

**MINUTES of the ST. CHARLES CITY COUNCIL
for Tuesday, March 23, 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 (absent)

STAFF PRESENT:

Nick Koverman, Administrator

Keith Engstrand

Janell Dahl

Rick Schaber

Chief Bill Eckles

Supt. Kyle Karger

Kris Clobes

Randy Geisler

Scott Bunke

Marti Ellinghuysen

Holly Rognholt

Kristine Huinker

OTHERS IN ATTENDANCE: Mike Bubany (David Drown & Associates), Scott Oberg, Dan Pearson (EDA), Jessi Giesler, Mark Linderbaum (EDA), Tim Hoff, Nancy Heim (P&Z), Scott Huinker, and Craig Hilmer (St. Charles Press)

1. ESTABLISH QUORUM/CALL TO ORDER

Quorum was established with Acting Mayor John Schaber calling the meeting to order at 7:01 p.m.

2. PLEDGE of ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to Approve: John Schaber

Seconded by: Dave Braun

Motion declared carried

4. Notices and Communications:

Admin. Koverman reminded the Council and community about the upcoming March 27 Census event and that the location had been changed to the Catholic Church. He urged everyone to attend and welcomed the Council to participate.

5 Review of Financials. No discussion was held.

6. St. Charles Business Park Vision. Admin. Koverman and EDA Director Cris Gastner led an hour and fifteen minute presentation regarding the proposed vision and plan for a 37-acre business park. The plan was created after working with North Star Foods. After receiving the announcement that NSF would not rebuild the EDA revisited the plan and work already done to see if there was still support for the plan. Various meetings had been taking place with potential partners and resources. The total cost for the project was expected to be approximately \$2.0 million with potential resources coming from an existing TIF District which if the funds are not used would return to the County for disbursement between the entities, as well as potential legislative funding, DEED grant dollars, and potential debt of the city coming off line to be used to help make the payment. Mike Bubany, the city's financial advisor expressed that the cost per square foot could be as little as \$1.18 per square foot with all potential resources or as much as

\$2.20/square foot. Mr. Bubany expressed that these rates were very favorable for the project. Representatives from the core focus group and EDA offered their opinion of the project (Tim Hoff, Mark Linderbaum) and Scott Oberg a resident of St. Charles were in favor of the project. Council concerns were expressed as far as investing money without a return. It was discussed how the project could be phased, but that the land was a very favorable rate and probably would not exist again in the future. Mayor Spitzer asked each member to discuss their concern and all were in favor of the idea and will proceed at the next meeting after taking in more feedback from the community.

7. 2010 LGA Budget Meeting. Mayor Spitzer led the discussion of the budget meeting and went through concerns he had for the proposed budget cuts presented. The mayor presented cuts in the amount of \$135,000 of the \$136,000 proposed to be cut by the governor. It was discussed that a proposed bill from the House and Senate could result in less cuts to LGA. Each Councilman presented various ideas along with the proposed cuts. It was the consensus that the cuts proposed were fair with Councilman Braun raising his concern for utilizing reserves. While the council agreed that they do not want to cut services they also realize the problem of how to build reserves. Some of the ideas discussed were with looking at MMUA training costs, athletic fees, canceling fireworks, council stipend, gladiolus days, selling lots to the west of city hall, etc.

Mayor Spitzer expressed that during the March 22nd Personnel meeting employees stated they were thankful to have jobs and that they would look at seasonal and part-time staff first. Councilman Braun expressed that he did not want to reduce the workforce, or close the pool or library but maybe it is something the City may have to do. Councilman Dahl agreed saying staff cuts, furloughs should be a last ditch effort because it will reduce service. All Councilman agreed there is no easy solution, but that all scenarios should be looked at. Mayor Spitzer provided various scenarios of work schedules for departments. One possible was a 20-hour police coverage schedule stating that if we choose this it is something the City would have to live with. While it is not an option he wants to do, he is simply throwing out options.

City Accountant Kristine Huinker advised the Council that perhaps at some point the City's position of paying cash for projects may not be feasible if the City hopes to build a reserve and continue to operate as it is. The Mayor finished the discussion by going around the table and asking what their priorities are or if they were comfortable with the changes and proposed cuts. Hearing consent administration was directed to bring back the proposed budget cuts with an amended budget to be adopted for the next meeting. He also asked councilman to think about other potential revenue sources and to think creatively about how to generate revenue.

Motion to adjourn at 9:10 p.m.: Dave Braun
Seconded by: John Schaber
Motion declared carried.

ATTEST

William J. Spitzer, Mayor

Nick Koverman, Administrator