

**BIG LAKE CITY COUNCIL
WORKSHOP MINUTES**

APRIL 16, 2014

1. CALL TO ORDER

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

2. ROLL CALL

Council Members present: Dick Backlund, Raeanne Danielowski, Seth Hansen, and Mike Wallen. Council Member absent: Nick Christenson. Also present: Interim City Administrator/Finance Director Jessica Green, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Police Chief Joel Scharf, and Liquor Store Manager Jan Muehlbauer.

3. PROPOSED AGENDA

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

4. BUSINESS

4A. Water Line Assistance Discussion

Jessica Green provided an update on water service freezing issues. The last freeze up was recorded on March 17th bringing the total to 71. All frozen services have been thawed with the exception of one residence located on Oregon Avenue. Green discussed recent efforts of the City to lessen the financial burden to residents by billing water usage on only the first tier rate, and to base the yearly sewer rate on usage from December 2013 instead of from the first quarter of the year so that the water discharged to the sewer system that is being used to keep the service lines from freezing will not be included in the sewer volume calculation. Green also reviewed the negative cash balances in both the water and sewer funds explaining that between the two funds, there is an approximate \$500,000 negative balance. Staff asked for Council feedback on what, if any, further City assistance and/or reimbursement should be provided. Green also informed Council that the City Attorney has reviewed the City's current Ordinance and feels that the City is not responsible for any further reimbursements to residents. Council Members reviewed homeowner responsibility versus City responsibility and Mike Goebel reviewed what other communities have been doing for water freeze ups noting that it varies by community based upon how their Ordinance is written. Council discussed the importance for the City to follow its own laws. Mayor Danielowski and Council Members Hansen and Wallen agreed that the City should not reimburse any further for water services that experienced freezing issues, and Council Member Backlund disagreed with the consensus.

4B. 5466 Highland Trail – Late Fee Discussion

Jessica Green discussed the request for utility bill assistance submitted from the property owner located at 5466 Highland Trail. Staff noted that the account has been delinquent for over a year and a half and that staff has explained to the property owner that any effort made to bring down the balance of the bill would be looked upon favorably. Green explained that it's been two months since the request was submitted, and the property owner has not made any payments on the account. Green also noted that the current amount owed is \$1,300 and explained that utility costs were assessed to the property in 2012 and 2013. Council discussed that while they are sympathetic to the family's situation, they cannot ignore that the City is not being paid for a service that the property owner is using. The consensus of the Council was to offer no assistance to the property owner at 5466 Highland Trail.

4C. Social Host Ordinance Discussion

Joel Scharf discussed Social Host Ordinances that have been approved by other municipalities and previous Workshop discussions on the matter. Scharf explained that Social Host Ordinances hold residents or property owners criminally liable for underage drinking at their homes if they knew, or should have known about the activities and condoned it. Council directed staff to bring an Ordinance to a meeting for official consideration.

4D. Juvenile Justice System Discussion

Joel Scharf reviewed the Police Department's perspective about the Juvenile Justice System and the severity of crimes committed by juveniles. Scharf noted that there was discussion at the last Council Meeting about the Juvenile Justice System that could have given residents the wrong message about the severity of juvenile crimes. Scharf also noted that he would not support any kind of loosening of juvenile justice laws, and that the County should be trying to bring more sanctions and punitive damages to the offenders.

4E. Phosphorus Removal Options

Brad DeWolf joined the meeting through a conference call-in at 6:29 p.m.

Brad DeWolf discussed the grant the City secured through the Public Facilities Authority for half of the eligible construction costs associated with the implementation of phosphorus removal measures which will be required to be in place by May 16, 2017. Bolton and Menk has provided staff with three options for phosphorus treatment at the Waste Water Treatment Facility. The three options vary greatly in cost with the Ferric Chloride System being substantially lower in cost than the Deep Bed Sand Filtration and the Ultrafiltration Membrane System. DeWolf noted that the Point Source Implementation Grant (PSIG) will provide for 50 percent of eligible costs up to a maximum of \$3,000,000 at our current flow rate. Eligible costs are only those associated with the removal of phosphorus. The grant will not carry over and paperwork must be submitted by the end of June if the City wishes to accept the grant. DeWolf also noted that we could do nothing and reapply next year, do

an interim chemical feed and accept a lesser grant, or do the membrane filtration and maximize the grant. Mike Goebel explained that by delaying the grant this year, we would basically just be delaying construction a year. If we delay this year, we take the chance at not getting grant approval later. Council discussed that whatever way the City decides to proceed with, any cost will fall to the water/sewer rate users. DeWolf discussed the grant program and noted that we haven't seen 50% grant programs in at least the last decade. Staff also explained that if we decide to do the interim option, the improvements should be able handle 5 years of growth. Council also discussed the need to educate the public that these new improvements are mandated requirements, and that by choosing the lowest priced option, it isn't a wasted step as it will be utilized in the future. The consensus of the Council was to proceed with the Ferric Chloride System.

The conference call with Brad DeWolf ended at 6:58 p.m.

4F. Reinstatement of City Newsletter Discussion

Jessica Green reviewed various cost options for the reinstatement of the City Newsletter. Staff and Council discussed previous newsletter processes and options for a revised newsletter. Council directed staff to contact the local newspaper to get half page ad pricing and to contact Big Lake Community Education to see if they would be interested in a shared newsletter. If neither of those two options is feasible, then Council directed staff to proceed with drafting a recommendation for the direct mail newsletter option.

5. OTHER

Council Member Hansen asked for Council to conduct future City Administrator Evaluations in a different manner. He stated that he had concerns with how the last evaluation was handled. Gina Wolbeck discussed Open Meeting Law requirements and data privacy regulations that restrict how evaluations are held with a quorum of Council Members. Wolbeck informed Council that she would contact other communities to see how they conduct performance evaluations to make sure that we are in line with normal processes.

Council Member Backlund informed Council that the Big Lake Community Lake Association has asked that Council do a lake tour in both the spring and fall. Council directed staff to contact Brad Johnson from the Lake Association to discuss dates.

Mayor Danielowski asked for an update on the water/sewer rate study. Jessica Green explained that the study will look at SAC/WAC fees into the future but won't look back at when the rates were established. Mike Goebel noted that the fees were based on project growth and construction costs. Staff noted that we can continue to offer a "look-back" clause on Commercial SAC/WAC fees. Mayor Danielowski also discussed properties in the City that aren't hooked up to water and sewer along with vacant properties, and questioned if they will be billed for street light utility fees. Staff will check with the legal counsel to clarify.

6. ADJOURN

Council Member Hansen motioned to adjourn at 8:05 p.m. Seconded by Council Member Wallen, unanimous ayes, motion carried.

Gina Wolbeck
Recorder

04/23/14
Date Approved By Council