

**Oath of Office** – Mayor Renee Hafften, Council Members: Denise Kesanen and Rick Martinson

Mayor Hafften called the **January 8, 2013** 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 at 6031 Main Street, Rockford, MN.

**Roll Call**

Roll call was taken. The following council members were present: Graner, Hafften, Kesanen, Martinson and Wenz. Absent: none. Also in attendance were: Attorney Michael Couri, Engineer Mark Statz from Stantec, Administrator Carswell, Public Works Supervisor D. Peterson and Fire Chief Ben Sanderson.

The Pledge of Allegiance to the Flag was given.

**\*Approve Consent Agenda/Set Agenda**

**MOTION** was made by Graner, seconded by Martinson to approve all the items listed on the consent agenda.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*Approve Special Council Minutes/December 27, 2012**

**MOTION** was made by Graner, seconded by Martinson to approve the minutes of the December 27, 2012, Special Council Meeting.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*Approve Payment of Claims**

**MOTION** was made by Graner, seconded by Martinson to approve the payment of claims #21397 to #21435 in the amount of \$64,759.84.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*Approve Building Permits**

**MOTION** was made by Graner, seconded by Martinson to approve the December 2013 Building Permits #12-169 to #12-171.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*RESOLUTION #13-01/Approve Investment**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-01 approving the investments.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*RESOLUTION #13-02/Approve 2013 Appointments**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-02 approving the 2013 Appointments.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON AND WENZ.

**\*RESOLUTION #13-03/Approve 2013 Fees for City Services Not Included in Ordinance 212**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-03 establishing the 2013 fees for city services not included in Ordinance 212.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*RESOLUTION #13-04 /Establishing Date for 2013 Local Board of Appeal and Equalization**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-04 to establish the date for the 2013 Local Board of Appeal and Equalization.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*RESOLUTION #13-05/Adopt the 2013 Compensation Plan**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-05 adopting the 2013 Compensation Plan.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*Approve the Council Liaison/Committee List**

**MOTION** was made by Graner, seconded by Martinson to approve the Council Liaison/Committee List.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**\*RESOLUTION #13-06/Adopting the Public Works Uniform Policy**

**MOTION** was made by Graner, seconded by Martinson to approve Resolution #13-06 to adopt the 2013 Public Works Uniform Policy.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANEN, MARTINSON and WENZ.

**Event Center Proposal/Financial Information**

CPMI provided a revised program for the event center as requested by council that includes a pre-engineered building. The cost of the pre-engineered event center including, labor, materials, contingencies, site work, fixtures, furniture and preconstruction fees are estimated to be \$1,609,566.

Mayor Hafften thought she remembered that CPMI gave the city a cost of \$1.5 for this type of building; however, staff was not aware of this. CPMI provide a program in November 2011 for the event center that included flood proof materials for a cost of \$2.08 million. The council requested CPMI to provide a cost for a pre-engineered building to see the difference in costs.

Staff provided the following information for the council:

- 1. Tax Abatement Bond \$1,680,670 15 years 2.17% interest rate – Years 2014-2029.

It was noted that this bond will use most of the city's tax abatement. Also showed the additional annual tax on homes with:

Value of \$150,000	\$77.86
Value of \$200,000	\$103.81
Value of \$250,000	\$129.76
Value of \$350,000	\$181.67

- 2. Estimated annual operating costs and revenues which showed a loss of \$12,248 without flood insurance and weekly janitorial service; or operating loss of \$24,127 with flood insurance and less janitorial service.
- 3. Existing bond schedules with annual payments
- 4. Bond Roadmap of all bonds including the revenue bonds for water and sewer
- 5. Impact of the bond on the tax levy for 2015 is a 10% increase.

Council questioned the tax abatement capacity of the city and wondered how the tax abatement would affect future bonds for sewer and water projects. The different bond authorities were discussed such as the general obligation, revenue bonds, and CIP bonds as council expressed concern about using up all of the cities bonding capacity which is not the case.

After reviewing the cost for flood insurance of \$24,000, Hafften stated that the city would be wiser to set aside money for any damages than to pay out this amount annually. Flood insurance is not required even though the city will issue bonds to finance the project. The interest rate on the bond is estimated to be 2.17% good per Martinson and he feels the city should move forward with some changes with the project.

The event center committee will meet to review and make changes to save money on the project, and obtain more information on this tax abatement bond and how it may affect future bonding authority for public improvement projects.

#### **Attorney Report/Hennepin County Antenna Lease Agreement**

Mike Couri reported that the Hennepin County Attorney's Sheriff's Department is not willing to bring the antenna lease to the county board. That contract/antenna lease agreement between the Sheriff's Department and the City of Rockford to provide radio signals at the Rockford High School is a safety issue which is part of the sheriff's department. When this agreement was brought to the city council for approval the council requested additional language be added that states "the Hennepin County Board will not assess the city for any future fees for dispatch services while this agreement is in effect".

The Sheriff's Department suggested that the city proceed with this additional language to the agreement to the board so we can move forward with this project. This could go to the county board/committee and could take about one month. Council asked if working to resolve this issue could kill the project. Dennis Peterson, public works supervisor stated that another month should not kill the project. This project is a safety issue and is necessary to fill a gap in the high school that is necessary for emergencies because currently there is no communication signal inside the building.

Staff will contact Jeff Johnson our Hennepin County Commissioner to put this on an upcoming agenda and note the importance of the time line of resolving this issue. Administrator Carswell will draft a memo for the county board and send it off to council for feedback. It was noted that the City of Rockford does not get direct dispatch from Hennepin County but from Wright County.

#### **Hurst Woods Development Agreement/**

Recently, the city installed a storm water channel in the Hurst Woods development to prevent future erosion, with the agreement that the developer would contribute \$35,000 towards the project and the city would then release them from any further costs for this portion of the development. The city has requested that the developer also pay any outstanding administration fees incurred up to date. Attorney Couri stated that the current developer's agreement states that the city reimburses the developer for water and sewer when certain development takes place up to a limited time. The developer's agreement also states that the developer will pay park dedication fees of \$864 per lot and the park dedication fee is currently \$1,720. The developer is asking that the city freeze the park dedication fee to amount listed in the agreement for the remainder of the lots before they will pay the \$35,000. After a lengthy discussion the city could agreed to freeze the park dedication fee as listed in the agreement for three years for the lots in the preliminary plat.

Motion was made by Martinson, seconded by Graner to approve a three year freeze (2013-2015) on the park dedication fees in the amount of \$864 per lot for Hurst Woods Development for the lots included on the preliminary plat.

MOTION CARRIED-VOTING IN FAVOR: GRANER, HAFFTEN, KESANAN, MARTINSON AND WENZ.

#### **Administrator's Report**

Carswell presented the administrators report including: The Planning Commission is conducting a public hearing on Thursday, Jan. 10<sup>th</sup> at 7:00 p.m., talking with developers from the past in continuing development in these residential subdivisions, talking with owners of downtown buildings on corners of Main and Bridge St., the sale of the property at 8740 Highway 55 and the Crow River Food Co-op update.

**Engineer's Report**

The engineer's report including: capital improvement plan schedule a workshop meeting to review – set for January 30, 2013 at 6 p.m. at the Public works facility. Also reviewed the Wastewater Treatment Plan public hearing scheduled for the Jan. 22, 2012 council meeting.

**Fire Department Report**

Ben Sanderson reported on 295 calls in 2012, 4,593 hours of service, 2,980 hours of trainings and meetings. Call types 200, fire, etc. district City highest, mutual aid calls, calls by day of the week, calls by day, calls per time of day, roster and training this year for ff1 and ff 2 is being paid by the state this year. There are 11 new people on the roster this year and it is from word of mouth. Hafften wants Ben to survey the new members on why they joined the department so that the city will know why they joined, Graner will work with Ben to draft a survey for members. Response time has been reduced to 7 minutes which is much better than the past which was about 11 to 12 minutes. The new Kubota was used for hunters who have been injured and Wright County is looking at paging us out when these accidents occur as they do not have this type of equipment. Hafften is who would be reimbursing the Fire Department for these calls and Ben responded that it would be part of the mutual aid agreement and that the city would be paid for these calls. Rockford FD Officers list was also submitted for council review. The annual calendars have been printed and are being delivered, which are from January to January instead of October to October and saved \$1,200.

**Council Reports**

Martinson – had nothing to report

Kesanen – had nothing to report

Wenz – nothing to report

Graner – Thanked FD for their quick response in a medical call at her residence – Also reminded the public about the 4Community Theater new play - The Death of a Salesman coming soon to Rockford, coupons will be available at city hall.

Hafften – a survey was sent out to the staff and the results will be reviewed at the next workshop meeting.

**Open Forum**

There was no one present for open forum.

**ADJOURNMENT**

**MOTION** was made by Graner seconded by Wenz to adjourn the meeting 8:52 p.m.

**MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN, MARTINSON and WENZ.**

Mayor Hafften adjourned the meeting at 8:52 p.m.

---

Renee Hafften, Mayor

---

Nancy Carswell, Administrator