

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
June 4, 2018

The city council met in regular session Monday, June 4, 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: Todd Hay, Bryce Curtiss, Nathan Schmidt, Sandy Hodge and Marvin Garbe. Absent: None. Mayor Debra Lee Fader present.

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

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

MODIFY: 5A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING JUNE 1, 2018 IN THE AMOUNT OF ~~\$244,711.19~~ \$683,698.38.

LIQUOR

Johnson Brothers Liquor - Inventory	\$ 7,197.05
KleinBank - Credit Card Fees/May	2,435.25
Madison Bottling Company - Inventory	5,420.80
Madison Bottling Company - Inventory	2,900.80
Phillips Wine & Spirits - Inventory	6,264.09

MISCELLANEOUS

Birch Communications - Phone Bill	2,103.18
KleinBank - Transfers/General Account to Savings Account	250,000.00
KleinBank - Deposit/Co-Op Credit Union to General Account	75,000.00
KleinBank - Deposit/ Minnwest Bank to General Account	75,000.00
Montevideo Publishing - Ads	1,681.50

STREET

Heather Floral & Nursery - Trees (22)	1,585.00
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UTILITY

Hawkins, Inc. - Aluminum Sulfate	5,250.72
Hawkins, Inc. - Chlorine, LPC-5, Sodium, etc.	4,148.80

ADD: **9A) CLOSED SESSION TO DISCUSS PENDING LITIGATION -
CHIPPEWA COUNTY-MONTEVIDEO HOSPITAL.**

It was moved by Hay, seconded by Schmidt and unanimously passed to approve the minutes of the regular meeting of May 21, 2018, as presented.

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

4(A) COMMUNITY SOLAR GARDEN PRESENTATION.

David Jackson and James MacLeod, 360 Managed Services, were present to discuss a community solar garden that is being constructed in Chippewa County. Xcel Energy residential customers in Montevideo will be able to utilize this program. MacLeod briefly discussed the program and invited the public to attend an informational meeting Tuesday, June 5th, 4:00-8:00 P.M. at the Community Center.

5. Consent Agenda.

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

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING JUNE 1, 2018 IN THE (MODIFIED)
AMOUNT OF \$683,698.38.

6. Public Hearings.

- None.

7. General Business.

7(A) 2017 COMMITTED/ASSIGNED FUND BALANCES.

In accordance with Governmental Accounting Standards Board Statement No. 54 (GASB54), the “committed and assigned” portions of the city’s fund balances are to be approved by council.

Finance Director Jan Flaherty was present to explain that at the end of 2017, the General Fund reflected revenues over expenditures of \$124,000. It has been past practice to add 1% of expenditures to the fund balance and transfer the remaining to the Capital

Equipment & Facilities Fund. Therefore, the fund balance of the General Fund will increase by \$43,000, and a transfer of \$81,000 has been made to the Capital Equipment & Facilities Fund. The transferred funds will be allocated during the budget discussions for 2019. Council was asked to approve the committed fund balance of \$145,512 and assigned fund balance of \$3,068,964.

It was moved by Hay, seconded by Curtiss and unanimously passed to approve the final 2017 committed and assigned fund balances, as presented.

7(B) ENERGY RESILIENCE MASTER PLANNING.

At the May 21st meeting, the council approved a proposal from NRG for Energy Resilience Master Planning, authorizing staff to move forward with preparing a Resilience Master Plan. In order to proceed, a Statement of Work and Master Terms & Conditions has been prepared for approval.

It was moved by Curtiss, seconded by Hodge and unanimously passed to approve the Statement of Work and Master Terms & Conditions, as presented.

7(C) CONDITIONAL USE PERMIT - AMERICAN SURPLUS 48' X 25' BUILDING.

Assistant City Manager Angela Steinbach reported that in a meeting held earlier this evening, the Montevideo Planning Commission held a public hearing to consider a request by American Surplus, 3134 East Highway 7, for a conditional use permit to allow a 48' x 25' light manufacturing building business addition on the southeast side of their lot. The structure would be used for cold storage and would be a steel exterior building, with the same look as the other existing structures. After review, the commission unanimously recommended approval, with the following conditions:

1. Applicant must remain in compliance with all past conditional use permits.
 - ▶ No outside storage of materials is allowed except within fenced/screened storage areas to the rear of the building.
 - ▶ All items of displays must be at least 20' back from the highway right-of-way line.
 - ▶ No more than 10 displays are allowed in the front yard at one time.

- ▶ Outdoor display, sales or storage is only allowed as an accessory use to a permitted or conditional use. In the past, the applicant had allowed outdoor display and sales by a third party. This equipment has since been removed.
 - ▶ The applicant needs to complete parking lot improvement (complete).
 - ▶ All trash, recycling and waste disposal must be located within a fenced or screened storage area to the rear of the property.
2. Applicant must complete Rodeberg & Berryman's 5/21/18 memo recommendation of adding an area for on-site ponding, possibly with an intake into the existing tile line, at the southwest corner of the property in an effort to slow down and contain storm water runoff from the site to be approved by the city engineer, to be completed by the end of Summer 2018.
 3. 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.

It was moved by Hay, seconded by Schmidt and unanimously passed to approve the conditional use permit, with conditions 1-3 as recommended by the planning commission.

7(D) SITE PLAN REVIEW - AMERICAN SURPLUS 48' X 25' BUILDING.

Assistant City Manager Steinbach reported that in a meeting held earlier this evening, the Montevideo Planning Commission conducted a site plan review for American Surplus, 3134 East Highway 7, to allow the construction of a 48' x 25' light manufacturing cold storage building business addition on the southeast side of their lot. The previous agenda item approved the conditional use permit associated with this project. After review, the planning commission unanimously recommended approval of the site plan.

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

7(E) SITE PLAN REVIEW - SW/WC EDUCATION FACILITY.

Assistant City Manager Steinbach reported that in a meeting held earlier this evening, the Montevideo Planning Commission conducted a site plan review for the SW/WC

Montevideo Learning Center to be constructed in the Ost Addition. This is a special education facility that will be used year-round and will serve area school districts' children. After review, the planning commission unanimously recommended approval of the site plan.

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

Council was informed by staff that an open house will be held Tuesday, June 26th, 4:00-6:00 P.M. at city hall with city staff and SW/WC staff to answer questions contractors and parents may have about the project. Additional advertising will be conducted.

7(F) TALKING WATERS OUTDOOR AREA.

A letter was submitted from John Skoglund, dba/Talking Waters Brewing Company, 205 South 1st Street, requesting to amend their 2018 On-Sale Liquor License to include a 25' x 50' outdoor area to the rear (west) of the building. Temporary fencing would be erected when the area is in use for events, with the long-term intent of installing a more permanent fence and/or barrier. All sales would take place inside the building, and the only way that patrons would enter/exit the area would be through the main/front door of the business. It was noted that other liquor establishments have similar outdoor areas.

It was moved by Curtiss, seconded by Schmidt and unanimously passed to authorize the amendment, as requested.

8. Ordinances.

8(A) ADOPTION OF ORDINANCE NO. 948 (CRITICAL WATER DEFICIENCY).

Language was introduced at the May 21st meeting to incorporate specific regulations with regards to critical water deficiency into city ordinances.

IT WAS MOVED BY NATHAN SCHMIDT THAT ORDINANCE NO. 948, AN ORDINANCE REGULATING NON-ESSENTIAL WATER USAGE UPON CRITICAL WATER DEFICIENCY AS AUTHORIZED BY MINNESOTA STATE STATUTE 103G.291, SUBD. 1 AND 2, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF ORDINANCE NO. 948 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, TODD HAY, BRYCE

CURTISS, SANDRA HODGE AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 5-0.

8(B) ADOPTION OF ORDINANCE NO. 949 (ADMINISTRATIVE CODE CHANGES).

Language was introduced at the May 21st meeting to amend/update the Administrative Code (Chapters 5 and 6) to reflect an increase in the competitive bidding threshold, from \$100,000 to \$175,000, and an updated inventory process. Since its introduction, however, staff discovered additional areas to be amended within Chapter 5, specifically referring to purchase orders, requisition and ordering/receiving. An excerpt was provided which showed the additional modifications, most notably an increase in purchase order requirements, from \$200 to \$500 for both in-town and out-of-town purchases.

Two versions of the Ordinance were provided - the original version and the new version incorporating all of the changes for consideration by the council.

IT WAS MOVED BY TODD HAY THAT (THE MODIFIED) ORDINANCE NO. 949, AN ORDINANCE AMENDING THE CITY OF MONTEVIDEO ADMINISTRATIVE CODE, PURCHASING, BIDDING OR PROPOSAL REQUIREMENTS AND PROPERTY CONTROL, BE ADOPTED. MOTION FOR ADOPTION OF ORDINANCE NO. 949 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: TODD HAY, BRYCE CURTISS, SANDRA HODGE, NATHAN SCHMIDT AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. ORDINANCE PASSED 5-0.

9. Discussion and Miscellaneous.

Prior to moving into Closed Session, council members were polled for additional items.

- ▶ Council member Hodge had a question regarding golf cart regulations. City Manager Jones will provide council members with a copy of the regulations.
- ▶ Council member Hodge stated she had received a phone call from a citizen wanting to report animal mistreatment and asked who could address those types of issues. City Manager Jones said that the complainant should start with the local police department.
- ▶ Council President Garbe updated the council on the Vets Home issue. Media announcements were made by him and Assistant City Manager Steinbach, and at 3:00

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P.M. tomorrow, the Chippewa County Board of Commissioners will discuss the matter as a part of its regular board meeting.

At 7:33 P.M., a brief recess was taken.

At 7:35 P.M., the council moved into Closed Session

9(A) CLOSED SESSION - CCMH PENDING LITIGATION.

President Garbe called the Closed Session to order at 7:35 P.M. for the purpose of discussing pending litigation by the Chippewa County-Montevideo Hospital. Those in attendance included Council members Garbe, Hodge, Hay, Curtiss and Schmidt; Mayor Debra Lee Fader; City Manager Steve Jones; Assistant City Manager Angela Steinbach; City Clerk Glennis Lauritsen; Hospital Interim Administrator Chuck Bruhn and newly appointed Administrator Brian Lovdahl. The entire Closed Session was recorded on audio tape and will be kept in accordance with the city's adopted records retention schedule, after which time the tape will be destroyed.

At 8:05 P.M., President Garbe declared the Closed Session closed, and the council moved back into regular session.

Meeting adjourned at 8:05 P.M.

Glennis A. Lauritsen, Secretary

Approved by council June 18, 2018:

Marvin E. Garbe, President