

**MINUTES of the ST. CHARLES CITY COUNCIL  
For Tuesday, August 26, 2014 held at 5:00 p.m. at  
830 Whitewater Avenue  
St. Charles, Minnesota**

**MEMBERS PRESENT:**

Councilmen:

John Schaber

Dave Braun

Orv Dahl

Wayne Getz

Mayor Bill Spitzer

**STAFF PRESENT:**

Nick Koverman (City Administrator) and Nate Anderson (WHKS Engineering), Marti Ellinghuysen, and Kyle Karger (Supt. Public Works).

**OTHERS IN ATTENDANCE:** Pat Bailey (MN Dept. of Health), Dan White, Craig Hilmer (St. Charles Press), and Cathy Groebner.

**1. ESTABLISH QUOROM/CALL TO ORDER**

Quorum was established with Mayor Spitzer calling the meeting to order at 5:00 p.m.

**2. PLEDGE OF ALLEGIANCE**

**3. APPROVAL of the AGENDA: ADD. 10.) Council Meeting Times**

Motion to approve the agenda: **Wayne Getz**

No discussion.

Motion carried.

**4. Notices and Communications.** None

**5. Review of Financials.** No discussion.

**6. Administrator Review.** Mayor Spitzer provided the Council with a letter that summarized the administrator's review. Mayor Spitzer called for any comment, additions or corrections. Hearing none, the Council agreed by consensus that the letter be submitted to his personnel file.

**7. Public Hearing-Wellhead Protection Plan—Part II.** Mayor Spitzer called for a motion to open the public hearing to take comment on the Wellhead Protection Plan—Part II as noticed in the official newspaper.

Motion to open the public hearing at 5:03 p.m.: John Schaber

No further discussion.

Motion carried.

Admin. Koverman briefly highlighted for the Council the two year process that City staff has been working on in conjunction with WHKS to conduct their Wellhead Protection Plan. Various government entities were sent the plan for their review and comment. The purpose of the public hearing was to take any additional comment on the plan for consideration. He then turned it over to Nate Anderson of WHKS who had worked on the plan. Mr. Anderson provided some general background information and asked for comment. Mayor Spitzer called for comment once, twice. Pat Bailey from the MN Dept. of Health addressed the Council and also added her thoughts as to the benefits of the wellhead protection exercise. She explained that it helped to identify potential issues, clear up old issues, and hold formal discussions on the city's plan to mitigate/monitor existing wellhead areas. Dan White asked a question of clarification if the wellhead program was related to the drinking water quality. After hearing no comment, Mayor Spitzer called for comment once, twice, three times. He called for a motion to close the public hearing at 5:09 p.m.

Motion to close: Orv Dahl

No further discussion.

Motion carried.

Nate Anderson will finalize the document and return at a later Council meeting for formal adoption of the plan. The Council thanked him for his time.

**8. 2015 Governmental Budget.** Admin. Koverman began by highlighting the preliminary levy presented at 2.65 percent and recalling for Council that in order to make that figure achievable that the Capital Improvement Fund that budgeted \$290,000 for 2015 currently was overpledged at \$413,000. Koverman presented various options to reduce the amount to fall within the budgeted parameters. He reviewed one of the new projects with the SEMCAC bus service that the Council had pledged support to in the amount of \$22,519. He recalled that when the project was reviewed several months ago that an option posed to the Council for funding was to utilize Rochester Sales Tax dollars. Because this service would allow for rural residents or residents of Dover and Eyota the ability to come to St. Charles to partake of its services, that this could be a reasonable request to the EDA for support of the program. If this was a reasonable idea, the discussion would then be addressed to the EDA.

Koverman expressed that one of the primary issues confronting the Capital Improvement Plan was the replacement of a 25 year old street sweeper. Koverman relayed that the piece of equipment was initially pushed to a 20 year replacement plan before the 2008 recession forced the item to continually be pushed down year by year. He shared that over the last 10 years over \$53,000 has been spent to repair/maintain the older unit. A true replacement of the exact model of Elgin sweeper was found at \$260,000. However, it had been relayed to staff that this would not be an acceptable option. Street staff have been working with the vendor to research options and a new unit that ran well and provided the necessary features was priced at \$150,000 which was what had been initially budgeted. However, Admin. Koverman relayed that even this cost was too much. The City has maintained a cash approach for capital equipment, but Koverman offered an option of a lease/purchase that is similar to what the city does with the ambulances, but that at the end of 5 years would own the piece of equipment and still be able to utilize the unit for 15-20 additional years. As an example a 5-year plan at 2.69 percent was estimated to cost just over \$32,000/annually for 5 years. With this factored into the budget, it was fall below the planned \$290,000. Clm. Getz asked how often St. Charles streets are swept and Street Supervisor Marti Ellinghuysen addressed the question and explained that of course spring and fall are the busy times as he cleans a quarter of the town every other week for 2 months. Supt. Karger added that the City use to clean every week, but that to extend the life of the unit they went to every other. He reminded Council that sweeping of the leaves and sand helped keep debris out of the storm sewers and reduces jet vaccing. Clm. Getz asked about contracting the service and Supt. Karger highlighted that when the option was reviewed over 5 years ago that the costs were that of a payment.

Discussion then turned to a proposed truck plow and snow pusher for the loader. Supt. Karger explained that the pickup plow would replace a 9-year old unit. Supt. Karger expressed that the Case snow pusher allows the snow crews to more efficient clean cul-de-sacs and wider streets with few passes as well as not bust curbs when they use just the bucket of the Loader. They have been borrowing Steve Pearson's pusher and it has worked well. Clm. Braun expressed his disapproval with the idea. Clm. Getz asked about the wear and tear on the loader and Supt. Karger expressed that that was the reason why the loader was leased every 3 years so that a replacement unit would be possible with little or no cost. Supt. Karger explained that the annual road maintenance budget of \$60,000 could be reduced to include the estimated \$8,500 for the pusher if necessary as they are ahead of projects.

A memo related to Health Insurance was also reviewed with Council that highlighted that due to the loss of their existing plan because of the Affordable Care Act that an alternative plan needed to be sought to replace the High Deductible plan of \$2,500/\$5,000. In reviewing the rates of the plan, it was to the city's benefit to move to a \$3,000/\$6,000 plan rather than a \$2,000/\$4,000 plan. To meet the same level of support the contribution to the HSA was recommended at \$420(single) and \$620 (family) and with this adjustment the overall cost would increase 10 percent. The initial rates that Bill Singer from AT Group were not the adjusted actuals. The main difference in total cost for 2014 was the addition of an employee, the normalized Affordable Care Act rates, and HSA contribution. . The impact to the general fund budget with the proposed plan to the actual was \$3,358 with the enterprise funds being responsible for the remaining amount. City accountant Kristine Huinker explained that with the general fund overage, that could be adjusted with no change to the levy. In addition, she demonstrated to the Council how the proposed levy could in fact be reduced to zero with a minor surplus still being available. No questions were asked The city car was also reviewed as it could be delayed, but that a van might be a more efficient vehicle as the park and rec department takes a personal vehicle to pick up supplies. The cost would be greater than \$15,000 planned for a car, but that currently at 80,000 miles the car is a reliable unit at 10 years old. The proposed replacement of police squad cameras was discussed as far as looking for alternative revenue sources as far as DUI forfeiture and MADD grants. Council felt it was a good start.

**9. Union Negotiations.** Mayor Spitzer stated that a closed session had been planned to discuss strategy, but that after discussion with Admin. Koverman that the goal was to seek committee representatives and wait until proposals were presented to the Council. Previously Mayor Spitzer and Clm. Getz and Clm. Braun served on the negotiating committees. Mayor Spitzer and Clm. Getz offered both of their positions. Clm. Schaber stated that he felt they did a nice job before and if they were agreeable to it, he would recommend they serve again. Both mayor and councilman agreed.

**10. Council Meeting Times.** Mayor Spitzer addressed the Council meeting times and asked if the Council wanted to continue with the 5 p.m. time or go back to the original 7 p.m. All members expressed that it was nice, but that the 5 p.m. time was difficult on upon occasion. It was offered at possibly 5:30 or 6:00 p.m. All agreed that the 6 p.m. would work well and a motion was made to approve the 6 p.m. time until the end of the year.

Motion to approve: John Schaber

No further discussion.

Motion carried.

#### **UNSCHEDULED PUBLIC APPEARANCES**

-Marti Ellinghuysen addressed the Council and added to the snow pusher discussion that he had been using the local contractor's unit and how it saved a lot of time especially when cleaning the fairgrounds or mainstreet.

-Dan White addressed the Council to share his support.

Motion to adjourn at 5:50

Motion to approve: **John Schaber**

Motion declared carried.

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**John P. Schaber, Mayor Pro Tem**

Attest: \_\_\_\_\_  
**Nick Koverman, City Administrator**