

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
FEBRUARY 24, 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, Accounting Clerk Bea Lindberg, Senior Planner Katie Larsen, Public Works Director Mike Goebel, Police Chief Sean Rifenberick, City Attorney Soren Mattick of Campbell Knutson, and City Engineer Brad DeWolf of Bolton & Menk, Inc.

4. OPEN FORUM

Mayor Kampa opened the Open Forum at 7:01 p.m.

George Quinn – 810 Lake Street North, informed the Council that his conversations with several local building contractors and business owners revealed that the building permit fees were not their main concern; there is a lack of continued contact and communication from the City Council and City Staff.

Mayor Kampa closed the Open Forum at 7:04 p.m.

5. PROPOSED AGENDA

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

6. CONSENT AGENDA

Council Member Heitz motioned to approve the Consent Agenda as presented. Seconded by Council Member Backlund, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Regular Council Meeting Minutes of February 10, 2010, 6B) Approve Council Workshop Minutes of February 17, 2010, 6C) Set Board of Appeal and Equalization Hearing Date at 5:00 pm on April 7, 2010, 6D) Approve Resolution No. 2010-14 Authorizing Preparation of a Feasibility Report for the Meadows of Big Lake Development, 6E) Approve an Exempt Permit for the Sand Dunes Gobblers NWTF at the Carousell Works on April 10, 2010, 6F) Approve Transfer from NSP Grant Fund to the General Fund, 6G) Set Council Gathering on March 10, 2010 from 4:30 pm to 6:00 pm for the Hwy 10/25 Intersection Improvement Project Open House in the City Council Chambers, 6H) Approve 2010 Council Goals and Priorities, and 6I) Authorize submittal of Appropriations Form for the Rail Park Infrastructure.

7. BUSINESS

7A. Food Shelf Update

Mary McKie thanked Council for the Proclamation to proclaim the month of March to be Minnesota Food Share Month. McKie informed Council the March Food Share campaign accounts for more than half the food distributed through food shelves each year in Minnesota.

McKie was also grateful for the timing of the Big Lake Food Shelf expansion/remodel project. Last year the Big Lake Food Shelf experienced a 24% increase in local need. Of the 232 new families served, 45% were children. She thanked the Council for the continued support.

7B. February 17, 2010 Workshop Update

Scott Johnson provided an update on the February 17, 2010 City Council Workshop. The workshop included an update from County Commissioner Peterson, the proposed 2010 budget reductions and building permit fee proposal that would be discussed at this evening's agenda, and the 2010 Goals and Priorities approved with the Consent Agenda.

7C. 2010 Budget Adjustments

Corey Boyer reviewed recommendations to address the anticipated loss of \$156,000 of Local Government Aid from the state in 2010. Proposed cuts include; 1) Outsourcing the building inspections department which is expected to save a net amount of \$133,000 after the contracted building official budget is increased to reflect the reliance on the contractor for all building inspections activity, 2) Not hiring the part-time transcriptionist position in the

police department which would save approximately \$10,000 in the budget, 3) Additional revenues of \$4,500 can be budgeted due to billings to the Township for police services in our shared taxing districts, and 4) Reduction of professional service fees totaling \$8,500. Boyer also noted that if the cuts are implemented, the \$156,000 savings would not be fully realized until 2011. For 2010, the savings would be offset by one-time payments of accrued vacation and comp time, and unemployment. Staff is recommending that the one-time payments for 2010 be taken from reserves.

Boyer reported the possibility of an additional \$165,000 unallotment of the Market Value Homestead Credit Aid. He stated staff would continue to work on a contingency plan in the event this unallotment occurs.

Council Member Heitz motioned to approve the 2010 budget adjustments as discussed and to layoff the City's two Building Inspectors and Building Administrative Assistant positions effective February 26, 2010. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Council Member Danielowski motioned to authorize Mayor Kampa to execute an addendum for residential building inspection services to the contract with Inspectron, Inc. subject to City Attorney Mattick's approval. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7D. Building Permit Fee Discussion

Corey Boyer summarized discussions held at the February 17th Workshop regarding building permit fees and the proposal to reduce fees. Boyer noted that at the time of building permit, the builder would pay the full building permit fee. The fee would then be allocated; 1) \$3,000 would go to the Water Fund to cover the water access charge, 2) Approximately \$3,000 would go to the Sanitary Sewer Fund for the sewer access charge with approximately \$1,580 of the sewer access charge to be paid from General Fund reserves, 3) The City would retain the water meter fee, the state surcharge fee, and the contractor license check fee, 4) \$2,000 would go into Seed/Sod Escrow which would be returned to the builder once the seed/sod requirement is met, 5) \$4,000 would go into a builder's escrow which would be returned to the builder once all conditions of an escrow agreement are met. This proposal would result in the water and sewer enterprise funds being made whole through up-front revenues and the transfer from the General Fund. The General Fund would receive no building permit or plan review fee revenue over the duration of this program, and it would require the one-time transfer from the General Fund to the Sanitary Sewer Fund to make that fund whole.

Council Member Heitz recapped the process of the Fee Committee to draft the building permit fee reduction proposal. Council Member Langsdorf added that the escrow

agreement would be limited to a 4-month trial period beginning March 1, 2010, and require a set criterion the builder must meet to qualify for a refund of the escrow.

Council Member Danielowski appreciated the efforts of the Fee Committee and stated she was concerned the City's bond rating may be negatively affected and felt the City should be reimbursed for services provided.

Council Member Heitz motioned to approve the Fee Committee Recommendation to reduce building permit fees for a 4-month period beginning March 1, 2010, and ending June 30, 2010. Seconded by Council Member Backlund, motion passed with a vote of 4:1 with Council Members Backlund, Heitz, Kampa, and Langsdorf voting aye, and Council Member Danielowski voting nay. Motion carried.

7E. Purchase Agreement for the Hwy 10/25 Intersection Improvement Project

Brad DeWolf reviewed the purchase agreement for the property located at 10 Lake Street South. The purchase agreement was prepared by the City Attorney and has been signed by the property owner. The property purchase will be financed through the Transportation Revolving Loan Fund. Dewolf stated the soil borings and building inspection did not reveal any contamination. The Petrofund would reimburse the City for any necessary mitigation of contaminants. An Open House to unveil the plans to the public will be held on March 10, 2010, 4:30 p.m. to 6:00 p.m.

The Council Members discussed the project funding sources and the estimated timeline for completion.

Council Member Danielowski was concerned there is no Federal assistance for funding the project and the City purchase would remove a business from the property tax rolls.

Council Member Heitz motioned to authorize Mayor Kampa and Administrator Johnson to sign the Purchase Agreement of the BP Amoco Gas Station property for the Highway 10/25 Intersection Improvement Project. Seconded by Council Member Langsdorf, motion passed with a vote of 4:1 with Council Members Backlund, Heitz, Kampa, and Langsdorf voting aye, and Council Member Danielowski voting nay. Motion carried.

7F. Project Status Report – City Engineer

Brad DeWolf reviewed the February Project Status update which included the Wastewater Treatment Facility, Rail Park, utilities to County Road 14/Trunk Highway 25, Trunk Highway 10/Trunk Highway 25 intersection improvements, 168th Street signal, Quiet Zones, and Well No. 8.

8. LIST OF CLAIMS

Council Member Danielowski motioned to approve the List of Claims ranging from Check No.57852 through Check No. 57927 and electronic payments 1005E through 1023E. Seconded by Council Member Backlund unanimous ayes, motion carried.

9. ADMINISTRATOR'S REPORT

Administrator Johnson reminded Council of the Comprehensive Economic Development Strategy meeting in Becker at 3:00 p.m. on February 25, 2010, and the Business Expo scheduled on March 7, 2010, from 11:00 a.m. to 3:00 p.m. at the Big Lake High School.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Danielowski: Announced the 8th annual Jaycees' Fishing Contest would be held at Lakeside Park on February 27th from 12:00 to 3:00 p.m. and the Bloodmobile would be at the Big Lake High School on February 25th from 8:00 a.m. to 1:00 p.m.

Council Member Heitz: Informed the Council that the scheduled 2013 Northstar Commuter Rail expansion to St. Cloud may be delayed.

11. OTHER – No other.

12. ADJOURN

Council Member Heitz motioned to adjourn at 7:49 p.m. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Gina Wolbeck
Clerk

Date Approved By Council March 10, 2010