

MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, June 10, 2014 held at 7:00 p.m. at
830 Whitewater Avenue
St. Charles, Minnesota

MEMBERS PRESENT:

Councilmen:
John Schaber
Orv Dahl
Wayne Getz
Bill Spitzer

MEMBERS ABSENT:

Dave Braun

STAFF PRESENT:

Ken Frank (Police Chief), Rick Schaber (Park & Rec Director) and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Cathy Groebner, Dan White, Laura Berndt, Tim Hruska (WHKS), Nick Beyerstedt, Brent Ihrke, Darin Ihrke, Mike Bubany (David Drown & Associates), Cris Gastner (CEDA), and Craig Hilmer (Press).

1. ESTABLISH QUORUM/CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

3. APPROVAL of the AGENDA: Deletion: 24. Closed Meeting. Additions: 24. Resolution #21-2014 2-Day Liquor License. 25. Resolution #22-2014 3-Day Liquor License.

Motion to approve the agenda: **Orv Dahl**

No Discussion.

Motion carried.

4. MEETING MINUTES:

-April 8, 2014

Motion to approve: **John Schaber**

Motion carried.

-April 22, 2014

Motion to approve: **Wayne Getz**

No discussion.

Motion carried.

5. APPROVAL of the JUNE PAYABLES

Motion to approve payables: **Wayne Getz**

6. Notices and Communications.

7. Reports of Boards and Committees: Various reports were given by Council.

8. Public Hearing-Modification of TIF District 1-7. Mayor Spitzer called for a motion to open the public hearing on the TIF District 1-7.

Motion to open the public hearing at 7:09 p.m.: **John Schaber**

No further discussion.

Motion carried.

Mike Bubany of David Drown & Associates presented the information related to the TIF District that serves NRB Metals and Salsbury Electric. The purpose of the public hearing was to modify the district in order to increase the budget so that additional assistance of \$80,000 could be provided without extending the life of the TIF district. Hearing no questions, Mayor Spitzer called three times for public comment on the proposed modification of the district. Hearing no comment, he called for a motion to close the public hearing.

Motion to close the public hearing at 7:15 p.m.: **Orv Dahl**

No further discussion.

Motion carried.

9.Resolution #17-2014 Adopting TIF District 1-7 Modification.

Motion to approve: **Wayne Getz**

Seconded by: **Orv Dahl**

No further discussion.

Motion carried.

10.Resolution #20-2014 Amended and Restated Development Agreement for NRB Metals.

Motion to approve: **John Schaber**

Seconded by: **Wayne Getz**

Cris Gastner, the EDA Director, addressed the Council and highlighted the discussions that began 3-4 months prior. He outlined that the new expansion will create an expected 10 jobs and will propel NRB Metals to one of the larger employees in St. Charles. Working with Mr. Beyerstedt, Gastner expressed that it is an exciting project and future for the company.

No further discussion.

Motion carried.

11. Public Hearing – TIF District 1-8. Mayor Spitzer called for a motion to open the public hearing at 7:19 p.m.

Motion to open the public hearing: **Orv Dahl**

No further discussion.

Motion carried.

Mike Bubany discussed the Municipal Development Plan No. 1 which encompasses all of the city. Setting up TIF 1-8 simply starts the time clock on that specific parcels of land defined in that TIF which will allow for 9 collections starting 2016. No more questions were asked. Mayor Spitzer called for public comment on the new TIF district. Dan White at 730 Whitewater Avenue expressed his support of the action. Hearing no other comment, a motion to close the public hearing was made at 7:27 p.m.

Motion to close: **Wayne Getz**

No further discussion.

Motion carried.

12. Resolution #18-2014 Modifying Municipal Development District No. 1.and establishing TIF District 1-8.

Motion to approve: **Orv Dahl**

Seconded by: **John Schaber**

No further discussion.

Motion carried.

13. Public Hearing-Business Subsidy-Active Tool & Die. Mayor Spitzer called for a motion to open the public hearing at 7:29 p.m.

Motion to open the public hearing: **Wayne Getz**

No further discussion.

Motion carried.

Mike Bubany led the discussion by highlighting the need for a business subsidy hearing and contract because of regulations and requirements to do so. Mr. Bubany highlighted the request of the assistance in the amount of 2 acres of land with a value of just over \$130,000. As outlined in the agreement, three jobs are the minimum that would be created at a wage/benefits of no less than \$12/hr. He expressed that the number was determined so that they know the company will be successful at complying as they will need to reach those numbers within 24 months. The

establishment of the TIF District which will collect the increment generated by the new taxes created between the difference between the value of the bare land costs and the new building will be used to repay the City's investment of the land and infrastructure. In addition, it was recommended and approved by the EDA that an additional \$50,000 of Rochester Sales Tax dollars be utilized as a forgivable loan for 5 years. Cris Gastner addressed the Council next and stated that after long discussions with both Brent and Darin Ihrke that one of the main reasons the Chattanooga Innovation Park was created was to be able to help local businesses expand. After months of contemplation, the Ihrkes felt it was the right time and it was the goal of the EDA to get the first one up in the park. Being that it is a local company made it all the better. They are excited about the prospect and where their business is going and he expressed that the goal of the park is working. Mayor Spitzer called for public comment three times. Hearing none, he called for a motion to close the public hearing at 7:38 p.m.

Motion to close: **John Schaber**

No further discussion.

Motion carried.

14. Resolution #19-2014 Approving Business Subsidy (Active Tool & Die). A motion was made to approve resolution #19-2014.

Motion to approve: **Orv Dahl**

Seconded by: **John Schaber**

No further discussion.

Motion carried.

16. Commercial Rehabilitation Loan Request #5-2014. Cris Gastner presented three businesses requesting assistance through the Commercial Loan Rehabilitation program funded through Rochester Sales Tax dollars. The three requests had been reviewed by the EDA and they met all the qualifications for improvements in order to receive the maximum amount of \$10,000. The three businesses included The Cutting Edge, T&R Excavating, and the St. Charles Assisted Living. A motion was made to approve the request #5-2014. Mr. Gastner added that he would provide the Council with a followup report that would highlight the amount invested versus the private investment made.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

17. Trail Discussion. Tim Hruska from WHKS Engineering presented to the Council a plan that would allow the City to utilize the existing grant dollars to acquire the property to County Road 39. He briefly discussed the option of pursuing the trail to the top of the hill, but it was determined through discussions with the DNR that time would not permit this project option. Construction of portions of the trail within town may also be difficult based on the permitting required, thus Mr. Hruska felt confident that they would only be able to reach County Rd. 39 if the Council felt it was in the best interest. The other option was simply to let the funds return to the DNR, however, if the City was able to finalize the portion to the County Road 39 it would set them in a better position for future grant requests. Clm. Dahl initially stated it was certainly disappointing and that he would hope the city would reapply for the grant in the future. He later added that he felt the city should salvage what we can and progress forward with this round. Clm. Schaber stated that he felt eventually there would in fact be a trail, so it was in the city's best interest to not lose the work we have already done. Clm. Getz agreed and stated we should keep moving forward. A motion was made to continue to utilize the grant dollars to move forward in acquiring the property toward County Road 39.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

18. 2015 COPS Grant. Police Chief Ken Frank presented information to the Council regarding a 2015 COPS grant that would pay for 75 percent of a 3 year grant with the local unit of government supporting the remaining 25 percent. The grant would go toward the use of a School Liaison Officer. He met with the school district and while a job description had not been finalized however, dependent on the outcome of the application this would be completed. Chief Frank indicated that even if the City is approved for the grant, it does not commit the city to it. Admin. Koverman indicated that he had spoken with the Plainview Police Chief and that currently Plainview has had a school resource officer since 1998 and that the district pays 75 percent of the cost for 9 months, while the city

pays the remaining 25 percent. No determination had been made or expressed by the St. Charles School Board, but left it open. A motion was made to approve to go forward with an application.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

19. Resolution #16-2014 Whispering Greens Subdivision Replat. Clm. Schaber briefly reviewed the replat request that demonstrated that the 32 lots were being replatting as outlots by the owner. Hearing no other questions or discussion, a motion was made to approve resolution #16-2014.

Motion to approve: **Orv Dahl**

No further discussion.

Motion carried.

20. 2001 Ford Utility Replacement. Admin. Koverman highlighted the memo with respect to the history of the unit. The 10-year replacement of the unit had been exceeded by 3years, but staff on the recommendation of the mechanic felt it was necessary to replace the unit. An F250 4X2 unit had been priced on state contract for \$22,948. The base price was over \$30,000 while the budgeted amount was \$40,000. Clm. Schaber expressed that due to the issues of the truck and the reasonable bid, he motioned to approve the replacement of the unit for \$22,948.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

21. Amending Council Schedule/Dates. Mayor Spitzer requested consideration of a change of time for summer meetings in order to accommodate everyone's schedule as a trial. He suggested a 5 p.m. time change for July through August. Council members felt it would be agreeable. The August 12 date was reviewed as part of the Primary election. While it has historically been held at 8:01 p.m., Mayor Spitzer thought another date might better suit everyone's schedule. It was agreed that Wednesday, August 13th would be possible. A motion was made to approve the new time change and moving of the August 12th date to August 13th. Clm. Dahl questioned the June 24th date as a start date of the new time. Clm. Schaber amended his motion to include the June 24th meeting.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

22. Administrator Time Off Request. A request for June 23-27 off was made. A motion to approve the time off request was made.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

23. Personnel Request. Admin. Koverman highlighted a request from a St. Charles employee that he had received to cash 80 earned hours of vacation due to unusual circumstances of a medical/health related issue and corresponding out-of-pocket expenses not covered by regular insurance. Admin. Koverman cited City Code 31.11 (F) that highlighted the Council's ability to use discretion in approving a request such as this. With no further questions, a motion was made, due to unusual circumstances related to a medical/health related issue and corresponding out-of-pocket costs, I move to approve the cashing out of 80 earned vacation hours per City Code, 31.11(F) to a City of Saint Charles employee who requested such cash out by email to City Administrator Nick Koverman, dated June 4, 2014.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

24. Resolution #21-2014 2-Day Liquor License. The liquor license was for the American Legion post to serve liquor during the Winona County Fair.

Motion to approve: **John Schaber**

No further discussion.

Motion carried.

25. Resolution #22-2014 3-Day Liquor License. The liquor license was for the American Legion post to serve liquor during the Winona County Fair.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

UNSCHEDULED PUBLIC APPEARANCES:

Dan White-730 Whitewater Avenue—Mr. White relayed his attendance to a recent Park Board meeting and the discussion to help secure potential funding to improve ice skating facilities.

Cathy Groebner-437 St. Charles Avenue—Mrs. Groebner stated that she felt that sidewalks in town should be more of a priority rather than the priority of trails.

Motion to adjourn at 8:21 p.m.

Motion to approve: **Orv Dahl**

Motion declared carried.

William J. Spitzer, Mayor

Attest: _____
Nick Koverman, City Administrator