

**City of Stewartville
City Council Regular Meeting Minutes
Stewartville City Hall
December 16, 2014**

I. PLEDGE OF ALLEGIANCE

II. CALL TO ORDER – ROLL CALL – Mayor King called the meeting to order on December 16, 2014 at 7:00 pm. Present: King, Hanson, Stensrud, Timm and Burgr. Also Present: City Administrator Schimmel, Finance Director Neubauer, Public Works Director Stevens, Library Director Johnson and City Clerk Roeder.

III. APPROVAL OF AGENDA – Motion by Hanson, second by Burgr to approve the amended agenda. Unanimously approved.

IV. APPROVAL OF COUNCIL MEETING MINUTES-

Motion by Timm, second by Burgr to approve Council meeting minutes of November 25, 2014. Unanimously approved.

Motion by Burgr, second by Stensrud to approve Truth & Taxation Council meeting minutes of December 2, 2014.

V. FINANCE AND BUDGET

A. Accounts Payable – Motion by Timm, second by Burgr to approve the accounts payable listing and to allow Neubauer to pay all bills that come in thru the 1st of the year. Unanimously approved.

VI. PRESENTATIONS/PUBLIC HEARINGS

VII. GENERAL BUSINESS

A. Variance Request – High Point Auction Company, 520 South Main St., has applied for a 3' variance from the allowed 20' height requirement for signage as per Chapter 13 Section 1375.14 Sub (2). If approved the height of the sign will be 23'. The Planning commission is recommending approval of the variance.

Motion by Stensrud, second by Burgr to approve Resolution 2014-44, A Resolution Approving the Variance Request and Adopting the Findings of Facts. Unanimously approved.

B. 2015 Budget & Approving Tax Levy- Mayor King opened discussion on the 2015 Budget and Tax Levy. Hanson stated that he had suggestions which will also tie into the proposed water/sewer rate increases. He questioned how the City can use \$40,000 "in lieu of taxes" to move funds out of an enterprise fund and then ask for water/sewer increases to help pay for the school project, noting that that it was his opinion that this was illegal. Schimmel stated that using "in lieu of taxes" fund is a common practice and suggested by the City Auditor's. Hanson stated that he'd like to see the \$40,000 used towards the project. Neubauer replied that if we use the \$40,000 to pay for the utilities

to the school, the 2015 General Fund Budget would be short. Hanson then asked if we could increase the life of the bond to 15-20 years vs the proposed 10 yrs. Timm questioned how much of an increase in interest we would pay by doing that. King asked if there was a 10 year payback from the school district and Neubauer reported that there was. Burgr stated that we are in line with other communities when it comes to utility rates. Neubauer stated that out of 14 communities we were 3rd lowest.

Motion by Burgr, second by Stensrud to approve the 2015 Budget. Voting in favor: Burgr, Stensrud, Timm and King. Voting against: Hanson. Motion carried.

Motion by Burgr, second by Timm to approve Resolution 2014-42, A Resolution Approving 2014 Tax Levy Collectible in 2015. Unanimously approved.

- C. 2014 Year End Financial Requests-** Neubauer stated that the Finance Committee has reviewed the Enterprise Designations in Retained Earning and is recommending Council approval. She also noted that in the 2014 Budget the City received an increase in the LGA allocation and Council set aside \$57,913 in a Capital LGA line item. The Finance Committee is recommending that these funds be designated for the 2015 CIP project (\$50,000) and Stop Light Maintenance (\$7,913).

Motion by Burgr, second by Timm to approve the Enterprise Designations as submitted by Finance Director Neubauer. Voting in favor: Burgr, Timm, Stensrud and King. Voting against Hanson. Motion carried.

Motion by Timm, second by Burgr to designate the remaining 2014 LGA funds to the CIP and Stop Light Maintenance line items. Voting in favor: Timm, Burgr, Stensrud and King. Voting against: Hanson. Motion carried.

- D. GASB#54 –** In 2011 the Governmental Accounting Standards board adopted GASB #54, which deals with how fund reserves are classified in governmental financial statements and reports. As a condition of GASB #54, the following resolutions are required. 1) Committing General Fund Balances is the new method of transferring funds in and out of designated reserves that Council has set up for specific projects or purposes. 2) Committing to special revenue funds is to document what funds the City has approved (either by legal requirements or Council approval) to be treated as a special fund.

Motion by Timm, second by Burgr to approve Resolution 2014-42, A Resolution Committing General Fund Balances for Specific Purposes and Projects. Unanimously approved.

Motion by Hanson, second by Timm to approve Resolution 2014-43, A Resolution Committing Specific Revenue Sources in Special Revenue Funds. Unanimously approved.

- E. 2015 Water, Sewer, & Storm Water Rate Increase-** Motion by Hanson, second by Stensrud to table discussion until we get feedback from Neubauer on extending the bond for the school project to 15-20 years. Voting in favor: Hanson, Stensrud and Timm. Voting against: Burgr and King. Motion carried.
- F. 2015 Fee Schedule-** Neubauer stated that the Finance Committee was recommending changes in the fee schedule. King pointed out that the snow plowing charge for connecting parking lots would be increased to \$125 to reflect the true cost. Hanson questioned the large increase in the family swim pass and Burgr replied that these larger increases will happen unless smaller increases are made each year.

Motion by Stensrud, second by Burgr to adopt Resolution 2014-44, A Resolution Adopting the 2015 Fee Schedule. Unanimously approved.

- G. Maplebrook Townhome Assoc. Bridge & Trail Request-** Mayor King stated that staff has had a chance to review the current and repaired conditions of the bridge and trail and would recommend acceptance if six conditions were met.

Motion by Hanson, second by Burgr to instructed Schimmel to contact the representative with the conditions and to follow thru with the request. Unanimously approved.

- H. I-90 Interchange Update-** Schimmel stated that the project was being moved up to MnDOT's 2018-2020 Road & Hwy Improvement Schedule. Schimmel presented a Concept Evaluation Matrix showing various options, noting that two crossover points (north and south of the Kwik Trip N intersection) would be closed and additional roadway extensions are proposed within the Schumann Business Park.
- I. Safe Routes to School Application-**Schimmel updated the Council on the grant received from the State for \$185,000 to be used for three sidewalk connection links. He informed Council that a neighborhood meeting was held and neighbors in the Berg Blvd area attended and that out of 35 residents notified, 9 showed up and the majority of the 9 were against the placement of the sidewalks on Berg Blvd. Schimmel stated that he had contacted the State to see if the project could be split and they replied that the City needed to complete the whole project or most likely the money would be given to another applicant. Schimmel stated that Engineer Strauss needed direction on whether to continue with the plans. Council discussed the concerns and felt that it was a safety issue and also noted that the cost of the sidewalks was covered by the State/City and not the property owners.

Motion by Burgr, second by Timm to direct City Engineer Strauss to move forward with the project. Unanimously approved.

VIII. MAYOR, STAFF AND CONSULTANTS REPORTS

A. Mayor- King commented on the following:

- Sympathy to the Families of: Mary Purkapile, Harm Loverink, Darrell Splittstoesser, Warren Anding, Elaine Flathers, Ron Clausen, Valerie Olson, Brad Higgins, Alice Nelson and Nancy Leque.
- Congratulations to Joan & Chuck Murphy on their 50th Wedding Anniversary
- Thank you to the Chamber of Commerce for a wonderful Winterfest!
- Congratulations to Maurice Sinn for his many, many years of service to our community. It was an honor to give him the 2014 Community Service Award last week.
- Congratulations to Public Works Director Mark Stevens and his employees for receiving a "Citizen Letter of Recognition" Award from Olmsted County Sheriff Mueller. Mayor King stated that he has always been very proud of these employees and thanked them for going above and beyond when needed.
- Thanks fellow Councilmembers Roger Hanson and Jerry Burgr for their years of service.
- Merry Christmas to everyone – I hope you enjoy the time spent with your family and friends while celebrating the birth of Jesus.

B. City Administrator–

- Bi-Weekly Report

C. Finance Director –

- No Report

D. Public Works Director –

- Cleaning up waterways, trimming trees and making ice for the rink

E. Library Director –

- Monthly report

F. Fire Chief Report –

- No report

G. City Engineer –

- No report

IX. COMMITTEE, COMMISSIONS AND BOARD REPORTS

A. Care Center- No report

B. Chamber of Commerce – No report

C. EDA/HRA – Update on Marketing

D. Finance- Minutes of Dec 8th

E. Library- No report

F. Park Board – Stensrud reported on the Bear Cave Master Plan, noting that we were taking public comment.

- G. Personnel- No report
- H. Public Safety/Safety Committee- - Reminder on our snow emergency ordinance and watch for your on-line packages to be delivered.
- I. Planning & Zoning – No report
- J. Public Works- No report
- K. RAEDI – No report
- L. ROCOG- No report
- M. SCCC/STEW19 – No report
- N. Transit Advisory Committee-Rolling Hills Info & Minutes
- O. WWTF – O&M Report

X. COMMUNICATIONS

- A.** 2014 LMC Insurance Dividend

XI. RECOGNITION OF GUEST(S) OPEN MIC

- XII. ADJOURN** – Motion by Burgr, second by Hanson to adjourn. Unanimously approved.

Respectfully submitted,

Cheryl Roeder
City Clerk