

GLENCOE CITY COUNCIL MEETING MINUTES
SEPTMEBER 5, 2017
7:00 P.M.

Mayor Wilson called the regular meeting of the City Council to order at 7:00 p.m. Members present: Neid, Ziemer, Schrupp, Robeck and Alexander. Also present: City Administrator Mark Larson, City Attorney Mark Ostlund, Finance Director Trippel, Assistant City Administrator Dan Ehrke, Police Chief Raiter, Public Works Directors Schreifels and Voigt.

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

CONSENT AGENDA

Motion to approve the consent agenda as presented by Member Alexander, second by Member Neid. All members voted in favor.

- A. Approve the minutes of the regular meeting of August 21, 2017.
- B. Approve the following building permits:
 1. Derrick Johnson, 1413 Elsie Dr, 1404 and 1416 Baldwin Ave; Mechanical and Plumbing permits
 2. Scott Conklin, 815 Sumac Lane; Addition
 3. Christina Laney, 1705 15th St E; Re-roof
 4. Sadie Gustafson, 1330 Greeley Ave N; Re-roof
 5. Dean Moller, 1521 15th St E; Re-roof
 6. Jason Kuerschner, 345 Scout Hill Dr; Re-roof
 7. Kermit Luehrs, 531 9th St E; Plumbing Permit
 8. Anthony Lofgren, 1222 Baldwin Ave N; Re-roof
 9. Travis Christensen, 1623 Hennepin Ave N; Re-roof

PUBLIC HEARINGS: None Scheduled

BIDS AND QUOTES: None Scheduled

REQUESTS TO BE HEARD:

- A. RESOLUTION 2017 – 27 TO ENTER INTO AN AGREEMENT WITH MN DEPARTMENT OF PUBLIC SAFETY

Police Chief Raiter made the request of the City Council to adopt the Department of Public Safety's resolution to have Office Fiebelkorn be the financial coordinator for traffic safety projects. The financial coordinator along with the Finance Department of the City of Glencoe will be in charge of billing agencies within McLeod County for monies received from the State of Minnesota for safety projects, (i.e. seatbelt, speed, DUI projects).

Councilor Alexander entered the motion for adoption of the following resolution:

RESOLUTION 2017-27
RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT

Be it resolved that the Glencoe Police Department enter into a grant agreement with the Minnesota Department of Public Safety, for traffic safety projects during the period from October 1, 2017 through September 30, 2018.

Officer Andrew Fiebelkorn is hereby authorized to execute such agreements and amendments as are necessary to implement the project on behalf of the Glencoe Police Department and to be the fiscal agent and administer the grant.

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

B. APPOINT POLICE OFFICER

Police Chief Raiter informed the Council that Officer Losure will be retiring from the Glencoe Police Department on September 10th. He has served the department for 18 years. Part-time Officer Brianna Korson is being recommended for the fulltime position vacated by Officer Losure.

Motion by Member Robeck to appoint Officer Korson to the full time position. Member Neid seconded the motion. All members voted in favor. Mayor Wilson then administered the oath of office to Officer Korson.

C. HELEN BAKER SITE PROPOSAL

Assistant City Administrator Dan Ehrke on behalf of the Economic Development Committee, presented the request of Glencoe Multi-Family LLC to proceed with the redevelopment of the Helen Baker School site, with plans to construct up to a 97 unit apartment complex, and a number of patio home lots, to be developed in two phases. They are requesting the City's financial assistance in the form of selling the site to Glencoe Mult-Family, LLC for \$1.00, installing a large retention pond on site at the City's expense. The City of Glencoe would establish a TIF redevelopment district as a mechanism to recoup its redevelopment costs. Total estimated tax valuation of both phases is \$8,259,600.00. TIF projection for phase I –the 67 apartment complex would generate annual net revenue of \$83,329 in tax increment.

The School District has been approached to partner with the City for a contribution of \$300,000 for asbestos abatement and demolition costs of the building. Total estimate for redevelopment costs for pond, demolition and asbestos abatement is \$763,250.00.

1. AUTHORIZE MAYOR AND CITY ADMINISTRATOR TO EXECUTE PURCHASE AGREEMENT WITH GSL SCHOOL DISTRICT FOR HELEN BAKER SCHOOL SITE.

Councilor Neid entered the motion to authorize the Mayor and City Administrator to execute purchase agreement with GSL School District with the intent to acquire the

site/property and the City lead the redevelopment activities. Councilor Ziemer seconded. All members voted in favor.

2. AUTHORIZE DAVID DROWN AND ASSOCIATES TO PREPARE REDEVELOPMENT TAX INCREMENT DISTRICT PLAN FOR HELEN BAKER SITE

Council member Alexander entered the motion authorizing David Drown and Associates to prepare the Redevelopment Tax Increment District Plan for Helen Baker Site for the fee of \$6,000. Council member Schrupp seconded. All members voted in favor.

3. RESOLUTION 2017-28 TO SET PUBLIC HEARING FOR REDEVELOPMENT TAX INCREMENT DISTRICT

Council member Neid introduced the following resolution and moved its adoption;

RESOLUTION NO. 2017-28
RESOLUTION CALLING PUBLIC HEARING ON
THE CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 19 THEREIN
AND THE ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING
THERE TO

BE IT RESOLVED by the City Council (the "Council") of the City of Glencoe, Minnesota (the "City"), as follows:

1. Public Hearing. This Council shall meet on Monday, November 6, 2017, at approximately 7 p.m. to hold a public hearing on the following matters; (a) the proposed creation of Tax Increment Financing District No. 19, and (b) the adoption of the Tax Increment Financing Plan relating thereto, pursuant to and in accordance with Minnesota Statutes, Sections 469.174 to 469.1799, inclusive, as amended (the "Act").

2. Notice of Hearing. Filing of Plan. The City Administrator is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and to place a copy of the proposed Tax Increment Financing Plan on file in City Administrator's Office at City Hall and to make such copies available for inspection by the public.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Robeck and upon vote being taken thereon, the following voted in favor: Neid, Ziemer, Robeck, Alexander and Schrupp.

4. AUTHORIZE CITY ADMINISTRATOR TO PREPARE APPLICATION FOR REZONING HELEN BAKER SITE TO R-2 MULTI-FAMILY

Councilor Robeck entered the motion authorizing the City Administrator to prepare application for rezoning Helen Baker Site to R-2 Multi-Family for consideration by the Planning and Industrial Commission at the September meeting to set the public

hearing for the October 12th Planning Commission meeting. Councilor Alexander seconded the motion. All members voted in favor.

D. WASTE WATER TREATMENT PLANT

1. CONTESTED CASE WITH MINNESOTA POLLUTION CONTROL AGENCY (MPCA) – RESOLUTION 2017-29 TO WITHDRAW THE CONTESTED CASE WITH MPCA

A memorandum providing a brief summary of the legal options to continue or withdraw the City of Glencoe’s contested case petition challenging the MPCA proposal to include total phosphorus effluent limit in the City’s NPDES Permit No. MN0022233.

As a result of the City’s failing wastewater infrastructure and MPCA’s refusal to respond to the contested case petition in a timely fashion the City has only two options with respect to the contested case petition: initiate litigation against MPCA forcing it to respond, while risking plant failure, or withdraw the contested case petition to aggressively pursue state grant and other funding options to assist with the infrastructure upgrades.

Councilor Alexander entered the motion for adoption of the following resolution to withdraw the contested case petition:

CITY OF GLENCOE, MINNESOTA
CITY COUNCIL RESOLUTION 2017-29

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GLENCOE, MINNESOTA, AUTHORIZING THE WITHDRAWAL OF THE CONTESTED CASE PETITION FILED IN THE MATTER OF NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT NO. MN0022233:

WHEREAS, the City of Glencoe, Minnesota (“City”) filed a contested case petition on August 26, 2016 with the Minnesota Pollution Control Agency (“MPCA” or “Agency”) challenging the Agency’s proposal to include a .53 milligrams per liter (“mg/l”) effluent limit for phosphorus into the City’s National Pollutant Discharge Elimination System (“NPDES”) Permit No. MN0022233 based legal and technical grounds; and

WHEREAS, to date, MPCA has failed to formally respond to the City granting or denying the contested case petition; and

WHEREAS, the City continues to maintain concerns about the legal validity and technical accuracy of the phosphorus limit proposed by MPCA for inclusion into its NPDES permit; and

WHEREAS, the City’s wastewater engineering consultants at Short Elliot Hendrickson Inc., (“SEH”) have informed the City Council and staff that City’s wastewater treatment plant (“WWTP”) needs substantial infrastructure upgrades to prevent potential catastrophic plant failure within 1-5 years; and

WHEREAS, the City’s legal counsel in the contested case matter, Daniel Marx from Flaherty & Hood, P.A., has advised that that pursuing the contested case petition further would likely

require a lengthy litigation process lasting an estimated 1-3 years, which could delay the infrastructure upgrades to City's WWTP recommended as necessary by SEH and interfere with City's eligibility to obtain state funding for said upgrades; and

WHEREAS, based on the joint recommendations of Flaherty & Hood, P.A., and SEH, the City finds further delay of infrastructure upgrades to the City's WWTP could create future risks to the health, safety and welfare of the City, its residents and the environment and subject the City to regulatory enforcement actions by MPCA; and

WHEREAS, based on the joint recommendations of Flaherty & Hood, P.A., and SEH, the City finds that, despite its continued concerns about the legal validity and technical accuracy of the phosphorus limit proposed for inclusion into its NPDES permit, that it is in the best interest of the health, safety and welfare of the City, its residents and the environment to settle and fully resolve the claims asserted in the City's contested case petition to facilitate upgrades to the WWTP and pursue state funding for such infrastructure upgrades.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL THAT:

1. The City Council hereby authorizes and directs the Mayor, City Administrator, and the City's legal counsel at Flaherty & Hood, P.A. to prepare, negotiate and submit a settlement agreement and release to MPCA for purposes of withdrawing the contested case petition in substantial conformity with the draft settlement agreement attached hereto;
2. The City Council hereby authorizes and directs the Mayor, City Administrator, and the City's legal counsel at Flaherty & Hood, P.A. to sign and execute a settlement agreement on behalf of the City and such further documents as necessary to formally withdraw the contested case petition, contingent upon MPCA's agreement to terms of settlement in substantial conformity with attached draft settlement agreement and release;

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

2. SUPPLEMENTAL LETTER AGREEMENT WITH SEH TO PREPARE PLANS AND SPECIFICATIONS FOR WASTE WATER TREATMENT PLANT

The supplemental letter agreement with SEH for the WWTF Improvements Project was presented to the council. The fee for the services is \$1,144,800 to prepare plans and specifications. The plans must be complete to meet deadlines for certification of the plans for application of the 2018 PSIG Grant with the MPCA.

Motion to approve the supplemental letter agreement as presented by Councilor Ziemer and second by Councilor Schrupp. All members voted in favor.

E. FIRE RELIEF ASSOCIATION REQUEST

The request of the Fire Relief Association for an increase in their contribution per year of service was brought back before the council after further discussion at the Finance Committee. The Finance Committee recommendation was to increase the contribution to \$2800 per year of service. Motioning approval of the recommendation was Councilor Robeck, second by Councilor Schrupp. Discussion concerned a Fire Relief contribution of \$30,000 or \$50,000. The Mayor called for a vote on the motion on the floor for the

\$2800 per year of service. Members voting in favor were Robeck, Ziemer and Schrupp. Neid entered a no vote. Member Alexander did not enter a vote. Motion carried.

ITEMS FOR DISCUSSION:

- A. BAXTER AVENUE PROJECT: 12th Street is paved. Ford Avenue will be paved Wednesday. Final layer of bituminous will be placed on Fairway Drive this Thursday. Contractor is installing water main on Baxter Avenue and 9th Street today.
- B. CENTRAL STORM SEWER PROJECT: Cost benefit analysis is being done on different scenarios for the project between 10th and 11th Streets.
- C. TAX FORFEITED LAND UPDATE: City Attorney Mark Ostlund has completed and submitted the Application for State Deed for Tax Forfeited Land for 1128 Hennepin Avenue North. McLeod County now needs to act on the \$1.00 proposed price offer.

ROUTINE BUSINESS:

PROJECT UPDATES: Nothing additional.

ECONOMIC DEVELOPMENT: Project in East Industrial Park to come before the City Council in October

PUBLIC INPUT: None

REPORTS: Nothing additional

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

ADJOURN; Mayor Wilson called for adjournment at 7:56 p.m. Councilor Alexander entered that motion with a second by Councilor Schrupp. All members voted in favor.