

**Barnesville City Council
Regular Meeting
September 10, 2012**

Mayor Dahnke called this regular meeting to order at 7:00 p.m. Members present were Mayor Dahnke and Council members Darin Allmaras, Betty Strom, Richard Sylvester, Cathy Enstad, Larry Davis, Jr. and Jason Rick. Others in attendance were, City Administrator Mike Rietz, City Clerk Jeri Reep, EDA Director Karen Lauer, Finance Director Laurie Schell, Police Chief Dean Ernst, Brandon Anderson with People Service, TEC Manager Guy Swenson, Public Works Supt. Terry Ystenes, Dan Hanson with Moore Engineering, Ambulance Manager Jon Yeske, Michaela Kemp, Del Ellefson and Pam Aakre with the Record Review.

Mayor Dahnke called the meeting to order at 7:00 p.m.

Mayor Dahnke asked City Administrator Mike Rietz to take roll call.

The next item on the agenda was the pledge of allegiance. All rose to recite the pledge of allegiance.

Mayor Dahnke next asked if there were any corrections or additions to the agenda. City Administrator Mike Rietz stated that we could remove the animal control officer benefits discussion and add the Telemetry and Process Controls quote.

09-10-12-01 Motion by Mr. Allmaras and second by Mrs. Enstad to approve the agenda with the following additions: remove the animal control officer benefits discussion and add the Telemetry and Process Controls quote. Motion carried.

09-10-12-02 Motion by Mr. Rick and second by Mrs. Strom to approve the consent agenda as presented. Motion carried. The following items were on the consent agenda:

1. Approval of the minutes of the regular meeting held on August 14, 2012
2. Approval of the minutes of the special meeting held on August 20, 2012
3. Department head reports
4. Approval of check numbers 73958-74149 in the amount of \$223,451.87 and EFT's in the amount of \$197,444.49.
5. Approval of Barnesville Rod & Gun gambling permit-August 25, 2012
6. Accept the resignation of Animal Control officer Nickita Bartelson
7. Authorize advertising for an Animal Control officer
8. Approve the 2012-2013 vendor agreement for Energy Assistance program

Mayor Dahnke stated the next item on the agenda was the board and commission reports.

Mayor Dahnke stated that the Fire Board would meet in October.

Council member Sylvester stated that the renovations are moving along at the HRA.

Council member Strom stated that the Park board would be meeting regarding Blue Eagle Lake.

09-10-12-03 Motion by Mr. Davis and second by Mr. Allmaras to approve the board and commission reports as presented. Motion carried.

Mayor Dahnke stated the next item on the agenda was the 2013 preliminary levy resolution.

City Administrator Mike Rietz informed council members that this is the first draft of the 2013 budget. This is a 15% increase in the property tax levy over 2012. This levy amount can be decreased, but not increased. Mr. Rietz stated that the LGA for the City will increase by about \$51,000.00.

09-10-12-04 Motion by Mr. Rick and second by Mr. Davis to approve the following resolution. Council member Sylvester stated that he felt a 15% increase was high. Mr. Sylvester stated the he would like to see 8% increase be the highest percentage. Council member Rick stated that this is just a preliminary budget. The following voted aye: Council members Rick, Allmaras, Strom, Davis, and Enstad. The following voted nay: Council member Sylvester. Motion carried.

2013 PRELIMINARY LEVY RESOLUTION
Resolution No. 09-10-12-04

BE IT RESOLVED, That the following sums be, and hereby are levied upon the taxable property in the City of Barnesville, County of Clay, State of Minnesota for payable in the year 2013, for the following purposes to-wit:

	ACTUAL	Preliminary EST
	2012	2013
General Fund - General	101,967	134,108
General Fund - Police/Amb	29,894	74,394
General Fund - Admin	0	0
General Fund - Parks	322,682	346,678
General Fund - Streets	0	0
General Fund - Ambulance	43,680	0
2010A GO Bond Refinanced (Fund 315)		10,000
2010A GO Bond Refinanced (Fund 315) - GAP		
2005A GO Bond Debt Service (Fund 312)		10,000
2005A GO Bond Debt Service (Fund 312) - GAP		
Del Acres Gilbertson Pre-Levy (Fund 314)	15,000	15,000

2011 CSAH (Fund 316)		31,190	35,894
	TOTAL LEVY	544,413	626,074
	Before 2013 Tax Capacity	48.18%	115.00%
	After 2013 Tax Capacity		15.00%

Adopted this 10th day of September, 2012

Approved this 10th day of September, 2012

Fred Dahnke
Mayor

ATTEST:

Michael Rietz
City Administrator

Mayor Dahnke stated the next item on the agenda was the 2013 preliminary budget resolution.

09-10-12-05 Motion by Mr. Davis and second by Mrs. Strom to approve the following resolution. Council member Sylvester stated that the statements that he stated earlier still stand regarding the budget. The following voted aye: Council members Rick, Allmaras, Strom, Davis, and Enstad. The following voted nay: Council member Sylvester. Motion carried.

CITY OF BARNESVILLE
CLAY COUNTY, MINNESOTA
PRELIMINARY 2013 BUDGET
RESOLUTION 09-10-12-05

BE IT RESOLVED that the City of Barnesville, Minnesota is required to maintain a budget for its fiscal operations.

BE IT FURTHER RESOLVED that the City of Barnesville, Minnesota has the legal authority to use its taxation authorities to levy necessary funds to operate the city.

BE IT FURTHER RESOLVED that the City of Barnesville, Minnesota is continually monitoring its budget and develops a fiscal budget based on the calendar year.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Barnesville that 2013 preliminary Budget be adopted.

2013 Budget \$8,321,722.00

Adopted this 10th day of September, 2012

Approved this 10th day of September, 2012

Fred Dahnke
Mayor

Attest:

Michael Rietz
City Administrator

Mayor Dahnke stated the next item on the agenda was the Community Fund request. City Administrator Mike Rietz stated that the Personnel & Finance portfolio discussed this donation request. The committee is recommending to Council that the City's contribution go into the General Fund and be earmarked for projects as Blue Eagle Lake rather than having the City's contribution go into the revolving loan fund.

09-10-12-06 Motion by Mr. Davis and second by Mrs. Strom to approve the Community Fund request of \$60,000.00 over four years at an amount of \$15,000.00 per year to be placed in the General Fund of the Community Fund earmarked for the support of projects at Blue Eagle Lake. Council member Sylvester stated that he thinks

\$60,000.00 is a little high, he would recommend \$40,000.00. Council member Strom stated that the money goes back to the Community. The following voted aye: Council members Rick, Allmaras, Strom, Davis, and Enstad. The following voted nay: Council member Sylvester. Motion carried.

Mayor Dahnke stated the next item on the agenda was the investment advisory agreement with Ehlers Investment Partners.

City Administrator Mike Rietz stated that the Personnel and Finance portfolio discussed the agreement and recommend staff proceed with the agreement. Ehlers Investment Partners will analyze our cash flow and determine the best way to invest our money to meet our cash flow needs. This will get more interest than we are currently seeing in our bank account.

09-10-12-07 Motion by Mr. Allmaras and second by Mr. Rick to authorize staff to sign the agreement with Ehlers Investment Partners. Motion carried.

Mayor Dahnke stated the next item on the agenda was the 1st reading of Ordinance 2012-11, adding a Conditional Use in the C-2 zone.

City Administrator Mike Rietz stated that the Planning and Zoning are recommending this Ordinance.

09-10-12-08 Motion by Mr. Allmaras and second by Mrs. Strom to approve the 1st reading of Ordinance 2012-11. Motion carried.

Ordinance 2012-11

AN ORDINANCE TO AMEND SECTION 11.21, SUBD. 3 OF THE BARNESVILLE MUNICIPAL CODE RELATING TO C ONDITIONAL USES IN THE C-2 ZONE

BE IT ORDAINED by the City Council of the City of Barnesville that Section 11.21, Subd 3 of the Barnesville Municipal Code is hereby amended as follows:

SEC. 11.21. C-2 COMMERCIAL DISTRICT

Subd. 3. Conditional Uses

L. 40% or less of the total floor area of the first floor may be used as housing by the owner of the business located in the remaining portion of the first floor.

EFFECTIVE DATE: This ordinance become effective upon its passage and enactment, followed by publication according to law.

PASSED AND ADOPTED by the Barnesville City Council this 8th day of October, 2012.

By:

Fred Dahnke
Mayor

Attest:

Jeri Reep
City Clerk

Mayor Dahnke stated the next item on the agenda was the 1st reading of Ordinance 2012-12, off street parking for Warehouse uses.

City Administrator Mike Rietz stated that Planning and Zoning were recommending this change.

09-10-12-09 Motion by Mr. Rick and second by Mr. Allmaras to approve the 1st reading of Ordinance 2012-12. Motion carried.

Ordinance 2012-12

AN ORDINANCE TO AMEND SECTION 11.51, SUBD. 7 OF THE BARNESVILLE CITY CODE RELATING TO OFF-STREET PARKING REGULATIONS

BE IT ORDAINED by the City Council of the City of Barnesville that Section 11.51, Subd. 7 of the Barnesville Municipal Code is hereby amended as follows:

SEC. 11.51. OFF-STREET PARKING AND LOADING RESTRICTIONS

Subd. 7. Schedule of Off-Street Parking Requirements

Industrial, manufacturing, ~~warehousing~~
office space,
~~and wholesaling~~

1 space per each 350 square feet of
plus 1 space per each employee on
the shift of greatest employment
~~1000 square feet of manufacturing,~~

~~and warehouse space~~, plus 1 truck space for each 7,500 square feet of gross floor area.

Warehousing and wholesaling

1 space per each 350 square feet of office space, plus 1 space per employee on the shift of greatest employment number, plus 1 truck space for each 10,000 square feet of gross floor area.

EFFECTIVE DATE: This ordinance become effective upon its passage and enactment, followed by publication according to law.

PASSED AND ADOPTED by the Barnesville City Council this 8th day of October, 2012.

By:

Fred Dahnke
Mayor

Attest:

Jeri Reep
City Clerk

First Reading: September 10, 2012

Second Reading: October 8, 2012

Adopted: October 8, 2012

Published: October 15, 2012

Mayor Dahnke stated the next item on the agenda was the discussion of legal services. Mayor Dahnke stated that they all had received an email from City Attorney John Shockley with explanations. City Attorney John Shockley stated that he has been very busy the last few months, and the EDA has been very busy requiring some of his time. Mr. Shockley stated that he has hired a new associate to assist him. Mr. Shockley stated that he enjoys working with the City. Council members had no other questions for Mr. Shockley.

Mayor Dahnke stated the next item on the agenda was the quote from Telemetry and Process Controls, Inc.

Mr. Dan Lubbesmeyer with People Service informed council members that this is computer equipment at the Water Treatment Plant. The present equipment was installed in 2006. This proposal includes engineering, 1 year warranty, factory check out and onsite installation. Mr. Lubbesmeyer stated that this equipment provides a lot of information necessary for the water treatment plant. The cost for this upgrade is \$6,942.00.

09-10-12-10 Motion by Mr. Allmaras and second by Mrs. Strom to authorize up to \$7,000.00 to upgrade the present telemetry at the water treatment plant. Motion carried.

Mayor Dahnke stated the next item on the agenda was the recommendation of City Engineer finalists and set meeting date for interviews.

City Administrator Mike Rietz informed council members that the following firms were recommended for interviews by the Public Works committee. Ulteig Engineering, Moore Engineering, Houston Engineering and Kadrmas, Lee and Jackson Engineers. Proposals were received from 7 engineering firms. The committee felt that the companies being interviewed were the best fit based on a combination of factors.

09-10-12-11 Motion by Mr. Allmaras and second by Mr. Rick to hold interviews with the following engineering firms. Ulteig Engineering, Moore Engineering, Houston Engineering and Kadrmas, Lee and Jackson Engineers. Motion carried.

Mayor Dahnke next stated that they will hold a special meeting on Monday, September 24, 2012 to interview engineering firms.

Mayor Dahnke stated the next item on the agenda was the resolution authorizing tax abatement.

City Administrator Mike Rietz informed council members that this resolution is recommended by the EDA and the Personnel and Finance committee.

09-10-12-12 Motion by Mrs. Strom and second by Mr. Rick to approve the following resolution. Upon a roll call vote, the following voted aye: Council members Rick, Allmaras, Strom, Davis, Sylvester and Enstad. The following voted nay: none. Motion carried.

CITY OF BARNESVILLE
CLAY COUNTY, MINNESOTA
RESOLUTION AUTHORIZING A PROPERTY TAX ABATEMENT PROGRAM
RESOLUTION 09-10-12-12

Whereas, Minnesota law (469.1813-469.1816) authorizes political subdivisions to grant property tax abatements for economic development purposes including:

- General economic development, such as increasing the property tax base or the number of jobs in the area;
- Providing access to services for residents such as housing; and

Whereas, the City of Barnesville received a request from Clay County to join with the County and participate in a “*Two-year Residential Property Tax Abatement Program*” (hereinafter referred to as the “*Program*”); and

Whereas, it is the desire of the City of Barnesville to participate in the “*Program*” by abating its property taxes as allowed by Minnesota law; and

Whereas, as a condition precedent for a City to receive an abatement of Clay County residential property taxes the participating City must approve its Authorizing Resolution no later than December 31, 2012.

Now, Therefore Be It Resolved, by the Barnesville City Council that The City of Barnesville does herein approve participation in the “*Program*” for new home construction and improvements to existing homes for the period commencing January 1, 2013 and expiring December 31, 2014.

Be It Further Resolved, by the Barnesville City Council that the approved “*Program*” be fully compliant with Minnesota law 469.1813-469.1816 and subject to the following:

- A residential structure will qualify for the abatement if it is classified as 1a, 1b, 2a, 4a, 4b, 4bb, or 4d under Minnesota Statutes 273.13.
- The assessed value attributable to land and new residential structures shall be abated from property taxes, for two taxes payable years, corresponding to the first two years of full value assessment after construction has been completed, provided that no part of the structure was in existence prior to January 1, 2012 and construction of the structure is commenced prior to December 31, 2014. Construction is deemed to have been commenced if a proper building permit has been issued.
- For property classified as class 1a, 1b, 2a, 4b or 4bb the abatement is limited to the assessed value of the land and the new construction. For a property classified as class 4a or 4d, the abatement is limited to the assessed value of the new construction.
- The assessed value attributable to new improvements on existing properties classified as 1a, 1b, 2a, 4a, 4b, 4bb or 4d shall be abated from property taxes, for two taxes payable years, corresponding to the two assessment years after completion of the improvement, provided that the improvement is made after January 1, 2013 and prior to December 31, 2014. In order for an improvement to an existing property to be eligible for an abatement a proper building permit must have been issued prior to December 31, 2014. To be eligible for the abatement, the improvement must add at least \$10,000 to the value of the existing property. For class 2a property, only improvements to the existing house or garage are eligible for the abatement.
- The abatement shall not apply to any special assessments that are levied against the property.

PASSED, by the City Council of the City of Barnesville this 10th day of September, 2012.

Fred Dahnke
Mayor

Attest:

Michael Rietz
City Administrator

- 1a Residential Homestead
- 1b Blind/Disabled Homestead
- 2a Homestead House, Garage and First Acres – Ag
- 4a Apartment 4+units
- 4b Residential non-homestead 1-3 units
Unclassified Manufactured Home
Ag non-homestead 2-3 units
- 4bb Residential non-homestead single unit
Ag non-homestead single unit
- 4d Qualifying low-income rental housing

Mayor Dahnke stated the next item on the agenda was the LMC Regional meeting on September 20th. Mr. Dahnke stated if anyone is interested in going, to let staff know.

Mayor Dahnke stated the next item on the agenda was the public forum. Mayor Dahnke asked if there were any citizens present to be heard. There were none. Motion carried.

09-10-12-13 Motion by Mr. Davis and second by Mr. Rick to adjourn the meeting at 8:45 p.m. Motion carried.

Submitted by:

Attest:

Jeri Reep
City Clerk

Fred Dahnke
Mayor

