

CITY OF MONTEVIDEO
CITY COUNCIL PROCEEDINGS
May 5, 2014

The city council met in regular session Monday, May 5, 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, Bryce Curtiss, Todd Hay, Nathan Schmidt and Karen Nieuwbeerta. Absent: None. Mayor Debra Lee Fader present.

Also present were: City Manager Steven C. Jones, City Attorney Janice Nelson, City Engineer David Berryman and City Clerk Glennis A. Lauritsen.

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

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

MODIFY: 5(A) CONSIDER APPROVAL OF VERIFIED CLAIMS FOR THE PERIOD ENDING MAY 2, 2014 IN THE AMOUNT OF ~~\$165,083.49~~ \$231,231.25.

Revised amount reflects the following additional claims:

LIQUOR

Madison Bottling Co. - Inventory 6,531.95

MISCELLANEOUS

Orbitcom - Phone bill 1,973.31

SW/WC Service Co-op - BC/BS June premium 55,675.50

UTILITY

Automatic Systems Co. 1,967.00

ADD 5(B) CONSIDER APPROVING A DATE CHANGE TO A PREVIOUSLY APPROVED REQUEST FOR USE OF CITY PROPERTY (CITY PARKING LOT SOUTH OF GROAT'S) BY ARMANDO CASTENADA/CASA DE DIOS FOR A GARAGE SALE ON MAY 10, 2014, FROM 11:00 A.M. TO 5:00 P.M.

DELETE 7(A) CONSIDER APPROVAL OF THE FINAL 2013 COMMITTED AND ASSIGNED FUND BALANCES.

It was moved by Nieuwbeerta, seconded by Curtiss and unanimously passed to approve the minutes of the regular meeting of April 21, 2014 and Board of Review meeting of April 28, 2014.

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

4(A) 2013 BUILDING AWARDS.

Mayor Fader presented the 2013 Building Awards, as follows:

<i>Best Residential Remodel</i>	James & Arlene Kranz - 1311 North 4 th Street
<i>Best Residential Renovation for Sale</i>	Neil Schmidt/Schmidt Masonry-1402 North 6 th Street
<i>Co-Winner - Best Residential Addition</i>	Caitlin Strand, 209 South 12 th Street
<i>Co-Winner - Best Residential Addition</i>	David & Pam Arneson, 123 South 5 th Street
<i>Best Rental Property Renovation</i>	Kyle & Pam Weber, 121 South 10 th Street
<i>Best Commercial Renovation</i>	Jessica Payne/JP2 Properties, LLC, 551 1 st Street SW (Lotus Salon)
<i>Best New Commercial Construction</i>	O'Reilly Auto Parts, 2509 Highway 7 East
<i>Best New Industrial Development</i>	Jeff Drexler, Ice Castle Fish Houses, 3134 East Highway 7
<i>Best Industrial Addition & Expansion</i>	Friendship Homes of MN, 815 Budd Road

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 MAY 5, 2014 IN THE (MODIFIED) AMOUNT OF \$231,231.25.
- 5(B) DATE CHANGE TO A PREVIOUSLY APPROVED REQUEST FOR USE OF CITY PROPERTY (CITY PARKING LOT SOUTH OF GROAT'S) BY ARMANDO CASTENADA/CASA DE DIOS FOR A GARAGE SALE ON MAY 10, 2014, FROM 11:00 A.M. TO 5:00 P.M.

6. Public Hearings.

- None.

7. General Business.

7(A) DELETED.

7(B) BOND SALE - FIRE HALL & CITY HALL HVAC.

In order to provide funding to pay for the construction of the new fire hall and the city hall HVAC improvements, the city needs to sell bonds. A resolution has been prepared which calls for the sale of bonds on June 2, 2014 and authorizes city staff to work with Ehler's & Associates to facilitate that sale.

BRYCE CURTISS OFFERED RESOLUTION NO. 3218, A RESOLUTION PROVIDING FOR THE SALE OF \$3,000,000 GENERAL OBLIGATION CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2014A, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3218 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(C) BOND SALE - 2014 STREET & UTILITY IMPROVEMENTS.

In order to provide funding to pay for the construction of the 2014 improvements, the city needs to sell bonds. A resolution has been prepared which calls for the sale of the bonds on June 2, 2014 and authorizes city staff to work with Ehler's & Associates to facilitate that sale.

BRYCE CURTISS OFFERED RESOLUTION NO. 3219, A RESOLUTION PROVIDING FOR THE SALE OF \$1,010,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2014B, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3219 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: BRYCE CURTISS, TODD HAY, NATHAN SCHMIDT, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(D) GAMBLING PERMIT FOR FIRE RELIEF ASSOCIATION.

The Montevideo Fire Relief Association proposes to conduct lawful gambling (raffle) at the VFW Post #380 on June 14th in conjunction with the Fiesta Days celebration.

NATHAN SCHMIDT OFFERED RESOLUTION NO. 3220, A RESOLUTION APPROVING A ONE-DAY OFF-SITE GAMBLING PERMIT AT THE VFW POST #380, CONDUCTED BY THE MONTEVIDEO FIRE RELIEF ASSOCIATION, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3220 WAS SECONDED BY TODD HAY. THOSE VOTING IN FAVOR OF MOTION: NATHAN SCHMIDT, TODD HAY, BRYCE CURTISS, KAREN NIEUWBEERTA AND MARVIN GARBE. THOSE VOTING AGAINST MOTION: NONE. RESOLUTION PASSED 5-0.

7(E) VFW FIESTA DAYS BEER GARDEN LICENSE.

The VFW Post #380 has made application for a temporary on-sale beer garden license on June 14-15, 2014 in conjunction with the Fiesta Days celebration.

It was moved by Hay, seconded by Curtiss and unanimously passed to approve the application, as presented.

7(F) TEMPORARY LIQUOR LICENSE - VFW - COUNTY FAIR BEER GARDENS.

The VFW Post #380 wishes to submit an application to the State of Minnesota for a temporary on-sale liquor license to allow them to serve strong beer at the Chippewa County Fair July 30 & 31 and August 1, 2014.

It was moved by Nieuwbeerta, seconded by Hay and unanimously passed to approve the issuance of the license, contingent upon approval by the state.

7(G) ACCEPTANCE OF GIFTS/GRANTS.

The following gifts/grants have been received by the city:

<u>Name</u>	<u>Description</u>	<u>Amount/Value</u>
LQP Lake Assn. Gambling Acct.	Pool Scholarships	\$ 100.00
Ellie Boldenow	Park Donation	50.00
Montevideo Lions Club/Gambling Acct.	Flower Baskets	500.00
Montevideo Lions Club/Gambling Acct.	Pool Scholarships	250.00

BRYCE CURTISS OFFERED RESOLUTION NO. 3221, A RESOLUTION ACCEPTING GIFTS/GRANTS, AND MOVED ITS ADOPTION. MOTION FOR ADOPTION OF RESOLUTION NO. 3221 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(H) SALE OF LAND ADJACENT TO HIGHWAY 7.

The city owns a 40' wide piece of land adjacent to Highway 7, between O'Reilly Auto Parts Store and 29th Street. Staff has been exploring options for this property for some time, and Cenex is interested in acquiring the section in front of their property. Staff suggested offering the parcels for sale to the adjacent property owners at a price of \$.50/square foot. Staff also recommended retaining access easements so that all of the property owners are able to access their properties from the highway. It was noted that there is an existing easement agreement with O'Reilly Auto Parts Store on the western edge of this property that allows them to cross this property to access their lot.

It was moved by Hay, seconded by Schmidt and unanimously passed to offer the land to the adjacent properties at a price of \$.50/square foot.

7(I) BIDS - SAFE ROOM PROJECT.

Bids were received April 20, 2014 for the Benson Road Safe Room Project, as follows:

<u>Bidder</u>	<u>Bid</u>
Peters Construction - Montevideo	\$ 113,000.00
Gopher State Contractors, Inc. - Rice, MN	116,666.00
Kranz Construction - Milan, MN	118,900.00
Moen Associated Contracting - Robbinsdale, MN	123,701.46
KHC Construction, Inc. -Marshall, MN	133,100.00
Voss Plumbing & Heating - Paynesville, MN	140,000.00

Overall, the bid was \$19,000 higher than budgeted, and the project is now \$22,700 higher than originally budgeted. Based on the new proposed city share of \$36,825 (vs. \$31,150) and taking credit for land and other in-kind services, the city is responsible for an additional \$3,025. City Manager Jones stated that the additional amount can be taken from the CIP Fund. At the April 21st city council meeting, the council approved a revised Letter of Commitment which agreed to split a higher cost with FEMA (75/25). FEMA has now approved the revised budget and, therefore, the project can proceed.

It was moved by Curtiss, seconded by Hay and unanimously passed to approve the low bid of \$113,000 from Peters Construction.

8. Ordinances.

- None.

9. Discussion and Miscellaneous.

9(A) UPDATE - RAIL YARD CONSIDERATIONS.

City Manager Jones gave a brief update on the rail yard use issues. He said that staff had looked at three (3) sites to accommodate the proposed industrial development by Kevin Wald. That information - as well as financial package information - had been passed on to Wald/Spec Systems. Wald has suggested the city table any further action. At this point, staff suggested keeping the communications open with Wald, leaving the information on the table but doing no further research on the matter unless something changes.

- ▶ City Attorney Nelson stated that she will be meeting with the court-appointed commissioners on May 9th, and will look at the fire hall site for valuation purposes.

Meeting adjourned at 7:32 P.M.

Glennis A. Lauritsen, Secretary

Approved by council May 19, 2014:

Marvin E. Garbe, President