

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
MAY 11, 2011**

1. CALL TO ORDER

Mayor Lori Kampa called the meeting to order at 5:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

Council Members present: Dick Backlund, Raeanne Danielowski, Lori Kampa, Duane Langsdorf, and Mike Wallen. C Also present: City Administrator Scott Johnson, City Clerk Gina Wolbeck, Community Economic Development Director Jim Thares, Senior Planner Katie Larsen, Public Works Director Mike Goebel, Police Chief Sean Rifenberick, Assistant Fire Chief Paul Nemes, Consultant Finance Director Brad Falteysek from AEM, LLC, Financial Consultant Shelly Eldridge from Ehlers and Associates, Consultant City Attorney Soren Mattick from Campbell Knutson, and Consultant City Engineer Brad DeWolf from Bolton & Menk, Inc.

4. OPEN FORUM

Mayor Kampa opened the Open Forum at 5:01 p.m.

George Quinn, Lake Street North – Provided information on the upcoming Big Lake Car Show event that will benefit local veterans and active duty personnel. The event is scheduled on Sunday, May 22nd beginning at 10:30 a.m. at McPete's Sports Bar and Lanes.

Mayor Kampa closed the Open Forum at 5:03 p.m.

5. PROPOSED AGENDA

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

6. CONSENT AGENDA

Council Member Danielowski motioned to approve the Consent Agenda as presented. Seconded by Council Member Wallen, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Regular Council Meeting Minutes of April 27, 2011, 6B) Approve Temporary Use Permit Fee Waiver for the 2011 Big Lake Car Show Charitable Event, 6C) Approve Temporary Sign Permit Fee Waiver for the Living with Lupus Charitable Event, 6D) Set Council Gatherings; 6D.i.) June 24, 2011 from 5 pm to 8 pm for the Council/Staff Volunteer Commitment at the Big Lake Spud Fest Bingo Tent, 6D.ii.) August 5, 2011 from 7pm to 10pm at the Big Lake Fire Station for the Big Lake Night Out Event, 6D.iii.) August 11, 2011 at 5pm at Lakeside Park for the Employee Appreciation Picnic, and 6D.iv.) May 21, June 23rd, and September 9th beginning at dusk for the 2011 Movie in the Park Events scheduled at Big Lake Middle School/Independence Elementary School, 6E) Approve Resolution No. 2011-26 approving a Therapeutic Massage License for Amelia Anderson, and 6F) Approve Resolution No. 2011-27 approving a Therapeutic Massage License for Toni Ertel.

7. BUSINESS

7A. Call for Sale of G.O. Refunding Improvement Bonds Series 2011A

Shelly Eldridge discussed calling for the sale of G.O. Refunding Improvement Bonds Series 2011A. Eldridge discussed the established target for the Debt Service Levy component of the City's overall levy to be no more than \$1,200,000. With the current debt structures and levy requirements, the City would need to levy in excess of the target for the next couple of years. The 2002A bonds have reached the call date and can be refunded. Ehler's reviewed the plan which allows the City to meet the \$1,200,000 levy target by refunding and restructuring the bond payments for the 2002A bonds. This refunding will allow the City additional flexibility in managing the levy. Eldridge noted that one of the goals of refunding the 2002A bond is to schedule the use of \$500,000 of funds on hand that have been accumulated through the collection of prepaid special assessments. The savings on interest and the use of funds on hand will be combined with additional restructuring of the principal to ultimately reduce the annual levy. Eldridge also informed Council that Arbitrage rules will need to be monitored regarding the amount of interest the City may earn on Bond proceeds. The City will need to keep its debt service funds within IRS parameters to avoid penalties on carrying too high of a balance during the life of the issue.

Council Member Danielowski motioned to approve Resolution No. 2011-28 Calling for the

Sale of \$2,150,000 G.O. Improvement Bonds, Series 2011A to refund the G.O. Improvement Bonds Series 2002A. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7B. DONATION – RMS Mtg (Joe and Kyle Godette)

Council thanked Joe and Kyle Godette who selected the BLPD to be the beneficiary of a “Build Your Community” donation associated with Residential Mortgage Group’s loan closing program.

Council Member Wallen motioned to approve Resolution No. 2011-29 accepting a \$100 donation from the Godette Family to the Big Lake Police Department to be used towards the Police Reserve Program. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7C. Spud Fest Event Applications and Fee Waivers

Scott Johnson provided information on the 2011 Spud Fest event scheduled from June 23rd through June 26th. The Spud Fest Organization requested approval of 1) 1–4 day Temporary on-sale Liquor License that will require the Organization to provide a copy of the insurance certificate prior to the City releasing the permit, 2) Exempt Bingo Application, 3) Exempt Raffle Application, 4) Fee Waivers for the liquor application, the Temporary Use Permit and Building Department fees for City inspection of all large public tent areas on the site, and 5) A Fireworks Display Permit to Northern Lighter Pyrotechnics who have been hired by the Spud Fest Organization to organize and discharge the fireworks display on Friday, June 24th at approximately 10:00 p.m. The discharge will occur at the Big Lake High School ball field which is located within the City boundaries.

Geoff Randall, President of the Spud Fest Organization, provided event information and fundraising efforts of the Spud Fest Organization.

Council Member Danielowski motioned to approve the 2011 Spud Fest Applications and Fee Waivers as presented pending receipt of all required documentation. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

7D. Cherrywood Assisted Living Preliminary Development Proposal Review

Jim Thares provided information on the Business Subsidy Application submitted by Cherrywood Assisted Living seeking Tax Abatement for a 20-unit near nursing home facility. Ehler’s and Associates is in the process of reviewing their financials which will be used to determine subsidy needs. Thares also informed Council that the JOBS tax bill has been extended and could be used as a tool for subsidy on the project.

Marshall Weems from Cherrywood provided an update on their proposed project and

discussed the need for fee reductions and subsidy consideration for the project. The Cherrywood Assisted Living project would provide long term care for the elderly. Weems discussed their request for reduced park dedication fees as their target market would most likely have health concerns that would hinder the use of the City park system like a regular resident would. Weems also discussed potential job creation and provided a timeline for the project.

7E. Letters of Credit Update

Scott Johnson updated Council on the Letters of Credit existing on the Hudson Woods Development and on the Big Lake Marketplace/Big Lake Marketplace North Developments. Riverwood Bank holds the Letter of Credit for the two Marketplace projects and CMIC holds the Letter of Credit for the Hudson Woods Development. Both lenders have been notified of the City's intent to draw on the Letters of Credit. The Riverwood Bank officials will be meeting to discuss a course of action for completing those projects and the CMIC lender has informed the City that they cannot fund the public infrastructure project at this time and they will know more after their refinancing in three months. Jim Gagne informed staff that he will contact the City once the refinancing is completed. Mr. Gagne also indicated that he is not willing to meet with the Council subcommittee at this time.

7F. Community Attitudes Survey Update

Katie Larsen reviewed the Community Attitudes Survey that will be mailed out with the May 20th Utility Billings. Larsen noted that the survey deadline is June 10th and tabulation will occur in June and July. The results will be brought to Council at the July 27th meeting.

7G. Finance Update

Brad Falteysek from AEM, Inc. provided the May finance update and answered questions from Council. Falteysek also informed Council that the city's audit firm will provide the audit presentation at the May 25th Council Meeting.

7H. PROCLAMATION – Law Enforcement Week

Mayor Kampa read a Proclamation proclaiming the week of May 15th through May 21st, 2011 as Police Week 2011. Council thanked the Police Department staff for their dedicated service.

Sean Rifenberick informed Council that Police Intern Nick Prigge has started his internship with the department, and that CERT applications will be accepted until May 20th.

Council Member Langsdorf motioned to approve Resolution No. 2011-30 proclaiming May 15th through May 21st, 2011 as Police Week 2011. Seconded by Council Member Backlund, unanimous ayes, motion carried.

7I. Delinquent Utility Account Shut-Off Procedures

Mike Goebel reviewed the proposed delinquent utility account shut-off procedure that was previously discussed at the April Workshop. The consensus of the Council was that the most effective process was to shut off utility services on delinquent accounts. Council also directed staff not to send anymore delinquent utility accounts to the collection agency and not to pursue the retrieval of the accounts that have already been sent to the collection agency. Council also directed staff to certify the existing delinquent accounts and to start the utility shut off procedure based on the balances after certification. Goebel discussed the specifics of the shut-off procedures which will include Council direction to shut off delinquent water/sewer utility accounts that are 30 days past the due date. The City of Big Lake will notify the owner and/or tenant ten days prior to shutting off their utility service, providing a chance to be heard. Shut offs will begin in July 2011 and proceed monthly until October 15, 2011 at which time the Cold Weather Rule takes affect. The water/sewer utility service will not be turned on again until the bills, together with a fee set in the fee schedule for the cost of turning off the service, and any additional fee is paid to turn on the service. Water services will only be turned back on during normal business hours between 7:00 a.m. to 3:30 p.m. Goebel also discussed certifying past delinquent accounts that precede the February 2011 date. The list of delinquent accounts to be certified will be presented to the City Council for certification approval at the June 22, 2011 Council Meeting.

Council Member Wallen motioned to approve the delinquent water/sewer utility shut-off procedure as discussed. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

8. LIST OF CLAIMS

Council Member Danielowski motioned to approve the List of Claims ranging from Check No. 60755 through Check No. 60791, and Electronic Payments #1354E to #1359E. Seconded by Council Member Wallen, unanimous ayes, motion carried.

9. ADMINISTRATOR'S REPORT

Council Member Danielowski motioned to approve an exempt permit to Our Lady of the Lake Catholic Church to conduct a one-day raffle/bingo event at their site located at 440 Lake Street North on August 6, 2011 for their Founder's Day event. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Scott Johnson informed Council that Representative Mary Kiffmeyer has asked to change

the May 13th Legislative Update gathering time from 8:00 a.m. to 7:00 a.m. Council agreed that the earlier start time would work with their schedules.

Council Member Wallen motioned to change the start time to 7:00 a.m. for the Legislative Update Council Gathering scheduled on May 13, 2011. Seconded by Council Langsdorf, unanimous ayes, motion carried.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Backlund: Reviewed discussions held at the May EDA Meeting.

Council Member Danielowski: Reviewed the Community Education Advisory Board Meeting. Council Member Danielowski also provided an update on the Farmer's Market and Community Garden.

Council Member Wallen motioned to approve using the public works site for the Community Garden and to allow the public works department to assist with the project as time allows. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

Council Member Danielowski also provided information on the May Movie in the Park event, the upcoming Lupus Benefit, and the clean-up day event that was held on May 7th.

Mayor Kampa: Reviewed the May NCDA Meeting, and reviewed the City Services Showcase Event held on April 28th. Gina Wolbeck provided an update of the Cable Commission discussions with Windstream. Mayor Kampa also discussed the upcoming Movie in the Park event and discussed the need for the City Clerk to be in attendance at the event.

Council Member Wallen motioned to approve up to 8 hours of paid time for the City Clerk to work the May Movie in the Park event. Seconded by Council Backlund, unanimous ayes, motion carried.

Council Member Langsdorf: Discussed the Big Lake Community Lake Association Meeting and notified the public of open positions on the Board and noted that the Association is looking for new members.

11. OTHER

Council Member Wallen reminded the public of the upcoming Monticello Community Theatre production that will be held on May 13th and May 20th.

Mayor Kampa recessed the regular session at 6:30 p.m. to go to Closed Session for item no. 12 Attorney/Client Privilege allowed under MN Statute 13D.05, subd. 3b.

12. CLOSED SESSION – Attorney/Client Privilege [MS 13D.05, subd. 3b]

Mayor Kampa opened the Closed Session at 6:46 p.m.

Council Members present: Dick Backlund, Raeanne Danielowski, Lori Kampa, Duane Langsdorf, and Mike Wallen. Also present: City Administrator Scott Johnson, City Clerk Gina Wolbeck, Police Chief Sean Rifenberick, City Attorney Soren Mattick of Campbell Knutson, and League of MN Cities appointed Attorney Julie Fleming-Wolfe.

League appointed Attorney Julie Fleming-Wolfe updated Council on pending litigation. No action was taken by Council.

Mayor Kampa closed the Closed Session and reconvened the regular meeting at 7:36 p.m.

13. ADJOURN

Council Member Langsdorf motioned to adjourn at 7:37 p.m. Seconded by Council Member Wallen, unanimous ayes, motion carried.

Gina Wolbeck
Clerk

Date Approved By Council 05/25/11