

**BIG LAKE CITY COUNCIL  
WORKSHOP MINUTES  
JANUARY 21, 2015**

**1. CALL TO ORDER**

Mayor Danielowski called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

Council Members present: Nick Christenson, Raeanne Danielowski, Seth Hansen, Duane Langsdorf, and Mike Wallen. Also present: Interim City Administrator Joel Scharf, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Liquor Store Manager Jan Muehlbauer, Economic Development Manager Heidi Steinmetz, Big Lake Parks Board Member Bev Anderson, Big Lake Student Council Liaison Maddy Zinken, Sharon Klumpp and Ann Antonson from Springsted, Inc., Erik Nordstrom from Colliers International, and City Engineer Brad DeWolf, Paul Saffert and Joel Oden from Bolton and Menk, Inc.

**3. PROPOSED AGENDA**

Council Member Wallen motioned to adopt the proposed Agenda as presented. Seconded by Council Member Christenson, unanimous ayes, agenda adopted.

Mayor Danielowski introduced Big Lake Student Council Liaison Maddy Zinken.

**4. BUSINESS**

**4A. River Oaks Park Plan Review – Big Lake Parks Board Presentation**

Joel Oden presented the River Oaks Park Plan and asked for feedback from members of the Parks Advisory Board and the City Council. Oden reviewed proposed features of the future Park which has an emphasis on keeping the Park natural, low in maintenance, and keeping the impact of motorized vehicles to a minimum. The Plan was finalized in late September 2014, and potential features include a canoe launch, a pavilion, utilities in specific areas, a splash pad, possible future RV and tent camping sites, a picnic shelter area, disk golf, natural and traditional playground structures, a possible future look-out, and a connection to the CR 5 trail system. The preliminary timeline for this project is possible drawings done this fall with work beginning in 2016 depending on funding. Discussion was held on DNR grants and other possible funding sources. Mike Goebel noted that he anticipates utilizing Bolton and Menk grant writers to write the grants. Council discussed that the city may need to Levy for any improvements as we don't have dollars in the Park Dedication Fund. Council Member Wallen discussed the need to get citizen backing before we start dedicating funds.

Bev Anderson from the Parks Board noted that Lakeside Park is very busy and that we need an overflow option for outdoor recreation. River Oaks Park would be a good option on the east side of the City. Anderson also noted that the site as it currently exists is not handicap accessible.

Maddy Zinken stated that from a school position, high school students really don't have many options for outside recreation other than a skate park at Lakeside Park. The disk golf area would be a great option to promote outdoor activity for the youth community.

Discussion was held on ownership of the Park noting that the City does not own the future phased areas of the Park Plan. Council also discussed the need to engage the public. Goebel suggested that we pursue available grants now and work towards holding public input meetings in the near future. Discussion was held on publicizing the Park Plan at the upcoming Chamber of Commerce Expo and to open up discussions at Council Meetings. Mayor Danielowski stressed that this type of Park would be an economic driver for our commercial businesses.

Council directed staff to proceed with utilizing Bolton and Menk to write grants with no more than 25% matching dollars.

#### **4B. Cargill Kitchen Solutions Discharge Agreement Discussion**

Paul Saffert from Bolton and Menk discussed the Industrial Discharge Agreement from 2006 between the City and Cargill Kitchen Solutions. Saffert noted that due to the recent expansion at this facility in 2013/2014, discharge volumes and loadings have substantially increased. Cargill Kitchen Solutions has requested modifications to the previous Agreement to accommodate the increase in volume and loadings. Mike Goebel indicated that he has met with staff from Bolton and Menk along with representatives from both the Monticello and Big Lake Cargill facilities to discuss their present and future discharge volumes.

Saffert presented an analysis comparing Cargill's flows/loading in relation to the City's SAC fees. Saffert reviewed the analysis indicating that the Waste Water Treatment Facility has adequate capacity to handle the proposed flow and loading increase from Cargill Kitchen Solutions. The flow and load increases are equivalent to approximately 182.5 Equivalent Dwelling Units for the wastewater system. Bolton and Menk recommended Cargill Kitchen Solutions purchase the capacity for the expanded flow and loading based on an average for flow and load converted to EDU's. The cost of treatment should also be adjusted upward by 47% to account for the high strength waste that leads to higher treatment costs and additional solids generation. Saffert also noted that if Cargill changes their process for handling eggs, there would be a whole different calculation.

Council discussed that some communities allow users to pay over a two to three year period. It was also noted that we have to cover our costs, and that most communities

wouldn't have the capacity capabilities that we have. Council stressed that Cargill has been a good partner to work with and that this fee would guarantee them a specific amount of capacity. Staff clarified that this agreement would leave us with approximately 400 units of available capacity.

Council directed staff to proceed with discussions with Cargill Kitchen Solutions.

#### **4C. Executive Search Update – Springsted, Inc. (Sharon Klumpp)**

Sharon Klumpp presented the draft City Administrator Profile Narrative listing the desired qualifications for the City Administrator and the leadership opportunities it offers to prospective candidates. Discussion was held on the need to determine salary range for the position and Ann Antonson noted that the wage range listed in the draft profile was taken from the recent Compensation and Classification Study which is based on 2014 wages.

Council directed Springsted, Inc. to proceed with publication of the City Administrator Profile Narrative. Any changes should be directed to the City Clerk by 9:00 a.m. on Friday, January 23<sup>rd</sup>.

#### **4D. Compensation Study Review – Springsted, Inc. (Ann Antonson)**

Ann Antonson discussed the hiring of Springsted, Inc. to undertake a citywide compensation and classification study. The initial results of this study were provided to the City in late 2014. Antonson discussed the results of the study and reviewed strategies for implementation. Discussion was held on longevity pay and licensing benefits, pay grades, comparable data, Pay Equity laws, and the last survey that was done in 2004. Antonson noted that the new study is comprised of 23 pay grades with 6% between grades. The Comparable data was obtained from 14 communities that were comparable to Big Lake in the areas of size, structure, services, population, and geographic area. Antonson clarified that the study is based on what the job requirements are. Council and staff reviewed the differences between PTO and sick/vacation time accruals.

Council directed the Personnel Committee to continue meeting with Springsted and to bring a final recommendation to Council for consideration.

#### **4E. 121 Lake Street North Property – Market Analysis Discussion (Colliers International)**

Heidi Steinmetz reviewed the history of the purchase of the former Police Department building that has been vacant since October 2012. The two-parcel property is currently listed for sale by Colliers International for \$225,000, and that Sherburne County's 2014 estimated market value on the property is \$237,200. Steinmetz reviewed discussions held at the December 2014 workshop relating to establishing a deadline for removing stored items from the property and directing staff to continue working with Colliers International to sell the building. Steinmetz noted that the listing agent on the property is Erik Nordstrom.

Erik Nordstrom discussed the updated market analysis that Colliers International conducted in January 2015. Nordstrom also recommended that the asking price be lowered to \$200,000. Nordstrom noted that one of the issues with the building is the layout of the site and the amount of office space within the industrial style building.

The general consensus of the Council was to lower the asking price to \$199,900 for the City owned property located at 121 Lake Street North.

#### **4F. Bond Refunding Options**

Deb Wegeleben reviewed discussions held with Northland Securities regarding the debt study they completed for the City in 2014. One of the opportunities highlighted during this process was the potential savings in interest on refinancing several bonds. We currently hold six bonds totaling \$9,675,000. Wegeleben noted that the potential savings to property taxes and the sewer and water funds would be approximately \$1,042,639 over the life of these bonds. This bond refunding would also provide an opportunity to include the costs for the required phosphorus upgrades at the wastewater treatment plant.

Council directed staff to proceed with a refunding of Bonds 2007A, 2007B, 2007C, 2008A, and 2008B, and to include costs for the Phosphorus Upgrade project.

#### **4G. Tax Forfeited Land Purchase Discussion**

Gina Wolbeck reviewed the Tax Forfeited parcels that the City removed from the Sherburne County Sale list in August 2014. By removing the parcels, it gives the City the opportunity to retain the parcels if they serve a public purpose. Five of these parcels should have been deeded to the City at the time of platting which did not occur. Wolbeck explained that these parcels are considered Failure to Convey and can be transferred to the City at a minimal recording cost. The other five parcels that are not Failure to Convey parcels will have some costs associated with the City taking ownership and staff is looking for Council feedback on if they would like the City to proceed with submitting Conditional Use Deeds for these parcels. Discussion was held on the amount of outstanding assessments owing on parcel no. 65-445-0001 and if the City will ever be able to collect on them.

The general consensus of the Council was to proceed with submitting Conditional Use Deeds for parcel numbers 65-451-0010, 65-497-0010, 65-544-0020, and 65-120-1401 and to allow parcel number 65-445-0001 to be placed back on the Sherburne County Sale List in order to attempt to collect unpaid assessments on the parcel.

#### **5. OTHER**

Joel Scharf informed Council that John Uphoff from WSB has asked to meet with the Council to discuss Economic Development services their firm can provide. Council directed staff to invite WSB to an upcoming Council Workshop and to invite BLEDA Members to attend.

Mike Goebel discussed water/sewer rate study concerns and indicated that further discussion is needed. Finance Consultant Jessica Green has recommended that Council consider a rate change to our sewer rates in the interim.

Council directed staff to proceed with implementing a fee schedule change to increase sewer rates.

**6. ADJOURN**

Council Member Langsdorf motioned to adjourn at 9:04 p.m. Seconded by Council Member Hansen, unanimous ayes, motion carried.

Gina Wolbeck  
Recorder

01/28/15  
Date Approved By Council