

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
May 7, 2018

The city council met in regular session Monday, May 7, 2018 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: Sandra Hodge, Todd Hay, Bryce Curtiss and Marvin Garbe. Absent: Nathan Schmidt. Mayor Debra Lee Fader present.

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

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

MODIFY: 5A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING MAY 4, 2018 IN THE AMOUNT OF ~~\$717,698.70~~ \$807,674.87.

AIRPORT

Lens Landscaping & Garden Center - Grass seed/seeder rental	\$ 5,250.00
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LEGAL

Nelson Oyen Torvik - April legal services	8,560.34
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MISCELLANEOUS

Birch Communications - Phone Bill	2,094.59
Farmer's Union Oil Co. - Fuel, etc.	8,320.24
SW/WC Service Co-Op - BC/BS June premium	65,751.00

MODIFY: 7H) REVIEW OF RFQ'S FOR THE PUBLIC WORKS BUILDING ARCHITECTURAL WORK.

List provided of RFQ's received.

ADD: 7I) CONSIDER APPLICATION FOR 2018 3.2 PERCENT MALT LIQUOR ON-SALE LICENSE (MONDAY-SATURDAY) SUBMITTED BY FIESTA CITY SPEEDWAY.

ADD: 7J) CONSIDER APPROVAL OF A TWO-YEAR AGREEMENT FOR ASSESSMENT SERVICES WITH CHIPPEWA COUNTY.

It was moved by Hodge, seconded by Curtiss and unanimously passed to approve the minutes of the regular meeting of April 16, 2018, Board of Equalization Meeting of April 23, 2018 and Special Meeting of April 30, 2018, with a slight modification to the April 30th minutes to reflect the attendance of two (2) County Board members, not the entire Board.

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

Council President Garbe announced that Assistant City Manager Angela Steinbach is the recipient of the 2018 Public Administration Award by Hamline University. This award recognizes merit and contribution to their MPA Program. Steinbach will be recognized at the HSP Graduation Awards & Recognition Reception on Monday, May 14th, and will also be receiving \$250.00 in honor of this recognition.

5. Consent Agenda.

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

- 5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING MAY 4, 2018 IN THE (MODIFIED) AMOUNT OF \$807,674.87.
- 5(B) SALE OF SEIZED/SURPLUS ITEMS BY THE POLICE DEPARTMENT (2014 FORD INTERCEPTOR | 1998 FORD WINDSTAR VAN | HONDA 110 ATV | 1999 CHEVROLET LUMINA | 1999 CHEVROLET MONTE CARLO | 2004 DODGE STRATUS | 2006 CHEVROLET MALIBU | NUMEROUS UNCLAIMED BICYCLES HELD OVER 180 DAYS.)

6. Public Hearings.

- None.

7. General Business.

- 7(A) JERI BLOM APPLICATION FOR USE OF CITY PROPERTY.

Jeri Blom had submitted an Application for Use of City Property requesting that Main Street be closed (from Canyon Avenue to Nichols Avenue) on June 9th, from 10:00 A.M. to 4:00 P.M. for a fund raiser event for her husband, Fred. The application noted her intent to ask that local businesses pledge a portion of their sales that day to the event. The

application also noted live and silent auction activity, as well as a stage with local band performances. In its agenda item report, staff had recommended that the council deny the request inasmuch as the city is restricted by law to “public purposes” and staff is not sure there is a public purpose in this event. Also cited was disruption to local businesses, cost to the public for a private purpose and potential liability issues. As an alternative to the use of Main Street, staff suggested offering the applicant the use of one of the city parks.

Ms. Blom was present to further discuss her request. Blom explained that through Help Hope Live, a non-profit organization, they wish to create an event to raise funds for her husband’s uninsured expenses related to a heart transplant. The idea is to approach businesses on main street and ask them to participate in a type of sidewalk sale for a one-day event, with a percentage of their sales that day allocated to the organization’s transplant fund, in honor of Fred Blom. A flyer was distributed to the council for review.

Following discussion, it was moved by Hay, seconded by Curtiss and unanimously passed to authorize the following:

- ▶ use of the Artigas Plaza area, both on the main street level and lower piazza area;
- ▶ use of one of the lower level parking lots, preferably the area behind KleinBank but to be determined by city staff;
- ▶ use of city sidewalks, provided that none are blocked to pedestrian traffic, and no streets are blocked; and,
- ▶ the Help Hope Live organization be contacted for availability of liability insurance coverage.

7(B) AMENDED RESOLUTION NO. 3509.

Resolution No. 3509 was adopted by the council on April 16, 2018 which declared the cost to be assessed on the 2018 Improvement Projects. The numbers used in that resolution encompassed ALL of the projects proposed, including those not eligible to be assessed. Therefore, a modified resolution has been drafted to reflect only the projects eligible to be assessed under MN Statute 429, as advised by bond counsel. Also provided was a staff memorandum discussing a change in the type of bonds that will be sold for the 2018 Projects, noting that the effect on the annual levy is the same and that utility rates will not increase because of this change.

BRYCE CURTISS OFFERED RESOLUTION NO. 3514, A RESOLUTION AMENDING RESOLUTION NO. 3509 DECLARING COST TO BE ASSESSED AND ORDERING PREPARATION OF PROPOSED ASSESSMENTS FOR THE 2018 STREET & SEWER IMPROVEMENT PROJECTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3514 WAS SECONDED BY SANDRA HODGE. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, SANDRA HODGE, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(C) BOND REIMBURSEMENT ALLOCATION PROCEDURE.

It was explained that whenever the city intends to issue bonds, a “Declaration of Official Intent” form must be filed internally so that a reimbursement can be received for expenses paid prior to bonds being issued. This is an IRS regulation. In order to avoid having to request council authorization each time, a resolution has been drafted establishing a procedure which “authorizes the city clerk to make the city’s Declaration or to delegate, from time to time, that responsibility to other appropriate city employees.”

TODD HAY OFFERED RESOLUTION NO. 3515, A RESOLUTION ESTABLISHING PROCEDURES RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3515 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: TODD HAY, BRYCE CURTISS, SANDRA HODGE AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(D) ACQUISITION OF 724 KINGMAN.

The property at 724 Kingman Street in Smith Addition is available for sale, and the owner has asked if the city would acquire it. It has been past practice to acquire homes in Smith Addition as they come up for sale and, therefore, staff recommended moving forward on this property. Based off of income produced by the rental property, \$15,000 seems to be a reasonable purchase price. The Chippewa County property tax value is \$7,800. Adding a professional fee of \$500 and demolition cost of \$15,000, the total purchase price would be \$23,300. The Minnesota Department of Natural Resources (DNR) will only accept the county tax value or an appraised valuation and half of the demo and professional fees. The city would be responsible for the additional \$7,200 above the county tax value.

It was moved by Hay, seconded by Hodge and unanimously passed to authorize staff to proceed with the steps necessary to acquire this property.

7(E) MODIFIED HOSPITAL JOINT POWERS AGREEMENT.

The Chippewa County Board of Commissioners has reviewed the proposed changes to the Hospital Joint Powers Agreement that were relayed to them by the city. In addition to accepting the city changes, they have *deleted* Section 2.3.6 which read, "The Board may annually appoint up to 2 non-voting ex-officio members." A revised document was presented to the council for review and consideration which has been executed by the county.

It was moved by Curtiss, seconded by Hay and unanimously passed to approve the (revised) First Amendment of Chippewa County-Montevideo Hospital Joint Powers Agreement, as presented.

7(F) SALE OF LOTS 1 & 2, BLOCK 2 - OST ADDITION.

In order to proceed with the Special Education School Project, the city needs to transfer land to the EDA. The EDA has agreed to become owners of the property and lease it back to the SW/WC Service Co-op for the construction of their facility.

SANDRA HODGE OFFERED RESOLUTION NO. 3516, A RESOLUTION AUTHORIZING SALE OF REAL ESTATE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3516 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: SANDRA HODGE, TODD HAY, BRYCE CURTISS AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 4-0.

7(G) RFQ'S - EDUCATION BUILDING CONSTRUCTION MANAGEMENT SERVICES.

RFQ's were solicited for the position of Agency Construction Management Services (Cma) for the SW/WC Special Education Building Project. Two qualified RFQ's were received: Kraus-Anderson - \$602,680 and NOR-SON - \$550,495. Fee proposals were requested from both firms and, after review and comparison, both city staff and Orb Management (consultant for SW/WC) recommended hiring NOR-SON. In a meeting held earlier today, the Montevideo Economic Development Authority unanimously passed a motion to accept the NOR-SON RFQ.

It was moved by Hay, seconded by Curtiss and unanimously passed to accept the RFQ from NOR-SON in the amount of \$550,495 (with the understanding that this is a rough review of the costs because some of the ultimate costs could be hourly based versus fee based and some of the actual on-site costs are estimated and that an agreement will be completed with NOR-SON spelling out in detail all costs. It was acknowledged that at this time, this will likely be an EDA agreement, not a city agreement.)

7(H) RFQ's - PUBLIC WORKS BUILDING ARCHITECTS.

RFQ's were requested from firms interested in providing architectural work for the proposed new public works facility, with seven (7) submitted. Staff recommended that the council appoint a committee to review the RFQ's, narrow the group down to 2 or 3, conduct further interviews/site visits and ultimately make a recommendation on who to hire.

It was moved by Hodge, seconded by Curtiss and unanimously passed to appoint City Manager Steve Jones, Assistant City Manager Angie Steinbach, Public Works Director Aaron Blom, City Engineer Mike Amborn, Council Member Curtiss and Council Member Hay as the committee to conduct further review.

7(I) 3.2 ON-SALE LICENSE - FIESTA CITY SPEEDWAY.

The Fiesta City Speedway Association, LLC, has submitted an application for a 2018 3.2 Percent Malt Liquor On-Sale License (Monday-Saturday) for the racetrack concessions/restaurant. It was noted that in the past, the association had contracted for the sale of alcohol; however, they qualify as a restaurant based on their food license through Countryside Public Health and, therefore, are eligible to be licensed.

It was moved by Hodge, seconded by Hay and unanimously passed to authorize the issuance of the license, as submitted.

7(J) 2019-2020 ASSESSMENT SERVICES AGREEMENT.

It was moved by Hay, seconded by Curtiss and unanimously passed to approve a two-year Agreement for Assessment Services with Chippewa County for the 2019 and 2020 assessment process, at a per parcel rate of \$20.59.

8. Ordinances.

8(A) EMERGENCY POWER GENERATOR.

IT WAS MOVED BY BRYCE CURTISS THAT ORDINANCE NO. 947, AN ORDINANCE AMENDING TITLE 4 OF THE MONTEVIDEO CITY CODE BY ADDING A CHAPTER 5 - PERMANENT, STAND-BY OR EMERGENCY POWER GENERATION, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 947 WAS SECONDED BY SANDRA HODGE. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, SANDRA HODGE, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 4-0.

9. Discussion and Miscellaneous.

- ▶ Council Member Hodge expressed her thanks for the opportunity of meeting jointly with the Hospital Board and members of the County Board, noting that the discussion was very informative and beneficial.
- ▶ Council Member Hodge stated she had been asked to serve as "backup" for Historical Society Board Member Debra Lee Fader when she is unable to attend meetings. City Attorney Nelson advised that inasmuch as this is an appointed position with voting privileges, Hodge would not be able to serve in this capacity. She could certainly attend the meetings but would be unable to vote.
- ▶ City Manager Jones provided a brief update on the special education building project.

Meeting adjourned at 7:47 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 21, 2018:

Marvin E. Garbe, President