

CITY OF FRAZEE

PUBLIC HEARING ON THE PROPOSED 2010 BUDGET, TAX LEVY, AND FEE SCHEDULE

December 14th, 2009

Public Hearing – Public hearing on the over view of the proposed 2010 final Budget, tax levy and Fee Schedule

The public hearing was called to order by Mayor Ludtke at 6:45 pm. Members present were Miosek, Ouart, Jopp, and Dermody. City Clerk/Treasurer Smith explained the highlights of the budget:

- o Staff payroll increases
- o Decrease in Local Government Aid
- o Capital projects

Mayor Ludtke noted that it has been a goal of the City to get the tax levy under 60%, last year we achieved that and we will continue to stay within our goal. He noted that although we have seen a decrease in LGA we have still capitalized on available grants and other programs to help Frazee grow and prosper. He also added that we have been conservative, yet progressive, and fortunately have not had to tap into any reserves.

Public Comment: Roger Boe, local business/land owner, questioned about the assessed value on his vacant properties. He noted there has been a dramatic increase in the market value of his bare land and questioned the zoning of that land. Smith noted that the market value is set by the City Assessor and there is a Board of Equalization hearing in the spring to debate those amounts. Smith also noted that he would check into the zoning aspect of the property, as that is something that needs to be discussed with the assessor's office. Smith informed Boe that he would get back to him on more information in the next couple days.

Having no additional public comment, the public hearing was closed at 6:55pm.

REGULAR COUNCIL MEETING

Regular Meeting

The regular meeting of the Frazee City Council was called to order at 7:00 pm by Mayor Ludtke. Council members present were Miosek, Ouart, Jopp, and Dermody.

Open Forum

Tim Graham, Boy Scout Troop 690 Leader, noted that his group is working on a government merit badge, so they will be in attendance for this meeting and possibly a few

more in the future. They look forward to learning how the Community is run and learning how they can become involved citizens.

Roger Boe, Local Businessman, noted that a few years ago a couple people got together and bought a building, remodeled it, and now lease it to a very successful restaurant. There is talk of doing something similar with a few of the vacant lots on Main Street, a few things he would be looking for to accomplish the idea is to have some sort of Tax Abatement for the parcel/parcels that they want to develop. Mayor Ludtke noted that he appreciates the positive attitude and the initiative to grow Main Street and informed Boe that the EDA may be the first avenue for the project and we look forward to the idea.

Aaron Lauinger, Ulteig Engineering, Presentation of options for Sewer Main on Lake Street

Aaron Lauinger presented the study and options from the monitoring of the sewer main on Lake Street. He noted that although he has not received a final copy of the televising, he has prepared three possible scenarios to resolve the issues with the Lake Street sewer main. The scenarios consisted of boring the existing sewer, jack and bore a new steel casing and pipe, or abandon the crossing at Lake Street and BNSF Railroad. Mr. Lauinger noted the pros and cons of each scenario and stated he would have a more formal Feasibility Study available in the near future with a better idea of what option would be better for the City.

Consent Agenda

MOTION by Jopp, seconded by Dermody, to approve the consent agenda items as follows:

- Approve the minutes from the November 9th, 2009 meeting.
- Approve the City claims for payment.
- Approve the Liquor Store claims for payment.

All present in favor, motion carried.

Staff Reports

Ken Miosek, Frazee Rescue Squad, reported 11 calls; 8 medical, 2 accidents, 1 cancelled, for the month of November, total call hours were 44. He noted they will have CPR classes Tuesday and Wednesday of this week for the Fire Department. MOTION by Ouart, seconded by Jopp, to approve the Rescue Squad report as presented. All present in favor, motion carried.

Paul Thon, Fire Department, reported 5 calls (3 accidents, 1 false alarm, and 1 mutual aid) totaling 78 call hours for the month of November. He noted that they had 54 training hours and have confirmed dates for NIMS classes for January and February. Thon also noted that they will be doing HAZMAT training in late April. Other notables for the Fire Department: Regional Meeting in Frazee on January 21st, meeting with the Townships on Fire Contracts December 21st, Department election results: Paul Thon, Chief; Scott Geiselhart, 1st Asst. Chief; Regi Ueke, 2nd Asst. Chief. MOTION by Miosek, seconded by Dermody, to approve the Fire Department report as presented. All present in favor, motion carried.

Larry Stephenson, Public Works Superintendent, reported water pumped was 3.125 million gallons, 2.75 million gallons went to the wastewater plant, and 12.75 gallons of fluoride have been added for the month of November. Precipitation for the month was 1.04 inches. Stephenson noted that he will be ordering some of new street signs, continuing the updating of those. MOTION by Jopp, seconded by Quart, to approve the Public Works report as presented. All present in favor, motion carried.

Mike Lorsung, Chief of Police, reported 379 calls for service for the month of November. He noted that he and Tyler attended a week long crisis intervention training that was a great learning experience.

Administrative Fines: MOTION by Dermody, seconded by Miosek, to approve Resolution #1214-09A, Authorizing Administrative Citations for Certain Traffic Offenses Pursuant to MN Statute 169.999. Discussion: Lorsung noted this is the first step in getting the fines started. Other things that need to happen is the fee structure for hearing officer, hiring of hearing officer, and ordering of tickets. Quart noted that if this does not go the way that we hope, we can always just stop giving the Administrative Fines. We need to accept this to, at minimum, give it a try and see if it would be a good revenue increase for the City. All present in favor, motion carried.

Durango Update: Lorsung noted that the Durango is still in the body shop and we are hoping to get it out by end of the week, insurance is covering all but the \$500 deductible. MOTION by Quart, seconded by Miosek, to accept the Police report as presented. All present in favor, motion carried.

Jonathan Smith, Frazee Liquor Store, reported on the financials for the 4 entities. They had a good November with net incomes in 2 of the 4 entities. The On Sale and Off Sale had net incomes of \$5,970.82 and \$903.51, respectively. The WPR and Event Center had net losses of \$1,473.51 and \$169.76, respectively. The Liquor Store will be closed Christmas Day and New Years Day; inventory will be counted in full to verify numbers on Sunday December 27. MOTION by Jopp, seconded by Dermody, to accept the Liquor Store Report as presented. All present in favor, motion carried.

Old Business

MOTION by Miosek, seconded by Dermody, to approve Resolution #1214-09B, the 2010 Fee Schedule. Discussion: Miosek noted that the only change in the fee schedule is a \$.50 increase in the base for both water and sewer. All present in favor, motion carried.

MOTION by Quart, seconded by Jopp, to approve Resolution #1214-09C, accepting the 2010 budget, and the Tax Levy for 2010. All present in favor, motion carried.

New Business

Red Willow Heights Option for Developers

Smith explained that he has had several conversations with the developers of Red Willow Heights, as well as with some potential sub-developers. After looking into the financials and trying to come up with some options to entice development, an option to defer the development schedule for two years would be a benefit for all. Smith noted this would

allow sub-developers to come in and build a home, sell it, and have two years to do so without the specials coming due. Once a home was occupied the specials would be certified. Smith reassured at the current rate, we will be able to maintain our bond payments. The next step would be to have a public hearing on the deferment of special assessments for Red Willow Heights at our January 11th meeting. MOTION by Jopp, seconded by Miosek, to set a public hearing for 6pm on January 11th in regards to the deferment of special assessments for Red Willow Heights.

MOTION by Quart, seconded by Jopp, to approve Resolution #1214-09D accepting Don Trieglaff donation of labor and material for the refinishing of the piano at the Event Center. All present in favor, motion carried.

Council member reports

EDA- Ludtke noted that they will be doing ambassador visits to newer local businesses and they have been working diligently on creating a position for a Community Developer.

Planning Commission- Jopp noted that they continue to work on the new Zoning Ordinance, it is currently at the City Attorneys office for review.

Personnel Committee- Miosek noted that they have been busy working on the 2010 budget, now that that is complete, everything is good.

Public Safety- Dermody noted that they have been working and discussing the Administrative Fines.

Special Events Committee- Dermody noted that this committee is on vacation.

Dermody commented on how he has had to do the reporting for the Frazee Forum on the Council Meeting, noting that when he was elected he informed the Forum the he no longer wanted to cover the Council Meetings, due to a small staff, Dermody continued to do the reporting. He noted that Gale is currently advertising for a new reporter to cover the Council meetings and we will see what they get for responses. Quart asked if Dermody's article could be brought down to the City Office for review before being published. Dermody responded that he would have to ask Gale, the Editor, but if he recalled correctly she would not allow it, main reason being the very small timeframe from the meeting to print.

MOTION by Quart, seconded by Jopp, to approve the Council Member reports as presented. All present in favor, motion carried.

Clerk/Treasurer Report

MOTION by Miosek, seconded by Jopp, to approve Resolution #1214-09E on Delinquent Utility Bills Payable. All present in favor, motion carried.

Cooperative Purchase Agreement with State

Smith informed the Council that this is an agreement with the State to get in on deals with the State Cooperative purchasing. MOTION by Quart, seconded by Jopp, on approving the agreement for Cooperative Purchases with the State of MN. All present in favor, motion carried.

Lakes Country Service Coop Membership Agreement

Smith informed the Council that the annual membership agreement is due, Lakes Country has continued to be a good support and resource for the City. MOTION by Miosek, seconded by Quart, to approve the Lakes Country Service Coop Membership Agreement. All present in favor, motion carried.

Consideration of Time Change for 2010 Council Meetings

Quart and Miosek noted that we have been discussing moving the Council meeting to 6pm from 7pm. The reason for the change is to cut down on in between time of employees required to be at Council meetings and to make it more convenient for the public. MOTION by Quart, seconded by Jopp, to approve the time change from 7pm to 6pm for Frazee City Council meetings for the year 2010. All present in favor, motion carried.

There will be a Public Hearing January 11th at 6:00pm.

Next regular meeting is set for January 11th, immediately following the Public Hearing.

Having no further business, meeting was adjourned at 9:12 pm.

ATTEST:

Jonathan Smith, Clerk/Treasurer