

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
April 21, 2008

The city council met in regular session Monday, April 21, 2008 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, Mike Diggins, Marvin Garbe, Bryce Curtiss and Karen Nieuwbeerta. Absent: None. Mayor Curtiss present.

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

City staff present: Utilities Superintendent Byron L. Hayunga, Public Works Director Greg Schwaegerl and Finance Director Jan Flaherty.

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

Item Action

ADDS:

7(O) CONSIDER ENTERING INTO LEASE AGREEMENT WITH JERRY TILDEN/CONNECTED COMMUNITY PARTNERSHIP FOR TWO LOTS IN SMITH ADDITION TO PROVIDE A COMMUNITY GARDEN PLOT.

7(P) CONSIDER APPROVING LETTER OF UNDERSTANDING WITH THE CITY OF TRACY REGARDING THE PLEDGE OF AIRPORT ENTITLEMENT FUNDS.

MODIFY:

9(A) ONGOING DISCUSSION - REED BED LAND ACQUISITION.

Additional materials provided, including 30% Design Construction Cost Estimate; Spreadsheet of Construction Cost Modifications from Facility Plan; Memo from SEH discussing Funding Alternatives; and, Liquid Sludge Storage Alternative information.

It was moved by Nieuwebeerta, seconded by Diggins and unanimously passed to approve the minutes of the regular city council meeting of April 7, 2008, as presented.

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

4(A) PRESENTATION OF EMPLOYEE SERVICE AWARDS.

The following employees were recognized with a Certificate of Appreciation presented by Mayor Curtiss:

Jeff Eickhoff, Police Department employee for 10 years (1/26/1998)
Brad Weckwerth, Public Works Department employee for 15 years (3/22/1993)
Diane Ostlie, Senior Center Coordinator for 25 years (1/3/1983)
Lon Redel, Parks Department employee for 30 years (4/1/1978)
Greg Schwaegerl, Public Works Department employee for 30 years (1/11/1978)

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

- 5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING APRIL 18, 2008 IN THE AMOUNT OF \$173,855.30.
- 5(B) CONSIDER APPLICATION FROM CHIPPEWA COUNTY FAIR ASSOCIATION FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS FOR RAFFLE ACTIVITY DURING THE FAIR, AUGUST 11-13, 2008.
- 5(C) CONSIDER APPLICATION FROM THE SENIOR CITIZENS OF THE MONTEVIDEO AREA, INC. TO CONDUCT EXCLUDED BINGO.
- 5(D) CONSIDER APPLICATION FROM THE CHURCH OF ST. JOSEPH FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS FOR BINGO & RAFFLE ACTIVITY ON SEPTEMBER 21, 2008.

6. Public Hearings.

None.

7. General Business.

7(A) RESOLUTION HONORING JOHN NUERNBERG.

John Nuernberg retired from the Montevideo Police Department effective April 20, 2008 following 30+ years of service. A resolution recognizing his years of service was prepared for consideration.

KAREN NIEUWBEERTA OFFERED RESOLUTION NO. 2827, A RESOLUTION OF APPRECIATION TO RETIRED EMPLOYEE JOHN NUERNBERG, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2827 WAS SECONDED BY MIKE DIGGINS. THOSE VOTING IN FAVOR OF MOTION: KAREN NIEUWBEERTA, MIKE DIGGINS, BRYCE CURTISS, MARVIN GARBE AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

It was noted that a copy of the resolution will be provided to Nuernberg.

7(B) SITE PLAN REVIEW - CHIPPEWA COUNTY PARKING AREA.

On April 14, 2008, the Montevideo Planning Commission reviewed a site plan submitted by Chippewa County for revised, expanded and new parking areas at the Chippewa County Court House building site at 629 North 11th Street. Following review, the commission recommended approval, subject to the following conditions:

1. Along 11th Street, five (5) handicap spaces are required - only four (4) are shown. All spaces must be signed and marked. Each area with a handicap parking area needs a curb cut (both along 11th Street and in the lot to the south.)
2. The county should consider adding posts between the parking lot and the communications tower to protect it from damage by vehicles.
3. The city agrees to allow the island to be placed on 11th Street.
4. A living fence should be placed between the south lot and the residences to the south. Staff suggests that the county discuss this with the adjacent property owners prior to installation. If the owners prefer the space to remain open, this should be allowed.

5. The city engineer must approve a drainage plan for the south lot in consultation with the county engineer. Staff has some concerns about the possibility of excess drainage going to the west and this needs to be reviewed.

County representatives were present to address questions/concerns raised by the council. Representatives included: Highway Engineer Steve Kubista, Kevin Enevoldsen, Chippewa County Engineering Technician, and Jim Dahlvang, Chippewa County Commissioner.

City Engineer Berryman stated he had discussed the drainage issue with the county and a drainage plan has been established. Berryman distributed an updated drawing for review by the council. In regards to the frontage road and handicap parking area, Berryman noted that the layout/design is that of the state's, not the city's.

Following discussion, it was moved by Garbe, seconded by Curtiss and unanimously passed to approve the site plan, with conditions 1, 3, 4 and 5 listed above.

7(C) PURCHASE OF MOWERS FOR PARK DEPARTMENT.

Public Works Director Schwaegerl was present to discuss quotes received for the purchase of mowers for the parks department. Specifications were sent to four local vendors, with two responding. Only one vendor was willing to take the old mowers in on trade; the other vendor was willing to sell the old mowers on consignment. Staff recommended the purchase of three (3) 2801Z turn mowers and one (1) 700 tractor mower with a 60" 7-iron deck from Kibble Equipment, at a total purchase price of \$6,605.13.

It was moved by Diggins, seconded by Curtiss and unanimously passed to authorize the mower purchases, as recommended by staff.

7(D) PURCHASE OF HELMETS & BOOTS FOR FIRE DEPARTMENT.

The fire department was a recent recipient of a FEMA Grant for fire equipment. At a previous meeting, the council approved the purchase of other equipment. Quotes have now been received for helmets and leather boots, and the department recommends approving a \$4,710.00 quote from Heiman Fire Equipment for the helmets and the \$6,750.00 quote from Alex Air Apparatus, Inc. for the leather boots.

It was moved by Garbe, seconded by Diggins and unanimously passed to approve the helmets and boots purchase, as recommended by staff.

7(E) REVIEW OF 2008 STREET IMPROVEMENT PROJECT BIDS.

Bids were received for the 2008 Street Improvement Projects on Thursday, April 17, 2008, at 2:00 P.M. Seven (7) bids were received, with the low bid in the amount of \$547,458.00. The engineer's estimate for the project was \$650,000. Council was not asked to accept the bids at this time; however, they were asked to determine whether they are comfortable enough with the bid to go forward with ordering the public hearing to assess the project. The hearing would be held at a later date.

It was the consensus of the council to move forward with the 2008 Street Improvement Projects.

7(F) 2008 IMPROVEMENT PROJECTS.

In the previous agenda item, the council agreed to go forward with the 2008 Street Improvement Projects. The next step would be to consider a resolution stating the proposed cost of the project and how much, overall, will be assessed to property owners and at what interest rate. Total cost of the improvements has been determined to be \$656,949.60, of which \$276,655.94 will be assessed against benefitted property owners at an interest rate not to exceed 6%. A resolution has been prepared to that effect.

KAREN NIEUWBEERTA OFFERED RESOLUTION NO. 2828, A RESOLUTION DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2828 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: KAREN NIEUWBEERTA, BRYCE CURTISS, MIKE DIGGINS, MARVIN GARBE AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(G) 2008 IMPROVEMENT PROJECTS - FINAL PUBLIC HEARING.

In the previous agenda item, the council passed a resolution declaring the costs to be assessed for the 2008 projects. The next step would be to call for a public hearing to review these costs with benefitted property owners. A resolution has been prepared

stating that individual notices would now be sent to property owners notifying them of the hearing date (May 19, 2008) and their proposed assessment.

MIKE DIGGINS OFFERED RESOLUTION NO. 2829, A RESOLUTION CALLING FOR FINAL PUBLIC HEARING ON PROPOSED ASSESSMENT FOR THE 2008 IMPROVEMENT PROJECTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2829 WAS SECONDED BY MARVIN GARBE. THOSE VOTING IN FAVOR OF MOTION: MIKE DIGGINS, MARVIN GARBE, KAREN NIEUWBEERTA, BRYCE CURTISS AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(H) BID AWARD - 2008 UTILITY IMPROVEMENT PROJECTS.

Bids were received for the 2008 Utility Improvement Projects on Wednesday, April 16, 2008, at 2:00 P.M. Thirteen bids were received, with the low bid in the amount of \$419,753.50 submitted by Gaub, Inc., Lake Lillian, MN. The engineer's estimate for the project was \$640,000-\$650,000.

It was moved by Diggins, seconded by Curtiss and unanimously passed to award the bid for the 2008 Utility Improvements to Gaub, Inc. in the amount of \$419,753.50.

7(I) BUY-IN FEES FOR WATER/SEWER HOOK-UPS ALONG COUNTY ROAD 41.

In lieu of an assessment, the council has previously discussed establishing buy-in fees for the newly annexed County Road 41 area, now North 17th Street and Wolfe Avenue addresses, as those properties hook up to municipal water and/or municipal sewer.

Staff has recommended a buy-in fee be established in the amount of \$7,500.00 total, or \$3,750.00 for water and \$3,750.00 for sewer, increasing annually at 6% interest. To encourage speedier hook-ups, staff also recommended that the city agree to finance the buy-ins as a 15-year voluntary assessment (at 6% interest annually), with the length of the term decreasing 1/15 each year until hook-up. For example, if hook-up occurs in five years, the "assessment" would then be spread over only 10 years.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to establish the buy-in fee(s) as presented, and agree to the finance terms also as presented.

7(J) BID AWARD - AIRPORT PARALLEL TAXIWAY PROJECT.

Bids were received at 1:00 P.M. on Tuesday, April 15, 2008 for the parallel taxiway at the Chippewa County-Montevideo Airport. At 3:00 P.M., they were reviewed by the Chippewa County Board of Commissioners, who took action to reject the apparent low bidder (Riley Brothers) due to the failure by them to include three required documents in the bid and to award the bid to Duininck Brothers in the amount of \$1,126,105.35.

Subsequently, at the 5:00 P.M. airport commission meeting, the commission took action to support the motion of the county board and award the bid to Duininck Brothers, due to the deficiencies in the Riley bid, as noted.

Prior to the county board meeting, city staff reviewed the situation with the city attorney. Her advice was that the deficiencies can be waived; however, there is not an obligation to do so. In relaying this information to the county board, they decided not to waive the deficiencies and recommended awarding the bid to the second highest bidder (Duininck) who had supplied all of the required documentation.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to award the bid to Duininck Brothers for the airport parallel taxiway project.

7(K) AMENDMENT TO SEH ENGINEERING SERVICES AGREEMENT.

The proposed amendment is needed to provide construction engineering, observation and close-out of the parallel taxiway project. Both the county board and airport commission recommended approval of the amendment to the agreement with SEH.

It was moved by Garbe, seconded by Diggins and unanimously passed to approve the amendment, which results in an estimated maximum cost plus fixed fee of \$107,600.00.

7(L) 2007 BUDGET AMENDMENT.

Finance Director Flaherty was present to discuss proposed amendments to the 2007 Budget, including a list of proposed items to be additionally funded. Flaherty explained that due to spending levels in the general fund departments for 2007 and a market value change in investments (\$115,000), there are revenues over expenditures in the general fund of \$270,000. After making a 1% increase (as has been the city's practice) in the general fund balance, there is \$234,000 available to be transferred to the Capital

Equipment & Facilities Fund. Also to be amended is the utility fund. A transfer of \$350,000 is proposed in order to move the funds set aside for the levee project to the Capital Equipment & Facilities Fund. The local portion of the levee project will be paid from that fund.

MARVIN GARBE OFFERED RESOLUTION NO. 2830, A RESOLUTION ADOPTING THE AMENDED BUDGET FOR THE FISCAL YEAR 2007, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2830 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, BRYCE CURTISS, MIKE DIGGINS, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(M) PREMISES PERMIT - LAC QUI PARLE LAKE ASSOCIATION.

MIKE DIGGINS OFFERED RESOLUTION NO. 2831, A RESOLUTION APPROVING A PREMISES PERMIT FOR CHARITABLE GAMBLING AT THE HUNT BAR & GRILL, 207 NORTH 1ST STREET, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 2831 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: MIKE DIGGINS, KAREN NIEUWBEERTA, MARVIN GARBE, BRYCE CURTISS AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(N) AERIAL APPLICATOR AGREEMENT WITH BRYCE ORWICK.

Bryce Orwick, dba/Northstar Aerospray, Inc., proposes to conduct aerial spraying operations from a base at the Montevideo-Chippewa County Airport. The attached agreement expresses the proposed terms and conditions for that relationship. The term of the agreement would be for the year 2008.

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

7(O) LEASE AGREEMENT FOR COMMUNITY GARDEN PLOT.

Jerry Tilden, on behalf of the Connected Community Partnership, wants to lease Lots 4 & 5, Block 8 - Smith Addition - for the purpose of providing a community garden plot.

It was moved by Garbe, seconded by Diggins and unanimously passed to approve a lease agreement with Tilden, contingent upon all of the necessary paperwork and insurance certificates submitted.

7(P) AIRPORT ENTITLEMENT TRANSFER.

A letter has been prepared which would allow the City of Tracy to transfer its \$137,000 of available FAA airport entitlement funding to the City of Montevideo. If not used, the funds would expire at the close of the fiscal year. The letter also states that the City of Tracy would have first access to any future airport entitlement funds that the City of Montevideo is unable to use.

It was moved by Garbe, seconded by Curtiss and unanimously passed to approve the proposed letter to the City of Tracy and authorize the mayor and city manager to execute it on the city's behalf.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 875 - WINE LICENSES.

An ordinance has been prepared to clarify existing language dealing with wine licenses and, specifically, the combination of a Sunday wine license with a 3.2 percent malt liquor on-sale Sunday only license. With this combination of licenses, the sale of intoxicating (strong) malt liquor is allowed without an additional license. Because the sale of liquor in Montevideo is prohibited on Sundays, such sale of intoxicating malt liquor is only allowed Monday-Saturday. Therefore, the proposed clarifying language has been added "to prohibit the sale of intoxicating malt liquors on Sunday, or at other times prohibited by city ordinances or state law."

IT WAS MOVED BY BRYCE CURTISS THAT ORDINANCE NO. 875, AN ORDINANCE AMENDING SECTION 2B OF CHAPTER 2C OF TITLE 3 OF THE MONTEVIDEO CITY CODE, DEALING WITH WINE LICENSES, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 875 WAS SECONDED BY MARVIN GARBE. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, MARVIN GARBE, MIKE DIGGINS, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 5-0.

9. Discussion and Miscellaneous.

9(A) REED BED LAND ACQUISITION .

President Hodge noted that an audience was present for this agenda item and reiterated that the public hearing for this issue had been conducted at the council's April 7th meeting. However, Hodge stated that she would allow individuals to address the council at this time.

Shelly Elkington, Montevideo, thanked the city council for hearing from concerned citizens. She stated that she owns property right above the proposed reed bed site and is opposed to the location. Ms. Elkington stated she had visited the Delano reed bed site and distributed pictures she had taken. She also indicated that she had visited with Delano residents who said that their reed bed stinks all of the time. Elkington opined that the reed bed is not aesthetically conducive to the area. She suggested that if placed in this location, a berm or other landscaping be considered to shelter the view from the residential areas on the hill.

Council President Hodge stated that at this time a berm/landscaping had not been discussed. City Manager Jones addressed the issue of location, stating that this site is the most conducive for this purpose as it is an Industrial Zone, away from the airport and would allow for access to the city's sanitary sewer lines.

Bob Peters, 1615 North 4th Street, was present to voice his concerns relative to odor and the affect the reed bed might have on Friendship Homes. Peters referred to recent newspaper articles and quoted City Manager Jones on several of his comments in regard to this matter.

Larry Via, 1645 North 5th Street, was present to state that he agrees with the previous comments. He, too, is opposed to the proposed site. His concerns also relate to the odor and also to the affect the reed beds might have to property values of the residential neighborhoods.

Weldon Watson, General Manager of Friendship Homes, spoke in opposition to the proposed site. He stated that if this site is used for this purpose, Friendship Homes would be landlocked which would restrict future expansion. He also expressed concern that the odor would permeate his product. Watson took issue with the city manager's e-mail communications to the MIDC and informed the council that he will be involved in a

conference call with his superiors to discuss the issue and future plans of Friendship Homes.

Ken Anderson, 1601 North 4th Street, was present to ask about winter activity of the reed beds. Staff explained that the reed beds are still used in the winter. Anderson also asked about possibly recycling the residue (methane gas) for other purposes.

Linda Brathen, 1645 North 4th Street, was present to inquire about the project as a whole. Brathen asked why the change is being made. Staff explained the new phosphorous limits and the mandates imposed by the state. Staff also discussed the steps taken by other wastewater treatment facilities, alternative methods for treatment, etc.

Gary Sonstegard was present to state that he owns farm land directly adjacent to the proposed site. Sonstegard asked about charging for the sludge as fertilizer.

Staff explained the timeframe involved with storage of sludge - how long it must be held prior to land application - and the possible restrictions to land application in the future. Also discussed was the reconfiguration of the existing plant to hold the sludge differently. It was noted that if additional storage capacity is built at the existing site, it restricts future expansion at that location. If a new plant is needed in the future, the cost to build new is much higher than what is now proposed. Willmar just recently relocated its wastewater treatment facility and it is costing \$88,000,000+.

At this time, audience members left the meeting.

City Manager Jones informed the council that he and Byron Hayunga had attended a 30% design day with the engineers. Jones distributed materials discussed at the meeting, which included cost estimates, construction cost modifications from the facility plan, and liquid sludge storage alternatives. The information was reviewed and discussed.

Council discussed its choices, noting that a decision needs to be made by the May 5th meeting in order for the engineers to proceed. Following the discussion, it was the consensus that the city's preference still is to work with Friendship Homes and MIDC to develop a scenario that will work for both; however, if this is not possible, the council will consider an option at the May 5th meeting which will include deleting the reed beds.

- ▶ Council member Diggins stated he has received numerous phone calls from citizens concerned with the new proposed library hours. It was noted that an article in the

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newspaper refers questions to the council. Council members conveyed their frustration over the lack of contact between the Library Board and the city council prior to this decision being made. The public was directed to contact the County Library Board with their questions inasmuch as the hours were not set by the city.

- ▶ Council member Curtiss informed the council that the hospital project is proceeding on schedule and on budget.
- ▶ Council was reminded of the Board of Review meeting scheduled for Monday, April 28, 2008, 6:30-7:00 P.M.

Meeting adjourned at 9:28 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 5, 2008:

Sandra Hodge, President