

CITY OF MONTEVIDEO
CITY COUNCIL WORKSESSION
February 23, 2015

The city council met in a worksession Monday, February 23, 2015 in the city hall conference room. Council President Garbe called the meeting to order at 6:00 P.M. Purpose of the worksession was to discuss the following topics: Public Works Building; New Residential Initiatives; Professional Contracts, City Hall Building; and miscellaneous other issues. The worksession had been set by motion of the council on January 20, 2015.

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

Staff present: City Manager Steven C. Jones, City Clerk Glennis Lauritsen, Finance Director Jan Flaherty, Public Works Director Greg Schwaegerl and Community Development Director Angela Steinbach.

City Manager Jones distributed information he had prepared on the various topics to be discussed.

Public Works Building:

The public works building on Gravel Road is in poor condition and needs to be repaired/replaced. There are space needs and other issues, including roof leaks, no insulation in a portion of the building, only one furnace, worn-out overhead doors, etc. The roof was done on the street garage last year, and a door was replaced in the park shop. The deteriorating condition of the structures has been an issue for a number of years, and staff is now looking for council direction on how to proceed and at what pace. Staff estimated that a 25,000-30,000 square foot building would cost between \$1.2 and \$1.5 Million Dollars (minimum). This estimate does not include land acquisition or land development costs.

Funding mechanisms were discussed, including the delay of street improvement projects in 2016 and/or 2017. It was noted that \$715,000 was anticipated for street improvements in 2016 (local cost), with an additional \$165,000 targeted for state aid projects. City Manager Jones stated there are funding alternatives, including bonding for a new facility similar to the new fire hall project (with required hearings, etc), an election referendum, and/or having the EDA build the facility and lease it back to the city. Jones referred to a map provided in the materials of a possible development site at the corner of Ashmore Avenue & 24th Street, currently owned by the MIDC.

It was the consensus of the council to begin planning for the construction of a new public works facility - to delay local cost street improvements for 2016 (if possible) - look more closely at the various funding alternatives - and direct the city manager to discuss possible land acquisition with the MIDC, with construction taking place in 2017.

City Hall Building:

City Manager Jones stated that there are a number of issues with the city hall building:

- ▶ HVAC is 99% completed, but a few minor issues remain with no heat in the bathrooms and break room. Hot water heat or electric heat can be provided in the bathroom (\$3,371 for hot water; \$1,300 for electric) and electric heat in the break room as well (\$650.)
- ▶ The roof continues to have leaking issues. A good rubber roof would run approximately \$60,000; no estimates have been obtained for a pitched roof.
- ▶ Windows need replacing in certain areas of the building.
- ▶ Front ramp/door needs replacing for better handicapped accessibility (not critical, but an issue long-term).
- ▶ Remodeling of police side, once the fire department is out of the building. The intent is that the police training room will be made into an additional storage area for city hall and possibly a second sergeant's office. A door will need to be cut from the council chambers into this area. Most of the labor can be done by city employees, but there would be material costs.

Jones noted that there is approximately \$30,000 remaining from the fire hall/city hall projects that could be used toward some of these issues; however, he recommended waiting until the fire hall land purchase is finalized. It was the consensus of the council that staff obtain cost estimates for a pitched roof on the building and advice on how a pitched roof might look; and, that quotes for the window replacement project also include costs for the front door replacement.

New Residential Initiatives:

Community Development Director Steinbach distributed copies of the Montevideo Area Housing Study Update, which was completed in December 2014, and reviewed its results. Focus will

now be on market rate rental housing stock. The city may be partnering with the Southwest Minnesota Housing Partnership in this effort.

Professional Contracts:

The council had previously expressed an interest in possibly bidding out some of the city's professional contracts for services. Therefore, a list of some of those contracts/agreements was provided for review and discussion. Staff explained that there is a comfort level/history that has developed with a number of the individuals/companies, i.e., insurance agent (Jon Kuhlmann), city attorney (Nelson Oyen Torvik), bond consultants (Ehlers & Associates) and auditor (Dana F. Cole), and others, whereby a change could be disruptive and/or create a tremendous amount of additional work for city staff. An example of this would be with the auditor - staff would need to recreate historical information, i.e., copies of all bond issues, agreements/contracts, etc. Unless a problem were to arise with the various contract holders, or the council feels otherwise, making a change for change sake could be costly and disruptive. The city council could make a change at any time, and contracts could be reviewed annually as the next year's budget is planned.

Other:

City Manager Jones informed the council of a resolution that will be placed on the March 2nd city council agenda regarding an omnibus transportation funding bill. The bill would provide additional dedicated state funding for city streets. Prior to the meeting, Jones will look more closely at the bill being proposed on the issue to see whether it is something the city will want to support.

Meeting adjourned at 7:23 P.M.

Glennis A. Lauritsen, Secretary

Approved by council March 2, 2015:

Marvin E. Garbe, President