

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
May 7, 2012

The city council met in regular session Monday, May 7, 2012 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: Karen Nieuwbeerta, Sandra Hodge, Marvin Garbe and Bryce Curtiss (7:34 P.M.) Absent: Al Johnsrud. 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 Nieuwbeerta, seconded by Curtiss and unanimously passed to approve the agenda, with the following modifications:

MODIFY:

Order of the agenda, to consider Item 9C immediately after Item 7C in the General Business category.

ADD:

7(M) CONSIDER \$206,845 LOAN AGREEMENT WITH THE MINNESOTA PUBLIC FACILITIES AUTHORITY (PFA) FOR THE WASTEWATER TREATMENT PLANT GARAGE PROJECT.

7(N) CONSIDER THE PURCHASE OF AN ADA COMPLIANT LIFT FOR THE OUTDOOR SWIMMING POOL.

7(O) CONSIDER AUTHORIZING EXECUTION OF TWINS FIELDS FOR KIDS 2012 GRANT AGREEMENT.

It was moved by Nieuwbeerta, seconded by Garbe and unanimously passed to approve the minutes of the regular meeting of April 16, 2012 and the Board of Equalization Meeting of April 23, 2012.

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

Council President Hodge welcomed high school students present in the audience to observe the council proceedings, inviting them to pose their questions throughout the meeting.

5. Consent Agenda.

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

- 5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING MAY 4, 2012 IN THE AMOUNT OF \$322,583.11.
- 5(B) APPLICATION FROM CHIPPEWA COUNTY FAIR ASSOCIATION FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS FOR RAFFLE ACTIVITY IN CONJUNCTION WITH THE FAIR - AUGUST 2-4, 2012.

6. Public Hearings.

- None.

7. General Business.

- 7(A) PFA AMENDMENT #1 - WWTP MODIFICATIONS PROJECT.

City Manager Jones explained that the original loan with the Public Facilities Authority (PFA) expires May 27, 2012. With the proposed amendment document, the PFA has granted an extension to August 30, 2012. Jones noted that all work (except landscaping) has been completed; however, it is helpful to have a little more time to closeout the contractor and engineers agreements.

It was moved by Garbe, seconded by Nieuwbeerta and unanimously passed to approve Amendment #1, as presented.

- 7(B) CLARIFIER DRIVE AT WWTP.

Utilities Superintendent Byron Hayunga was present to discuss repair or new unit installation of a clarifier drive at the wastewater treatment plant. Hayunga explained that one of two clarifier drives failed two weeks ago. Options are to repair this 20-year-old unit, or install a new unit. This piece of equipment is a critical part of the plant and needs to be operational as soon as possible.

Hayunga stated that the clarifier is a specialized piece of equipment and only a few different kinds of units are available. Two quotes had been received for repair and one quote for a new unit. Staff recommended the purchase of a new clarifier drive from KHC

Construction, Inc., Marshall, Minnesota, for a lump sum of \$61,462.00 (including associated electrical and pickup of the drive, allowing 6-8 weeks for delivery of drive and installation.) The Utilities Department CIP has funds available for this purchase.

It was moved by Garbe, seconded by Nieuwbeerta and unanimously passed to authorize the purchase of a new clarifier drive from KHC Construction, as indicated.

7(C) CHANGE ORDER #19 - WWTP MODIFICATIONS PROJECT.

Hayunga and Jones discussed Change Order #19 for the wastewater treatment plant modifications project. This change order extends the completion date from March 31, 2012 to May 31, 2012 and also credits the city for landscaping work that will be completed by the city at the plant. Jones explained that the city was not satisfied with the landscaping work done by the contractor. Therefore, local bids were solicited to complete the work and the low bid was for \$12,400. The contractor will credit the city that same amount as the local bid to complete the work. The city will, in turn, hire a local contractor to complete that landscaping work.

It was moved by Nieuwbeerta, seconded by Garbe and unanimously passed to approve Change Order #19, as presented.

As approved earlier, item 9(A) was pulled to be considered at this time.

9(A) POSSIBLE T.H. 29 IMPROVEMENTS.

City Manager Jones explained that several months ago, the council had reviewed a proposal from the state to rebuild T.H. 29 (Benson Road.) At that time, the city engineer also developed some estimated costs to build it to urban standards. During discussions with the state, some upgrades to their original plan were agreed to that would include better shoulders and improved driveway entrances. Any other costs, however, would be the city's to pay (and engineer.) At that time, due to possible high costs to the city, the council gave the "go ahead" to the state to proceed as planned. Since that time, staff was directed by the council to review the situation again and report back. City Engineer David Berryman discussed the memorandum he had prepared for this issue. Included with the memorandum was financial information prepared by Finance Director Jan Flaherty.

The following points were made/discussed:

- ▶ Additional cost could be as high as \$6.5 Million.

- ▶ To bond for the project, 20% of the cost would need to be assessed to the adjacent property owners. Under the state plan, no costs would be assessed, leaving the adjacent property owners responsible for that cost.
- ▶ Even if the property owners agreed to bear the cost, could the city reasonably assess (under law) such a high cost?
- ▶ As an alternative, the project could be taken to a vote of the citizens.
- ▶ The project costs were split into two segments - street (10 years) and sewer (15 years). The total debt cost the first year would be an estimated \$675,000.
- ▶ The city's current debt levy is \$572,800. To bear the cost of this additional debt, overall taxes would have to increase 48% the first year. The only method to decrease this cost, over time, would be to delay all other planned projects.

Based on this information, staff recommended not pursuing the project further and council concurred.

7(D) LEVEE PROJECT ENGINEERING.

City Manager Jones explained that during discussion with the state (and others) about how best to complete Phase 3 of the levee project, one of the items discussed was the idea of the city taking over the engineering and project management for Phase 3. The thought was that if the city completed Phase 3, perhaps cheaper bids could be obtained than if the project was done under federal rules by the Army Corps of Engineers (ACOE). Jones & City Engineer Berryman met with Short Elliot Hendrickson (SEH) representatives to review the idea, and SEH submitted a proposal for the completion of Phase 3.

Upon review, staff recommended staying with the ACOE. Jones stated that there is no proof that substantial funds could be realized by switching engineers. In addition, making that change at this point would cause its own problems, possibly in cost, and certainly in certification of the levee. It also creates a number of unknowns.

It was the consensus of the council to stay with the ACOE as engineers for Phase 3 of the levee project.

7(E) FAA TERMS & CONDITIONS - AIRPORT GRANTS.

In order to receive federal funds for the airport, various terms and conditions must be agreed upon. These terms and conditions are updated yearly. The FAA has published a new set of terms and conditions, which is presented in agreement form for consideration by the council.

It was moved by Garbe, seconded by Nieuwebeerta and unanimously passed to approve the Terms and Conditions of Accepting Airport Improvement Program Grants document, as presented.

Council member Curtiss arrived at 7:34 P.M.

7(F) PERFORMANCE MEASUREMENT PROGRAM.

The State Legislative Council on Local Results (at the direction of the state legislature) created and released a standard of 10 performance measures for cities. The state has given incentives for cities to adopt and implement these measures. In 2011, the city decided to go along with these measures - a survey was created and results were obtained and published. In order to continue in 2012, a resolution of participation must be passed by the council. City Manager Jones reminded the council that in return, the city receives approximately \$800 in additional local aid each year, and obtains some waivers from some levy requirements. These revenues are offset by staff time, publication and implementation costs.

MARVIN GARBE OFFERED RESOLUTION NO. 3107, A RESOLUTION REGARDING THE MONTEVIDEO PERFORMANCE MEASUREMENT PROGRAM, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3107 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, BRYCE CURTISS, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(G) CHIPPEWA ENTERPRISES CONTRACT AMENDMENT.

It was moved by Nieuwebeerta, seconded by Curtiss and unanimously passed to approve a contract amendment between the City of Montevideo and Chippewa Enterprises, Inc., which sets a new daily rate of \$120.00/day of transportation services offered.

7(H) DNR CONSERVATION PARTNERS LEGACY GRANT PROGRAM.

The city has received approval of a Conservation Partners Legacy Grant (CPL Grant) from the Minnesota Department of Natural Resources (DNR) for help in removal of the Chippewa River dam. This brings the total available for the dam removal and rapids construction project to \$400,000. The document has been presented to the council for its review and consideration.

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

7(I) AERIAL APPLICATOR AGREEMENT W/BRYCE ORWICK.

It was moved by Curtiss, seconded by Garbe and unanimously passed to enter into an Aerial Applicator Agreement with Bryce Orwick, dba/Northstar Aerospray, Inc. for 2012.

7(J) WINE TASTING LICENSE - CURE.

Clean-up the River Environment (CURE) has submitted an application to the city for a temporary on-sale liquor license in conjunction with a wine tasting event May 24, 2012 at the Hollywood Theater. If approved by the city, the application would then be submitted to the state for its approval.

It was noted that all activities will be taking place indoors; therefore, no special conditions need to be considered. The applicant indicated that the organization does not plan to provide liquor liability insurance; however, staff contacted the state to inquire whether this is a requirement and was advised that it is not. In addition, the application has not been submitted within the 30-day time period noted; however, staff discussed this issue with the state as well, and they have agreed to review the application immediately so the event can take place as scheduled.

It was moved by Curtiss, seconded by Nieuwebeerta and unanimously passed to approve the application, as submitted, contingent upon approval by the state.

7(K) VFW TEMPORARY ON-SALE ACCESSORY USE.

The V.F.W. Club has requested a temporary permit for special events accessory use; outdoor areas to allow liquor to be served at an outdoor event on Friday, July 6, 2012, in conjunction with a Tribute Motorcycle Ride. The application indicates that all liquor and

beer sales would take place inside, but could be taken to the outdoor fenced-in area for consumption.

The main area proposed to be used is the VFW property to the south side of the building, the deck and grassy area (all owned by the VFW/no city property to be used). Music will be provided from 8:00 P.M. until 12:00 Midnight.

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

7(L) FIRE HALL/PUBLIC WORKS GARAGE FACILITY FEASIBILITY STUDY.

The council had previously discussed the use of the former Runnings building along Highway 7 for a combination fire hall/public works garage facility. To move beyond the preliminary staff review, a more formal study would need to be done. City staff sought a proposal from Negen Associates (the primary architect on this study had taken part in the city's previous fire hall study and was, therefore, very familiar with the city's needs.) If the entire study were conducted, the cost would be \$13,300, plus some incidentals and testing costs.

After discussion, it was the consensus of the council that the facility is inadequate for this purpose and that no further consideration will be given to such use.

7(M) PFA LOAN AGREEMENT - WWTP GARAGE PROJECT.

A loan agreement has been received from the Minnesota Public Facilities Authority (PFA) for a Clean Water Revolving Loan in the amount of \$206,845 to fund the wastewater treatment plant garage project. The agreement spells out the terms of the loan necessary with the PFA to fund the project.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to authorize the mayor and city manager to execute the agreement, as presented.

7(N) LIFT FOR OUTDOOR POOL.

Public Works Director Greg Schwaegerl was present to explain that in order to be ADA compliant at the outdoor pool, another accessible entry is necessary. Quotes were received from three vendors. Upon review, it is staff's recommendation to purchase an R-375 rotation lift from Commercial Pool & Spa Supplies in the amount of \$3,094.43, plus shipping. City staff would perform the install. Funds for the purchase would come

from the Capital Equipment Fund. This lift would ensure compliance with the new pool regulations.

It was moved by Garbe, seconded by Curtiss and unanimously passed to authorize the purchase of the lift, as presented.

7(O) TWINS FIELDS FOR KIDS 2012 GRANT AGREEMENT.

A Twins Fields for Kids 2012 Grant Agreement has been submitted to the city for formal execution. This is a \$10,000 grant for improvements to the Windom ballfield and Senior High Varsity ballfield. The agreement indicates that the project will commence late August 2012 and be completed by the end of September 2012.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to authorize the mayor and city manager to execute the agreement.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 917 - EMERALD ASH BORER.

Public Works Director Schwaegerl was present to discuss proposed modifications to the city's Dutch Elm Disease Ordinance to encompass the issue of Emerald Ash Borer. Updating the city's existing tree ordinance is a proactive approach to the threat. The council had introduced Ordinance No. 917 at its April 16, 2012 meeting.

IT WAS MOVED BY BRYCE CURTISS THAT ORDINANCE NO. 917, AN ORDINANCE AMENDING CHAPTER 3 OF TITLE 4 OF THE MONTEVIDEO CITY CODE ENTITLED, "DUTCH ELM DISEASE," BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 917 WAS SECONDED BY MARVIN GARBE. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, MARVIN GARBE, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 4-0.

8(B) MUNICIPAL PARKING LOT ORDINANCE.

Schwaegerl and Jones explained that for some time, the city has had issues with commercial businesses using the city-owned parking lots for storage of equipment or vehicles. This has primarily occurred in the downtown parking lots. Despite efforts to work this out, the problem continues. In addition, there are problems during snow clean-up when vehicles are not moved for a long period of time.

The proposed ordinance would prohibit the overnight use of the lots by commercial vehicles or equipment, set a standard for snow removal purposes, and allow a means to remove personal vehicles if they appear to be abandoned.

Staff noted that if the ordinance is introduced, a copy would be sent to all adjacent downtown and Southtown Plaza businesses so they can have the opportunity to bring their thoughts or concerns to the city before the ordinance is adopted.

MARVIN GARBE INTRODUCED ORDINANCE NO. 918, AN ORDINANCE REGULATING MUNICIPAL PARKING LOTS.

9. Discussion and Miscellaneous.

9(A) T.H. 29 IMPROVEMENTS (PREVIOUSLY DISCUSSED).

9(B) FUTURE OF TRANSIT SYSTEM.

Staff explained that Mn/DOT (transit) had contacted the city regarding the transit system and the city's ability to continue running its own system, in light of the recent resignation of Community Development Director Nick Haggenmiller. Mn/DOT has indicated its desire to regionalize or consolidate systems.

Schwaegerl and Jones met with representatives of Mn/DOT Transit on Friday, the 4th, to discuss the pros and cons of this issue, noting that if council is interested in making a change, this would be a good time to do it.

Following discussion, it was the consensus of the council that staff should meet with Prairie 5 and Mn/DOT to discuss the matter further.

9(C) SHARED SERVICES W/LOCAL GOVERNMENTS & NON-PROFITS.

Several months ago, staff was given direction to compile a list of existing shared services between local units of government. A memo listing these services was drafted and presented to the council for its review.

No action taken.

- ▶ Council member Curtiss asked about specific language on no parking signs to be placed along William Avenue. Public Works Director Schwaegerl indicated that the police chief would be working with Superintendent of Schools Luther Heller on the issue. It was his

understanding, however, that the language would be similar to that of the sign(s) along William, between 13th & 17th Streets (no parking school days - 7:30 A.M. to 4:30 P.M.)

- ▶ Council member Garbe thanked the mayor for her work on the flower baskets. The mayor subsequently thanked the public for their participation.
- ▶ City Manager Jones announced that Nick Haggemiller, Community Development Director, had resigned effective June 1, 2012. Over the next few months, Jones will take on those additional duties until such time as a replacement is hired (2-3 months).
- ▶ City Manager Jones stated that a couple of bid openings are upcoming - one for an airport project and the other for the Chippewa River dam removal.

Meeting adjourned at 8:45 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 21, 2012:

Sandra Hodge - President