

GLENCOE CITY COUNCIL MEETING MINUTES
JUNE 4, 2018
7:00 P.M.

Mayor Wilson called the regular meeting to order at 7:00 p.m. Members present: Schrupp, Neid, Alexander, Robeck and Ziemer. Also present: City Administrator Mark Larson, Ass't City Administrator Dan Ehrke, City Attorney Mark Ostlund, Finance Director Todd Trippel, Public Works Director Schreifels and Police Chief Raiter.

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

CONSENT AGENDA

Motioned entered by Councilor Neid to approve consent agenda with Councilor Ziemer seconding. All members voted in favor.

- A. Approve the minutes of the regular meeting of May 21, 2018.
- B. Approve the following building permits:
 - 1. Glen Knoll Properties, 802 15th St W and 804 15th St W; Mobile homes
 - 2. Steve Millard, 2020 Loudon Ave N; Siding repairs
 - 3. Dillon Becker, 1601 Knight Ave N; Interior Drain Tile
 - 4. Howard Dittmer, 1815 Ives Ave N; Re-roof
 - 5. First Lutheran, 925 13th St E; Fence
 - 6. Lee Lemke, 1327 Elliott Ave N; Re-roof, Re-side
 - 7. Wade Drew, 1414 Pryor Ave N; Fence
 - 8. John Heitz, 1305 Sunrise Dr; Window Replacement
 - 9. Richard Sommerville, 2006 10th St E; Re-roof

PUBLIC HEARINGS: None scheduled

BIDS AND QUOTES:

A. RESOLUTION NO. 2018-13 APPROVING BOND SALE, SERIES 2018A FOR CENTRAL STORM SEWER PROJECT

Matt Rantapaa of RW Baird, presented the summary of the Series 2018B Bond issue pricing. Total borrowing amount is \$6,985,000. True interest cost rate is 3.42% and all-inclusive cost rate is 3.51%. Sources and funds and net debt service schedule were reviewed. Annual debt service is approximately \$160,000 for 20 year life of the bond. Councilor Ziemer introduced the following resolution and moved for its adoption. Councilor Schrupp seconded the motion.

RESOLUTION NO. 2018-13

RESOLUTION AUTHORIZING ISSUANCE, AWARDING SALE, PRESCRIBING
THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT OF
\$6,985,000 GENERAL OBLIGATION BONDS SERIES 2018A

The complete resolution is on file in the office of the City Administrator. Upon a roll call vote all members voted in favor. Whereupon said resolution was adopted and approved.

1. QUOTE FOR OFFICIAL AGENT FEES FOR 2018 TIF BONDS

The two quotes were reviewed to provide fiscal agent services for issuance of TIF Bonds for the Panther Heights development, estimated at approximately \$370,000. RW Baird was the low quote at \$5,000.

Councilor Neid entered the motion approving RW Baird as the fiscal agent for the issuance of TIF Bonds for Panther Heights Development. Councilor Alexander seconded. All members voted in favor.

B. PRESENTATION OF FEASIBILITY STUDY ON THE EXTENSION OF 14TH STREET FOR PANTHER HEIGHTS DEVELOPMENT

Justin Black, SEH, presented the Feasibility Study on the proposed improvement for the 14th Street extension project. The project will extend the street 500 feet to the east with a temporary bituminous cul-de-sac. There are two options that were evaluated in this report, one for a 40 ft roadway, and one for a 34 ft roadway. The project will provide water and sanitary sewer services and roadway access to the Panther Heights apartments in accordance with the development agreement.

Discussion concerning width of road resulted in the decision to bid the project with both road widths.

Councilor Schrupp entered the motion to accept the study. Councilor Alexander seconded. All members voted in favor.

1. EASEMENT FOR HOLDING POND

City Attorney Mark Ostlund presented the prepared easement for the existing pond in the Panther Heights Development as the developer had not provided an easement. This easement will allow the apartment complex to use the pond for drainage. Team Development will still own the pond.

Councilor Ziemer entered the motion approving the pond easement. Councilor Schrupp seconded the motion. All members voted in favor.

2. RESOLUTION NO. 2018-17 PANTHER HEIGHTS LAND SALE APPROVAL

City Attorney Mark Ostlund presented the last requirement for the sale of the land for the apartment complex. The resolution giving the Mayor and City Administrator authority to close on the transaction is the recommended action.

Councilor Ziemer introduced the following resolution and moved for its adoption. Councilor Neid seconded the motion

RESOLUTION NO. 2018-17

A RESOLUTION APPROVING SALE OF THE WEST 315.80 FEET OF OUTLOT A, PANTHER HEIGHTS 2ND ADDITION

WHEREAS, the City of Glencoe executed a purchase Agreement with Glencoe Multifamily LLC (the "Buyer") on or about April 16, 2018 to acquire the west 5 acres of Outlot A, Panther Heights Second Addition, McLeod County also known as the West 314.80 feet of Outlot A, Panther Heights Second Addition, McLeod County, Minnesota (the "Land"), closing

being contingent upon the execution of a Development Agreement, government approvals to re-zone, re-plat and annex to the city the Land, an agreement regarding the drainage pond servicing the Land, approval of a tax increment financing district by city council, and several other contingencies held by the Buyer; and

WHEREAS, the Land has been re-zoned as R-2 Residential, re-platted with necessary dedications, and annexed to the City of Glencoe boundaries; and

WHEREAS, a Development Agreement with the Buyer was executed, on May 31, 2018; and

WHEREAS, a Drainage Easement pertaining to the drainage pond servicing the Land was approved by City Council on June 4, 2018; and

WHEREAS, a Tax Increment Financing District for the proposed development contemplated in the May 31, 2018 Development Agreement was approved by City Council on June 4, 2018; and

WHEREAS, a closing has been scheduled for June 8, 2018 for the sale of the Land to the Buyer and the Buyer has waived or will waive any contingencies to close on the above mentioned transaction; and

WHEREAS, the City has acquired fee simple title to the Land from Team Development Co. LLP as of June 1, 2018; and

WHEREAS, the City has a contractual obligation to convey marketable title through a limited warranty deed and other closing documents, and the Mayor and City Administrator require the approval by City Council to execute such documents.

NOW THEREFORE be it resolved by the City of Glencoe as follows:

1. The Mayor and City Administrator shall execute any and all necessary documents conveying the Land by limited warranty deed to Glencoe Multifamily LLC in consideration for one dollar (\$1.00) and other good and valuable consideration per the terms of that certain Purchase Agreement dated April 16, 2018.

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

REQUESTS TO BE HEARD:

A. GLENCOE DAYS REQUESTS

Jon VanDamme, on behalf of the Glencoe Days Committee, made the annual requests for assistance for the 2018 Glencoe Days Celebration. Waive the parade permit, amusement license and fireworks permit, assistance from city parks department for setting up and tearing down, approve 3.2 beer license for the two day celebration, extend park hours to 12:30 a.m. on Friday and Saturday.

Councilor Neid motioned to approve the requests as stated. Councilor Alexander seconded. All members voted in favor.

B. BUILDING PERMIT REVIEW- KANDIS HANSON, MN SPECT – Not present for review

C. RESOLUTION NO. 2018-14 APPROVING THE FINANCING PLAN FOR TAX INCREMENT DISTRICT 19

Assistant City Administrator Dan Ehrke summarized the Financing Plan for Tax Increment Financing District 19. The \$50,000 current taxable value generates \$750 in taxes. The development of the Phase I, 50 unit apartment complex will increase the taxable value to \$4.2 million, generating \$78,000 in taxes annually. Councilor Schrupp introduced the following resolution and moved for its adoption. Councilor Ziemer seconded.

RESOLUTION NO. 2018-14
RESOLUTION APPROVING THE MODIFICATION OF MUNICIPAL DEVELOPMENT DISTRICT NO. 3, THE MODIFICATION OF THE DEVELOPMENT PROGRAM RELATED THERETO, THE CREATION OF TAX INCREMENT FINANCING DISTRICT NO. 3-19 THEREIN AND THE ADOPTION OF THE TAX INCREMENT FINANCING PLAN RELATING THERETO

Complete resolution is on file in the office of the city administrator.

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

D. RESOLUTION NO. 2018-15 APPROVING STORM WATER RATES TO FUND DEBT SERVICE ON 2018 CENTRAL STORM SEWER PROJECT

City Administrator Mark Larson led the discussion on the need to increase storm water rates to generate approximately \$203,000 annually to fund the debt service on the 2018 Storm Water Bond Issue.

Discussion led to Councilor Ziemer introducing the following resolution and moving for its adoption. Councilor Schrupp seconded the motion.

RESOLUTION NO. 2018-15
RESOLUTION SETTING STORM WATER RATES

WHEREAS, City Code 250 established the Storm Water Drainage Utility; and,
WHEREAS, just and reasonable charges for the usage and availability of Storm Sewer Drainage facilities will be calculated and determined by the City Council; and,
WHEREAS, the City of Glencoe has established a Municipal Separate Storm Sewer System (MS4) as required by the Minnesota Pollution Control Agency; and
WHEREAS, the City of Glencoe has need for additional revenues to implement the requirements of the MS4.

NOW THEREFORE the City Council of the City of Glencoe resolves:

1. That the new rate for the Residential Equivalency Factor for the Storm Water Drainage System will be as follows

<u>RESIDENTIAL</u>	<u>2018 MONTHLY RATE</u>
Single/Duplex	\$12.50
Multi-Family	\$12.50
Mobile Home	\$12.50

ALL OTHER BASED UPON NON-RESIDENTIAL LAND USE - \$12.50 Monthly

2. Monthly Rates will be capped at \$1,000 per month.
3. These rates will be in effect on July 1, 2018.

Upon a roll call vote. Members Ziemer, Schrupp and Neid voted in favor. Voting Nay, Robeck and Alexander. Whereupon said resolution was adopted and approved.

E. RESOLUTION NO 2018-16 APPROVING TRANSPORTATION PLANNING STUDY WITH MNDOT AND MCLEOD COUNTY

MNDOT is requesting that the City of Glencoe pass a formal resolution regarding the proposed transportation planning study with MNDOT and McLeod County. The study should begin in June or July and is to be completed within a year. The engineering consulting firm of SRF has been chosen to conduct the study.

Councilor Alexander introduced the following resolution and moved for its adoption. Councilor Schrupp seconded the motion.

RESOLUTION NO. 2018-16
AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION
AGREEMENT FOR COMPREHENSIVE TRANSPORTATION STUDY
FOR GLENCOE, MN

BE IT RESOLVED, that the City Council of Glencoe, Minnesota enter into an agreement with the State of Minnesota Department of Transportation for the following purposes, to wit;

To engage the services of a professional consultant to complete a Comprehensive Transportation Study for Glencoe, Minnesota which will result in a Coordinated Transportation Plan and common vision for transportation in the Glencoe community for MNDOT, McLeod County and the City of Glencoe.

BE IT FURTHER RESOLVED, that the Mayor and City Administrator of the City of Glencoe are hereby authorized to execute such agreement and amendments.

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

F. FIRST READING OF ORDINANCE 603- LIQUOR ORDINANCE AMENDMENT TO ALLOW FOR BREWERY, TAP ROOMS AND BREW PUBS

City Attorney Mark Ostlund reviewed the proposed changes to the liquor ordinance to allow for breweries, tap rooms and brew pubs in the City of Glencoe. City will set fees for the licensing.

Councilor Schrupp entered the motion approving the first reading of Ordinance No. 603 amending the liquor license code to include taproom licenses and small brewer off-sale license. Councilor Neid seconded the motion. All members voted in favor.

ITEMS FOR DISCUSSION:

A. 2018 BONDING BILL

Bonding bill includes \$3 million appropriation for waste water treatment plant and \$5.5 million in grant monies for waste water treatment plant

B. CENTRAL STORM SEWER UPDATE:

Sanitary sewer work underway, pond work started and borings under the railroad tracks are also in the works. 10th Street was re-opened last week.

ROUTINE BUSINESS:

PROJECT UPDATES: Hennepin Avenue Project- start June 11- project will be worked on under construction. Baxter Avenue Project – turf problems – asking residents to leave longer and let grass get established; final lift this week weather permitting

ECONOMIC DEVELOPMENT: Nothing further

PUBLIC INPUT: Complaint about Baxter Avenue Project- weeds growing -

REPORTS: Nothing further.

CITY BILLS: Motion to approve payment of the city bills entered by Robeck and seconded by Neid. All members voted in favor.

ADJOURN: Mayor Wilson called for adjournment at 8:20 p.m. Member Alexander entered that motion, member Robeck seconded. All members voted in favor.