



ALBERTVILLE CITY COUNCIL

April 18, 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, Larry Sorensen, and Dan Wagner

STAFF MEMBERS PRESENT: City Planner Alan Brixius, City Attorney Mike Couri, Public Works-Parks Maintenance Supervisor Tim Guimont, City Administrator Larry Kruse, Finance Director Tina Lannes, Utilities Department Superintendent John Middendorf, City Clerk Bridget Miller, City Engineer Adam Nafstad, and Building Official Jon Sutherland

ABSENT: Council member Jillian Schommer

CITIZEN FORUM

Tammy Tupper at 10452 Karston Circle NE commented about the STMA Ice Arena finances, which she wanted to make sure the Arena funds were separate from the City's budget/finances. Tupper challenged the costs associated with the operations of the ice arena as the STMA Youth Hockey Association pays \$185 per hour for ice time. She stated that it is hard on the kids traveling to other communities during the week when they need to get up for school the next day.

Staff confirmed that the STMA Ice Arena revenue and expenditures are coded separately from the City's revenue and expenses. Staff continued by stating there is a monthly financial statement and an annual audit of the City's financial records, which the 2010 Audit is being presented tonight. The STMA Ice Arena is included in the audit.

The Council encouraged Ms. Tupper to stay for the presentation of the 2010 City Audit that will provide information on how much money the STMA Ice Arena brought in during the 2010 calendar year.

Ellen Schreder at 510 Meadowlark Road of St. Michael was hoping to see the 'Social Host Ordinance' on the City Council agenda for review and consideration. Schreder knew that the Council had discussed a similar ordinance a couple of years ago following the incident on CSAH 19 where a teenager lost their life.

As Ms. Schreder went on to explain, she noted that she was in contact with Larry Kruse the City Administrator regarding putting the 'Social Host Ordinance' on a workshop session that was held earlier this month. Schreder informed the Council there have been 59 cities and 14 counties in the State of Minnesota that have passed some type of a 'Social Host Ordinance' as of February 2011. Schreder continued with the fact that there is a bill in the House and the Senate that is under discussion at the State level, which may not be successful as in the cities and counties.

Mayor Meehan thanked Ms. Schreder for her concern in getting some guidelines out there for parents to become more responsible for their actions. Meehan acknowledged the effort Schreder has put into the support of the passing of a 'Social Host Ordinance'; however, concluded with the comment that the City most likely would not be adopting a 'Social Host' ordinance.

Dan Dixon, CEO/President of Guardian Angels of Elk River informed the Council that the Guardian Angels is a faith-based non-profit senior service that owns 15 acres at the intersection of Kassel Avenue NE and CSAH 18 (Jason Avenue NE) in the Albertville city limits. Dixon continued with the comment that the organization continues to have a strong desire to construct a 47-unit Senior Project. Mr. Dixon reported that they are requesting Council support to continue with the project.

Dixon reported that the Guardian Angels has been waiting to develop services in Albertville for the frail seniors that need assisted living and memory care; however, we are waiting for the housing market to rebound from the current housing economic down turn. According to Northland Securities; there have been no tax exempt industrial revenue bonds sold for senior housing of \$5 million dollars or greater since before Thanksgiving 2010. It was Guardian Angels goal to get the Phase One started this summer and open the doors in 2012.

There is some hope after all, as the Department of Housing and Urban Development (HUD) has recently announced their Notice of Funding Availability (NOFA) for HUS's fiscal year 2010 Section 202 Supportive Housing for the Elderly Program, the Housing Act of 1959. The Minnesota Minneapolis HUD office has been allocated 116 units for this funding cycle, and Albertville is defined in this area.

To conclude, Dan Dixon was looking to the Council for continued support with the Guardian Angels submittal of the HUD Section 202 housing application for the 15 acres located off of Kassel Avenue NE and CSAH 18 (Jason Avenue NE) for a sustainable quality senior network service project.

CMs Wagner/Vetsch **motioned** to acknowledge that the Albertville Council continues their support of the Guardian Angels of Elk River as they submit the Housing and Urban

Development Section 202 application for the Senior Housing Development that is being proposed for construction within the Albertville city limits. Motion carried unanimously.

AMENDMENTS TO THE AGENDA

Mayor Meehan noted the amendments to the April 18 agenda are: Under Citizens Open Forum – Guardian Angels 47-unit Senior Project; Planning – Parkside Commercial – Veterinarian Clinic allowing for overnight care; Administration – Compost Site allowing abutting Otsego residents' use; and, Continuing the discussion on the Kartson Cove 3rd Addition.

CMs Wagner/Sorensen **motioned** to approve the Monday, April 18, 2011 agenda as amended adding 3.C. Guardian Angels Senior Project; 6.H.1. Parkside Commercial – Veterinarian Clinic; 6.K.5. Albertville Compost Site; and 6.K.6. Karston Cove 3rd Addition. Motion carried unanimously.

PRESENTATION OF THE 2010 AUDIT (KDV)

Matt Mayer with Kern, DeWenter, Viere, Ltd. (KDV) thanked the Council for the brief workshop that was held right before the Council meeting. Mayer explained the main duties of KDV is to audit the accompanying financial statements of the governmental activities, the business-type activities, each major fund and aggregate remaining fund information of the City of Albertville as of the year ended December 31, 2010. Collectively comprised you will find the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. KDV's responsibility is to express opinions on these financial statements based on our audit.

Mayer noted that KDV conducted the audit in accordance with the U.S. Generally Accepted Auditing Standards (GAAS). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit also includes assessing the account principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. KDV believes the audit provides a reasonable basis for our opinions.

Mayer congratulated the City of Albertville who submitted a Comprehensive Annual Financial Report, otherwise known as a CAFR, and was awarded this Certificate of Financial Reporting Achievement two (2) years in a row. This document is reviewed by the State of Minnesota Government Finance Officers Association (MGFOA). There are a minimum number of government entities that submit a CAFR for the Achievement Award. Once again, Albertville City Council should take pride in receiving such an award. Achieving such an award is beneficial when obtaining Government Obligation (GO) Bonds or other financial aids the City may look for assistance in obtaining similar to the current refinancing of GO Bonds.

As Mayer continued, he focused on the Financial Highlights, which were:

- The assets of the City exceeded its liabilities at the close of the more recent fiscal year by \$47,097,929 (net assets). Of this amount, \$13,788,979 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets decreased \$690,659. This entire decrease is attributable to the governmental activities.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13,368,793, an increase of \$1,344,431 in comparison with the prior year. Approximately 66 percent of this total amount, \$8,794,039, is available for spending at the City's discretion.
- At the end of the current fiscal year, unreserved fund balance for the General fund was \$1,070,100, or 41 percent of total General fund 2010 expenditures.
- The City's total debt decreased \$716,838 or 5 percent during the current fiscal year. The decrease was attributable to annual debt service payments.

Mayer went over the pie chart found on page twelve (12) of the Management Letter that notes where funds are collected from, 72% comes from Property Taxes, 12% is from Charges for Services, 3% Intergovernmental, 7% is from License and Permits, 5% is Miscellaneous, 1% from Special Assessments.

Mayer reviewed areas of the report that included the Sewer fund that is separate from the Sewer Access Charge fund (204). There was minimal discussion on the Water Access Charge fund as this is primarily management and maintained by an entity known as a Joint Powers Water Board (JPWB), of which the City forwards funds Albertville collects to JPWB for operating expenses that are associated with the running of the Water Treatment Plant.

The Council wanted Mayer to go over the STMA Ice Arena portion of the 2010 Audit that noted minimal revenue or profit for the 2010 calendar year. Mayer commented there are no publicly owned ice arenas that are profitable.

Council member Wagner wanted Mayer to repeat the comment, so Mayer reiterated clearly for all members to hear 'There are no publicly owned ice arenas that are profitable.' Mayer added that the STMA Ice Arena is not a city owned operation. It is jointly owned by three (3) entities that are the City of Albertville, City of St. Michael, and the STMA School District 885.

Mayer continued with the overview of the Financial Statements reporting that discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of the three components; 1. government-wide financial statements, 2. fund financial statements, and 3. notes to the financial statements. In addition, there is An Independent Auditor's Report and a Management Letter that is prepared by KDV, and a Comprehensive Annual Financial Report (CAFR) that was prepared by the Albertville city staff with assistance from Abdo, Eick & Meyers LLP.

Mayer proceeded with the weakness found within Albertville's financial reporting on page four (4) of the Management Letter that includes and is not limited to the segregation of duties. There are four areas related to each transaction cycle that should be segregated: authorization, custody, recording, and reconciliation. During the year ended December 31, 2010, the City had a lack of

segregation of accounting duties due to a limited number of office employees. This lack of segregation of duties can be demonstrated in a number of areas that KDV has identified on page 4 of the Management Letter. The Finance Director has access to a large portion of the City's finance accounting procedures, with some of the duties being performed by the Administrative Assistant II and the Building Technician. If the duties continue to be performed with limited segregation, it will eventually be reported as a weakness, which could reduce the City's rating to qualify to GO Bonds.

Mayer reported on the Inter-fund Activity noting this is one of two forms: Reciprocal or Nonreciprocal. KDV has noticed the Sewer Access Charge (SAC) fund has been lending money to other various funds over the course of the last several years. At December 31, 2010 the amount totaled \$3,638,990. KDV is recommending a review of all the City's inter-fund loans to determine whether they meet the 'reciprocity' test. If the inter-fund loan does not meet the criteria as 'reciprocity' it should be labeled as a permanent transfer, or a formal long-term inter-fund loan with repayment terms specified, including dates and any interest charged.

Mayer looked to the Council for any additional questions, concerns, or comments related to the 2010 Audit that was conducted by KDV on the City of Albertville's financial accounting activity.

Council thanked KDV for the thorough job of conducting and preparing the 2010 City of Albertville Audit, and reiterated that a publicly owned Ice Arena is a non-profit enterprise.

CMs Sorensen/Wagner **motioned** to approve/accept the 2010 Audit that was conducted and prepared by Kern, DeWenter, Viere, Ltd. of the City of Albertville's financial accounting activity that included the STMA Ice Arena. 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.

No motion necessary as there were no items under the Consent Agenda.

DEPARTMENT BUSINESS

CITY COUNCIL

Oral Update on Family Youth Community Connections

Mayor Meehan asked if there was a Council member present that attended the FYCC meeting. It was noted that Council member Schommer attended the meeting and is not present to report. Schommer could update the Council at the May 2 meeting.

STMA Ice Arena Board meeting

Council member Sorensen and Wagner commented there is not much more to report at this time. The Board is reviewing the 2011 STMA Ice Arena Budget and would like to give the Hockey Association a number (fund raising-donation) in order for the projected Second Sheet of Ice Project to move forward.

Oral Update on the Planning and Zoning Commission meeting

Council member Wagner began with the main topic of the Planning Commission, which was the amendment to the Temporary Outdoor Music Permit. The Commission will be sending forward their recommendation to reduce the buffer from 400' to 300'. Included in the language will be the Friendly City Days weekend, which Wagner gave his opinion that this is a City/Community event and allowing the business owners to have a Temporary Outdoor Music permit would take away from the activities within the park. Friendly City Days generates enough noise during the weekend and this may add to the level.

City Planner Brixius confirmed that the Temporary Outdoor Music Permit ordinance amendment will be presented for Council review at the first meeting in May. The other item that was discussed was the Temporary Off-site Sign Permit. The Commission had a couple of Albertville business owners that would like the flexibility to have a Temporary Off-site Sign to get the message out to the customers there is a special or where they are located. The two (2) business owners are slightly off the main thoroughfare making it difficult to advertise within the current guidelines of Temporary Off-site Sign Permits.

Brixius and Wagner both stated this item received a motion but no second to pursue the amendment. The Council discussed the option of setting something similar to a moratorium on the Temporary Off-site Sign Permit. For a limited time maybe the City could consider offering off-site signage.

CMs Wagner/Sorensen **motioned** to direct staff to research and explore the Temporary Off-site Sign Permits at a cost not to exceed \$1,000 and report back at a future meeting the findings. Motion carried unanimously.

FIRE DEPARTMENT

No comments

PUBLIC WORKS-PARKS DEPARTMENT

Authorize staff to replace the 5964 Main Avenue NE roof and soffit at a cost not to exceed \$16,000

Public Works Supervisor Guimont reported that staff has secured two (2) quotes for replacement of the roof with the low quote from Gutzwiller Construction, a local contractor. The roof is original and currently leaks. The roof was damaged by a hail storm in 2010. The League of Minnesota Cities Insurance will pay approximately \$12,500 once the roof is replaced. The additional \$3,500 of the \$16,000 is to replace and install soffit and fascia on the building.

Guimont noted that the building is used to store equipment and other city things. It is expected that the building will be around for many years to come, but some day may be a redevelopment site for something different. Insurance funds will pay for the majority of the project with the remainder coming from building maintenance reserves.

CMs Sorensen/Vetsch authorized staff to repair/replace the roof of the formerly known Public Works/Fire Hall Facility located at 5964 Main Avenue NE (next to the Albertville Post Office) with a green metal roof and soffit with the work to be completed by Gutzwiller Construction at a cost not to exceed \$16,000 with the \$12,500 of insurance funds and the balance of \$3,500 coming from the general building and maintenance funds.

Approve the purchase and construction of a fence within the Oakside Park (item was added)

Public Works Supervisor Guimont stated he had prepared a Request for Council Action that was mistakenly dropped from the agenda. Guimont reminded the Council it was requested by the STMA Youth Softball Association to install an infield fence for safety reasons. The fence would be two (2) 60' x 6' high runs. The Parks and Recreation Committee approved this project in 2010. City Council gave their consent when the City received the \$1,500 donation from the STMA Youth Softball Association.

CMs Vetsch/Sorensen **motioned** to authorize the purchase of fencing materials to improve Oakside Park in an amount not to exceed \$2,450 with \$1,500 donated by the STMA Youth Softball Association leaving \$850 from the Parks Department funds. Motion carried unanimously.

Albertville Compost Site – Otsego restricted use (item was moved from Administration)

Public Works Supervisor Guimont reported there has been some residents from Otsego already dropping off grass clippings and possibly leaves. The amount has been minimal at this point. It would be something for the two (2) cities to work together on Albertville offering the compost site for dropping as Otsego provides Albertville with help in other areas such as the plowing of MacIver Avenue NE.

City Administrator Kruse informed the Council that staff will prepare a Memorandum of Understanding that outlines the use of the site. This will include the ability to drop off grass clippings and leaves in the appropriate areas, which require the removal of the bags and signing in. Public Works staff will monitor the sign-in sheets and the amount of compost that is accumulating. Guimont wanted to make it clear it would be for dropping off only. Otsego should not be allowed to remove the completed compost/dirt or any wood chips.

Council directed staff to proceed with the Memorandum of Understanding that spells out the ground rules for Albertville's expectations.

UTILITIES DEPARTMENT

No comments

BUILDING DEPARTMENT

Accept the Building Official's March 2011 Report

Mayor Meehan asked the Council if they had any questions or concerns regarding the Building Official's report. Meehan thanked the Building Official for the updated report.

FINANCE DEPARTMENT

Authorize the Monday, April 18, 2011 Payment of Claims (bills)

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

Council member Wagner had a simple question regarding the Bobcat as to whether this was the annual program staff has in place. Staff reported that was correct, it is the Bobcat program that was set up.

CMs Wagner/Vetsch **motioned** to authorize the Monday, April 18, 2011 Payment of Claims (bills) for check numbers **029636** to **029676** in the total amount of \$118,487.95 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.

*Approve **Resolution No. 2011-011** entitled a Resolution Transfer Funds*

Finance Director Lannes reported these are the standard transfers that were brought up at the last meeting. It is clearly noted the amount that is being transferred from a specific fund and where the money is being designated or transferred to.

CMs Vetsch/Sorensen **motioned** to approve **Resolution No. 2011-011** entitled a Resolution Transfer Funds with detail information below:

- Transfer \$80,000.00 from the General Fund No. 101 to Fund No. 468 I-94 Project Fund; and,
- Transfer \$570,056.98 from the General Fund No. 101 to Fund No. 102 Capital Outlay Fund; and,
- Transfer \$24,241.02 from the Closed Capital Projects Fund No. 400 to Fund No. 492 Industrial Park 52nd Street Project Fund ; and
- Transfer \$35,445.29 from the 70th Street Project Fund No. 497 to Fund No. 400 Closed Capital Project Fund; and,
- Transfer \$3,552.21 from the Sewer Access Fund (SAC) No. 204 to Fund No. 501 Phil Morris Lift Station Project Fund; and,
- Transfer \$9,543.67 from the Franklin Sewer Project Fund No. 504 to Fund No. 400 Closed Capital Projects Fund; and,
- Transfer \$39,172.64 from 1999A GO Improvement Bond Fund No. 355 to Fund No. 300 Closed Bond Fund; and;
- Transfer \$80,470.00 from Sewer Access Fund (SAC) No. 204 to Fund No. 601 Sewer Fund for bond payment;

Motion carried unanimously.

*Approve **Resolution No. 2011-012** entitled a Resolution Authorizing and Documenting Inter-Fund Loan to Fund Negative Fund Balances*

Finance Director Lannes went into more detail regarding the Inter-Fund Loan to a fund with a negative balance. Lannes identified each of the following as being short-term or long-term per the Auditor's recommendation.

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to 1999 Lease Revenue Bond Fund (354) in the amount of \$8,606.80 to fund the negative balance in the debt service fund; and,

This is recognized as a Long-term Inter-Fund Loan from Sewer Access Fund (204) to 2003A GO Imp Bond Fund (357) in the amount of \$1,362,791.02 to fund the negative balance in the debt service fund; and,

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to City Hall Revenue Bond Fund (359) in the amount of \$12,365.71 to fund the negative balance in the debt service fund; and,

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to I-94 Capital Project Fund (468) in the amount of \$525,500.78 to fund the negative balance in the debt service fund; and,

This is recognized as a Long-term Inter-Fund Loan from Sewer Access Fund (204) to Prairie Run Capital Project Fund (473) in the amount of \$826,986.66 to fund the negative balance in the capital project fund; and,

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to CSAH 19 North Capital Project Fund (493) in the amount of \$112,697.00 to fund the negative balance in the capital project fund; and,

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to CSAH 19 & 50th St., South 19 (494) Capital Project Fund in the amount of \$147,728.95 to fund the negative balance in the capital project fund; and,

This is recognized as a Short-term Inter-Fund Loan from Sewer Access Fund (204) to CSAH 37 Utilities Capital Project Fund (503) in the amount of \$455,370.75 to fund the negative balance in the capital project fund;

Lannes concluded with the comment that throughout the year, the City Council approves projects with plans to issue bonds or some other type of financing at a later time. Inter-fund loans provide interim financing until the other financing is completed. In some cases inter-fund loans are the primary source to finance projects that have a very short financing term. An example of this is carrying assessments for a project for a few years where it is not cost effective to issue new debt. At least annually, City Staff and auditors review and recommend inter-fund loans/advances to fund running negative balances so as to remain in compliance with Generally Accepted Accounting Principles (GAAP).

CMs Wagner/Vetsch **motioned** to approve **Resolution No. 2011-012** entitled a Resolution Authorizing and Documenting Inter-Fund Loan to Fund Negative Fund Balances from Fund 204 (Sewer Access Charge) in the amount of \$3,638,988.74 effective December 31, 2010 at an interest rate of 1.50% to be allocated to the following:

Fund 354	1999 Lease Revenue	\$8,606.80
Fund 357	2003A GO Imp Bond	\$1,362,791.02
Fund 359	C.H. Revenue Bond	\$12,365.71

Fund 468	I-94 Improvement Project	\$525,500.78
Fund 473	Prairie Run Addition	\$826,986.66
Fund 493	CSAH 19 & 70th St. (North 19)	\$112,697.00
Fund 494	CSAH 19 & 50th St. (South 19)	\$147,728.95
Fund 503	CSAH 37 Utilities	\$455,370.75

Motion carried unanimously.

CITY CLERK

Approve Monday, April 4, 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 **motioned** to table the approval of the Monday, April 4, 2011 regular City Council minutes to allow Council member Schommer the ability to comment.

Approve Monday, April 4, 2011 City Council Workshop notes

Mayor Meehan asked to have the workshop notes to reflect the discussion under Karston Cove 3rd Addition that included the expansion of Winter Park. City Clerk Miller noted the addition and will amend the Workshop note per the Mayor's request.

CMs Wagner/Vetsch **motioned** to approve the Monday, April 4, 2011 City Council Workshop notes as amended included the discussion of expanding Winter Park into the Karston Cove 3rd Addition. Motion carried

Approve the Friendly City Days Committee request to extend the park hours and close various streets at designated times during the event (June 10 through June 12)

City Clerk Miller reported this is the annual request from the Friendly City Days Committee to extend the hours of Central-City Park and to partially block off the streets.

CMs Wagner/Vetsch **motioned** to approve the Friendly City Days Committee request to extend the hours in the Central-City Park on Thursday, June 9 to 10:30 p.m.; Friday, June 10 to 1:30 a.m., and Saturday, June 11 to 1:30 a.m.; and, closing down the following streets for the annual Friendly City Days celebration as follows:

Street	Date(s)	Time(s)
58 th St. NE (Main Ave. NE to Lander Ave. NE)	June 6-13	All Day
Lander Ave. NE (58 th St. NE to 11435 58 th St. NE)	June 6-13	All Day
Main Ave. NE (57 th St. NE to 59 th St. NE)	June 10	6:00 p.m. – 2:30 a.m. for Friday Activities
Lachman Ave NE (57 th St NE to 60 th St NE)	June 10	Fireworks display
Lander Ave NE (57 th St. NE to 58 th St. NE)	June 11	All Day for Sat. Activities
Main Ave. NE (57 th St. NE to 59 th St. NE)	June 11	3:00 p.m. – 2:30 a.m. for Saturday Activities
Lachman Ave NE, Lamont Ave NE, 57 th St NE	June 11	Kiddie Parade
Main Ave. NE (50 th St. NE to 60 th St. NE)	June 12	1:00 p.m. – 4:00 p.m. for the Grande Day Parade
59 th St. NE (Barthel Ind. Dr. NE to Main Ave. NE)	June 12	1:00 p.m. – 4:00 p.m. for the Grande Day Parade
Barthel Ind. Dr. NE (51 st St. NE to 59 th St. NE)	June 12	1:00 p.m. – 4:00 p.m. for the Grande Day Parade
51 st St. NE (Barthel Ind. Dr. NE to Main Ave. NE)	June 12	1:00 p.m. – 4:00 p.m. for the Grande Day Parade
60 th St. NE (CSAH 37 to Main Ave. NE)	June 12	1:00 p.m. – 4:00 p.m. for the Grande Day Parade

Motion carried unanimously.

Approve a 3.2% Malt Liquor License for Ds Family Pizza located on Kyler Avenue NE

Mayor Meehan asked if the Council had questions regarding the new Liquor License Application for Ds Family Pizza. There were no comments, so the following motion was made:

CMs Sorensen/Vetsch **motioned** to the New Application for a 2011-2012 On-Sale 3.2% Malt Beverage Liquor License to D Family Pizza contingent upon Minnesota State Alcohol and Gambling approval, at which time the City Clerk will issue the license. Motion carried unanimously.

PLANNING

Parkside Commercial – Veterinarian Clinic with Overnight Care (added to the agenda)

City Planner Brixius reported that staff has been approached by a business owner that is interested in opening a veterinarian clinic within the Parkside Commercial site off of CSAH 19 and 57th Street NE. According to Ordinance No. 2008-008, Item 4. States ‘the *Animal*

Veterinary Clinics shall be allowed in all three buildings (no. 10904, 10900, and 11004) and shall read as followings: Animal veterinary clinics (small animal) (with no overnight care) (no pet boarding), as regulated by chapter 2300 of this ordinance.

Brixius informed the Council that Chip Bauer was present in the audience and is the individual asking if the Council would allow for overnight care on small pets following a surgical procedure. Mr. Bauer is aware of the building layout and would utilize the property near the wetland area for walking dogs to do their business. The staff of the clinic will be responsible for properly disposing of the body waste from the animals as well as on the parking lot if necessary.

After listening to the proposed business owner the Council made the following motion:

CMs Vetsch/Sorensen **motioned** to direct staff to draft a 'Letter of Understanding' outlining the conditions for the allowance/authorization for a Veterinary Clinic with Overnight Care to submit a Building Permit for Tennant Finish within the Parkside Commercial Addition located along CSAH 19 off of 57th Street NE. Motion carried.

ENGINEERING

City Engineer's Written Project Status Update

Council members had no comments or concerns related to the City Engineer's Written Report.

Acknowledge the requirement of the Minnesota Pollution Control Agency to reduce the total phosphorus limit discharged from the WWTP to Mud Lake from 1.0 mg/L to 0.06 mg/L within two permit cycles (10 years); and, direct staff to coordinate reissuance of existing permit with the MPCA with an interim total phosphorus limit of no less than an average annual concentration of 0.4 mg/L or annual mass of 514 Kg/yr with an allowable monthly average concentration of 1.0 mg/L

City Engineer Nafstad acknowledged that the discussion relating to the Albertville Wastewater Treatment Plant (WWTP) has been brought up at previous meetings. In April 2010, the City's National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) permit for the Albertville Wastewater Treatment Plant has expired. The Minnesota Pollution Control Agency (MPCA) notified the City in October 2010 that they were working on the reissuance of the permit, but they had determined that the phosphorus discharge limit would be reduced from the current limit of 1.0 mg/L to 0.06 mg/L. At the same time of the notice the MPCA wanted to discuss the reduced limit and its implementation.

Staff met a number of times to discuss how to deal with meeting the MPCA's reduction in phosphorus discharge among other concerns related to the treatment plant. Staff acknowledged and presented these necessary improvements to the MPCA asking for an agreed interim recommendation.

If acceptable to the City, the MPCA's recommendation is to reissue the WWTP permit with the interim limit. The permit will be valid for five (5) years and the permit to follow will require an effluent phosphorus limit of 0.06 mg/L prior to its expiration in 2021. The alternative to the interim limit, for reissuance of the current permit, would be to commit to moving forward with facility planning.

Staff recommends accepting an interim phosphorus limit as part of the new permit and beginning to schedule and plan for implementation of the ultimate 0.06 mg/L limit. To allow time to seek and secure funding for the improvements, staff recommends the following implementation schedule:

- | | |
|-----------|--|
| 2011 | Perform facility review and analysis and pursue funding. |
| 2011/2012 | Identify alternatives and perform background investigation, analysis and piloting. |
| 2013/2014 | Complete Facility Plan with alternative analysis. |
| 2015/2016 | Continue to pursue funding for recommended improvements or modifications. |
| 2017/2018 | Prepare plans and specifications. |
| 2018/2021 | Construction of improvements and start up of plant. |

These are the KEY ISSUES related to the recommendation:

- Every 5 years the WWTP permit needs to be reissued.
- Within 2 permit cycles (10 years) the MPCA will require a effluent phosphorus discharge limit of 0.06 mg/L (current limit is 1.0 mg/L).
- Plant improvements prior to 2021 will be required to achieve the reduced discharge limit.

Staff's last comment was ten (10) years seems like a long time, yet it will go fast.

CMs Sorensen/Wagner **motioned** to acknowledge the requirement of the Minnesota Pollution Control Agency to reduce the total phosphorus limit discharged from the WWTP to Mud Lake from 1.0 mg/L to 0.06 mg/L within two permit cycles (10 years); and, direct staff to coordinate reissuance of existing permit with the MPCA with an interim total phosphorus limit of no less than an average annual concentration of 0.4 mg/L or annual mass of 514 Kg/yr with an allowable monthly average concentration of 1.0 mg/L. Motion carried unanimously.

LEGAL

No comments

ADMINISTRATION

National Flood Insurance

It was the consensus of the Council to table the discussion of the National Flood Insurance participation to the May 2, 2011 meeting at which time Council member Schommer would be present to express her concerns.

E-bill/E-pay (ACH) Donation Program

City Administrator Kruse commented that the purpose of Albertville Donation Program (ADP) is to provide an easy way for utility customers to support several community causes by giving the discount they normally receive to one of four City of Albertville causes.

Kruse continued by stating staff does recommend limiting it to three or four options that reaches a broad spectrum of residents.

Youth Programs funds will be used for a multitude of Albertville youth groups and activities whose purpose is to improve the educational and fitness of our youth ages birth to eighteen years old.

Arena Improvements include Albertville's share of capital building and equipment operate and expand the STMA Arena.

The Community Kitchen/Meeting Room Equipment Fund will be used to equip the City Hall kitchen and multi-purpose room.

Food Shelf and designated providers, provides Albertville area residents with food staples.

CM Sorensen/M Meehan **motioned** to approve the program entitled Albertville Donation Program (ADP) whereby utility customers may opt-in to donate the monthly E-bill and E-Pay (ACH) discount they receive to the following City of Albertville causes: 1) Youth Programs, 2) Arena Improvements, 3) Community Kitchen/Meeting Room Equipment Fund or 4) Food Shelf in lieu of receiving the discount on their utility bill themselves with the program starting effective September 1, 2011, such that programs that receive funds shall meet the public purpose expenditure requirements outlined in the League of Minnesota Cities October 2010 Public Purpose Expenses Bulletin.

Operation Round-up

City Administrator Kruse explained the purpose of the Operation Round-up Program is to provide an easy way for utility customers to support Albertville causes which are not normally included in the annual budget by rounding their utility bill up to the next whole dollar.

Customers who choose not to participate may notify the City by phone, email, writing, or in person to remove their account from the program.

Kruse noted that Wright Hennepin Electric has been doing the program since 1994. Their program claims: Your pennies make a big difference with Operation Round-up. Visit their web site and see a list of \$2.4 million in donations they have made. Albertville's program would be similar, but focus on the needs within the City of Albertville.

It appeared to be the consensus of the City Council not to move forward with Operation Round-up at this time. It was recommended to table the item until Council member Schommer was present to obtain her thoughts on the program.

5975 Main Avenue NE Building Lease

City Administrator Kruse shared that Acting Out will be done at the end of April; however, Liv Music has expressed an interest in leasing out the 5975 Main Avenue NE facility. Staff is looking to the Council for direction and authorization to draft a lease agreement with Josh Perisian and Richard Greenwaldt to do business at 5975 Main Avenue NE, and authorize the Mayor and City Clerk to sign the agreement.

CMs Sorensen/Wagner **motioned** to authorize the Mayor and City Clerk to sign a Building Lease with Josh Perisian and Richard Greenwaldt doing business as TO BE NAMED. The terms of the lease shall be a month to month lease with a ninety (90) day written notice to terminate at a rate of \$1,800 per month. The Lessee is authorized to occupy the building just as soon as they sign the lease, show proof of insurance and make a one month security deposit of \$1,800. Succeeding month's rent shall be due by 25th of the preceding month.

Albertville Compost Site – Otsego (item was added to the agenda)

City Administrator Kruse reported that PW-Parks Maint. Supervisor Guimont met with the Otsego staff suggesting that Otsego residents located off of MacIver Avenue NE have authorization to dispose of grass clippings at the Albertville Compost Site. Staff would like Council direction to enter into a temporary-trial agreement with Otsego to allow the residents to drop off grass clippings or leaves for a minimum of 1-year on a temporary basis.

M Meehan/CM Wagner **directed** staff to prepare a Memorandum of Understanding to the City of Otsego authorizing residents in the southwest corner only the ability to drop off grass clippings and leaves for the 2011 year as a temporary-trial basis; whereas, these residents will sign in when they use the site so that the Albertville Public Works staff can monitor the increase in volume of compost. Otsego residents will not be allowed to remove compost (dirt) or wood chips. Motion carried unanimously.

Karston Cove 3rd Addition (item was added to the agenda)

City Administrator Kruse asked the Council if they are interested in entering into a purchase agreement to acquire the remaining undeveloped portion of Karston Cove 3rd Addition formerly owned by Woodside Homes, which is currently owned by CentraHomes. Kruse continued by stating it appears the current market does not support construction of the remaining 29 townhomes and CentraHomes has requested the City refund the remaining \$450,000 of cash escrow in exchange for them giving the City the land.

Kruse noted that during a Council workshop, the Council expressed concern about the potential of increasing the amount of rental units should the remaining 29 townhomes be developed in that manner. Kruse informed the Council that the current Development Agreement that in place does not restrict the Developer’s ability to convert from owner occupied townhomes to rental townhomes.

Again, the Council tabled this item to hear the views from all of the Council members. During the Workshop Council member Schommer was one that felt there is sufficient rental property within Albertville.

STMA Youth Hockey Mn Gambling Permit to sell Raffle Tickets from June 9 to September 2011 with a drawing held in September 2011 (item was added to the agenda)

City Clerk Miller reported that Ms. Tupper called to see if the Council would consider approving a Gambling Permit for the STMA Youth Hockey Association to sell raffle tickets as a way to raise funds for the Youth Hockey members. The Association would like to begin selling in conjunction with Friendly City Days and throughout the summer.

CMs Sorensen/Wagner **motioned** to approve the State of Minnesota Gambling Permit from the STMA Youth Hockey Association to sell raffle tickets throughout the Albertville city limits from June 2011 to September 2011 with the drawing to be held at a Fund Raising Event in September 2011. Motion carried unanimously.

ANNOUNCEMENTS and or UPCOMING MEETINGS

April 2011

- 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						
Su	M	Tu	W	Th	F	Sa
					1	2
3	cc 4	5	6	7	8	9

May-11						
Su	M	Tu	W	Th	F	Sa
1	cc 2	3	4	5	6	7
8	Ice 9	PZ	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	22	JP 23	24	25	26	27	28	
24	JP-W		26	27	28	29	29	H 30	31					
	25													

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

CMs Wagner/Sorensen **motioned** to adjourn the Monday, April 18, 2011 regular City Council meeting at 9:55 p.m. Motion carried unanimously.

Bridget Miller, City Clerk (recording secretary)