

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
MARCH 25, 2009**

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, Public Works Director Mike Goebel, Police Chief Sean Rifenberick, City Attorney Soren Mattick of Campbell Knutson, and Assistant City Engineer Jared Voge of Bolton & Menk, Inc. Fire Chief Tony Eisinger arrived at 8:15 p.m. after presenting at the Big Lake Town Board Meeting.

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 with the addition of item 7J – Big Lake Spud Fest Update. Seconded by Council Member Danielowski, unanimous ayes, agenda adopted.

6. CONSENT AGENDA

Council Member Heitz motioned to approve the Consent Agenda with the removal of item 6F for separate consideration. Seconded by Council Member Danielowski, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Regular Council Meeting Minutes of March 11, 2009, 6B) Approve Waiver of Temporary Use Fee for the Big Lake All-Night Graduation Party Committee, 6C) Approve Resolution No. 2009-24 for an Exempt Raffle Request from the Becker/Big Lake Ducks Unlimited, 6D) Call Public Hearings at 7:00 pm on April 22, 2009 for the Certification of Delinquent Utilities, Past Due Snow Removal, Weed/Grass Removal, and Unpaid Water Usage Charges, 6E) Approve Employment Status Change for Public Works Employee A. Roelike, 6G) Approve Cancelling April 8, 2009 Regular Council Meeting, and 6H) Appoint Council Member Danielowski to the Neighborhood Stabilization Grant Program Committee.

6F) Approve Grant and Maintenance Agreements for the Rock Riprap Shoreline Project on the Westside of Lake Mitchell

Mike Goebel reviewed the use of the grant proceeds for the Phase I portion of the improvements to the shoreline on the west side of Lake Mitchell. The improvements are necessary to stabilize the shoreline and bank from eroding. Goebel noted that staff will be applying for additional grant dollars when they become available in June. Council thanked staff for their efforts in applying the grants. Goebel also discussed the status of the proposed fishing pier on Lake Mitchell.

Council Member Danielowski motioned to approve the Grant and Maintenance Agreements between the City and Sherburne County Soil and Water Conservation District for the Rock Riprap Shoreline Project on the west side of Lake Mitchell. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7. BUSINESS

7A. Recap of March 18th Council Workshop Discussion

Scott Johnson reviewed discussions held at the March 18, 2009 Council Workshop.

7B. PROCLAMATION – Millard D. Fuller of Habitat for Humanity

Mayor Kampa read aloud a Proclamation proclaiming March 28, 2009 as Central MN Habitat for Humanity Day and recognizing the life and legacy of Millard D. Fuller. Council also encouraged the public to attend the Habitat for Humanity Kick-off event scheduled on March 28th from 11am to 1pm at Saron Lutheran Church.

Council Member Heitz motioned to approve Resolution No. 2009-25 recognizing the life and legacy of Millard D. Fuller and proclaiming the 28th day of March, 2009 to be Central MN Habitat for Humanity Day in the City of Big Lake. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

7C. Krutzig TIF Proposal

Jim Thares reviewed the Tax Increment Financing request submitted by Mike Krutzig for the commercial property located north of Highway 10 and east of CR 43. At their March 9th meeting, The BLEDA approved a recommendation that the Council consider up to \$450,000 in TIF assistance to help move the development further. Mr. Krutzig is proposing to complete Phase I by developing a new bank facility for Klein Bank. The larger portion of the project, which is Phase II, is not yet determined. The BLEDA members expressed concerns regarding the lack of details of Phase II. The members suggested that amendments could be made in the future to a Redevelopment Agreement that is put into place for the Phase II portion of the proposal. Thares noted that the site is not currently in the City limits and that annexation will be necessary, which will bring additional tax dollars into the City.

Fred Whitney representing Klein Bank discussed the bank project and noted that the site will provide great visibility, access, and will allow the bank to expand. Mike Krutzig discussed the phasing of the project and indicated that 25% of the site will be sold to Klein Bank. Krutzig discussed the assistance that he needs to help with costs for demolition of the current structure, the extension of sewer, and infrastructure improvements. Krutzig also reviewed his interpretation of the TIF process and noted that TIF is a "Pay as you go" type of financing. Cheryl Oman, legal counsel for Krutzig reviewed the TIF process and discussed the improvements that are planned for the site. Oman discussed the Redevelopment Contract and noted that the developer will more than likely be coming back to Council to seek additional financing for the Phase II portion of the project. Krutzig noted that Klein Bank is paying a fair market price for their portion of the project.

Council reviewed discussions held at the BLEDA meetings which included BLEDA's concerns with the lack of job creation, and leaving the old Klein Bank building vacant. BLEDA Members also discussed the current condition of the Legion Building which has deteriorated significantly, and that the financing requested from the developer is a pay as you go type of financing plan.

Mark Ethan from Klein Bank indicated that they are aware of potential issues with the old Klein Bank building remaining vacant, and that they will continue to maintain the site until the building is either leased or sold. Ethan noted that their intent is to find an occupant for the site as soon as possible. Whitney reviewed the proposed timeline for the new project and indicated that the design will be similar to their facility located in Otsego, MN. Whitney also discussed the potential for job creation as their business grows.

Council Member Heitz motioned to commit up to \$450,000 in Tax Increment Financing for the Mike Krutzig Redevelopment Project and to authorize staff to prepare a Redevelopment Agreement and TIF Plan for future Council consideration. Discussion followed the motion with Council Member Danielowski noting that the project could help motivate development in the area and that it has the potential for some job creation, and Council Member Backlund indicating that the developer has proven their ability with past projects. Motion seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Council Member Heitz motioned to bring the Krutzig Annexation Petition to the April 22, 2009 Meeting for Council consideration. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Council Member Heitz stated that Council's commitment for TIF assistance at this time does not constitute a TIF commitment for future phases of the project. Krutzig stated that he understands Council Member Heitz' statement.

7D. Becker/Big Lake Ice Association Update

Scott Johnson discussed the Ice Association's request for the City of Big Lake to apply to Sherburne County for a Landfill Legacy Grant to be used for building a Big Lake Regional Ice Arena in the Big Lake Marketplace Development. Sherburne County has confirmed the funds available to the City of Big Lake are approximately \$830,000 and that the application is required to be submitted by April 27, 2009. The Legacy Grant is awarded based on the use of "green" materials in a construction project.

Kent Vickerman from the Ice Association discussed their scaled back master plan for an ice arena and informed Council that their \$500,000 Bonding Bill has passed the Senate and is currently going through the appropriate House Committees. Discussion was also held on the structure of the Legacy Grant and Vickerman clarified that no general fund tax dollars will be coming from the City.

Council Member Heitz motioned to authorize staff to submit a Landfill Legacy Grant Application to Sherburne County for use to build a Big Lake Regional Ice Arena in the Big Lake Marketplace Development. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7E. PUBLIC HEARING – Bauer Addition Simple Subdivision

Katie Larsen reviewed the development application for a Simple Subdivision submitted by Pat and Gloria Bauer. Applicants are seeking approval to combine Lot 1, Block 8, Lake Street Cottages and Lots 4 & 5, Block 2, Hazelwood Park Addition to create one residential lot. The current house/garage structure will be demolished, and a new single family home will be built.

Mayor Kampa opened the public hearing at 7:43 p.m. No one came forward. Mayor Kampa closed the public hearing at 7:44 p.m.

Brett Parent from Parent Custom Homes discussed the project and noted that they plan on keeping as many tree's as possible.

Council Member Langsdorf motioned to approve Resolution No. 2009-26 approving Bauer Addition Simple Subdivision Plat. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

7F. Shoreland Overlay District Impervious Surface Limits

Katie Larsen reviewed the planner's report relating to a public hearing held by the Planning Commission in February 2009 considering an Ordinance Amendment to allow increases in the impervious surface limits with a Conditional Use Permit for properties within the Shoreland Overlay District. Larsen noted that the intent of the Ordinance is for the protection of local waters.

Council Member Danielowski motioned to approve Ordinance No. 2009-04 amending Chapter 10 of the Big Lake City Code regarding Shoreland Overlay District Impervious Surface Limits and to approve Summary Publication Resolution No. 2009-27. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7G. Liquor Store Staff Restructure

Jan Kostrzewski reviewed the possible staff restructure at the Municipal Liquor Store due to recent reductions in operating profit margin, net income, and retained earnings of the liquor store. The Liquor Store Committee has recommended that the Assistant Manager position take over night supervisor duties between the hours of 2pm – 10pm, and that the Night Supervisor Position be eliminated. The current Night Supervisor would be laid off from the position and scheduled accordingly if he accepts a part-time liquor clerk position.

Council noted that the restructure is not a reflection of any staff persons performance, but is a result of the financial condition of the liquor store. Council questioned if this type of restructure is necessary to bring to Council, or if staff can make the decision. Administrator Scott Johnson stated that the City Council is the only entity in the City that can hire/fire full-time employees and that staff does not have the authority to terminate employment of any full-time City employee.

Council Member Langsdorf motioned to approve the staff restructure at the Municipal Liquor Store as discussed. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7H. Purchase Laptops for Council and Commission Use

Scott Johnson discussed the purchase of laptops for the City Council to access/review electronic Council packets during meetings. It is staff's recommendation that the laptop's remain in the Council Chambers and possibly be used by the Planning Commission and BLEDA for their meetings. Data Success has researched the type of machines that would best suite the intended use. Dell Vostro A860 could be purchased from the State bid and would cost approximately \$640 per laptop. Seven laptops would cost approximately \$5,100 based on the information provided by Data Success. The cost would be proportionately split between Council and various committees. Clerk Gina Wolbeck discussed the cost savings that would benefit the City by implementing paperless Council and Committee packets.

Council Member Heitz motioned to approve the purchase and setup of seven laptop computers for use at Council, Planning Commission, and BLEDA meetings to reduce future copying costs for the City of Big Lake. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7I. Project Status Report – City Engineer

Jared Voge reviewed the March Project Status Update and answered questions from the Council. Discussion was also held on the 168th Street signal. Voge noted that MNDOT approval on a signal at this intersection will most likely be development driven.

7J. Big Lake Spud Fest Update

Geoff Randall, President of the Spud Fest Organization presented the Police Department with a \$150 donation and the Fire Department with a \$100 donation. Mr. Randall thanked the City for their support of the Spud Fest event.

Mr. Randall also requested Council consider approval of the required licensing for the 2009 event which includes a 1-4 day temporary liquor license, an Exempt Bingo permit, accept notification of an Excluded Raffle, and approval to use the Fire Department site for the annual fireworks display. Staff noted that Council approval should be contingent upon submittal of all required documentation.

Police Chief Sean Rifenberick thanked the Spud Fest Organization for their continued support of the Police and Fire Departments.

Council Member Langsdorf motioned to approve Resolution No. 2009-28 accepting a donation to the Big Lake Police and Fire Departments. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Council Member Heitz motioned to Approve a 1-4 Day Temporary On-Sale Liquor License, waive the liquor license fee, Approve the Exempt Bingo Application, Accept Notification of Excluded Raffle, and Authorize use of the Big Lake Fire Station property for the Fireworks Display contingent on submittal of all required documentation for the 2009 Big Lake Spud Fest event on June 25th through June 28th, 2009. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

8. LIST OF CLAIMS

8A. Consider List of Claims

Council Member Danielowski motioned to approve the List of Claims Check Payments ranging from Check No. 55717 through Check No. 55846 with the exception of Check #55723, and Electronic Payments #716E to #727E. Seconded by Council Member Backlund, unanimous ayes, motion carried.

8B. Consider AutoStop Payment in the Amount of \$3,054.42

Council Member Heitz motioned to approve payment of Check No. 55723 in the amount of \$3,054.42 payable to AutoStop, Inc. Seconded by Council Member Danielowski, Vote passed with a vote of 4 to 0 with 1 abstention with Council Members Heitz, Kampa, Danielowski, and Backlund voting aye and Council Member Langsdorf abstaining. Motion carried.

9. ADMINISTRATOR'S REPORT

Council Member Danielowski motioned to Set a Special Council Gathering on Thursday, April 2, 2009 from 4:00 p.m. to 5:30 p.m. for a tour of the Northstar Vehicle Maintenance Facility located along CR 43 south. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Council Member Heitz motioned to Set a Special Council Gathering on Wednesday, April 8, 2009 from 7:00 p.m. to 8:00 p.m. for the Metropolitan Council Northstar Fare Public Hearing located at the Sherburne County Government Center. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Fire Chief Tony Eisinger discussed a request they have received from the Big Lake Student Council to hold a benefit dance at the fire hall on May 8th from 6pm to 10pm. John Michael Adams, Sabrina Feaster, Sam Nason, and Morgan Whittaker presented their plans to raise money for the To Write Love On Her Arms Organization and the Big Lake Food Shelf. Chaperones will include teachers, parents, 2 Big Lake Police Reserves, and 2 Sheriff's Deputy's. Chief Eisinger noted that he expects a large turnout of fire personnel to donate

their time to help chaperone the event also. The students have committed to set up the fire hall and to cleanup the area after the event.

Soren Mattick discussed potential legal issues with the fire hall hosting this type of event and suggested that a Facility Use Agreement be drafted and that an insurance rider be required.

Council Member Heitz motioned to authorize the use of the Big Lake Fire Hall for a benefit dance on May 8, 2009 contingent upon the finalization of an insurance rider for the event. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Backlund: Received a complaint from the local hardware store about a building permit fee that was charged for the set-up of a tent. Staff noted that they would check into the specifics of the permit that was issued and will meet with the applicant.

Council Member Danielowski: Informed the public of upcoming community events including: 1) A Food Shelf Benefit at Coborn's on March 27th – 28th; 2) The Big Lake Ambassador Fundraiser on March 29th, and 3) The Lions Club pancake breakfast at Lion's Park on April 5th.

Council Member Heitz: Reminded the public of the upcoming Metropolitan Council Public Hearing scheduled on April 8th from 7pm to 8pm at the Sherburne County Government Center.

Mayor Kampa: Discussed the March TOD Meeting, and the March 21st Town Hall Meeting held at the Big Lake Library. Mayor Kampa also discussed the liquor store Wine Tasting event held on March 20th and her participation in the Mayor's Meals on Wheel event. Discussion was also held on who is responsible to maintain the access at the east end of the Carousell Works parking lot. Mike Goebel indicated that the property is owned by Bruce and Diane Jacobsen.

11. OTHER – No other.

12. ADJOURN

Council Member Langsdorf motioned to adjourn at 8:41 p.m. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Gina Wolbeck
Clerk

04/22/09
Date approved by Council