter should come from the council.

Member Hagen withdrew his motion. Member Volkmuth seconded the same motion.

Motion by Member Hagen, second by Member Volkmuth, to have Administrator/Clerk Rena Weber write the letter stating the council demands full payment of outstanding bills and that better service is to be provided.

AYES: Ahles, Hagen, Herberg, Pflepsen, Simon & Volkmuth

Motion passed on a 6 to 0 vote.

ROCORI TRAILS – Rena Weber reported that approval of two resolutions is needed to seek assistance through the APO for the Rocori Trail. This is the same resolution that was passed for Phase I & II (one that indicates public hearings have been held and one resolution that states the city will match 20/80. Rockville's share of Phase III is \$59,421.31 plus soft costs. The city has \$84,000 pledged from SJ Louis.

Motion by Mayor Herberg, second by Member Volkmuth, to approve both resolutions:

RESOLUTION NO. 2007-43

RESOLUTION CERTIFYING AVAILABILITY OF LOCAL MATCH AND OTHER LOCAL COSTS FOR FY 2012 & 2013 FEDERAL TRANSPORTATION PROJECT SUBMITTAL TO THE ST. CLOUD AREA PLANNING ORGANIZATION

(A copy is hereby attached and marked Exhibit C)

RESOLUTION NO. 2007-44

RESOLUTION CERTIFYING PUBLIC INVOLVEMENT FOR A PROJECT SUBMITTED TO THE ST. CLOUD AREA PLANNING ORGANIZATION FOR FY 2012 & 2013 FEDERAL TRANSPORTATION FUNDING

(A copy is hereby attached and marked Exhibit D)

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth
Motion passed on a 6 to 0 vote.

ATTORNEY REPORT

MITCHELL LANE REPORT – Jim Mogen reported on the status of the Mitchell Lane roadway project. (A copy of the written memo is hereby attached and marked Exhibit E). The only issue is the trail. He gave a summary of the history regarding the issue of the roadway shown between the cabins and the lake instead of the travelled roadway being used. Not all property owners were willing to participate with the moving of this roadway.

The only uncompleted portion is for clarification of rights relating to Bob & Diane Oakvik's property, Lots 8 – 11 of Wheelock Shores Lots. As this is the terminus of Mitchell Lane, no public automobile traffic currently uses the Oakvik property, only walking and bicycle traffic.

REQUESTED ACTION – Attorney Mogen is recommending that no action be taken on the Oakvik matter. Furthermore, no additional action is necessary for the existing road right-of-way. In April, he will contact the Oakvik's regarding the proposed easements, and will finalize the project at this time. If no agreement can be reached at that time, he will not plan to continue negotiating, and recommends that the City not expend any further funds on a resolution. With the existing right-of-way confirmed, and the lack of immediate need for the extension, it would not appear necessary for the City to continue. The proposed easement can be adopted whenever the property owner is interested in clearing up their property title.

Mayor Herberg questioned the proposed road easement (purple line) going right through the creek (blue line) and this will be a financial burden should this go forward.

Attorney Mogen indicated that the property owner will not give an easement if it is moved. The property owner is concerned about developing this property and the setback issues. We don't have the easement from Oakvik's but have the road right of way. He will not spend any more time/money if they don't agree.

Mayor Herberg also asked if further down Mitchell Lane it is a 66' road right-of-way.

Attorney Mogen reported that may well be, but the area we are working with is a 20' road easement in Wheelock Shore which runs along the utility easement.

COMMITTEE REPORTS

MAYOR REPORT – Mayor Herberg reported on the following:

SPECIAL ASSESSMENT COMMITTEE – Mayor Herberg reported the Special Assessment Committee met on 12/17/07 and elected:

Chair – Brian Herberg who is a non-voting member

Vice Chair – Bonnie Ring

Committee Reporter – Duane Willenbring

Next meeting 1/7/08 at 6:30 p.m.

EDA – Rena Weber reported on the following:

Stonecrafters – expansion of a \$300,000 to \$400,000 additions with 3 new jobs being created. A review of the criteria resulted in 7 of the 8 points being met. A resolution will be forthcoming in January for the Council to consider. They are asking for 1 acre of JOBZ.

Capital Granite – expansion will be asking for 2 acres of JOBZ.

Wind Turbine proposal – The EDA has submitted a proposal to DEED for this project which could add 200 jobs. They need rail access and JOBZ will be looked at as well.

Start up Ag business – they are looking at Rockville for a site.

SCDP – The EDA was asked to submit a full application for the Small Cities Development program for commercial rehabilitation projects. Four businesses in Rockville have signed up.

ADMINISTRATOR'S REPORT

ST. AUGUST FIRE CONTRACT – Rena Weber reported that St. Augusta is requesting a 6 month contract for fire service only. The new contract would amount to \$7,137 in revenue.

Motion by Member Volkmuth, second by Mayor Herberg, to approve the contract for 6 months as presented.

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth

Motion passed on a 6 to 0 vote.

LONGEVITY PAY – Rena Weber reported in response to a concerned citizen she checked on the legality of longevity pay. The League of MN Cities stated that longevity pay is not illegal to pay. Cities do this all the time and the League of MN Cities will review our policy. She also contacted Faith Zwemke of the pay equity act who indicated that longevity pay is granted and the only thing the city has to do is indicate this as exceptional pay on the report.

A-BOND RATING – Rena Weber reported that the same resident stated that the A- Bond rating can be obtained by paying extra insurance. Rena Weber reported the city did not purchase insurance to get the rating.

LEADERSHIP TRAINING – Rena Weber reported that the LMC would again host leadership training in the Twin Cities on 1/18/08 and 1/19/08. Members are to let her know if they wish to attend.

PUBLIC HEARING- ORDINANCE NO. 2007-44 AMENDING PARKLAND DEDICATION –

Mayor Herberg announced that a public hearing would now be held to consider approval of Ordinance No. 2007-44 – Amending the Parkland Dedication ordinance. Rena Weber read the notice of public hearing.

Attorney Jim Mogen explained how they lay out the dedication and how to subdivide if they have already subdivided. The park dedication fee will be adopted each year based on the average value of land.

Duane Willenbring – 25123 County Road 139 questioned if we would use the value of the land prior to improvements and how this works with a large parcel. Jim Mogen stated that is based on the value of the land prior to improvements. On a large parcel it is based on specific average value of property and this process goes through the city appraiser or an appraisal is done.

CLOSE THE PUBLIC HEARING - Motion by Member Volkmuth, second by Member Hagen, to close the public hearing at 7:03 p.m.

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth

Motion passed on a 6 to 0 vote.

Member Hagen introduced the following Ordinance and moved for its adoption:

ORDINANCE NO. 2007-44

AN ORDINANCE AMENDING THE ZONING ORDINANCE REGARDING PARK DEDICATION CASH IN-LIEU CALCULATIONS

(A complete copy of said ordinance is hereby attached and marked Exhibit F)

The motion for the foregoing Ordinance was duly seconded by Mayor Herberg with the following vote being taken:

AYES: Ahles, Hagen, Herberg, Pflapsen, Simon & Volkmuth

Motion passed on a 6 to 0 vote.

ADDITION TO THE AGENDA

FIRE DEPARTMENT ELECTIONS – Rena Weber explained the Fire Department has been compiling the Standard Operating Guidelines for the last year. The League of MN Cities recommends that the Personnel Committee do the selections Vs elections of the officers. (*Refer to LMC memo on Selection Vs Election*) Job descriptions will be provided. Rena Weber indicated this is taking into account the big picture of the city and is in the best interest of the city.

Attorney Jim Mogen agreed that this is the right procedure for the city to take and further suggested that no change in officers occur until this process is completed.

Motion by Member Volkmuth, second by Mayor Herberg, to keep the officers of the Fire Department the same until the selection process is in place.

AYES: Ahles, Hagen, Herberg, Pflepsen & Volkmuth

ABSTAINING: Simon

Motion passed on a 5 to 0 vote.

OPEN FORUM

Jerry Bechtold – 24353 125th Avenue indicated that the Township used to put up signs that read “School Bus Stop Ahead”. There is a day care in the downtown that is really quite dangerous. Mr. Bechtold has witnessed near accidents and is wondering if some signs could be put up. The City will talk to the county to see if they can provide signs or a solution.

Mr. Bechtold would like to reactivate the Design Team committees as it would be in the best interest of the city. He voiced concern about the location of a school that should be readdressed.

Tudie Hermanutz – 211 1st St West reported that she had a comment about designated funds stating that in the past the problem was with the Park & Recreation Board who felt they lost money.

Duane Willenbring – 25123 County Road 139 was present on behalf of John Clark Senior Housing and asked for clarification in regards to the County Road 82 assessment that has not been adopted. He was informed that the assessment has not been adopted.

Don Simon – 600 Othmar Lane stated that last week we discussed the 2008 budget with a 2.5% increase. He looked in the paper and saw the County Commissioners took a 5% increase in pay. Other concerns were:

- He did not see an out pouring of people at the County level regarding their pay increase
- Stearns County is spending \$7 million on a 47,000 square foot building and asked where was the citizen input on where their money is being spent
- There were protests for the assessment policy, but nobody here is protesting at the county level
- Taxes keep going up but they are not just the city taxes
- Citizens need to talk to the county commissioners about their spending, same as with the state
- The Council tried to raise our wages last year and the room was packed with people objecting to the raise
- Most people are lucky to get a 3% increase in wage
- If his company does not show a profit there is no increase
- The new bridge was built on a best value concept instead of the lowest bid of the best builder
- He hopes that when the county building is built it is based on the most cost efficient way and not some Taj Mahal
- He urged citizens to let the commissioners know that a 5% increase was too much. Should have been 3%
- Stearns County gets extra funds from the federal and state level
- That is a pretty good part-time job

Member Volkmuth indicated that the council has not taken a raise in 6 years. He also suggested that Tudie Hermanutz write about this in her column.

Tudie Hermanutz – 211 1st St West indicated that the Council should take this as a compliment as this is local people being able to change the minds of the council. People have a lot more clout. Tudie Hermanutz indicated she never writes about anything past Rockville. The council failed to see this as a compliment.

Jerry Bechtold 24353 125th Avenue stated he is in favor of taxing Vs assessing (the same as the Township days). Member Volkmuth indicated that we can't do that as a city.

Joe Sponheim 21556 County Road 8 stated the people were protesting the assessment. This is a tax and you can write that off.

ADJOURNMENT – Motion by Member Volkmuth, second by Member Ahles, to adjourn the meeting at 7:25 p.m. Motion carried unanimously.

**VERENA M. WEBER-CMC
ADMINISTRATOR/CLERK**

**BRIAN HERBERG
MAYOR**