

MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, August 25, 2015 held at 6:00 p.m. at
830 Whitewater Avenue
St. Charles, Minnesota

MEMBERS PRESENT:

Councilmen:
David Kramer
Dave Braun
Orv Dahl
Wayne Getz
Mayor John Schaber

STAFF PRESENT:

Kristine Huinker (City Accountant), Kyle Karger (PW Supt.) Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Cathy Groebner, and Craig Hilmer (St. Charles Press).

1. ESTABLISH QUOROM/CALL TO ORDER

Quorum was established with Mayor Schaber calling the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to approve the agenda: **Dave Braun**
No discussion.
Motion carried.

4. Notices and Communications. Admin. Koverman relayed a notice from the League of MN Cities, the invitation to the SMIF annual meeting, and the Executive Director report from Project Fine.

5. Review of Financials. Clm. Getz asked various questions regarding past payables and answers were provided.

6. Coalition of Greater Minnesota Cities Presentation. Elizabeth Wefel presented information from the Coalition. No questions were asked. The Council thanked her for her time and the CGMC.

7. Fort Culvert. Mayor Schaber expressed that he had a conversation with Mr. Fort and it was requested to have a second meeting with himself, Clm. Kramer, Mr. Fort's engineer, and Steve Pearson. Mr. Fort would like the group to consider tiling and possible heat tape of the culvert. Clm. Kramer expressed that the tiling, as previously discussed, would help with the weeping or low flow of the culvert. He expressed that he was not against another meeting. Clm. Dahl hopes to find a resolution soon but stated that the city should look to vacating the premise once completed. Clm. Braun did not agree with the heat tape as he did not see a benefit and felt a perfectly good solution had been previously proposed, but that he was not against the tiling. Cost of the project with the possible additional tiling was briefly discussed and more information would need to be sought. Clm. Braun reiterated that once the resolution is complete that the City would vacate the property. Concensus by all was expressed. Clm. Getz asked where the water was coming from and Supt. Karger explained that a natural spring had possibly been re-energized and was flowing into the stream, which accounted for the low flow of water. It was discussed that once the group had met, the recommendation would be provided to the City Engineer for review. It was agreed that if no resolution could be accepted that the City would continue to proceed with vacating the road. A motion was made to hold one more meeting with the mayor, Clm. Kramer, Mr. Fort, Mr. Fort's engineer, and Steve Pearson, bring back the information to the city engineer for review, and bring to the Council during a September meeting and once complete vacating the property.

Motion to approve: **Dave Braun**
No further discussion.
Motion carried.

8. Delinquent Utilities-Scheduling of Public Assessment Hearing. Mayor Schaber expressed that at one of the next meetings the Council would look to certify delinquent property utilities to the 2016 property taxes as is custom. While a public hearing is not required, Mayor Schaber expressed that he felt Council would be willing to take comment regarding this matter. Mayor Schaber expressed that he had a conversation with one individual who declined to come to the Council, but was informed that there would be a meeting in September for consideration of these matters. Clm. Kramer expressed that if it was the decision of the Council to take comment that he would propose notice the hearing as a public hearing in the interest of a more formal open process. The Council concurred with the option and a motion was made to set the meeting date for September 22 at 6 p.m. Notices will be sent and public notice published.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

9. 2016 Governmental Preliminary Budget Discussion. Kristine Engstrand, city accountant, led the Council through a preliminary budget discussion highlighting points within her memo. She outlined the major changes and outlined a proposed 9.89 percent levy increase. The majority of the increase, as she discussed, was the planned fire/ambulance facility of 8.16 percent. She highlighted some various strategies that could be utilized to lower the levy, but could not adjust beyond the 8.16 percent. Brief discussion was held with respect to some of the various items, but more could be held at the following meeting.

10. EPA Impact on Rice Rules. Admin. Koverman began by highlighting the information that outlined the recent ruling by the D.C. Circuit Court of Appeals that imposed a mandate to the EPA to eliminate the 100 hour exemption. Indications are that while the EPA will be revising the number of hours, the mandate for May of 2016 will remain and that the only way for UMMEG members to retain the accreditation of their units and forego the need to procure outside capacity is to equip the units with appropriate upgrades designed to meet the EPA standards. This upgrade will allow units to be run free of hours limitations and maximize their economic value to members and communities. Supt. of Public Works, Kyle Karger, indicated that since the plant has been operation the savings to the utility customer has been estimated at between \$350,000-\$500,000 dependent on the year, that Dairyland has not billed the city because of the generations capacity. Projections for projects of this nature have been estimated at approximately \$250,000. He expressed that as similarly sized utilities consider making the same investment, there are limited companies in the Midwest that perform this type of work and that estimates are that a 12-week wait time for material is common from the date of signing a contract. It is his desire to draft an Request for Proposal to send to potential contractors in order to put St. Charles in the front of the process. He also hopes this proactive approach will save project costs prior to contractors being inundated with requests and projects. Clm. Kramer asked that if this project were to be evaluated how it would be paid for. It was outlined how a portion of the 2016 operating funds would be used and a portion of the Capital Improvement Plan budget could also be used. If these were not viable options to the Council, certainly the utility's reserve could be utilized as well. It was discussed how the RFP process would not obligate the Council. A motion to direct staff to seek an RFP for the potential upgrade of the generation plant was made.

Motion to approve: **David Kramer**

No discussion.

Motion carried.

11. Citizen Advisory Board Recommendation. James Purl had submitted an application to serve as a volunteer and indicated his willingness to serve on both the Public Safety committee board as well as the Public Works board. Hearing no discussion a motion to appoint Mr. Purl to the boards was approved.

Motion: **Orv Dahl**

No discussion.

Motion carried.

UNSCHEDULED PUBLIC APPEARANCES

None

Motion to adjourn at 7:06 p.m.

Motion to approve: **Wayne Getz**

Motion declared carried.

John Schaber, Mayor

Attest: _____

Nick Koverman, City Administrator