

City of Oronoco

Regular City Council Meeting

May 18, 2009 @ 7:00PM

I. CALL TO ORDER

The meeting was called to order at 7:05pm.

II. ROLL CALL

Mayor Scott Keigley, Councilor Brian Breider, Councilor Kevin McDermott, Councilor Paul Briggs, Attorney Fred Suhler, Clerk Sandy Jessen, City Engineer Joe Palen, and Councilor Jackie Hall was absent.

III. APPROVAL OF AGENDA

Additions: V.M.6. Water Project Fees; Bonestroo defer billing

Mayor Scott Keigley motioned to approve the agenda with additions, Councilor Brian Breider second; all in favor, motion carried.

IV. PUBLIC FORUM

Thomas Cummings CPA – 2008 Audit; the audit and two letters were handed out to Council.

The audit was completed in accordance with audit standards accepted in the U.S.

Overview: page 11- 12, the major funds show the most significant activities, the small bonds are included up front and are separate; they will be combined later as the debt is paid down. They are in good shape.

The General Fund closed at \$299,451, Receivables were \$24,491, one account makes up the majority of the money due to the city; it may be a collection issue.

Pages 14 – 15, expenditures for the Capital Water and Sewer Fund: in 2008 development activity has slowed considerably, W & S spent \$55,215 on preliminary water system fees, some of those will be refunded through PFA, W & S has \$101,991 at year end. The CIP fund is only few years old, it pays for large capital assets, \$73,830 was spent for sirens, the community center improvements, and the infrastructure on 3rd Ave and 5th Street; it is working well.

Page 33, a summary overview of the general fund; revenues – LGA down; almost a \$20,000 cut for the year. The Relief Association was short \$7000; the documents were not filed on time, leaving a negative of \$9576.

Page 34- 35, Governmental costs Budget was \$148,422 actual final was \$123,046; a positive of almost \$25,000 General Government spending has been flat, have not added overhead, and staff changes show in the numbers.

Page 34, Planning and Zoning; saved on those fees, some are reimbursable.

Page 36- 37, Public Safety: Fire Relief and 1st Responders were close to budget.

Public works: the city subcontracts street work and snow removal. Snow and ice removal were over budget.

Street lighting: ran short, the city spent more than what was budgeted for, added more street lights. Budget was \$72,768, spent \$86,552 which left a negative of \$13,784.

Page 38, Cultural and Recreation – wages of maintenance –could allocate some of the wages back to general government; none of his time maintaining the Community Center is allocated to General Government, all are under Cultural and Recreation.

Page 39, total expenditures for the city were \$402,000, with a positive of \$12,535. The state suggests that a city has 6 months of expenditures in reserve.

Page 40- 41, Non Major Governmental funds: the GO debt bond Service levy process is working fine; the Gold Rush fund was allocated to disperse donations for the special funds and will be used from there.

Review of internal controls; there are not a lot of people in the office, City Council is reviewing and approving all payments; segregation of duties. The auditor looks at all significant transactions; there is some delinquent taxes but was very low. Special assessments; records all that have been platted and approved and did not record anything as uncollectible.

Update to the water project; he will send up to PFA, it has been reformatted in a form they prefer. **Mayor Scott Keigley motion to accept and submit Tom Cummings audit report, Councilor Brian Breider second; all in favor, motion carried.**

Tom Novak: apologized for bringing up the trail issue again, wanted to comment on a couple of things; the outlot and now an easement was not city property when the plants were planted; the trail was unsafe and should not be used unless the trail had been changed, the parks have planted about 80 trees; some are near trails. They discussed the trail access about a year ago, the parks wanted a walking trail only, and wanted to have the easement restored by spring 2008, and would be marked to delineate the trail. Tom discussed liability concerns for himself and of adjacent property owners.

Heather Briggs: lives other side of the trail, there has been a lot of time spent on this, they have remained silent, silence does not mean consent – it is city property at this point in time, it is a very dangerous precedence to set to allow for planting on city property. The liability concerns and the trail being ADA compliant– it is all background noise; the Novak's would be ok if the trail was on the Brigg's side; she knows they don't own the property, but is concerned how to explain if the trail is not centered to a future homeowner there.

Larry Stolp – questioned whether there will be anything done for yard complaints, there is a realtor that has a property listing that is not being mowed. Larry can fill out a complaint form with the address and the City will follow up on the property.

Mayor Scott Keigley closed the Public Forum at 7:37pm.

V. DEPARTMENTS & COMMITTEE REPORTS

A. OCSO ~ Sgt. Mike Morrow

B. FIRE DEPARTMENT ~ Chris Stolp, Fire Chief

1. Runs – 2; 1 Medical Assist, 1 Public Service
2. Training: search & rescue at the house on 5th Street.
3. Grant Funds were Received – check cut
 - a. DNR Grant 50 – 50; up to \$2500.00 city share – should the Fire Dept pursue this grant. For radio upgrades; put this one on hold. Working on a fire truck grant but not sure if they will receive it.
4. New Applicants
 - a. Distance from Fire Hall – how far is too far to live out of city limits to become a member? Current is ten minutes.
 - b. Applicant; Brian Sisell, 700 Woodsvie Lane SW, pending background check. **Councilor Kevin McDermott motioned to accept Brian Sisell pending a physical and background check, Mayor Scott Keigley second; discussion: they have 22 members right now, all in favor, motion carried.**
The Fire Department would like to donate the air packs to another Fire Department that needs them. **Mayor Scott Keigley motioned to allow the old equipment to another department in need, Councilor Kevin McDermott second; Discussion:** There may be a liability if sold and they would not get much on the open market. Attorney Fred Suhler can draw something up to protect the city.
All in favor, motion carried.

C. FIRST RESPONDERS ~ Gwen Holt, 1st Responder Director

1. Runs – 9 runs: 4 township, 4 city; 1 was the standby duathlon with no incidents or injuries (terrible weather).

D. EOC ~ Chris Stolp, Director

E. PERSONNEL

F. ORDINANCES & RESOLUTIONS

1. City Code – update

- a. Accessory building; a set size is requested for needing a permit, there is no set size requirements included for a permit, most pre-made sheds are 150 square feet or under, single story; under 10 foot side walls, anything larger will require a permit.
- b. Sign ordinance; set sizes are requested to be added for permitting of signs, under the current Ordinance it is difficult to determine when a permit is required. Planning and zoning will look at, Councilor Brian Breider and Sandy will go through the Ordinance and revisit more definitive sizes.

G. DOWNTOWN ORONOCO GOLD RUSH DAYS* ~ Co- Chairs Councilor Kevin McDermott, Councilor Brian Breider.

1. Meeting Minutes - have some mapping flyers that they are putting together to hand out to vendors and shoppers at the show.
2. Gathering Permit for Gold Rush – need approval to sign off on the permit. **Mayor Scott Keigley motioned to approve the gathering permit for Gold Rush, Councilor Kevin McDermott second; all in favor, motion carried.**

H. PARKS & TRAILS*

1. Meeting Minutes: the parks committee discussed Cowden Park and are waiting to see what happens with the Oronoco Park before any recommendations are given. In early June construction for the canoe landing will begin. A handicap porta potty request for River Park Park was made but the Park Committee is short on funding and will revisit for the 2010 - 2011 budget. The grass on 3rd Ave area that is too wet and rough to mow; one member is looking at options.
2. Park Trail Entrance – Valley View Road SW (Novak landscaping) – letters from Attorney Fred Suhler, the Novak's, and the Park's Committee enclosed. Councilor Paul Briggs stepped down from City Council. Attorney Fred Suhler; there is no conflict of issue even though he abuts the property, he has no financial interest. It may be an uncomfortable situation but that is part of the territory; unless there is a financial interest, you are not precluded by law. Discussion: there was a lot of time spent looking into this, if the trail goes down the center of the easement with 5 foot on either side there are concerns of the precedence it may set, how much needed through there for the access? It's an issue of precedent, outlot C is an enormous piece of property, if you are willing to let everyone living next to that property to plant vegetation it will make an impact, this is public property you need to set a consistent policy, concerned that this is an issue of controlling a land that the city owns. Tom Novak; had the city owned at that time they would have not have planted the vegetation. Grant Bauman; whether the city owned it or not, the easement was not his, it's been going on way too long. Tom; the city owns the vegetation they are not taking away from the park, they are creating a nice looking landscape, they have no problem taking care of the landscape so that it won't encroach on the trail. Discussion: why bulldoze a 20 foot path, they may sell house tomorrow, it needs to be documented that the property can be used by the city. **Councilor Kevin McDermott motioned that we have a 20 foot easement that is open**, motion died for lack of a second. Attorney Fred Suhler; it is important to notate in the minutes that Mr. Novak said it is city property. **Mayor Scott Keigley motioned to accept the landscaping that has been placed and Mr. Novak has the right to remove up until the time the trail is put in**, motion died for the lack of a second. Discussion: the original agreement was 10 foot on center of the outlot but the city will not vacate the remainder of the easement, if they don't want to lose the vegetation they need to move it. **Mayor Scott Keigley motioned to allow 30 days for removal of vegetation within the city easement, Councilor Kevin McDermott second; discussion: pin has been marked plus or minus a foot of where the trail is. All in favor, motion carried.**
3. RWH – broken septic cover, Dan Fitzpatrick has been contacted and will repair it.

4. Brush Dump location – is there a secure city location that could be used to dump city land trimmings and brush until it could be disposed of? Mayor Scott Keigley tabled until Council could look at the Oronoco Park contract; that Park has a location that the city could use.

I. LAKE SHADY ~ Katie Dudley, Lake Shady Committee Chair*

J. COMMUNITY CENTER

K. STREETS & ROADS*

1. Pot Holes – estimate from Rochester Service; \$6484.20 total. When the roads were swept they also checked for problem areas and put together a bid notating two spots @ 1st Ave. & Lake Shady Ave. for \$541.80, five spots @ West Center & Lake Shady Ave. for \$1982.40, and 2nd Street NE & Cty Rd 18 for \$3960.00. Mayor Scott Keigley; wait until the city receives the MNDOT check, possibly fill with gravel for the interim, most of the bad areas are at intersections at a right turn out.

A recess was called 8:25pm.

The meeting was called back to order at 8:35pm.

L. PLANNING & ZONING*

1. Meeting Minutes

- a. Justin Bouwkamp; recommend approving shed permit and for Justin to go before the Park's Committee to discuss signage for direction to his lot because it would be in the city row.
 - b. Review Code 600 – sent as homework and review for the next meeting.
 - c. P&Z will start using a tracking spreadsheet of their recommendations for better record keeping purposes.
 - d. P&Z will set a drive around town for end of May or in June.
 - e. Community Communications were discussed.
 - f. Caryl Cowden Park visited possible options for use; it is an ongoing discussion.
2. 2007 – 2008 Annual Report – listing the past recommendations from the Committee.

M. WATER & SEWER*

1. Update – City Engineer Joe Palen; we are continuing to work on the acquisition of the property, requesting for access to the property, and they are looking at changing the driveway; the operation and maintenance will be easier in the long term by doing this. They need the survey to complete the PFA funding and have asked for an archaeological investigation to complete the environmental document. Attorney Fred Suhler; there is a process the city can go through in which you can ask a judge for permission, it may take some time. He has contacted the attorney and verified the location of option 1. Today he received an email from attorney Frankman questioning if the city would consider putting the reservoir on the east side; it is where the future roadway would be, it would require several hundred more feet of watermain, and with the uncertainty of where the county or state will put the road it is not an option. At some point the city needs to set forth in writing a specific offer for the property, need to set up the preliminary process under the law. Their ability to collect attorney fees from the city depends upon how much over the original offer their appraisal is, we have the appraisal \$11,000, and during the process of discussion have offered roughly twice that amount. The city needs to return to the amount and make it a matter of record; offer the \$22,000 which is considerably over the appraisal, but exposure would be reduced to paying extra fees. Authorize Attorney Fred Suhler to make a formal offer to the Rucker's legal counsel, if the appraisal is 40 % or more off, the final result is that the court process cost that will be assumed by the city. Councilor Kevin McDermott; we have one estimate before the test of the soil borings, when they do the second appraisal will that be disclosed? We don't know if the soil would preclude putting in a low density residential development. Appraisers are supposed to be. **Mayor Scott Keigley motioned that Attorney Fred Suhler would draw up the \$22,000 offer to the Rucker's attorney, Councilor Kevin McDermott second;** discussion: don't want to

- exceed the 40% offage, they may not take this offer, want to make sure that the city is protected from the additional expense, close up the risk **all in favor, motion carried.**
2. Approval of Plans and Specifications – the document is rather significant; set forth so that they may advertise for bids and submit to the health dept. There is still time for amendment of the plans but it allows starting the ball moving. Approval of the bids would be 60 - 90 days out; that is included in the plans and specifications. They need to then do the completion of the application and will award the project in mid July. The land acquisition on the outside may be 120 days, which is mid to late September, the water tank could be assembled next spring, it is a small part of the project, and it takes longer to lay the pipe in the ground. Discussion: when the city eventually gets the land, it is unknown what the cost will be, it is a small amount in the realm of the total of the project, the city not awarding the project, just allowing to get bids
 3. Authorize request to solicit for bids. **Mayor Scott Keigley motioned to approve the plans and specifications and allow City Engineer Joe Palen to solicit bids, Councilor Kevin McDermott 2nd; all in favor, motion carried.**
 4. Property update
 5. Jech – easement – Jech would like compensation for the easement on his property because it doesn't provide him benefit, he also requested to consider directional drilling. In Owatonna on developed lots compensation was for \$1500.
 6. Water Project Fees; Bonestroo - defer billing – City Engineer Joe Palen can request Bonestroo to consider to defer the billing. **Mayor Scott Keigley motioned to request Bonestroo to defer the water project billing, Councilor Kevin McDermott second; all in favor, motion carried.**

VI. PETITIONS, REQUESTS & COMMUNICATIONS*

- A. SE MN Rail Alliance - Marcia Marcoux – set meeting for 5-28-2009 @ 6:30pm. Councilor Kevin McDermott and Councilor Paul Briggs will attend
- B. Annual Dues – SEMLM - \$35.00 **Mayor Scott Keigley motioned to approve the \$35.00 payment, Councilor Brian Breider second; all in favor, motion carried.**

VII. UNFINISHED BUSINESS*

- A. Task List: close pot holes, close the Novak landscaping, Jech paid the WAC & SAC on the individual building permit.
- B. Cameron Dyrseth – Assessment for service, written objection enclosed. **Councilor Brian Breider motioned to make an assessment for the amount due, Councilor Kevin McDermott second; discussion: set the interest rate, the rate is 5%. Councilor Brian Breider set interest at 5% Councilor Kevin McDermott second; all in favor, motion carried.**
- C. Olmsted County Park & Dam; contract enclosed.
Discussion: The inventory of the equipment was written as opposed to a full listing of each piece of equipment. It sounds that the city is responsible for up and down of the flash boards and that they will not take them down this fall. The State gave the park to the county and now they want to give it to the city. The state owns the lake bed mining rights, the property must stay open as a park, and the state must approve any change; it is part of the deeds; the state reserves the mineral rights, the county has the flowage rights, the city gets the land with conditions of usage, and the land is unplatted. There is concern that if the city doesn't take it over, it may become an eyesore and a concern of liability. The County is contractually obligated to pay the city; the city would care for property for 10 years or the city would have to repay the funds; a breach contract, repayment would have to be appropriated, would have to show that there was not a waste of public funds. **Mayor Scott Keigley motioned to accept option 2 which includes the dam and the park, Councilor Kevin McDermott second; discussion; the operational maintenance of the dam would be the city responsibility, it is unclear whether the county would pay for repairs to the dam and what costs would be city responsibility, it was thought that the city will only be required put the flash boards in and out and remove debris, it says full maintenance of the dam in the contract. There is a structural analysis going on right now; there is an issue with one of the gates which may be costly. Ayes; Councilor Kevin McDermott, Mayor**

Scott Keigley, Nays; Councilor Brian Breider Councilor Paul Briggs, motion fails.

Discussion: What happens at the end of the five years on option 1? The city has 5 years to plan for the additional operational costs. Number 3; with the flash boards maintenance or flash board infrastructure, the county shall remain responsible for the cost of the structural deficiencies.

Attorney Fred Suhler; page 10, flashboard addendum, paragraph 11: The city would be responsible for the manual and routine non structural repairs of the dam and supporting infrastructure. The County will remain responsible for the cost of any other maintenance including structural deficiencies. Must operate the dam in accordance with the Dam Operators Operation Manual, the dam gate is structural not operational, it could mean removal of stumps. Set a meeting for explanation of the terms for the dam operation; the flashboard control is what the city is interested in, not total operation of the dam, the city would not receive any payment for just operating the flashboards, Mayor Scott Keigley will set up a meeting for next week.

- D. 2nd Street SE – estimate to clean west side ditch and reshape \$590.50, separate estimate to remove driveway at Munson location \$344.50. **Mayor Scott Keigley motioned to have the ditch reshaped and cleaned for \$590.50 and to send a letter to Munson to remove the driveway within 30 days or the City will have removed and he will be billed, Councilor Paul Briggs second; discussion: it will paid out of streets and roads, all in favor, motion carried.**
- E. Zumbro Haven Homeowner’s Association – letter requesting a reduced rate for room rental, which they rent for their quarterly meetings. **Mayor Scott Keigley motioned to politely decline the request for a reduced rate, Councilor Kevin McDermott second; discussion: utilities, keys, maintenance, all in favor, motion carried.**

VIII. NEW BUSINESS*

- A. NNO – ideas; inflatable bouncers & slides (\$75.00 and up), music, more games and volunteers, and may need more food. Set a spending limit for this event, there is approximately \$2500 left in the fund after paying for Clean-up day and 4th of July. **Councilor Kevin McDermott motioned to spend up to \$1000 for the kids, Mayor Scott Keigley second; discussion: the funds are donated from Gold Rush and are designated to be used for Clean-up Day, 4th of July, and NNO, all in favor, motion carried.**

IX. CONSENT AGENDA*

A. APPROVED BUILDING PERMITS*

- | | | |
|-------------------------|------------------------|------|
| 1. Dylan Christopherson | 375 Eagle View Lane SE | deck |
| 2. Skyler Breitenstein | 540 Valley View Rd SW | deck |
| 3. Justin Bouwkamp | 20 East Center Street | shed |

B. MEETING MINUTES

- 1. Regular City Council Meeting Minutes – 4-20-2009
- 2. Special City Council Meeting Minutes TNT – 4-21-2009
- 3. Special City Council Meeting Minutes – 5-7-2009

C. FINANCIALS

- 1. MBIA Account Summaries
- 2. Budget – available at the office to view
- 3. Accounts Payable ~ General & Special Funds
- 4. Accounts Receivable
- 5. Transaction Report

Mayor Scott Keigley motion to approve the consent agenda, Councilor Kevin McDermott second; all in favor, motion carried.

X. ADJOURNMENT

Mayor Scott Keigley motioned to adjourn at 10:30pm, Councilor Paul Briggs second; all in favor, motion carried.

Respectfully Submitted,

City Clerk

Mayor