

**City of Stewartville
City Council Regular Meeting Minutes
Stewartville City Hall
September 27, 2011**

I. PLEDGE OF ALLEGIANCE

II. CALL TO ORDER – ROLL CALL –Mayor King called the meeting to order on September 27, 2011 at 7:00 pm. Present: King, RHanson, Miller-Beach (arrived at 7:03), Stensrud and JHanson. Also Present: City Administrator Schimmel, Public Works Director Stevens, Finance Director Neubauer and City Clerk Roeder.

III. APPROVAL OF AGENDA –

Motion by Stensrud, second by RHanson to approve the agenda. Unanimously approved.

IV. APPROVAL OF COUNCIL MEETING MINUTES

Motion by JHanson, second by RHanson to approve the September 13, 2011 minutes. Unanimously approved.

V. FINANCE AND BUDGET

A. Accounts Payable –

Motion by Stensrud, second by RHanson to approve the accounts payable listing. Voting in favor: Stensrud, RHanson, Miller-Beach and King. Voting against: JHanson. Motion carried.

VI. ORDINANCES/RESOLUTIONS

A. Resolution Approving 2nd Ave. SW Plans & Ordering Bids – Mike Kraemer, SEH appeared before Council to present the 2nd Ave. SW layout and estimated costs. Kraemer stated that the proposed roadway was approximately 800' w/cul de sac and the bike path extended from 6th St. to the pool. Kraemer noted that wetland mitigation would be needed as we would be impacting a small area of wetland with the construction of the rain garden/pond. He also stated that a portion of the storm sewer was deteriorating and needed improvements.

RHanson questioned the bike path route and asked if we would save money by going around the wetlands. Kraemer responded that it would only save approximately \$6,000.

JHanson was concerned about drainage from the pool parking lot and how the impact on the wetlands would affect this issue. Kraemer stated that the pond was designed for future development but that the storm sewer didn't extend to the pool area.

Councilmembers Miller-Beach and JHanson were concerned about the cost of the project. Neubauer responded with a breakdown of funds that could be used to pay for the different costs associated with the project.

Motion by King, second by Stensrud to approve Resolution 2011-22, Approving Plans and Specs and Ordering advertisement for Bids. Voting in favor: King, Stensrud, RHanson and Miller-Beach. Voting against JHanson. Motion carried.

B. Resolution Issuing 2011 CIP Bond – Paul Donna, Northland Securities appeared before Council to discuss the sale of the \$118,0000 G.O. Improvement Bond. It was noted that this is a special assessment bond for the improvements made in the 2011 Capital Improvement Project – 1st Ave. SE. Donna reported that the bonds were purchased locally from First Farmers and Merchants Bank. He noted that the first call date will be Feb 1st, 2017.

Motion by RHanson, second by Miller-Beach to approve Resolution 2011-23, Providing for the Issuance and Sale of \$118,000 G.O. Improvement Bonds. Voting in favor: RHanson, Miller-Beach, Stensrud and King. Voting against: JHanson. Motion carried.

VII. PRESENTATION/PUBLIC HEARING

A. SYAA Update - Will Welch appeared before the City Council and presented a handout showing park equipment for Bear Cave Park. Welch stated that hundreds of families attend the games to watch their child play, but for the younger siblings there wasn't much to do. The SYAA felt play equipment was needed and will purchase the equipment and with the help of volunteers, the project should be completed in November. Council thanked Welch and the SYAA Board for the nice addition to the park system.

VIII. MOTIONS AND GENERAL BUSINESS

A. TIF Development Agreement – Historical Society- Neubauer reported that the Sears House was eligible for TIF assistance as site improvements for a historic site that is structurally unsafe. Vicki Meredith submitted a quote of \$15,101 to replace the windows and is waiting for a quote from Collins for the masonry/foundation work which is estimated not to exceed \$10,000. Neubauer asked Council to consider paying the contractor's directly as the Historical Society does not have the cash flow to pay invoices.

Motion by JHanson, second by Miller-Beach to prepare a Development Agreement between the City of Stewartville and the Historical Society for TIF assistance and to include language in the agreement that the City pay directly to the supplier/contractor as work is completed.
Unanimously approved.

B. TIF Development Agreement – All American Coop – Neubauer reported that All American Coop was seeking TIF assistance in the amount not to exceed \$20,000 to improve a drainage ditch. The improvements would be to install 380' of drainage pipe and three manholes. The pipe would connect to the City's storm water system. The improvements would help with drainage on their property and allow them to utilize more of their land. This will also help with keeping water from draining onto neighboring properties. The EDA is recommending approval of a Development Agreement not to exceed \$20,000.

Motion by RHanson, second by Miller-Beach to prepare a Development Agreement between the City of Stewartville and All American Coop for TIF assistance for site improvements.
Unanimously approved.

C. Marketing of 102 North Main Property - The EDA is recommending that the STAR building be advertised in the Stewartville Star, Post Bulletin and Olmsted County Journal using the approach that the building will be sold for \$1 or best offer if conditions were met. An ad was presented to Council for their approval.

RHanson commented that the EDA has been working on an innovative way to market the building since July. They have decided to seek proposals for 90 days, at which time they will review the bids and make recommendation to Council. The EDA will be considering bids based on the following criteria; preservation of the building; usage of building and time frame on completion of building preservation proposed to be in the 6-12 month time frame.

JHanson commented that the City paid \$138,000 for the building and during past meetings a directive was given to hire a realtor to market city properties and also to get a market analysis on what the STAR building was worth. She stated that she has a hard time thinking the city is going to market a property at the main intersection of Stewartville and place a value of \$1 on it. She asked what Council's response to neighboring properties will be when they come to Council after getting their tax assessments.

RHanson responded that the EDA hoped to market the property so that the City had control thru a development agreement on how it would be renovated or preserved. He stated that hopefully the market value will be higher once the building is restored.

King stated that he hoped the EDA would give a little leeway on the restoration of the building and to focus more on the type of business considering the purchase.

Schimmel stated that he contacted local realtor Joel Raygor, as directed, who recommended a commercial real estate agent. The agent had indicated that he was interested and would meet with staff, the EDA and Council but didn't follow thru.

Motion by RHanson, second by Miller-Beach to place a "For Sale" ad in the local papers. Voting in favor: RHanson, Miller-Beach, Stensrud and King. Voting against: JHanson. Motion carried.

D. City Attorney Proposals - The Personnel Committee reviewed the proposals from six law firms. The Committee felt that while all of the firms qualified, they narrowed it down to three finalist which included Flaherty/Hood, Hoff /Barry/Kozar and Ratwik/Rszak/Malone. After additional review of the three firms, it was decided to recommend Flaherty/Hood for Council consideration.

JHanson stated that when this subject was discussed at a prior meeting, Council discussed not using a firm that members of Council were already using on a personal basis. She questioned how this was considered a conflict when Yaggy Colby Associates wasn't considered a conflict for Miller-Beach. King stated that he didn't want to discuss why they are representing him, but that it may have to do with someone in attendance.

RHanson stated he feels strongly with not going with a firm who personally represents someone on the Council and he likes Hoff/Barr/Kozar due to their work with Council on Summerfest.

Miller-Beach stated that the Personnel Committee reviewed and rated each firm by their proposals but would be open to interviewing two firms that Council chooses.

Motion by RHanson, second by Stensrud to set interviews with Flaherty & Hood and Hoff, Barry & Kozar for October 4th at 7:00pm. Voting in favor: RHanson, Stensrud, Miller-Beach and King. Voting against: JHanson. Motion carried.

IX. MAYOR, STAFF AND CONSULTANTS REPORTS

A. Mayor – King commented on the following:

- Sympathy to Families of: Janet Andrist, Elsie Ness, Kathryn Edgar, Robert Kuhle, Irene Radcliffe, Marlyse Neuzel, Ethel Meppen, Don Denny and Dave Geerdes
- Happy 70th Anniversary – Martha & Harley Boettcher
- Happy 70th Anniversary – Emil & Francis Jenssen
- Thank you to the Morning Lions' Club for another successful Fall Festival!

- Fire Fighters Benefit Breakfast – Oct 2nd from 8-12 @ American Legion
 - Congratulations to Homecoming Queen and King , Katie Bauman and Tim Twohey
 - Joe Kidd has been spending a lot of time with President and Mrs. Obama and has represented Stewartville well. Joe is the Mayor's nephew and son of Tom and Nancy Kidd.
 - Mayor King stated that he has been receiving calls regarding the good work that public works have done.
- B. Administrator–**
- Joint meeting with School District/City of Racine/Chamber of Commerce on Oct 11th at 5:30pm.
 - Olmsted County Board will be setting a joint meeting with area cities in the near future
- C. Finance Director – No report**
- D. Public Works Director –**
- Finished the Fairway Crt N project
 - Closing parks in October
 - CIP Project was progressing well
- E. Library Director- presented monthly report. September was Library Card Sign Up Month**
- F. Fire Chief- No report**

X. COMMITTEE, COMMISSIONS AND BOARD REPORTS

- Care Center- No report
- Chamber of Commerce – No report
- City Beautification/Mn Design Team – No report
- EDA/HRA - No report
- Emergency Operations Task Force – Minutes of Sept 8th
- Finance- No report
- Heartland Express- No report
- Library- No report
- Park Board- No report
- Personnel- No report
- Public Safety/Safety Committee – No report
- Planning & Zoning – No report
- Public Works- No report
- RAEDI- Minutes of July 26th – Schimmel reported on the planning meeting that was held earlier this afternoon, and the cooperative economic development efforts of all RAEDI members in the region.
- ROCOG- Minutes of May 23rd
- SCCC/STEW19 –No report

XI. COMMUNICATIONS

- A. Peoples Service Update**
- B. Charter Correspondence**
- C. SELCO Newsletter/Annual Report**

XII. RECOGNITION OF GUEST(S) OPEN MIC

- Darren Wesphal – 114 SE 3rd Ave. – encouraged Council to use “best value” language in their construction projects.

ADJOURN – Motion by RHanson, second by Stensrud to adjourn. Unanimously approved.

Respectfully submitted,

Cheryl Roeder
City Clerk