

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES
SEPTEMBER 11, 2013**

1. CALL TO ORDER

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

Mayor Danielowski asked for a moment of silence in honor of the anniversary of the September 11th terrorist attacks on the United States.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, and Mike Wallen. Council Member absent: Seth Hansen. Also present: City Administrator Todd Bodem, Finance Director Jessica Green, Public Works Director Mike Goebel, Police Chief Joel Scharf, City Clerk Gina Wolbeck, Fire Captain Nick Fiester, and City Engineer Brad DeWolf of Bolton & Menk, Inc.

4. OPEN FORUM

Mayor Danielowski opened the Open Forum at 6:01 p.m. No one came forward. Mayor Danielowski closed the Open Forum at 6:02 p.m.

5. PROPOSED AGENDA

Council Member Wallen motioned to adopt the proposed Agenda with the addition of item no. 7E. Municipal State Aid Street System Designations. Seconded by Council Member Christenson, unanimous ayes, agenda adopted.

6. CONSENT AGENDA

Council Member Wallen motioned to approve the Consent Agenda as presented. Seconded by Council Member Backlund, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Budget Workshop Minutes of August 27, 2013, 6B) Approve Regular Council Meeting Minutes of August 28, 2013, 6C) Approve Resolution No. 2013-64 approving a Lawful Gambling Premise Permit to the Big Lake Knights of Columbus Council 9140 to operate at Trails Grill and Sports Bar, and 6D) Approve Temporary Sign Permit Fee Waiver for the Sno-Cruiser's Fundraising Event at McPete's Sports Bar and Lanes on September 28, 2013.

7. BUSINESS

7A. Set the Preliminary 2014 Tax Levy

Jessica Green reviewed the proposed 2014 Preliminary Property Tax Levy which included both the operating levy and special levies for the City. The proposed Levy of \$3,667,986.00 is a \$309,737.00 increase over the 2013 property tax levy. Green explained that the preliminary levy can be reduced, but cannot be increased prior to the final levy certification in December. Green explained that \$1,389,442 (37.88%) of the levy is associated with debt payments, and \$70,000 is for a special revenue levy (EDA special revenue fund) currently operating on a negative cash flow which has become a significant audit finding. Green clarified that the funds being put into the EDA special revenue fund won't offset the current negative balance, and that previous borrowed funds used to support EDA functions will need to be paid back to the sewer fund over time. Green also informed Council that the Truth In Taxation Hearing Date will be set for November 25, 2013 at 6:00 p.m. Green discussed the Sales and Use Tax exemption legislation that will take effect in 2014. New requirements take effect with this budget cycle as far as disclosing what was paid to the State of MN in 2012 in Sales and Use Tax and what is expected to be paid in 2014. Green noted that the City spent \$53,000 in Sales and Use Tax dollars in 2012, and the projected 2014 amount is estimated at \$56,000. Green discussed the increase in LGA allocation that we are expecting next year and noted that we are not anticipating any expected draws on our reserve balance. Green discussed the shortfalls we have experienced on our debt service funds in the past and explained that Northland Securities was hired to conduct a debt analysis to help the City forecast dollars that will be needed in the future for bond payments. Green noted that the City did a number of refunding of Bonds in 2010, 2011, and 2012 which provided some debt relief in those years. Green explained that the City will need to take some large steps in the next couple of years to continue to address the debt payments coming due. Staff reviewed the impact the increased levy will have on residential and commercial properties. Council discussed the need for the City to cover its debt payments and that the only way to do that at this point is to raise the levy.

Council Member Christenson motioned to approve Resolution No. 2013-65 adopting the Preliminary 2014 Tax Levy at a 309,737.00 increase from the 2013 Tax Levy. Seconded by Council Member Wallen, unanimous ayes, motion carried.

7B. Great River Regional Library Presentation

Kirsti Smith from the Great River Regional Library discussed their concerns with the City's plans to move the Big Lake Library into the former Police Department building. Concerns discussed included accessibility and safety of patrons coming to and leaving the building, parking conditions, accessibility for book return and delivery, the insufficient size of the facility, and timeline concerns with completing the move by December 31, 2013. Smith discussed the benefits a good community Public Library offers.

Mayor Danielowski explained that this has been a very difficult decision for Council. Danielowski stated her concern that the GRRL Board needs to make a decision on the move and that there is a good possibility that they will decide to leave Big Lake. Smith informed Council that the City of Sartell is very interested in a site and they have the funds and will to make it happen. Danielowski reviewed the improvements made to the Library system in Big Lake when the library moved from City Hall to its current location on MN Avenue, and discussed the Facility Space Needs Analysis that identifies structural needs of the library into the future.

Council Member Wallen thanked everyone for attending the meeting. He clarified his appreciation for books, love for the library, and explained that this was not an easy decision for Council. Wallen reviewed discussions held regarding the current ownership of the library site and attempts to try to work out a purchase of the building. The city is facing a debt service concern and noted that the Council in the past has made "popular" decisions, instead of doing what was best for the City as a whole. Wallen explained that the City could potentially spend \$1.2M over the next 10 years to purchase the current building. Wallen explained that the City owns the old police department property free and clear which was part of the deciding factor for moving the library to this site. For the MN Avenue site, we would have Principal and Interest payments, would suffer the loss of the tax base, and will pick up maintenance costs. The City is willing to allocate dollars to complete the rehab on the old Police Department building and implored the Library Board to consider relocation to the Police Department.

Mayor Danielowski questioned if the Council fully understood that the Library could potentially leave Big Lake. Council discussed other sites that were looked at for relocation of the library. Danielowski also stressed that most healthy and vibrant communities have a library. Danielowski stated her concern that the former Police Building was not constructed to be a public purpose facility. Danielowski also expressed that in 10 years' time, we would outright own the MN Avenue property.

Council Member Wallen stressed that the Council must be good stewards of the City finances. Smith discussed that a benefit of being part of the GRRL system is that they can act as conduits for applying for Legacy grant dollars.

Mayor Danielowski discussed the exemplary programming efforts held at the Library and that she is concerned that if the library closes, people will go to surrounding communities for their programming services, and will use services and retail businesses outside of Big Lake.

Council Member Backlund stated that he has always supported the Library and is in favor of the MN Avenue location.

Council Member Christenson stated that this has been a very difficult decision for Council and that they would prefer not to have to make the Library move, but that finances have to be considered.

Mayor Danielowski stated that this item needs to be discussed more in-depth, so that when a decision is made, the decision will be based on facts. Danielowski also asked that citizens be allowed to communicate their concerns. Council directed staff to place this item on the September 18, 2013 Workshop Agenda for continued discussion.

7C. Northstar Corridor Development Authority Update

Leigh Lenzmeier, Chair of the Northstar Corridor Development Authority (NCDA), and Jill Brown, Public Information Consultant provided an update on NCDA activities and upcoming projects. Discussion was held on TOD improvements along the Northstar Line. Brown discussed how the train is doing in relation to projections, which is experiencing over 3,000 riders per day. Discussion was held on the apartment boom that is expected to last another 2 years. Lenzmeier encouraged elected officials to take a tour of the Northstar Line.

Mayor Danielowski discussed the need to increase routes during summer months at later times. Lenzmeier explained that competition for rail space is a concern, but that they will take Danielowski's recommendation into consideration. Lenzmeier stressed that the six station cities are their main focus at this time.

7D. Department Updates

Fire Department

Nick Fiester discussed recent activities of the Fire Department. Fiester also acknowledged the anniversary of September 11th informing Council that the Ladder 1 truck is parked out front at the Fire Hall building serving as a salute to all first responders who lost their lives in

2001. Fiester also informed Council that the Fire Department Open House is scheduled for Sunday, October 6th, and that the extrication equipment is fully operational on Engine 1.

Police Department

Joel Scharf updated Council on police statistics and calls for service. Scharf also noted that the Department is working with K-Bid to sell auction items, discussed a medical call requiring CPR at the Holiday Gas Station, discussed graffiti tagging on the Northstar Line which is being investigated by Metro Transit Police, and reviewed outage issues with the Departments cell phone carrier. Scharf also discussed Eagle Lake Road traffic concerns with school being back in session. He has met with Sheriff Brott to discuss a proactive approach to increasing safety along Eagle Lake Road.

Community Development Department

Todd Bodem reviewed efforts of the Community Development Department. Bodem also provided an update on the Dill Dental construction project, the Northern Star Apartments project, the Lake Shopping Center 4th Addition project, and the Development Contract with Tri-CAP on NSP properties.

Public Works Department

Mike Goebel updated Council on recent activities in the Public Works Department. Goebel also discussed the Parks Advisory Committee's recommendation to sponsor a winter "Get Outdoors" Event at Lakeside Park on February 8, 2014 from 12:00 p.m. to 3:00 p.m. Potential activities at the event could include snowmobile rides, ice fishing, dog sledding, snow shoeing, snow painting/sculptures, historical events, ice rescue, etc. Goebel noted that all events would be free to the public.

Council Member Backlund motioned to approve the Parks Advisory Committee's recommendation to sponsor a winter "Get Outdoors" event at Lakeside Park on February 8, 2014 from 12:00 p.m. to 3:00 p.m. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Goebel noted that the Public Works Department is gearing up for the fall/winter seasons and discussed power issues experienced with our main lift station.

Mayor Danielowski discussed sidewalks in the Marketplace Development that have a lot of weeds growing in the cracks. Goebel discussed protocol on cutting grass and weed control in these areas and indicated that they are cutting 20` back from the sidewalks on vacant parcels. No chemical weed treatments have been done.

7E. Municipal State Aid Street System Designations

Brad DeWolf presented an update on changes to the Municipal State Aid System (MSAS). DeWolf noted that the Municipal Screening Board has implemented changes to the method used for calculating Needs for every City's MSAS. Previously, Needs could be generated on roadways which were not yet constructed. DeWolf explained that these roadways were referred to as non-existing routes. The Needs calculation is being modified to be based on traffic volumes. Higher volume roads will generate greater Needs under the new system. Since non-existing routes will generate very few Needs as a result of zero traffic, the City's MSAS should be revised. DeWolf identified that the existing MSAS includes 2.57 miles of non-existing routes and discussed roadways where that mileage should be applied to maximize State Aid Needs and the funding associated with those Needs.

Council Member Wallen motioned to approve Resolution No. 2013-66 Revoking Municipal State Aid Streets, and approve Resolution No. 2013-67 Establishing Municipal State Aid Streets. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Council questioned where we stand with stop light warrants out by the Marketplace Development. DeWolf explained that the area hasn't met warrants yet according to MNDOT. DeWolf explained that traffic counts, along with accident counts, determine when a stoplight would be warranted. Council directed staff to contact MNDOT to ask them to review data to determine if we are near the warrant threshold. Council also asked about the status of the City's speed reduction request on CR 5. DeWolf noted that he will talk to the Sheriff to seek a status update.

8. LIST OF CLAIMS

8A. Consider List of Claims

Council Member Christenson motioned to approve the List of Claims ranging from Check No. 65422 through Check No. 65517 with the exception of Check No. 65463. Seconded by Council Member Backlund, unanimous ayes, motion carried.

8B. Consider Audio Communications Payment in the Amount of \$1,810.17

Council Member Christenson motioned to approve payment of Check No. 65463 in the amount of \$1,810.17 payable to Audio Communications. Seconded by Council Member Wallen, vote passed with a vote of 3 to 0 with 1 abstention with Council Members Christenson, Danielowski, and Wallen voting aye and Council Member Backlund abstaining. Motion carried.

9. ADMINISTRATOR'S REPORT

Todd Bodem discussed the revised Right of Entry Agreement for three NSP Parcels located at 130 Hill Circle East, 180 Eagle Lake Road South, and 1070 Powell Street. Council originally approved this agreement in July 2013 which expired August 30, 2013. Staff recommended Council approve a new agreement with an October 30, 2013 expiration date.

Council Member Christenson motioned to adopt a Right of Entry Agreement for three NSP Parcels located at 130 Hill Circle East, 180 Eagle Lake Road South, and 1070 Powell Street with an expiration date of October 30, 2013. Seconded by Council Member Wallen, unanimous ayes, motion carried.

Jessica Green recommended Council Set a Special Council Meeting on Wednesday, September 18, 2013 at 5:30 p.m. for the Sale of the 2013A Bonds which will refund Taxable Temporary TIF Bonds issued in 2010. Green reported that the sale of the Bonds had been postponed in June 2013 due to an unsteady Municipal Bond Market and an increase in interest rates. Green also noted that the City's Standard and Poor's A+ rating will expire on September 20th which is driving the need for the special meeting.

Council Member Backlund motioned to Set a Special Council Meeting on Wednesday, September 18, 2013 at 5:30 p.m. for the Sale of 2013A Bonds. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Bodem discussed the 2nd Annual "Soup Off" United Way Fundraiser that will be held at City Hall, and the upcoming Battle of the Bands United Way Fundraiser.

10. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Council Member Backlund: Reviewed the BLCLA Meeting held in August.

Council Member Christenson: Discussed the August Parks Advisory Committee Meeting.

Mayor Danielowski: Mayor Danielowski discussed upcoming community events including the Farmer's Market, Big Lake Movie in the Park/Hometown JamFest, the Lake Liquors Beer Fest event, the Big Lake Community Food Shelf Bike Run, and the Anti-Bullying Seminar at the Big Lake High School Auditorium.

Council Member Wallen: Discussed the Movie in the Park/Hometown JamFest scheduled at Lakeside Park on September 13th.

11. OTHER

Council Member Wallen motioned to recess the regular session at 7:55 p.m. to go to Closed Session for item 12. Labor Negotiations Strategy pursuant under MN Statute 13D.03 to discuss negotiations between the City of Big Lake and Law Enforcement Labor Services. Seconded by Council Member Christenson, unanimous ayes, motion carried.

12. CLOSED SESSION – Labor Negotiations Strategy (MS 13D.03)

Council Member Christenson motioned to open the Closed Session at 7:58 p.m. Seconded by Council Member Wallen, unanimous ayes, motion carried.

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, and Mike Wallen. Also present: City Administrator Todd Bodem, City Finance Director Jessica Green, and City Clerk Gina Wolbeck.

Todd Bodem discussed labor negotiations between the City and Law Enforcement Labor Services.

No action was taken by Council during Closed Session.

Council Member Backlund motioned to close the Closed Session and reconvene the regular meeting at 8:16 p.m. Seconded by Council Member Christenson, unanimous ayes, motion carried.

13. ADJOURN

Council Member Wallen motioned to adjourn at 8:17 p.m. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Gina Wolbeck
Clerk

Date Approved By Council _____ 09/25/13