



The City Council of the City of St. Charles welcomes you to its Regular Meeting of Wednesday, November 9, 2016 at 6:00 p.m. at 830 Whitewater Avenue, City Council Chambers, St. Charles, Minnesota.

ITEM	ACTION REQUESTED
1. Call to Order	
2. Pledge of Allegiance	
3. November 9, 2016 Agenda	APPROVE
4. Meeting Minutes -October 11, 2016	APPROVE
5. November Payables	APPROVE
6. Notices and Communications (if applicable)	INFORMATION
7. Reports of Boards and Committees:	INFORMATION
7a. Administrator's Report, Nick Koverman	
7b. Public Works Superintendent Report, Kyle Karger	
7c. Chief of Police Report, Ken Frank (TBD)	
7d. Library Board Report, Dave Braun	
7e. EDA Report, Wayne Getz (TBD)	
7f. Park Board, Orv Dahl	
7g. School Board, David Kramer	
8. Resolution # 25-2016 Canvassing Municipal Election	APPROVE
9. 2016 CIP/Enterprise Budgets—Mike Bubany	APPROVE
10. 2017 Healthcare Renewal	APPROVE
11. Fire Department Update	INFORMATION
12. Resolution #27-2016 Office Of Justice Programs Agreement	APPROVE
13. Part-time Officer Advertisement	APPROVE
14. SMIF's Community Grant Program – SCACF Partnership	APPROVE
15. Resolution #26-2016 Gas and Diesel Bids	APPROVE
16. RCA Loan Request #3-16	APPROVE
17. Library Board Appointment	APPROVE
18. Sanitary District Appointment	APPROVE

UNSCHEDULED PUBLIC APPEARANCES: Members of the audience may address any item not on the agenda. State Statute prohibits the City Council from discussing an item that is not on the agenda, but the City Council does listen to your concerns and has staff follow up on any questions you raise.

ADJOURNMENT



**MEMORANDUM for the CITY COUNCIL of St. Charles for
Wednesday, November 9, 2016**

- 8. Resolution #25-2016 Canvassing Municipal Election.** A resolution will be presented that evening for the November 8, 2016 election.
- 9. 2016 CIP/Enterprise Budgets—Mike Bubany.** Mike Bubany of David Drown & Associates will be present to review the CIP and will provide any recommendation for rate structuring.
- 10. 2017 Healthcare Renewal.** Please see the enclosed Request For Council Action included.
- 11. Fire Department Update.** Fire Chief Lyle Peterson will be present to update the Council on the upcoming elections.
- 12. Resolution #27-2016 Office of Justice Programs Agreement.** Please see the enclosed resolution for consideration by the Police Department.
- 13. Part-time Officer Advertisement.** Please see the Request for Council Action included.
- 14. SMIF's Community Grant Program – SCACF Partnership.** The St. Charles Area Community Foundation would like to request city partnership for a proposed application to the Southern Minnesota Initiative Foundation for a planning grant to develop a conceptual plan for the green space located behind City Hall. The SCACF board will work with the St. Charles Area Chamber of Commerce as a partner to explore a possible veterans park/town square. Information regarding the grant is included in the packet and a member of the SCACF board will be present to highlight the request.
- 15. Resolution #26-2016 Gas and Diesel Bids.** Please see the enclosed resolution for consideration.
- 16. RCA Loan Request.** The EDA received two Commercial Rehab requests. Please see the Request for Action enclosed.
- 17. Library Board Appointment.** The Library Board will have reviewed potential applications and a recommendation will be made at the Tuesday evening meeting.
- 18. Sanitary District Appointment.** Enclosed is a letter from the Sanitary District with respect to the replacing of Bill Spitzer to the Sanitary District for a term of 2 years.

**MINUTES of the ST. CHARLES CITY COUNCIL
for Tuesday, October 11, 2016 held at 6:00 p.m. at
830 Whitewater Avenue,
St. Charles, Minnesota**

MEMBERS PRESENT:

Councilmen:
Mayor John Schaber
Dave Braun
Orv Dahl
Wayne Getz
David Kramer

STAFF PRESENT: Kyle Karger (PW Supt.), Kristine Engstrand (City Accountant) and Nick Koverman (City Administrator).

OTHERS IN ATTENDANCE: Craig Hilmer, Dan White, Steve Jacob (Winona County Commissioner), and Jill Veerkamp (St. Charles Press).

1. ESTABLISH QUORUM/CALL TO ORDER

Quorum was established with Mayor Schaber calling the meeting to order at 6:00 p.m.

2. PLEDGE of ALLEGIANCE

3. APPROVAL of the AGENDA:

Motion to approve: **Wayne Getz**
No discussion.
Motion carried.

4. Meeting Minutes

-September 13, 2016

Motion to approve: **Orv Dahl**
No discussion
Motion carried.

-September 27, 2016

Motion to approve: **Dave Braun**
No discussion.
Motion carried.

5. October Payables.

Motion to approve: **David Kramer**
No discussion.
Motion carried.

6. Notices and communications: None.

7. Reports of Boards and Committee:

Reports were given.

8. Winona County Board Update. Commissioner Steve Jacob was present to provide a brief County update. He highlighted the revised contract with SELCO and that the Board approved what SELCO asked for on behalf of the libraries for 2017-2018. In addition, funding to the local food shelf will continue in the amount of \$7,200 and that the recycling program will continue and that residents received their refund checks and that he understood the city has elected to continue on its own. He reported that over 800 ATV stickers have been issued for the 3 year sticker for 2016. He finished that a final public hearing will be held

with respect to frac sand October 13 and that he has offered compromising language within the amendment. No comments or questions were asked.

9. Resolution #24-2016 CUP Gathje Construction. Admin. Koverman presented the resolution for consideration as well as the staff report considered by the Planning & Zoning Commission. The findings and facts were read aloud as well as the single condition related to the approval of the 3-unit townhome. The Findings and Facts were relayed as the following:

1. The conditional use will not be detrimental to the health, safety, morals, comfort, convenience or welfare of the persons residing or working in the neighborhood, because the subject proposal is in line with the character of building neighborhoods and networks.
2. The request will not be detrimental to the public welfare or to property or improvements in the neighborhood because it will support and encourage a mix of housing type, density, and costs.
3. Similar structures and uses already exist in the R-3 District and are a benefit to the community while meeting the zoning standards of the R-3 District.
4. It meets the goals of the Comprehensive Plan to encourage a mixed housing neighborhood offering a variety of housing densities, types, and cost.

CONDITION OF CUP: The petitioners will abide by all representations they or their agents made during the hearing process, to the extent, the Planning and Zoning Commission did not negate those representations and to the extent, they are not inconsistent with the spirit or letter of explicit conditions to the request.

Mayor Schaber asked if there were any additional comments or questions related to the proposed CUP. Hearing none he called for a motion. A motion to approve the resolution as presented was made.

Motion to approve: **David Kramer**
No further discussion.
Motion carried.

10. 2016 Preliminary Enterprise Budgets. City Accountant Kristine Engstrand presented the 2016 preliminary enterprise budgets. She highlighted the various changes within the budget and highlighted that no increases has been planned at this time for rates, but that Mike Bubany from David Drown and Associates was going to review the schedules and would be present at the November 9th City Council meeting. No additional questions were asked.

11. Health Insurance Amendment. Admin. Koverman highlighted for the Council that the current plan design had been discontinued and was being increased. In an effort to explore potential options staff contacted Bill Singer of the A.T. Group and he presented an option that has been tentatively presented to employees. Koverman explained that he is looking for a motion to seek a possible contract amendment for both IBEW and LELS for a health insurance option. He is also exploring another option with the Southeast Service Cooperative to compare rates, but that it is a self-insured pool. A motion was made to explore the contract amendment for a health insurance option as well as information from the Southeast Service Cooperative.
Motion to approve: **Orv Dahl**
No further discussion.
Motion carried.

12. Braun License Agreement for Use of Land. Supt. Karger highlighted information contained in the council packet that discussed the proposed use of a former quarry a mile from city limits owned by Bruce

and Margaret Braun. Supt. Karger reviewed the need for the site and the benefits of this location. Through discussion with the Winona County Planning Department however, the city will need to work with Brauns to go through a Conditional Use Permit process with Winona County and the St. Charles Township board. He is proposing that the city would help the Brauns with the process as part of our agreement. A motion was made to work with Brauns in acquiring the necessary permitting with a tentative approval of the contract after receiving the required Conditional Use Permit.

Motion to approve: **Wayne Getz**

No further discussion.

Motion carried.

13. 2016-2017 Winter Park and Rec Brochure. Motion made to approve brochure as presented.

Motion to approve: **Dave Braun**

No further discussion.

Motion carried.

14. Library Board Resignation. Evonne Horn's resignation was submitted by recommendation of the Library Board for approval of her resignation. A motion was made to approve the resignation.

Motion to approve: **David Kramer**

No further discussion.

Motion carried.

UNSCHEDULED PUBLIC APPEARANCES

Dan White at 730 Whitewater Avenue briefly discussed the importance of going to the poles and the public transit system.

Motion to adjourn at 6:38 p.m.

Motion to approve: **Wayne Getz**

Motion declared carried.

John P. Schaber, Mayor

ATTEST

Nick Koverman, City Administrator



City Administrator's Report—October 2016

October 4—Held a conference call with Flaherty & Hood regarding the work compensatory/salary study.

October 12—Attended UMMEG annual meeting in Lanesboro. Discussion was held with respect to current renewable energy projects as well as future contract with Dairyland.

October 19—Met with Joe Wheeler along with Supt. Karger and City Engineer Rick Enstrom to discuss a possible Southfork 2nd addition.

October 24—Attended the Southeast Municipal League of Municipality Executive Board meeting in Rochester to review 2017 policy goals.

October 25—Held a phone conference to work with Andy Masterpole to review Gathje's proposed platting of lots.

October 27—Attended LMC Regional meeting in Chatfield in the afternoon and later attended SCACF meeting in the evening.

Public Works Report – October 2016

- Utility locates; monthly rubber goods testing; MMUA safety meeting; ran power plant for monthly exercise; repaired street lights; located property pins; delivered disconnect notices and disconnected/reconnected electric meters for City Hall; daily well checks; lift station and booster station checks; water samples; substation reporting; meter finals
- Trimmed trees on Blvd. and in electrical lines; repaired secondary pedestal; cleaned power plant; replaced poles and added new LED lights at City hockey rink
- Replaced pole and two services behind 349 East 7th Street; dirt work and bituminous patching to finish all concrete curbs/catch basins and sidewalks for 2016
- Power plant emissions report for PCA; disassembled old three phase line and two transformers behind old North Star East; check for material needed for new I90 business; worked on 1-ton sander; load tested new electric pickup for utility box design
- Met with people at the fairgrounds about the new buildings; hauled dirt to fill tire tracks left by bucket truck; filled gravel bin for winter repairs; repaired street lights; planning and mapping 2017 proposed lighting project on Hwy 14 East
- Sent two letters to homeowners about private property electrical problems; squirrel wrap on electrical pole between 12th & 13th Street
- One new electric truck, one new water truck and a new loader were delivered; worked on switching toppers and equipment; hauled tables from City Hall to Library; replaced electric meter at 1924 Countryview Drive
- Disconnect and reconnect for electrician at 342 Bluff Ave; did end of year total patching on streets; worked with City Civil Engineer on chip sealing projects for 2017 bids and also reviewed sewer lining projects for 2017 bid
- Repaired City large red trailer; cleaned up metal pile at shop storage area; winterized City equipment; cleaned up old shop; blended salt and sand at State Shop; jet out culver at Pearson Court

- Repaired culvert at hockey rink; street sweeping for fall leaves; black top patching potholes before fall; door repairs at City Hall; checking and installing all plow equipment before needed
- Repaired water valve covers; roof maintenance and cleaned Hwy 14 booster station; chemically treated Hwy lift station; replaced gauges on gas cylinder; winterized overhead pipes on Well #5
- Helped Police Dept block traffic for school homecoming parade; flushed dead end hydrants throughout City; cleaned and matted/seeded storm ditches; flushed dead sewer lines; worked on water meters; attended UMMEG meeting in Lanesboro for future power supply contracts and budgets

Sincerely,
Kyle Karger
Public Works Superintendent

City of St. Charles Police Department

Chief – Ken Frank #601

830 Whitewater Avenue

St. Charles, MN 55972

(507) 932-3020 · (507) 932-5301 FAX



Nov 3, 2016

RE: St. Charles Police Department November Council Report

- On Saturday October 22nd Officer Hewitt and myself had the Police Department open for “trick or treaters” as part of the event sponsored by the Chamber of Commerce. We had a huge turnout, it was a lot of fun and we are looking forward to next year!
- The new squads are in service and the officers are very proud and appreciative of this new equipment.
- This past week 6 Officers took part in 8 hours of Emergency Vehicle Operation Course (EVOC). Departments are required to provide this every 5 years and the course consists of training in our departments squad operation and pursuit policies along with completing a driving skills course.

“Proud to Serve”



**Request for City Council Action**

Date: November 3, 2016

Requested Council Date: November 9, 2016

Originating Department: Administration

Council Action Requested: Amending Health Insurance program / approving LELS and IBEW Contract Amendments.

Background Information: Staff met with staff members from both unions as well as non-union employees along with Bill Singer from A.T. Group to present an option for a revised health insurance plan. Current plan deductibles continue to escalate and as an option Singer proposed a \$2000/\$4000 non-embedded plan. While the proposed plan reduces the benefit of the current plan to meet a single deductible for an individual within a family plan, the City would be able to match the same percentage of contribution of a single individual while reducing the overall contribution of HSA contributions by the City on both levels. While an increase in premium will be experienced, because of the lower deductible plan and the decrease in HSA contributions by both the employer and employee, a net savings will also be shared by both groups.

In researching another alternative of the cooperative insurance program, information/response has not been timely enough to present. Given the City's short renewal time period, it is recommended to continue with Health Partners and revisit the cooperative insurance plan at a later date. Bill Singer outlined that because of the small size of the group and historically higher utilization costs, while an initial lower premium may be offered, following years may account for the decrease.



CITY OF ST. CHARLES

Resolution #27-2016

**A RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT
WITH THE OFFICE OF JUSTICE PROGRAMS IN THE MINNESOTA
DEPARTMENT OF PUBLIC SAFETY**

Be it resolved that the City of St. Charles will enter into a cooperative agreement with the Office of Justice Programs in the Minnesota Department of Public Safety.

St. Charles Police Chief Ken Frank is hereby authorized to execute such agreements and amendments, as are necessary to implement the project on behalf of the City of St. Charles.

I certify that the above resolution was adopted by the City Council of the City of St. Charles on November 9th, 2016.

SIGNED:

WITNESSETH:

Signature

Signature

Title

Title

Date

Date

**Request for City Council Action**

Date: November 3, 2016

Requested Council Date: November 9, 2016

Originating Department: Police

Council Action Requested: Request to begin the recruitment process to hire 2 addition Part-time Police Officers

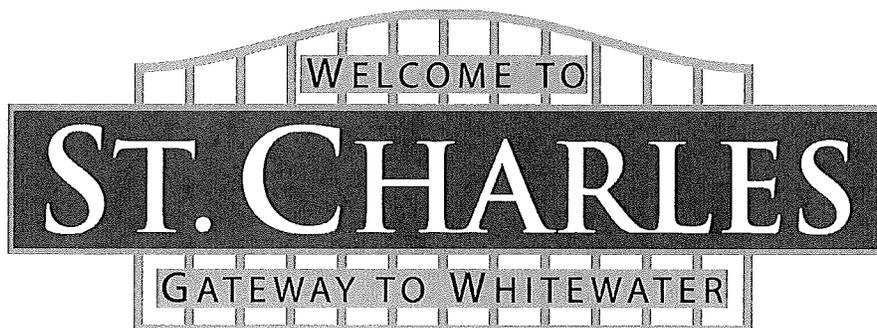
Background Information: Recently we have received the resignations of three part-time officers. Officer Matt Loken has accepted a position with the Rochester Police Department. Officer Jacob Braun has accepted a position with the Winona County Sheriff's Office and Officer Brandon Sell has given a verbal resignation and I expect a written resignation one of these first days when he has a chance to come to St Charles as he will turn in his assigned department at the same time. Officer Sells reason for resigning has to do with personal commitments to his full-time job as a dispatcher for the MN State Patrol and family considerations.

The current staffing of the department includes 5 full-time officers and we are regularly utilizing 3 part-time officers. The flexibility with the part-time staff is limited and I would like search for 2 more officers to give us the staffing needed for the 24 hour seven day a week service we provide.

My expectation would be that I return to the council in the late Spring or early summer of 2017 and request 1 or 2 additional part-time staff at that time.

Respectfully submitted,

Chief Ken Frank





SOUTHERN MINNESOTA
INITIATIVE FOUNDATION

525 Florence Avenue • PO Box 695 • Owatonna, MN 55060-0695
PH 507.455.3215 • FAX 507.455.2098 • smifoundation.org

Southern Minnesota Initiative Foundation Community Collaboration Grant: Community Foundations Guidelines and Procedures

Effective October 12, 2016

For the past 30 years, Southern Minnesota Initiative Foundation has been working collaboratively for regional community vitality. We know a key part of a vital community – communities that allow current residents and future generations a place to live, work and play – is an active community foundation. The presence of a local community foundation empowers residents to grow philanthropic resources, set strategic vision and align resources toward a shared goal.

Because of our belief in the transformative power that lies in our network of community foundations, we want to celebrate our 30 years of community investments by jumpstarting new investments via our community funds. **SMIF is offering grants of up to \$10,000 to its existing Community Foundations to fund additional project work within their communities.**

Final Reporting Requirements

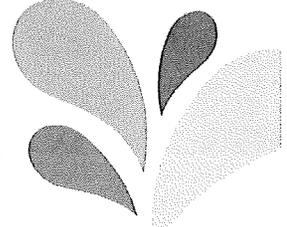
Applicants will need to identify and report on the following measures:

- Narrative response on how this project contributes to community vitality
- Number of partners involved (ie, organizations, businesses and/or clubs contributing time or resources for project completion)
- Number of volunteers assisting on the project
- Photos of project in process and completed; SMIF will have rights to use these photos on its website, in press releases and for promotional materials
- Optional, but encouraged: short video from community members involved on why this project benefits the community

Application Requirements:

- Proposed project contributes to community vitality and demonstrates:
 - Community involvement
 - Collaboration
 - Wise stewardship of resources
 - Responsiveness to the needs of the community
 - Integrity
- Project must be carried out by the community foundation board members and partners
- Project plan must be complete and project itself initiated by September 1
- Grants require a 25 percent cash match to the community foundation endowment. The match must be raised before June 30, 2017.

Collaborating for Regional Vitality





SOUTHERN MINNESOTA
INITIATIVE FOUNDATION

525 Florence Avenue • PO Box 695 • Owatonna, MN 55060-0695
PH 507.455.3215 • FAX 507.455.2098 • smifoundation.org

- Recipient organization or project cannot contribute the required 25 percent endowment match.
- SMIF requires all grantees to submit final grant reports. Delinquent or incomplete reports will jeopardize future grant funding from SMIF.

Project Examples

Program or project examples include a community-wide visioning project, leadership development, community branding/marketing, and business succession planning. We value projects that are inclusive, focus on collaboration and leverage resources.

Application Deadline

Deadline for application is 4:00 pm on January 15, 2017. Awards will be made on or before February 15, 2017. Final report is due September 1, 2017.

Submit application and attachments via mail, fax or email to:

Southern Minnesota Initiative Foundation

Attn: Jennifer Heien

PO Box 695

Owatonna, MN 55060

Fax: 507-455-2098

jenniferh@smifoundation.org

All applicants will be contacted via email or telephone to confirm receipt of their application.

Contact Us

Staff is committed to providing assistance to ensure quality applications. Please contact the Development Coordinator if you have questions (alissab@smifoundation.org or 507-455-3215), or the Grants Coordinator:

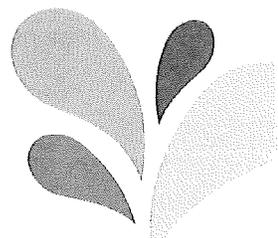
Jennifer Heien, Grants Coordinator

507-455-3215 x133

jenniferh@smifoundation.org

For more information or help with questions, contact 507-455-3215 or visit www.smifoundation.org.

Collaborating for Regional Vitality



**CITY OF ST. CHARLES
RESOLUTION #26-2016**

**A RESOLUTION ACCEPTING BIDS AND AWARDING A CONTRACT
FOR 2017 MUNICIPAL GASOLINE AND DIESEL REQUIREMENTS**

WHEREAS, pursuant to a Request for Quotations for 2017 Municipal Gasoline and Diesel requirements, bids were received, opened and tabulated according to law, and the following bids were received complying with the request:

<u>GASOLINE</u>	<u>DISCOUNT GALLON</u>
Kwik Trip	.09
CHS Rochester	.04

<u>DIESEL</u>	<u>DISCOUNT GALLON</u>
CHS Rochester	.04

WHEREAS, upon tabulation of the bids with respect to the unleaded specifications, Kwik Trip is the lowest responsible gasoline bidder.

WHEREAS, upon tabulation of the bids with respect to the diesel specifications, CHS Rochester is the lowest responsible diesel bidder.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ST. CHARLES, MINNESOTA:

The Mayor and City Administrator are authorized to enter into a contract with Kwik Trip for the 2017 Municipal Gasoline Requirements beginning Jan. 1, 2017.

The Mayor and City Administrator are authorized to enter into a contract with CHS Rochester for the 2017 Municipal Diesel Requirements beginning Jan. 1, 2017.

Adopted by the Council of the City of St. Charles, Minnesota this 9th day, November, 2016.

John Schaber, Mayor

Attest: _____
Nick Koverman, City Administrator

ST. CHARLES **REQUEST FOR CITY COUNCIL ACTION**

Meeting Date: November 4, 2016

General: X

Department: EDA

Item Requested: Approval of Commercial Rehab Fund Request #3-16

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Summary of the Issue

Two requests for Commercial Rehabilitation Loan have been received. Both Mark Ellson from NAPA and Bill Sires, owner of the commercial building at 1204 Whitewater, have requested forgivable loans from the EDA Commercial Rehabilitation Fund

Background

The applicants would like to make significant long-term improvements to their buildings to enhance their business.

Based on the Committee's review of the documentation, it was determined that the project for the Mark Ellson, owner of NAPA, met the eligibility requirements of the St. Charles Commercial Rehabilitation Fund. The funds will be used towards replacement of 2 entry doors at the NAPA location. The total project costs are \$2,312.00; therefore, the request is for the full amount of \$1,156.00. The Committee recommended that \$1,156.00 in Rochester Sales Tax dollars be used to help fund the project.

Based on the Committee's review of the document, it was determined that the project for Bill Sires, owner of 1204 Whitewater Avenue, met the eligibility requirements of the St. Charles Commercial Rehabilitation Fund. The funds will be used in the repair of a roof for a total of \$8,800.00. The total amount requested would be \$4,400.00. The Committee recommended that \$4,400.00 in Rochester Sales Tax dollars be used to help fund the project.

Funding

Approval will require \$1,156.00 and \$4,400.00 from the Rochester Sales Tax Funds. Council action will serve to authorize the loan. Loan will be structured as a 5 year forgivable loan with 20% forgiven each year.

Recommendation

The EDA approved by motion, the following recommendations:

1. To approve Request #3-16 as requested and described above.
2. To authorize the staff to prepare all necessary loan documents.

Dover, Eyota, St. Charles Area Sanitary District

P.O. Box 396
St. Charles, Minnesota 55972
Phone (507) 932-4171

November 1, 2016

City of St. Charles
Nick Koverman
830 Whitewater Ave.
St. Charles, MN 55972

Dear Mr. Koverman:

On January 1, 2017 the term of office which William Spitzer is serving on the Board of Directors of the Dover Eyota St. Charles Area Sanitary District will expire.

The City of St. Charles will need to appoint a person for a two year term.

Please sign, affix seal and return two copies of the Certification of Selection before our regular District meeting on January 17, 2017.

Sincerely,



Cathy Kennedy

enclosures