

**BIG LAKE CITY COUNCIL  
WORKSHOP MINUTES  
MARCH 20, 2013**

**1. CALL TO ORDER**

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

**2. ROLL CALL**

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, Seth Hansen, and Mike Wallen. Also present: City Administrator Todd Bodem, Finance Director Paula Mastey, Public Works Director Mike Goebel, Police Chief Joel Scharf (arrived at 6:17), Liquor Store Manager Jan Muehlbauer, Fire Chief Randy Miller, and Administrative Assistant Sandy Petrowski.

**3. PROPOSED AGENDA**

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

**4. BUSINESS**

**4A. Former Biosolids Property Discussion**

Public Works Director Mike Goebel discussed the 27.71 acre City-owned property located out near the airport between Big Lake and Monticello) that was formerly used for land application of liquid biosolids. He explained that with the new treatment process, the field will no longer be used for land application.

Goebel reported that he has had discussions with a couple of local farmers and that there was some interest in either leasing or purchasing the property. The City had also been approached by the Amateur Baseball Association last year, asking the City to turn this site into a baseball facility. Another scenario which had been presented to the City was for the City to sell the property and possibly use the funds to build a ball field at a different location.

The following options were discussed:

**Leasing the Property:**

- 1) Goebel suggested that because the land will not be used for the biosolids application or anything else this year, the property could be leased so is not sitting vacant.

Goebel reported the following regarding potential prices to lease:

- If leased as non-irrigated, it could be \$50-75/acre.
- If leased as irrigated price could be \$200-250/acre; the cost of installing irrigation would be the responsibility of the person leasing the property and the City would be responsible for paying the taxes on the property.

Council Member Wallen stated that he believed it would not be a good time to sell due to the current market but leasing would allow the property to be used while bringing in additional funds to the City.

Council Member Hansen stated that he believed that the site is not a prime parcel to purchase for farming but leasing would be a viable option.

#### Selling the Property:

- 1) Mayor Danielowski asked if the Parks Committee has been approached about possibly purchasing the property.
  - Goebel reported that the Parks Committee had discussed the issue but was not interested in purchasing the site.
- 2) Goebel stated that because the property was initially purchased with wastewater funds, the money received from the sale of the property may have to go back into the wastewater fund. Finance Director Paula Mastey stated that staff would recommend keeping the dollars in the wastewater fund as it would help to pay down the debt in the next few years but that the funds could be set aside for future use and that would ultimately be a Council decision.

It was the consensus of the City Council to direct Public Works Director Goebel to proceed with leasing the property.

#### **4B. Smith Property Discussion**

City Administrator Todd Bodem reported that staff had contacted staff at Hay Dobbs & Associates to obtain an estimate of the land area that would be needed for a city hall campus or one freestanding building. It was determined that 5 to 7 acres would be needed, dependent upon parking, driveways, streets, and ponding.

Bodem stated that in order to have a sufficient site plan layout for a municipal facility on the recommended acreage for a municipal facility, additional property would need to be acquired. He indicated that staff has suggested that a possible option could be the property adjacent on the south side of the property being offered by the Smith family.

Council and staff discussed: the timing of the offer to purchase with the lack of available budget; the estimated valuation of the proposed property; and potential options (i.e., the cost of a new facility versus updating of current city hall).

After a lengthy discussion, it was the consensus of the Council to direct staff to contact the Smith family and respectfully decline the offer to sell their property to the City due to the City's lack of available funds at this time.

#### **4C. 2012 Year End Department Reports**

Department Heads/representatives provided 2012 year-end information for the following departments:

##### **Finance Department**

Finance Director Paula Mastey reported on some staffing changes within the Department that took place in 2012: 1) Mastey hired as Finance Director in 02/2012; 2) made changes in coding and duties among staff; 3) hired the utility billing clerk in 06/2012; 4) brought utility billing in-house on 08-01-13; and 5) brought in a Workforce Center employee to assist the department for up to one year at no cost to the City.

Mastey stated that the 2012 audit recently concluded, noting that they were able to eliminate several of the comments that had been on the City's report over the past few years. The first ever Sales Tax Audit is also scheduled for this year.

Mastey also discussed the following:

- General Fund 2012 revenues and expenditures.
- 2012 Enterprise Fund revenues/expenditures for:
  - Water Fund - Revenues increased (+29%) from 2011; and exceeded the 2012 budget by 10%. This was due to the increase in water rates as well as implementing the tiered water usage program. Expenses are 5% under budget and 4% less than last year's expenses. As of 12/31/12, the water fund had a negative cash balance of \$1.5 million dollars. A cash flow analysis was done in 2012. If the recommended rate structure continues to be followed, the fund should have a positive cash flow by 2017.
  - Sewer Fund – Sewer rates were decreased in 2012 which resulted in \$230,000 less than in 2011 and \$133,000 less than budgeted. 2012 sewer expenses exceeded budget by \$74,000. Beginning in 2013, the City's debt payments due from the sewer fund will increase significantly. Several City funds rely on this fund to offset their negative cash balances. If the recommended rate structure continues to be followed, the sewer fund should be able to cover debt payments with a positive cash balance by 2016.
  - Storm Sewer Fund – Revenues were higher than in 2011, but less than anticipated for in 2012. This was due to a budgeted capital contribution amount of \$10,000 that did not occur. Expenses for the fund are under budget by \$118,600 which is due to the payoff of the 2005 GO capital equipment note. This fund has a negative cash balance of \$183,000. If the recommended fee structure remains in place, this fund

should have a positive cash flow, excluding depreciation, by 2016.

- Liquor Fund – Revenues were higher than anticipated in 2012, earning 7.2% more than budgeted. Actual expenditures of the liquor fund were slightly over budget at 1.6%. This was due to the cost of inventory resulting from higher than anticipated sales.

### **Personnel Department:**

Administrator Bodem briefly reviewed the report on 2012 activities of the Personnel Committee and Human Resources Department, which included the following:

- Finance Department: Discontinued contract with Finance Consultant (Abdo Eick & Meyer, LLP) in January 2012. Appointed full-time Finance Director in February 2012.
- Administration Department: In fall of 2012, utilized the Central MN Jobs and Training Services to staff a temporary part-time file clerk to assist all departments at no cost to the City.
- Liquor Store: Three part-time employees resigned in 2012. No new employee hires.
- Police Department: Police Chief was put on paid administrative leave in March 2012 and a negotiated settlement was approved by Council in April; Police Chief's last day of administrative leave was in June 2012. 04-2012 - Sherburne County Sheriff's Captain Steve Doran filled in as the Interim Police Chief until new a new Police Chief was hired in August 2012.
- 2012 Contract Union Re-Opener: LELS Contract was approved through December 31, 2013 at a zero percent cost of living increase for 2013.

### **Community Development Department**

City Administrator Todd Bodem reviewed the 2012 Executive Summary for the Community Development Department, which included information on the following:

- Business Subsidy Loans
- New brokerage firm for the Industrial Park (CentraSota R/E)
- Business Retention and Expansion Program (BL Investment Committee)
- Neighborhood Stabilization Program (NSP)
- Farmer's Market
- Manufacturer's Week
- Comprehensive Economic Development Strategy (CEDS)
- Marketing Efforts (Sherburne County Tools for Business Website, TOD Tour, Metro Transit).
- Planning and Development Projects
- 2012 Building / Zoning Permit Activity

### **Public Works Department:**

Public Works Director Mike Goebel discussed the following information from the Public Works year-end report:

- Number of employees: fourteen full-time employees; nine part-time seasonal employees. One full-time position and one permanent part-time position remain open due to budget costs.
- Sherburne County Sentence To Serve (STS) crew worked 269 hours; Workforce Center staff provided 2,200 hours at a value of \$22,000.
- Number of after-hour call outs in 2012: 67 (not including plowing and sanding).
- Compost Site: Compost cards are being issued and are needed for entry to site.
- Discussed multiple tasks/activities performed in the Street Department, Parks Department (including planting of trees, treatment of lakes, reduction in mowing hours and skating rink hours; number of vehicle traffic at Lakeside Park, award of SHIP grant and boat inspection grant), Water Department (including water usage, leak detections, foreclosed/vacant homes, water shut-offs, and the new utility billing process), and the Wastewater Department.

### **Police Department**

Police Chief Joel Scharf reviewed the Police Department's 2012 year-end report, including the following:

- Department Structure and staffing
- Facility changes – the department relocated into the City Hall building in October 2012 (\$15,000 budget savings, one stop shop for residents, staff from various departments working together, administrative staff sharing, and a more professional office space).
- Patrol Division (8 patrol officers work 12 hour shifts bid by seniority, rotation allows for every other weekend off, Zero Death Program, Traffic Safety Diversion Program, Big Lake Night Out event, and medical responses).
- Investigative Division – 2 assigned investigators (major cases in 2012 involved the Saron Church vandalism and burglary, Verizon store burglary, Guevara child pornography case, and the Zuniga child criminal sexual contact case).
- Records & Administration – 2 full-time employees (completed 1,179 transcriptions in 2012).
- Departmental Training – Use of Force, Special Training (PATROL, Chief Law Enforcement Officers Command Academy, DWI Webinar, Landlord Tenant Issues, Terrorism Awareness, Towards Zero Death Traffic Safety Program, Sex Assault Training, Patrol Rifle AR 15 Maintenance, Field Sobriety Testing, Union Steward Training, Bulletproof Mind Street Survival, Advanced Data Practices, Field Testing Update)

- Reserve Officer Program – Met and surpassed the goal of 5,000 hours (5,386.5 total at a value of \$80,782.50), departure of 2 reserve officers, and the appointment of 7 new members (currently at 12 members). The department received the Presidential Volunteer Service Award.
- Community Emergency Response Team (C.E.R.T.) – Started the program in 2011 at 20 participants with 14 members still remaining. 7 meeting/training sessions held in 2012.
- Outreach and promotion – Facebook, web page, media releases, officers at events within the community, rebranding (new squad design).
- Crime Free Multi-Housing – program working with landlords in the City to facilitate crime free housing units. 4 meetings held in 2012. TAP training offered to all participants.
- Departmental Fleet – one marked patrol car assigned to each shift. 7 vehicles made up the department fleet at the end of 2012.
- Calls for Service and Crime Rates – Department migrated to a new dispatch and records system named ProPhoenix in 2011. This system is managed by the Sherburne County Sheriff's Office. In 2012, there were 7,104 calls for service.
- Forfeitures – proceeds from seized vehicles are split between Sherburne County Attorney's Office (30%), and the Big Lake Police Department (70%). Forfeitures in 2012 grossed \$4,500 (minus deductions). Current forfeiture inventory includes 3 vehicles.
- Budget Overview – 2012 budget was \$1,285,450. Ending expenditures was \$1,382,228. After removing non-budgeted settlement amounts paid for through other funding sources -4.5% under budget).
- Future Needs – squad laptops, 1 squad per year, 2 desktop computers per year, tasers, in squad video system, and server).
- Traffic Safety Diversion Program was started in October 2012; generates revenue which is spent towards traffic related items (equipment/training, etc.).

### **Fire Department**

Fire Chief Randy Miller reviewed the Fire Department's 2012 year-end report, including the following:

- Number of calls (209) and time spent on calls (3,718 hours – down from 4,285 hours in 2011).
- 31 firefighters on staff with four open positions at this time.
- Years of Service: eleven members with 1-5 years; seven members with 5-10 years, four members with 10-15 years; nine members with 19+ years.
- Types and conditions of fire equipment.

- Community Involvement Activities – Open house, Fire dance, expo, National and BL Night Out, Spud Fest, Make A Wish, Sherburne County Fair, Hornet Football, Movie in the Park, car show, smelt/fish fry, Monticello River Fest, Lupus Foundation, chili cook-off, and fire prevention. The department also made visits to: Liberty and Independence Elementary Schools, Montessori School, Little Achievers, Saron Lutheran Church, and community home daycares.
- Breakdown of calls for City, Big Lake Township, Orrock Township, and out of area calls (mutual aid)

### **Liquor Store**

Liquor Store Manager Jan Muehlbauer discussed the following information for the Liquor Store year-end report:

- Sales in 2012 were \$3,433,910.01.
- Customer counts in 2012 were 154,437, which is significantly up from 2011 (144,767).
- Total number of Park Permits sold at the Liquor Store in 2012 was 597 (312 sold in 2011).
- Number of employees: one full-time employee (manager); twelve part-time employees.

### **5. OTHER**

Mayor Danielowski reported on the following:

- A meeting on New River Medical Center's transition is scheduled for March 21, 2013.
- The Easter egg hunt sponsored by the Big Lake Women of Today is being held on Saturday March 23, 2013 at Lakeside Park.
- The United Way is holding a fashion show fundraiser event on April 5, 2013 in Rogers and the City Administrator, Police Chief, and Council Member Hansen will be walking in the show. In the event that a quorum of Council Members is present at this fundraiser, the City Council will schedule a special gathering for this event at the March 27<sup>th</sup> regular meeting.

### **6. ADJOURN**

Council Member Hansen motioned to adjourn at 9:32 p.m. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Sandy Petrowski  
Recorder

04/10/13  
Date Approved By Council