

GLENCOE CITY COUNCIL MEETING MINUTES  
MARCH 19, 2018  
7:00 P.M.

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

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

CONSENT AGENDA

Member Ziemer entered the motion approving the consent agenda as presented with Member Schrupp seconding. WTP and WWTP fund transfers for management services were questioned. Members voting in favor were Neid, Ziemer, Alexander and Schrupp. Member Robeck entered a no vote. Motion carried.

- A. Approve the minutes of the regular meeting of February 20, 2018.
- B. Approve the following building permits:
  - 1. Joe Kubesh, 610 Ash St; Mechanical Permit
  - 2. Jerry Scharpe, 1519 Hennepin Ave N; Re-side
  - 3. Rachel Clausen, 1106 Abbot Ave N; Windows/Patio Door
  - 4. James Raiter, 205 Fairway Circle; Re-roof/Re-side
- C. Approve the following licenses:
  - 1. Pla-Mor Ballroom, 3.2 On-Sale Liquor License Renewal
  - 2. Carmalita's Mexican Cocina, Liquor License Renewal
- D. Approve the following book transfers:
  - 1. \$20,000 from Cable T.V. to General for A V Equipment
  - 2. \$12,000 from Liquor Store to City Center for deficit reduction
  - 3. \$120,000 from Liquor Store to City Center Bonds for debt service
  - 4. \$45,000 from Water to General for management services
  - 5. \$45,000 from WWTP to General for management services
  - 6. \$95,000 from Storm Water Management to General for management services & employee wages
  - 7. \$62,000 from General to Aquatic Center for deficit reduction
  - 8. \$27,800 from Tax Increment #14 to 2003 Tax Increment Bond for debt service
  - 9. \$5,000 from Tax Increment #4 to 2003 Tax Increment Bond for debt service
  - 10. \$60,000 from Tax Increment #4 to 2007 Tax Increment Bond for debt service
  - 11. \$90,000 from Tax Increment #15 to 2007 Tax Increment Bond for debt service
  - 12. \$18,000 from Tax Increment #18 to 2014 Tax Increment Bond for debt service
  - 13. \$40,000 from 2017 Street Improvement to General for administrative services
  - 14. \$10,000 from Sanitation to General for leaf vacuum
  - 15. \$10,000 from General to Park Improvement for campground reimbursement

16. \$120,000 from Water to 2015 Street Improvement Bond for bond payment
17. \$180,000 from WWTP to 2015 Street Improvement Bond for bond payment
18. \$60,000 from Water to 2016 Street Improvement Bond for bond payment
19. \$20,000 from WWTP to 2016 Street Improvement Bond for bond payment
20. \$127,549 from Municipal State Air to 2016 Street Improvement Bond for bond payment
21. \$16,200 from General to 2014 Tax Increment Bond for deficit reduction

**PUBLIC HEARINGS:**

**A. RESOLUTION NO. 2018-04 TO SET PUBLIC HEARING ON HENNEPIN AVE PROJECT**

John Rodeberg, SEH, presented the resolution to set the public hearing for proposed assessments for the Hennepin Avenue Project.

Member Ziemer entered the following resolution setting the hearing for April 16, 2018 at 7:15 p.m. and declaring cost to be assessed:

**RESOLUTION NO. 2018-04**

**DECLARING COST TO BE ASSESSED, ORDERING PREPARATION OF PROPOSED ASSESSMENT, AND CALLING FOR HEARING ON PROPOSED ASSESSMENT**

WHEREAS, costs have been determined for the Hennepin Avenue (TH 22) ADA Improvement Project, for the construction of water main, water services, sanitary sewer services, storm sewer, concrete curb and gutter, sidewalk, aggregate base, concrete and bituminous street surfacing, turf restoration, and miscellaneous items required to properly complete the improvements, and the estimated final contract price for such improvements is \$358,310.56, and the estimated final expenses incurred or to be incurred in the making of such improvements amount to \$96,900.00, so that the estimated final total cost of the improvements will be \$455,210.56.

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 \$124,502.56, and the portion of the cost of such improvement to be paid by the Minnesota Department of Transportation is hereby declared to be \$251,000.00, and the portion of the cost to be assessed against benefited property owners is declared to be \$79,708.00.
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, 2019, and shall bear interest at the rate of 4.00 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 16th day of April, 2018, 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, 2018. 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.

Member Schrupp seconded the motion. Upon a roll call vote Members Neid, Ziemer, Alexander and Schrupp voted in favor. Robeck entered a no vote. Whereupon said resolution was adopted and approved.

#### SUPPLEMENTAL LETTER AGREEMENT WITH SEH FOR CONSTRUCTION SERVICES

John Rodeberg, SEH, presented the Construction Administration Proposal for the Hennepin Avenue Project. Services will be hourly, not to exceed \$49,400. A detailed task list was provided to the council.

Councilor Neid entered the motion approving the supplemental letter agreement with SEH for construction services not to exceed \$49,400. Councilor Ziemer seconded the motion. Members voting in favor were Neid, Ziemer, Alexander and Schrupp. Robeck voted no. Motion carried.

#### BIDS AND QUOTES:

##### A. QUOTE FOR JETTER REPLACEMENT

Public Works Director Schreifels reviewed three quotes to replace the 27 year old jetter. Low bid of \$62,662.00 was from Flexible Sewer Equipment for a diesel unit. \$2,000 trade in value of the existing jetter would be subtracted from the low bid. This will be funded from the WWTP 2018 budget.

Discussion and questions concerning what departments use the jetter and what department should be funding the purchase led to a motion by Councilor Neid to table the purchase with Councilor Robeck seconding. Motioning in favor were Neid, Robeck and Alexander. Ziemer and Schrupp entered a no vote. Motion carried. This will be on the April 2<sup>nd</sup> agenda.

#### REQUESTS TO BE HEARD:

**A. WASTE WATER TREATMENT FACILITY RATES**

John Rodeberg, SEH, once again stated that this rate structure is required for the next 3 years in order to show that funding is in place to pay for the City’s share of the WWTP facility project cost. The proposed rates for the future will be reviewed against the Wastewater system budget and can be adjusted to reflect actual financial needs.

Councilor Ziemer entered the following resolution:

**RESOLUTION NO. 2018-05**

**SETTING WASTEWATER SERVICE AND USAGE FEES FOR 2018 - 2020**

WHEREAS, it is necessary to adopt wastewater service and usage fees that provide the appropriate revenue for proposed improvements at the City of Glencoe Wastewater Treatment Facility, and;

WHEREAS, these fees also cover maintenance and operations of the City’s wastewater systems, as well as debt and other costs related to the City’s wastewater system, and;

WHEREAS, these costs have been utilized to establish a proposed schedule for increasing Wastewater Service and Usage Fees in 2018, 2019 and 2020 as described in the table below:

Item	March 1, 2018	January 1, 2019	January 1, 2020
Service Fee	\$16.70	\$24.35	\$28.00
Usage Fee	\$9.00	\$9.50	\$10.00

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

1. Such raises to the Wastewater Service and Usage Fees, and the dates of implementation, are hereby approved.
2. In November of each year, proposed rates for the following year, will be reviewed against the Wastewater Budget and presented to the council.

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

**RESOLUTION NO. 2018-06 TO APPROVE APPLICATION FOR PFA LOAN**

Councilor Ziemer entered the following resolution approving PFA Loan Application:

**RESOLUTION NO. 2018-06**

**RESOLUTION APPROVING APPLICATION FOR P.F.A. LOAN**

BE IT RESOLVED that the City of Glencoe is hereby applying to the Minnesota Public Facilities Authority for a loan from the Clean Water Revolving Fund/Drinking Revolving Fund for improvements to its municipal wastewater treatment system as described in the loan application.

BE IT FURTHER RESOLVED that the City of Glencoe estimates the loan amount to be \$22.35 million or the as-bid cost of the project.

BE IT FURTHER RESOLVED that the City of Glencoe has the legal authority to apply for the loan, and the financial, technical, and managerial capacity to repay the loan and ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED that City of Glencoe hereby expresses its official intent to use proceeds of this loan to reimburse construction expenditures made prior to the issuance of its general obligation bond to the Public Facilities Authority.

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

#### B. PANTHER HEIGHTS APARTMENT PROJECT

Assistant City Administrator Dan Ehrke reviewed the development agreement with Glencoe Multi-Family Housing for construction of apartments in the Panther Heights development. The first phase of 50 units is scheduled for construction in 2018. The agreement was developed based on the development group's request for assistance for Tax Increment Financing to complete infrastructure improvements and off-set eligible development improvements on the 5 acre parcel.

Member Neid entered the motion to authorize the Mayor and City Administrator to execute the development agreement between the City of Glencoe and Glencoe Multi-Family, LLC for construction of apartments on 5 acres in the Panther Heights Development. Councilor Alexander seconded. All members voted in favor.

#### ZONING APPLICATION

The Planning and Industrial Commission recommended to zone the property R-2 for apartment complex. Councilor Neid motioned approval of the property to be zoned R-2. Councilor Ziemer seconded. All members voted in favor.

#### FIRST READING OF ANNEXATION ORDINANCE NO. 600

Councilor Ziemer motioned to approve the first reading of Ordinance No. 600 annexing the 5 acres into the city limits. Councilor Neid seconded. All members voted in favor.

#### C. HOTEL MARKET STUDY UPDATE

Assistant City Administrator Dan Ehrke reviewed for the council the EDC's recommendation that the City Council consider the proposal from HMI Inc. to update the Market Study that the firm originally completed in 2013.

The Apollo Development group is considering purchasing land adjacent to Harpel's dealership to construct a hotel. They are requesting an updated market study be completed to secure necessary financing. Prospective lenders would like more current market information as they feel some of the data from 2013 study is outdated.

The proposal from HMI, Inc. is to complete the updated comprehensive market study for a fee of \$5,150. The Chamber of Commerce will be contributing \$1,000 making the City's cost \$4,150. The study will be completed in 30 to 45 days.

Councilor Alexander motioned approval of the proposal by HMI, Inc. for an update to the market study from 2013 for a fee of \$5,150 of which the Chamber of Commerce will contribute \$1,000. Councilor Schrupp seconded the motion. All members voted in favor.

**D. POLIFKA ANNEXATION- FIRST READING ORDINANCE NO. 601**

Councilor Robeck motioned to approve the first reading of Ordinance No. 601 for the annexation of the Ken Polifka property on Judd Avenue North of which a legal description of the 3 lots is still needed. Councilor Neid seconded. All members voted in favor.

**E. PLANNING COMMISSION RECOMMENDATIONS**

**REVOKE SPECIAL USE PERMIT AT 812 14<sup>TH</sup> ST E**

City Administrator Mark Larson recommended tabling this agenda item to check into the due process required for such revocation. Council Alexander motioned to table this recommendation of the Planning Commission to revoke the special use permit at 812 14<sup>th</sup> St E. Councilor Schrupp seconded. All members voted in favor.

**APPROVE VARIANCE AT 1327 DESOTO AVE N FOR DETACHED GARAGE**

Councilor Schrupp motioned to approve the variance permit request of 1327 DeSoto Ave N to build a garage over 1000 square feet and higher than 15 feet. Councilor Ziemer seconded the motion. All members voted in favor. It was recommended to consider an ordinance change for sizes and heights of buildings. This will be considered at a Personnel and Legislative meeting or a Planning Commission meeting.

**APPROVE VARIANCE AT 508 ABBY LANE FOR GARAGE ADDITION**

Councilor Schrupp motioned approval of the variance permit request at 508 Abby Lane for a garage addition 5 feet closer to front yard than allowed by ordinance. Councilor Alexander seconded the motion. All members voted in favor.

**F. FIRST READING OF CROSS CONNECT ORDINANCE NO. 602**

Public Works Director Schreifels presented the Cross Connect Ordinance for approval of the first reading. The Municipal Code 203B will be added to establish specifications for cross connections and backflow prevention to carry out requirements of the Safe Drinking Water Act and protect the municipal potable water supply from possibility of contamination or pollution of the potable water system under the authority of the City of Glencoe. To promote the elimination or control of existing cross connections, and provide for maintenance of a continuing program of cross connection control.

Councilor Neid motioned to approve the first reading of Cross Connect Ordinance No. 602. Councilor Robeck seconded the motion. All members voted in favor.

**G. CENTRAL STORM SEWER PROJECT**

City Attorney Mark Ostlund purchase agreements for land acquisition and necessary easements for the Central Storm Project.

**PURCHASE OF BAUMANN LOT:** Councilor Robeck motion to approve the purchase of the Baumann lot for a holding pond in the amount of \$4,300. Councilor Ziemer seconded. All members voted in favor.

**PURCHASE OF GILDEA LOT:** Councilor Robeck motioned to approve the purchase of the Gildea lot for a holding pond for \$9,000. Councilor Neid seconded. All members voted in favor.

**LIGHT & POWER EASEMENT:** Councilor Ziemer motion to authorize the Mayor and City Administrator to execute the agreement with the Light and Power Commission for an easement to construct a holding pond. Councilor Neid seconded. The Light and Power Commission will take this under consideration at their upcoming meeting. All members voted in favor.

#### H. COUNCIL PACKET DAY

Councilor Robeck requested at the Personnel and Legislative Committee meeting that council packets be sent out earlier than Friday afternoon before the Monday council meeting. City Administrator Mark Larson made his case to continue on Friday as this provides for time for staff to have the most current information on the agenda for all commission, board and subcommittee meetings held during the week.

Subcommittee meeting agendas will be sent out a couple of days prior to the meeting date.

#### ITEMS FOR DISCUSSION:

##### A. LEGISLATIVE ACTION DAY

Mayor Wilson and City Administrator Mark Larson attended this event.

#### ROUTINE BUSINESS:

**PROJECT UPDATES:** Dollar General has signed a purchase agreement for the Economart site but are looking at other locations in Glencoe for this project.

**ECONOMIC DEVELOPMENT:** None

**PUBLIC INPUT:** None

**REPORTS:** None

**CITY BILL:** Motion to approve payment of the city bills entered by Member Schrupp, second by Member Ziemer. All members voted in favor.

**ADJOURN:** Mayor Wilson called for a motion to adjourn at 8:25 p.m. Councilor Robeck entered that motion. Councilor Neid entered the second to the motion. All members voted in favor.