

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
October 3, 2011

The city council met in regular session Monday, October 3, 2011 in the council chambers at city hall. Acting President Garbe called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Al Johnsrud, Bryce Curtiss, Karen Nieuwbeerta and Marvin Garbe. Absent: Sandra Hodge. Mayor Debra Lee Fader present.

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

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

ACTION ITEM DESCRIPTION:

Modify: 5(A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING SEPTEMBER 30, 2011 IN THE AMOUNT OF ~~\$282,185.88~~ \$284,185.88.

Modified amount reflects an additional claim from Gilbertson, Inc. for installing flashings around the city hall building - in the amount of \$2,000.00.

Add: 5(B) CONSIDER APPLICATION FROM DAVID SCHULTZ, 521 SOUTH 11TH STREET, FOR USE OF CITY PROPERTY (SOUTH 11TH STREET) FOR A NEIGHBORHOOD BLOCK PARTY.

It was moved by Nieuwbeerta, seconded by Johnsrud and unanimously passed to approve the minutes of the regular meeting of September 19, 2011, with a correction to reflect the attendance of Mayor Fader.

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

Sue Anderson, 7031 Brenda Lane, Montevideo and Melody Norby, 5065 103rd Avenue, Milan, were present to address the council. Both are employees of Luther Haven Nursing Home - Anderson for 30 years and Norby for 29 years. Anderson informed the council that union members at Luther Haven had authorized an informational picket on Thursday, October 13th,

from 11:00 A.M. to 1: P.M. to make the community aware of their staffing and other concerns. The campaign has been titled, "We Care." Anderson invited council and community members to stop by to visit with the employees.

4(A) DELIVERY OF NEW PAGERS TO FIRE DEPARTMENT.

Chippewa County Emergency Management Director Marvin Garbe presented 32 new pagers to Montevideo Fire Chief David Roelike. The radios were made possible by funds received from a regional fire grant. If purchased outright, the cost to the city would have been \$16,000.

5. Consent Agenda.

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

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING SEPTEMBER 30, 2011 IN THE (MODIFIED) AMOUNT OF \$284,185.88.

5(B) APPLICATION FOR USE OF CITY PROPERTY (SOUTH 11TH STREET) SUBMITTED BY DAVID SCHULTZ FOR A NEIGHBORHOOD BLOCK PARTY ON SUNDAY, OCTOBER 9, 2011.

6. Public Hearings.

6(A) EASEMENT VACATION - LOT ONE, BLOCK 1 - OST ADDITION.

Acting Chair Garbe called a public hearing to order at 7:10 P.M. for the purpose of receiving public input on the proposed vacation of a city utility and access easement located on Lot 1, Block 1 - Ost Addition.

Community Development Director Nick Haggemiller was present to explain that in order to accommodate two proposed developments on Lot 1, Block 1 of Ost Addition, staff had agreed to split the lot. Currently, a 30' utility and access easement exists running north and south of the far east end of the lot. In order to meet minimum space needs for the two proposals, this easement must be reduced, from 30' to 10'. Haggemiller noted that the public hearing was advertised in the local newspaper and neighboring property owners were notified by mail.

There were no interested persons present to speak to this issue; therefore, Acting President Garbe closed the public hearing at 7:12 P.M. The entire public hearing was recorded on video tape and will be kept in accordance with the adopted Records Retention Schedule.

AL JOHNSRUD OFFERED RESOLUTION NO. 3058, A RESOLUTION VACATING EASEMENT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3058 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: AL JOHNSRUD, BRYCE CURTISS, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7. General Business.

7(A) PURCHASE OF VIDEO INSPECTION SYSTEM.

Utilities Superintendent Byron Hayunga was present to inform the council that the utility and public works departments had reviewed video inspection equipment, to be used for televising and videoing sanitary and storm sewer systems. Reports would be generated from the filming and records kept. Hayunga added that due to the need for this type of equipment in the area, the city may be able to rent it out to other communities to help reimburse some of the city's costs. Staff recommended the purchase of an Aries "Minnesota Special" Saturn III Video Inspection System (off the state bid contract) from Flexible Pipe Tool Company in the amount of \$61,151.74, including tax.

It was moved by Johnsrud, seconded by Nieuwbeerta and unanimously passed to authorize the purchase, as presented, to be paid from the utility capital improvement funds.

7(B) SITE PLAN - HERFURTH MINI STORAGE UNITS IN B2 ZONE.

Community Development Director Haggemiller was present to discuss a mini-storage unit project proposed by Glen Herfurth. Haggemiller stated that the planning commission had reviewed a site plan for the proposed 40' x 160' single building to be constructed in a B2, Highway Commercial District. The property is a vacant lot along Benson Road, north of the Montevideo Veterinary Clinic and south of Casey's General Store. The commission unanimously recommended approval of the site plan, subject to drainage approval by the city engineer/city staff.

It was moved by Johnsrud, seconded by Curtiss and unanimously passed to approve the site plan, as submitted, subject to drainage approval by the city engineer/city staff.

7(C) NORTHDALE COMMUNITY COMPLIANCE TIMELINE.

Community Development Director Haggenmiller was present to update the council on the repair/remove/demolish order of 17 units at Northdale Community. Haggenmiller explained that the city had obtained a court order for the units in April of 2011. The order allowed the present owners until July of 2011 to bring the park into full compliance. In May, the park was sold to MHP Investment & Leasing and staff began working with them to ensure progress was being made on rental code issues, as well as handling new units being brought into the park. Notable progress was not being made on the court order; therefore, staff requested a timeline be submitted for council consideration.

A proposed timeline was submitted by MHP, which indicated a completion date of July 1, 2012. Haggenmiller stated that while this is considerably longer than expected or desired, MHP noted that each unit to be fully rehabbed takes approximately two weeks. Further, they are willing to submit monthly updates along with issuing all required building permits. Neither action had been done to date on a regular basis by anyone at Northdale Community. In addition, if the city were to carry out the order(s) and demolish the structures, it would result in considerable cost to the city; therefore, staff is willing to work with the property owners to rectify the situation. Staff recommended accepting the timeline, with no units being rented, transferred or sold until they are in compliance.

Council member Johnsrud asked what the consequences would be to MHP if the timeline is not met. Haggenmiller stated that with the active court order, the city would take steps necessary to remove/demolish the units.

It was moved by Johnsrud, seconded by Curtiss and unanimously passed to accept the provided timeline submitted by MHP, noting that no units should be rented, transferred or sold until they are in compliance, and contingent upon the council being given at least bimonthly updates on the progress.

7(D) CONTRACT ADDENDUM TWO - O'REILLY AUTOMOTIVE.

Community Development Director Haggenmiller was present to explain that the six-month inspection period for O'Reilly Auto expired on September 2 for the Lot 1, Block 1 - Ost Addition purchase contract. According to the contract, after the inspection period, O'Reilly Auto had 10 days to close on the property or forfeit earnest monies. Last

month, the council approved a 30-day extension, making the end of the inspection date October 5, 2011.

Haggenmiller noted that in order to ensure site plans are coordinated for both developments, it is necessary to approve this addendum giving O'Reilly until November 23, 2011 to close on the property. He also noted that progress had been made and, to date, preliminary site plans have been transferred between parties, with final details being worked out by staff and the two parties.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve Purchase Contract Addendum Two with O'Reilly Automotive Stores, Inc., as presented.

7(E) BUS PURCHASE FROM CHIPPEWA ENTERPRISES.

Community Development Director Haggenmiller was present to request an additional \$2,000 for the purchase of a bus from Chippewa Enterprises. At the September 19th meeting, the council had approved the purchase at \$20,000. After its board meeting, Chippewa Enterprises countered with a \$22,000 purchase price. Haggenmiller noted that the comparable bus from North Central Bus Sales was \$21,900 but had significantly higher mileage.

It was moved by Curtiss, seconded by Johnsrud and unanimously passed to approve an additional \$2,000 for the bus purchase.

7(F) SMITH ADDITION BUYOUTS.

City Manager Jones explained that over the last year, staff had been working with three (3) property owners in Smith Addition who had expressed interest in buyouts. All three are considered key buyouts for the city. They are repetitive loss properties - two located adjacent to the river and one removal would allow the city to close down an entire city block. All three are located totally or partially within Flood Zone A. The state has agreed to pay half of the total cost for their removal, or approximately \$62,500. It is staff's opinion that outside funding could be obtained for the city half of the project and, if not, two of the houses are probably still worth acquiring.

It was moved by Johnsrud, seconded by Nieuwbeerta and unanimously passed to authorize staff to proceed with acquiring purchase agreements on 512 Chippewa Street, 608 Wilkins Street and 418 Chippewa Street, contingent upon the city finding full funding for their acquisition.

7(G) BID AWARD - FARM RENTAL PROPERTY.

Bids were received on Wednesday, September 28, 2011 for the farm rental property which surrounds the Montevideo-Chippewa County Airport site. Bids were to be received for specific farms, as identified by letters A-F and Alternates 1 and 2 on maps included in the bid packets. A tabulation of bids had been prepared for council review, which indicated that four (4) individuals submitted bids, which resulted in two successful bidders. Staff recommended award of Parcels A, B, E, F and Alternate 1 to Gregg Enevoldsen (Parcel A @ \$132.51/acre; Parcels B, E & F @ \$232.51/acre; Alternate 1 @ \$202.00/acre) and the bid for Parcel D and Alternate 2 to Mark Schultz (Parcel D @ \$141.17; Alternate 2 @ \$114.01), contingent upon MIDC approval for Alternate 1 and Chippewa County Board approval for Alternate 2.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to award the bids, as recommended by staff.

7(H) SPECIAL ASSESSMENT AGREEMENT WITH BRIAN PAULSON.

An special assessment agreement had been prepared for the removal of a Dutch Elm tree on property owned by Brian Paulson at 321 North 10th Street. Cost of the removal was \$2,244.37, and the agreement would allow for the repayment of that cost over a 10-year period at 8% interest.

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

7(I) GRANT AGREEMENT - AIRPORT SNOW REMOVAL EQUIPMENT BUILDING.

BRYCE CURTISS OFFERED RESOLUTION NO. 3059, A RESOLUTION OF AUTHORIZATION TO EXECUTE MN/DOT GRANT AGREEMENT 99595 FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3059 WAS SECONDED BY AL JOHNSRUD. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, AL JOHNSRUD, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

8. Ordinances.

- None.

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9. Discussion and Miscellaneous.

- ▶ City Attorney Nelson informed the council that she had recently hosted an event for area attorneys. She stated that at the event, there were many compliments on the community.

Meeting adjourned at 7:37 P.M.

Glennis A. Lauritsen, Secretary

Approved by council October 17, 2011:

Sandra Hodge - President