

**MINUTES of the ST. CHARLES CITY COUNCIL
for Tuesday, November 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

STAFF PRESENT:

Nick Koverman, Administrator
Kyle Karger, Public Works Supt.
Bill Eckles, Chief of Police
Kristine Huinker, City Accountant

OTHERS IN ATTENDANCE: Mike Bubany (David Drown & Associates) Pat Glynn, Lory Gathje, Lee Groebner, Cathy Groebner, and Craig Hilmer (St. Charles Press).

1. ESTABLISH QUORUM/CALL TO ORDER

Quorum was established with Mayor Bill Spitzer calling the meeting to order at 7:01 p.m.

2. PLEDGE of ALLEGIANCE

3. APPROVAL of the AGENDA: addition) 16. Special Council meeting Dec. 7, 2010 purpose of I-90 Fjerstad Property Discussion

Motion to Approve: John Schaber

Motion declared carried

4. Notices and Communications:

A moment of silence was observed for the passing of Dr. Charlie Hawk.

5. Review of Financials

No questions asked.

6. Public Hearing – Orderly Annexation Agreement – Fjerstad Property. A motion was made to open the public hearing at 7:07 p.m. on a motion from Clm. Schaber. Motion carried.

Admin. Koverman explained the reasoning for the orderly annexation agreement with St. Charles Township and that while meeting with the Township they approved the agreement and project. The agreement was the standard agreement that made for arrangements for taxes to be paid to the Township over a 5 year period as well as infrastructure to be placed in a certain time period. The mayor then called for anyone from the public to speak. He called once, twice, three times. Not hearing anyone a motion to close the public hearing was made at 7:10 p.m. by Clm Getz.

7. Resolution #32-2010/St. Charles Township Resolution #01-2010. A motion to approve Resolution #32-2010/#01-2010 by Clm. Schaber.

Motion carried.

8. Public Hearing - TIF 2 Modification. A motion was made to open the public hearing at 7:14 p.m. by Clm. Dahl. Mike Bubany of David Drown and Associates helped discuss the reasoning for modifying the Tax Increment Finance District in order to incorporate the proposed project site as an eligible expense for acquisition. He reiterated that should the Council not choose to amend the District it was decertify at the end of 2011 and those monies would revert back to the County and School District. He reviewed the total

project cost and showed that if the total project was approved the possible impact to the tax payer given receipt of the grant would be approximately \$8 per year for \$100K house. Otherwise he estimated that the tax rate would remain at the current level given debt coming off line in addition to the newest taxes generated from the TIF district coming off line. He reviewed financials projections and cost of the project and estimated the cost of the land would be approximately \$1.15 square foot which Mr. Bubany said would be very competitive as compared to \$2.25/acre for other projects he has seen. Following Mr. Bubany's explanation, the mayor called for any other input or public comment. He called once, twice, three times. Hearing no further comment he called for a motion to close the meeting. A motion to close the public hearing was made at 7:32 by Clm. Schaber. Some discussion was held as to the implications of the TIF District and it was stated that should those dollars not be used they would revert back. A motion was made to approve the modification of TIF 2.

Motion to approve: Wayne Getz

Seconded by: John Schaber

Motion declared carried.

16. Special Meeting Tuesday, Dec. 7, 2010. A brief discussion was held to establish a special meeting for Tuesday, Dec. 7 to discuss the purchase of the Fjerstad Property. It was asked what other information could be helpful in making that determination.

Motion to approve: Wayne Getz

No further discussion.

Motion declared carried.

10. 2011 Enterprise Budgets. Admin. Koverman relayed that making up the difference with the electric department was established by repaying a loan to the electric fund through CIP. No other discussion was held.

11. 2010 Police Overtime. Admin. Koverman highlighted that in reviewing the overtime budget and the allocation of those dollars that in 2008 the overtime budget was reduced from \$8000 to \$5000 in order to offset lost Local Government Aid. This line item was never re-established. In addition, as budgets have been tightened over the past budgeting for vacation time has not been accounted for within the police department. Of the total hours expended almost half of those hours were used to cover the Chief of Police's vacation time. In relation to the training request and filling that need for part-time help, a designated St. Charles training manual was not established; rather it was a culmination of various pieces, but nothing had ever been established. The Chief had a discussion with department members regarding the most effective way to train and they established that sharing the responsibility was the most effective at this point in time. A portion of the training manual was provided and Chief discussed the pros of the training manual. The mayor expressed his disappointment with the timeline. It was discussed about potentially correcting the budget but Council agreed to try and remain within the current parameters set at this time.

12. LED Lighting. It was requested to revisit the discussion. Mr. Krause could not attend the meeting to present the plan, but would be at the Dec. 14th meeting. It was expressed that potential projects with Eastwood Bank, Excel Manufacturing, the School District, the Sanitary District, and other businesses were being reviewed. Again, the Council reviewed the consumption savings to the City and it was relayed that because of the LED component it showed the greatest savings as the city looks to reduce their consumption by 368,000 kilowatt hours. It was also discussed to hopefully come up with a residential lighting program for LED holiday consumption reduction. It was also relayed that the Office of Energy expressed that if the City did not follow through with its state mandate that they would have the right to come in and spend it for the city. The Council agreed that the goal is to reduce the consumption of the electric usage as a community and that the LED lights would provide for a greater reduction and that it was a descent investment down the road. A motion was made to approve the LED purchase in order to comply with kilowatt reduction mandate and that the City would investigate selling the former lights.

Motion made: John Schaber

No further discussion

Motion carried.

13. Sanitary District Appointment. The Sanitary District wants to fill the two year term that is expiring at the end of 2010. A motion was made to appoint Bill Spitzer to the Sanitary District board.

Motion by: John Schaber

Motion declared carried.

14. Schwickert's Library Roof Bid. Admin. Koverman again reviewed the Capital Improvement Plan and with the approved roof replacement, Schwickert's was able to lock in the price and complete the project this year and not bill the City until January of 2011. The Council agreed this would be a good move. A motion was made to approve the Capital Improvement expenditure.

Motion to approve: Wayne Getz

Motion declared carried.

15. Yellow Ribbon Community Update. Admin. Koverman highlighted the first meeting of the group. Volunteers will be sought to participate in the program. Glenn Mueller has agreed to participate on the City Leadership and Steering Committee team as well.

Unscheduled Appearances

None.

Motion to adjourn at 8:40 p.m.: John Schaber

Motion declared carried.

ATTEST

William J. Spitzer, Mayor

Nick Koverman, Administrator