

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
SEPTEMBER 8, 2010**

1. CALL TO ORDER

Mayor Lori Kampa called the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

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

4. OPEN FORUM

Mayor Kampa opened the Open Forum at 7:01 p.m. No one came forward. Mayor Kampa closed the Open Forum at 7:02 p.m.

5. PROPOSED AGENDA

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

6. CONSENT AGENDA

Council Member Danielowski motioned to approve the Consent Agenda with the removal of item 6C for separate consideration. Seconded by Council Member Heitz, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Regular Council

Meeting Minutes of August 25, 2010, 6B) Approve Upcoming Meeting Date Changes and Cancellations, 6D) Set Council Gathering for the Big Lake Chamber of Commerce Big Lake Block Party Event on September 11, 2010 at McPete's Sports Bar and Lanes, 6E) Set Council Gathering for the September 18, 2010 Movie in the Park Event at Big Lake Middle School, 6F) Approve Wright's Crossing Third Addition Outlot B Proceedings Subsequent to Initial Registration of Land Document, 6G) Approve Joint Powers Agreement with the MN Bureau of Criminal Apprehension Authorizing the Big Lake Police Department to utilize the Criminal Justice Data Communications Network, 6H) Approve Resolution No. 2010-59 Big Lake Area Jaycee's Request to hold the 9th Annual Little Hole on Big Lake Ice Fishing Contest on February 26, 2011, and 6I) Authorize Purchase of Lakeside Park Playground Equipment.

6C) Authorize Cancellation of Big Lake Marketplace, LLC Tax Abatement Agreement

Corey Boyer updated Council on discussions with the Big Lake Marketplace developer. The developer has informed staff that they have a potential buyer and they would like more time to finalize the deal. Boyer noted that the developer did not provide a timeline for the potential sale. Staff asked for Council feedback on finalizing the cancellation of the Tax Abatement Agreement. Council questioned how assignment would work if we agree to hold off on the cancellation. Boyer reviewed the assignment process compared to the full Abatement process for a new owner and indicated that Abatement generally requires a need for assistance, where the assignment would require the new owner to submit financials.

Council Member Heitz motioned to table the Cancellation of the Big Lake Marketplace, LLC Tax Abatement Agreement until October 8, 2010 and directed staff to bring this item back to Council at the first Council Meeting in October following this date. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7. BUSINESS

7A. DONATION PRESENTATION – Eddy Family Foundation

Robert Eddy representing the Eddy Family Foundation presented the Big Lake Police Department with a \$2,000 donation and the Big Lake Fire Department with a \$2,000 donation. Chief Rifenerick and Chief Eisinger thanked the Eddy Family Foundation for the generous donation. Council also thanked the Foundation for their continued commitment to the Big Lake Community.

Council Member Langsdorf motioned to approve Resolution No. 2010-60 accepting a donation to the Big Lake Police Department and the Big Lake Fire Department from the Eddy Family Foundation. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

7B. PUBLIC HEARING – Vacation of Portions of Putnam Ave and Powell St

Katie Larsen reviewed the planners report for the Vacation of portions of Putnam Avenue and Powell Street in conjunction with the TH10 & 25 intersection reconstruction project.

Mayor Kampa opened the public hearing at 7:17 p.m. No one came forward. Mayor Kampa closed the public hearing at 7:18 p.m.

Council Member Heitz motioned to Approve Resolution No. 2010-61 providing for the Vacation of a portion of Putnam Avenue as dedicated on the Plat of Putnam West, and Approve Resolution No. 2010-62 providing for the Vacation of a portion of Powell Street as dedicated on the Plat of Putnam West. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7C. PUBLIC HEARING – Putnam West Simple Subdivision

Katie Larsen reviewed the planners report for the Preliminary and Final Plat for Putnam West in conjunction with TH10 & 25 intersection reconstruction project. The final plat will consist of Lot 1, Block 1 (.463 acre), Outlot A (.357 acre), Outlot B (.373 acre), and Putnam Avenue (.314 acre) totaling 1.507 acres. Council discussed the access design for the adjacent parcel. Larsen noted that the access to McDonald's would physically remain the same but that a perpetual easement would be required which will be discussed during Item No. 7D.

Mayor Kampa opened the public hearing at 7:20 p.m. No one came forward. Mayor Kampa closed the public hearing at 7:21 p.m.

Council Member Danielowski motioned to Approve Resolution No. 2010-63 approving the Putnam West Simple Subdivision Plat. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7D. Putnam West Plat – Ingress and Egress

Katie Larsen reviewed the planners report for the Ingress and Egress Easement for the Putnam West Simple Subdivision. Larsen noted that with the approval of the street vacations and simple subdivision as related to the plat of Putnam West, a perpetual easement for ingress and egress over Putnam West is required to allow access to the McDonalds Corporation property located at 330 Jefferson Boulevard.

Council Member Heitz motioned to approve Resolution No. 2010-64 approving an Ingress and Egress Easement over the Putnam West Plat allowing access to 330 Jefferson Blvd. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

7E. Pollinator Day Donations

Mike Goebel reviewed the Pollinator Event held in June and identified donations that were received for the event. Council thanked all donators for their generous contributions.

Council Member Danielowksi motioned to approve Resolution No. 2010-65 accepting donations for the June 19, 2010 Pollinator Event. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7F. Preliminary 2011 Tax Levy

Corey Boyer reviewed the Payable 2011 Preliminary Property Tax Levy which included both the operating levy and the special levies for the City. Boyer reviewed several revenue sources budgeted to decline which included 1) Local Government Aid and Market Value Homestead Credit Aid – No budgeted revenue, 2) Building Permit Revenues – Budgeted to decline \$75,000 from 2010 levels, 3) Preliminary 2011 operating levy budgeted to increase \$13,000 over 2010, and 4) Interest revenues – Budgeted to decline \$20,000 in 2011 from 2010 levels. Boyer also reviewed the decreases in various revenues that will leave the City with approximately \$220,000 less in revenues to work with in 2011 versus 2010. The City has addressed these reduced revenues through staff restructuring/changes, no capital purchases, no cost-of-living adjustment for staff and continued furlough program and various other operating budget adjustments. Boyer identified that the Proposed 2011 property tax levy is \$3,560,456 which is a \$73,000 (2.9%) increase over the final 2010 Property Tax Levy. Council has set a goal for minimizing the increase to the City's tax rate for 2011. The goal will require that the City reduce the proposed levy by approximately \$260,000. This will be accomplished through restructuring of existing debt and further staff changes. Boyer explained that the expected final levy will be approximately \$3,300,000, or 5.4% below the 2010 levy. Boyer discussed the repealed truth-in-taxation requirements and indicated that the City will hold a public hearing on December 8th to allow for public input on the budget and levy. Council stressed the need to continue to cut costs to keep the City tax rate at an acceptable level.

Council Member Langsdorf motioned to approve Resolution No. 2010-66 adopting the Preliminary 2011 Tax Levy. Seconded by Council Member Heitz, vote passed with a vote of 4:1 with Council Members Danielowski, Heitz, Kampa, and Langsdorf voting aye, and Council Member Backlund voting nay. Motion carried.

7G. Small Cities Development Program Overview

Don Meyerson, project manager for Tri-County Action Program (Tri-CAP) presented an overview of the Small Cities Development Program (SCDP) application. The SCDP grant would provide funds for the rehabilitation of owner/occupant existing homes. Meyerson

noted that Tri-CAP is suggesting four regional communities submit one SCDP grant application with the City of Big Lake being the official applicant. The other communities that would participate in the program along with Big Lake include Becker, Clear Lake, and Zimmerman. Meyerson indicated that if awarded the funds, Tri-CAP would be responsible for the administration of the program but will look to the City for some assistance. Council questioned if the City would incur any expense for assisting with the program. Meyerson noted that administrative expenses can be charged to the program.

8. LIST OF CLAIMS

8A. Consider List of Claims

Council Member Danielowski motioned to approve the List of Claims ranging from Check No. 59203 through Check No. 59282 with the exception of Check No's. 59082, 59105, and 559206 for separate consideration, and Electronic Payments #1169E to #1175E. Seconded by Council Member Backlund, unanimous ayes, motion carried.

8B. Consider AutoStop Payment in the Amount of \$1,189.80

Council Member Heitz motioned to approve payment of Check No. 59082 in the amount of \$888.50 and Check No. 59105 in the amount of \$301.30 payable to AutoStop, Inc. Seconded by Council Member Danielowski, vote passed with a vote of 4 to 0 with 1 abstention with Council Members Backlund, Danielowski, Heitz, and Kampa voting aye and Council Member Langsdorf abstaining. Motion carried.

8C. Consider Audio Communications Payment in the Amount of \$1,279.25

Council Member Danielowski motioned to approve payment of Check No. 59206 in the amount of \$1,279.25 payable to Audio Communications. Seconded by Council Member Heitz, vote passed with a vote of 4 to 0 with 1 abstention with Council Members Danielowski, Heitz, Kampa, and Langsdorf voting aye and Council Member Backlund abstaining. Motion carried.

9. ADMINISTRATOR'S REPORT

Scott Johnson reminded Council of the Big Lake Block Party and Dog Vaccination Clinic scheduled on September 11th and the Movie in the Park event scheduled on September 18th.

Tony Eisinger reviewed the Fire Departments ISO Rating decrease due to increased fire fighter training and the purchase of additional fire safety equipment.

Corey Boyer updated Council on the Marketplace Development Letters of Credit. It was noted that Riverwood Bank's deadline for the developer to finalize a refinancing package is October 1st. Staff discussed the timeline for completion of the unfinished infrastructure and noted that the project most likely wouldn't be able to be completed this fall. Boyer reviewed the notification requirements for drawing on Letters of Credit and asked for Council feedback on drawing the Letter of Credit now or waiting until a future date. Council Member Danielowski stated that Council needs to move in the best interest of the taxpayers. Council Member Langsdorf stated that he is more concerned with the Hudson Woods Development than the Marketplace Development. Brad DeWolf reviewed the 429 process. Mayor Kampa and Council Member Heitz stressed their concern with making this type of decision on short notice.

Council Member Danielowski motioned to approve pulling the Letter of Credit for the Hudson Woods Development and to direct staff to set up a meeting with the developer and lender for the Marketplace Development. Seconded by Council Member Backlund, unanimous ayes, motion carried.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Danielowski: Urged residents to take extra precautions in school zones with the startup of the new school year.

Council Member Heitz: Asked staff to contact Orange Cab to invite them to an upcoming meeting to discuss providing service at the Northstar Station. Council Member Heitz also provided a Northstar update. Brad DeWolf updated Council on the Hwy 10/25 intersection improvement project and noted that the bid results will be presented at the next meeting. Council Member Heitz also indicated the possible need for the City to state their support of pedestrian friendly crossings to be incorporated into the Sherburne County Road 43 project near the Northstar Station site.

Mayor Kampa: Reminded the public about the upcoming Chamber of Commerce Block Party and the Movie in the Park event.

Council Member Langsdorf: Katie Larsen provided a Planning Commission update.

11. OTHER

Council Member Danielowski asked to have the League of MN Cities DVD "Outside the Ox" playback on the City Government Channel and at the September 22nd Council Meeting.

