

MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY, APRIL 18, 2007 – 7:00 P.M. – ROCKVILLE CITY HALL.

Roll Call was taken and the following members were found to be present: Mayor Herberg, Council Members: Vern Ahles, Jeff Hagen, Susan Palmer, Jim Pfllepsen, Don Simon & Randy Volkmuth.

Staff Members present were: Administrator/Clerk Rena Weber, Maintenance Worker Rick Hansen, EMS Director Mike Hofmann, Park & Recreation Board Member Lori Anderson, Attorney Jim Mogen, and Engineer Scott Hedlund.

Planning Commission members present were: Dale Borgmann

Others present were: Aaron Cheeley, Mary Ann Hermanutz, Lt. Jon Lentz, Lloyd Lommel, Dave Volkmuth, Duane Willenbring, Harold Rosenow, Kim Henkemeyer, Clarence Bloch, Kathleen Stanger, Clarence Bloch, Vince Schaefer, Paul Hoeschen & John Koerber.

Mayor Herberg asked for a moment of silence in memory of the Virginia Tech students who lost their lives during a recent incident.

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

AYES: Ahles, Hagen, Herberg, Palmer, Pfllepsen, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

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

- a) **Minutes of 4/4/07, Special Assessment Policy Meeting 4/3/07 & 4/11/07**
- b) **Treasurer's Report of 4/18/07**
- c) **List of Bills and additions of 4/18/07**

Accounts Payable CK #008958 to 008995	\$161,977.27
Payroll CK #002669 to 002698	11,321.37
EFC CK #000109	518.39

AYES: Ahles, Hagen, Herberg, Palmer, Pfllepsen, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

BOARD/STAFF REPORT

POLICE DEPARTMENT – Lt. Jon Lentz reported there were 68.5 contract hours during the month of March. Lt. Jon Lentz reported on the number and types of calls.

BIKE RACE – Rena Weber reported that Mike Delaney is again seeking approval to sponsor a bike race from the Pearl Lake Lodge on 5/5/07 which will run through city limits. A certificate of insurance will be provided to the city. Lt. Lentz reported the Sheriff's Department is aware of the race and they will have staff available at key intersections that day.

Motion by Member Simon, second by Member Ahles, to approve the bike race as presented.

AYES: Ahles, Hagen, Herberg, Palmer, Pfllepsen, Simon & Volkmuth

Motion passed on a 7 to 0 vote.

FIRE DEPARTMENT – There was no report.

ROCK FEST – Kathleen Stanger presented raffle tickets to the council and listed some of the events for the event.

Kathleen requested council approval of Game World's \$150 deposit to reserve the date with a balance due of \$1340.

Motion by Member Volkmuth, second by Member Palmer, to approve the down payment of \$150 as presented.

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

PLANNING COMMISSION – Rena Weber reported on the following:

CERTIFICATE OF COMPLIANCE – Rena reported that Stearns County and Daryl & Rosie Steil reached an agreement whereby the Steil's wished to sell a portion of their property that is located on the north side of the Sauk River and abutting the new County Park. The Certificate of Compliance was approved by the Planning Commission with the understanding this will not be built upon and is for park purposes only.

MAINTENANCE DEPARTMENT – Rick Hansen reported on the following:

AIR PATCHING – Rick requested approval to hire L & M Services to do one day of air patching at a cost of \$1850. There is \$25,000 in the budget.

Motion by Member Volkmuth, second by Member Ahles, to approve the request to hire L & M Services to perform air patching as presented.

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

CRACK SEALING – Rick Hansen presented two bids for crack sealing:

ASTECH	\$13,950
L & M Services	21,478

The request is to do Rausch Lake Road from the gravel to Agate Beach Road, 210th Street and 235th Street. There is \$20,000 in this budget.

Motion by Mayor Herberg, second by Member Simon, to approve the low bid of ASTECH in the amount of \$13,950 for crack sealing as proposed.

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

SEWER FORCEMAIN REPAIR – Rick reported the Sewer forcemain leading into the main lift station on Broadway Street is cracked so it is being repaired. The Xcel Energy pole has to be moved.

WATER TOWER – Rick reported that the riser pipe has a crack in the pipe and will also need to be repaired. The estimated cost will be somewhere between \$5000 to \$30,000. At present we don't know what the cause for the leak is. Rena Weber reported there is \$17,000 in the water fund balance.

Motion by Mayor Herberg, second Member Palmer, to approve the cost to repair the leak using the water funds.

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

PARK & RECREATION – Lori Anderson reported on the following:

SUMMER BALL PROGRAM – Lori Anderson reported that on 3/24/07 registration for the summer ball program was held, but was not a very good turnout. Applications are still coming in, but Lori urged people to register as leagues were filling up.

CONCESSION STAND WORKERS – Lori reported that advertising for Concession stand workers are needed. So far there is one new application and one from last year.

EASTER EGG HUNT – Lori reported the annual Easter egg hunt was held on 4/7/07 with 134 kids in attendance.

EAGLE PARK PROJECT – Park & Recreation Board member Lori Anderson was present at the meeting to request council approval to purchase geo-fabric in the amount \$450 to be placed under the proposed walking path at Eagle Park. Lori indicated that the Park Boards hopes to recover this cost through a grant from Central MN Initiative Fund.

Motion by Member Volkmuth, second by Member Palmer, to approve the purchase as requested:

AYES: Ahles, Herberg, Palmer, Simon & Volkmuth

NAYS: Hagen & Pflapsen

Motion passed on a 5 to 2 vote.

Administrator/Clerk Rena Weber presented copies of a grant application in the amount of \$2,000 for volunteer engagement for the restoration of Eagle Park. (A copy of the application is hereby attached and marked Exhibit A.)

Motion by Mayor Herberg, second by Member Volkmuth, to approve the grant application request as presented:

AYES: Ahles, Herberg, Palmer, Simon & Volkmuth

NAYS: Hagen & Pflapsen

Motion passed on a 5 to 2 vote.

Member Volkmuth asked Lori Anderson when the board would be fixing the holes in the trail at Lion's Park. Lori indicated that the trail really needs an overlay, but that was pulled from the budget. It was determined that we need to at least fix the holes.

NEW BUSINESS

BOUNDARY COMMISSION - Jim Mogen reported for David Meyer on the update of the Boundary Commission in that a hearing before a Stearns County judge will occur on 5/4 at 9:00 a.m. The judge will give the order to put in judicial monuments where the lot lines will be. The final order will occur in June with final assessments scheduled for July.

Member Pflapsen asked if this included the updating of deeds. Jim Mogen indicated that title work would be their cost.

MITCHELL LANE – Jim Mogen reported that he is meeting with the property owners on 4/28/07 at 10:00 a.m. – city hall.

ALCOHOL NON-COMPLIANCE CHECK – Mayor Herberg reported that one more establishment failed the compliance check. Discussion was held regarding the policy and how establishments are affected by the fine.

Motion by Member Palmer, second by Member Volkmuth, to approve the civil penalty of \$500 to the establishment that received the violation, but stay the penalty for a one year period if there are no further violations. If there is a 2nd violation the penalty would be \$1000 plus the original \$500 to equal \$1500. It was further determined a letter should be sent to all license holders requesting they clean up their practices to avoid this happening in the future.

AYES: Ahles, Herberg, Palmer, Pflapsen, Simon & Volkmuth.

ABSTAINING: Hagen

Motion passed on a 6 to 0 vote.

ENGINEER REPORT

Scott Hedlund reported that he was approached by a property owner wishing to extend water and sewer to their property as part of the County Road 82 project.

Member Volkmuth instructed staff to get an agreement that they sign and pay for any costs to look at this.

It was determined that the project could then be looked at.

COUNTY ROAD 82 PROJECT – Scott reported there is no bid date yet for the County project.

OLD BUSINESS

JIM VOIGT – Rena Weber reported that there was no written request so no action is needed.

Member Volkmuth voiced concern that the city has been advised on the financial status of such a request and that we should not entertain this idea. We are not a banker.

Member Palmer agreed.

Discussion was held regarding the past history and the subject property being outside of the 1000' from the lake.

Mayor Herberg urged the council to wait until Mr. Voigt is here.

Motion by Member Pflapsen, second by Member Hagen, to deny the request to defer 10 SAC payments for Jim Voigt.

AYES: Hagen, Palmer, Pflapsen, Simon & Volkmuth.

NAYS: Ahles, Herberg

Motion passed on a 5 to 2 vote.

COMMITTEE REPORTS

MAYOR REPORT – Mayor Herberg asked approval to move the 5/16/07 meeting to start at 6:00 p.m. and further to keep the agenda light.

Motion by Member Palmer, second by Member Volkmuth, to schedule the 5/16/07 meeting to begin at 6:00 p.m. and further to keep the agenda light.

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

Motion passed on a 7 to 0 vote.

STREET COMMITTEE – Don Simon reported on the following:

Mike Lutgen – 21225 Grand Lake Road, requested approval to put bathroom facilities in the present garage but, this is not a living quarters and will not be heated. Discussion was held regarding the policy where each structure pays for a service that is hooked up to the sewer system.

Don reported that the Street Committee recommended allowing Mike Lutgen to put in a shower/toilet in his garage and should he decide to convert this to living quarters he would apply for a building permit, and then this will be charged a seasonal rate.

Jim Mogen suggested there should be an agreement where should this use change, then there is a second charge and approval of the motion should be contingent upon an agreement being signed.

Motion by Member Pflapsen, second by Member Volkmuth, to approve charging Mike Lutgen for one seasonal rate sewer hook up, contingent upon entering into an agreement with him that once the new house is built and the garage remains a garage, then one homestead rate will apply. If the use of the garage changes that he will be charged two rates: one seasonal and one homestead.

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

Motion passed on a 7 to 0 vote.

Jim Mogen suggested that we add something like “The agreement goes away if he does not build the primary structure“.

TOM VAN LITH – Don Simon reported Mr. Van Lith was at the meeting to request information on whether the city would consider extension of water to his development. Rena Weber reported that Mr. Van Lith was also requesting deferment on 3 SAC charges since the council has previously approved a 5 year deferment of sewer.

Discussion was held regarding:

- a) Three SAC deferments at \$1785 each – This proposal is an extenuating circumstance which is different from the other request as in a development gone bad.
- b) Water is an issue and the cost to extend it is not financially feasible for the city to consider.

Motion by Member Palmer, second by Member Ahles, to accept the Street Committee recommendation to defer the SAC assessment for 5 years or until the property develops or is sold.

More discussion was held:

Jim Mogen asked if this came under the over 65 assessment. No it did not.

Member Pflapsen suggested we defer for 3 years.

Member Hagen suggested we don't defer at all because he can develop in larger lots.

Member Volkmuth questioned the need to change the development agreement if he changes the plat larger lots where less hook ups would be allowed. Yes, the agreement would need to be changed.

AYES: Ahles, Herberg, Palmer & Simon

NAYS: Hagen, Pflapsen & Volkmuth

Motion passed on a 4 to 3 vote.

PAUL HOESCHEN – WATER AND WWTP ISSUES

ROCKVILLE SEWER BILL – Paul Hoeschen reported there will be a new rate for 2007 which amounts to an \$800 reduction. In 1997 the cost was \$2.62/thousand gallons and now the cost is \$1.51/thousand gallons due to Gluek Brewing picking up a major share of the cost. This will be changing once Gluek builds a pre-treatment plant this fall and then rates will be changed in 2009 after review of all the loadings in 2008.

WWTP EXPANSION COST OVERRUNS – Paul Hoeschen reported that there will be \$39,361.03 in additional cost to the City of Rockville for the WWTP expansion. Paul explained that they added a sludge thickener process for land spreading. 17.4% is our share of the new plant capacity. Initially they worked with Gridor Construction and cut \$200,000 out of the bid, but throughout the process changes were made and Cold Spring ended up with \$187,000 more in expenses.

Member Palmer asked if this cost overrun occurred because of Gluek. Paul Hoeschen stated that they do not have a certain portion like Rockville and Cold Spring.

Rena Weber reported that there is \$60,065.12 in the PFA loan available, however a telemetry system project is being built – approximate cost \$14,000 and the city still needs to resolve an odor issue at Prairie Industrial Park at a cost of \$13,000.

Motion by Member Volkmuth, to approve the additional expense as requested. It was determined that this number may change. Member Volkmuth withdrew his motion.

More discussion was held regarding the four homes that are not hooked up to the sewer system. Concern was voiced that they are not hooked up and may still be using the private sewer systems. Staff will provide the background information and find out where they are at.

OLD BUSINESS

JIM VOIGT – Jim Voigt was present at the meeting and presented a written request to defer the SAC assessment until such time the property develops. (Refer to petition for deferral of SAC fees on file in the office of the Administrator/Clerk).

Mr. Voigt stated he was requesting the deferment because of the moratoriums on his property whereby he is unable to subdivide.

Mr. Voigt was informed that the council denied this request already on a 5 to 2 vote.

Mayor Herberg voiced concern that we are going to have to bank roll this anyway.

Member Palmer stated it is a matter of policy.

It was determined there would be no reconsideration as there is no material change and therefore no reason to re-look at the request.

ADMINISTRATOR REPORT

Administrator/Clerk Rena Weber reported on the following:

Financial Consultant Proposal – Rena Weber reported that David Drown had given the Council a presentation on the financial status of the city. In addition Mr. Drown submitted a proposal in writing regarding the services his firm offers.

Member Volkmuth stated that he liked David Drown's program and felt he could provide more information with this program.

Motion by Member Volkmuth, second by Member Palmer, to approve the appointment of David Drown & Associates as the city financial consultant.

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

Motion passed on a 7 to 0 vote.

SJ LOUIS GROUNDBREAKING – Rena Weber reported there will be a photo opportunity on 4/19/07 at noon to welcome S J Louis to the city.

NUISANCE LETTER – Rena Weber reported that she needs to send a nuisance letter to a property owner who has rubbish dumped on the property by other individuals. Rena felt this is

unfair to the owners and would like to get the word out to others to stop this practice. The city pays for rubbish dumped in ditches and this affects all taxpayers. The Council determined that the letter would be fine to send.

PART-TIME RECEPTIONIST RESIGNING – Rena Weber reported that Dani Kesteloot is resigning and asked approval to advertise for a replacement.

Motion by Member Ahles, second by Member Simon, to approve advertising for the position.

Discussion was held regarding whether this should be discussed by the Personnel Committee since there are new members on the council.

Member Ahles rescinded his motion, Member Simon agreed.

Motion by Member Volkmuth, second by Mayor Herberg, to refer this matter to the Personnel Committee meeting to be held on 4/25/07 at 6:00 p.m.

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

Motion passed on a 7 to 0 vote.

RANDALL ARNDT – Rena reported that Randall Arndt would be at the St. Cloud Civic Center on 6/29/07 from 9:00 a.m. to Noon and will feature Rockville as his case study.

REMINDER OF SPECIAL MEETING – Rena reminded the council that the next Special Assessment Policy meeting would be held on 5/2/07 at 6 p.m.

EDA - Rena Weber reported that the EDA has been meeting with Shingobee Builders, MD Mechanical, Graeme Mahler and Perry Nistler to resolve the boiler issue and the concrete floor finish at the Fire Hall.

BUSINESS ASSOCIATION MEETING – Member Ahles reported that he attended the Rockville Business Association meeting on 4/17/07. They would like to donate the float to the city so we take over the insurance. Rena Weber will check on the insurance cost and this will be addressed at the next meeting.

OPEN FORUM – No one appeared.

ADJOURNMENT - *Motion by Member Ahles, second by Member Volkmuth, to adjourn the meeting at 9:42 p.m. Motion carried.*

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

**BRIAN HERBERG
MAYOR**