

**BIG LAKE CITY COUNCIL  
REGULAR MEETING MINUTES  
OCTOBER 22, 2014**

**1. CALL TO ORDER**

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

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited.

**3. ROLL CALL**

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, Seth Hansen, and Mike Wallen. Also present: Interim City Administrator/Finance Director Jessica Green, Public Works Director Mike Goebel, Police Chief Joel Scharf, City Clerk Gina Wolbeck, Economic Development Manager Heidi Steinmetz, Liquor Store Manager Jan Muehlbauer, Fire Chief Paul Nemes, Consultant City Planner Ben Wikstrom, 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 Christenson motioned to adopt the proposed Agenda. Seconded by Council Member Backlund, unanimous ayes, agenda adopted.

**6. CONSENT AGENDA**

Council Member Wallen motioned to approve the Consent Agenda as presented. Seconded by Council Member Christenson, unanimous ayes, consent agenda approved. The Consent Agenda consists of: 6A) Approve Council Meeting Minutes of October 8, 2014, 6B) Approve Council Workshop Minutes of October 15, 2014, 6C) Approve Resolution No. 2014-62 in

Support of the Blandin Broadband Communities Program, 6D) Authorize Submittal of a Letter of Intent to the Transportation Alternatives Grant Program, 6E) Approve Neighborhood Stabilization Program Documentation Guidelines, and 6F) Approve Construction and Maintenance Agreement for 1831 Hiawatha Avenue.

**7. BUSINESS**

**7A. Providing for the Issuance and Sale of \$1,115,000 G.O. Tax Abatement Bonds, Series 2014A**

Jason Aarsvold from Ehler's and Associates reviewed the Sale of General Obligation Tax Abatement Bonds, Series 2014A. Aarsvold indicated that the amount was reduced to \$1,085,000 due to the submittal of a premium bid. The low bid was submitted by UMB Bank N.A. from Kansas City, Missouri at an interest rate of 1.8597%. Aarsvold noted that this Bond Sale will be used for the current refinancing of the City's Economic Development Authority Public Project Revenue Bond, Series 2005A which was issued to acquire the City's Municipal Liquor Store. Aarsvold also informed Council that Standard & Poor's Ratings Services has reaffirmed their stable AA- long-term rating on the City's existing debt.

Council Member Hansen motioned to approve Resolution No. 2014-63 providing for the issuance and sale of \$1,085,000.00 General Obligation Tax Abatement Bonds, Series 2014A, and pledging Tax Abatements for the payment thereof. Seconded by Council Member Wallen, unanimous ayes, motion carried.

**7B. PUBLIC HEARING – Block 4 of the Lane J. Thomas Lakeview Addition Alley Vacation**

Ben Wikstrom reviewed the planners report for the proposed Alley Vacation within the platted Block 4 of the Lane J. Thomas Lakeview Addition. Wikstrom noted that the Public Works Department has reviewed the vacation area and did not find a reason for the City to keep the alley. Wikstrom reviewed how the alley area will be divided amongst all adjacent property owners.

Mayor Danielowski opened the public hearing at 6:09 p.m. No one came forward. Mayor Danielowski closed the public hearing at 6:10 p.m.

Council Member Backlund motioned to approve Resolution No. 2014-64 providing for the Vacation of the alleys lying within Block 4, as delineated and dedicated on the Plat of Lane J. Thomas Lakeview Addition. Seconded by Council Member Hansen, unanimous ayes, motion carried.

### **7C. SAC/WAC Payment Policy Loan Program**

Heidi Steinmetz discussed the draft Sewer Access Charge (SAC) and Water Access Charge (WAC) payment policy finalized by the Big Lake Economic Development Authority at their September and October meetings. The policy would be a loan program for new or expanding Big Lake businesses to utilize to pay SAC and WAC charges over time rather than at the time the building permit is issued. Steinmetz noted that the minimum loan amount would be \$5,000 and the maximum would be \$50,000. Loan adjustments may also occur based on water usage over a one-year period. Steinmetz reviewed the proposed loan payment schedule which would be billed and paid monthly with the user's water and sewer utility bill. The interest rate on a loan would be fixed to the City investment rate at the time of the loan and would have a repayment schedule of three years or less. Any loans with a repayment schedule greater than three years will be charged an interest rate of 1% above the city investment rate. Steinmetz clarified that the maximum term of a SAC/WAC loan will not exceed 5 years. Loans will be secured by a promissory note executed by both the property owner and business pledging to repay the Note. The Note will be secured by the City's ability to file a lien against the property in the form of a special assessment for repayment of the SAC and WAC.

Council Member Wallen motioned to approve the SAC/WAC Payment Policy and Application Form. Seconded by Council Member Hansen, unanimous ayes, motion carried.

### **7D. Variance Application – 310 Lake Avenue**

Ben Wikstrom reviewed the Planner's Report for the variance application submitted by Cassandra Swanson for the property located at 310 Lake Avenue. The applicant is requesting approval to leave in place a detached platform that does not meet the ordinance's minimum side yard setback requirements for accessory structures in the R-5 zoning district. Wikstrom explained that the applicant constructed the platform earlier this year without approval of an administrative permit. Because the platform did not require a building permit, the applicant believed that no permit was required. Because no permit was applied for, the applicant was not aware of the required 5-foot setback from the alley. Currently, the platform sits with a 3-foot setback. The applicant has offered to remove the existing fence if the variance is approved, and will install a handrail and spindles on the edge of the deck. The public works department has commented that removal of the fence would make plowing the alley easier, though the presence of the retaining wall makes substantial widening of the plow path difficult. The removal of the fence would potentially allow more space for snow storage. Wikstrom noted that no public comments were received prior to, or during the planning commission public hearing held on October 1<sup>st</sup>.

Council Member Hansen motioned to approve Resolution No. 2014-65 approving a 2-foot side yard setback variance (allowing a 3-foot setback) for an accessory structure at 310

Lake Avenue, with conditions listed in the staff report. Seconded by Council Member Backlund, unanimous ayes, motion carried.

#### **7E. October 15<sup>th</sup> Council Workshop Update**

Jessica Green reviewed discussions held at the October 15, 2014 Council Workshop.

#### **7F. Monthly Department Updates**

Brad DeWolf from Bolton and Menk, Inc. provided an engineering update on various projects underway in the City. DeWolf discussed the Quiet Zone work currently under construction at the CR 43 crossing. The Eagle Lake Road South crossing improvements will start at the conclusion of the CR 43 improvements. DeWolf also discussed the Transportation Alternatives Grant process.

Jessica Green provided the monthly finance update. Green discussed the recent bond sale and reviewed the year-end assessment hearings for delinquent water/sewer accounts, along with unpaid weed/grass/snow removal charges. Green noted that the hearings will be held at the November 12<sup>th</sup> Council Meeting.

Jan Muehlbauer provided a liquor store update to Council. Muehlbauer reviewed September sales figures, and discussed the upcoming Fall Wine Fest on November 14<sup>th</sup> that will be held at the Friendly Buffalo. Muehlbauer also informed Council that Big Lake came in third in the Michelob Golden Draft "Celebrate Your Lake" grant program, discussed the recent Food Shelf promotion and wine tasting fundraising events.

Jessica Green informed Council that there are 38 new home starts to date and noted that the Building Official is anticipating a minimum of 40 new homes by year end.

#### **8. LIST OF CLAIMS**

Council Member Hansen motioned to approve the List of Claims ranging from Check No. 67849 through Check No. 67937, Electronic Payments #2485E to #2505E, and Payroll No. 21. Seconded by Council Member Christenson, unanimous ayes, motion carried.

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

Jessica Green reviewed the status of NSP lots and new construction underway on two of these lots. Green also discussed the recently adopted NSP Guidelines, and reviewed the Safe Routes to School planning meeting that kicked off this week. Green noted that the planning process is anticipated to be a year long project.

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

Council Member Backlund: Discussed the recent Big Lake Community Lake Association Meeting.

Council Member Christenson: Provided updates on the October Big Lake Community Education and Parks Advisory Board Meetings.

Mayor Danielowski: Reviewed the Fire Department Open House event and the Riding with Rich fundraiser. Mayor Danielowski also encouraged citizens to attend the November 17<sup>th</sup> Beyond the Yellow Ribbon Kick-Off Meeting.

Council Member Wallen: Attended the MN Manufacturer's Week events on October 21st and thanked Paragon Store Fixtures for hosting the tour.

**11. OTHER**

Council Member Hansen motioned to recess the regular session at 6:43 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 Backlund, unanimous ayes, motion carried.

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

Council Member Wallen motioned to open the Closed Session at 6:48 p.m. Seconded by Council Member Christenson, unanimous ayes, motion carried.

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, Seth Hansen, and Mike Wallen. Also present: Interim City Administrator Jessica Green, Police Chief Joel Scharf, and City Clerk Gina Wolbeck.

Jessica Green discussed labor negotiations between the City and Law Enforcement Labor Services.

No action was taken by Council during Closed Session.

Council Member Hansen motioned to close the Closed Session and reconvene the regular meeting at 7:04 p.m. Seconded by Council Member Backlund, unanimous ayes, motion carried.

Council Member Backlund motioned to approve the LELS Contract with changes as identified. Seconded by Council Member Wallen, unanimous ayes, motion carried.

**13. ADJOURN**

Council Member Wallen motioned to adjourn at 7:06 p.m. Seconded by Council Member Hansen, unanimous ayes, motion carried.

Gina Wolbeck  
Clerk

Date Approved By Council 11/12/14