

**GROVE CITY REGULAR COUNCIL MEETING
AUGUST 11, 2014**

ALL PRESENT

CONSENT TO AGENDA: Councilmember Miller made a motion to approve the consent to agenda. The motion was seconded by Councilmember Peterka. Motion carried.

Samantha Rusch submitted a resignation letter to the Council. Councilmember Nelson made a motion to approve the letter. Councilmember Miller seconded the motion. Motion carried.

SPECIAL EVENTS PERMITS FOR AUGUSTFEST: Councilmember Peterka made a motion to approve all special events permits for Augustfest. The motion was seconded by Councilmember Johanneck. Motion carried.

RESOLUTION 2014-14 APPOINTING ELECTION JUDGES: Councilmember Nelson made a motion to approve Loriee Barnes and Melissa Bergstrom as Head Judges. The motion was seconded by Councilmember Miller. Motion carried.

VISITORS: Jack Heacock spoke to the Council regarding his mobile trailer park stating that he had been inspected by the state and had several issues he needed to address. One of those issues was to install a 10mph speed limit sign. Heacock said he would pay for the sign if the City would order one for him. Councilmember Peterka made a motion to purchase a speed limit sign for Mr. Heacock and bill him for the cost. The motion was seconded by Councilmember Miller. Motion carried. Mr. Heacock presented the council with an evacuation plan and a copy of his eviction notice to his tenants if they did not clean up their property.

FIRE: Chief Jans reported that the department had one accident call and one weather watch during the month of July. They filled a pool for a resident and the resident is charged according to how much water is required and where the resident lives; in town or out of town. Jans also mentioned that the lights in the hall's bathroom were out and needed fixing.

RESCUE: Chief Munoz reported that the department had one medical call in July. They department has a new member; Jesse Hudec. The department will have their 44 plan training on August 21st. A couple of the members from the department will be available to help during Augustfest with the kid activities in the park.

OLD BUSINESS

BIDS TO REPLACE LIGHTS IN THE COMMUNITY CENTER BUILDING: Councilmember Miller made a motion to accept the lowest bid which was submitted by Duaine Buer and go with the complete LED lights. The bid did not include the bathrooms but Miller wanted to add the bathrooms onto the bid since those lights had not been working as of late as well. The bid was \$7500. The costs will come from the dollars collected by the CIP charges on everyone's monthly utility bill. The motion was seconded by Councilmember Peterka. Motion carried.

UNAPPROVED

BIDS TO PURCHASE A NEW CITY TRUCK: Councilmember Miller made the motion to purchase the new 2015 City Truck from Atwater Ford. This bid was the lowest at \$28,700 + application fees. The truck will be a plain Jane model with no extras and he asked Dustin Gaarder to get a price on a plow package to go on the truck but no plow at this time. Councilmember Peterka seconded the motion. Motion carried.

BIDS TO FIX THE CITY GARAGE WHICH HOUSES THE ROYALTY FLOAT: Councilmember mentioned that the bids were not clear as to what type of door was going to be purchased. After some more discussion, Councilmember Miller made a motion to accept the lowest bid of \$2,328.46 if the door included in the bid was the same quality as in the other bids per Bill Peterka's consulting with the bidders. The motion was seconded by Councilmember Nelson. Motion carried.

NEW BUSINESS

2013 AUDIT: Dave Euerle from Westberg Eichens came to present information regarding the City's 2013 Audit. The following statements are from the graphs he presented to the Council. In the General Fund, there were more revenues than expenses; this was true in 2012 as well. The cash balance at the end of the year is sufficient enough to cover six months of expenses. The City's fund balance policy is to maintain a minimum fund balance of 40 to 50 percent of subsequent year budgeted expenditures. At the end of 2013, the fund balance was equal to 98 percent of 2014 budgeted expenditures.

Revenues within the Water Fund have exceeded expenses in the past three years; however, the fund is not generating sufficient operating income to cover debt service payments. Annual debt service payments are \$82,000 and use over 50% of annual receipts. The cash balance went down about \$10,000 from 2012 to 2013 due to a cost for a pipe that needed to be installed within the water tower.

The SEWER FUND generated quite a bit more revenue than the expenses which has been the situation over the past three years. Cash balance within this fund has been decreasing due to expenses related to the future sewer project; about \$240,000. The final debt payment was made in 2013. The fund has been covering the operating expenses.

The ELECTRIC FUND's expenses in the past three years has exceeded the revenue coming into this fund. The fund had a bad year in 2013 due to the cost of purchased power from Heartland was up significantly; the City paid more for power in 2013 than in 2012. About \$140,000 spent on peak power. There was about a \$130,000 loss in the electric fund which included the franchise fee of \$70,000; this is money that is moved from the electric fund into the general fund at the end of the year. There were extra expenses incurred from the set-up of the new shaving plant at D&D Ventures. This fund does not have any debt at this time. Part of the franchise fee has gone to cover bond payment on South Grove. No money was needed in 2013 to cover the bond payment mainly because the City brought back in-house control of the maintenance and billing over South Grove instead of paying a management company.

EDA-Senior Housing: Revenue has exceeded expenses in the past three years. However, the fund is not generating sufficient operating income to cover debt service payments. Annual debt service payments are \$70,000 and use over 50% of annual receipts. It is important to keep the units full.

As far as compliance, there were no issues to address.

UNAPPROVED

SHERIFF'S CONTRACT: The new contract with Meeker County Sheriff's Office was submitted by Jeff Norlin for two years; however, the City of Grove City can withdraw from the contract at any time it feels that they are not satisfied with the terms of the contract or the coverage provided by the County. The contract also included a 3% increase in costs and Miller explained that there had not been an increase in four years so the increase was a reasonable request. The contract will run from January 1st, 2015 through December 31, 2016. Councilmember Miller made a motion to approve the contract with the Meeker County Sheriff's Department. The motion was seconded by Councilmember Johanneck. Motion carried.

SOUTH GROVE: There are still three vacancies. All are one bedroom apartments. Advertisements have been placed in several papers. The EDA Board did not meet this month.

SHERIFF: Officer Schute reported that there had been 36 calls during the month of July. Schute told the Council that he will be in the Augustfest Parade and covering Augustfest along with some reserves throughout the weekend.

CLERK: The Clerk asked the Council to approve posting an advertisement for a Utility Billing Clerk. The position as we know it now is a 20 hour week position. She also said that she would like to be in attendance during the interviews.

PUBLIC WORKS: Dustin Gaarder stated that Brad Jans would like to go to training the week of September 9th. The Council decided to let the Utilities Committee look into the training. Gaarder reported that Brad had obtained prices to replace the wiring on County Road 11. It would cost \$1 a foot to plow and \$2.50 per foot for the primary wire. The entire project would be around \$7500. The old wire is about 40 years old. Brad has ordered some pads and is getting prices on the rare sized pads. Gaarder asked the Council what color truck to purchase. Miller stated he did not think white would be a good color when plowing snow. They left the color up to Gaarder and told him to get bids on plow packages. Gaarder said he would like to get a V plow; he thinks it would be more efficient.

MAYOR: Mayor Drange asked about the situation with the nuisance houses in town. The Clerk said that the Getzkow houses went to the County for back taxes and were scheduled to come down this summer but she has not heard anything more lately. The empty trailer in the mobile park was being torn down and removed. She needs to check with the Attorneys on what the next step is regarding the house on Second Street North.

PETERKA: Councilmember Peterka inquired about the City purchasing a leaf blower to clean the leaves and feathers that accumulate by the Community Center doors. Gaarder said he would like to purchase a cordless one to help with blowing out potholes before patching. Councilmember Peterka made a motion to have Dustin Gaarder purchase a cordless leaf blower. The motion was seconded by Councilmember Johanneck. Motion carried. Peterka also talked about selling the City owned parking lot across from Carlson's Meats. After some discussion, it was decided not to consider selling at this time.

ADJOURNMENT: Councilmember Peterka made a motion to adjourn the meeting. The motion was seconded by Councilmember Nelson. Motion carried.

UNAPPROVED