

**MINUTES of the ST. CHARLES CITY COUNCIL
for Tuesday, April 27, 2010 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:

Nick Koverman, Administrator

Kristine Huinker, City Accountant

OTHERS IN ATTENDANCE: Craig Hilmer (St. Charles Press), Nancy Heim, and Julie Haas.

1. ESTABLISH QUORUM/CALL TO ORDER

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

2. PLEDGE of ALLEGIANCE

3. APPROVAL of the AGENDA: addition of item: 10) LMCIT Liability Insurance Waiver

Motion to Approve: John Schaber

Seconded by: Orv Dahl

Motion declared carried

4. Notices and Communications:

Admin. Koverman provided information to the Council on May 19th Wellness at 11:30 a.m. at City Park that staff and Council have been invited to. He updated Council on a recent discussion with Rep. Drazkowksi with regard to the I-90 project.

5. Review of Financials

No discussion was held.

6. 2009 Audit-Smith Schaefer & Associates. Tom Wentz led the Council through the 2009 St. Charles Audit. To summarize the general fund reserves increased to 39 percent due to department non-spending following the North Star Foods fire and cuts to projects. Mr. Wentz summarized as well that while the enterprise funds were making their debt service payments they were not increasing their overall reserves. Overall, Mr. Wentz commented it was a favorable audit.

Motion to approve: John Schaber

Seconded by: Dave Braun

Motion declared carried.

7. Replacement Position. Admin. Koverman began by expressing that in conversations with the administrator from Chatfield who was directly involved in trying to provide a solution for cities with the State through the League of Minnesota Cities, he indicated that he speculates there may be an additional 2010 cut and while our council has provided the necessary tools for additional cuts, it is important to keep this fact in mind. Mayor Spitzer informed the Council about an automated phone system that is already available to the staff through the current phone system and urged the Council to look at its options. Clm. Schaber questioned the need for three, but added two was too few. His concerns were for budget season and allowing the City Accountant to adequately do her job. He voiced his dislike of automated systems and felt that we could simply look at a clerical position to fill the need. Clm Braun agreed that a part-time position would allow everyone to do their job. Clm. Dahl agreed as well. Clm. Getz questioned though how allowing the City Accountant to participate on ambulance may affect the hiring of the position. Mrs.

Huinker replied by stating that her duties were still accomplished as accountant despite serving. Admin. Koverman also clarified that the idea of “double-dipping” was inaccurate and the Mrs. Huinker either made up as much time as possible or simply was paid less, however her duties were still fulfilled. He added that while we ask other employers to serve on our volunteer departments it is crucial if possible the city organization also provide that flexibility. Mayor Spitzer requested a 4-month moratorium calling for responsible government, but ultimately that he hopes to prove to the community that there is a need for a full-time position. Clm. Schaber maintained that a part-time position was still very necessary. Clm. Dahl expressed that even at part-time the City was still saving money. Clm. Braun expressed that during the last meeting he merely hoped to have a contingency plan in case we needed to continue to cut due to LGA. He added that by hiring part-time it is a safer position to be in and didn’t cost a lot. Mayor Spitzer countered with the question of possibly looking at a 2 or 3 month break. Clm. Schaber expressed that he understood his concern, but made a motion to fill the replacement position with a temporary/part-time starting with a 24 hour/week position outside our step system and to decide after 3 months to re-evaluate and to post in the \$8-10 range.

Motion to approve: John Schaber

Seconded by: Orv Dahl

Clm. Getz voted opposed.

Motion declared carried.

8. 2010 Amended Budget. The Council reviewed the approved the amended budget, but it was noted that in order to take the proper action to restore the library’s book account a motion was made to restore the library transfer from the general fund in the amount of \$6,500.

Motion to table: John Schaber

Seconded by: Dave Braun

Motion declared carried.

9. Brookwood Parking Lot / UCC Church Proposal. Admin. Koverman reported to the Council with recommendations with respect to where the proposed money for the Brookwood Parking Lot and UCC Church Proposal would come from. He indicated that initially he spoke with one potential source and they were already looking at a project. He had not had the time to question other sources, so at this point he recommended the dollars come from Capital Improvement Program reserves. He also recommended that the \$40,000 that was being used from the water fund that it be recorded as an interfund loan to the project to be repaid to the water fund CIP. A motion was made to approve the \$7,800 CIP reserve expense for the Brookwood surfacing project and to include the repayment of the \$40,000 to the water fund with the amendment to use other funds if they become available (Clm. Schaber).

Motion to approve: Wayne Getz

Seconded by: John Schaber

Motion declared carried.

The discussion of the UCC Church Parking was also included with a recommendation of an interfund loan from the electric department to be utilized in the possible maximum amount of \$32,500. Clm. Braun questioned why the city was participating in the project with Admin. Koverman reminded the Council that a grant application to DEED had been made and approved in the amount of \$68,000 as a matching cost of the project. The School District will pay 50 percent of the City’s cost share and the City share will be a maximum of \$32,500. He asked if the Council was still desired to move forward and it was agreed to move forward. A motion was made to approve an interfund loan from the electric department to be repaid with the caveat that should other funds become available those would be substituted to complete the UCC parking lot project.

Motion to approve: Wayne Getz

Seconded by: John Schaber

Motion declared carried.

10. LMCIT Renewal Coverage Form. Admin. Koverman reviewed the Insurance Waiver Liability form with the Council which is an annual procedure. The Council motioned to approve the form to not waive its liability.

Motion to approve: Dave Braun

Seconded by: Orv Dahl
Motion declared carried.

UNSCHEDULED PUBLIC APPEARANCES

Nancy Heim updated the Council on the Boy Scouts picking up garbage in City Park and then questioned the Council on a few items.

Motion to adjourn at 8:24 p.m.: John Schaber
Seconded by: Orv Dahl
Motion declared carried.

ATTEST

William J. Spitzer, Mayor

Nick Koverman, Administrator