BELLE PLAINE CITY COUNCIL
REGULAR SESSION
MARCH 1, 2010

1. PLEDGE OF ALLEGIANCE.

Mayor Tim Lies led those present in the Pledge of Allegiance.

2. CALL TO ORDER. 2.1. Roll Call.

The Belle Plaine City Council met in Regular Session on Monday, March 1, 2010 at 6:00 p.m. at the Government Center, 218 North Meridian Street, Belle Plaine, MN. Mayor Tim Lies called the meeting to order with Councilmembers Dawn Underferth, Jim Lange, Gary Trost, Tim O'Laughlin and Cary Coop present.

Also present were City Administrator David Murphy, Community Development Director Trisha Rosenfeld, Finance Director Dawn Meyer, Police Chief Tom Stolee, City Engineer Joe Duncan, City Attorney Bob Vose and Video Recording Operator Bill Kruschke. Public Works Superintendent Al Fahey was not present.

3. APPROVAL OF AGENDA.

MOTION by Councilmember Coop, second by Councilmember O'Laughlin, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

4. APPROVAL OF CONSENT AGENDA.

4.1. Regular Session Minutes of February 16, 2010.
4.2. Closed Personnel Committee Minutes of February 11, 2010.
4.3. Resolution 10-029 Adopting Policy for Fire Department Conference Reimbursement.
4.4. St. Patrick's Day Proclamation.

MOTION by Councilmember Coop, second by Councilmember O'Laughlin, to approve the consent agenda as follows: 4.1. Regular Session Minutes of February 16, 2010, 4.2. Closed Personnel Committee Minutes of February 11, 2010, 4.3. Resolution 10-029 Adopting Policy for Fire Department Conference Reimbursement and 4.4. St. Patrick's Day Proclamation. ALL VOTED AYE. MOTION CARRIED.

5. DEPARTMENT REPORTS.

5.1. Community Services Department.

Community Services Director Nelson Ladd was present. The Council acknowledged receipt of the Community Services Department report.

5.2. Public Works and Parks Department.

Public Works Superintendent Al Fahey was unable to attend. The Council acknowledged receipt of the Public Works Department report.

5.3. Engineer Report.

City Engineer Joe Duncan was present. The Council acknowledged receipt of the Engineer Report.

5.4. City Administration Report.

City Administrator David Murphy was present. Councilmember Trost requested the MediaCom complaint list for the month of January 2010. The Council acknowledged receipt of the City Administration report.

6. PUBLIC FORUM.

Mayor Lies asked for public comment from the floor.

Ted Kornder, St. Lawrence Township, and Gary Schmitz, Belle Plaine Township, noted that the City Council will be taking action on the transfer of funds from the Ambulance Fund. They asked that they be involved with discussions. They had questions about the per capita fee paid by township residents.

Paul Tucci, Oppidan, requested the City Council consider a public hearing for Oppidan's tax abatement request as required by State Statute, fulfilling the requirement.

7. PUBLIC HEARINGS.

7.1. MUNICIPAL CONSENT – MN DOT PROJECT SP 7003-12, TH25. The City Council will consider comments on MnDOT's permanent acquisition of property rights for areas north of Forest Street and west of Walnut Street for the purpose of erosion control measures along TH25. The City Council proposes to proceed in concurrence with the Minnesota Department of Transportation.

Mayor Lies referenced a memo dated March 1, 2010 from City Administrator Murphy regarding MnDOT project SP-7003-12, TH25.

City Administrator Murphy explained that in accordance with State regulations, a public hearing is being held for municipal consent for MnDOT as this project resulted in the permanent acquisition of property rights within the City limits. The rights acquired are north of Forest Street and west of Walnut Street (erosion control portion of the project). The retaining wall work along TH 25/Walnut Street is being performed under the same contract, although no public hearing is necessary for this portion.

City Engineer Duncan explained that he has received the plans and recommends the City proceed with the MnDOT project as presented.

Mayor Lies opened the public hearing at 6:14 p.m. and asked for public comment. There was no response.

MOTION by Councilmember Coop, second by Councilmember Underferth, to close the public hearing at6:15 p.m. ALL VOTED AYE. MOTION CARRIED.

Councilmember Lange inquired about the removal of the west retraining wall on Walnut Street between Court and Forest Streets. City Engineer Duncan explained that the public hearing was scheduled for municipal consent for the acquisition of property rights, not for the retaining wall project. He further explained that the east retaining wall is being reconstructed. A determination was made to remove the west retaining wall and re-grade the site at a 1:5 slope, as indicated on the current plans. Councilmember Lange inquired about a safety hazard for children playing in the park. City Engineer Duncan commented that it appears that the removal of the wall allows for an improved situation, adding better visibility for the children. Mayor Lies suggested that a low maintenance screening be added. Councilmember Trost stated that he believes the re-grading will be much safer for children. Councilmember Coop stated that he concurs with Councilmember Trost, and suggested a natural landscape barrier be added for safety.

1. Resolution 10-031 Approving Final Layout for MNDOT Project SP7003-12, TH25, for Erosion Control Measures along TH25 north of Forest Street and west of Walnut Street in concurrence with MnDOT.

MOTION by Councilmember Trost, second by Councilmember Underferth, to approve Resolution 10-031 Approving Final Layout for MNDOT Project SP7003-12, TH25, for Erosion Control Measures along TH25 north of Forest Street and west of Walnut Street in concurrence with MnDOT. ALL VOTED AYE. MOTION CARRIED.

8. BUSINESS.

8.1. Presentation of Claims.

Councilmember Trost inquired about the AgPower and the CenterPoint Energy bills. Finance Director Meyer explained the details of the bills.

MOTION by Councilmember O'Laughlin, second by Councilmember Lange, to approve the Presentation of Claims as presented. ALL VOTED AYE. MOTION CARRIED.

8.2. Resolution 10-028 Authorizing Increased Stipends for Fire Department Officers and Increasing Firefighter and Training Hourly Wage.

Mayor Lies referenced a memo dated March 1, 2010 from Finance Director Meyer regarding increased stipends for Fire Department officers and firefighter and training hourly wage.

Finance Director Meyer explained that during the 2010 Budget process, the Fire Chief requested an increase to the stipends that the Fire Department Officers receive. The stipends for officers were increased in 2004 and most recently in 2007. The Fire Department is also requesting an increase in the hourly rate that they receive for firefighter and training hours. The current rate was set in 2006 and is $8.50. The request is to increase the rate to $8.75. Based on previous years hours paid the increase would be an additional $1,750 per year. Both requests were accounted for in the 2010 Budget. The Committee of the Whole met in workshop on February 22, 2010. After discussion it was recommended that the hourly increase be approved and that an increase totaling $2,250 to officer stipends be approved. The Fire Chief was directed to review the division of the stipend increase to ensure all officer positions received an increase. The Fire Chief recommends that the increase for stipends be distributed proportionately based on current stipends as indicated in the proposed resolution.

MOTION by Councilmember Lange, second by Councilmember O'Laughlin, to approve Resolution 10-028 Authorizing Increased Stipends for Fire Department Officers and Increasing Firefighter and Training Hourly Wage. ALL VOTED AYE. MOTION CARRIED.

8.3. Resolution 10-030 Authorizing the Transfer of Funds and Closing Ambulance Fund (201).

Mayor Lies referenced a memo dated March 1, 2010 from Finance Director Meyer regarding the Ambulance Fund.

Finance Director Meyer explained that the City of Belle Plaine owns and operated the Belle Plaine Ambulance Service. An enterprise fund, Ambulance Fund (201) was created and maintained within the City's financial statements. The Ambulance Fund paid for the operation of the Belle Plaine Ambulance Service. The City of Belle Plaine contracted with Ridgeview Medical to manage and operate the Belle Plaine Ambulance Service beginning January 1, 2008. Since the City no longer operates the Belle Plaine Ambulance Service, it can no longer maintain the Ambulance Fund (201) as an enterprise fund. There was approximately $613,786.06 in the fund at the end of 2009. The Committee of the Whole discussed the issue at the February 22, 2010 workshop. After discussion the Committee recommended that $50,000 be transferred to the Park Fund (205) for development of Riverview Park, and recognition of the Belle Plaine Ambulance Service Members; $21,250 be transferred to the General Fund (101) to offset the 2010 budgeted expenditures for maintaining Ambulance Facilities; the remainder of the funds be transferred to the Capital Fund (402) designated for Public Safety. The Committee also wished to continue to review and pursue appropriate uses for the remaining funds.

Ted Kornder, St. Lawrence Township, explained that he had just learned of the proposed transfer of ambulance funds this afternoon. He was interested in knowing how the $600,000 was accumulated and believed that part of the money came from the township residents. Mr. Kornder explained that he was a member of the Ambulance Advisory Committee and recalled that funds were set aside for future ambulance facilities. He asked that the Ambulance Advisory Committee meet in the near future to further discuss the transfer of funds. Gary Schmitz, Belle Plaine Township, concurred with the comments expressed by Mr. Kornder. Mr. Schmitz also commented that the term “public safety” may encompass a broad area and he would like to see the funds remain committed to ambulance facilities. He asked that City staff send the townships representatives notification of any decisions made by the City Council.

Finance Director Meyer explained that the auditors have indicated that the Ambulance Fund should be closed. The funds are recommended to be transferred to the City’s Capital Improvement Fund for public safety. Mayor Lies commented that these funds will be dedicated to public safety. Councilmembers Lange and O’Laughlin are members of the Ambulance Committee and would like to see a meeting set up with the townships.

Bob Koenig, Belle Plaine Township, inquired whether the per capita was a tax, or a fee. He suggested that the ambulance funds be transferred to the Belle Plaine Fire Department so that the rural property owners received benefit as well as the city residents. Finance Director Meyer explained that the per capita is a fee, not a tax. Councilmember O’Laughlin acknowledged the $50,000 for a monument to recognize those involved with the Belle Plaine Ambulance Service. Councilmember Trost was opposed to transferring the funds out of the Ambulance Fund. He said he doesn’t understand why the Ambulance Fund has to close. Finance Director Meyer explained that State regulations prohibit cities from utilizing an enterprise fund as a place to hold cash.

MOTION by Councilmember Coop, second by Councilmember Lange, to approve Resolution 10-030 Authorizing Transfer of Funds and Closing the Ambulance Fund (201). Councilmember Trost VOTED NAY. ALL OTHERS VOTED AYE. MOTION CARRIED.

8.4. Resolution 10-025 Approving the Vacation of Right-of-Way Easement for (Unimproved) Haralson Drive as Platted in Emma Krumbees Second Addition.

Mayor Lies referenced a memo dated March 1, 2010 from Community Development Director Rosenfeld regarding the vacation of the right-of-way easement for Haralson Drive.

Community Development Director Rosenfeld explained that the City Council held a public hearing on February 16, 2010 and discussed the request for a vacation of a portion of Haralson Drive right-of-way. The public hearing was closed on February 16, however Council tabled action on the request and therefore has yet to take action on the request. The Council then discussed the vacation at the February 22 work session. The consensus at the work session was to recommend the City Council proceed with the vacation of the right-of-way easement for a portion of (unimproved) Haralson Drive, as petitioned by property owners.

MOTION by Councilmember Underferth, second by Councilmember Coop, to approve Resolution 10-025, vacating a portion of the right-of-way easement for Haralson Drive as platted in Emma Krumbee’s Second Addition. ALL VOTED AYE. MOTION CARRIED.

8.5. Resolution 10-032 Authorizing Pre-Grant Application for Episcopalian Church Restoration Project.

Mayor Lies referenced a memo dated March 1, 2010 from Community Development Director Rosenfeld regarding the pre-application for grant funds for the Episcopalian Church Restoration Project.

Community Development Director Rosenfeld explained that staff is finalizing the pre-application for the Minnesota Historical and Cultural Grant to solicit funds to restore the Episcopal Church of the Transfiguration property. This grant is part of the Clean Water, Land and Legacy Amendment to the Minnesota Constitution, passed in November 2008, which raises funds from a sales tax increase that is to be divided among project benefiting the outdoors, clean water, parks and trails, and arts and cultural heritage. The Council authorized SMSQ Architects to perform an assessment on the historical restoration of the Episcopal Church at the February 16, 2010 Council meeting. This assessment is being done primarily for the grant application, but will also provide the City with a restoration plan for the property. A copy of the architectural report was distributed to the council. A funding match is not required for the application.

Mayor Lies asked if the City is responsible for Phase II at $185,000, if awarded the grant for Phase I for $210,000. Community Development Director Rosenfeld responded no, the phases are independent. Councilmember Lange commented that if the City is awarded the grant, the City may consider releasing the County from the lease agreement.

MOTION by Councilmember Trost, second by Councilmember Underferth, to approve Authorizing Pre-Grant Application for Episcopalian Church Restoration Project, in the amount of $210,087. ALL VOTED AYE. MOTION CARRIED.

8.6. Resolution 10-033 Authorizing 2010 Seal Coat Project and Advertisement for Bids.

Mayor Lies referenced a memo dated March 1, 2010 from City Administrator Murphy regarding the 2010 seal coat project.

City Administrator Murphy explained that the Public Works Committee is recommending the following streets as part of the 2010 Seal Coat Project: 1) West Commerce Drive from Oak Crest Trail to Meridian Street, 2) Enterprise Drive immediately west of Hickory Boulevard, 3) Haralson Drive, and 4) Old Highway 169 from Main Street to the city limits. The estimated construction cost is approximately $100,000. The City has budgeted $80,000 for this year and has approximately $40,000 carry over from previous years.

Councilmember Trost inquired whether other cities have seal coat projects and asked why seal coat expenses were not included in the developers agreement for Haralson Drive. City Engineer Duncan replied that many cities have seal coat projects. He further explained that the seal coat costs were added into developers agreements after Haralson Drive was improved. Councilmember Lange commented on the timing for Enterprise Drive, noting the construction of the extension of the road to the west slated for 2010.

MOTION by Councilmember Trost, second by Councilmember Coop, to approve Resolution 10-033 Authorizing 2010 Seal Coat Project and Advertisement for Bids. ALL VOTED AYE. MOTION CARRIED.

8.7. Resolution 10-034 Authorizing 2010 Sidewalk Project and Advertisement for Bids.

Mayor Lies referenced a memo dated March 1, 2010 from City Administrator Murphy regarding the 2010 sidewalk/trail project.

City Administrator Murphy explained that the Public Works Committee reviewed a proposed 2010 Sidewalk/Trail Project which would be constructed in two segments. The Committee unanimously recommended constructing the concrete trails in the two areas of the City. One segment is located on the east side of Walnut Street from Main Street to the railroad bridge. The installation of this segment will require permitting from Mn/DOT due to the fact that it is TH 25 right-of-way and will need to be coordinated with the Mn/DOT retaining wall improvement project scheduled for this summer. The other segment is on the east side of Meridian Street from Park Street to East Commerce Drive. This section has been previously submitted as part of the Safe Routes to Schools Grant but has not been funded. Installation of this section will required permitting from Scott County as it is CSAH 3 right-of-way. Where possible, the trail width is scheduled to be six fee, which is the same as the concrete trail constructed on Main Street. The estimated construction cost for the project is $130,000.00 and is Municipal State Aid eligible. The MSA funds would be used as the exclusive funding for this project.

City Engineer Duncan explained that the Meridian Street portion of sidewalk was included in the Safe Routes to School grant application a few years ago. He explained that the Walnut Street segment will be considered as “trail.”

Councilmember Trost commented on the proposed sidewalk on the 300 block of South Meridian Street and questioned the existing parking lot of Hubers SuperValu. Councilmember Coop stated that the Park Board had done an informal survey last summer and it was learned that many people utilize the city’s sidewalks and trails to get to and from work.

MOTION by Councilmember Lange, second by Councilmember O’Laughlin, to approve Resolution 10-034 Authorizing 2010 Sidewalk Project. ALL VOTED AYE. MOTION CARRIED.

8.8. Calling for a Public Hearing on Request for Tax Abatement.

Mayor Lies referenced a memo dated March 1, 2010 from Community Development Director Rosenfeld regarding a tax abatement request by Oppidan, Inc.

Community Development Director Rosenfeld reported that the City Council and EDA held a joint workshop session on February 8, 2010 to initially discuss the request from Oppidan for tax abatement. The Council discussed the request with the EDA, but requested the EDA provide a recommendation to the Council prior to their action. The minutes are included with this memo. The EDA continued their discussion after the Council convened. Oppidan made a short presentation to the Commissioners, and was available for questions. After much discussion, the EDA voted unanimously not to provide tax abatement assistance to Oppidan. The Commissioners, with the absence of President Fahey, felt there were other financial incentives offered by the City that the developer could request. Since that time, staff has provided the City’s Revolving Loan policy to Oppidan, and has requested an update from the Twin Cities Community Capital Fund on their lending capacity. On February 22, the City Council held a work session to discuss the request. There was minimal discussion on the request, but further clarification and discussion on the public hearing requirements necessary for tax abatement. As Council cannot take official action at a work session, the consensus was to recommend to the City Council to call for a public hearing at the March 1, 2010 council meeting to hear public comment on the tax abatement request. Community Development Director Rosenfeld’s memo included public hearing requirements for tax abatement according to State Statute.

Mayor Lies asked Finance Director Meyer about the amount of the tax abatement to fulfill the State Statute requirement. Finance Director Meyer explained that the amount and length of term that is being considered is required to be included in the public hearing notice. She recommended the maximum amount be published, as the City Council can award a lesser amount, but not higher, than the published notice. At this point, it is not known whether the School District and County will participate. If the County approves the tax abatement request, the City is allowed a 20-year term. The maximum amount of tax abatement request by Oppidan to be considered by the City Council is $487,160 with a 20-year term.

City Attorney Vose also recommended that the City Council publish the maximum amount, as it can be reduced, but not increased. He further explained that the public hearing is a matter of policy. After testimony, it would be appropriate for the Council to make a determination, as there is a wide range regarding the amount and length of term. Councilmember Coop recommended the Council proceed with publication of the maximum amount, with the understanding the Council can reduce the amount following the public hearing. Councilmember Trost asked for staff's recommendation. Finance Director Meyer explained that staff has provided the analysis for the Council's consideration and determination.

MOTION by Councilmember Coop, second by Councilmember Underferth, to direct staff to proceed with the publication of a public hearing notice to consider a request by Oppidan, Inc, for tax abatement in the amount of $487,160 and a maximum term of twenty (20) years. Furthermore, staff is directed to meet with the Oppidan to begin negotiations regarding the agreement. ALL VOTED AYE. MOTION CARRIED.

8.9. Scheduling a Personnel Committee Meeting.

Mayor Lies referenced a memo dated March 1, 2010 from City Administrator Murphy regarding the scheduling of a closed personnel committee meeting. The meeting will be to present the results of the job performance review of the City Administrator.

It was the consensus of the Council to schedule a closed personnel committee meeting for Thursday, March 11, 2010 at 6:00 p.m.

In other business, Councilmember Trost inquired as to whether Ridgeview Medical provides CPR training for City personnel and volunteers. City Administrator Murphy replied yes for CPR training, but no for First Responder training.

Councilmember Trost suggested that City staff research the property directly south of the community swimming pool. He explained that the house will be placed on the market for sale and suggested that the City staff meet with the School District to discuss purchasing the property to allow for future expansion of public facilities.

9. ADMINISTRATION.
9.1. Upcoming Meetings.
1. EDA, 5:00 p.m., Monday, March 8.
2. Planning Commission, 7:00 p.m., Monday, March 8.
3. Park Board, 6:00 p.m., Tuesday, March 9.
4. Public Safety, 3:30 p.m. Wednesday, March 10.
5. Design Committee, 5:00 p.m., Monday, March 15.

The Council was reminded of the upcoming meetings as listed.

10. ADJOURN.
MOTION by Councilmember Underferth, second by Councilmember Coop, to adjourn at 8:05 p.m. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Patricia Krings
Recording Secretary