

CITY OF MONTEVIDEO  
CITY COUNCIL PROCEEDINGS  
April 20, 2009

The city council met in regular session Monday, April 20, 2009 in the council chambers at city hall. President Hodge called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Sandra Hodge, Al Johnsrud, Karen Nieuwbeerta, Marvin Garbe and Bryce Curtiss. Absent: None. Mayor Jim Curtiss present.

Also present were: City Manager Steven C. Jones, City Clerk Glennis A. Lauritsen, City Attorney Janice M. Nelson and City Engineer David Berryman.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve the agenda, with the following modifications:

**MODIFY:**

**7(F)            CONSIDER APPROVAL OF BIDS FOR THE WASTEWATER TREATMENT FACILITY MODIFICATIONS, CONTINGENT UPON CHANGE ORDER NO. 1 SIGNED BY THE CONTRACTOR.**

Change Order states, "The Contract includes the requirement of the American Recovery & Reinvestment Act of 2009."

**ADD:**

**7(L)            CONSIDER ESCROW AGREEMENT (IN LIEU OF RETAINAGE) WITH RICE LAKE CONSTRUCTION GROUP FOR THE WASTEWATER TREATMENT PLANT MODIFICATIONS PROJECT.**

It was moved by Johnsrud, seconded by Curtiss and unanimously passed to approve the minutes of the regular city council meeting of April 4, 2009, as presented. Council member Garbe asked that a verbal follow-up be presented to the public, addressing the issue raised by Kevin Roggatz at the April 6<sup>th</sup> meeting regarding a waiver for storm sewer improvements in the 19<sup>th</sup> Street/Buckeye Drive area. It was noted that this would take place at the final public hearing, scheduled for May 18<sup>th</sup>.

4. Notices/Communications/Announcements or Appearance of Interested Citizens.

\_\_\_\_\_ President Hodge welcomed the high school student present in the audience to observe council proceedings.

5. Consent Agenda.

It was moved by Garbe, seconded by Johnsrud and unanimously passed to approve the following consent agenda items:

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING APRIL 17, 2009 IN THE AMOUNT OF \$130,783.64.

6. Public Hearings.

- None.

7. General Business.

7(A) 2009 STREET IMPROVEMENT BIDS.

City Engineer Berryman explained that bids were received on Thursday, April 16<sup>th</sup>, for the 2009 Street Improvement Projects. Although the bid will not be formally awarded at this time, the council needs to decide whether or not to proceed with the improvements. Berryman stated that the apparent low bid was \$279,195.50 (submitted by Bituminous Paving of Ortonville, MN), which is well under the engineer's estimate of \$331,000.

It was the consensus of the council to move forward with the improvements.

7(B) 2009 STREET IMPROVEMENT ASSESSED COSTS.

As discussed in the previous agenda item, bids for the 2009 Street Improvement Projects were received, and the next step is to pass a resolution declaring the cost of the project and how much, overall, will be assessed to property owners and at what interest rate.

Engineer Berryman stated that the total amount shown on the resolution to be assessed against benefitted property owners (\$76,305.24) needs to be amended to reflect the *entire* cost of the storm sewer project (\$35,315.00), not only the assessed portion of \$15,111.00. Therefore, the total amount to be assessed against benefitted property owners should be

\$96,509.00, which also changes the city cost, from \$258,729.36 to \$238,525.36. Total contract amount remains at \$335,034.60.

MARVIN GARBE OFFERED RESOLUTION NO. 2904, A RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2904 WAS SECONDED BY AL JOHNSRUD. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, AL JOHNSRUD, BRYCE CURTISS, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(C) FINAL PUBLIC HEARING SET - 2009 STREET & UTILITY IMPROVEMENTS.

BRYCE CURTISS OFFERED RESOLUTION NO. 2905, A RESOLUTION FOR HEARING ON PROPOSED ASSESSMENT (MAY 18, 2009 @ 7:00 P.M.), AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2905 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, KAREN NIEUWBEERTA, MARVIN GARBE, AL JOHNSRUD AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(D) PETITION FOR 2010 STREET WORK.

Kevin & Becci Leonard, 111 Coleman Avenue, were present to support a petition submitted by the Coleman Avenue neighborhood requesting street work along Coleman Avenue in 2010. The petition does not appear to have signatures of 100% of the residents in the affected area, nor does the city have an original copy; however, it does appear that there is ample proof that a majority of the residents want the city to consider the project.

Mr. Leonard discussed the poor condition of the street, stating that it is heaved in areas to the point that it may cause damage to the undercarriage of vehicles. Leonard asked about a temporary fix to the problem. City Manager Jones stated that he and the public works director had reviewed the area and noted that there is major failure everywhere. One fairly major temporary fix may be to put the street back to gravel. City Engineer Berryman added that drainage will also be an issue - it is a flat area, low, with no good outlet.

It was moved by Garbe, seconded by Curtiss and unanimously passed to place this area on the list for possible improvements in 2010. Staff explained the timeframe for the improvement process to the Leonards.

7(E) HOSPITAL PURCHASE OF CHEMISTRY ANALYZER.

It was moved by Garbe, seconded by Nieuwbeerta and unanimously passed to approve the hospital's purchase of a Vitros 5600 Lab Chemistry Analyzer from Cardinal Health, contingent upon financing and approval of Chippewa County. Outright purchase price is \$233,500 less trade-in value of \$7,500 for existing equipment.

7(F) APPROVAL OF BIDS - WWTP MODIFICATIONS.

City Manager Jones updated the council on the wastewater treatment plant modification project. Bids were received on Thursday, February 12<sup>th</sup>, with the low bidder being Rice Lake Construction, Deerwood, Minnesota at a total contract bid price (including allowances) of \$10,475,000. The engineer's estimate was \$13,000,000.

Since bids were received, the city has been awaiting a decision regarding compliance with the American Recovery & Reinvestment Act. If compliance is met, the city is on line to receive \$4,000,000 through the Minnesota Public Finance Authority (PFA). The contractor feels they can comply and is willing to proceed. Therefore, Change Order #1 has been prepared which obligates the contractor to comply with the American Recovery & Reinvestment Act, at an estimated cost of \$75,000+, for a revised total contract price of \$10,549,000.

Jones noted that the city had 90 days to award the bid, or by May 12<sup>th</sup>. Staff is concerned over losing this very good bid; Rice Lake has indicated that they would not re-bid and the field of bidders may be narrowed due to the lateness of the season. When asked whether the city is at risk of losing the \$4,000,000 PFA money, Jones said that PFA has indicated they will fund the project, either by loan or grant.

Following the discussion, it was moved by Garbe, seconded by Curtiss and unanimously passed to award the bid to Rice Lake Construction, contingent upon the contractor signing Change Order #1.

7(G) LIBRARY AC/HEATING COSTS.

At its March 5, 2009 meeting, the Chippewa County Library Board accepted the low bid of \$139,000 to replace the heating and air conditioning system in the Montevideo-Chippewa County Library. Low bidder was Bisbee Mechanical, Marshall, Minnesota. Total project cost for the new system, including contingencies, is estimated at \$160,000. Therefore, the city's portion would be approximately \$80,000,

City Manager Jones expressed his long-term concern over the process of bidding and/or making purchases by the library. Other county-city owned facilities have a threshold for purchases and also must obtain prior approval from both entities.

Following discussion, it was moved by Johnsrud, seconded by Garbe and unanimously passed to approve the expenditure of approximately \$80,000 for costs associated with installation of a new heating/air conditioning system at the library.

7(H) 2009 FEES & CHARGES AMENDMENT.

At the April 6<sup>th</sup> meeting, the council had reviewed and discussed park board recommendations for the 2009 outdoor pool season and for the campground regulations at Lagoon Park. Council concurred with those recommendations and, therefore, a resolution was prepared to incorporate the changes into the city's 2009 Fees & Charges Schedule.

AL JOHNSRUD OFFERED RESOLUTION NO. 2906, A RESOLUTION AMENDING THE 2009 FEES & CHARGES SCHEDULE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2906 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: AL JOHNSRUD, KAREN NIEUWBEERTA, MARVIN GARBE, BRYCE CURTISS AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(I) GAMBLING PERMIT - FIRE RELIEF ASSOCIATION.

The Montevideo Fire Relief Association proposes to conduct lawful gambling in conjunction with the Fiesta Days celebration at the American Legion Post 59 beginning June 20 and ending June 21, 2009. The application will be filed with the State of Minnesota. A resolution is required from the governing body.

MARVIN GARBE OFFERED RESOLUTION NO. 2907, A RESOLUTION APPROVING A ONE DAY OFF-SITE GAMBLING PERMIT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2907 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, KAREN NIEUWBEERTA, BRYCE CURTISS, AL JOHNSRUD AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(J) BEER GARDEN RESTRICTIONS.

Council was provided with a copy of the city's current beer garden restrictions. The restrictions covered such item as fencing, restrooms, security, clean-up, hours of operation, etc. Police Chief Adam Christopher was present for the discussion and addressed issues the police department had encountered from past events.

Following discussion, staff was asked to incorporate council's discussion into a revised document, to be further reviewed at the May 4<sup>th</sup> council meeting.

7(K) LIGHTING PLANS - 17<sup>TH</sup> STREET (COUNTY ROAD 41)

Council held a discussion regarding lighting needs along 17<sup>th</sup> Street (formerly County Road 41). This area was annexed into the city in 2008. Staff reminded the council that some of this area is served by MN Valley (REC) and that a franchise agreement was recently drafted and sent to them for comment. Staff suggested the council table action for a month or so, pending those comments.

7(L) ESCROW AGREEMENT WITH RICE LAKE CONSTRUCTION GROUP.

In a previous agenda item, the bid for the WWTP modifications was awarded to Rice Lake Construction. The contractor has provided the city with an escrow agreement for the project, which would allow them the option of depositing bonds or securities with the First National Bank of Deerwood to be held in lieu of cash retainage. The agreement was reviewed by the city attorney and by SEH for compliance with federal government restrictions that might prohibit using this type of arrangement. Both had given their verbal approval.

It was moved by Johnsrud, seconded by Garbe and unanimously passed to approve the escrow agreement, as presented.

8. Ordinances.

- None.

9. Discussion and Miscellaneous.

- ▶ Council member Johnsrud urged the public to attend the Isaac Johnson Benefit, scheduled for Sunday, April 26<sup>th</sup>, 11:00 A.M. - 3:00 P.M. at the TACC.
- ▶ Council member Garbe asked that staff review the property at 901 North 6<sup>th</sup> Street for nuisance items. Council was informed that a letter had just recently been sent to that property owner. Council was also informed that the city's annual community inspection is scheduled for Tuesday, May 12<sup>th</sup>. At that time, staff will identify problem areas within the community, i.e., trash, abandoned vehicles, etc.
- ▶ Council member Garbe stated that casket flags and/or donations can be given to Dennis Anderson at the Veterans Service Office in the court house building.
- ▶ Council and the community were reminded to keep the National Guard troops and their families in their thoughts and prayers.

Meeting adjourned at 8:28 P.M.

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Glennis A. Lauritsen, Secretary

Approved by council May 4, 2009:

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Sandra Hodge, President