



**ALBERTVILLE CITY COUNCIL**

**April 4, 2011**

**MINUTES**

**ALBERTVILLE CITY HALL**

**7:00 PM**

**CALL TO ORDER – PLEDGE OF ALLEGIANCE**

The Mayor led with the pledge of allegiance followed by the opening of the meeting at 7:01 p.m.

**ROLL CALL**

**PRESENT:** Mayor Mark Meehan, Council members John Vetsch, Jillian Schommer, Larry Sorensen, and Dan Wagner

**STAFF MEMBERS PRESENT:** City Planner Alan Brixius, City Administrator Larry Kruse, Finance Director Tina Lannes, City Clerk Bridget Miller, and City Engineer Adam Nafstad

**ABSENT:** City Attorney Mike Couri arrived at approximately 7:38 p.m.

**RECOGNITIONS – PRESENTATIONS – INTRODUCTIONS** – no comments

**CITIZEN FORUM** – no comments

**AMENDMENTS TO THE AGENDA**

Mayor Meehan addressed the Council and staff to see if there were any amendments to the agenda, which Meehan moved the water issue on 57<sup>th</sup> Street NE and Lambert Avenue NE following approval of the Consent Agenda. City Administrator Kruse added item 7.A.1.5. under City Council STMA Arena Expansion.

CMs Schommer/Sorensen **motioned** to approve the Monday, April 4, 2011 agenda as amended adding 7.A.1.5. City Council - STMA Ice Arena expansion; and, 7.I.1. Engineering - Water issue on 57<sup>th</sup> Street NE and Lambert Avenue NE to be discussed following the Consent Agenda. Motion carried unanimously.

**☛ CONSENT AGENDA**

All items with an asterisk (☛) are considered to be routine in nature by the City Staff and will be enacted by one motion. There will be no separate discussion of these items unless a Council member or citizen so requests. In such event, the item will be removed from the General Order of Business and considered in its normal sequence on the agenda.

There is one (1) item listed on the Consent Agenda: 7.G.2. City Clerk - Approve the Annual Renewal Liquor Licenses. Council had no questions regarding any of the Renewal applications.

CMs Vetsch/Schommer **motioned** to approve the one (1) item listed on the Consent Agenda 7.G.2. City Clerk - Approve the Annual Renewal Liquor Licenses as follows:

- 2011-2012 On-Sale Intoxicating Liquor License to: Cedar Creek Golf Course LLC for Cedar Creek Golf Course; and, D. Michael B's II Inc. for D. Michael B's; and, Morris Walker Ltd for Emma KrumBees Restaurant-Albertville; and, C.L. Gentile Inc. or Geez Sports Bar & Grill; and, Holm Holdings Inc. for the 152 Club; and, LMG Inc. for Space Aliens Grill & Bar; and, Neighbors Bar & Grill Inc. for Neighbors Eatery & Saloon; and, TC Generations LLC for Pubhouse 19; and,
- 2011-2012 Sunday Liquor License to: Cedar Creek Golf Course LLC for Cedar Creek Golf Course; and, Sunday Liquor License to D. Michael B's II Inc. for D. Michael B's; and Morris Walker Ltd for Emma KrumBees Restaurant-Albertville; and, C.L. Gentile Inc. or Geez Sports Bar & Grill; and, Holm Holdings Inc. for the 152 Club; and, LMG Inc. for Space Aliens Grill & Bar; and, Neighbors Bar & Grill Inc. for Neighbors Eatery & Saloon; and, TC Generations LLC for Pubhouse 19; and,
- 2011-2012 Off-Sale Intoxicating Liquor License to: Coborn's Inc. for Coborn's Liquor Store; and, C.L. Gentile Inc. for Geez Sports Bar & Grill; and, All G LLC for Heidi's Brew Wine & Spirits; and, Holm Holdings Inc. for the 152 Club; and, Neighbors Bar & Grill Inc. for Neighbors Eatery & Saloon; and, S & D Liquor, Inc. for Westside Liquor; and,
- 2011-2012 On-Sale Wine License to Hong Thai Inc. for Hong Thai; and,
- 2011-2012 Off-Sale 3.2% Malt Beverage Liquor License to: Coborn's Inc. for Coborn's Grocery Store; and, Hong Thai Inc. for Hong Thai;

contingent upon submittal and approval from the Minnesota State Alcohol and Gambling Division. Motion carried unanimously.

**DEPARTMENT BUSINESS**

**ENGINEERING**

*City Engineer's update on water issue at the intersection of 57<sup>th</sup> Street NE and Lambert Avenue NE*

City Engineer Nafstad reported that the residential development began construction in early 2000 during this time, when the construction of Lambert Avenue NE was installed it appeared to be functioning appropriately. However, since the initial installation of Lambert Avenue NE there have been water issues related to when it rains or when the snow melts, the water collects at the intersection of 57<sup>th</sup> Street NE and Lambert Avenue NE.

In 2005, Nafstad stated that Council initially asked staff to research the possibility of widening 57<sup>th</sup> Street NE from Lambert Avenue NE to Main Avenue NE that would incorporate some type of stripping for a pedestrian trail. It was in April 2006 that Council got more serious about the installation of a sidewalk that would connect the existing sidewalk from Lambert Avenue NE to Main Avenue NE along the 57<sup>th</sup> Street NE corridor.

It was in 2009 or earlier that neighbors from the Lambert Avenue NE area came before the Council regarding the water concern. Following the meeting, staff reviewed the potential options on how to make necessary improvements with the intersection. One option was to connect the storm sewer system from Lambert Avenue NE up with the one on Lander Avenue NE. To complete, this would be rather costly because of the power lines and or other utilities in the area. The other options staff felt may not be as effective as the connection of the storm sewer system.

As staff continued to report, this section of roadway is not on the City's five (5) year plan. The most effective means to correct the problem would be to connect the storm sewer pipes at a cost of as little as \$5,000 and up to \$10,000 for the small sections. Staff reiterated it would be a costly project because of the utilities such as the telephone, electric, and cable lines; also the City needs to take into account the replacement of the curb and gutter that will be disturbed to install and connect the pipes.

Council member Vetsch offered a suggestion of connecting a storm sewer line from 57<sup>th</sup> Street NE to the retention pond within the Heritage Commons Addition. Staff discussed the potential and thought that would be more costly and no guarantee it would solve the water problems.

Nafstad did report that the PW staff is monitoring the water level on a routine basis. PW staff is doing their best to broom the water so that it drains into the Lander Avenue NE storm sewer system. This again is only a temporary fix that could fill up by the next day.

PW staff member Mike Jenkins shared that he has been one of the employees brooming the water in the direction of Lander Avenue NE. Jenkins even reported that he placed a garden hose in the water and tried to get it to siphon so the water would run through the hose to the Lander Avenue NE sewer drain. Jenkins was not successful in getting the siphon process to work.

Melissa Lohr at 5540 Lambert Avenue NE shared with the Council that the water issue has been discussed at Don's Bus Garage and with the St. Albert Parish regarding the concern with children. This is the location of the bus stop for kids in the area where the water becomes too high for the kids to stand on or near the corner. During the spring, the snow melts then freezes overnight, which creates another concern for the parents and the kids. The St. Albert Church/Parish uses that side of the street, which makes it difficult for parishioners to stand until the traffic lets up allowing them the ability to cross 57<sup>th</sup> Street NE.

Mr. and Mrs. Earl Beaudry of 5649 Lambert Avenue NE shared comments that the water accumulates even after a rainfall. It is not just the snow melting; there could be a puddle there in the middle of the summer following the rain.

Council member Vetsch was in agreement that this issue needs to be resolved; however, Council member Sorensen would like to review the options prior to directing staff to go ahead. Sorensen wanted to make sure it was the most cost effective and best option to resolve the water issue.

Staff will gather previous information and present to Council at a future meeting to discuss what option to pursue to resolve the water ponding issue at the intersection of 57<sup>th</sup> Street NE and Lambert Avenue NE.

## **CITY COUNCIL**

### *Oral Update on the Joint Powers Water Board meeting*

Council member Vetsch noted there was no pertinent activity to report from the recent Joint Powers Water Board meeting. General items were discussed such as payment of claims and progress on Well No. 9.

### *STMA Ice Arena Second Sheet Expansion*

City Administrator Kruse gave a condensed PowerPoint presentation that showed some history and overview of how the STMA Ice Arena began and the expansion of a second sheet of ice. As we know, the STMA Ice Arena is a joint ownership facility. The three (3) entities involved are the STMA School District 885, City of Albertville, and City of St. Michael. In 1998, the three (3) entities authorized the construction of the building by putting together a joint agreement. Over the course of the years, the STMA Ice Arena made ends meet, yet struggled to pay off the debt to the School and two Cities.

It was in April 2006-2007 that the School and Cities agreed to write-off the outstanding debt of the STMA Youth Hockey in order to help with the financial situation. The amount was approximately \$200,000 for each entity. The STMA Ice Arena has recently become more active with hockey members wanting to schedule ice time prior to and during the hockey season. The

activity slows down in the summer because school is not in session; however, it picks up in August.

Kruse displayed the four (4) concept options that the STMA Ice Arena Board had been given to decide which one is best to meet the needs of the STMA Ice Arena and the community. Kruse reported that Concept Option A is the favorable or preferred layout that would fit on the property with the parking lot accessible to both buildings. Kruse noted that there is a need to elevate the ball field encroachment and its ramifications. There is also a need to evaluate the service road around the arena for fire protection and service. Kruse pointed out the potential of working out an agreement with L & D Trucking to give access from their property.

Kruse reviewed the construction budget from 2009, which reconfirmed the original construction estimates with minor square footage modifications and reprioritizing some of the phasing options. The entire addition is estimated to cost \$4,917,172 approximately with a 36,988 square foot expansion that will house the second sheet of ice, new lobby, and a seating capacity of up to 817. The 1<sup>st</sup> Phase of the project will consist of a 28,384 square foot area that will include the second sheet of ice, resurfacing room, refrigeration room, and a minimum spectator seating for a cost not to exceed \$3,273,317.

Kruse displayed a Draft Winter Ice Hours Schedule that demonstrated full use of both sheets of ice. Kruse then went over the historical profit/loss of operations that demonstrated a loss of \$26,261 after debt payment for 2008, it was \$30,737 in 2009, and \$3,896 in 2010.

Kruse went on to give a scenario of a Bond Amortization/Revenue Worksheet on a \$3.5 M 20-year bond and compared it with a \$3.5 M 25-year bond, which there was not much difference adding 5 additional years onto the life of the bond. Kruse explained this would be a \$22.00 property tax impact on Albertville and an \$11.00 impact for St. Michael going with a 20-year bond versus \$17.00 Albertville and \$8.00 St. Michael for a 25-year bond.

Kruse reported on the STMA Ice Arena Operating Philosophy which was that the Arena revenue is to remain adequate to cash flow operational cost of the arena including capital equipment replacement and building maintenance without property tax subsidy.

To accomplish the expansion of the STMA Ice Arena, there is the possibility of reviewing the hourly rental rates. The STMA Ice Arena rental rates are a premium because of the following factors that other municipalities have for additional financial support, which are Local Government Aid (LGA), Electric Utility Company Transfers, Liquor Store Profits, and Nuclear Power Plant Tax Base. These types of factors or benefits are not available to Albertville or St. Michael to help with the funding or expenses.

Kruse continued with the City of Albertville Culture and Recreation funding noting it was about 3% of the 2010 budget. He spoke about the STMA School District 885 census data on children in the area that included 1308 births in 2003; 2272 in 2006; and 1861 in 2010. The School District projects a 1% stable growth rate into the near future. Kruse broke down the number of students enrolled in the STMA School District, which included that of the 1,775 from Albertville only, 143 participate in hockey.

Kruse concluded by reviewing the next steps to complete the potential of expanding the STMA Ice Arena with a second sheet of ice

Council member Schommer was concerned with the maintenance of the facility after the 20-year bond is paid off. Where are the funds to manage this?

The discussion continued amongst the Council members whether to proceed or not. Mayor Meehan asked if there were any additional comments; otherwise, we will move on to the next item on the agenda.

City Clerk Miller asked to speak on the subject. Miller commended and applauded the Council for being determined to pursue this project; however, she reminded the Council that in April 2006 the City of Albertville wrote-off the 1998 STMA Hockey Association debt along with the other two (2) entities. Clerk brought up a number of additional resolutions that were passed by the Council from 2007 through 2010 that came to a substantial amount. Beginning 2011, Miller received a reduction in work hours from 40 per week to 30 per week. She questioned whether the City of Albertville could afford entering into this agreement when the City has not paid back any of the Inter-Loan Funds that are supposed short-term loans that should be paid back within about 12+ months.

The Council as a whole did comment and agree the timing for this is not in favor of the expansion. The STMA School District is preparing for bonding for operating levy. St. Michael is dealing with the expense of a new City Hall/Senior Center/Library with some support from Albertville and or Hanover. Albertville has the I-94 Improvement and the hopes of the STMA Ice Arena expansion of a second sheet of ice. The Council is hopeful and wants to remain positive that things will work out for the potential of a second sheet of ice at the STMA Ice Arena.

There was discussion whether the STMA Youth Hockey Association should provide more than \$500,000 towards the project. Council tossed around the comment that maybe Youth Hockey should come up with \$750,000. If Youth Hockey is unable to collect \$750,000, the minimum allowed would be the \$500,000.

#### *Friendly City Days challenge event*

It is noted that the first St. Michael vs. Albertville challenge was held on Sept. 6, 2005, with a Sumo Wrestling match that took place during half-time of a football game. Beginning in 2006, during Friendly City Days Albertville challenged St. Michael to a softball game; does Council want to continue the game?

Mayor Meehan/Sorensen **motioned** to change the 2011 Albertville vs. St. Michael Friendly City Days challenge to a 2-inning Kickball game with CMs Wagner/Sorensen to draft up the rules unless staff can come up with alternative challenges. Motion carried.

**FIRE DEPARTMENT**

No comments

**PUBLIC WORKS-PARKS DEPARTMENT**

No comments

**UTILITIES DEPARTMENT**

No comments

**BUILDING DEPARTMENT**

No comments

**FINANCE DEPARTMENT**

*Authorize the Monday, April 4, 2011 Payment of Claims (bills)*

Mayor Meehan asked the Council and staff if there were any questions regarding the payment of claims.

CMs Wagner/Sorensen **motioned** to authorize the Monday, April 4, 2011 Payment of Claims (bills) for check numbers **029586** to **029633** in the total amount of \$112,805.56 as presented, that will be scanned with supporting documents; the electronically scanned version will be kept on file in the office of the Finance Director that will serve as the City's official record. Motion carried unanimously.

*Set Monday, April 18 at 6:15 p.m. as a meeting with the KDV Auditors*

Finance Director Lannes reported that Kern, DeWenter, Vere present the audit during a regular Council meeting. Staff feels the Council should take a few extra moments to obtain more details within the audit. The date for the Auditors to present the 2010 or other audits was shared with staff in December as the Auditors complete and prepare audits for other municipalities.

Since the date was set in December 2010, the Council agreed to keep the date and having a short detailed explanation prior to the regular Council meeting. Mayor Meehan informed Council member Schommer he would share the outcome of the meeting with her.

CMs Sorensen/Wagner **motioned** to set Monday, April 18, 2011 beginning at 6:15 p.m. as a brief meeting with the Auditors from Kern, DeWenter, Vere. Mayor Meehan, Council members Sorensen, Wagner, and Vetsch voted aye. Council member Schommer voted nay.

#### CITY CLERK

*Approve Monday, March 21, 2011 regular City Council minutes*

Mayor Meehan asked the Council and staff if they had any corrections or comments regarding the list of minutes and notes.

CMs Sorensen/Vetsch-Schommer **motioned** to approve the Monday, March 21, 2011 regular City Council minutes as presented, the signed copy will be scanned and retained as the official City record. Motion carried unanimously.

**☛** *Approve the 2011-2012 Annual Liquor License Applications for the various establishments throughout Albertville*

CMs Vetsch/Schommer **motioned** to approve the one (1) item listed on the Consent Agenda 7.G.2. City Clerk - Approve the Annual Renewal Liquor Licenses as follows:

- 2011-2012 On-Sale Intoxicating Liquor License to: Cedar Creek Golf Course LLC for Cedar Creek Golf Course; and, D. Michael B's II Inc. for D. Michael B's; and, Morris Walker Ltd for Emma KrumBees Restaurant-Albertville; and, C.L. Gentile Inc. or Geez Sports Bar & Grill; and, Holm Holdings Inc. for the 152 Club; and, LMG Inc. for Space Aliens Grill & Bar; and, Neighbors Bar & Grill Inc. for Neighbors Eatery & Saloon; and, TC Generations LLC for Pubhouse 19; and,
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contingent upon submittal and approval from the Minnesota State Alcohol and Gambling Division. Motion carried unanimously.

## **PLANNING**

No comments

## **ENGINEERING**

*City Engineer's Oral Update*

## **LEGAL**

*Accept the City Attorney's Progress Report*

## **ADMINISTRATION**

*City Administrator - General*

City Administrator Kruse stated he and City Engineer Nafstad met with St. Michael City Administrator Bob Derus and City Engineer and discussed the City of Albertville contracting with St. Michael for I-94 engineering inspections. The discussions went well and staff will be developing a contract to bring back to the Council at a later time.

City of Otsego contacted him to discuss the potential of Otsego residents having the ability to use the Albertville compost site. Kruse suggested that they try it for a year to better understand the volume that Otsego might generate and if there are any problems regarding the matter. The other item Otsego would like to discuss is expansion of the Albertville Fire District to areas to north-west of Albertville. All involved believe the response time to serve this area is quicker than the Monticello Fire Department. Staff will report its findings at a future meeting.

## **ANNOUNCEMENTS and or UPCOMING MEETINGS**

### **April 2011**

- 9 8:00 a.m. 2011 Albertville Spring Town Hall Open House**
- 11 6:00 p.m. STMA Ice Arena Board meeting**
- 12 7:00 p.m. Planning and Zoning Commission meeting**
- 18 5:30 p.m. 2011 Local Board of Review and Appeals**

- 18 7:00 p.m. City Council meeting
- 25 6:00 p.m. Joint Powers Water Board meeting
- 30 7:00 a.m. Joint Albertville-St. Michael Spring Clean-up Day  
 (held at the St. Michael PW Facility)
- 28 6:00 p.m. Joint Powers Water Board meeting

April-11							May-11						
Su	M	Tu	W	Th	F	Sa	Su	M	Tu	W	Th	F	Sa
					1	2	1	CC 2	3	4	5	6	7
3	CC 4	5	6	7	8	9	8	Ice 9	PZ 10	11	12	13	14
10	Ice 11	PZ 12	13	14	15	16	15	CC 16	17	18	19	20	21
17	CC 18	19	20	21	22	23	22	JP 23	24	25	26	27	28
24	JP-W 25	26	27	28	29	30	29	H 30	31				

May 2011

- 2 7:00 p.m. City Council meeting
- 9 6:00 p.m. STMA Ice Arena Board meeting
- 10 7:00 p.m. Planning and Zoning Commission meeting
- 12 6:00 p.m. Wright County joint meeting w/Elected Officials  
 St. Michael City Hall (additional info below)
- 16 7:00 p.m. City Council meeting - TUESDAY
- 23 6:00 p.m. Joint Powers Water Board meeting
- 30 all day Memorial Day observed – City offices closed

Invitation - A few years ago, the Wright County City Administrators’ started a County-wide Joint meeting of all the elected officials to build working relationships. This year’s meeting will be at the new St. Michael City Hall on the evening of May 12, 2011 with a meal by the River Inn. We will plan for a speaker on a topic of interest to all. More information will be forthcoming.

The menu will be: Country style chicken, Cheesy hash browns, Corn sauté, Coleslaw, Fresh fruit tray, Bread basket

**ADJOURNMENT THE REGULAR CITY COUNCIL MEETING TO GO INTO A WORKSHOP**

CMs Wagner/Sorensen **motioned** to adjourn the Monday, April 4, 2011 regular City Council meeting at 8:55 p.m., which the Council took a 5-10 minute break before going into a workshop session. Motion carried unanimously.

Bridget Miller, City Clerk (recording secretary)