

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES  
JULY 13, 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. 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, Fire Chief Randy Miller, City Finance Director Brad Faltyesek from AEM, LLC, and City Engineer Brad DeWolf from Bolton & Menk, Inc.

**4. OPEN FORUM**

Mayor Kampa opened the Open Forum at 5:01 p.m. No one came forward. Mayor Kampa closed the Open Forum at 5:02 p.m.

**5. PROPOSED AGENDA**

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

**6. CONSENT AGENDA**

Council Member Langsdorf 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 Budget Workshop Minutes of June 20, 2011, 6B) Approve Regular Council Meeting Minutes of June 22, 2011, and 6C) Approve Resolution No. 2011-48 Designating Certifying Officers for the NSP 3 Environmental Review Process.

**7. BUSINESS**

**7A. CenterPoint Energy Community Partnership Grant Presentation to the BLPD**

Scott Lainard from CenterPoint Energy presented the Big Lake Police Department with a \$1,500 Community Partnership Grant which is to be used towards the purchase of an 800 MHz radio and ten CERT kits to assist in communications between law enforcement and CERT members. Sean Rifenberick thanked Center Point Energy for their continued support for Grant opportunities in the Big Lake area. Council invited future CERT graduates to attend an upcoming Council Meeting.

**7B. Authorize Use of Forfeiture Funds to Pay Balance due on Purchase of Radio Quote**

Sean Rifenberick discussed the two grants the City has been awarded. The CenterPoint Energy Grant previously presented along with the \$1,500 2011 EMS Equipment Matching Grant from Central MN Emergency Medical Services Region. Rifenberick noted that the additional radios purchased with these grant dollars will increase the departments ability to communicate and effectively respond to emergencies and medicals. Rifenberick asked for Council authorization to utilize \$3,263.64 of forfeiture funds to cover the remaining balance of the radio costs.

Council Member Langsdorf motioned to authorize the use of forfeiture funds in the amount of \$3,263.64 to cover the balance of purchasing two Motorola Portable 800 MHz radios. Seconded by Council Member Danielowski, unanimous ayes, motion carried.

**7C. Project Lifesaver Update**

Sean Rifenberick discussed previous arrangements the City made to purchase equipment and training to establish a program that would assist in the protection and location of children and adults that wander off who suffer with Alzheimer's, Brain Disorders, Autism, Dementia, or are Special Needs. Rifenberick noted that the previous organization had some financial difficulties and disbanded, at which time the City was able to recover the dollars that were paid to the company. Staff has found a nationally recognized organization called Project Lifesaver. The Big Lake Police Department along with other law enforcement agencies in Sherburne County have met with representatives from Project Lifesaver and would like to move forward with establishing a partnership with Project Lifesaver and other agencies to bring this service back to Big Lake. Rifenberick reviewed the grant that the City was recently awarded that will substantially assist with the financial costs of the training and equipment and noted that there are dollars in the old DARE fund that could cover any incidental expenses beyond the amount of the grant.

Council Member Danielowski motioned to approve an expenditure not to exceed \$1,000 if needed for the purchase of equipment and/or training for the Project Lifesaver Program. Seconded by Council Member Wallen, unanimous ayes, motion carried.

#### **7D. ORDINANCE AMENDMENT – Windstream Cable Franchise Agreement**

Scott Johnson reviewed discussions held between representatives of the Sherburne Wright Cable Commission (SWCC) and Windstream, Inc. relating to Windstream's desire to terminate their Cable service in both Big Lake and Maple Lake. Johnson indicated that this termination will affect the Franchise Agreement between Windstream and the City and will result in a substantial reduction of PEG fee's that will be provided to the SWCC, and a lack of viewership for the City's Government Informational Channel. The City also had concerns with misinformation being given out to new and current Windstream customers pertaining to the availability of PEG Programming channels. Johnson noted that during the discussions, a settlement agreement offer was finalized which consists of Windstream submitting a \$50,000 Technology Grant to the SWCC, and establishing a Communication Plan to ensure that Big Lake residents are properly and accurately informed of the change in the Windstream Cable System. The terms are contingent upon the City amending Ordinance No. 2006-03 relinquishing any right to draw or assert claim on the performance bond previously furnished by Windstream. Johnson also updated Council on the possibility of the Commission implementing Live Streaming capabilities on the City Website. Council Member Danielowski questioned if the reduced PEG fees being paid to the Commission would impact the services the City will get from the Commission. Johnson indicated that the City will remain a full member of the Sherburne Wright Cable Commission and will continue to receive full membership benefits. Council Member Danielowski also discussed her disappointment that Windstream will be discontinuing their cable service and stated that she is concerned about getting the word out to Big Lake residents.

Council Member Danielowski motioned to approve Ordinance No. 2011-02 amending Ordinance No. 2006-03 regarding the Cable Television Franchise held by Windstream Lakedale, Inc., approve the Settlement Agreement and Release relating to the dispute between the City of Big Lake, the Sherburne Wright Cable Commission, and Windstream Lakedale, Inc., and approve Resolution No. 2011-49 authorizing Summary Publication of Ordinance No. 2011-02. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

#### **7E. ORDINANCE AMENDMENT – Section 1014; Variances**

Katie Larsen reviewed the planners report for the changes to Section 1014 relating to legislative changes to Variance laws in the State of MN. Larsen explained that new State Statute restored municipal variance authority in response to *Krummenacher v. City of Minnetonka*. Larsen noted that the new law rebrands the municipal variance standard from

“undue hardship” to “practical difficulties” while still retaining the three factor test of 1) reasonableness, 2) uniqueness, and 3) essential character.

Council Member Wallen motioned to approve Ordinance No. 2011-03 amending Chapter 10, Section 1014 (Variances) of the Big Lake City Code and approve Resolution No. 2011-50 approving Summary Publication of Ordinance No. 2011-03. Seconded by Council Member Backlund, unanimous ayes, motion carried.

#### **7F. Small Cities Development Program Funding Agreement – Duffy Townhome Project**

Jim Thares discussed the grant agreement between the MN Department of Employment and Economic Development (DEED) and the City for the Duffy Development “Crossing at Big Lake Station” townhome project. Thares explained that the grant agreement governs the \$330,000 funding award to the City which will be used to help Duffy Development construct a 33 unit rental townhome complex in the City. Duffy Development will use the \$330,000 federal dollars to offset required development fees, soft costs, and or a portion of the land acquisition costs. City staff will monitor the developer’s progress on the project, complete the required reporting forms, and process execution of an escrow agreement with the developer to ensure that all of the City’s administrative costs will be passed on to Duffy Development.

Council Member Danielowski motioned to approve Resolution No. 2011-51 authorizing entering into a Grant Agreement with the MN Department of Employment and Economic Development for a \$330,000 Small Cities Development Program funding award to help Duffy Development construct a 33-unit rental townhome complex, and authorize the Mayor and City Administrator to execute the Small Cities Development Program Grant Agreement. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

#### **7G. Cherrywood of Big Lake CUP/PUD/Site and Building Plan Application**

Katie Larsen reviewed the planners report for the development application submitted by Cherrywood Advanced Living, LLC for approval of a Conditional Use Permit, Planned Unit Development, and Site/Building Plan Review for the site located at Lot 1, Block 2, Big Lake Townhomes 2<sup>nd</sup> Addition. The project is proposed to consist of a long term care facility that was proposed as Phase II of the Duffy Development “Crossing at Big Lake Station” 33-unit townhome project. The applicant is proposing to construct a 20 unit advanced living, skilled nursing care facility which is considered as a hybrid between an assisted living facility and a nursing home. The site is located in a R-3 High Density Residential District which allows for a long-term care facility with an approved Conditional Use Permit. Larsen also noted that the developer is required to enter into a Development Contract as part of the PUD requirements. Larsen also discussed omitting the requirement for a pedestrian ramp from the existing sidewalk to the driveway.

Council Member Wallen motioned to approve a Development Contract for the Cherrywood of Big Lake project contingent upon final staff revisions, and approve Resolution No. 2011-52 approving a Conditional Use Permit, Planned Unit Development, and Site/Building Plans for Cherrywood of Big Lake contingent upon final staff revisions. Seconded by Council Member Backlund, unanimous ayes, motion carried.

#### **7H. Consider the Sale of G.O. Refunding Improvement Bonds, Series 2011B**

Stacey Kvilvang reviewed the potential for advance refunding of G.O. Improvement Bonds, Series 2005A and 2006A. Kvilvang reviewed the criteria used for a bond to be eligible for refunds and noted that the bonds appear to meet the criteria based on the current bond interest rates. Kvilvang explained that the bonds have call dates on February 1, 2013 and the advance refunding would refund the maturities due in years 2014 and beyond for each issue. The City would issue the bonds now, and the bond proceeds would be placed into a trust account to pay the interest on the new bonds through February 2013 as well as to payoff the remaining balance of the two issues refunded on February 1, 2013. The City would continue to make the 2011, 2012, and Feb. 2013 payments on the two bond issues and then would begin paying on the 2011B refunding bond.

Council Member Langsdorf motioned to approve Resolution No. 2011-53 approving \$3,425,000 G.O. Refunding Improvement Bonds, Series 2011B to advance refund G.O. Improvement Bonds, Series 2005A and 2006A. Seconded by Council Member Backlund, unanimous ayes, motion carried.

#### **7I. Transfers from the General Fund to Debt Service Funds**

Brad Falteysek informed Council that staff has been tracking delinquent property taxes for each of the City's outstanding bonds. Staff recommended the general fund finance the delinquent tax balances and provide the full levy amount to the debt service funds going forward. Falteysek indicated that this will provide a more efficient approach to coding the three county settlements and tracking of the delinquent balances. Falteysek explained that this method will ensure the bond funds are receiving the proper amount of resources to pay the debt service requirements and will not need to rely on receiving the delinquent balances. Falteysek reviewed the unreserved fund balance which is currently at approximately 8 months of reserve. For the general fund to finance the delinquent taxes, the City would need to transfer \$112,388.13 from the General Fund into each respective debt service fund that currently have delinquent tax balances. This transfer would bring the unreserved fund balance to approximately 7.5 months of reserve. Falteysek clarified that this transfer does not change how the City levies for the debt service funds, it only ensures that the debt service funds will not be short of funds due to delinquent taxes.

Council Member Danielowski motioned to approve transfers from the General Fund to Debt Service Funds as needed to cover delinquent property tax balances. Seconded by Council Member Wallen, unanimous ayes, motion carried.

## **7C. Finance Department Update**

Brad Falteysek provided the June finance update and answered questions from Council.

## **8. LIST OF CLAIMS**

### **8A. Consider List of Claims**

Council Member Langsdorf motioned to approve the List of Claims ranging from Check No. 61060 through Check No. 61156 and Electronic Payments #1391E to #1406E. Seconded by Council Member Backlund, unanimous ayes, motion carried.

## **9. ADMINISTRATOR'S REPORT**

Jim Thares informed Council and the public of the Emergency Homeowners Loan Program (EHLPP) that offers a zero interest, forgivable loan to eligible homeowners. Eligible homeowners will be selected through a lottery and the EHLPP will pay some back payments and fees and provide monthly assistance for mortgages. The EHLPP loan is secured by a lien against the house and is forgivable over 5 years if the property owner continues to meet the requirements of the program. Applications will be taken between July 5<sup>th</sup> through July 22<sup>nd</sup> and residents can contact [www.EHLPPMinnesota.com](http://www.EHLPPMinnesota.com) or by phone at 866-462-6466.

Scott Johnson informed Council that the new City population signage may take longer than expected to receive due to the State government shut down. Johnson also discussed correspondence the City has received from our liquor distributor indicating that our municipal liquor store should hopefully not see delays in receiving beer/liquor orders due to the state shutdown.

## **10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS**

Council Member Backlund: Provided an update on the quarterly Fire Board meeting.

Council Member Danielowski: Reviewed the July EDA Meeting. Council Member Danielowski also reminded the public of the upcoming Farmer's Market dates, free student lunches on Wednesdays during the summer months, and the upcoming Sherburne County Fair.

Mayor Kampa: Questioned when the community reader board would be operational. Staff explained that the contractor has been put on hold due to the state shutdown.

**11. OTHER**

Council Member Backlund commented about complaints he has received about semi-trucks parking in the Lake Shopping Center parking lot. Discussion was also held about semi's parking in residential areas and if the City monitor's hazardous materials that the trucks could be hauling. Council also discussed the vandalism that has been occurring in various City parks and provided information on the graffiti rewards program. Council suggested that the restrooms at Lakeside Park be locked when the last park attendant leaves in the evening. Council Member Wallen noted all the compliments he has received on the Highway 10/25 Intersection Improvement Project.

**12. ADJOURN**

Council Member Langsdorf motioned to adjourn at 6:13 p.m. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Gina Wolbeck

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Clerk

Date Approved By Council 07/27/11