

**MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY,
SEPTEMBER 06, 2006 – 7:00 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, Ed Karls, & Don Simon. Absent: Lloyd Lommel. Jeff Hagen arrived at 7:02 p.m. & Greg Simones arrived at 7:05 p.m.

Staff Members present were: Administrator/Clerk Rena Weber, Public Works Director Greg Stang, & Engineer Scott Hedlund.

Others present were: Duane Willenbring, Ev Balko, Aaron Cheeley, Kathleen & Justin Stanger, Dave Volkmuth, Tom Van Lith, Mike & Joan VanderWeyst, Tудie Hermanutz, & Mike Hofmann.

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

AYES: Ahles, Herberg, Karls, & Simon.

Motion passed on a 4 to 0 vote.

CONSENT AGENDA –

Motion by Member Karls, second by Member Simon, to pull Item D – Lange Trenching Bid until more council members are present.

Jeff Hagen arrive 7:02 p.m.

AYES: Ahles, Hagen, Herberg, Karls & Simon.

Motion passed on a 5 to 0 vote.

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

a) **Minutes of 8/16/06.**

b) **Treasurer's Report of 09/06/06**

c) **List of bills and additions:**

Accounts Payable CK 008291 to 008348

\$103,871.98

Payroll CK #002454 to 002470

12,498.86

AYES: Ahles, Hagen, Karls & Simon

ABSTAINING: Herberg

Motion passed on a 4 to 0 vote.

BOARD/STAFF REPORT

FIRE DEPARTMENT – Rena Weber reported there was no report.

Mayor Herberg reported that he would be meeting with the Fire Department on 9/13/06 to discuss 800 MHz & and Gold Cross locating a station in the new fire hall.

MAINTENANCE DEPARTMENT – Greg Stang reported on the following:

LENA LANE/BURG STREET BIDS – Greg presented a breakdown of bids received for the experimental repair project:

Bauerly Company \$31,000.00

Caldwell Asphalt 33,999.40

Hardrives, Inc. 38,891.40

Greg Stang recommended approval of Bauerly Company using \$19,000 in the designated road patching fund and the remaining \$12,000 from the 2006 road patching fund that has a balance of \$16,193.50.

Motion by Mayor Herberg, second by Member Simon, to approve the low bid of Bauerly Company.

AYES: Ahles, Hagen, Herberg, Karls & Simon

Motion passed on a 5 to 0 vote.

Member Simones arrived at 7:05 p.m.

SLOUGH CURB EAST SIDE CITY HALL – Greg Stang reported that he obtained an estimate from Caldwell Asphalt to build a slough curb along the east side of city hall. This will stay in place until curb & gutter will be installed as part of the County Road 82 project. The estimate is \$750.00.

Motion by Mayor Herberg, second by Member Simones, to approve the \$750.00 expenditure from the road patching fund for a slough curb along the east side of City Hall.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

COUNTRY SIDE ADDITION DRAINAGE IMPROVEMENT – Mayor Herberg reported that there has been a change in the plan since the council last considered the repair proposal. There will be one 18” pipe (larger) instead of two pipes, the cost for sprinkler repair is included, and the cost for moving of a fence. Mayor Herberg stated that since the flooding in August of 2002 the city has invested time, evaluated and weighed options with competing interests to include limited funds. In our discretion this plan as proposed by SEH is something that will work and the Mayor recommends awarding of the contract with Lange Trenching contingent upon a signed settlement agreement.

Motion by Member Simones, second by Member Ahles, to approve the low bid of Lange Trenching contingent upon a signed settlement agreement.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

ROCK FEST – Kathleen Stanger reported on the following:

- Picnic – was a success
- Suggestions for changes – none
- Kathleen Stanger paid for the picnic so it did not cost the Rock Fest anything
- Feedback will be requested – via the newsletter
- Will be writing a check for all but the \$5000
- 7/31/06 – 13,791.10 in checking account
- Will continue fund raising – selling glow necklaces
- Plan to have \$16,000 in the account.
- Next meeting – 9/27/06

PLANNING COMMISSION – There was no report.

OLD BUSINESS

TOM VAN LITH – Tom Van Lith - 8949 County Road 6, was present to check on the progress of water to his proposed development.

Mayor Herberg indicated that the council voted down the funding of \$250,000 to get water up to his development.

SEWER HOOK UP – Rena Weber reported that Mr. Van Lith could hook up to the west through the Kipka easement. Mayor Herberg indicated that this is not the case and that it should be looked into further.

WATER – Mr. Van Lith then asked if a community well would be okay since he still feels that there is adequate water.

Scott Hedlund recommended against that stating the subdivision ordinance does not allow for such. It would mean more maintenance to the staff.

Member Simones stated that he knows of two instances where there were community wells in St. Cloud that did work.

Scott Hedlund stated that these lots would compete against the Brentwood Hills/Schilplin/Voigt projects.

Member Simones asked if this would be a community well, could we place a covenant on the property that these people would be assessed if water were to come to that area.

Tom Van Lith stated that when he started 3 years ago he was told there would be city water and the city changed its mind.

Member Ahles pointed out that a water tower was to have been located on the Van Lith property, but Mr. Van Lith did not want to provide land for it.

Mayor Herberg stated that we are funding part of what is down there now in hopes that it will get developed. Mayor Herberg stated that we would be going by property that can hook up, and people are interested in the Salzl property. The city council should be looking at the future and look past Van Lith.

Member Simones stated that if he can put in a community well with contingencies, he probably can't afford to pay the sewer.

Member Hagen stated that if they were receptive he would be okay with it.

Member Simones stated that we have a responsibility to come to some middle ground.

Member Hagen stated he would like to see that the mains are installed, fire hydrants in place, and an escrow account established.

Discussion was held regarding a recapture agreement and how that could work.

Motion by Member Hagen, second by Member Simon, to require that city water be provided at 100% of developer expense.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

SEWER ASSESSMENT – Tom Van Lith asked about the deferment of his sewer assessment of \$54,032.52 which is for over sizing and trunk capacity.

Motion by Mayor Herberg, second by Member Simones, to approve deferment of 76.42147.037 sewer assessment (Tom Van Lith - \$54,032.52 interest accumulating) until water is available to the site.

The motion was amended to include that payment in full is due upon sale of the property and deferment of not more than 5 years.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

If another landowner wishes to develop – can they purchase the capacity? Yes, with landowner approval.

VAN LITH HOME PRIVATE SEWER HOOKUP – ***Motion by Member Simones, second by Mayor Herberg, to table this request until the city determines that an easement is indeed in place.***

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

ADDITION TO THE AGENDA – Senator Tarryl Clark was present to speak about LGA and why the city had a reduction.

Senator Clark reported that due to election issues negotiations were made at the last hour that affected the amount of aid the City of Rockville is to receive. In addition Rockville has another problem with the large land mass and with the population being small it affects the city as well. Senator Clark would like to continue to work with the city to determine what runs would work.

NEW BUSINESS

SEWER HOOK UP REQUESTS

Shawn (Patrick) O-Keefe – 11028 Grand Lake road submitted a letter of request seeking a waiver of the administrative penalty fee citing his desire to build a new home in the location. Mr. O'Keefe wishes to be treated the same as other residents. Discussion was held regarding why did it take so long for people to respond and what it can cost to put in pipe.

Motion by Mayor Herberg, second by Member Simones, to waive the administrative penalty contingent upon Shawn (Patrick) O'Keefe obtaining a building permit within a reasonable time. Further this is subject to a building permit being pulled by 5/15/07 and if not, the entire cumulative administrative penalty is reinstated.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

TIM SATERFIELD – 21743 Agate Beach Road requested council approval to delete the \$100.00 administrative penalty citing that he actually hooked up on 8/3/06.

Motion by Member Karls, second by Member Simones, to remove the \$100.00 administrative penalty fee as requested.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

ENGINEER REPORT

123RD AVE FEASIBILITY REPORT- Scott Hedlund gave a summary report on the two options for the proposed bus turn around on 123rd Avenue.

- Option 1 – is a loop at the south end \$16,540
- Option 2 – is a full cul-de-sac \$26,944

Motion by Mayor Herberg, second by Member Ahles, to approve Option 1 with a 50% or higher assessment. This was later amended to 80% as there is a maintenance benefit for the City.

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

RESOLUTION RECEIVING A REPORT AND CALLING FOR HEARING ON IMPROVEMENT –

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

RESOLUTION 2006-25

Resolution Receiving Report and Calling For Hearing on Improvement

WHEREAS, pursuant to resolution of the council, a report has been prepared by Short Elliott Hendrickson Inc. with reference to the improvement of 123rd Avenue by construction of a turnaround at the south end of said road, and this report was received by the council on September 6, 2006, and

WHEREAS, the report provides information regarding whether the proposed project is necessary, cost- effective, and feasible.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ROCKVILLE, MINNESOTA:

1. The council will consider the improvement of such street in accordance with the report and the assessment of abutting property and non-abutting property to be served by the improvements, for all or a portion of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of \$16,540.

2. A public hearing shall be held on such proposed improvement on the 20th day of September, 2006, in the council chambers of the city hall at 8:00 PM., and the clerk shall give mailed and published notice of such hearing and improvement as required by law.

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

AYES: Ahles, Hagen, Herberg, Karls, Simon & Simones

Motion passed on a 6 to 0 vote.

COMMITTEE REPORTS

MAYOR'S REPORT – Mayor Herberg reported on the following:

AREA JOINT CITY MEETING – ST JOSEPH – Mayor Herberg reported that discussion was held regarding the funding of a Human Rights Officer at a cost of \$1.67 per capita. St. Cloud wants to hire a person to take care of the outlying areas at a cost of \$51,000. Stearns, Benton, & Sherburne Counties would participate as well as St. Cloud, St Joseph, Waite Park, Sartell, Sauk Rapids & Cold Spring.

Discussion was held regarding if this was really a benefit to the city.

DRUG TASK FORCE – Mayor Herberg reported that the St. Cloud Police Chief is trying to get a funding source through legislation which would take away from the rural police funding. The drug problem is mainly in St. Cloud and the funds would be concentrated there.

FINANCE COMMITTEE –

2007 BUDGET - Chair Greg Simones reported that the Finance Committee met twice in August, once with all department heads to get first blush on the requests and to reduce some dollar amounts. A later meeting was held at which time a reduction was made such as the elimination of the \$17,500 single axle plow truck.

PUMPER TRUCK FINANCING –Chair Simones reported the Finance Committee reviewed a lease Vs bond proposed and recommends the bond be issued.

SEWER RATES – Chair Simones reported that a review of the sewer rates was held and it is recommend that rates remain the same.

WATER RATES – Chair Simones reported that a review of the water rates was held and it is recommended that an increase \$. 77 per thousand gallons be done just to break even.

PRELIMINARY 2007 BUDGET PROPOSAL – Motion by Mayor Herberg, second by Member Ahles, to approve the 2007 Budget as proposed:

PROPOSED BUDGET 2007 REVENUE VS EXPENSE

REVISED 8/31/06

FUND #	FUND	REVENUE	EXPENSE
101	GENERAL FUND	\$1,034,499.00	\$1,037,076.00
201	ARCON DEVELOPMENT	\$0.00	\$0.00
202	PUBLIC LAND DEDICATION	\$0.00	\$0.00
203	LIONS PARK IMPROV FUND	\$1,000.00	\$0.00
204	SEWER REPLACEMENT FUND	\$2,300.00	\$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
212	BOUNDARY COMMISSION	\$26,200.00	\$0.00
213	SCHILPLIN DEVELOPMENT	\$0.00	\$0.00
301	1997 GO DISPOSAL SYST BD	\$9,984.00	\$9,509.00
302	1998 GO DISPOSAL SYST BD	\$8,088.00	\$7,703.00
303	2001 GO WATER REV BOND	\$42,732.00	\$40,698.00
304	CITY FACILITIES FUND 304	\$221,064.00	\$210,987.00
305	2004 \$990,000 IMP BD-PIP	\$126,330.00	\$121,835.00
306	PRAIRIE IND PK-ADDTL PROJ AMT	\$3,494.00	\$13,328.00
307	2005 WTR IMP PROJ BOND	\$20,500.00	\$29,510.00
308	CR 82 STREET IMP BOND	\$250,000.00	\$18,560.00
404	2005 WTR IMP PROJ-CONST	\$0.00	\$0.00
406	PRAIRIE IND PK CONSTR FND	\$0.00	\$0.00
407	LAKES SWR PROJ CONSTR	\$422,640.00	\$555,255.00
408	ANNUAL EVENT FUND	\$21,000.00	\$16,000.00
409	CR 82 STREET IMP-CONSTR	\$0.00	\$231,440.00
601	WATER FUND	\$85,034.00	\$101,900.00
602	SEWER FUND	\$180,934.00	\$136,845.00
604	SEWER DEBT RETIRE-PFA	\$46,500.00	\$43,479.00
605	UNDISTRIBUTED RCPTS	\$100.00	\$100.00
901	FIXED ASSETS FUND	\$0.00	\$0.00
	TOTALS	\$2,502,399.00	\$2,574,225.00

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

TRUTH IN TAXATION HEARING – Motion by Mayor Herberg, second by Member Simones, to schedule the Truth in Taxation hearing for 12/13/06 – 7:00 p.m.

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

2007 PROPOSED TAX LEVY – Motion by Member Simones, second by Mayor Herberg, to approve the proposed tax levy as presented:

Revenue	\$700,500
1997 Imp. Bonds	9,984
1998 Imp. Bonds	8,088
Fire Protection	102,000
E.D.A.	10,000
2004 Prairie Industrial Park	3,400
Rock Fest	4,000
City Facilities	<u>221,064</u>
TOTAL	\$1,059,036

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

WATER RATE INCREASE – Motion by Mayor Herberg, second by Member Simones, to schedule a public hearing for 10/4/06 – 8:00 p.m. to consider an increase in water rate.

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

FINANCE OF PUMPER – Rena Weber is to call Ehlers & Associates to determine what/when the city should obtain the funding since the pumper will not arrive until May 2007.

OPEN FORUM

DUANE WILLENBRING – 25123 County Road 139, indicated that he has three areas of concern:

- 123rd Avenue - Option 1 & Option 2

What if somebody does not want to give up an easement? The project would be prolonged.

- Proposed budget – requested a copy
- Proposed water rate study – requested a copy

ADJOURNMENT – Motion by Member Ahles, second by Member Simones, to adjourn the meeting at 9:10 p.m. Motion carried unanimously.

VERENA M. WEBER-CMC
ADMINISTRATOR/CLERK

BRIAN HERBERG
MAYOR