

CITY OF PIERZ
Official Minutes of the Pierz City Council
November 27, 2006

Members Present: Herb Broschofsky, Mary Gritzmacher, Daniel Sauer, Kathy Kahlhamer, Mike Menden, and Maureen Watercott.

Others Attending:

Mike Cramer, Business Machines Plus
Jeff Schoulten, United States Department of Agriculture, Rural Development
Barb Rebeischke, Executive Director, Horizon Health
Pierz Healy High School Students
Public Observers

Meeting was called to order by Mayor Mike Menden at 7:00 p.m. at Pierz City Hall.

Motion made by Councilmember Gritzmacher, seconded by Councilmember Kahlhamer to approve the minutes of the November 13, 2006 meeting. Motion carried unanimously.

Motion made by Mayor Menden, seconded by Councilmember Broschofsky to approve tonight's Agenda with the additions of a skate park proposal and setting a date for salary negotiations. Motion carried unanimously.

Skate Park Discussion:

-Students with an interest in skateboarding have requested that the City look into the possibility of a skate park where skateboarders can enjoy themselves without disturbing anyone. The students have looked into grant programs that would be accessible for a project like this and are willing to participate in fund raisers if necessary. No action taken.

Presentation, Jeff Schoulten, USDA Rural Development

-Jeff was present to discuss funding options if the City were to build a public library. The USDA's main funding assistance programs are low-interest loans. Jeff explained that these loans carry an interest rate of no higher than 4.5% and go up to \$500,000. Jeff also explained that because of Pierz's status as a low-income community, the City is eligible for grant money funding up to 75% of project cost or \$50,000, whichever is less. No action taken.

Presentation, Mike Cramer, Business Machines Plus

-Mike presented a new business venture of his in which he would provide high-speed internet service to not only citizens of Pierz but also rural citizens of Eastern Morrison County. All that Mike would need from the City to start his venture is a guarantee that he could use the City's water tower for his antenna. The City Council explained to Mike that Rich Prairie Sewer and Water owns the tower and he would need to seek permission from them. No action taken.

Planning and Zoning:

Resolution 112706-01, Horizon Health

-Barb Rebeischke was present to discuss the Harmony House Project and the development agreement which will be signed by both parties. This resolution would approve the agreement. Motion made by

Mayor Menden, seconded by Councilmember Broschofsky to adopt the resolution. Motion carried unanimously.

Resolution 112706-02, Horizon Health

- Horizon Health is seeking an amount not to exceed \$3,000,000 in tax-exempt care facilities revenue notes. The only way that Horizon Health is able to receive tax-exempt status is to use the City as a conduit. The City signs on the notes but assumes no liability or obligation. Motion made by Mayor Menden, seconded by Councilmember Sauer to adopt the resolution, approving the notes. Motion carried unanimously.

Building Permit, Horizon Health

-Horizon Health is ready to begin construction in December and is requesting approval of their building permit. Motion made by Mayor Menden, seconded by Councilmember Sauer to approve the building permit contingent upon the City and Horizon Health signing a pre-construction agreement.

Other Business:

Rich Prairie Sewer and Water District Board Recommendations

-Motion made by Mayor Menden, seconded by Councilmember Sauer to recommend Rob Boser, Herb Broschofsky, and Mark Fuhrman to the County Commissioners for the Pierz representatives of the RPSWD board. Motion carried unanimously. Abstaining: Broschofsky.

Resolution 112706-03, Certification of Utility Payments

-The City Administrator introduced the resolution by saying that there are storm sewer utility customers that are significantly overdue on their annual payment, and that this resolution would allow the City to certify those outstanding balances to the County for taxes payable 2007. Motion made by Mayor Menden, seconded by Councilmember Sauer to adopt the resolution. Motion carried unanimously.

Resolution 112706-04, Monthly Minimum, Storm Sewer Fee

-The City Administrator introduced a resolution that would allow the City to establish a \$2.00 monthly minimum per parcel, regardless of land use. Motion made by Mayor Menden, seconded by Councilmember Broschofsky to adopt the resolution. Motion carried unanimously.

Resignation, Clubhouse Manager

-The clubhouse manager at the Pierz golf course officially resigned last week and submitted her letter of resignation to the City Administrator. The City will begin advertising for a new clubhouse manager next week. No action taken.

Department Reports:

Public Works: Bob Otremba was not present at tonight's meeting and did not have any issues to discuss with the Council.

Parks: Daniel Baert was present for tonight's meeting, but did not have issues that needed to be addressed with the Council.

Police: Steve Boser was present to discuss the following issues with the Council.

-The aid agreement with the City of Genola will be brought to the Genola City Council upon Pierz's Council approving it first. With one minor change being agreed upon by both the City Council and the

Police Chief, Mayor Menden made a motion to approve the aid agreement contingent upon Genola's acceptance of it, seconded by Councilmember Kahlhamer. Motion carried unanimously.

Administration: Michael DeRosia was present to discuss the following issues with the Council.

-Mike gave an update of the Main Street project's progress. Recently, Mike spoke with Senator Paul Koering, who was in favor of meeting with MN/DOT in order to get their perspective as to why the project is so low on their list of priorities. Also, Mike mentioned that the original drawings of City hall have been professionally framed by Ben Franklin Crafts of Brainerd, MN. The total for the work that was done is \$399.99. The City Council approved of the purchase with a motion made by Councilmember Sauer, seconded by Councilmember Kahlhamer. Motion carried unanimously. Mike also explained that he will be sending official certificates of election to this year's winners now that the election results contesting date has passed (November 22nd).

Motion by Councilmember Kahlhamer, second by Councilmember Gritzmacher to adjourn the meeting at 8:50 p.m. Meeting adjourned.

Mike Menden, Mayor, City of Pierz

Kathy Kahlhamer, Clerk, City of Pierz