

MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, April 24, 2012 held at 7:00 p.m. at
830 Whitewater Avenue
St. Charles, Minnesota

MEMBERS PRESENT:

Councilmen:

John Schaber

Dave Braun

Orv Dahl

Wayne Getz

Mayor Bill Spitzer

STAFF PRESENT:

Kristine Huinker (City Accountant), and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Steve Jacob, Brian Todd (Post Bulletin), Maurice Ploetz, Monica Hill (St. Charles Press), Tom Wente (Smith Schafer & Associates), and Nancy Heim.

1. ESTABLISH QUOROM/CALL TO ORDER

Quorum was established with Mayor Spitzer calling the meeting to order at 7:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to approve the agenda: Wayne Getz

No discussion.

Motion carried.

4. Notices and Communications

5. REVIEW OF FINANCIALS.

6. 2011 Financial Audit-Smith Schafer & Associates. Tom Wente went through his presentation of the 2011 audit. To summarize a few points he stated: the city's reserve fund is approximately 48 percent, LGA and city property taxes are about 50/50, all TIF districts are now decertified except for TIF #6, all debt service funds are being funded and paid on a timely basis, utility funds continue to keep pace with rising costs and debt service requirements. In short, it was a clean review.

7. 2012 Budget Amendment/Quarterly Investment Discussion. City Accountant Kristine Huinker led a discussion with the Council to talk about how since 2009 the City has been working to adjust from the loss of North Star Foods. Initially when the adjustments were made they were educated guesses based on historical figures. In addition because of the billing structure of quarterly billing final audited numbers were inflated. Consequently after working closely with the auditors this year it was felt that it was in the best interest to reduce the revenues stated in water by \$65,000. The budget still will show the fund in the positive, but substantially reduced. Similarly, the sewer was also inflated in revenues and thus could not afford the expenditures planned. A plan was brought forth to discuss reducing the overinflated number in 2012 with a future remedy for the remaining \$40,000. The Council discussed this option and looked at the current project for I&I for sewer lining at a cost of \$67,000. It was questioned whether or not staff could go back out for bid and it was certainly a possibility, but it was also expressed that the bid received may not be the same based on a reduced project. As the Council discussed the possibilities they were also looking for options that would allow the reductions to be completed in one year. Staff will bring options back to the Council at the next meeting. Kristine Huinker then provided a brief overview of the investments owned by the city.

8. 2012 Summer I&I Project. The Council reviewed the quotes and the 2012 summer project list for sewer lining. After reviewing the bids, they accepted the quote from Visu-Sewer, Inc. for \$67,290 for 1,960 lineal feet of lining

and cleaning. Some discussion was held on whether or not the Council should move forward with this project given the uncertainty of where the adjustments to the sewer budget might come from. However, the sewer budget had already reduced its budget by \$15,000 and was able to locate the necessary \$7,290 within the existing budget. A motion was made to approve the quote.

Motion to table: **Orv Dahl**

No further discussion.

Motion carried.

9. 2012 Summer Seal Coating Projects. A map was provided that showed all the streets that were patched last year with the total patcher machine. The final step to try and provide an additional 5 years of life to the street is to seal coat. Two quotes were reviewed that were \$26,647.25 and \$26,692.50. After reviewing the quotes, it was the recommendation from the city engineer to accept the bid from Caldwell Asphalt Co. Inc. A motion to approve the quote was made.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

10. Revolving Loan Request. A request from the EDA to re-issue a \$20,000 loan to S&S Dairy was requested. The loan would improve the position of the EDA to being included on the building that is being purchased. It was discussed how in a year's time the business has grown from 4-5 employees to 12 full-time employees. Other details of the loan were discussed. A motion was made to approve the request to S&S Dairy.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

11. Resolution #13-2012 Final Plat Chattanooga Innovation Park. Admin. Koverman expressed that he had hoped to have the closing finalized with Ms. Heim, but that it was planned for later in the week. The Council tendered the idea of a tentative motion to approve the plat based on the closing. A motion was made to that effect.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

12. DESCASD Update. Mayor Spitzer and Clm. Getz provided an update on the construction of the sewer plant and that everything was going well.

13. Worker's Compensation Dividend. Admin. Koverman provided a recent memo from the League of Minnesota Cities that highlighted the money returned to the City due to the safety programs and conservative use of the insurance policy. The total amount received back from dues was over \$9,600.

14. Request to Amend Ordinance #90.18. Admin. Koverman highlighted a formal request from resident Maurice Ploetz to amend the ordinance with respect to the times of use of various pieces of equipment. Mr. Ploetz's request wanted the times to be changed to include the weekends and holidays for the 7 a.m. to 10 p.m. hours that are the current code during the week. Council discussed the idea and it was agreed that given the working schedules of today's residents and that most people are already mowing lawns before 9 a.m. that it would be reasonable to adjust the times. Given the consensus of the Council, staff will move ahead to amend the times.

15. Farm2Rail Update. Mayor Spitzer provided an update on the two meetings that he attended. Following the initial township meeting, a Thursday April 26 neighborhood meeting was set up to help answer questions by the township residents who live along the Cherokee Rd proposed site. Clm. Getz and Admin. Koverman were both in attendance at that meeting. He expressed that it was a positive meeting that helped both sides to understand concerns of the project. A subsequent letter was generated and sent to the engineer of Farm2Rail to request plans and a signed petition of land owners involved. More information will be presented as released or discovered.

PUBLIC COMMENT: Steve Jacob introduced himself to the Council as a potential candidate for the Winona County seat currently held by Mena Kaehler. He commended the Council for their listening and quick action with respect to a request by a resident. He offered to make himself available to the council at any time.

Motion to adjourn at 8:16 p.m.
Motion to approve: **Dave Braun**
Motion declared carried.

William J. Spitzer, Mayor

Attest: _____
Nick Koverman , City Administrator