

GLENCOE CITY COUNCIL MEETING MINUTES  
MARCH 7, 2016  
7:00 P.M.

Mayor Wilson called the regular meeting of the City Council to order at 7:00 p.m. with members Perschau, Ziemer, Dietz, Robeck and Schrupp present. Also present: City Administrator Mark Larson, Assistant City Attorney Mark Ostlund, Finance Director Trippel, Public Works Directors Drew and Schreifels, Police Chief Raiter, Fire Chief Grack.

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

CONSENT AGENDA

Councilor Perschau motioned to approve consent agenda as presented. Councilor Ziemer entered the second to the motion. Councilor Robeck questioned fund transfers from WTP and WWTP for administration. Members voting in favor, Schrupp, Dietz, Ziemer and Perschau. Voting no, Councilor Robeck. Motion carried.

- A. Approve the minutes of the regular meeting of February 16, 2016.
- B. Approve the following building permits:
  1. McLeod SWCD, 1109 Gruenhagen Dr.; New Construction
  2. First Lutheran School, 1015 14<sup>th</sup> St E; Mechanical Permit
  3. Knight Loudon Townhomes, 1120 13<sup>th</sup> St E; Reside, Window
- C. Approve the following book transfers:
  1. \$40,000.00 from Water Fund to General Fund; for administration
  2. \$40,000.00 from W.W.T.P. Fund to General Fund for administration
  3. \$160,000.00 from Liquor Store Fund to City Center – Bond Cash; for debt service
  4. \$30,000.00 from City Center – Operating to City Center – Bond Cash; for debt service
  5. \$23,000.00 from General Fund – Reimbursables to Aquatic Center Fund; for deficit reduction
  6. \$100,000.00 from Tax Increment #4 Fund to 2007 Tax Increment Fund; for bond payment
  7. \$51,000.00 from Tax Increment #15 Fund to 2007 Tax Increment Fund; for bond payment
  8. \$35,000.00 from Tax Increment #4 Fund to 2003 Tax Increment Fund; for bond payment
  9. \$5,580.05 from 2004 North Country VI/Glenknoll Fund to City Sinking Fund; to close out fund
  10. \$3,516.39 from 2004 Street Improvement Fund to City Sinking Fund; to close out fund
  11. \$100,000.00 from 2015 Street Improvement Fund to General Fund; for project administration

3. PUBLIC HEARINGS:

A. SET PUBLIC HEARING ON PROPOSED ASSESSMENTS ARMSTRONG AVE PROJECT – RESOLUTION 2016-08

Motion to set the public hearing for April 4, 2016 at 7:15 p.m. by resolution, on proposed assessments for the Armstrong Avenue Project contingent upon awarding the bid was made by Councilor Robeck and seconded by Councilor Perschau. Upon roll call vote all members voted in favor. Whereupon said resolution was adopted and approved.

RESOLUTION NO. 2016-08  
DECLARING COST TO BE ASSESSED,  
ORDERING PREPARATION OF PROPOSED ASSESSMENT, AND  
CALLING FOR HEARING ON PROPOSED ASSESSMENT

WHEREAS, costs have been determined for the Armstrong Avenue Improvements Project, for the construction of sanitary sewer, water main, storm sewer, concrete curb and gutter, aggregate base, bituminous street surfacing, sidewalk, turf restoration, and miscellaneous items required to properly complete the improvements, and the estimated final contract price for such improvements is \$3,520,406.81, and the estimated final expenses incurred or to be incurred in the making of such improvements amount to \$1,174,203.85 so that the estimated final total cost of the improvements will be \$4,694,267.94.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GLENCOE, MINNESOTA:

1. The portion of the cost of such improvement to be paid by the city is hereby declared to be \$3,712,773.96 and the portion of the cost to be assessed against benefited property owners is declared to be \$981,493.98.
2. Assessment shall be payable in equal annual installments extending over a period of 15 years, the first of the installments to be payable on or before the first Monday in January, 2017, and shall bear interest at the rate of 3.5 percent per annum from the date of the adoption of the assessment resolution.
3. The City Administrator, with the assistance of the consulting engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in his office for public inspection.
4. A hearing shall be held on the 4th day of April, 2016, in the Glencoe City Hall at 7:15 p.m., to pass upon such proposed assessment and at such time and place all persons owning property affected by such improvement will be given an opportunity to be heard with reference to such assessment.
5. The City Administrator is hereby directed to cause a notice of the hearing on the proposed assessment to be published once in the official newspaper at least two weeks prior to the hearing, and shall state in the notice the total cost of the improvement. The City Administrator shall also cause mailed notice to be given to the owner of each parcel described in the assessment roll not less than two weeks prior to the hearing.
6. The owner of any property so assessed may, at any time prior to certification of the assessment to the McLeod County Auditor-Treasurer, pay the whole of the

assessment on such property with interest accrued to the date of payment, to the City Administrator, except that no interest shall be charged if the entire assessment is paid by October 31, 2016. He may at any time thereafter, pay to the City Administrator the entire amount of the assessment remaining unpaid, with interest accrued to December 31 of the year in which such payment is made. Such payment must be made before November 15 or interest will be charged through December 31 of the succeeding year.

4. BIDS AND QUOTES:

A. RECEIVE BIDS FOR ARMSTRONG AVENUE IMPROVEMENT PROJECT

Justin Black, City Engineer, reviewed the bids received on the Armstrong Avenue Project. The six bids were opened on March 3, 2016 at 10:00 a.m.. Low bid was from R & R Excavation of Hutchinson, MN with William Mueller & Sons the paving contractor for \$3,520,064.09. Engineers estimate was \$4.38 million.

i. AWARD BID FOR ARMSTRONG AVENUE PROJECT – RESOLUTION 2016-07

Councilor Perschau motioned approval of the following resolution to award the bid.

**RESOLUTION NO. 2016-07  
AWARDING BID FOR ARMSTRONG AVENUE  
IMPROVEMENT PROJECT**

WHEREAS, pursuant to an advertisement for bids for the construction of the **Armstrong Avenue Improvements Project**, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

<u>Contractor</u>	<u>Total Bid Amount</u>
R & R Excavating, Inc. Hutchinson, MN	\$3,520,064.09
Hjerpe Contracting, Inc. Hutchinson, MN	\$3,665,700.18
Wm. Mueller & Sons, Inc. Hamburg, MN	\$3,729,706.05
Quam Construction Willmar, MN	\$4,242,477.12
Duininck, Inc. Prinsburg, MN	\$4,330,621.48
Northdale Construction Co., Inc. Albertville, MN	\$4,342,888.30

AND WHEREAS, it appears that R & R Excavating, Inc. of Hutchinson, Minnesota, is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GLENCOE, MINNESOTA:

1. The mayor and city administrator are hereby authorized and directed to enter into a contract with R & R Excavating, Inc. of Hutchinson, Minnesota, in the name of the City of Glencoe, Minnesota, for the construction of the **Armstrong Avenue Improvements Project**, according to the plans and specification therefore approved by the city council and on file in the office of the city administrator.
2. The city administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Councilor Schrupp seconded the motion. Upon a roll call vote members Perschau, Ziemer, Dietz and Schrupp voted in favor. Councilor Robeck voted no. Whereupon said resolution was adopted and approved.

- ii. APPROVE SUPPLEMENTAL LETTER AGREEMENT WITH SEH FOR CONSTRUCTION MANAGEMENT FOR ARMSTRONG AVENUE PROJECT

Justin Black of SEH presented the proposal to provide engineering services for the Construction Administration phase of the 2016 Armstrong Avenue Project. The proposal includes construction administration, construction staking, construction observation and record drawings. These services will be provided for a fee not to exceed \$515,000. The proposed schedule for the project was presented with construction tentative start date of May 2<sup>nd</sup> and substantial completion by October 31<sup>st</sup>.

Motion to approve the Supplemental Letter Agreement for Construction Management with SEH made by Councilor Ziemer and seconded by Councilor Perschau. All members voted in favor.

**B. REVIEW FINANCING PLAN FOR ARMSTRONG AVENUE IMPROVEMENT PROJECT AND APPROVE PARAMETERS RESOLUTION – RESOLUTION 2016-09**

Paul Donna, Robert W. Baird and Company, reviewed for the Council the financing plan for the City of Glencoe Armstrong Avenue Street and Utility Improvement Project. Sources and uses of funds, estimated debt service and debt service cash flow as well as financing timetable were discussed.

Councilor Schrupp presented the following written resolution for adoption of issuance of General Obligation Bonds, Series 2016A.

RESOLUTION NO. (2016-09)

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF  
APPROXIMATELY \$4,025,000 GENERAL OBLIGATION BONDS,  
SERIES 2016A

Complete resolution on file in the office of the City Administrator.

Councilor Perschau seconded the motion. Upon a roll call vote all members voted in favor. Whereupon said resolution was adopted and approved.

C. REVIEW FINANCING PLAN FOR REFUNDING 2008A – STREET  
RECONSTRUCTION BONDS AND APPROVE PARAMETERS  
RESOLUTION – RESOLUTION 2016-10

Paul Donna of Robert W. Baird and Company then reviewed the financing plan for refunding 2008A Street Reconstruction Bonds (Morningside Avenue). He explained that this refinancing opportunity will reduce future debt service by approximately \$72,000.

Councilor Robeck presented the following written resolution for adoption for issuance and sale of general obligation refunding bonds.

RESOLUTION NO. (2016-10)  
RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF  
APPROXIMATELY \$915,000 GENERAL OBLIGATION REFUNDING  
BONDS, SERIES 2016B

Complete resolution is on file in the office of the City Administrator.

Councilor Dietz seconded the motion. Upon a roll call vote all members voted in favor. Whereupon said resolution was adopted and approved.

D. APPROVE PROPOSAL OF BRAUN INTERTEC FOR CONSTRUCTION  
MATERIALS TESTING SERVICES FOR ARMSTRONG AVENUE  
PROJECT

Justin Black of SEH stated that the Armstrong Avenue Project is State-Aid. Projects that are constructed with State-Aid funding are required to perform quality control and quality assurance testing in accordance with MnDOT Schedule for Materials Control. Persons with MnDOT certifications must complete the monitoring and testing. Fees for these services are estimated at \$56,883.

Motion by Councilor Perschau to approve the materials testing on Armstrong Avenue Project with Braun Intertec not to exceed \$56,883. Second by Councilor Ziemer. Members voting in favor, Schrupp, Dietz, Ziemer, Perschau. Member Robeck voted no. Motion carried.

5. REQUESTS TO BE HEARD:

A. REQUEST OF COMMON CUP MINISTRY FOR ROOM RENTAL AT CITY CENTER – PERSONNEL AND LEGISLATIVE COMMITTEE RECOMMENDATION

Bev Bonte and Roger Gronholz representing Common Cup Ministry, requested to lease the room in the northwest corner of the main floor of the City Center building. The organization would be making some minimal improvements with volunteer help, investing approximately \$5,000 for the improvements. They would use the northwest entrance for access to the room, using the City Center entrance only when there is accessibility issues. \$100 per month was the recommended lease amount. Common Cup would be reimbursed for their initial investment if the City determines that there is a higher and better use for the space.

Discussion led to a motion to authorize the City Attorney to draft a lease for this office space by Councilor Robeck and second by Councilor Dietz. All members voted in favor.

B. THIRD READING OF UNDERGROUND UTILITY ORDINANCE NO. 591

Councilor Schrupp motioned approval of the third reading of the Ordinance No. 591 allowing for a new chapter to the Municipal Code regarding Underground Utilities. Councilor Dietz seconded the motion. All members voted in favor. Ordinance will be in full force and effect upon its publication.

C. FIRST READING OF ORDINANCE NO. 592 AMENDING ACCESSORY BUILDING SIZE – PLANNING AND INDUSTRIAL COMMISSION RECOMMENDATION

Motion by Councilor Ziemer to approve the first reading of Ordinance Number 592 to increase size for building permit and permanent foundation for accessory buildings from 144 square feet to 200 square feet and to set the public hearing for March 21<sup>st</sup> at 7:05 p.m. Councilor Perschau seconded. All members voted in favor.

D. FIRST READING OF ORDINANCE NO. 593 ADDING CODE 501 TO CHAPTER FIVE – LAND USE CONTROL – MINNESOTA BUILDING CODE CHANGES

It was recommended to approve the first reading of Ordinance Number 593 to add to the Land Use Control code to include the Minnesota Building Code instead of the Uniform Building Code and that the city code would automatically update changes in the Minnesota Building Code and to set the public hearing for Ordinance 593 for March 21<sup>st</sup> at 7:15 p.m.

Councilor Ziemer entered that motion with Councilor Schrupp seconding. Members voting in favor Perschau, Ziemer, Dietz and Schrupp. Member Robeck voted no. Motion carried.

E. RETIREMENT REQUEST OF PW DIRECTOR MIKE DREW

The Personnel and Legislative Committee recommended approval of the request of Public Works Director Mike Drew for the City of Glencoe to continue to pay dependent health insurance premium for one year following his retirement on September 29<sup>th</sup>, 2016. He would be responsible for 20% of the dependent premium. This request is being made as he will be 65 years old and ineligible for continued health insurance as current policy now provides payment for up to three years for the employee after attaining combination of their age and years of service equal to 85.

A Personnel Policy change to the retiree coverage was proposed to allow for additional consideration individually for those retiring. Discussion led to a motion to approve the policy change by Councilor Ziemer and second by Councilor Perschau. Members voting in favor, Schrupp, Dietz, Ziemer and Perschau. Councilor Robeck entered a no vote. Motion carried.

A motion was then entered to approve Mike Drew's request for continued dependent health insurance for one year with Mr. Drew paying 20% of the dependent premium by Councilor Ziemer and second by Councilor Perschau. Members voting in favor were Perschau, Ziemer, Schrupp and Dietz. Councilor Robeck voted no. Motion carried.

#### F. APPOINTMENT OF SHORT ELLIOTT HENDRICKSON AS AIRPORT CONSULTING ENGINEER AIRPORT COMMISSION RECOMMENDATION

As required by the Federal Aviation Administration every five years, the City of Glencoe received Statement of Qualifications from three engineering firms for the role of the Airport Consulting Engineer. The proposals were reviewed by the Airport Commission. The Commission recommended staying with SEH, Inc. as the Glencoe Consulting Airport Engineer.

Councilor Dietz entered that motion with Councilor Perschau seconding to appoint SEH, Inc as Glencoe Airport Consulting Engineer. All members voted in favor.

#### G. APPROVE FIRE DEPARTMENT OFFICERS

Motion by Councilor Robeck to approve the Fire Department Officers. Second by Councilor Dietz. All members voted in favor.

Chief Ron Grack, Asst. Chief Scott Dietz, Training Officer Steve Millard and John VanDuynhoven, Engine Company 331 – Capt Jamie Voigt, 1<sup>st</sup> Lieutenant Jeremy Mattson, 2<sup>nd</sup> Lieutenant Jeff Jensen. Engine Company 333 – Capt Scott Schrupp, 1<sup>st</sup> Lieutenant Jim Matten Jr., 2<sup>nd</sup> Lieutenant Kelly Mahon, Engine Company 335 – Capt. Cory Scheidt, 1<sup>st</sup> Lieutenant John Vanduyhoven, 2<sup>nd</sup> Lieutenant Brandon Hahn.

#### 6. ITEMS FOR DISCUSSION:

A. FUTURE OF THE CITY CENTER BOARD

Possibility of blending with the Park Board will be discussed.

B. ARCHERY GRANT APPLICATION

This grant was submitted to the Minnesota DNR in the amount of \$11,712.00. Grant will be awarded by the end of March.

C. MCLEOD COUNTY USE OF CITY CENTER DURING CONSTRUCTION OF JAIL

No action taken. Council let County know it is available for their meeting use. Fees discussed back in 2011 at \$35.00/hour.

7. ROUTINE BUSINESS:

PROJECT UPDATES: Street sweeping and vacuuming of storm sewers to begin this week. Yard Waste Site open – no staff until early April.

ECONOMIC DEVELOPMENT: ADM – project completion in approximately 7 weeks.

PUBLIC INPUT: Marlene Robeck stated her concerns regarding City paying dependent benefits.

Amy Wilde, candidate for State Senate, introduced herself.

REPORTS: None

CITY BILLS: Motion to approve payment of the city bills by Councilor Perschau, second by Councilor Ziemer. All members voted in favor.

ADJOURN: Mayor Wilson called for adjournment at 8:21 p.m. Motion by Councilor Dietz, second by Councilor Robeck. All voted in favor.

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Mark D. Larson  
City Administrator

ATTEST:

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Randy Wilson  
Mayor

