

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY, MAY 20, 2009 - 6:00 P.M. – ROCKVILLE CITY HALL.

The meeting was called to order by Mayor Jeff Hagen. Roll Call was taken and the following members were found to be present: Mayor Hagen, Council Members: Bill Becker, John Koerber, Susan Palmer, Jerry Schmitt & Duane Willenbring. Absent: Randy Volkmuth

Staff members present were: Administrator/Clerk Rena Weber & Public Works Director Rick Hansen.

Others present were: Andrew Grelson, Tudie Hermanutz, Audrey Schaefer, Marilyn Montreuil, Darrin Ennen, James Diedrich, Joe Litchy, Tom Ohlinger, Sarah Saar, Darrin Kiffmeyer, Chuck Johannes, Bonnie Ring, Dave Volkmuth, Don Simon, Sharon Sponheim, Vince Schaefer & George Bechtold.

ADDITIONS TO THE AGENDA – *Motion by Member Willenbring, second by Member Koerber, to approve the additions to the agenda for discussion purposes.*
Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring
Motion passed on a 6 to 0 vote.

OPEN FORUM

Bonnie Ring – 316 Broadway Street, stated that she was on the council previously and on the committee for the consolidation plan. This council and previous councils have made liars out of all of them. It has been how many years now and we are more separate now then ever. Some of the reasons we are as far apart as we are is:

- They had plans drawn up for a joint city hall and fire hall before they voted on the consolidation
- Was supposed to be \$1,000,000 project
- City formed an EDA – so the plans would not have to be approved by a referendum vote
- We now have a \$3,000,000 project that we are in debt for
- Feels it is a lie to everyone who approved the consolidation
- You are wondering why you don't have any trust & confidence from the people of the city
- The old city had nothing to be gained and was in great financial condition
- The old city council felt that with a good plan the consolidation could work
- The old city brought infrastructure, buildings, and a lot of money
- What did we actually get but more debt
- No major road problems, stable water/sewer fund
- How did the water rate increase by 137% since 2004 *(It should be noted that in the past water revenue was collected on the taxes in the core city to keep the rates lower)*
- There were negotiations to increase the revenue from the water tower rental.
- Randy Volkmuth stated that the airwaves belong to everyone so everyone should benefit
- Actually the people paying for those towers should be benefiting
- This is similar to the downtown Turnback project - everyone uses the downtown area, but only the downtown people are paying for it
- Tell me why you think it is right and fair
- 1 million gallons of water is paid by just a few people
- Core city is paying more than it's fair share
- It is quite obvious which ones fight for the Pleasant Lake area and Grand Lake area and there is no one representing the downtown core area
- Please consider for the next election to have one representative from each area with 2 at large. *(MN Statutes §§ 414.02 subd. 3; 414.031, subd. 4a; 414.041 subd. 5 do not allow for a ward system in a Statutory City)*

Audrey Schaefer – 541 Caroline Lane wished to correct the minutes from the Finance Committee meeting held on 4/21/09. *(It should be noted that Committee meeting notes are not the official record of the City Council – only recommendations from the committee whereby citizen input is not a requirement or official).*

Mrs. Schaefer wished to amend two parts:

- Add the word “approximately” to that statement of her summer water use.
- Water tower rental at Pleasant Lake - some of that \$40,000 should be shared with Pleasant Lake water fund and keep in mind the core city has two towers with antennas.
- Formerly we were getting \$6500 from the rental of the tower
- Citizens just don't see the reason for taking this away from us
- We know the city is in a tough position & I can see some of it going to the general fund, but we should get a little of it. It is our water tower.
- People in the core city have a more lower median income than the lake area
- We have a lot of retired people and young people who are finding it hard to pay their water bills
- Please reconsider and be fair and at least give us back something and be fair
- Most people feel that the two systems should be on their own and that brings us to that fund report.
- We have two separate sewer systems and two separate water systems
- But the two water systems are dumped together in one accounting thing
- Just to be fair there should be two separate funds for the water so that we know what is happening
- It was stated at the Finance meeting that it was too hard to track, too costly and staff was going to use 90% / 10% on some things
- We don't want a guesstimate
- She is familiar with the Banyon system and they should get the report from last year by running the year end summary of the water fund that includes all entries
- The memo portion should state if it is for Pleasant Lake
- She is requesting a copy of that report
- If it is costing the core city more they want to know that

CONSENT AGENDA

Motion by Member Palmer, second by Member Willenbring, to approve the consent agenda as presented with the two amendments requested by Audrey Schaefer:

- a) ***Approve minutes of 04/15/09 & 05/13/09***
- b) ***Approve Treasurer's Report of 05/20/09***
- c) ***Approve List of Bills and Additions of 05/06/09 & 05/20/09***

<i>Accounts Payable – CK#011120 to 011209</i>	<i>\$382,048.39</i>
<i>Payroll – CK#003444 to 003470</i>	<i>17,309.38</i>
<i>EFT CK#000208 to 000211 & 000216 to 000219</i>	<i>6,553.37</i>
- d) ***RPFSA, LLC – tobacco license approval***
- e) ***Rockville Sportsman Club – raffle 7/11/09***
- f) ***Renewal of Liquor Licenses – 7/1/09***
- g) ***Approve Donnie Smith contract - \$1000 for Rock Fest***
- h) ***Liability Coverage – Waiver Form***

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

AUDIT REPORT – Tom Ohlinger-Abdo Eich & Meyers, was present to review the 2008 Financial Audit. Recommendations from the 2007 audit that were implemented:

- Segregation of Duties – problem is no longer an issue, controls are better, but Council should continue with oversight of the bills and financial statements

- Financial Report preparation – Financial Statement are managements responsibility – he will work with city to try and eliminate this finding
- Journal Entries – 16 instead of 20 last year – staff did a good job of making most of the entries and reviewing the financial statements
- GASB 34 entries Abdo usually does this for clients, but in the future Amy will be doing these
- Accounting entries related to special assessment – he went through this with Amy and should be correct in the future
- General fund balance is at 84.6% of next year's budget. State Auditor's office recommends 40% to 50% so the city is in a real healthy shape especially in regards to cuts in LGA expected
- Decrease in General Fund of \$52,625 was due to budgeted revenues, loss of LGA/MVHC and delinquent taxes
- Expenditures were under budget by \$26,315
- Water/Sewer Funds – compare cash & investments to decrease by \$6,000 in Water Fund with paying down \$16,000 of the debt
- Keep in mind some of the non-operating income of \$63,000 that includes special assessments and interest earnings.
- Decrease by \$80,000 in Sewer Fund – watch out for delinquent assessments – keep in mind cash flow going out and that we are being dependent on developers (lot sales) Member Palmer questioned funding of depreciation and are cities covering this. Tom

Ohlinger reported that it is not a requirement.

Ratio Analysis –

- Debt service coverage – dropped because we paid down \$800,000 on debt
- Debt per capita – \$4740 to \$2503
- Taxes per capita – down
- Expenditures – relatively low \$531 to \$1373

Member Palmer questioned if under expenditures per capita can you back out the improvement projects to get just a true number. Tom Ohlinger will do that in the future.

Motion by Member Palmer, second by Member Koerber, to accept the 2008

Financial Audit and Management Letter as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

PUBLIC HEARING

ORDINANCE NO. 2009-58 – Mayor Hagen announced the a public hearing would now be held to consider adoption of the Ordinance No. 2009-58 – AN ORDINANCE AMENDING CITY ZONING CODE BY ADDING A SECTION ON WIND ENERGY CONVERSION SYSTEMS

Rena Weber reported on the history of the adoption of the ordinance and further reported that the Planning Commission just recently added restriction of WECS in the Residential and Central Business Districts, but is allowing them in the Industrial District.

Chuck Johannes – Capital Granite, reported that he has been working on this ordinance with the Planning Commission and has reviewed a number of ordinances. This is a good ordinance and has been looked at by a number of folks. WECS have received the endorsement from the USDA, Stearns Electric, is an initiative of the governor, and also President Obama. Mr. Johannes is looking at installing one himself and he only asks that the council have an open mind in approving this.

Member Willenbring stated that as the liaison to the Planning Commission he would not stand in the way of adopting this ordinance; however he has a concern regarding the “flickering” concept.

Don Simon – 600 Othmar Lane wished to add to the comments of Chuck Johannes stating this is something for the future. He has checked a few wind turbines in the area that are 150' high and there was little or no noise. He talked to somebody that has had one for twenty years and had no

real problems. It is good advertising for future use. He just questioned the type of pole that would be allowed. He is in favor of the monopole design.

Member Willenbring – questioned under Dwellings where it calls for 1.5 x total height on commercial WECS and the others are 1.1. It was determined to leave as is.

Motion by Member Palmer, second by Member Willenbring, to close the public hearing at 6:43 p.m.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

Member Palmer asked if the Planning Commission discussed a minimum lot size. She has a neighbor who has a lot of acreage in the R-1 District.

Mayor Hagen also questioned zoning districts that abut each other such as A-40 next to Industrial. Do we want to have a higher setback when it is next to Residential?

Lot size and setbacks from Residential areas were two issues identified as concerns.

Member Palmer indicated that the more information included in the ordinance up front the clearer it is.

Member Koerber questioned MN Rules 7030 regarding noise levels.

Member Willenbring indicated he would like to accept the ordinance as is and have the Planning Commission look at these two issues to change later. That would require another public hearing.

Member Becker questioned Shoreland Resource District and whether it should say “not” permitted. It was determined to keep this in the ordinance as it could be A-40 located in a Shoreland and is not residential. This would need to be defined in the zoning ordinance as well.

Mayor Hagen also questioned the difference between non-commercial WECS and Meteorological Towers.

Member Schmitt indicated that meteorological towers measure wind speed and don't produce energy.

Motion by Member Becker to send the ordinance back to the Planning Commission for review of these concerns. Member Becker later withdrew his motion.

Mayor Hagen felt that 500' from non-permitted district & a minimum lot size of 5 acres should be included in the ordinance tonight.

Chuck Johannes – 500' from residential is within standards more than adequate

Motion by Mayor Hagen, second by Member Palmer to approve the ordinance and to amend it to include a setback from non-permitted districts (R-1, R-2, B1, & B2, SRM) or where a conditional use permit is needed requires a 500' setback from the property line. Also, in general, a minimum of 5 acres is needed with CUP approval where it is not permitted in Residential areas. Further this should be sent back to the Planning Commission to research these two issues

(A copy of Ordinance No. 2009-58 is hereby attached and marked Exhibit A)

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

BOARD/STAFF REPORT

POLICE DEPARTMENT – Sgt. Joe Litchy was present to report the April contract hours were 41.5. There were 133 calls generated and he listed those.

Member Schmitt questioned if you call 911 how can you follow up the next day of the results. Sgt. Litchy suggested he call the deputy who responded to the call as they give out cards when they are at the scene.

PUBLIC WORKS – Public Works Director Rick Hansen was present to request approval of: INFRARED PATCHING - Approve Hardline Asphalt to do 13 infrared patches. In the past we air patched the blow outs but infrared patching is much cheaper and does a much better a job. The cost is \$100/patch for a total of \$1300. Air patching would cost the City \$2,680. There is \$8,000 budgeted for Road Patching. Fund 101-43100-308

SEAL COATING - Please approve Caldwell Asphalt Company to do our seal coating. The price is 0.670 per square yard. We are doing 35,793 cubic yards for a total of \$23,981.31. We will use Parking Lot Sweeping to sweep up the rocks and the City truck to haul it away. Fund # 101-43100-317 (There is \$42,000 in the budget)

DITCH MOWING - The Maintenance Department requests council action to approve Matt Schmitz to do the 2009 Road Ditch cutting. We mow the ditches in late June, early July and again in the fall. The Cost is \$60.00/hr plus fuel. We have \$5000 budgeted for ditch mowing. Fund E101-43100-320.

Motion by Member Willenbring, second by Member Palmer, to approve all three requests as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

SEWER JETTING - Please approve Johnson Jet Line Inc. to do approx. 10,000 feet of sewer jetting. It is recommended to jet sewer lines every 3-5 years. Our system was installed in 1995 and has never been jetted. We currently have \$5,000 budgeted for sewer cleaning and the remaining would come from the \$4,000 budgeted in 2008 but was not used.

Johnson Jet Line Inc.

- ◆ \$0.70 per foot includes vac truck to suck out debris + 125.00 mobilization total \$7,125.00

AAA Sewer & Drain Cleaning Inc.

- ◆ \$0.75 per foot does not include vac truck septic truck would be additional total \$7,500.00 + septic truck.

Infratech

- ◆ \$0.95 per foot includes mobilization and vac truck \$ 9,500.00

Fund E602-49490-230.

Mayor Hagen asked is there any indication that this needs to be done. Rick Hansen reported it fills up with grease and dirt and then there are obstructions in the lines.

Mayor Hagen asked if there is any risk when you have gone this long where it will plug somewhere. Rick Hansen indicated there should not be any problems.

Member Willenbring asked if there was a specific reason Rick took this area. Rick reported it was the oldest portion of the system.

Motion by Member Becker, second by Member Willenbring, to approve the request as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

FIRE DEPARTMENT – Training Fire Fighter II at SCTC.

A Grant was received from the MN Board of Firefighter Training and Education for \$4000.00 to cover part of the cost of the training

Total Cost \$5,200.00

Grant \$4,000.00

101-11600

Dues from other Govt's – \$4,000.00

Cost to City \$1,200

101-42200-332 Training – 2009 Budget Available \$7368.00

Motion by Member Becker, second by Member Koerber, to approve the request as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

PLANNING COMMISSION – Rena Weber reported on the following:

ARCON/SAAR/KIFFMEYER – VARIANCE FROM WETLAND SETBACK

Re: Variance Request

76.41729.0426: Owners: Arcon Construction/Sarah Saar/Darren Kiffmeyer

Property Address: 26086 80th Avenue

Legal Description: Lot 1, Block 3 – Brentwood Hills

Variance(s) Requested:

Variance is to construct a 2,677 square foot single family dwelling. Said structure would be located 6'3 21/32" from the Southeast corner which requires a 10 foot setback from the wetland.

Ordinance No. 2004-19 states:

Subdivision 16: WETLAND SETBACKS

A. Purpose. The purpose of this subdivision is to prevent negative impacts to the function, value, and quality of wetlands by establishing setbacks for structures, decks, driveways, patios, fences, or other improvements.

B. Setbacks. In addition to the setbacks established by the Zoning Ordinance, no structure, deck, driveway, patio, fence, or other improvement shall be located in any zoning district within the following setbacks.

1. 10 feet from the limit of a wetland 0 – 5 acres;

Relevant Information:

1. This property is located within the 1000' Shoreland Overlay District.
2. Property contains 11,186 square feet more or less. 2677 is 23% coverage and the PUD agreement stated "the floor-area ratio may not exceed 25%, which means that not more than 25% of the lot may be used for floor areas of all buildings on the lot."
3. This is not considered a corner lot by our definition which states "Lot, Corner" is a parcel situated at the junction of two (2) or more intersecting streets, or a parcel at the point of deflection in alignment of a single street, the interior angle of which is one hundred thirty-five (135) degrees or less.

Recommendations:

1. The lot when platted could have been drawn straight back instead of at an angle thereby eliminating the need for a variance.
2. This request would fall under a unique situation and therefore a variance could be granted pending a grading plan be provided as well as a copy of the deed when purchased.

Member Willenbring questioned if it was indeed a setback from wetland or side yard.

Member Palmer asked if this could have been moved differently on the lot. Rena Weber indicated that this is the first lot into the development and the south side of the house would face the wetland. If it were flipped it would face the neighbor's garage.

Discussion was held regarding the setback from a wetland vs. the property line. Rena Weber reported that the wetland abuts the property and on the south side a man made pond was constructed which is approximately 20' from the lot line. It is all contained in Outlot A which abuts the property on the east and south side. The Planning Commission recommends approval.

A review of the map was held.

Jim Diedrich indicated that in his experience the pond is considered a part of the wetlands. Mayor Hagen indicated that this should also be reported to the Planning Commission for correction in the future.

Motion by Member Willenbring, second by Mayor Hagen, to grant the variance as presented.

AYES: Hagen, Schmitt & Willenbring

NAYS: Becker, Koerber & Palmer

Motion failed on a 3 to 3 vote.

Mayor Hagen introduced the following resolution and moved for its adoption:

RESOLUTION NO. 2009-12

RESOLUTION GRANTING A VARIANCE FROM SIDE YARD REQUIREMENTS

WHEREAS, A request has been received from Arcon Construction, Sara Saar and Darren Kiffmeyer for a variance from Side Yard Setback requirements to construct a single family dwelling in the R-1 District, and;

WHEREAS, said structure will be placed more than 20' from the man made drainage pond, and;

**WHEREAS, Proper notification and publication had been given, and;
WHEREAS, all persons were given an opportunity to be heard on said request.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ROCKVILLE,**

STEARNS COUNTY, MINNESOTA:

1. **Said request is hereby approved to construct the single family dwelling and to locate it 6'3 21/32" from the south lot line conditioned on the fact that staff can verify there is no variance from wetland setback and give the Mayor authority to approve.**
2. **Said approval will not create undue hardship, is a unique circumstance, and applies to the individual property.**
3. **That granting of the variance will not be detrimental to the public health, safety, comfort and general welfare of the City.**

(It should be noted that upon further review with the City Engineer – man made ponds are not a part of the wetland so this was a side yard setback variance).

**Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring
Motion passed on a 6 to 0 vote.**

DOG ORDINANCE –NO. 2009-59 – Rena Weber reported that she resurrected a dog ordinance the former city had, tweaked and had the Sheriff's Department review it with their changes. The Planning Commission also reviewed it, but would like to have it cover the whole city. Licenses would not be required, but proof of rabies shots should be attached to the collar. Further dogs in the residential areas of the city shall be on a leash; however, dogs in the A-40 areas of the city must be under the control of the owner at all times.

Member Becker questioned if all dogs should it be licensed.

Motion by Member Becker, second by Member Palmer, to schedule a public hearing to consider adoption of this ordinance as presented on 6/17/09 at approximately 6:30 p.m.

**Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring
Motion passed on a 6 to 0 vote.**

PARK DEDICATION ORDINANCE NO. 2009-60 – Rena Weber reported that the Park Land dedication ordinance was approved for the zoning ordinance, but not the subdivision ordinance and this is just housekeeping.

Motion by Member Palmer, second by Mayor Hagen, to schedule a public hearing to consider adoption of this ordinance as presented on 6/17/09 at approximately 6:45 p.m.

**Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring
Motion passed on a 6 to 0 vote.**

OLD BUSINESS

STONECRAFTER'S BUSINESS SUBSIDY AGREEMENT AMENDMENT — Rena Weber reported that this action is merely changing the start date of the agreement due to the fact that the building was not completed when originally thought.

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

**RESOLUTION NO. 2009-11
RESOLUTION APPROVING
AMENDMENT TO JOBZ BUSINESS SUBSIDY TO STONECRAFTERS**

WHEREAS, after proper notice and hearing, the City entered into agreement with Stonecrafter's, Inc. to provide JOBZ benefits for a 9,000 sq. ft. expansion of their facilities in Rockville, in accordance with the requirements of Minnesota Statutes 116J.993 through 116J.995, effective May 7, 2008, and

WHEREAS, Stonecrafter's did not complete construction or initiate other conditions as required under the original agreement, and

WHEREAS, Stonecrafter's have realized no financial benefit in that no taxes have been avoided or other subsidy has been recognized under the original agreement, and

WHEREAS, Stonecrafter's has requested the original agreement be amended so that the Operation Start Date is changed from October 1, 2008 to April 29, 2009 and Section IV(D)(5) reads "(5) The qualified business shall occupy and begin operations (designating the Operation Start Date), on or before April 29, 2009.", and

WHEREAS, the City Council finds that amending the original May 7, 2008 agreement as requested does not act as an additional business subsidy to Stonecrafter's, but does serve the public interest in providing for the new jobs, and retained jobs, contemplated under the original agreement.

THEREFORE, BE IT RESOLVED by the City Council (the "Council") of the City of Rockville, Minnesota (the "City"), as follows:

- 1. The Business Subsidy agreement with Stonecrafter's effective May 7, 2008 is hereby amended by replacing Section IV(D)(5) with the following:**

"(5) The qualified business shall occupy and begin operations (designating the Operation Start Date), on or before April 29, 2009."

- 2. The City Administrator serving as the JOBZ Sub-Zone Administrator is authorized and directed to sign the agreement on behalf of the City.**

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

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

NEW BUSINESS

STONE'S – SUNDAY LIQUOR LICENSE – Darin Ennen was present to request approval of the license.

Jim Diedrich asked if the law changed from when he got his license. He had to put in a full kitchen and spent a lot of money to do that in three weeks.

Rena Weber reported that Stearns County issues the food license and they have changed their laws since the Diedrich's got their approval.

Darin Ennen stated that he has a limited food license from Stearns County that qualifies him for the Sunday liquor license.

Rena Weber will get something in writing for the record.

Motion by Member Koerber, second by Member Willenbring, to approve granting the Sunday Liquor License contingent that he meets the food requirements

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

GRANITE BENCHES OUT FRONT – Darin Ennen also asked for approval to place two granite benches outside of the bar. Darin was advised check with Stearns County on whether it is okay with them.

DOUBLE DEUCE – 3.2 MALT LIQUOR LICENSE – ONE DAY – Jim Diedrich was present to request approval to allow drinking outside during the benefit on June 6th. He would also like approval to sell beer at the ball field on the same day since they are sponsoring a softball tournament. He will provide proof of insurance for both events.

Jim Diedrich also voiced his concern regarding the use of the concession stand and how that request was turned down. Mr. Diedrich reported the tournament would run into the evening hours and therefore would need to use the lights and scoreboard. This was not told to the Park and Rec Board. There is also no charge for residents to use a park – only a deposit fee.

Motion by Member Willenbring, second by Member Schmitt, to approve the request for (2) one day 3.2 Malt Liquor Licenses on 6/6/09.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

ROCORI TRAIL – JOINT POWERS AGREEMENT – Rena Weber reported that the Rocori Trail Committee is at a point where a legal entity needs to be formed to carry the plan forward. It is hoped that Stearns County and/or the DNR will take it over once constructed. This is the first reading of the agreement. Cold Spring has approved the agreement with a minor change.

Motion by Member Becker, second by Member Willenbring, to approve the Joint Powers Agreement for the Rocori Trail Construction Board contingent upon learning what Cold Spring changed. Two people will be appointed in one month.

(A complete is hereby attached and marked Exhibit B)

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

ATTORNEY REPORT

JIM MOGEN LETTER OF RESIGNATION – Attorney Mogen informed the council in writing that as of 5/31/09 he will no longer represent the city as he will be leaving the firm. Igor Lenzner will assume his former role as city attorney.

Member Becker wished to go on record as showing appreciation for Jim's time with the city.

COMMITTEE REPORTS

MAYOR'S REPORT – Mayor Hagen had nothing to report.

PERSONNEL COMMITTEE – Rena Weber reported that with the employee policy changes it was learned that 80 hour work weeks are not allowed by Fair Labor Standards Act (FLSA). Staff is willing to change/extend hours, but this could result in scheduling problems.

Rena also reported that the Personnel Committee wished to go to PTO (Personal Time Off) in lieu of Vacation and Sick pay at the same rate of accrual as currently being done.

Mayor Hagen also agreed with Member Volkmuth's concern that going to (4) 10 hour days in the Maintenance Department may not work. There is a lot to absorb with just the Saturday coverage. There is less staff to cover in the event of absence. Since we can't go to an 80 hour week this should be sent back to the Personnel Committee for further discussion.

(For the record Member Volkmuth had submitted his comments on this via e-mail).

PUBLIC WORKS COMMITTEE – The Public Works Committee had not prepared a report for the Grand Lake Road project therefore it was determined that another meeting needs to be held. It was determined that a Personnel Committee meeting would be scheduled for 6/1/09 – 6:00 p.m. with a Public Works Committee meeting to be held at the conclusion of the Personnel Committee meeting.

MITCHELL LANE CULVERT – It was determined that there was a culvert in this area previously and should be put back in.

FINANCE COMMITTEE – Chair Palmer reported on the following:

REVENUE/EXPENSE BUDGETS AS REVISED FOR 2009 – Chair Palmer reported the Committee reviewed the revised/reduced budgets as implemented.

Motion by Member Palmer, second by Member Koerber, to recommend approval of the revised 2009 budgets as presented and implemented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

The Finance Committee will review the 2010 budget when done looking for 5% reductions on a line by line basis.

FIXED ASSET AND CAPITALIZATION POLICY – Chair Palmer reported the committee reviewed the policy and amended the limits on

Machinery & Equipment - \$5,000

Structures & Buildings - \$25,000

Construction & Infrastructure - \$25,000

Motion by Member Palmer, second by Member Koerber, to recommend approval of the Fixed Asset and Capitalization Policy as amended.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

EDA – Member Willenbring reported that the EDA would be meeting with Shingobee Builders on 5/21/09 at 11:00 a.m. as all want to get the floor repair done.

ADMINISTRATOR'S REPORT

LETTER FROM MITCH ANDERSON – Mitch Anderson – Stearns County Highway Engineer had acknowledged the letter from the city regarding County Road 8 between the old and new TH 23. They will revisit the request at their next meeting.

RFA - Update Budget to Reflect Write-off for Bonestroo, Rosene, & Anderlik bill from driveway replacement

E 309-49490-427 Uncollectable Accounts:

Current Budget Amount \$0.00

Revised Budget Amount \$1450.00

Motion by Member Palmer, second by Mayor Hagen, to approve the request as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

AT & T LEASE AGREEMENT – Rena Weber reported this is the third agreement for leasing of the water towers and needs to be approved.

Motion by Mayor Hagen, second by Member Palmer, to approved the water tower lease agreement with AT & T as presented.

Ayes: Becker, Hagen, Koerber, Palmer, Schmitt & Willenbring

Motion passed on a 6 to 0 vote.

OPEN FORUM

Marilyn Montreuil – 540 Caroline Lane, wished to thank Rena Weber for taking action quickly to address their complaint on a refuse issue in their neighborhood.

Tudie Hermanutz – 211 1st Street W, reported that the railroad crossing on Mill Street is a disaster.

County Road 139 is a county road and maybe they need to be contacted.

Open forum is at the beginning and the end of each meeting. Why do they do that if nobody addresses the concerns of the citizens?

Mayor Hagen stated that the initial idea was to respond to issues that are coming up at that meeting.

Much discussion was held with no one coming to the podium:

- Consolidation plan
- Sewer project the core city is not taking on that debt.
- Water issue – tracking two water systems
- Water rate - disparity on how the base fee was determined

ADJOURNMENT – Motion by Member Becker, second by Member Koerber, to adjourn the meeting at 8:21 p.m. Motion carried unanimously.

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

**JEFF HAGEN
MAYOR**