

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
June 18, 2018

The city council met in regular session Monday, June 18, 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, City Attorney Janice Nelson and City Clerk Glennis Lauritsen.

It was moved by Schmidt, 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 15, 2018 IN THE AMOUNT OF ~~\$279,836.92~~ \$394,428.32.

BOND SERVICES

Bond Trust Services:

▶ Interest/G.O. Improvement Bond, Series 2007A	\$ 8,822.50
▶ Interest/G.O. Improvement Bond, Series 2008A	6,690.00
▶ Interest/G.O. Improvement Bond, Series 2010A	4,165.00
▶ Interest/G.O. Improvement Bond, Series 2012A	4,845.00
▶ Interest/G.O. Improvement Bond, Series 2013A	8,630.00
▶ Interest/G.O. Improvement Bond, Series 2014A	36,970.00
▶ Interest/G.O. Improvement Bond, Series 2014B	8,793.75
▶ Interest/G.O. Improvement Bond, Series 2015A	11,465.00
▶ Interest/G.O. Improvement Bond, Series 2016A	5,007.50
▶ Interest/G.O. Improvement Bond, Series 2016B	5,791.25
▶ Interest/G.O. Improvement Bond, Series 2016C	4,450.00
▶ Interest/G.O. Improvement Bond, Series 2017A	6,381.25

MISCELLANEOUS

Delta Dental of MN - Dental Premium/July	2,580.15
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MODIFY: 7C) CONSIDER QUOTES RECEIVED FOR CITY HALL FLOORING.

Revised Agenda Item page provided.

MODIFY: 7E) CONSIDER APPROVAL OF A STATE OF MINNESOTA GRANT CONTRACT FOR ACQUISITION OF PROPERTY AFFECTED BY FLOODING (724 KINGMAN STREET).

Copy of Grant Contract provided.

It was moved by Hodge, seconded by Hay and unanimously passed to approve the minutes of the regular meeting of June 4, 2018, as presented.

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

4(A) INTRODUCTION/OATH OF OFFICER - POLICE OFFICER DUSTIN HISSAM.

Police Chief Adam Christopher introduced Police Officer Dustin Hissam (hired May 21st) and the Oath of Office was administered to him by Mayor Fader.

5. Consent Agenda.

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

5(A) VERIFIED CLAIMS FOR THE PERIOD ENDING JUNE 15, 2018 IN THE (MODIFIED) AMOUNT OF \$394,428.32.

5(B) APPLICATION FROM THE CHURCH OF ST. JOSEPH FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS TO ALLOW BINGO & RAFFLE ACTIVITIES ON SEPTEMBER 16, 2018 IN CONJUNCTION WITH THEIR FALL FESTIVAL.

5(C) APPLICATION FROM TWO RIVERS CHAPTER OF MN DEER HUNTERS ASSOCIATION FOR AN EXEMPTION FROM LAWFUL GAMBLING LICENSE REQUIREMENTS TO ALLOW RAFFLE ACTIVITY AT THE AMERICAN LEGION POST 59 ON FEBRUARY 23, 2019.

6. Public Hearings.

- None.

7. General Business.

7(A) G.O. BOND ISSUANCE/SALE RESOLUTION.

In order to finance the 2018 Street & Utility Improvements, the city needs to sell a total of \$660,000 of G.O. Bonds. A resolution has been prepared for this purpose and authorizes city staff to work with Ehler's & Associates to facilitate that sale.

Rebekah Kurtz, Ehlers & Associates, was present to discuss the results of the bids. Prior to that discussion, Kurtz commended the city for retaining its AA- with a stable outlook credit rating with Standard & Poor's.

Kurtz reviewed the Sale Day Report for the \$660,000 General Obligation Bonds, Series 2018A. Two (2) bids were received, with the low bid submitted by Dougherty & Company, LLC at a 2.9545% interest rate. Ehler's & Associates recommended acceptance of this bid.

BRYCE CURTISS OFFERED RESOLUTION NO. 3522, A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF \$660,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2018A, PLEDGING FOR THE SECURITY THEREOF SPECIAL ASSESSMENTS AND LEVYING A TAX FOR THE PAYMENT THEREOF, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3522 WAS SECONDED BY SANDRA HODGE. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, SANDRA HODGE, NATHAN SCHMIDT, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

At staff's request, Kurtz discussed/explained the bonding processes being considered to fund the proposed public works building and the SW/WC Service Co-Op special education facility.

7(B) ROBOTIC POOL CLEANER QUOTES.

Public Works Director Aaron Blom was present to discuss quotes received for a new robotic pool cleaner for the outdoor swimming pool. Three quotes were received, with the low quote submitted by Aqua Products for a DuraMax Duo, Jr. at a cost of \$3,960.00. Staff recommended accepting the quote.

It was moved by Hodge, seconded by Schmidt and unanimously passed to authorize the purchase of a DuraMax Duo, Jr. robotic pool cleaner from Aqua Products, as quoted.

7(C) CITY HALL CARPET BIDS.

The city solicited bids for new carpet for city hall until Wednesday, June 13, 2018. Three (3) local businesses received plans/specifications, with one bid submitted from Clare Paint & Wallpaper. Three levels of product were bid (good/better/best) and staff recommended accepting the “better” carpet bid and “best” vinyl tile bid in the amount of \$5,726 for labor, \$15,979 for carpet/tile plus \$1,340.82 up-charge for “best” tile cost, for a total bid of \$23,045.82.

It was moved by Hay, seconded by Hodge and unanimously passed to accept the bid from Clare Paint & Wallpaper, as recommended by staff.

7(D) PURCHASE OF 724 KINGMAN STREET.

As a part of the May 7th meeting, the council authorized staff to proceed with steps necessary to acquire the property at 724 Kingman Street in Smith Addition. At the May 21st meeting, Resolution #3519 was passed authorizing the submission of a grant application to the DNR. A resolution has now been drafted authorizing purchase of the property and associated Memorandum Purchase Agreement.

NATHAN SCHMIDT OFFERED RESOLUTION NO. 3523, A RESOLUTION AUTHORIZING PURCHASE OF REAL ESTATE, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3523 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, BRYCE CURTISS, SANDRA HODGE, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(E) DNR GRANT CONTRACT - 724 KINGMAN STREET ACQUISITION.

The Minnesota Management & Budget Agency has approved the City of Montevideo’s resolution for funds committed to the Smith Addition property buyout project (724 Kingman Street). The council has previously approved the acquisition, and a State of Minnesota Grant Contract has been presented for approval.

It was moved by Hay, seconded by Hodge and unanimously passed to authorize the mayor and city manager to execute the State of Minnesota Grant Contract for Acquisition of Property Affected by Flooding.

7(F) ACCEPTANCE OF GIFTS/GRANTS.

The following gifts have been received by the city:

<u>Name</u>	<u>Description</u>	<u>Amount/Value</u>
American Legion Gambling Account	Donation - P.D. Mock Car Crash	\$ 500.00

NATHAN SCHMIDT OFFERED RESOLUTION NO. 3524, A RESOLUTION ACCEPTING GIFTS/GRANTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3524 WAS SECONDED BY BRYCE CURTISS. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, BRYCE CURTISS, SANDRA HODGE, TODD HAY AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

8. Ordinances.

- None.

9. Discussion and Miscellaneous.

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

- ▶ Council President Garbe updated the council on the Vets Home issue. He will soon be visiting the counties of Lac Qui Parle, Swift and Yellow Medicine to thank them for their support/involvement in the effort. In addition, a number of individuals will be meeting with the Department of Veterans Affairs on Thursday, the 21st, and he asked for confirmation from the council for his mileage expenses. The council members agreed to allow that reimbursement.

At 7:31 P.M., a brief recess was taken.

At 7:32 P.M., the council moved into Closed Session.

9(A) CLOSED SESSION - CCMH PENDING LITIGATION.

President Garbe called the Closed Session to order at 7:32 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 Attorney Janice Nelson; City Clerk Glennis Lauritsen; Hospital Interim Administrator Chuck Bruhn; newly appointed Administrator Brian Lovdahl; Hospital CFO Darlene Boike; and, Hospital Board Chair Mark Rekow. 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 8:16 P.M., President Garbe declared the Closed Session adjourned, and a short time was allowed for staff to setup the disk recording system.

At 8:18 P.M., the council moved back into regular session.

President Garbe read the following statement into record:

A separation agreement has been agreed to between Dr. Philip Vuocolo and CCMH as follows:

- Dr. Vuocolo is resigning and paying off \$323,000 in loans to CCMH.
- CCMH will pay Dr. Vuocolo 6 months of salary in the amount of \$192,000.
- CCMH will forgive \$250,000 in loans to Dr. Vuocolo.
- CCMH will pay 9 months of COBRA health insurance at a cost of \$6,300.
- Paid time off of \$57,691 is owed and is considered separate from the \$448,300 settlement number.
- Insurance is expected to reimburse CCMH up to \$42,000, plus attorney fees.

Total out-of-pocket cost to CCMH, before insurance settlement, is \$448,300.

Certain expenses over \$250,000 require prior approval of both the city and county.

If the city council agreed to go forward with this plan, they should by motion, agree to the amount of the settlement of \$448,300.

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It was moved by Hay, seconded by Curtiss and unanimously passed to approve the settlement in the amount of \$448,300, as outlined, contingent upon approval by the Chippewa County Board of Commissioners.

Meeting adjourned at 8:20 P.M.

Glenn A. Lauritsen, Secretary

Approved by council July 2, 2018:

Marvin E. Garbe, President