

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES**

**APRIL 25, 2007**

**1. CALL TO ORDER**

Mayor Don Orrock 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, Chuck Heitz, Lori Kampa, Patricia May, and Don Orrock. Also present: City Administrator Scott Johnson, Finance Director Corey Boyer, Community Economic Development Director Jim Thares, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Liquor Store Manager Jan Kostrzewski, City Attorney Sorren Mattick of Campbell Knutson, City Engineer Brad DeWolf and Jared Voge of Bolton & Menk, Inc., Fred Patch of Northwest Inspection Services, City Land Attorney Bob Ruppe from Couri, MacArthur, & Rudde, and Financial Consultant Shelly Eldridge from Ehlers and Associates.

**4. OPEN FORUM**

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

**5. PROPOSED AGENDA**

Council Member Kampa motioned to adopt the proposed Agenda with the addition of item 7H – Salt Storage Quote Review. Seconded by Council Member May, unanimous ayes, agenda adopted.

## **6. CONSENT AGENDA**

Council Member Heitz motioned to approve the Consent Agenda with the removal of item 6H for separate consideration. Seconded by Council Member May, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Board of Review Meeting Minutes of April 11, 2007, 6B) Approve Regular Council Meeting Minutes of April 11, 2007, 6C) Approve Special Meeting Minutes of April 16, 2007, 6D) Approve Joint Meeting Minutes of April 16, 2007, 6E) Approve Use of the Big Lake Fire Station for the 2007 Spud Fest Fireworks Display, 6F) Approve Excluded Bingo and Raffle for the Big Lake Spud Fest Celebration Scheduled on June 21 – 24, 2007, 6G) Approve 1 – 4 Day Temporary on-sale Liquor License to Big Lake Spud Fest, Inc., 6I) Approve Debt Service Transfers, 6J) Approve Employment Status Change, 6K) Approve Transfer of SAC Credits to the BLEDA, 6L) Award Quote for Roof Top HVAC Equipment at Lake Liquors to B&D Plumbing in the amount of \$15,586, 6M) Approve Resolution No. 2007-39 of Support for Transit Orientated Development and Construction of a Municipal Parking Ramp, and 6N) Approve Donation Resolution No. 2007-40.

6H) Approve Change Order No. 1 and 2007 Budget Adjustment for the Channel Improvement Project

Council Member Backlund inquired why the City is being charged for the removal of additional posts. Brad DeWolf explained that the original bid included six to seven posts that were visible and that the Contractor discovered eight creosote treated wooden posts below the ice which were required to be removed.

Council Member Backlund motioned to approve Change Order 1 in the amount of \$21,266.00 and a budget adjustment in the amount of \$98,023 to the General Fund for the Channel Improvements Project. Seconded by Council Member Kampa, unanimous ayes, motion carried.

## **7. BUSINESS**

### **7A. Award the Sale of Bonds**

Shelly Eldridge presented the bond sale report for the \$2,105,000 General Obligation Improvement Bonds, Series 2007A for the 2007 Street and Utility Improvement Project, and the Martin Avenue Phase III Project. Ms. Eldridge informed Council that the low bid was received from United Bankers Bank from Minneapolis, MN at a rate of 4.0736%. Ms. Eldridge also informed Council that the City's Moody rating was reaffirmed at A2.

Council Member Kampa motioned to accept the low bid from United Bankers Bank of Minneapolis, MN, and to approve Resolution #2007-41 providing for the issuance and sale of \$2,105,000 General Obligation Improvement Bonds, Series 2007A, pledging for the security thereof special assessments and levying a tax for the payment thereof. Seconded by Council Member Heitz, unanimous ayes, motion carried.

Ms. Eldridge also presented the bond sale report for the \$2,060,000 General Obligation Utility System Revenue Bonds, Series 2007B to partially fund the County Road 43 Interceptor Project. Ms. Eldridge informed Council that the low bid was received from Northland Securities, Inc. from Minneapolis, MN at a rate of 4.2549%.

Council Member Heitz motioned to approve Resolution No. 2007-42 providing for the issuance and sale of \$2,060,000 General Obligation Utility System Revenue Bonds, Series 2007B and levying a tax for the payment thereof. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Shelly Eldridge presented the bond sale report for the \$1,130,000 General Obligation Capital Improvement Plan Bonds, Series 2007C to partially fund the Public Works Building Expansion Project. Ms. Eldridge informed Council that the low bid was received from Northland Securities, Inc. from Minneapolis, MN at a rate of 4.2790%.

Council Member May motioned to accept the low bid from Northland Securities, Inc. of Minneapolis, MN, and to approve Resolution #2007-43 providing for the issuance and sale of \$1,130,000 General Obligation Capital Improvement Plan Bonds, Series 2007C, pledging for the security thereof special assessments and levying a tax for the payment thereof. Seconded by Council Member Kampa, unanimous ayes, motion carried.

Ms. Eldridge also presented the bond sale report for the \$2,670,000 General Obligation Public Utility Revenue Refunding Bonds, Series 2007D to refund the General Obligation Public Utility Revenue Bonds, Series 1998A. Ms. Eldridge informed Council that the low bid was received from UBS Investment Bank from Dallas, TX at a rate of 4.0170%.

Council Member Heitz motioned to approve Resolution No. 2007-44 providing for the issuance and sale of \$2,670,000 General Obligation Public Utility Revenue Refunding Bonds, Series 2007D and levying a tax for the payment thereof. Seconded by Council Member Kampa, unanimous ayes, motion carried.

## **7B. Discuss the Establishment of a Joint Planning Committee**

Scott Johnson reviewed discussions held at the April 23, 2007 Monticello Council Meeting introduced new City Land Attorney Bob Ruppe from Couri, MacArthur, & Ruppe.

Bob Ruppe reviewed the annexation issue with Big Lake Township and the City of Monticello and indicated that the City of Monticello has agreed to rescind the Notice of Intent to Annex once the Boards have approved a Joint Planning Agreement. Mr. Ruppe asked for Council direction on allowing staff to meet with the Big Lake Township and City of Monticello legal counsel to draft an Agreement.

Council Member Kampa motioned to approve Resolution No. 2007-45 establishing a Joint Planning Committee with the Town of Big Lake and the City of Monticello appointing Mayor Orrock and Council Member Backlund to the Committee, and to direct staff to work with legal counsel from Big Lake Township and the City of Monticello to draft a Joint Planning Agreement. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7C. 2007 Code Enforcement Sweeps Update**

Fred Patch discussed the code enforcement sweeps that are conducted in the Spring of every other year to encourage city residents and businesses to take pride in their city and to take advantage of the May Clean-up Day event. As the code enforcement sweeps are conducted, inspectors routinely find and photograph problem areas and request clean-up of inoperable vehicles, garbage, junk, debris, and other conditions that blight neighborhoods. Mr. Patch indicated that City ordinances set minimum compliance periods for several types of violations and that the ordinances do not set maximum compliance periods. Staff is always willing to negotiate a reasonable time so a resident is able to comply. One of the principal advantages of conducting sweeps during odd years, and only complaint based enforcement during even years, is that the sweeps are non-discriminatory.

Mr. Patch explained that 105 notices were sent out with 62 of those being for inoperable or unlicensed vehicles and 43 being for junk, blight violations. Follow-up will be done after the May 5<sup>th</sup> Clean-up Day event. No action was taken by the Council.

#### **7D. Update and Change Order No. 2 for the Fire Hall Expansion Project**

Corey Boyer discussed additional project costs that should be run through the capital project fund for the Fire Hall Expansion Project, including the building permit fee of \$12,000 which we had requested be refunded to the City from Sherburne County, and a \$1,525.70 water meter fee. The total project overage is estimated at approximately \$25,000 which could be recouped from interest earnings on the bond proceeds over the last year which are expected to come in just under \$25,000. The net effect when the project fund closes out should be close to zero, requiring little, if any, transfer of monies from the City's General Fund to final out the project.

Fred Patch reviewed the status of the fire hall expansion project and indicated the project is substantially complete other than a few remaining punchlist items. Mr. Patch discussed the change order which includes credits in the amount of \$16,470 and additional costs in the amount of \$32,094.

Council Member Heitz motioned to approve Change Order No. 2 for the 2006 Fire Hall Expansion Project. Seconded by Council Member Kampa, unanimous ayes, motion carried.

#### **7E. Update and Change Order No. 2 for the Lake Shopping Center Project**

Fred Patch updated Council on the status of the Lake Shopping Center project and indicated that the project is substantially complete with a few punchlist items remaining including painting, gutter repair and installation of signs for accessible parking. Nelson Construction is prepared to complete all items remaining as the weather improves. Mr. Patch reviewed change order number 2 in the amount of \$23,467.01. The changes were motivated by the Owner to provide for a safer project and for the completion of a more aesthetically pleasing building. Mr. Patch indicated that with change order no. 2, the project is estimated to be 1.7% under budget with a budget surplus of approximately \$16,083.00. Discussion was held on status of inspections on the renovated areas.

Council Member Kampa motioned to approve Change Order No. 2 for the 2006 Lake Shopping Center Exterior Renovation Project allowing for the change requests 2 through 25 in the total amount of \$23,467.01. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7F. Liquor Store Channel Letter Signage**

Jan Kostrzewski discussed quotes received for additional channel letter signage on the west side of the Liquor Store building. Staff is hoping this signage will attract more customers with the extension of Martin Avenue. The set of channel letters will be two feet tall, approximately 20 feet long and individually internally illuminated. Ms. Kostrzewski explained that three quotes were received and that staff is recommending the City accept the quote from Scenic Sign Corporation in the amount of \$4,700 as the price also includes an aluminum extension to the rain spout. Ms. Kostrzewski also informed Council that Scenic Sign manufactured and installed the signage on the front of the store so there shouldn't be issues with matching the style and coloring.

Corey Boyer discussed funding options for this project. Funding could come from the 2007 Liquor Enterprise Fund for equipment purchases. By running this signage through the 2007 equipment budget for the Liquor Store, it will result in a budget overage unless staff makes adjustments to the schedule for other equipment purchases. Another funding option would be to utilize the funds existing in the liquor store expansion project budget. This fund is currently approximately \$16,000 under budget and this signage expense could be run through that budget and be included in the cost of the building acquisition and remodel. If Council wishes to proceed with the installing the channel letter signage on the west side of the building, staff is recommending utilizing alternate 2 for funding of the project.

Council Member Heitz motioned to accept the quotes and authorize the Mayor and City

Administrator to enter into a contract on behalf of the City with Scenic Sign Corporation of St. Cloud for the manufacture of the wall sign systems including the 24" high channel letters in the amount of \$4,700.00, and to utilize alternate 2 for funding the signage through the 2006 Lake Shopping Center Renovation project. Seconded by Council Member May, unanimous ayes, motion carried.

#### **7G. Project Status Update – City Engineer**

Brad DeWolf reviewed the April 17, 2007 Engineers Report and answered questions from Council. Council asked Mr. DeWolf to provide more definitive project completion dates when possible.

#### **7H. Salt Storage Quote Review**

Fred Patch reviewed the three quotes received for the salt storage project. Mr. Patch explained that as the value of the project is under \$50,000, the project is eligible for quotes rather than the public bidding requirements. Mr. Patch indicated that there is only one vendor in the State of MN that provides the Cover-All, Titan TBS Series 2, but that two other quotes were accepted with varying specifications. Mr. Patch indicated that the quote received from Greystone Construction best suites the needs of the City as it provides the greatest floor area, provides superior design details, meets all specifications, has the longest warranty period and will provide the greatest value for the City. Mr. Patch indicated that quotes for the bituminous flooring and a containment structure will be brought to Council in the future. Council asked Mr. Patch to confirm the correct bid amount and warranty period prior to the signing of the contract as there are discrepancies between the contract and Mr. Patch's memo.

Council Member Kampa motioned to accept the quotes and authorize the Mayor and City Administrator to enter into a contract with Greystone Construction Company to provide and install a membrane type building for Salt Storage, including professional design services for foundations at an amount not to exceed \$48,300. Seconded by Council Member May, unanimous ayes, motion carried.

### **8. LIST OF CLAIMS**

#### **8A. Consider List of Claims**

Council Member Kampa motioned to approve the List of Claims ranging from Check No. 50604 through Check No. 50760 with the exception of Check No. 50712. Seconded by Council Member Heitz, unanimous ayes, motion carried.

#### **8B. Consider Audio Communications Payment in the Amount of \$1,227.13**

Council Member Heitz motioned to approve payment of Check No. 50712 payable to Audio Communications in the amount of \$1,227.13 for security monitoring, and supplies. Seconded by Council Member Kampa, vote passed with a vote of 4 to 0 with 1 abstention with Council Members Heitz, Kampa, May, and Orrock voting aye and Council Member Backlund abstaining. Motion carried.

## **9. ADMINISTRATOR'S REPORT**

Administrator Johnson informed Council that staff will proceed with setting up a Tour of the Lakes this summer. Administrator Johnson also informed Council that due to decreased building inspection revenues, the contract inspector position will be reduced from 5 days per week to 2 days per week. This position will be increased as revenues increase.

## **10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS**

Council Member Backlund: Reviewed the April Planning Commission Meeting. Council Member Backlund also discussed the contract the City has with Northwest Inspection Services and asked why we don't hire a full-time person in place of outsourcing with a Contractor and stated that he feels we shouldn't hire an outside firm for blight control. Administrator Johnson explained that in addition to blight control, Northwest Inspection Services provides plan review services for commercial/industrial projects which require specialized certification. Council Member Backlund also asked why towing services are still not fairly distributed. Sorren Mattick reviewed the Council's right to contract for towing services and stated that it is a policy debate for the Council.

Council Member Heitz: Updated Council on the new Transit Oriented Development Committee.

Council Member Kampa: Discussed the Library Committee meeting held in April.

Mayor Orrock: Discussed the need to get the skateboard park completed so area youth have a safe place to skate.

## **11. OTHER**

Mayor Orrock recessed the regular meeting at 8:28 p.m. to go to Closed Session to conduct the City Administrator's Six-Month Performance Evaluation allowed per MS 13D.05, subd. 3a.

**12. CLOSED SESSION – City Administrator’s Six-Month Performance Evaluation**

Council Members conducted the Six-Month Performance Evaluation for City Administrator Scott Johnson. No action was taken by the Council during Closed Session.

Council Member Heitz motioned to Close the Closed Session and reconvene the regular meeting at 9:37 p.m. Seconded by Council Member May, unanimous ayes, motion carried.

**13. ADJOURN**

Council Member May motioned to adjourn at 9:38 p.m. Seconded by Council Member Kampa, unanimous ayes, motion carried.

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Gina Wolbeck  
Clerk

Date Approved By Council \_\_\_\_\_ 05/09/07