

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
May 21, 2012

The city council met in regular session Monday, May 21, 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, Al Johnsrud and Bryce Curtiss (7:11 P.M.) Absent: None. 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 Garbe and unanimously passed to approve the agenda, with the following modifications:

ADD:

7(K) CONSIDER REQUEST TO SPONSOR DELEGATES TO LATINO CAUCUS ROUNDTABLE DISCUSSION.

7(L) CONSIDER ASSESSMENT AGREEMENT AND A RESOLUTION AUTHORIZING EASEMENT & TEMPORARY CONSTRUCTION AGREEMENTS WITH THE TWIN CITIES & WESTERN RAILROAD FOR PHASE 2 LEVEE CONSTRUCTION.

It was moved by Garbe, seconded by Johnsrud and unanimously passed to approve the minutes of the regular meeting of May 7, 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.

4(A) EMPLOYEE SERVICE AWARD.

Mayor Fader presented an employee service award certificate to Doug Doty, Utilities Department employee, for 15 years of service to the City of Montevideo. Doug was hired May 12, 1997.

5. Consent Agenda.

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

- 5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING MAY 18, 2012 IN THE AMOUNT OF \$156,138.12.

6. Public Hearings.

- 6(A) FINAL PUBLIC HEARING - 2012 STREET IMPROVEMENTS.

President Hodge called a public hearing to order at 7:04 P.M. to consider the 2012 Street & Utility Improvement Projects and to consider the final assessments proposed. The entire public hearing was recorded on video tape and will be kept in accordance with the Minnesota State Retention Schedule.

City Engineer Berryman reviewed information contained in the handout prepared for the hearing. The handout provided final front foot assessments for the projects, in accordance with the city's adopted assessment policy. Each project was reviewed, as follows:

Project 1 - 6th Street, from T.H. 7 to Ost Avenue

30' street width, street reconstruction, replace curb & gutter - \$38.28/LF (preliminary hearing estimate was \$44.50/LF.)

Mike Koenen, 1110 North 6th Street, was present to ask about the curb and gutter portion of the improvements. Berryman explained the proposed improvements.

Project 2 - Orchard Circle

36' street width, street reconstruction, new curb & gutter - assessed by square foot due to irregular sized lots - \$0.32/SF (preliminary hearing estimate was \$0.365/SF.)

There were no persons present to be heard on Project 2. (See page 6 for appearance by Gene Schoep, 119 Orchard Circle.)

Project 3 - Orchard Circle/Lincoln Avenue Drainage

Storm sewer replacement on Lincoln Avenue from north of Orchard Circle to 12th Street. Berryman noted that storm sewer replacement costs (\$122,076) would be spread throughout the entire storm sewer improvement district.

There were no persons present to be heard on Project 3.

Council member Curtiss arrived at 7:11 P.M.

Project 4 - Linda Lane

36' street width, street reconstruction, new curb & gutter - \$43.37/LF (preliminary hearing estimate was \$50.00/LF.)

There were no persons present to be heard on Project 4.

Project 5 - Town Road, from County Road 15 approximately 2600 feet north

24' width, mill and overlay south end, flood repairs north end - assess entire project as overlay - \$5.05/LF (preliminary hearing estimate was \$6.00.)

There were no persons present to be heard on Project 5.

There were no other interested persons present to speak to this issue; therefore, Council President Hodge closed the public hearing at 7:13 P.M.

MARVIN GARBE OFFERED RESOLUTION NO. 3108, A RESOLUTION ADOPTING ASSESSMENT, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3108 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: KAREN NIEUWBEERTA, MARVIN GARBE, AL JOHNSRUD, BRYCE CURTISS AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7. General Business.

7(A) 2012 STREET IMPROVEMENT PROJECT BIDS.

The following bids were received at 2:00 P.M. on Thursday, April 12, 2012 for the proposed 2012 improvement projects:

Bidder	Base Bid	Alternate (Proj. 3)	Total
Duininck, Inc. Prinsburg, MN	\$729,539.58	\$101,730.10	\$ 831,269.68
Riley Brothers Morris, MN	\$741,165.75	\$102,008.20	\$ 843,173.95
Bituminous Paving Ortonville, MN	\$795,891.20	\$144,125.00	\$ 940,016.20
Central Specialties Alexandria, MN	\$812,506.80	\$113,087.50	\$ 925,594.30
Ronglien & Sons Big Stone City, SD	\$832,151.60	\$126,337.50	\$ 958,489.10
Chad Monson Willmar, MN	\$884,149.35	\$119,757.75	\$1,003,907.10

It was moved by Johnsrud, seconded by Curtiss and unanimously passed to award the bid to the apparent low bidder, Duininck, Inc.

7(B) SALE OF 2012 G.O. BONDS.

In order to provide funding to pay for the construction of the 2012 improvements, the city needs to sell bonds. A resolution has been prepared which calls for the sale of bonds on June 18, 2012 and authorizes city staff to work with Ehler's & Associates to facilitate that sale.

BRYCE CURTISS OFFERED RESOLUTION NO. 3109, A RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY \$950,000 GENERAL OBLIGATION BONDS, SERIES 2012A, AND MOVED ITS ADOPTION. MOTION

FOR ADOPTION OF RESOLUTION NO. 3109 WAS SECONDED BY AL JOHNSRUD. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, AL JOHNSRUD, MARVIN GARBE, KAREN NIEUWBEERTA AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(C) SEALCOATING QUOTES.

Greg Schwaegerl, Public Works Director, was present to discuss quotes obtained for sealcoating select city streets and a quote received for a new product which uses a soy based oil. Streets to be sealcoated would include Black Oak Avenue (2nd Street to 8th Street), Sherman Avenue (3rd Street to 11th Street), Parkway Drive (1st Street to Sherman Avenue) and possibly the Windom Park basketball court.

After review, staff recommended the soy oil based product (called Replay). The product has been used in a few communities and (so far) they are happy with the results. The soy oil "penetrates" 1/2 to 3/4 inch or more rather than coats the street; it is suppose to reverse the oxidation process and will seal small cracks. It is also cleaner to apply and use (no dust or aggregate to clean up.)

Two quotes for regular sealcoating were received - Bituminous Paving @ \$37,560.00 and Midstates (Bergen) for \$42,537.50. One quote was received from Bergen for the Replay product @ \$33,584.25, plus \$2,800 for the basketball court, for a total of \$36,384.25.

It was moved by Garbe, seconded by Nieuwbeerta and unanimously passed to accept staff's recommendation to accept the quote from Bergen for the Replay product, in the total amount of \$36,384.25.

7(D) NATIONAL GUARD USE OF CITY 40.

The local unit of the Minnesota Army National Guard has an existing agreement with the city to use the "North 40" as a training site. This one-year agreement has expired, and they would like a new two-year agreement.

It was moved by Nieuwbeerta, seconded by Johnsrud and unanimously passed to enter into a two-year agreement for use of the "North 40" for training purposes, as requested.

7(E) WATSON FIRE PROTECTION SERVICES.

Joe Rongstad, Mayor of Watson and Mike Huntley, Watson City Council Member, were present to request that the city provide fire services to their community. They explained

that as of June 15th, Watson will be without fire protection services, currently being provided by the City of Milan. Milan had granted them a 3-month agreement but is not interested in extending that agreement, and Watson would prefer coverage by a community closer in proximity.

Staff recommended that if the council is interested, the same general terms and conditions used for the township fire agreements would be used. If Watson wanted services above those offered to townships, then those costs would have to be negotiated. Staff further recommended that a small group consisting of the fire chief, city manager and finance director meet with Watson representatives and negotiate terms/conditions to be brought back to the council for its review and consideration at a later meeting.

Council members Nieuwbeerta and Garbe expressed an interest in taking part in the negotiations.

It was moved by Garbe, seconded by Curtiss and unanimously passed to direct staff to proceed with negotiations with the City of Watson for fire protection services.

7(F) FIESTA DAYS BEER GARDENS - INN LIKE FLINN.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to approve a temporary 3.2% malt liquor on-sale license to Inn Like Flinn to allow a Fiesta Days beer garden June 14-17, 2012. Approval is contingent upon the receipt of a certificate of insurance covering all areas to be used for the event, noting that all activities will take place on private property.

At this time, President Hodge recognized Gene & Tammy Schoep, asking if they were present to address the council on the proposed Orchard Circle street improvement project. They answered yes; therefore, they were given an opportunity to speak.

The Schoeps questioned the process/fairness in using a per square foot method of assessment for the Orchard Circle project vs. the typical per lineal foot method, which was used for the other projects. City Manager Jones explained that at its public hearing held March 5, 2012, the city council determined this method to be the most fair method of calculation for the odd-shaped/sized lots in a cul-de-sac. In this case, the total lot size is considered, not just front footage. Jones noted that he had explained this to Mr. Schoep during a previous phone conversation. He also noted that the Schoeps were given notice of the original public hearing where the method was discussed/determined.

The Schoeps had no additional questions and left the meeting.

7(G) ASSESSMENT AGREEMENT WITH CHIPPEWA COUNTY.

An agreement for assessment services for the period June 1, 2012 through May 31, 2014 has been prepared and verbally approved by Chippewa County, for a total agreed fee of \$49,966 for the 2013 assessment and \$51,274 for the 2014 assessment.

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

7(H) MCDC LOAN TO CMW RETAIL PROPERTIES.

CMW Retail Properties have completed an application for a \$20,000 loan for various rehabilitation projects in and outside of the properties at 115, 117 and 121 North First Street. The loan would be part of approximately \$40,000+ in improvements on these properties. This includes "Mind Your Business," "Mind Your Fitness," and other associated office space.

The Montevideo Community Development Corporation (MCDC) recommends approval of the loan, at 4% interest for five (5) years, from Fund #205. Collateral will be personal guaranties.

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

7(I) \$400.00 GIFT FROM KNIGHTS OF COLUMBUS.

The Knights of Columbus wishes to donate \$400.00 from its gambling funds to be used for expenses associated with the downtown hanging flower baskets.

AL JOHNSRUD OFFERED RESOLUTION NO. 3110, A RESOLUTION ACCEPTING GIFTS/GRANTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3110 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: AL JOHNSRUD, BRYCE CURTISS, KAREN NIEUWBEERTA, MARVIN GARBE AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(J) LOCAL PUBLIC AUTHORITY (CITY HRA) APPOINTMENT.

Mayor Fader has recommended a reappointment of Edith Hendrickson to the LPA Board, term expiring June 4, 2017.

It was moved by Johnsrud, seconded by Curtiss and unanimously passed to ratify the mayoral appointment of Edith Hendrickson to the City's Housing & Redevelopment Authority Board, term expiring June 4, 2017.

7(K) LATINO CAUCUS ROUNDTABLE.

A representative of the MN Latino Caucus has been in Montevideo several times over the last month to encourage the city to sponsor delegates to a "Roundtable Discussion" June 6-7 in St. Paul. They would like 10 delegates from the community to attend. The MN Latino Caucus' aim is to work with individual communities to help coordinate "Latino" engagement in those communities, while working with both Latinos and others. Cost is \$175.00/delegate, plus possible additional travel expenses.

Claudia Mijares was present to express her interest and excitement in being one of the 10 delegates from Montevideo. Several other community members have shown interest, as has Mayor Fader. Council member Johnsrud had also been mentioned as a possible representative.

It was moved by Garbe, seconded by Nieuwbeerta and unanimously passed to approve funding up to 10 delegates, at \$175.00 each, plus possible additional travel expense, but direct staff to request assistance from the EDA as well.

7(L) AGREEMENTS WITH TC & W RAILROAD FOR LEVEE CONSTRUCTION.

Three (3) agreements with the TC & W Railroad have been presented to the city in conjunction with Phase 2 of the levee construction project:

1. **Assessment Agreement.** This agreement states that the city will not assess the railroad without their permission. The city agreed to this, but only if the railroad removed any easement and/or license fees from the other two agreements.
2. **Easement Agreement.** This agreement would allow the city to construct/own the levee on their property at no cost.
3. **Temporary Construction License Agreement.** This agreement grants the city a license to work on railroad property at no cost.

MARVIN GARBE OFFERED RESOLUTION NO. 3111, A RESOLUTION EASEMENT AGREEMENT AND TEMPORARY CONSTRUCTION LICENSE AGREEMENT WITH TWIN CITIES & WESTERN RAILROAD COMPANY (TC&W)

FOR FLOOD LEVEE CONSTRUCTION, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3111 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, BRYCE CURTISS, KAREN NIEUWBEERTA, AL JOHNSRUD AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve an Assessment Agreement with Twin Cities & Western Railroad Company (TC&W), as presented.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 918 - 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.

Jeremy Walls, 1015 North 6th Street, was present to address the council on this issue. Walls stated he owns a masonry business and rents buildings in the downtown at 301 and 314 North First Street for that business activity. He utilizes the city parking lot for his equipment because he has nowhere else to park it, although he then stated he had purchased four (4) acres of property in Smith Addition; however, mud is an issue.

City Manager Jones stated that Walls has been the main violator of the parking issue and encouraged Walls to develop his property in Smith Addition so it is usable for this purpose.

Mayor Fader asked Walls whether he had considered renting space for vehicle storage. Walls stated no.

Council president Hodge asked whether the acreage in Smith Addition would be affected during times of flood and if Walls could utilize the municipal parking lot during those times. Jones stated that the ordinance does not allow overnight use without the

permission of the city manager; therefore, he would look at those issues on a case-by-case basis.

IT WAS MOVED BY MARVIN GARBE THAT ORDINANCE NO. 918, AN ORDINANCE REGULATING MUNICIPAL PARKING LOTS, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 918 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: MARVIN GARBE, BRYCE CURTISS, KAREN NIEUWBEERTA, AL JOHNSRUD AND SANDRA HODGE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 5-0.

9. Discussion and Miscellaneous.

- ▶ Council member Johnsrud encouraged the public's attendance at the upcoming Memorial Day Program Monday, May 28th, beginning at 11:00 A.M.
- ▶ Council member Garbe asked about water running across the service road in the area of Thrifty White/KleinBank, noting concern over bituminous deterioration if this continues. City Manager Jones will check into the matter and report back to council.

Meeting adjourned at 8:17 P.M.

Glenn A. Lauritsen, Secretary

Approved by council June 4, 2012:

Sandra Hodge - President