

Mayor Beyer called the June 14, 2011 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 and the following council members were present: Beyer, Graner, Hafften, Martinson and Wenz. Absent: none. Also in attendance were: Attorney Couri, Engineer Mark Statz, Administrator Carswell, Fire Chief Reed and Public Works Supervisor Dennis Peterson.

The Pledge of Allegiance to the Flag was given.

**\*CONSENT AGENDA/SET AGENDA**

Motion was made by Martinson, seconded by Graner to approve all items on the consent agenda. except 2g Contract 5521 Sunset Cir &2 I

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

**\*Approve Regular Council Minutes/May 24, 2011**

Motion was made by Martinson, seconded by Graner to approve the minutes of the May 24, 2011 regular Council Meeting.

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

**\*Approve Payment of Claims**

Motion was made by Martinson, seconded by Graner to approve the payment of claims #19192 to #19265 in the amount of \$131,168.15.

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

**\*Approve Building Permits**

Motion was made by Martinson, seconded by Graner to approve the building permits #11-35 to #11-44.

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

**\*Resolution #11-21 Approve Investments**

Motion was made by Martinson, seconded by Graner to approve Resolution #11-21 to approve investments.

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

**\*Resolution #11-22 /Approve Licenses**

Motion was made by Martinson, seconded by Graner to approve Resolution #11-22 to authorize licenses to Billy's Rockford Bar, Cowboyz Bar & Grill, Red Vest Bar & Grill and Sabourin Wine and Liquor starting July 1, 2011 to June 30, 2012.

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

**\*Approve Temporary Liquor License for Rockford River Days Festival Committee**

MOTION was made by Martinson, seconded by Graner to approve the temporary intoxicating liquor license at Riverside Park, 8220 Elm Street during the festival on August 12, 13, and 14, 2011 and waive the \$40 fee for the Rockford River Days Festival Committee; contingent upon receiving the Certificate of Insurance.

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

**\*Approve Contract/Repair Front of City Hall**

Motion was made by Martinson, seconded by Graner to approve the contract with LP Stucco to repair the stucco and other repairs as listed in the proposal and authorizes Administrator Carswell to sign the contract to be financed through the City Hall CIP budget 411 with changes to the insurance amounts \$500,000 and \$1,000,000.

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

**Approve Contract/Excavation at 5512 Sunset Circle**

Mayor Beyer pulled this from the consent agenda due to questions. Administrator Carswell explained that the city council gave the property owner a deadline of May 31, 2011 to fill in the unsafe excavation at his property at 5512 Sunset Circle. However, at this time that violation still exists and the property owner has emailed staff promising that the contractor will start the work the end of last week and again the end of this week.

Therefore, staff discussed the contract price we received from Doboszinski and Sons in February of 2011. They are willing to honor the price of \$8,100 to fill in the unsafe excavation. Couri stated that the insurance should be changed to \$500,000 and \$1,000,000.

Motion was made by Hafften, seconded by Wenz to approve the contract with Doboszinski & Sons to abate unsafe excavation at 5512 Sunset Circle for a cost of \$8,100 to be assessed to the property owner and authorizes Administrator Carswell to sign the contract with changes in the insurance \$500,000 and \$1,000,000.

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

**Approve Revised Contract/Municipal Development Group**

This item was pulled from the consent agenda due to questions about goals established at the goal setting meeting. Administrator Carswell noted that the consultant has been made aware of a deadline established for obtaining a grocer within 18 months and noted that the consultant will be working the second and fourth Thursday of each month, plus attending the HRA meetings.

Motion was made by Beyer, seconded by Hafften to approve the revised contract with Municipal Development Group and authorizes Administrator Carswell to sign the contract to add one more day per month for the remainder of the 2011 calendar year which is funded by the HRA fund 207.

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

**OPEN FORUM**

Mayor Beyer called Open Forum no one was present to address council. Graner thanked the public for the support of fund raiser for the 4 Community Theater.

Beyer informed the council that the city has become a Heart Safe Community.

**Storm Water Complaint/3877 Haug Avenue**

The property owners Nate & Sanna Kariniemi 3877 Haug Avenue SE were present to discuss the flooding of their property that took place on the weekend of May 28 and 29<sup>th</sup>. The Kariniemi's are requesting that the city create a better water drainage solution around their property and also compensate them for damages to their property. Nate Kariniemi stated that the damages to their property were high because the basement was remodeled and included an office and bedroom for their nanny.

Attorney Couri stated that he has reviewed the Marsh Run Developers agreement. The agreement states the city that this is not a public storm sewer culvert, the agreement states that the mains are public but the

pond and culvert, inlet are private and shall be maintained by the association. Couri stated that Minnesota State statutes has some language about change in grade or water runoff onto an adjacent property is not illegal as long as there is still reasonable use of the land. Another question about this claim is whether the storm sewer was designed correctly and was the amount of rainfall considered a significant flood event. Couri suggests that the city submit this to the LMC Insurance Trust and let them investigate the claim. The insurance will probably look to see if the city has coverage, if the storm water was designed correctly and if there is negligence on the cities part.

The developer's agreement states that the road and storm water are private infrastructures and shall be maintained by the Marsh Run Association.

The engineer and attorney have reviewed the issue of the storm water on this property. The public works crew provided rain fall information for the weekend of May 28<sup>th</sup> that includes 3.89" which is over a normal rainfall.

Engineer Statz has reviewed the storm water system for Marsh Run constructed that Bonestroo designed. The system does meet the 100 year flood standards and he feels that it could be a maintenance issue or a 100 year storm.

The Kariniemi's asked the city to expedite the claim and also asked the city to install a larger storm sewer pipe. Staff will send this claim to the LMC tomorrow.

#### **Fire Relief 2010 Audit Report**

Kevin Reed went over the management report and noted that there are not two signers for the relief association. Hafften stated that the Relief Association should have two signatures on each check. Reed stated that this will be discussed at the next meeting and ask the Vice President be the second person to sign the checks as a good standard. More pay outs this coming year and the investment manager is aware of this so that the cash is available.

Heart Safe City can be presented in the future.

Motion was made Martinson, seconded by Hafften to accept the Fire Relief Association Audit for 2010.  
MOTION CARRIED-VOTING IN FAVOR: BEYER, GRANER, HAFFTEN, MARTINSON AND WENZ.

#### **Debt Management Report**

Council reviewed the debt management report which includes eight bonds and one PFA loan. Two of the bond issues will be paid in full in 2011. Staff made recommendations which includes a sewer user fee and base rate increase to maintain the debt payments. Mayor asked what the cost was to treat 1,000 gallons per year and doesn't want to increase rates without knowing that it is necessary. Mayor requested staff get costs of chemicals, improvement increases and polymer and infiltration replacement of old mains. Old mains downtown are clay and need to be replaced because the water is coming into the treatment plant and being treated.

MOTION was made by Hafften, seconded by Graner to accept the debt management report for 2011.

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

#### **Increase Sanitary Sewer Rates**

Staff met to review the current expenses and projected expenses capital improvements and updates necessary for the sewer funds. The fund came up with a \$60,522 cash loss at the end of 2010 and is expected to end the 2011 year with a \$100,000 cash loss unless the city increases the user's fees and base rates. Hafften used 300,000 gallons a year as an example and came up with a rate of \$5.11 per 1,000

gallons. Mayor Beyer expressed concern about the rate and whether this will end the cash loss that has been the history of this fund. Administrator Carswell stated that the account needs to be reviewed each year but the mayor is not happy with a constant loss in the sewer fund each year.

The staff is recommending a 10% increase in the rates which translates to an additional \$.45 per 1,000 gallons. The recommendation also includes a 10% increase in the base rates which translates to an additional \$.39 per month for single family and townhomes.

An average usage during the summer months is 5,000 gallons and a 10% increase in rates and base would amount to a total of \$2.79 per month.

Staff is recommending that the increased rates become effective the next billing which is June 24<sup>th</sup>.

MOTION was made by Martinson, seconded by Wenz to approve a 10% increase in sewer user rates to \$5.00 per 1,000 gallons and a base fee of \$4.25 per single/townhomes and \$3.40 for apartments and mobile homes effective June 15, 2011.

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

**Resolution #11-23 /Approve 2011 Revised Fees/Sewer Base Rate & User Rates**

This resolution reflects the new 10% increase in user fees and base rates for the sewer.

MOTION was made by Martinson, seconded by Wenz to adopt Resolution #11-23 Approving the 2011 Revised Fee Schedule

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

**Resolution #11-24 /Approve 2011 General Fund Budget Revision #1**

Administrator Carswell reviewed the major items that are included in the General fund budget revision #1. The major budget revisions included:

MOTION was made by Hafften, seconded by Martinson to adopt Resolution #11-24 Approving the 2011 General Fund Budget Revision #1.

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

**Resolution #11-25 Approve Transfer of Funds**

Motion was made by Graner, seconded by Hafften to approve Resolution #11-25 to transfer funds.

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

**Rockford Event Center/Riverside Park**

Council Member's Hafften and Graner presented a power point presentation regarding constructing a pre-engineered event center in Riverside Park. The proposal included a 152 x 60 proposed structure with a seating capacity of 200 that could be used for graduation parties, weddings and community events. The structure would be energy efficient and accessible. The current building seating capacity is about 80 and the structure has become dilapidated beyond repairs. A committee will be established to include the following members: Graner, Martinson, D. Peterson, Finance Clerk Huettl and a park commission member committee. A meeting will be scheduled by Chair Graner and they will further discuss the feasibility of an event center.

Administrator Carswell noted that the city has adopted architectural standards for new buildings. Attorney Couri stated he felt these cost estimates were too low at \$22 per square foot. Carswell noted that the plan

does not include the engineering costs and noted the flood plain regulations must be taken into consideration.

**Administrator's Report**

Council reviewed the administrator's report including the following items: bleachers were not purchased, general fund budget revision, grant information, park commission toured the parks, five local commercial tax payers seeking lower market value in tax court, HRA meeting June 28<sup>th</sup> at 5:30 p.m. and LMC conference this week.

**Adjournment**

Motion to adjourn was made by Graner, seconded by Hafften to adjourn the meeting at 9:45 p.m.

Mayor Beyer adjourned the meeting at 9:45 p.m.

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Michael Beyer, Mayor

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Nancy Carswell, Administrator