

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
September 2, 2014

The city council met in regular session Tuesday, September 2, 2014 in the council chambers at city hall. President Garbe called the meeting to order at 7:00 P.M. with the Pledge of Allegiance.

Council members present: Marvin Garbe, Bryce Curtiss, Todd Hay, Nathan Schmidt and Karen Nieuwbeerta. Absent: None. Mayor Debra Lee Fader present.

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

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

MODIFY: 5(A) **CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING AUGUST 29, 2014 IN THE AMOUNT OF ~~\$626,843.23~~ \$728,674.26.**

Revised amount reflects the following additional claims:

2014 CIP IMPROVEMENTS

Cities Edge Architects - Fire Station 5,464.00

CARNEGIE HALL

Hay Dobbs - Professional services/Library Assmt. Grant 3,475.00

MISCELLANEOUS

SW/WC Service Co-Op - BC/BS October premium 56,098.00

Xcel Energy - Electricity 14,162.45

UTILITY

Mitlyng Electric & Refrigeration 22,631.58

ADD: 7(O) **CONSIDER APPROVAL OF AN ART LEGACY PROJECT PLANNING GRANT AWARD CONTRACT WITH THE SW MN ARTS COUNCIL.**

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve the minutes of the regular meeting of August 18, 2014, as presented.

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

4(A) EMPLOYEE SERVICE AWARD.

Mayor Fader presented Richard (Shorty) Hendrickson with a 35-year employee service award. Shorty was hired August 20, 1979.

5. Consent Agenda.

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

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING AUGUST 29, 2014 IN THE (MODIFIED) AMOUNT OF \$728,674.26.

5(B) USE OF NORTH 6TH STREET, BETWEEN BLACK OAK & EUREKA AVENUES, BY THE CHURCH OF ST. JOSEPH FOR ITS FALL FESTIVAL ON SEPTEMBER 21, 2014, 7:00 A.M. TO 4:00 P.M.

6. Public Hearings.

- None.

7. General Business.

7(A) 2015 TAX LEVY.

Finance Director Jan Flaherty was present to discuss the proposed 2015 tax levy. Flaherty explained that the proposed total tax levy is \$2,084,200, a 10.22% increase over the 2014 levy of \$1,890,930. The tax levy is comprised of General & Special Operating Levies, including a General Fund Levy in the amount of \$1,176,600, Library Levy of \$90,600 and EDA Levy of \$11,200, and a Special Levy for Debt Service in the amount of \$805,800.

BRYCE CURTISS OFFERED RESOLUTION NO. 3241, A RESOLUTION ESTABLISHING THE PRELIMINARY 2015 TAX LEVY, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3241 WAS SECONDED BY KAREN NIEUWBEERTA. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, KAREN NIEUWBEERTA, TODD HAY, NATHAN SCHMIDT AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(B) EDA TAX LEVY.

NATHAN SCHMIDT OFFERED RESOLUTION NO. 3242, A RESOLUTION ESTABLISHING A 2015 TAX LEVY (BASED ON .01813% OF THE TAXABLE MARKET VALUE OF THE CITY), AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3242 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, BRYCE CURTISS, KAREN NIEUWBEERTA, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(C) PRELIMINARY 2015 BUDGET.

Finance Director Jan Flaherty highlighted revenues and expenditures for the 2015 preliminary budget. Total revenues are \$13,033,775; total expenditures are \$13,132,005. The General Fund makes up \$4,098,290 of the revenues and \$4,095,290 of the expenditures.

BRYCE CURTISS OFFERED RESOLUTION NO. 3243, A RESOLUTION ADOPTING THE PRELIMINARY BUDGET FOR THE FISCAL YEAR 2015, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3243 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, TODD HAY, NATHAN SCHMIDT, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(D) PUBLIC COMMENT MEETING/2015 BUDGET & LEVY.

It was moved by Schmidt, seconded by Curtiss and unanimously passed to set the required public comment meeting to discuss the 2015 budget and levy for 7:00 P.M. on Monday, December 1, 2014.

7(E) NUNEZ CONDITIONAL USE PERMIT.

Community Development Director Angie Steinbach was present to discuss the planning commission recommendation for approval of a conditional use permit request by Rafael Nunez, dba/Nunez Motor Sales, 630 North 6th Street. The request was to conduct auto body repair work in a paint booth. The City Code allows service stations, auto or truck repair and auto body repair in a B2 District with a conditional use permit, and a paint booth is an acceptable use under "auto body repair."

Steinbach explained that the planning commission held the required public hearing and, after discussion, unanimously recommended approval, with the following conditions:

1. Storage of car parts and equipment is not allowed outside of the building;
2. The city reserves the right to review this permit at any time and to add additional conditions to preserve and protect the character of the area and to lessen the impact of industrial/manufacturing uses on this highway frontage property; and,
3. Hours of operation are limited to 7:00 A.M. to 10:00 P.M. Monday-Saturday, with no noise producing activity to be conducted on Sunday.

City Manager Jones stated his concern over condition #3, that the city should not dictate hours of a business. He added that if noise becomes an issue, it could be addressed under condition #2.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to approve the conditional use permit, with conditions 1 & 2 only.

7(F) SITE PLAN REVIEW - NEW THRIFTY WHITE.

Community Development Director Angie Steinbach was present to discuss the planning commission recommendation for approval of a site plan submitted by Thrifty White. Proposed is a new retail sales building to be located at 724 Washington Avenue (Fiesta Car Wash site). The existing car wash will be demolished. After review of the site plan, the planning commission unanimously recommended its approval.

It was moved by Hay, seconded by Schmidt and unanimously passed to approve the site plan, as submitted, and recommended by the planning commission.

7(G) FIRE HALL CHANGE ORDER NOS. 3 & 4.

Change Orders have been submitted for the fire hall project. Change Order #3 (\$620.00) changes the type (double wall) of water heater for the building and Change Order #4 (\$1,476.00) changes the size of pumps and adds the concentration of glycol needed for the heated slabs from 30% to 40%.

It was moved by Hay, seconded by Nieuwbeerta and unanimously passed to approve the change orders, as submitted.

7(H) POOL FILTER SYSTEM REPLACEMENT.

Public Works Director Greg Schwaegerl was on hand to explain that the main filter system at the outdoor pool is showing signs of failure and needs to be replaced. USAquatics has been contacted and recommended a three-phase improvement plan at the pool, with filter replacement being Phase One.

It is staff's recommendation to proceed with Phase One only at this time, at a cost of \$25,900 for design/bid award/construction and start-up engineering costs (pool equipment replacement). The other two phases will be discussed with council at a later date. Schwaegerl added that public works staff would be able to remove most of the existing system to help keep the costs down. Funds would be taken from the Pool Capital Fund, with additional funds taken from the Capital Improvement Fund.

It was moved by Hay, seconded by Schmidt and unanimously passed to approve the contract with USAquatics to proceed with Phase One (Pool Equipment Replacement.)

7(I) SIDEWALK REPAIR QUOTE.

Public Works Director Greg Schwaegerl was on hand to explain that approximately 1,200 square feet of sidewalk within the community needs to be repaired this fall. The walks were either damaged by tree roots or damaged during tree removals by city crews.

Quotes were solicited from three (3) local contractors, with only one quote returned. The quote was submitted by Albertson Masonry, LLC, in the amount of \$12,650. The Sidewalk Fund has \$64,500 available for this expenditure.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to approve the quote of Albertson Masonry, LLC, as submitted.

7(J) COMPOST SITE CONTRACTOR.

Public Works Director Greg Schwaegerl was present to discuss hiring a contractor to grind trees and brush at the compost site. He explained that staff had contacted several contractors for this work and recommended hiring Heritage Transfer at \$350.00/hour for approximately 20 hours of grinding time. This expenditure would be taken from the Capital Budget-Street Improvements. Schwaegerl suggested the council consider creating a line item budget for this item in future years.

It was moved by Schmidt, seconded by Hay and unanimously passed to hire Heritage Transfer for this procedure, as presented and recommended by staff.

7(K) GARAGE ROOF REPAIRS - PUBLIC WORKS.

Public Works Director Greg Schwaegerl was present to discuss the condition of the public works maintenance garage. The roof is in poor condition and is leaking. Quotes have been obtained for varying types of roof systems or roof repairs, ranging in cost from \$16,200 to \$35,801. None of the quotes are equal to one or the other; therefore, staff suggested comparing not only price, but type of system, R-value, warranty and past experience.

Schwaegerl stated that staff recommends Option #1 from West Central Roofing (\$35,801), based on having the best R-Value, the most durable product and the longest warranty (15 years). He added that \$31,000 has been set aside specifically for this project, and other CIP projects could be adjusted to make up the difference. All funds would come out of the city CIP.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to accept the quote of West Central Roofing for Option #1 at a cost of \$35,801.

7(L) GRANT AGREEMENT - ACQUISITION OF FLOOD-AFFECTED PROPERTY.

As a part of the May 19th meeting, the city council directed staff to proceed with applying for a grant to acquire the property at 624 Town Road in Smith Addition, under the city's flood mitigation program. Purchase was contingent upon approval of a flood mitigation

grant by the DNR. The grant agreement has now been received for 50% of the cost, in the amount of \$14,000. The city would then be responsible for \$14,000, which would be paid out of non-designated CIP funds.

It was moved by Schmidt, seconded by Hay and unanimously passed to approve the State of Minnesota Grant Contract, as presented.

7(M) PURCHASE OF 624 TOWN ROAD.

Under Agenda Item 7(L), the council approved the State of Minnesota Grant Contract for acquisition of the property at 624 Town Road. A resolution has been prepared to approve the purchase in the amount of \$28,000.

TODD HAY OFFERED RESOLUTION NO. 3244, A RESOLUTION AUTHORIZING THE PURCHASE OF REAL ESTATE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3244 WAS SECONDED BY NATHAN SCHMIDT. THOSE VOTING IN FAVOR OF MOTION: TODD HAY, NATHAN SCHMIDT, BRYCE CURTISS, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(N) RECEIPT & RELEASE AGREEMENT - RYMAN WETLAND.

A Receipt and Release has been prepared to close-out on the agreement with Tom & Marcia Ryman for the construction of the wetland for the levee project. In addition, the city agreed to fund an additional \$14,000 in costs to maintain the wetland between now and 2018.

Existing total cost for the wetland is \$424,089.60, plus an additional \$14,000 in engineering and wetland costs between now and 2018. At this time, the amount remaining due is \$268,165.80, minus security on MCDC or EDA loans and plus an additional \$14,000 for costs.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve the Receipt & Release agreement, as presented.

7(O) ART LEGACY PROJECT PLANNING GRANT CONTRACT.

The city has received an Arts Legacy Planning Grant in the amount of \$2,000.00 for the “Mural in Jose Artigas Plaza” Project (PLA-12) from the Southwest Minnesota Arts Council.

It was moved by Curtiss, seconded by Nieuwbeerta and unanimously passed to approve the grant contract, as offered.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 928. (COUNCIL/MAYOR SALARY).

Ordinance No. 928 was introduced at the August 15th city council meeting. The ordinance increases the annual wage of the mayor and council members, from \$5,941.50 to \$6,208.87, effective January 1, 2015.

IT WAS MOVED BY NATHAN SCHMIDT THAT ORDINANCE NO. 928, AN ORDINANCE AMENDING CHAPTER 5, TITLE 1 OF THE MONTEVIDEO CITY CODE ENTITLED, “COMPENSATION OF MAYOR AND COUNCIL MEMBERS,” BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 928 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, BRYCE CURTISS, KAREN NIEUWBEERTA, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 5-0.

8(B) INTRODUCTION OF ORDINANCE NO. 929 (RENTAL HOUSING PROVISIONS.)

Due to differences between the city’s rental code ordinance and the State Building Code, City Attorney Janice Nelson has recommended the following revision to City Code 10-2-2:

10-22: ADDITIONAL RENTAL HOUSING PROVISIONS

C(5): Every dwelling unit shall have at least two (2) means of egress (2 doors or 1 door and 1 egress window), one of which leads to safe and open space at ground level. Every dwelling unit in a multiple dwelling shall have immediate access to two (2) or more approved means of egress, one of

which leads to safe and open space at ground level, or as required by the laws of this state and this city. [Bedrooms located below the fourth floor shall be provided with an exterior door or window of such dimensions to be used as a means of emergency egress.] All sleeping areas in every dwelling shall have an egress (emergency escape) window.

NATHAN SCHMIDT INTRODUCED ORDINANCE NO. 929, AN ORDINANCE AMENDING SECTION 2(C) (5) OF CHAPTER 2 OF TITLE 10 OF THE MONTEVIDEO CITY CODE.

8(C) INTRODUCTION OF ORDINANCE NO. 930 - PARKING RESTRICTIONS.

An ordinance has been drafted to reflect discussions by council and staff about various parking issues, particularly with trucks, trailers, RV's and boats.

KAREN NIEUWBEERTA INTRODUCED ORDINANCE NO. 930, AN ORDINANCE AMENDING SECTION 2 OF CHAPTER 2 OF TITLE 6 OF THE MONTEVIDEO CITY CODE, PARKING RESTRICTIONS.

9. Discussion and Miscellaneous.

Prior to going into closed session, President Garbe polled the council for additional items.

- ▶ City Engineer Berryman updated the council on the 2014 Street/Utility Improvement Projects.
- ▶ Council members requested copies of various boards and commission meetings, i.e., Hospital Commission, Library Board, etc.

President Garbe announced that Agenda Item 9(B) would not be considered this evening. This item was to consider a possible two-year agreement with Law Enforcement Labor Services (LELS). Even though a tentative agreement has been reached, staff has not heard back from LELS to confirm acceptance. Therefore, staff will provide a brief update for the council during the closed session, and action on a formal agreement will take place at a future meeting.

At 8:00 P.M., council took a short recess to allow audience members to leave the council chambers. At 8:02 P.M., the council moved into closed session for the purpose of discussing union negotiations.

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9(A) CLOSED SESSION - L.E.L.S. (POLICE) UNION NEGOTIATIONS.

A closed session was held from 8:02 P.M. to 8:08 P.M. for the purpose of discussing union negotiations with the Law Enforcement Labor Services Bargaining Unit. The entire session was recorded on tape and is on record in the city clerk's office. The tape will be retained in accordance with the adopted records retention schedule, after which time it will be destroyed.

Meeting adjourned at 8:10 P.M.

Glennis A. Lauritsen, Secretary

Approved by council September 15, 2014:

Marvin E. Garbe, President