

**BIG LAKE CITY COUNCIL
WORKSHOP MEETING MINUTES**

APRIL 15, 2009

1. CALL TO ORDER

Mayor Kampa called the meeting to order at 6:00 p.m.

2. ROLL CALL

Council Members present: Raeanne Danielowski, Chuck Heitz, Lori Kampa, and Duane Langsdorf. Council Member Absent: Dick Backlund. Also present: City Administrator Scott Johnson, Finance Director Corey Boyer, Community Economic Development Director Jim Thares, City Clerk Gina Wolbeck, Senior Planner Katie Larsen, Police Chief Sean Rifenerick, Public Works Director Mike Goebel, and City Engineer Brad DeWolf of Bolton & Menk, Inc.

3. PROPOSED AGENDA

Council Member Heitz motioned to adopt the proposed Agenda. Seconded by Council Member Danielowski, unanimous ayes, agenda adopted.

4. BUSINESS

4A. Bruce Miles Presentation

Bruce Miles from Big River Consulting Group provided information to Council relating to Effective Teams and Teamwork Strategies, Communication, Council Goals, and Employee Satisfaction. Council directed staff to place a Council Goals display in the Council Chambers and to provide a quarterly goal update at Council Meetings.

4B. Big Lake Community Lake Association Waterfowl Ordinance Request

Mike Goebel reviewed the request submitted by the Big Lake Community Lake Association (BLCLA).

Jim Ridgeway from the (BLCLA) discussed their preventive measures request to protect the City's shorelines and lakes. The BLCLA is requesting that all restored and erodable greenways be closed to snowmobiles, that the City advise property owners to not mow City greenways within 15 feet of the shoreline high water marks, and to pass an Ordinance prohibiting the feeding of waterfowl.

Council discussed their concern with closing all greenway areas. Discussion was held on the area located at the north end of Lake Mitchell that could possibly be leased by the City and used as a snowmobile access. Ridgeway also noted other greenways around the lake that could stay open for snowmobile accesses. The BLCLA is mainly concerned about greenway areas that are eroding and the sites that will be improved this year.

Council directed staff to work with the BLCLA to 1) determine which greenway areas should be closed to snowmobile traffic and to possibly set up a snowmobile route in the City, 2) to only mow greenway areas up to the TOE areas of the shoreline, and 3) to check other communities that have a waterfowl Ordinance restricting the feeding of waterfowl.

Ridgeway also informed Council of the upcoming Education Seminar that will be offered at the Big Lake Beach area. Ridgeway asked if Council would consider waiving the parking fee for participants. Council directed Ridgeway to submit a letter requesting the waiver for consideration at the April 22nd Council Meeting.

Ridgeway also informed Council that the BLCLA has approached the Big Lake Town Board to request their participation in funding lake treatments. The Town Board indicated that they would be open to discussions with the City Council on establishing a Joint Powers Agreement for maintenance of the lakes and park area, and a reduced parking fee rate for Township residents. Staff noted this can be discussed at the next Joint Planning Board Meeting.

4C. Water Shut-Off Update

Mike Goebel discussed the status of water shut-offs that have been processed in the City since December 2008. The shut-off's that occurred in December 2008 resulted in 43 properties having their water services shut-off due to other utility companies shutting their services off. This was done to alleviate concerns with pipes freezing in the winter months due to the heat being shut off. The shut-off's that occurred on February 25th and March 4th, 2009 resulted in 36 properties being shut-off due to delinquent accounts. Shut-offs that occurred on April 6th, 7th, and 9th, 2009 resulted from the zero consumption report that was generated by Opus 21. There were 75 properties that were deemed vacant that were disconnected from water services. In all, the City has shut-off 154 properties since December 2008 with approximately 50 properties being restored service. Goebel also discussed issues with the City receiving the zero consumption reports from Opus 21. Council discussed potential revenue losses due to the zero consumptions. Council directed staff to prepare a comparison of outsourcing the billings and meter readings compared to hiring additional staff to prepare the monthly billings in-house and reading the meters. Council also directed staff to provide an update on the amount of lost revenue due to the zero consumption readings. Corey Boyer indicated that it would be difficult to do a comparison, but staff will put together a report with the information that is available.

4D. Temporary Structure Regulation Review

Katie Larsen reviewed the City's permitting process for temporary greenhouses and tents. The City Code defines these types of facilities which are for public use and occupancy as buildings or structures which require building permits. Larsen also reviewed processes of surrounding communities including Becker, Elk River, and Monticello. Larsen also noted that for the benefit of public safety, there is considerable value in having a building inspector inspect public occupancy structures once they have been erected. This concept is also supported by the State Building and Fire Codes. Larsen reviewed various fee structures that the City could consider including requiring an Administrative Permit for a Temporary Use Permit totaling \$50 and requiring a Building Permit if the structure is greater than 120 square feet with a one time permit fee somewhere between \$75 - \$100 as long as the structure size is not expanded.

Council discussed liability concerns with not doing an on-site inspection each time the structure is put up. Staff suggested charging the \$50 Temporary Use Permit Fee and a \$50 Administrative Building Permit Fee each time these types of structures are erected. The Building permit fee would cover the costs for a building inspector to conduct an on-site inspection. Council directed staff to contact Chuck Hultman to notify him that current fees are due on his Building Permit and Temporary Use Permit, but that he can officially request a partial reimbursement after the Ordinance changes are approved by Council.

4E. Existing Development Punch List Review

Corey Boyer reviewed outstanding punch list items remaining on older developments in the City. Staff has reviewed numerous developments and will be recommending that the City draw down on existing securities to complete the developments. Some developers are still actively working on their developments and have been responsive to staff communications regarding their punch list items. Other developments are basically complete and the developers are not working with staff to complete any outstanding requirements. There are also some instances where the City does not have existing securities to cover some of the punch list items. Boyer also discussed that all future Letters of Credit will be required to be secured by an insured lender.

4F. WWTP Funding

Corey Boyer reviewed the potential funding for the wastewater treatment plant. It appears there will be some grant funding for the project. The interest rates for the borrowing of the remainder of the project are expected to come in between 2.5% and 3.0% on a 20-year PFA loan. While these are favorable funding terms, staff has reviewed the impact of this level of borrowing on the cash flows for our Sanitary Sewer Fund. The projected costs for this project are estimated at \$21 million which would generate close to \$500,000 in annual interest costs. Staff has been reviewing a two-phased approach to the project. Phase I

would cost approximately ½ of the overall project cost and would buy the City time until development dictates the need for additional capacity. This approach would allow the City to hold off on incurring the additional debt until the economy turns around and the City is in a better funding position. The downside to this phasing is that the City will more than likely not qualify for the PFA funding for Phase II. This could mean additional interest costs annually when Phase II is completed. Boyer reviewed the summary forecast for the Sanitary Sewer Fund discussing the impact the borrowing could have on this fund. Boyer noted the need for the City to plan on rate increases over the next several years in order to fund the Sanitary Sewer Enterprise activity.

Council questioned our current capacity needs. Brad DeWolf indicated that we are currently at approximately 80% capacity with the Bio-Solids, Lift Station, and Screening/Grit Removal being at full capacity. DeWolf noted that MPCA recommendations guide the City to move forward with the Phase I portion of this project. Council also discussed the option of offering the City of Monticello use of the excess Bio-Solids capacity. Staff indicated that representatives from both communities have been in discussions and that an agreement would be drafted to protect the City of Big Lake's interests in the facility. Council questioned what the anticipated increase to the base charges could be. Boyer noted that he expects a need for a 6% increase annually to sustain the Sanitary Sewer Fund. Council directed staff to organize a tour of the WWTP in the near future.

4G. Senior Room/Food Shelf Update

Jim Thares reviewed the remodel plans and Request for Quotes process for the former library space and Food Shelf areas which are to be converted into a Senior Center and expanded Food Shelf. The next step in the process involves obtaining Requests for Quotes. Staff also updated Council on the need to use Consultant Building Official Fred Patch for architectural services for this project in an effort to save costs on the project. Jim Thares clarified the duties of Fred Patch and Building Inspector Sam Rudd, who will be serving as the Project Manager for this project.

5. OTHER

Corey Boyer discussed the upcoming dance that is scheduled at the Big Lake Fire Station. Staff has been notified that this is not a school function, therefore we will not be receiving an insurance certificate from the school. Council directed staff to forward a request to the school district that they apply for a TULIP insurance policy through the League of MN Cities so an adequate policy can be in place prior to the event.

Sean Rifenerick informed Council that Cullen Czech, the K9 Officer has passed trials, and will be providing an update at an upcoming Council Meeting. Information was also provided on Tornado Awareness, Grant opportunities, and the condition of the roof at the Police Station. Rifenerick noted that the roof will need to be replaced within the next 2 to 3 years.

Council Member Danielowski discussed the status of the Hwy 10/CR 5 intersection improvements and asked if the EDA owned lot will be cleaned up. DeWolf noted that construction related debris and areas will be cleaned up by the contractor according to the contract. Council suggested the EDA and future property owner should place a sign advertising the site.

Mayor Kampa asked for an update on the City's Sign Ordinance relating to reader boards. Katie Larsen discussed permitting requirements for these types of signs and indicated that she will confer with staff on regulations for the amount of time a reader board is authorized for placement. Mayor Kampa also asked for staff assistance in controlling the wooded area in the back of Saron Lutheran Church. A neighboring property owner has contacted her about junk and blight issues and potential fire hazards with bonfires in the area. Chief Rifenerick indicated that he will assist the code enforcement division in bringing this property compliant. Rifenerick also instructed property owners to call 911 if there are immediate fire concerns.

6. ADJOURN

Council Member Heitz motioned to adjourn at 8:51 p.m. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

Date Approved By Council 04/22/09