

WAITE PARK CITY COUNCIL REGULAR MEETING SEPTEMBER 23, 2019

1. CALL TO ORDER

A meeting of the Waite Park City Council was held at Waite Park City Hall on Monday, September 23, 2019, beginning at 6:30 PM.

MEMBERS PRESENT

Members present were Mayor Miller, Councilmembers Linquist, Schulz, Schmitt and Theisen.

CITY REPRESENTATIVES PRESENT

City Representatives present were City Administrator Johnson, Deputy Clerk-Treasurer Virnig, Finance Director Lindberg, Public Works Director Schluenz, Planning and Community Development Director Noerenberg, Attorney Storm, SEH Engineer Halter

OTHERS PRESENT

Justin McGraw – CDS, Randy & Sandy Klocker, Irene Haskamp

2. PLEDGE OF ALLEGIANCE

3. COUNCIL AGENDA

Motion by Member Linquist, second by Member Schmitt, to approve the 9/23/19 Council Agenda as presented. The motion carried unanimously.

4. CONSENT AGENDA

- 4.A. Approve 8-19-19 City Council Meeting Minutes
- 4.B. Approve 2AM Liquor License for El Loro Restaurant
- 4.C. Approve Gambling License Premise Permit for Granite City Lumberjacks
- 4.D. (Pulled for discussion - regarding Appointing Maintenance Worker Position(s) & Approving Eligibility List Expiration for March 31, 2020)

Motion by Member Linquist, second by Member Schmitt, to approve the Consent Agenda Items A-D and pulling Item D. Motion carried unanimously.

4.D. APPOINT MAINTENANCE WORKER POSITIONS(S) AND APPROVE ELIGIBILITY LIST EXPIRATION FOR MARCH 31, 2020

Motion by Member Schulz, second by Member Theisen, to approve hiring Darcy Soltis and Joshua Schulz for the Maintenance Worker Positions conditional on successful completion of employment testing, starting at Pay Grade 4, Sept 1, then Step 2 at 6-months and Step 3 at 12-months and approve the Eligibility List expiring on March 31, 2020. The motion carried unanimously.

5. REGULAR AGENDA ITEMS

5.A. 2018 AUDIT FUND TRANSFER AND AUDIT REVIEW

Justin McGraw representing the accounting firm of Conway, Deuth & Schmiesing, presented the City's financial statement and audit report for the fiscal period ending December 31, 2108. Mr. McGraw highlighted:

- Financial statements are the responsibility of the City's management.
- The firm's responsibility is to express opinions on these financial statements based on the audit.
- The audit was conducted in accordance with Generally Accepted Auditing Standards and Government Auditing Standards.
- Obtained reasonable assurance financials are free from material misstatement.
- Financial statements are presented fairly in their opinion.
- Presented a Statement of Net Position, which is a snapshot of the assets and liabilities. The main effect to this was the Amphitheater project.

5.A. 2018 AUDIT FUND TRANSFER AND AUDIT REVIEW (Cont'd.)

- Presented graphs showing percentages of 2018 General Fund Revenues and Expenditures. Revenues and expenditures increased from 2017 to 2018 with expenditures being more than the revenues. This then decreased the Fund Balance. The overall effect is the City has about 7.5 months of reserves, which is very good for the General Fund.
- Presented a graph on Major Capital Project Funds.
- Presented information regarding water and sewer fund cash and investment balances.
- The operating and nonoperating revenues in the water fund decreased a little from 2017 to 2018 and the operating and nonoperating expenses increased from 2017 to 2018. The revenues of this fund are covering the expenses. The cash balance of the fund has come a long way in the past five years.
- The Sewer Fund had a cash increase from 2017 to 2018. The expenses are still surpassing the revenues a little, but some of this is because of contracted services which can be out of the City's control.
- Reported no instances of noncompliance and there were no difficulties in performing the audit. General recommendations or items auditors want the council to be aware of include upcoming Government Accounting Standards Board Statement No. 84; recommend putting a credit card policy in place; recommend an electronic funds transfer policy.

City Administrator Johnson thanked the auditing staff along with City Staff for all of their hard work.

Motion by Member Schulz, second by Member Theisen, to approve the fund transfers and accept the 2018 Audit Report as presented and noting the credit card policy and electronic funds transfer policy. The motion carried unanimously.

5.B. 2020 RURAL TAX RATES

The 9804, 9805, 9807 and 9808 rural tax rates are adjusted annually based on the prior year's urban tax rate increase or decrease. Based on the prior year's urban tax rate percentage decrease of .02%, it is recommended that the 9804 and 9805 rural tax rate for 2020 be adjusted from 39.135% in 2019 to 39.127% in 2020.

Based on the prior year's urban tax rate percentage decrease of .02%, it is recommended that the 9807 rural tax rate for 2020 be adjusted from 20.118% in 2019 to 20.114% in 2020.

Based on the prior year's urban tax rate percentage decrease of .02%, it is recommended that the 9808 rural tax rate for 2020 be adjusted from 17.835% in 2019 to 17.831% in 2020.

Staff recommends approving the 2020 rural tax rates of 39.127% for tax codes 9804 and 9805, 20.114% for tax code 9807 and 17.831% for tax code 9808.

Motion by Member Linquist, second by Member Theisen, to approve the 2020 Rural Tax Rates of 39.127% for Tax Codes 9804 and 9805, 20.114% for Tax Code 9807 and 17.831% for Tax Code 9808. The motion carried unanimously.

5.C. APPROVE FUND TRANSFERS

A transfer of \$260,000 is needed to move money from the local sales tax fund to the debt service fund for payment of principal and interest that will come due during the year 2020 for the City of Waite Park Taxable General Obligation Bonds, Series 2018A. This transfer must be completed before the tax abatement and debt service levies can be cancelled for payable 2020.

Motion by Member Theisen, second by Member Schulz, to approve the transfer of \$260,000 from the Local Sales Tax Fund to the 2018A G.O. Tax Abatement Bonds Fund. The motion carried unanimously.

5.D. 2020 GENERAL FUND PRELIMINARY BUDGET, PRELIMINARY LEVY, AND REVISED LEVY

The City is required to submit to the County Auditor a 2020 General Fund Preliminary Budget and Preliminary Property Tax Levy. These numbers can be adjusted (decreased only) during the budget process. The resolutions were presented for consideration of approval.

City Administrator Johnson announced that the City Council will hold a Public Hearing regarding the 2020 Proposed Budget and Tax Levy on Monday, December 2nd, 2019 at 6:45PM at the Waite Park City Hall.

Motion by Member Theisen, second by Member Schulz to approve the Resolution Adopting the Preliminary 2020 General Fund Budget as presented. The motion carried unanimously. **(RESOLUTION NO. 092319-02)**

Motion by Member Theisen, second by Member Schulz to approve the Resolution Adopting the Preliminary 2020 Property Tax Levy as presented. The motion carried unanimously. **(RESOLUTION NO. 092319-03)**

Motion by Member Linnquist, second by Member Schulz to approve the Resolution Adopting the Revised Preliminary 2020 Property Tax Levy as presented. The motion carried unanimously. **(RESOLUTION NO. 092319-04)**

5.E. REZONING 51 11TH AVE S (FORMER OLD CITY SHOP, PAUL'S AUTO SERVICE, LLC)

This request is being processed by the City on behalf of Paul's Auto Service, LLC to rezone the property at 51 11th Ave South from R-1, Single Family Residential District to B-2, Commercial/General Business District. The subject property is legally described as Lots 13, 14, and 15, Block 48, Townsite of Waite Park.

The subject property is the site of a former earlier City shop/Public Works Facility, which predates the previous more recent location behind the former Gander Mountain property. In 2018 the City issued notice of public sale of the property and accepted sealed bids, and the City Council later approved the sale of the property to Paul's Auto Service, LLC with the knowledge and expectation that they would be relocating their existing business from nearby (along Division Street) to the property.

Staff processed the request through the Planning Commission in August 2018, which received no comments or concerns and recommended approval of the request. However, Staff inadvertently failed to take the request to the City Council thereafter, and the property has not yet been formally rezoned. In the time since, Paul's Auto has opted to relocate to the former Foreign Auto property to the south of Fleet Farm and has subsequently offered the property for sale. An interested party inquired on the zoning of the property during their due diligence and this is when Staff noticed the current zoning status.

The current owner, Paul's Auto Service, has entered into a purchase agreement with Hung Ly, who owns and operates Hung Ly Architects and would like to construct a small office building for his architectural firm on the property. Preliminary plans were presented. These plans meet the criteria and standards of the B-2 commercial district and an office building is a permitted use within the district and is in fact traditionally considered a "less intensive" use than the originally proposed auto repair business. The proposed building includes office and storage space for Mr. Ly's business, with the option that the storage space could be turned into future space for an additional office tenant.

Under ordinance there is no set time in which the City Council must take action on a recommendation made by the Planning Commission and their recommendation for approval is still valid. Staff did verify that there have not been any changes in ownership since the previous notice of public hearing for the surrounding area. Staff believes the proposed use is a good use of the property and would blend well with the adjacent area.

Motion by Member Theisen, second by Member Schmitt to approve the Rezoning of 51 11th Avenue South, from R-1, Single Family Residential, to B-2, Commercial/General Business District. The motion carried unanimously.

5.F. CONSIDER AWARD OF PARKWAY DRIVE BUS BAY QUOTE

The City received bids on the above referenced project on Tuesday, September 10. The City received one bid from Minnesota Paving and Materials (formerly Hardrives). The bid is higher than the estimate by about \$47,000 (base bid). It is believed this is mostly due to late season work with a short time of completion, the abundance of work available in the area, and the scheduling issues created this construction season related to the weather (lots and lots of rain). The two alternatives are to award the bid (with or without Alternate A) or reject the bid and rebid it next spring.

Motion by Member Theisen, second by Member Schmitt to reject all of the 2019 Parkway Drive Bus Bay Quotes. The motion carried unanimously.

5.G. CONSIDER FORMALLY APPROVING NAME OF AMPHITHEATER

The City Council discussed at their work session on September 16th what the name of the amphitheater should be. The City Council took input from the public on the name. Approximately 100 names were suggested, and the City Council narrowed those names down to 5 names. The public then had an opportunity to vote on their favorite name between the 5.

The following was the result of that survey:

The Ledge	297
Skyview	162
The Gem	48
Bedrock	278
Transformer	53
Total	838

The consensus of the City Council was to name the amphitheater The Ledge, which the Council needs to take official action on.

Motion by Member Theisen, second by Member Schulz to approve naming the amphitheater, "The Ledge" as presented. The motion carried unanimously.

5.H. CONSIDER FACILITY NEEDS ASSESSMENT

SEH provided a proposal to complete a facility needs assessment. This assessment will look at all city owned facilities with the exception of public works, organizational needs, conditions of property, and develop a plan that will assist the City in looking at what the future needs are for the facilities. The cost of the proposal would be for a lump-sum fee of \$17,500 exclusive of reimbursable expenses. Reimbursable expenses including, but not limited to, travel, printing, shipping, and miscellaneous expenses will be billed in addition to the above fees. Reimbursable expenses are estimated at approximately \$500-\$1,000. The facility needs assessment was included in the 2019 budget.

Motion by Member Schulz, second by Member Schmitt, to approve the Facility Needs Assessment as presented.

Ayes: Mayor Miller, Members Schmitt, Schulz

Nays: Members Linquist, Theisen

Abstained: None

The motion carried.

6. COUNCIL/MAYOR

6.A. REVIEW AND APPROVE BILLS

Motion by Member Theisen, second by Member Schulz to approve the 8/1/19 to 9/10/19 bills as presented. The motion carried unanimously.

6.B. METRO BUS BOARD APPOINTMENT

In the past, Mayor Miller has been appointed to the St. Cloud Metropolitan Transit Commission Board. His current appointment expired on June 30, 2019. The Council will need to re-appoint a City Council Member to this board for a three-year term from July 1, 2019 to June 30, 2022.

6.B. METRO BUS BOARD APPOINTMENT (Cont'd.)

Motion by Member Theisen, second by Member Schmitt to Approve the Resolution Adopting the Metro Bus Board Appointment of Mayor Miller. The motion carried unanimously. **(RESOLUTION NO. 092319-05)**

6.C. PUBLIC INPUT SUMMARY

Sandy Klocker stated her neighbor is Irene Haskamp and she has a vacant lot on 3rd Street North. They are requesting that the City help remove the snow on the sidewalks that is mounting every year from the snowplows. Mayor Miller clarified that the snow removal at the school nearby is done by the school district, not the City. Irene Haskamp also spoke about the snow on the sidewalks and how fast the snowplows go. Mayor Miller and other Council Members sympathized with the property owners but explained that if the City removed snow from sidewalks, they would never get done removing snow. Mayor Miller stated that it's one of those evils of living on a property with a sidewalk and boulevard.

Mayor Miller read aloud a letter from the League on MN Cities in reference to Senator Jerry Relph being recognized as a League on MN Cities Legislator of Distinction for 2019.

7. ADMINISTRATOR UPDATE

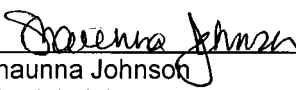
City Administrator Johnson reviewed the following:

- Thanked Staff and Council for a successful Amphitheater Open House.

ADJOURNMENT

Mayor Miller declared the meeting adjourned at 7:17PM

Richard E. Miller
Mayor


Shaunna Johnson
City Administrator