

**MINUTES of the ST. CHARLES CITY COUNCIL
For Tuesday, October 8, 2013 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:

Jeff Hardke (Ambulance Director), Ken Frank (Chief of Police), Kristine Huinker (City Accountant) and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Rick Engstrom (WHKS), and Craig Hilmer (St. Charles Press).

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: Deletion of items 7c and 7e.

Motion to approve the agenda with the noted deletions: **Wayne Getz**
No discussion.
Motion carried.

4. MEETING MINUTES

-September 10, 2013

Motion to approve: Orv Dahl
No discussion.
Motion carried.

-September 24, 2013

Motion to approve: John Schaber
No discussion.
Motion carried.

APPROVAL of the OCTOBER PAYABLES

Motion to approve payables: **Orv Dahl**

6. Notices and Communications.

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

8. Shared Assets Agreement. Admin. Koverman highlighted the agreement and discussions held with school district representatives. Through the discussions, it was agreed that the document was still effective and applicable even after 10 years. No changes were made to the document and he expressed that the St. Charles School Board would be reviewing the document in the near future, but that the Superintendent would present it for approval as well. It was agreed that the partnership with the school district is invaluable and that the city is fortunate to have this type of collaboration with the district. A motion was made to approve the document as presented.

Motion to approve: **Orv Dahl**
No further discussion.

Motion carried.

9. 2014 Preliminary Enterprise Budgets. City Accountant Kristine Huinker led the Council through a memo outlining the various changes to the water, electric, ambulance, sewer, and garbage funds. She highlighted that the preliminary budget is being sent to Mike Bubany of David Drown & Associates for Capital Improvement Planning strategies and that historically to follow the incremental approach that the city has utilized for many years now, that a 3 percent water and 6 percent sewer increase is typical. A letter from the St. Charles Dover Eyota Area Sanitary District indicated that their sewer rates to the three member cities would be 7 percent. Garbage rates were factored at a worst case scenario of 4 percent, but the 2013 rate was only 3.7 percent. Representatives would be contacting the city in the next week to finalize the 2014 rate. Ms. Huinker expressed that while transmission costs for 2014 are expected to rise 10 percent, these projections were part of the 2012 rate study and that even it was anticipated and is foreseen into the future that no rate increase is expected for 2014. The larger 4th Street underground project will also be started in 2014, but unfortunately was not grant eligible because it did not pass the cost-benefit analysis ratio for FEMA. The total project cost is roughly \$500,000, but can be split up into two phases (2014-2015). The water budget shows a \$78,000 overage, but Ms. Huinker indicated that the water tower repainting/maintenance (inside) would be drawn from water reserve funds. No questions were asked at this time.

10. Storm Water Management Plan. Rick Engstrom, the city engineer, was present to briefly outline the storm water management plan that highlighted various projects as they related to priority level and estimated costs. The plan was approximately a 5 year plan, but helped to highlight for Council upcoming projects. Many of the projects can be evaluated on an annual basis due to the changing environment and how structures or facilities wear or age. It is a guide, he expressed, rather than an exact road map. He entertained any questions from the Council.

11. Sewer Repayment Schedule. Admin. Koverman reviewed a memo provided by city accountant Kristine Huinker which proposed a \$30,000 payment to the electric department that was not scheduled until 2014. He highlighted the available sewer reserves, while not extensive, could make this payment, leaving only a remaining 2014 payment and close the outstanding note. This move, Mr. Huinker reminded council, was done to rectify the new changes in the auditing policy of GASB 54 a few years ago. All councilman agreed that if funds were available that it was in the best interest to speed up payment to close the note. A motion was made to approve the early repayment to the electric fund in the amount of \$30,000 in 2013.

Motion to approve: **Wayne Getz**

No further discussion.

The motion carried.

12. Ambulance Payment Schedule. Ambulance Director Jeff Hardtke was present to review a memo highlighting his request for an early payoff of the 2010 ambulance (unit 623). It was determined that the interest paid for the loan was greater than the interest earned on investments, therefore, the association could save approximately \$800.00 if paid off. Council agreed with the strategy and a motion was made to approve the ambulance association for the early payment of \$25,050.

Motion to approve: **Orv Dahl**

No further discussion.

The motion carried.

13. MnDOT Railroad Crossing Amendment. Admin. Koverman highlighted the amended language for the railroad crossing updates by MnDOT. The language incorporated "Buy America" products for iron and steel. A motion was made to approve the amendment document.

Motion to approve: **John Schaber**

No further discussion.

The motion carried.

UNSCHEDULED PUBLIC APPEARANCES

None.

Motion to adjourn at 7:41 p.m.
Motion to approve: **John Schaber**
Motion declared carried.

William J. Spitzer, Mayor

Attest: _____
Nick Koverman, City Administrator