

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
MAY 12, 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 Riftenberick, Fire Chief Tony Eisinger, Liquor Store Manager Jan Kostrzewski, City Attorney Soren Mattick of Campbell Knutson, City Engineer Brad DeWolf and Jared Voge of Bolton & Menk, Inc.

4. OPEN FORUM

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

Geoff Randall, President of Spud Fest, Inc. updated Council on the annual Spud Fest event being held June 24 – 27, 2010 and the upcoming Movie in the Park on May 22, 2010.

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

5. PROPOSED AGENDA

Council Member Langsdorf motioned to adopt the proposed Agenda. Seconded by Council Member Danielowksi, 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 April 28, 2010, 6B) Approve Final Pay Estimate for the CR 43 Interceptor Sewer Project, 6C) Approve Final Pay Estimate for the Hwy 10/CR 5 Intersection Improvement Project, 6D) Approve Resolution No. 2010-28 approving the Cooperative Agreement with MNDOT for 168th Street Signal Improvements, 6E) Set Council Gatherings: 6E.i.) June 25, 2010 from 5 pm to 8 pm for the Council/Staff Volunteer Commitment at the Big Lake Spud Fest Bingo Tent, 6E.ii.) August 5, 2010 at 5pm at Lakeside Park for the Employee Appreciation Picnic, 6E.iii.) August 6, 2010 from 7pm to 10pm at the City Hall Parking Lot for the Big Lake Night Out Event, 6F) Approve Spud Fest Event Applications and Fee Waivers, 6G) Approve Amended Resolution No. 2010-07 Appointing the Public Works Director as the Assistant Weed Inspector, 6H) Approve RFP for Collection Agency Services, 6I) Approve Resolution No. 2010-29 authorizing a Therapeutic Massage License for Roanne Euerle, 6J) Approve Contract for Fire Department Lawn Maintenance to TerraCare Lawn & Property Services, 6K) Approve Contract for Police Department Roof Replacement to Ken Geroux Construction Corporation, 6L) Approve Donation Resolution No. 2010-30 accepting a donation from Bolton and Menk for GPS Data Collection, 6M) Approve Donation Resolution No. 2010-31 accepting a \$100 donation from the Big Lake Area Jaycee's for the Police Department Reserve Officer Program, 6N) Approve Commercial Noise Permit to Brain Freeze, LLC, and 6O) Approve Resolution No. 2010-35 authorizing Lakedale Communications Corporate Change to Windstream.

7. BUSINESS

7A. PROCLAMATION – Law Enforcement Appreciation Week

Mayor Kampa read a Proclamation proclaiming the week of May 9th through May 15th, 2010 as Police Week 2010. Council thanked the Police Department staff for their dedicated service.

Council Member Heitz motioned to approve Resolution No. 2010-32 proclaiming May 9th through May 15th, 2010 as Police Week 2010. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7B. Police Officer Oath of Office

Sean Rifener introduced new Police Officer Nicole McAllister and Mayor Kampa conducted the Police Officer Swearing in Ceremony. Council welcomed Officer McAllister to the City of Big Lake.

7C. Consider Calling for Letters of Credit

Corey Boyer reviewed the status of uncompleted developments in the City of Big Lake. Final wear course and other miscellaneous punch-list items remain to be completed. Boyer noted that staff has attempted to work with the developer to provide time to complete the improvements based on the lack of activity in the developments. Boyer noted that it would be an appropriate time for Council to consider the option to call the existing letters of credit to complete the public improvements. Boyer explained that the Riverwood Bank is actively working with the developer to repackage their financing and staff will continue to have on-going conversations with both the developer and the Bank. Brad DeWolf reviewed the Letter of Credit process and explained how Letters are reduced based on completion of specific criteria of the development. Council discussed the need for the developer and Bank to provide a timeline for completion. Staff noted that the Bank has indicated a 6 month timeline to complete the refinancing. Council discussed their concern with immediately drawing on the Letters of Credit due to the potential impact it would have on the developer and the Bank. Council also explained the need to protect the City and to ensure that the public infrastructure improvements are completed. Soren Mattick reviewed FDIC insured institutions compared to non-insured, and the status of Letters of Credits if a financial institution is bought out by another institution. Council questioned if the public improvements can wait another winter without being completed. DeWolf indicated that engineering staff has regularly inspected these developments and there have not been any failure signs of the public improvements to date. Staff will continue to monitor the developments and will report back to Council if any deterioration signs occur. Council appointed Council Members Langsdorf and Danielowski to sit in during discussions with the developer and the Bank and directed staff to provide bi-weekly updates on the Administrative Report and bi-monthly updates at Council Meetings until the projects are completed. No action was taken by the Council.

7D. Duffy Development Project – Statement of Support

Katie Larsen reviewed the planners report for the Letter of Support request submitted by Duffy Development. The developer is proposing a future project consisting of the development of 33 attached townhomes in four buildings in the Wright's Crossing 3rd Addition development. Duffy Development is seeking support from the City of Big Lake to complete this project by working together with their Section 42 Tax Credit application which will be submitted to the Minnesota Housing Finance Agency.

John Duffy discussed their timeline for completion of the project. Council questioned whether the developer has other projects up for the same Tax Credit application. Council discussed their frustration with the developer having two applications last year and stated that they feel the developer should focus on one application. Duffy reviewed the timeline for the project if their Tax Credit Application is approved which won't be announced until October.

Council Member Heitz motioned to approve Resolution No. 2010-33 authorizing support for Duffy Development Company, approve Resolution No. 2010-34 stating receptivity to a

DEED SCDP Award, and approve a Mayor Letter of Support for the Duffy Development Company. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

7E. Call for Sale of G.O. Taxable Temporary Bonds, Series 2010A

Corey Boyer reviewed the status of the Interfund Loan issued in December of 2005 from the City's Sanitary Sewer Fund for Tax Increment Financing District 1-4. The Interfund loan was intended to be short term in nature and to be held until the land at the corner of Hwy 10 and County Road 5 was sold for redevelopment. Boyer noted that as the land has not been sold, the City needs to replenish the Sanitary Sewer Fund with the funds from the Interfund loan. Staff recommended that the City issue temporary bonds in order to pay off the Interfund loan. A temporary bond issuance would allow for low interest rates and flexibility in restructuring the long-term finance package related to this TIF District once the land is sold. Council questioned if the issuance can be held off until after the summer construction season ends with the hopes that the property will sell. Boyer noted that the issuance costs could be minimally higher if the issuance is done later rather than being included with the Meadows of Big Lake issuance.

Council Member Heitz motioned to table the Taxable Temporary Bonds issuance until a later date. Seconded by Council Member Backlund, unanimous ayes, motion carried.

8. LIST OF CLAIMS

8A. Consider List of Claims

Council Member Langsdorf motioned to approve the List of Claims ranging from Check No. 58391 through Check No. 58490 with the exception of Check No's. 58476 and 58477 for separate consideration, and Electronic Payments #1068E to #1074E. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

8B. Consider AutoStop Payment in the Amount of \$1,402.67

Council Member Heitz motioned to approve payment of Check No. 58477 in the amount of \$1,420.67 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 \$779.73

Council Member Langsdorf motioned to approve payment of Check No. 55476 in the amount of \$779.73 payable to Audio Communications. Seconded by Council Member Danielowski, 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

Council Member Heitz motioned to Set a Council Gathering on May 20, 2010 from 5:30 p.m. to 7:00 p.m. in the City Council Chambers for the Meadows of Big Lake Assessment Open House. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Scott Johnson provided information on the upcoming Movie in the Park event.

Soren Mattick provided information on the Council By-Laws and Censure procedures.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Backlund: Reviewed the May Parks Advisory Board Meeting. Council Member Backlund also thanked the Public Works Department for mowing the Highway 10 median by 168th Street.

Council Member Danielowski: Reviewed the May EDA Meeting and the Sherburne County Developer's Tour held on May 6th. Council Member Danielowski also provided information on the Community Education Advisory Meeting, the Mock Crash event held on May 5th, Poppy Days Sales, and the upcoming City Wide Garage Sale. Council Member Danielowski also discussed mowing of City properties.

Council Member Heitz: Provided an update of the NCDCA Meeting and noted that Northstar Commuter Rail ridership has been increasing. Council Member Heitz also discussed the need for the kiosk signage to be put in at the Big Lake Station sooner rather than later. Brad DeWolf provided an update on the Hwy 10/25 Intersection Improvement Project.

Mayor Kampa: Brad DeWolf updated Council on the utility work being completed by CenterPoint Energy. DeWolf indicated that the affected areas will be restored to their original condition when CenterPoint Energy completes the weld checks.

Council Member Langsdorf: Discussed the need for the former Lakeside Drive-Inn property to be properly cleaned up and maintained by the property owners.

11. OTHER

Council discussed the success of the 2010 Clean-Up Day event and thanked all the volunteers that helped out.

12. ADJOURN

Council Member Heitz motioned to adjourn at 8:19 p.m. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Clerk

Date Approved By Council _____