

Holdingsford City Council Meeting and Public Hearing Minutes May 13, 2013

Mayor Ernie Schmit called the Public Hearing to order at 6:35 p.m. The purpose of the Public Hearing was to consider the creation of Tax Increment Financing (TIF) District #3 for Two Rivers Enterprises, Inc.

Present: Lewis Becker, Susan Marstein, Mike Odden, Lloyd Rausch, Ernie Schmit, Sandra Meer, Bob Warzecha, Dan Warzecha, Gary Opatz, and Traci Ryan.

Two Rivers Enterprises, Inc. is planning to add additional space to the south of the existing building approximately 90'x130', 1200-1300 square feet. The existing driveway would be moved west to accommodate entrance to the facilities at the crest of the hill and eliminate visibility issues with oncoming traffic. A truck entrance would also be added. The project is estimated to cost \$800,000-\$1million. The company's Job Z status expires in 2015. Two Rivers Enterprises, Inc. is requesting the establishment of Tax Increment Financing (TIF) District #3.

Traci Ryan from David Drown & Associates explained that TIF districts are highly regulated by the State of Minnesota. The City of Holdingsford has used TIF districts in the past and currently has one viable TIF District. Generally, the city gives up its share of taxes for a certain amount of time, usually 9 years by creating an economic development district, and assistance is provided to the participating business, in this case Two Rivers Enterprises, Inc. The business pays regular taxes to the county, which pays the city and the city provides a certain percentage of the funds back to the business for business growth and development.

The Minnesota Investment Fund (MIF) is another loan program sponsored by the State. The city applies to the State for funding to pay out to the business. The business in turn has to commit to provide a certain number of jobs and growth within 2 years. Two Rivers Enterprises, Inc. has not committed to MIF yet. City Council would need to pass a resolution to approve the project. Depending upon the number of jobs created by the business, the city would have the opportunity to receive \$125,000-\$250,000 to invest in growing other local businesses. MIF is another resource of funds for businesses. David Drown & Associates charges a \$3500 fee for processing the MIF application.

Mike Odden made a motion to close the public hearing at 6:55 p.m. Lloyd Rausch seconded the motion. AIF

Informal discussion regarding the assisted living project proposed for the property at the end of Main Street. The zoning would need to change from low density residential to high density residential. Road will be on east side of property and is proposed to T at Park Avenue and Main Street. The building cannot be in the 100 year high water mark area and would be located further east on the property. Funding options are being explored.

Mayor Ernie Schmit called the regular monthly meeting of the Holdingsford City Council to order at 7:00 p.m. The pledge of allegiance was recited.

Present: Lewis Becker, Susan Marstein, Mike Odden, Lloyd Rausch, Ernie Schmit, Sandra Meer, Keith Hommerding, Adam Krebs, Pat Meier, Dorine Rausch, David Blommel, Traci Ryan, Wayne Ebnet, Gary Opatz, Gordon Sjaheim and Louie Walz.

Mike Odden made a motion to approve Resolution 13-05-13-2 to establish Tax Increment Financing (TIF) District #3 for Two Rivers Enterprises, Inc. Sue Marstein seconded the motion. AIF

Traci Ryan, David Drown & Associates made a proposal to the city for completing the annual TIF reports. The proposal was \$1500 for the first TIF Report and \$500 for each successive report. After briefly examining the past TIF Reports, the city has overpaid the current TIF District about \$6000 and there is a negative fund balance. Ms. Ryan noted that David Drown and Associates will not charge more for completing a TIF Report than the District is bringing in. Ms. Ryan completes TIF Reports for 35 cities, averaging approximately 100 reports per year and has vast experience in tax law and TIF Reporting. In previous years, the accountant Schlenner, Wenner has completed the reports along with the clerk. Sue Marstein made a motion to hire David Drown & Associates to complete the City of Holdingsford's subsequent TIF Reports. Lloyd Rausch seconded the motion. AIF

After review of claims, a motion to approve checks was made by Sue Marstein, seconded by Lewis Becker. AIF

Motion to approve bank reconciliation for April 2013 statements was made by Mike Odden, seconded by Lloyd Rausch. AIF

Motion to approve electronic transfers & debit card purchases was made by Sue Marstein, seconded by Lewis Becker. AIF

Motion made by Lloyd Rausch to approve minutes of the April 2013 council meeting. Motion seconded by Mike Odden. AIF

Motion made by Lewis Becker to approve the minutes of the Board of Equalization and Appeals. Seconded by Mike Odden. AIF

Reports

Liquor Store report was given by Pat Meier. Gross revenue for May was \$30,611.50 with expenses of \$37,090.26. YTD lottery is \$1,571.38. YTD net revenue \$2,522.91 less inventory. Inventory was re-stocked in April which increased expenses. Insurance rates

have also increased. Meier is still investigating internet services for the Liquor Store. There is a minor water problem in the basement. Since the furnace is not fuel efficient and heating costs are rising, the Council asked for quotes for a new furnace.

Fire Department report was given by Keith Hommerding. 27 calls this year to date; 4 fire and 23 rescue. Gambling income was low this month. One applicant for the Fire Department has had a reference check and three other applications have been requested. Two prior month trainings were successful. The Fire Department would like to publically thank Wm. D. Scepaniak, Inc. for the use of their parking lot for the Urban Search and Rescue Training that was held in March. The house burn training at Tim Berscheid's was also very useful and timely.

June training includes classroom and hands on school bus extrication. The bus is donated by Palmer Bus Company. It will be cut up then donated back to the company for scrap. Transportation Supervisors from Holdingford and the surrounding school districts will be invited to attend.

Sue Marstein made a motion to give approval for the Fire Department to apply for available DNR grant monies. Mike Odden seconded the motion. AIF The Fire Department will be seeking assistance in writing the grant.

Vehicles and equipment are being maintained. Hommerding had quote for \$2,252.44 for flash lights that are specifically required. Lloyd Rausch made a motion to approve flash light expenditure for the Fire Department. Lewis Becker seconded the motion. AIF

The Mutual Aid Agreement between Holdingford and Bowlus was presented. Mike Odden made a motion to accept the Mutual Aid Agreement between the City of Holdingford Fire Department and the City of Bowlus Fire Department for a three year term. Sue Marstein seconded the motion. AIF

Dorine Rausch presented a quote from Granite City Electronics for a Rotating Mechanical Siren Package. The siren up near the school is not in working condition, it is old and quotes to repair the siren are cost prohibitive. The quote is for a new, rotating, battery operated unit with radio control and a 5 year warranty. The Fire Department will ask that Stearns County activate the siren in case of emergency and if need be, the Fire Department can override it. Sunset Electric will give quote for installing the siren.

Sue Marstein made a motion to approve the expenditure of \$13,933.95 for the new siren and the cost of installation, using \$11,378.64 budgeted in the Excess Revenue Expense Account and the balance of funds used from the Liquor Store account. Lewis Becker seconded the motion. AIF

There was discussion on sending out weather spotters from the Fire Department. Currently, Stearns County will notify the Fire Department when there is bad weather but the County will not page out spotters, due to liability reasons. The City/Fire Department will need to dispatch spotters. Fire Department Managers maintain radio communication with spotters and provide direction. Council agreed that Fire Department personnel should use their discretion when dispatching spotters.

Dorine Rausch reported on the completion of the Stearns County Mitigation Plan. A copy of the plan will be kept in the City Office. Five hazards were identified, including summer storms, winter storms, fire, water contamination, and hazardous materials. FEMA funding would be available if applied for since the City has a mitigation plan in place.

No report on the Fire Relief Association.

Maintenance Department Report was read by Mayor Schmit. Bio-solids were sampled for applying sludge, which will be spread next week. Fire hydrants were flushed and 350,000 gallons of water was used during flushing. The water tower holds 200,000 gallons of water, which was totally flushed and refilled during the process. A handicap railing was built and installed at the northwest entrance of City Hall. The motor and pump were replaced in Well #2. A service break was repaired on Main Street in front of Briar Patch. Sidewalk will be replaced before the end of the month. Purchased 41 bags of pothole filler and started filling potholes on old streets and alleys. Quarterly water samplings of potable water were taken as required by MN Dept of Health. Sod was fixed that was dug up during plowing and street sweeping was begun. Council requested that sand from plowing be brushed off of lawns. The old Maintenance Shop was cleaned and organized. Residence on Plymouth Street had sewer lines hooked up to city sewer after a gap was detected.

Lloyd Rausch made a motion to transfer funds from Rural Development Reserve Account to General Fund for \$8,421.07 expenses incurred to replace motor and pump in Well #2. Lewis Becker seconded the motion. AIF

Mayor Ernie Schmit gave his Mayor's Report. See end of minutes for details.

Guests

Gary Opatz from Opatz Metals requested a variance for putting an 8' steel fence along east front and south side of property that was recently purchased at 421 Main Street. Dumpsters and roll-offs will be stored behind fence. Mike Odden made a motion to allow a variance for an eight (8) foot privacy fence south from existing building to 25 feet before corner of Main Street and Gertrude to angle west along property line to within 10-15 feet of light pole and alley. Lloyd Rausch seconded the motion. AIF

Old Business

Dave Blommel from SEH reported that Larson Excavating is back working on punch list to complete the 2012 Street Project. The project manager will be looking at section of Plymouth Street between 2nd & 3rd Streets that should still be under warranty and needs additional work. A claim for tire damage will be paid by Larson Excavating and taken out of Creative Curb's retainer. Louie Walz requested that project manager look at area by his driveway where water is pooling. Second layer of asphalt is scheduled to be done by end of June.

Pay Invoice #265918 from SEH in the amount of \$5,637.50 and Invoice #266893 in the amount of \$151.50 were approved on a motion by Sue Marstein, seconded by Lewis Becker. AIF

The Holdingford Lions were approached regarding additional fundraising and overseeing the playground equipment project at Veterans Park. The Loins meeting night is the same as City Council. Lloyd Rausch and Sue Marstein will follow up with Al Leinen from the Lions after tonight's meeting.

Review of personnel policy wording and clarification was tabled until next meeting.

Wayne Ebnet approached the Council about running an ASA sanctioned softball tournament during Holdingford Daze. He has a couple of volunteers who will help with concessions, but is looking for more. Wayne Ebnet is hoping for 12-16 teams and would have ASA sanctioned umpires for the tournament. The Council would like to see the weekend tournament return and discussed waiving the fee for a liquor license. Wayne Ebnet requested initial funds to cover sanction fee and printing flyers. Mayor Schmit noted that the H.I.P. Committee would be meeting the following week and the request for funding will be considered.

New Business

The Annual City Wide Cleanup Day will be from 8:00 a.m. until Noon on Saturday, June 15th. Council Members will be on hand to help unload and receive items.

Sue Marstein made a motion to approve Resolution 13-05-13-1 for the Husker Athletic Booster Club Raffle held during the Annual Amber Zapzalka Softball Tournament on June 22, 2013. Lewis Becker seconded the motion. AIF

Jeff Larson's son is building a house on property that adjoins the 10 acre parcel the City owns. They are seeking approval to move a driveway adjacent to the property line since current access is limited to using neighboring property. Stearns County Surveyor's Office has approved moving driveway access where it crosses the Wobegon Trail. Sue Marstein made a motion to allow Larson to move driveway adjacent to property line as approved by County. Lloyd Rausch seconded the motion. AIF

Mayor Schmit and Lloyd Rausch met with Maintenance Supervisor, Jeremy Freudenrich, and completed 5 year review and recommended step advance. Mayor Schmit made a motion to move Jeremy Freudenrich from Step J-4 to J-5. Lloyd Rausch seconded motion. AIF

Polar Tank inquired about cost to put antennae on water tower to facilitate internet communications between plants in Opole and Holdingford. Mayor Schmit forwarded information for two internet providers who already have antennae's on the tower.

Members of the Pedals to Petals Garden Club met with Traut Wells for an estimate for an in-ground sprinkler system for the area around the boxcar at the Wobegon Trail. Approval of the sprinkler system is pending from the County and Lake Wobegon Trails Association. Sue Marstein made a motion to transfer the \$1000 stipend that is budgeted to Pedals to Petals Garden club account. Lewis Becker seconded the motion. AIF

Ralph Vos contacted Council Members requesting they re-visit the decision to reimburse donated funds from Wm. D. Scepaniak, Inc. for Senior Dining. Council agreed that funds were accepted from Wm. D. Scepaniak, Inc. and would not be refunded for further reimbursement.

CW Technology submitted a quote for outsourcing the City's technology needs. The City currently does not have continuous technology support. Sue Marstein made a motion to have CW Technology provide services as quoted under Option 2, Standard Support for \$190 per month. Lloyd Rausch seconded the motion. AIF Services will be reviewed in August.

Mayor Schmit, Sue Marstein and Lloyd Rausch will attend the Stearns County League Meeting in Kimball on May 21st.

Past due utility notices included, David Hageman, Mike Becker, Edward Ehrlichman, Minnesota 13, Jayme Opatz, Jesse Johnson and Kathy Hommerding.

Motion to adjourn was made by Sue Marstein, seconded by Lewis Becker. Meeting adjourned at 9:45 p.m.

Respectfully submitted,

Sandra Meer
City Clerk, Holdingford

APRIL	
Department	Gross Pay
General	\$ 4,739.26
Public Works	\$ 6,156.56
Fire	\$.00
Liquor	\$ 6,721.54
Total	\$ 17,617.38
2 pay periods ending	
4/8, 4/22	

City of Holdingford - Equal Opportunity Provider
Accounts Payable Check Register Report - STEARNS BANK
For The Fiscal Periods Range From 2013-4 To 2013-4
For All Vendors And For Outstanding, Cleared, Voided Checks - Computer Generated

Check #	Type	Date	Vendor Name	Amount	Status
29012	C	4/8/2013	6 AmeriPride Linen	\$112.67	C
29013	C	4/8/2013	48 D & D Beer Co.	\$99.75	C
29014	C	4/8/2013	74 Amerigas	\$725.31	C
29015	C	4/8/2013	91 Hawkins, Inc	\$150.00	C
29016	C	4/8/2013	481 Heggies Pizza	\$37.50	C
29017	C	4/8/2013	614 Holdingford Gas and Grocery	\$347.63	C
29018	C	4/8/2013	691 Integra Telecom	\$368.61	C
29019	C	4/8/2013	117 Jerome Schueler	\$500.00	C
29020	C	4/8/2013	119 Johnson Brothers Liquor C	\$1,069.01	C
29021	C	4/8/2013	730 Midcontinent Business Solutions	\$230.23	C
29022	C	4/8/2013	161 Mike Odden	\$75.00	C
29023	C	4/8/2013	687 MN Dept Hlth, MDH	\$465.00	C
29024	C	4/8/2013	697 Randall J. Radziej	\$2,625.00	C
29025	C	4/8/2013	216 Reichert, Wenner,Koch	\$100.00	C
29026	C	4/8/2013	750 St Cloud Times #1076	\$24.00	C
29027	C	4/8/2013	271 UC Lab	\$462.00	C
29028	C	4/8/2013	386 USA Bluebook	\$177.09	C
29029	C	4/8/2013	339 Verizon Wireless	\$53.22	C
29030	C	4/8/2013	281 Viking Coca Cola Bottling	\$275.00	C
29031	C	4/8/2013	358 XCEL ENERGY 51-5655040-0	\$2,655.56	C
29032	C	4/12/2013	507 Blue Cross Blue Shield of Minnesota	\$2,306.00	C
29033	C	4/12/2013	786 Brandon Cottrell	\$93.98	C
29034	C	4/12/2013	477 Dan Gerads	\$35.00	C
29036	C	4/12/2013	242 Stearns Cty Auditor-Treas	\$310.00	C
29037	C	4/12/2013	759 Volunteer FF Benefit Ass'n of MN	\$151.00	C
29038	C	4/12/2013	359 XCEL ENERGY 51-5655038-6	\$1,193.93	C
29035	C	4/12/2013	122 Keith R. Hommerding	\$24.00	O

Check #	Type	Date	Vendor Name	Amount	Status
29039	C	4/30/2013	745 Adam Krebs	\$50.00	O
29040	C	4/30/2013	74 Amerigas	\$1,485.99	O
29041	C	4/30/2013	8 Becker Septic Pumping	\$120.00	O
29042	C	4/30/2013	9 Bernick's Pepsi-Cola	\$1,546.35	O
29043	C	4/30/2013	18 C & L Distributing, Inc	\$10,900.75	O
29044	C	4/30/2013	21 Central MN. Alarms, Inc.	\$80.16	O
29045	C	4/30/2013	48 D & D Beer Co.	\$124.00	O
29046	C	4/30/2013	52 E. A. Sween Company	\$137.32	O
29047	C	4/30/2013	70 Frito-Lay, Inc	\$168.18	O
29048	C	4/30/2013	316 GERAD'S OIL CO., INC	\$662.29	O
29049	C	4/30/2013	787 Granite City Jobbing Co	\$1,460.36	O
29050	C	4/30/2013	90 Harry's Frozen Foods	\$421.00	O
29051	C	4/30/2013	91 Hawkins, Inc	\$2,069.15	O
29052	C	4/30/2013	92 Headley Hardware	\$371.10	O
29053	C	4/30/2013	481 Heggies Pizza	\$230.00	O
29054	C	4/30/2013	564 Holdingford Area Historical Society	\$545.96	O
29055	C	4/30/2013	691 Integra Telecom	\$368.29	O
29056	C	4/30/2013	119 Johnson Brothers Liquor C	\$4,055.92	O
29057	C	4/30/2013	539 League of MN Cities Ins. Tr/BKLY	\$16,802.00	O
29058	C	4/30/2013	447 Marco, Inc	\$136.37	O
29059	C	4/30/2013	321 MIDSOTA MANUFACTURING, INC	\$32.60	O
29060	C	4/30/2013	198 Opatz Excavating	\$735.00	O
29061	C	4/30/2013	208 Principal Financial Group	\$577.99	O
29062	C	4/30/2013	234 St Cloud Technical College	\$300.00	O
29063	C	4/30/2013	242 Stearns Cty Auditor-Treas	\$1,500.00	O
29064	C	4/30/2013	245 Stearns Cty Health Sevice	\$210.00	O
29065	C	4/30/2013	258 The Nut Man	\$89.00	O
29066	C	4/30/2013	263 Tom's Refuse	\$4,938.58	O
29067	C	4/30/2013	281 Viking Coca Cola Bottling	\$509.00	O
29068	C	4/30/2013	288 XCEL Energy 971-1	\$11.19	O
29069	C	4/30/2013	714 XCEL ENERGY 135920-8 marquee	\$55.91	O
29070	C	4/30/2013	384 XCEL ENERGY 51-336-4 & 8	\$238.17	O
29071	C	4/30/2013	383 XCEL ENERGY 51-5655041-1	\$547.58	O
29072	C	4/30/2013	519 Xcel Energy 904-3	\$17.53	O
29073	C	4/30/2013	291 Yes Co. Inc.	\$95.69	O
				Cleared	\$14,642.49
				Outstanding	\$51,617.43
				Void	\$0.00