

NOTES FROM A FINANCE COMMITTEE MEETING HELD WEDNESDAY, DECEMBER 7, 2011 – ROCKVILLE CITY HALL – 5:18 P.M.

The meeting was called to order by Chair Sue Palmer. Roll Call was taken and the following members were found to be present: Chair Palmer, Mayor Hagen & Randy Volkmuth.

Absent: Duane Willenbring.

Also present: Administrator/Clerk Rena Weber, Don Simon, Jerry Schmitt & Jeff Howe.

LONG TERM DEBT STUDY – WHERE FROM HERE – Rena Weber reported that since the last meeting she has talked to Randy Schreifels (Auditor) about foreclosures and how they can be handled best as this has a direct effect on the long term debt. All members were provided with a copy of the current status.

Rena further indicated that she had invited Randy Schreifels or one of his staff to the meeting, however, Randy Schreifels is away at a conference today and failed to arrange for another staff to be present. Rena did speak with Denny Kron who called to set up a meeting in January to talk about foreclosures. Apparently the County needs to set up such meetings with each city and they would prefer the meetings be held at Stearns West.

MOLITOR 40 ACRES AND VOIGT'S 7 LOT ASSESSMENT – Scott Hedlund remained at this meeting for this discussion since it does affect the assessment policy.

Can we re-assess Vogt's 7 lots or keep on the same way? It was determined that we would continue offering the chance to place the low pressure sewer stub on the tax rolls for 10 years at 4.75% interest therefore not changing how this has been done to 3 of the 7 lots.

Molitor 40 Acres – It was determined that this property was not being developed when the SJ Louis JOBZ project was being done so there is an extra cost to extend water sewer past this property (\$60,000) that would be collected when the property is developed or no later than 2016.

UPDATED TAX LEVY & BUDGET 2012 – Rena Weber presented the updated copies of the proposed budget for 2012 and the tax levy reflecting the change as an outcome of the debt management study recently completed.

Rena explained the reduction in the Fire Department municipal contribution and applying this to the truck fund. There were reductions to radio/pager repair and communications that was applied to the truck fund keeping the budget at \$140,000.

Discussion was held regarding the suggestion of the Mayor to share a 1 ton truck between the Maintenance Department and the fire department when it is equipped for grass fires. It was determined that this would not necessarily work.

Rena reported that she added \$23,500 to the road and bridge fund as was suggested by the debt management study thereby reducing the facility bond levy. This added with the \$51,000 water tower rent should put us up over \$200,000.

The Fire Department has completed their draft of the fixed assets.

Randy Volkmuth received two phone calls in the past month about the increase. Randy did explain that the increase is being used to fix the roads. People seemed okay with that.

Mayor Hagen received a few calls but was wondering if we had a plan b for the 1% wage increase – amounting to \$2,000.

The step is 2.99%. **(Actually it is 3.1%) What does this amount to? \$3,846.36**

Chair Palmer reminded all that job changes should be reflected to include present day duties and what is the right salary for that position. Fundamentally it is not fair to change someone's job without reflecting the correct wage. This is a Personnel issue.

Member Volkmuth is inclined to do the step increase and any extra performance based.

Change the budget – something for performance based bonus to be given next November/December. Leave the wage as it and take out the 1% cost of living increase.

Motion by Mayor Hagen, second by Member Volkmuth, to recommend acceptance of the amended budget and tax levy as presented.

Mayor Hagen asked if the increase is 90% attributable to roads. Yes.

Spread sheet listing all departments – Sue Palmer can do this.

Newsletter – Mayor Hagen should write something about the levy.

ADJOURNMENT – *Motion by Mayor Hagen, second by Member Volkmuth, to adjourn the meeting at 5:55 p.m. Motion carried unanimously.*

Submitted by:
Rena Weber
Administrator/Clerk

**NOTES FROM A FINANCE COMMITTEE MEETING HELD WEDNESDAY,
NOVEMBER 16, 2011 – ROCKVILLE CITY HALL – 5:00 P.M.**

The meeting was called to order by Chair Susan Palmer. Roll Call was taken and the following members were found to be present: Mayor Hagen, Randy Volkmuth & Duane Willenbring. Absent: None.

Also present: Administrator/Clerk Rena Weber, Don Simon, Jeff Howe & Jerry Schmitt.

BANK AND INVESTMENT RECONCILIATION – A review of the October 2011 bank reconciliation and investment balance was done.

Motion by Member Palmer, second by Member Willenbring, to recommend approval of the reports as presented. Motion carried unanimously.

LONG TERM DEBT STUDY – Joe Rigdon and Steve Wischmann – KDV were present at the meeting go over the long term debt study. A complete copy is hereby attached and marked Exhibit A.

Joe reported that the audit is a statement of the city financial status and how it is presented. It does not comment on the financial stability of the city. The Long Term Debt Study is a pro-active way of keeping up with the status.

\$88,800 Molitor certify to tax rolls

POLICY CHANGE - Rena Weber recommend the Finance Committee recommend approval of a policy change in that unpaid assessments cannot roll forward from one owner to the next.

Motion by Member Volkmuth, second by Member Willenbring, to recommend a change in the assessment policy as it relates to rolling forward unpaid special assessments from one owner to another and that this practice will cease. Motion carried unanimously.

NEXT MEETING – 12/7/11 at 5:00 p.m.

ADJOURNMENT – *Motion by Member Willenbring, second by Member Volkmuth, to adjourn the meeting at 5:51 p.m. Motion carried unanimously.*

Submitted by:

Rena Weber
Administrator/Clerk

**NOTES FROM A PUBLIC WORKS COMMITTEE MEETING HELD WEDNESDAY,
DECEMBER 7, 2011 – 4:00 P.M. – ROCKVILLE CITY HALL**

The meeting was called to order by Chair Don Simon. The following members were found to be present: Chair Don Simon, Mayor Jeff Hagen, and Jerry Schmitt. Absent: None.

Staff Members present were: Rena Weber Administrator/Clerk, Rick Hansen-Public Works Director & Scott Hedlund-Engineer

Also present: Jeff Howe

HOLLY ROAD REQUEST FOR ROAD REPAIR – Holly Road residents had submitted a letter to the city on 10/4/11 for consideration of *removing the existing deteriorated black top and replace it with a high quality, firm black top surface on the exact, existing lay of the road.*

Engineer Scott Hedlund indicated that the proper way is to replace the soils to correct the condition or the city can chunk it out, grade it and repave it. There are pros and cons to doing it the way they are requesting.

Member Schmitt stated the reason why this happened is due to the recent construction and garbage trucks driving on the road.

Chair Simon agreed that there are a few bad spots that need to be taken care of.

Scott Hedlund indicated that this is a policy decision as to whether or not the city can assess 100% or portion 27%. The road will keep moving if we do this according to their wishes.

Scott Hedlund suggested a modification by digging down a bit, replace with gravel, and put fabric on top of the gravel. It costs roughly \$150 sf for fabric.

- ◆ The road is not going to last as long without doing things the right way.
- ◆ 3" of bituminous is needed
- ◆ No trucks will be allowed on the new tarvia
- ◆ Residents will need to bring garbage cans to the intersection of Holly Road & 80th Ave.
- ◆ Rick Hansen is to get quotes so we can meet with the residents in the spring
- ◆ Rena Weber is to send a letter to each resident explained what is being done

HUBERT LANE – SNOW REMOVAL

Rick Hansen indicated that how he plowed out Hubert Lane with the Toolkat is not the most efficient way to do things. He would like to use the front end loader, but this will leave windrows in people's driveways. People will complain. It will be more efficient to use the loader. A snow blower cost \$68,000 and he does not see this as being approved.

Myron Felix has a plow for the front end loader that we could purchase for \$1,000. This costs \$3800 new and adding two sleeves to the sides will cost \$600 or \$1600 total.

Rick also brought up discussion on the purchase of a quick hitch - \$4341 & tax. This would allow them to shift the plow from side to side making the plow even more efficient and not put the sides on the plow.

Motion by Mayor Hagen, second by Member Schmitt, to recommend the council approve the purchase of the snow plow \$1000 from Myron Felix and also a quick hitch \$4,341 plus tax. Motion carried unanimously.

MITCHELL LANE UPDATE – Rena Weber updated the committee that in 2007 the city spent over \$7000 trying to straighten out the alignment of Mitchell Lane and further moving the platted road from the lakeside of the cabins to the road side. At that time there was not 100% participation. Rena Weber suggested that the city do nothing until a signed petition by 100% of the affected property owners agree to pay for the work to be done.

It was determined that there will be no action on the city part and further we will do it as long as the owners pay for it.

PLEASANT ROAD – SEWER WELD ISSUE - Rick Hansen reported that as part of the process to de-water for individual sewer hookups to Laudenbach & Reinhart (25410 Pleasant Road) it was

discovered that another private hookup to 25403 Pleasant Road had been leaking for quite some time as there is a bio mass in the vicinity of the hookup. Rick had the hookup repaired and also had the bad piece looked at to determine if the weld held. The firm that did the testing indicated that the installation was not done correctly in the first place, however, they would not want their name used since they do work with the contractor – GM Contracting, Lake City, MN. The weld should be rough and this one was smooth.

The total cost of the repair bill is \$12,819.20. Rena Weber reported that this has been given to our insurance company and the claim was denied. Steve's Excavating had turned the claim into his insurance company, but when they determined the line was ruptured sometime ago the company is holding off.

Options to remedy this situation are:

- ◆ Meet with the attorney.
- ◆ Send contractor a more strongly worded letter.
- ◆ Immediate action – put on notice our intentions

Motion by Mayor Hagen, second by Member Schmitt, to recommend approval of the payment to Steve's Excavating, Inc. as requested. Motion carried.

Mayor's signature should also be on the letter.

MNDOT LOCAL ROAD IMPROVEMENT PROGRAM – Scott Hedlund reported that MNDOT has a new grant program, but road projects have to be of regional significance. They are offering \$500,000 per road project to cities, counties & townships.

MAJOR COLLECTORS –

LENA LANE & BURG STREET –
230TH STREET

GLACIER ROAD CONNECTING CR 2 TO CR 139 AND ROCKVILLE COUNTY PARK

Member Simon feels it is worth our effort to apply.

OTHER REQUIREMENTS ARE:

Demonstrate the regional significance of the route by being classified as a minor collector or higher unless it meets one of the following criteria;

- ◆ Identified in a regional plans as a farm to market artery
- ◆ Part of an economic develop plan
- ◆ Part of a 10-ton route system
- ◆ Serves as a regional tourist destination
- ◆ Provides capacity or congestion relief to a parallel trunk highway or county road
- ◆ Is a connection to the IRC system, trunk highway or county road

\$1000 for Scott Hedlund to help on this.

Narrow down what road could work – then Scott Hedlund could go further.

Rick & Rena look at certain roads - Glacier Road?

Adjournment – Motion by Mayor Hagen, second by Member Schmitt, to adjourn the meeting at 5:03 p.m. Motion carried.

Submitted by
Rena Weber