

CITY OF MONTEVIDEO  
CITY COUNCIL PROCEEDINGS  
December 1, 2014

The city council met in regular session Monday, December 1, 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, Todd Hay, Bryce Curtiss, Nathan Schmidt and Karen Nieuwbeerta. Absent: None. Mayor Debra Lee Fader present.

Also present were: City Manager Steven C. Jones, Rodeberg & Berryman Engineer Mike Amborn, City Attorney Janice Nelson (7:02) and City Clerk Glennis Lauritsen.

President Garbe welcomed high school students in attendance to observe the council proceedings.

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

**MODIFY: 5(A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING NOVEMBER 26, 2014 IN THE AMOUNT OF ~~\$160,052.03~~ \$241,964.39.**

Revised amount reflects the following additional claims:

LIQUOR

Locher Brothers Liquor - Inventory 12,303.40

CAPITAL EQUIPMENT & FACILITIES

ACE Hardware - Fire Department BBQ Grill 1,500.00

Sears - Fire Department Appliances 3,229.94

Sears - Fire Department Smart TV 3,296.34

MISCELLANEOUS

SW/WC Service Co-Op - January Health Insurance Premium 54,103.00

STREET

Ervin Construction - Class 5 7,479.58

**MODIFY: 7(L) DISCUSSION - SALE OF RAILROAD YARD TO THE MILWAUKEE ROAD HERITAGE CENTER (MRHC).**

Additional documents provided:

1. Lease Agreement
2. Memorandum Purchase Agreement

It was moved by Schmidt, seconded by Hay and unanimously passed to approve the minutes of the regular meeting of November 17, 2014, as presented.

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

- None.

5. Consent Agenda.

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

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING NOVEMBER 26, 2014 IN THE (MODIFIED) AMOUNT OF \$241,964.39.

5(B) APPLICATION FROM THE CHIPPEWA COUNTY FAIR ASSOCIATION FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS TO ALLOW RAFFLE ACTIVITY AT THE VFW POST #380 ON FEBRUARY 28, 2015.

6. Public Hearings.

- None.

7. General Business.

7(A) 2015 BUDGET DISCUSSION/PUBLIC COMMENT.

In accordance with state statute, the council had set this date and time for public comment and discussion of the 2015 Budget and levy. Finance Director Jan Flaherty presented information, including a levy comparison - 2014 vs. proposed 2015; a General Fund expenditure comparison, and (two) resolutions - one adopting the budget and another

establishing the tax levy. The resolutions will be considered for approval within separate agenda items.

Flaherty noted that the proposed 2015 levy is \$2,084,200, which is an overall 10.22% increase over the 2014 levy. A synopsis was provided of proposed 2015 revenues and expenditures for all funds, which total \$13,033,775 in revenues and \$13,132,005 in expenditures. She noted that there was no change to the proposed budget from the preliminary budget adopted in September.

Mark Dahl and Jeff Dahl were in the audience for the discussion; however, it was determined that they were present to address property valuation and were instructed that this issue is discussed during the Board of Equalization Meetings held in the spring of each year. There were no other interested citizens present for the discussion.

7(B) 2015 TAX LEVY.

NATHAN SCHMIDT OFFERED RESOLUTION NO. 3252, A RESOLUTION ESTABLISHING THE 2015 TAX LEVY, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3252 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, BRYCE CURTISS, TODD HAY, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(C) ADOPTION OF 2015 BUDGET.

BRYCE CURTISS OFFERED RESOLUTION NO. 3253, A RESOLUTION ADOPTING THE BUDGET FOR THE FISCAL YEAR 2015, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3253 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(D) 2015 FEES & CHARGES SCHEDULE.

Finance Director Flaherty reviewed changes/modifications to the city's fees & charges schedule for 2015. A question was raised regarding possible changes (greater fines) to the rental fines currently being charged. City Manager Jones noted that there is a Rental

Housing Ordinance that addresses enforcement; therefore, he suggested the council discuss the issue at a future worksession.

BRYCE CURTISS OFFERED RESOLUTION NO. 3254, A RESOLUTION ADOPTING THE 2015 FEES & CHARGES SCHEDULE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3254 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, TODD HAY, KAREN NIEUWBEERTA, NATHAN SCHMIDT AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(E) OUTSOURCING OF UTILITY BILLS.

Finance Director Jan Flaherty was on hand to discuss outsourcing the printing of the city's utility bills. Flaherty explained that currently, the bills are printed in house on a dot matrix printer and separated by a burster. The IBM dot matrix printer is 10 years old, is requiring regular repairs and can no longer be relied upon to be operational when needed. Due to the cost of purchasing new equipment, staff has researched the costs of outsourcing this service.

Staff has met on-site with Innovative Systems located in Willmar, who currently prints the utility bills for the City of Willmar (10,000 postcards). Their company is able to print on postcards, with a better postage rate due to their ability to do the CASS postage certification for the postal service, which the city is unable to do. Innovative Systems is requesting a 4-year contract, and they will waive their startup costs of approximately \$2,500. Flaherty reviewed cost comparison information which had been provided for consideration.

Council member Hay asked if there was anyone local who could provide the same service. Flaherty stated no.

City Attorney Nelson stated that she had reviewed the proposed contract and did not have any issue with the contract itself, but did suggest slight modification/clarification to some of the specific language.

It was moved by Hay, seconded by Schmidt and unanimously passed to approve entering into a 4-year contract with Innovative Systems, contingent upon language modifications as suggested by the city attorney.

7(F) 2014 AUDIT TERMS.

An Engagement Letter from Dana F. Cole & Company, LLP was provided to the city outlining audit terms and fees for the 2014 Audit. The proposed fee is established at \$23,500, an increase of 2.8%, with an additional \$1,700 for the performance of a single audit, if necessary.

It was moved by Schmidt, seconded by Curtiss and unanimously passed to authorize the mayor and city manager to execute the Engagement Letter, as provided.

7(G) BIDS - POOL RENOVATIONS (FILTER SYSTEM).

The city received bids on Tuesday, November 25<sup>th</sup>, at 1:00 P.M. for the Pool Mechanical Room Renovation Project (filter system). Two bids were received, with the low bid submitted by Aqua Logic in the amount of \$105,000.

It was moved by Nieuwbeerta, seconded by Hay and unanimously passed to approve the low bid from Aqua Logic, as submitted.

7(H) NORTHDAL PARTNERS DONATION OF LAND.

Northdale Partners has submitted a letter to the city conveying their wish to donate approximately 1.17 acres of land on the east side of Benson Road, between Ashmore Avenue and Fosnes Avenue. The letter stated they would place no restriction on the future use of the property.

BRYCE CURTISS OFFERED RESOLUTION NO. 3255, A RESOLUTION ACCEPTING DONATION OF LAND (70-808-2305), AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3255 WAS SECONDED BY NATHAN SCHMIDT. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, NATHAN SCHMIDT, TODD HAY, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(I) TOE WOOD-SOD MAT INSTALLATION/CHIPPEWA RIVER.

Summer flooding caused damage to the bank west of the north bridge in Lagoon Park. Department of Natural Resources (DNR) staff looked at the site and has suggested the installation of a toe wood-sod mat system in the damaged area. This is considered a more

natural way to rebuild river banks, and staff has prepared a grant application to aid in the construction of this river improvement.

The DNR estimates cost at \$46,500. The city would not proceed unless a grant was received. City match would be \$8,500, of which all but \$3,000 would be staff time or materials on hand. Several permits would need to be obtained, and the DNR would assist in that endeavor and would act as consultants on the project.

It was moved by Curtiss, seconded by Hay and unanimously passed to proceed with the project, subject to grant approval.

7(J) PENDING CHANGE ORDERS - FIRE HALL PROJECT.

Three (3) change order requests have been submitted for consideration by the council. If approved, formal documents would be prepared for official action at a future council meeting. The requests are as follows:

1. Back flow preventer valve for truck fill system - costs pending.
2. Additional circuit to generator - \$289.90.
3. Lighting change to overhead lights in the kitchen - \$440.50.

It was moved by Nieuwebeerta, seconded by Schmidt and unanimously passed to proceed, subject to receiving final cost on item #1 and receipt of official change order documents.

7(K) ARTIGAS PLAZA MURAL.

Three (3) designs were submitted for mural design at Artigas Plaza. The Montevideo Arts Project Committee has recommended Shawn McCann as the chosen artist. McCann will be asked to redesign the two side panels of his design and provide finer detail of what would be shown in the final design. Actual work on the project would only commence if an additional grant is obtained. The estimated budget for the project is \$11,000 (80% grant / 20% local funds/fund raiser.)

It was moved by Nieuwebeerta, seconded by Hay and unanimously passed to proceed with the project, pending grant approval.

7(L) SALE OF RAILROAD YARD TO MRHC.

Council had asked staff to draft a potential agreement that would allow the city to sell the railroad yard to the Milwaukee Road Heritage Center. In addition, a second agreement for lease of the depot was also drafted for council review.

City Attorney Nelson reviewed the Memorandum Purchase Agreement document, and addressed questions raised by the council. It was the consensus that a purchase price be determined, with 10% forgiven over a 10-year period (if certain conditions were met) and with the understanding that the MRHC would be required to provide a yearly report to the council of improvements made, etc.

7(M) TRANSFER OF CABLE TV FRANCHISE.

TODD HAY OFFERED RESOLUTION NO. 3256, A RESOLUTION APPROVING THE PROPOSED TRANSFER OF THE CABLE FRANCHISE CURRENTLY HELD BY CC VIII OPERATING, LLC DBA/CHARTER COMMUNICATIONS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3256 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) FIRE RELIEF ASSOCIATION DONATION.

BRYCE CURTISS OFFERED RESOLUTION NO. 3257, A RESOLUTION ACCEPTING \$4,500 GIFT FROM THE MONTEVIDEO FIRE RELIEF ASSOCIATION, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3257 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(O) 2015 MEALSITE FACILITY AGREEMENT.

It was moved by Curtiss, seconded by Hay and unanimously passed to authorize the mayor and city manager to execute the Prairie Five Senior Nutrition Meal Site Facility Contract for use of the community center in 2015.

8. Ordinances.

- None.

9. Discussion and Miscellaneous.

- ▶ Mayor Fader invited everyone to attend the Holiday Parade festivities on Thursday, December 4<sup>th</sup>.
- ▶ Council President Garbe invited everyone to the Vets Home Kickoff Meeting scheduled for Tuesday, December 9<sup>th</sup> at 2:00 P.M. at the American Legion.
- ▶ Garbe noted that Montevideo was not successful in being named one of the MN sites for a medical cannabis facility.
- ▶ Several council members had received public comment regarding the Southtown Plaza lights not working. Staff noted that the lights ARE being worked on and there is a possibility that additional lights may need to be added.
- ▶ Garbe stated that he had taken part in several recent meetings - a Red Cross meeting on sheltering preparedness during times of emergency weather events; an All Hazard Mitigation Grant Meeting (requirement for receiving FEMA monies); and, a Business Retention & Expansion (BRE) meeting.
- ▶ City Manager Jones stated that a Downton Abbey Television Premiere will be held at Luther Haven on Thursday, December 18<sup>th</sup>. Limited tickets are available.

Meeting adjourned at 8:22 P.M.

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Glennis Lauritsen, Secretary

Approved by council December 15, 2014:

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Marvin E. Garbe, President