

Mayor Beyer, called the April 27, 2010 Regular Meeting of the Rockford City Council to order at 7:00 p.m. The meeting was held in the Council Chambers of City Hall 6031 Main Street, Rockford, MN.

ROLL CALL

Roll call was taken, the following members were present: Beyer, Graner, Hafften and Nichols. Martinson arrived at 8:10 p.m. Also in attendance were: Andrew Berg Auditor from Abdo, Eick and Meyers, Public Works Supervisor Peterson and Administrator Carswell.

The Pledge of Allegiance to the Flag was given.

CONTINUATION OF HENNEPIN COUNTY BOARD OF REVIEW FROM APRIL 13, 2010

Mayor Beyer opened the continued hearing of the Hennepin County Board of Appeals and Adjustments at 7:01 p.m.

Phil Jensen of the Hennepin County Assessor's Department was present with details on a recent inspection of a property at 8000 Highway 55 Lot #60 PID 29-119-24-51-0060 in regards to market value. The sales of similar sized and age manufactured house were also used to review the market value. Assessor Phillip Jensen recommends that value of the home be adjusted for 2010 to \$56,000 which is lower than what it was proposed at \$60,500.

MOTION was made by Nichols, seconded by Graner to accept the adjusted 2010 market value of \$56,000 for property legally described as PID 29-119-24-51-0060.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS.

MOTION was made by Hafften, seconded by Graner to close the hearing for the Board of Appeals.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS.

Mayor Beyer closed the hearing at 7:05 p.m.

PRESENTATION OF 2009 VOLUNTEER OF THE YEAR – DENISE KESANEN

Mayor Beyer presented Denise Kesanen with a plaque as the 2009 Volunteer of the Year.

***CONSENT AGENDA**

MOTION was made by Graner seconded by Nichols to approve all items on the consent agenda.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS

***Approve Minutes/April 13, 2010**

MOTION was made by Graner seconded by Nichols to approve the minutes of the April 13, 2010 Regular Council Meeting.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS

***Approve Payment of Claims**

MOTION was made by Graner seconded by Nichols to approve the payment of claims #17646 to #17689 in the amount of \$42,988.15.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS

***Special Workshop scheduled for May 4, 2010**

MOTION was made by Graner seconded by Nichols to schedule a special workshop on Tuesday, May 4, 2010 at 6 pm to tour the streets that are proposed to be repaired. The group will meet at the city parking lot on Main and Cedar Street and travel together in two vehicles.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS.

OPEN FORUM

Mayor Beyer called Open Forum. Nicolas Qualle of 7002 Jenks Drive was present with his concern about the soils on his lot. The developer's agreement for Parkwood states that 4" of top soil shall be deposited on each lot but the city has no definition of top soil. Administrator Carswell stated she had spoke with the developer about this issue and was told that the specifications included spreading the materials from the site onto each lot and that no special material was brought into the development. The developer's agreement states it is the responsibility of the developer or the property owner to put the top soil on the lot. Mr. Qualle stated that while planting trees he found that the soils are clay and since he has a sprinkler system the ground is always wet. When asked if he has sod Mr. Qualle responded that there is sod on his lot that is green.

Staff was directed to contact the city attorney after checking the specifications for the Parkwood development to get his opinion and then to relay that information to Mr. Qualle.

Mr. Qualle stated that he is a building inspector for MNSPECT in Waconia, MN and would like to bid on the city's inspection contract. The city council agreed that we should look into this and Carswell noted that the city would have to put together RFP's for the service so all bidders are providing a bid on the same service. The staff will work on this prior to the adoption of the September preliminary general fund budget.

Community Theatre Fund Raising

The Community Theatre is struggling financially and looking for opportunities to raise money to keep the program running. Jeannette Graner contacted the Rockford Area Athletic Association and no one is currently selling concession items at the summer ball games. The Community Theatre would like permission to sell concession items in the Lion's Park starting on May 17th for approximately six weeks. They would also like to store a small freezer in the Lion's Building at 8220 Elm Street to keep their frozen treats.

MOTION was made by Hafften seconded by Nichols to allow the Community Theatre to raise money by selling concession items at the Lion's Park starting on May 17th for six weeks during the program and allow storage of a small freezer in the Lion's Building during said time.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN AND NICHOLS.

2009 Audit Report – Abdo, Eick & Meyer

Andrew Berg of Abdo, Eick & Meyers was in attendance to present the 2009 Financial Audit Report.

Mr. Berg reviewed the management letter which is an overview and narrative of the financial transactions for all funds and fund balances for 2009.

The general fund balance at the end of the year increased from \$833,407 to \$903,927. The tax revenues make up 67% of the general fund revenues and there was a 3% delinquency rate in 2009 which is an improvement from 2008. The general fund revenues were short \$18,590 and expenditures were over \$78,836 and transfers were reduced by \$10,274 which increased the fund balance by \$70,520 at the end of the year. The report compared revenues from the past three years and licenses and permits have seen the largest decrease in revenues.

The general fund expenditures and transfers for the last three years were also reviewed. General government makes up 27.5%, public safety 26.4%, public works 22.5%, culture recreation 22.5 % and transfers out 14.5% and capital outlays .1%. Per capita the total expenditures are \$385 versus peer groups made up of cities our size which was \$837 per capita.

Special revenue fund balances were reviewed and compared with 2008 there was an increase of \$143,870 of fund balances at the end of the year.

Debt service funds were reviewed and the fund balance for all debt is \$1,544,911 which appears sufficient to meet obligations. The city has total outstanding bonds in the amount of \$5,000,000.

Capital Project Funds were reviewed and noted that the city hall building funds has a deficit of \$133,739 that should be eliminated soon or when the project begins.

The water fund had lower operating revenues in 2009 than in 2008 and 2007 but had a positive cash balance at the end of the year revenues exceeded expenditures to build the fund to \$81,837.

The sewer fund operating revenues increased, however operating expenditures were more than the revenues. The fund had net transfers totaling \$126,227 for a positive increase in the cash balance at the end of the year of \$90,628.

Ratio analysis for debt, taxes, expenditures, assets was compared to peer group cities.

MOTION was made by Graner, seconded by Hafften to accept the 2009 Financial Audit Report as presented by Abdo, Eick & Meyers.

MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFPTEN AND NICHOLS.

2010 General Fund Budget Revision

Administrator Carswell recommended that the general fund budget revision be tabled until the May 25th meeting.

Wright County Deputy

The mayor asked the Wright County Deputy Adam for an update. The deputy stated that most calls have been alcohol related. More people are parking downtown and walking. The mayor recommended that the staff send a letter to the Rockford Schools offering \$100 to students that provide information leading to arrests having to do with graffiti and vandalism. This has proven to be effective in the past.

Grocery Store Market Study

Joanne Foust of Municipal Development Group, Inc. prepared a letter to City Council regarding the 2009 Grocery Store Market Study. Ms. Foust has received inquiries from developers and wholesale food distributors for the study, but upon request for the executed agreement have not received further inquiry. A developer has requested the city reconsider the requirement to execute an agreement to receive the data as he would like to keep his contacts confidential until there is a project that is feasible. At this time Ms. Foust requested City Council reconsider the requirement for the signed agreement to distribute the study.

After a lengthy discussion the group decided that the study was paid for by the city and owned by the city. The purpose of the study is to be used for development in the City of Rockford. The city council did not have a problem with a broker making copies for developers but wanted them to sign that the study would be used only for development in the City of Rockford. The document will be distributed so that no alterations can be made it will be scanned in a PDF with a City of Rockford watermark as a "read only" document.

Agreement Imposed by Rockford Township

The City contracts for the removal of bio solids from the wastewater treatment plant. Some of this material is land applied on private farm property in Rockford Township. The Rockford Township posted load restrictions of 5 tons on their roads until a road usage agreement is signed and is requesting the City of Rockford and the contractor both sign the agreement regarding damage to Township roads.

The agreement has been forward to Dennis Peterson in Public Works and he has met with the contractor that hauls the material to discuss other methods so that the city will not have to sign a road maintenance agreement with the Township. The contractor has agreed to press the bio-solids and the city will store them until later in the summer when road restrictions are off and then the city will haul the material. City attorney Mike Couri does not recommend the City sign the road usage agreement unless changes are made.

Ongoing Directives

The ongoing directives were reviewed. The personnel committee was discussed and Hafften stated that she and Nichols are meeting prior to city council meeting to gather information but not to make any decisions. They are working towards matching our job descriptions to the LMC's for wage comparisons.

Administrator's Report

The Administrator's Report included: 5820 Tower Street is part of the Sheriff's sale on April 28th, financial reports for 2009, notification of hydrant flushing, fire department grant CenterPoint Energy for a thermal imaging camera, 2009 fire billing for payable 2010, public works facility update, new election laws regarding absentee voting, thrift store public hearing scheduled for May 11th, snow season parking ordinance and Administrator Carswell will be on vacation April 30th to May 7th.

Update on SIU Permit

Mayor Beyer informed the group that he attended a meeting today with staff and a significant industrial user to discuss the permit limitations and how to better manage chemicals that may be disrupting the city's wastewater treatment operations. The significant user has spent considerable money and made some strides to clean up their wastewater, however the city is still experiencing violations at the wastewater facility. The city plans to use our sampler to sample other areas in the city and Dennis Peterson stated that grease is another issue he is having at the plant. A letter will be sent out to restaurants asking them to provide information to the city on how they are dealing with grease.

Adjournment

MOTION was made by Graner, seconded by Hafften to adjourn the meeting.

Mayor Beyer adjourned the meeting at 9:30 p.m.

Michael Beyer, Mayor

ATTEST:

Nancy Carswell, Administrator