

OFFICIAL CITY COUNCIL PROCEEDINGS  
REGULAR SESSION  
MAY 21, 2012

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, May 21<sup>st</sup>, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Bill Miller, Steve Schaub, Joe Fagnano and Scott Peterson. Council Member absent: Steve Nordaune. Staff present: City Manager Bill Lavin, Finance Director Michael Betker and City Clerk Joan Taylor. Others in attendance were EDA Director Dennis VanHoof and representatives from Rock Haven Church.

MINUTES: M/S MILLER/SCHAUB TO APPROVE THE MINUTES OF THE MAY 7<sup>TH</sup> REGULAR MEETING. Motion carried unanimously by those present.

BILLS: M/S SCHAUB/GALOW TO APPROVE BILLS PRESENTED FOR PAYMENT. Motion carried unanimously by those present.

REPORTS: The Airport Commission and EDA Board reports were acknowledged at this time.

S & M MANUFACTURING: Council reviewed correspondence received from the Department of Employment and Economic Development relative to repayment of Federal Community Development Block Grant Funds that were given to the city to loan to S & M Manufacturing. Following discussion and upon the recommendation of the EDA Board, Galow introduced a resolution and moved its adoption accepting the settlement offer received from DEED.

RESOLUTION NO. 12-70

RESOLUTION ACCEPTING SETTLEMENT OFFER  
MN DEPARTMENT OF EMPLOYMENT & ECONOMIC DEVELOPMENT

WHEREAS, in 2000 and 2001 the city entered into loan agreements and/or loan guarantees with S & M Manufacturing in the total amount of \$205,000 with \$140,000 of this amount having been provided by the Department of Employment & Economic Development through its Federal Community Block Grant Program; and

WHEREAS, due to financial difficulties S & M Manufacturing defaulted on its loans and a lawsuit was subsequently filed; and

WHEREAS, pursuant to Resolution No. 07-219 the city entered into a Settlement Stipulation and Dismissal of the Complaint against S & M Manufacturing with payment to the city of \$50,000; and

WHEREAS, the Department of Employment & Economic Development has now requested the city reimburse the state for its portion of the loans or \$31,155.83.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the settlement offer received from DEED to reimburse the state the amount of \$31,155.83 concerning loans made to S & M Manufacturing.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted unanimously by those present.

SPECIALTY SYSTEMS: Also upon the recommendation of the EDA Board, Miller introduced the following resolution and moved its adoption approving the subordination of the two loans made to Specialty Systems in the amounts of \$50,000 and \$45,000 to allow the company to refinance with the First National Bank of Deerwood.

#### RESOLUTION NO. 12-71

#### RESOLUTION APPROVING LOAN SUBORDINATION WITH CMW INDUSTRIAL PROPERTIES LLC dba SPECIALTY SYSTEMS

WHEREAS, the city has approved two separate loans to Specialty Systems, one in the amount of \$50,000 and the second in the amount of \$45,000; and

WHEREAS, CMW Industrial Properties LLC dba Specialty Systems has requested the city approve loan subordinations in order for CMW to do a company refinance with the First National Bank of Deerwood; and

WHEREAS, the EDA Board at its May 14<sup>th</sup> meeting is recommending council approve the loan subordination with CMW Industrial Properties LLC.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving the subordination of the two loans made to Specialty Systems in the amounts of \$50,000 and \$45,000

to allow the company to refinance with the First National Bank of Deerwood.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Fagnano, the resolution was adopted unanimously by those present.

REPORTS: The following reports were acknowledged at this time: Fire Department, Park Board and Police Chief.

KCC: Pursuant to Resolution No. 12-55 council called for quotes for the purchase of a copier for the Kilowatt Community Center. The following quotes were received on May 17<sup>th</sup>

Valley Office Products	\$5,736.22
A & B Business, Inc.	\$6,090.47
Bennett Office Technology	\$6,402.00
Marco	\$7,796.53
Office Peeps	\$5,967.90

Upon the recommendation of KCC Director Richter, Galow introduced the following resolution and moved its adoption accepting the quote received from Valley Office Products in the amount of \$5,736.22 for the purchase of a new copier for the KCC.

RESOLUTION NO. 12-72

RESOLUTION ACCEPTING QUOTE FOR PURCHASE  
OF COPIER FOR KILOWATT COMMUNITY CENTER

WHEREAS, pursuant to Resolution No. 12-55 council called for quotes for the purchase of a copier for the Kilowatt Community Center;  
and

WHEREAS, the following quotes were received on May 17,  
2012:

Valley Office Products	\$5,736.22
A & B Business, Inc.	\$6,090.47
Bennett Office Technology	\$6,402.00

Marco	\$7,796.53
Office Peeps	\$5,967.90

WHEREAS, it is recommended to accept the low quote received from Valley Office Products in the amount of \$5,736.22 for the purchase of a Xerox copier.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the quote received from Valley Office Products in the amount of \$5,736.22 for the purchase of a copier for the Kilowatt Community Center.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Schaub, the resolution was adopted by the following vote: Aye: Galow, Miller, Smiglewski, Schaub and Fagnano. Abstain: Peterson.

SAFETY GRANT: Council was advised that the safety grant application submitted to the Minnesota Department of Labor & Industry was been approved. Following discussion Fagnano introduced a resolution and moved its adoption authorizing acceptance of the safety grant which will allow the city to purchase the fall protection system for the Water Department.

#### RESOLUTION NO. 12-73

#### RESOLUTION AUTHORIZING ACCEPTANCE OF OF SAFETY GRANT – WATER DEPARTMENT

WHEREAS, a grant application was submitted to the MN Department of Labor and Industry for assistance to the city in purchasing a fall protection system to be used while working on the flashboards and spillway; and

WHEREAS, the city received notice that the grant application has been approved in the amount of \$4,878.44 with the city matching this amount.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing acceptance of the MN

Department of Labor and Industry Grant for assistance to the city in purchasing the fall protection system in the amount of \$4,878.44.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Miller the resolution was adopted unanimously by those present.

MN FALLS DAM: Following review of the application submitted by the US Army Corps of Engineers for a permit to remove the Minnesota Falls dam, Schaub introduced the a resolution and moved its adoption requesting a public hearing be held to consider the application for removal of the dam.

RESOLUTION NO. 12-74

RESOLUTION REQUESTING PUBLIC HEARING –  
MINNESOTA FALLS DAM REMOVAL

WHEREAS, the U.S. Army Corps of Engineers has submitted an application for a permit to remove the Minnesota Falls dam; and

WHEREAS, paragraph 8 of this application allows any person to request a public hearing be held to consider this application.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA requesting a public hearing be held to consider the application for removal of the Minnesota Falls dam.

Adopted by the City County the 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

KCC: Miller introduced the following resolution and moved its adoption calling for quotes for changing out the lighting fixtures at the Kilowatt Community Center.

RESOLUTION NO. 12-75

RESOLUTION CALLING FOR QUOTES FOR  
LIGHTING FOR KILOWATT COMMUNITY CENTER

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF  
GRANITE FALLS, MINNESOTA, calling for quotes for change out of  
lighting fixtures at the Kilowatt Community Center.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

ORDINANCE: Following discussion with representatives from the Rock Haven Church M/S  
GALOW/SHAUB TO HAVE THE SECOND READING OF AN ORDINANCE OF THE CITY OF  
GRANITE FALLS, MINNESOTA, AMENDING CITY CODE CHAPTER 9.

ORDINANCE NO. 162, 2<sup>ND</sup> SERIES

AN ORDINANCE OF THE CITY OF GRANITE FALLS, MINNESOTA, AMENDING CITY  
CODE CHAPTER 9 ENTITLED "LAND USE REGULATIONS (ZONING)" BY AMENDING  
SECTION 9.20 C-1 - HIGHWAY/AUTO COMMERCE, SUBD. 3 - USES BY SPECIAL  
PERMIT, AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 1 AND SECTION  
9.99 WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS

The City of Granite Falls does ordain as follows:

Section 1. City Code Section 9.20, C-1 - Highway/Auto Commerce, Subd. 3,  
Uses by Special Permit, is hereby amended to read as follows:

Subd. 3. Uses by Special Permit.

A. Commercial establishments requiring large sites  
for off street parking or for outdoor display and sale, such as farm implement  
sales, mobile home sales and building material sales.

B. Churches.

Section 2. City Code Chapter 1 entitled "General Provisions and Definitions Applicable to the Entire City Code, Including Penalty for Violation" and Section 9.99 entitled "Violation, a Misdemeanor" are hereby adopted in their entirety by reference as though repeated verbatim herein.

Section 3. This ordinance to become effective from and after its passage and publication according to law.

Adopted by the City Council of the City of Granite Falls, Minnesota, this 21<sup>st</sup> day of May 2012, by the following vote of the Council: Aye: Galow, Smiglewski, Schaub and Peterson; Nay: Miller and Fagnano.

ATTEST:

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Joan M. Taylor, City Clerk

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David Smiglewski, Mayor

This Ordinance published in the *Granite Falls-Clarkfield Advocate Tribune* on the 23<sup>rd</sup> day of May, 2012.

Motion carried by the following vote: Aye: Galow, Smiglewski, Schaub and Peterson  
Nay: Miller and Fagnano.

HAZARDOUS STRUCTURE: Council discussed the structure located at 605 Highway 212 West. Following discussion it was the consensus of council for staff to contact the property owner.

HOT MIX PLANT: Council again discussed the possibility of amending the zoning ordinance requiring that hot mix plants be set back a minimum distance from existing residential properties. Following discussion it was the consensus of council for staff to contact Martin Marietta with the city's concerns.

SAFE ROUTE TO SCHOOL: Staff advised council that the application for a planning grant that would establish a safe route to school has been approved.

FLOOD MITIGATION: Council was advised that appraisals will be completed on one commercial and one residential property in the near future. Also the contractor will be completing work relative to the Prentice Street Flood Protection Project this week.

FEDERAL DISEASTER FUNDING: Council was advised that following a meeting with the RDC to discuss the city's grant application for Federal EDA Disaster Relief Funding it was decided to submit an application for the replacement of the sanitary sewer lift station only. As the grant application requires a great deal of engineering work Miller

introduced the following resolution and moved its adoption authorizing execution of a contract with Rodeberg & Berryman in an amount not to exceed \$8,000 to provide engineering services relative to replacement of the sanitary sewer lift station.

RESOLUTION NO. 12-76

RESOLUTION AUTHORIZING EXECUTION OF CONTRACT  
FOR ENGINEERING SERVICES - RODEBERG & BERRYMAN

WHEREAS, pursuant to Resolution No. 12-69 council authorized execution of a Contract for Professional Services with the Upper Minnesota Valley Regional Development Commission to assist the city in submitting a grant application to the Department of Commerce Economic Development Administration (EDA) grant application relative to disaster Relief Funding; and

WHEREAS, as part of the grant application engineering work must be completed relative to the sanitary sewer lift station.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing execution of an Engineering Agreement with Rodeberg & Berryman in an amount not to exceed \$8,000 to provide engineering services as described above.

Adopted by the City Council this 21<sup>st</sup> day of May, 2012.

David Smiglewski  
Mayor

ATTEST:

Joan M. Taylor  
City Clerk

With second by Galow, the resolution was adopted unanimously by those present.

INDUSTRIAL PARK: A meeting is being planned with affected property owners in the Industrial Park concerning possible storm sewer extensions.

WATER TREATMENT PLANT/METER REPLACEMENT: Council reviewed updates relative to the Water Plant Construction Project and the Meter Replacement Project.

ADJOURN: M/S/P MILLER/SCHAUB TO ADJOURN at 8:29 p.m.



David Smiglewski  
Mayor

## ATTEST:

Joan M. Taylor  
City Clerk

## BILLS PAID:

ADVOCATE-TRIBUNE	SPRING HOME IMPRV/ENERGY	1,361.01
AFFILIATED MED CENTER	TRANSIT	169.60
AIRNAV LLC	RENEWAL OF LISTING	18.00
ALPHA WIRELESS	FD PAGER BATTERIES	41.25
AMERICAN SAFETY UTILITY CORP.	SAFETY VESTS	150.01
AMERICAN WELDING SUPPLIES	SHOP WELDING SUPPLIES	33.29
ARNESON DISTRIBUTING INC.	BEER	186.00
ARTIC GLACIER INC	ICE	129.56
ASSURANT EMPLOYEE BENEFITS	LD INS	241.69
AUS/JOHN	APRIL CARETAKER FEES	565.00
AUS/NANCY	BOARDING	40.00
BAKER & TAYLOR BOOKS	GRANT BOOKS	80.69
BAKER BROS. CONSTRUCTION INC.	TRUTNA DEMO	15,345.00
BARR ENGINEERING CO.	TURBINE STUDY EXPS	1,522.50
BISBEE PLUMBING & HEATING	KCC BOILER	180.00
BOLTON & MENK, INC	CRACK REMOVAL/GRANT	3,584.00
CENTRAL MN MUNICIPAL POWER	PURCHASE POWER	91,651.61
CENTURYLINK	CITYHALL	2,072.18
CHAPPELL CENTRAL	SPRING MAINT	581.52
CITIZENS ALLIANCE BANK	INT PHASE II	5,352.85
CNA SURETY	HWY PERMIT	100.00
CNH CAPITAL	FIRE DEPT SUPPLIES	3.29
COLLECTION BUREAU	COLLECTION FEE'S	844.95
CORPORATE MECHANICAL	COUPLING	39.57
DAN'S SHOP INC	FILTERS	13.66
DAVE'S ELECTRIC MOTOR CO	WATER FIRE DEPT	37.52
DEED	S & M MFG REPAY FED FUND	31,155.83
FINKEN/JIM	SAFETY BOOTS	49.87
FJERMESTAD/CINDY	SCHOOLING	288.80
G & K SERVICES	RUGS	100.66
GRANITE FALLS BANK	INT PHASE III	4,071.72
GRANITE TRUE VALUE	GARBAGE DISPOSAL	223.88
GRAYMONT CAPITAL INC	WWTP	1,642.60
GREAT PLAINS GAS CO.	KCC	3,350.26
HAWKINS INC	KCC CHEMICALS	1,745.79
HDR INC	TASK ORDER 4	333.12
HOERNEMANN/PAUL	CABLE SERVICE	255.00
JOHNSON BROS WHOLESALE LIQUOR	WINE	62.97
KRANITZ/FRANK	WORK @ SENIOR CITZ CENTE	325.00
LALIM/JODI	BLDG MAINT	342.50
LAVIN/WILLIAM P.	CONF EXPS	193.14
LEAGUE OF MINNESOTA CITIES	2 DIRECTORIES	103.35
LEE'S AUTO & DIESEL	WIPER MOTOR/PD VIC	589.70
LIBRARY STORE/THE	GRANT	100.62
LIGHT FUND	UTILITIES	10.44
LL HARDER INC	DISHWASHER REPAIRS KCC	903.47
LOCHER BROTHERS	BEER	12,577.00
MADISON BOTTLING CO.	BEER	10,270.55
MARCO	KONICA COPIER COUNT	204.03
MCLAUGHLIN & SCHULZ, INC.	COLD MIX	812.14
MEDIACOM	FIRE DEPT INTERNET	58.84
MINNESOTA VALLEY TECH. INC	EDA WORK	90.00
MN CITY MANAGEMENT ASSN	LAVIN DUES	110.92
MN DEPARTMENT OF HEALTH	HOSPITALITY FEE	35.00
MN VALLEY COOPERATIVE	PUMPHOUSE	1,300.26
MN VALLEY TESTING LAB, INC.	WWTP CHEMICALS	311.00

OFFICE PEEPS	COPIER PAPER	299.53
PRAXAIR INC	CO2	472.43
PRENTICE PLACE COMMONS ASSN	DUES	154.58
RICHTER/NICK	SEMINAR SIOUX FALLS	138.75
RJS SOFTWARE SYSTEMS	SOFTWARE SUPPORT	4,437.53
RYER PLUMBING & HEATING	LIBRARY A/C	144.12
SAWMILL/THE	KCC	95.05
SHRED-IT SIOUX FALLS	SHREDDING SERVICES	33.75
SIOUX VALLEY WIRELESS	EMAIL HOSTINGS	21.32
SMIGLEWSKI/DAVID	MILEAGE MNDOT MTG	45.51
SOUTHERN WINE & SPIRITS OF MN	WINE	1,231.27
SOUTHWEST WHOLESALE CO	KCC COFFEE	57.20
SUNSATIONAL TANNING INC	FINAL	66.72
SWANSON CONSTRUCTION	OLD CHAMBER VANDALS	476.83
T.A. LAURITSEN SEPTIC & DRAIN	RBS SEPTIC SERVICE	175.00
TIMM/DEREK	PARK MAINT	3,053.97
TROY'S ELECTRIC COMPANY	PPC/JUENEMANN OUTLET	60.00
UNIVAR USA INC	SODA ASH	6,534.00
USA BLUEBOOK	HYDRANT MARKERS	868.84
VANHOOF/DENNIS	EDA/FILL IN BLANK	60.96
VIKING COCA-COLA BOTTLING CO.	SODA	124.00
VISA	LAVIN MOTEL CONF	251.91
WAMBEKE/JAN	FLOOD	582.00
WATER CONSERVATION SERVICE INC	WATER MAIN BREAK EAST	1,872.95
WBM WINE & SPIRITS	LIQUOR	2,179.16
WEST CENTRAL SANITATION	RBS	457.79
WESTERN FEST	BUS PARADE FEE	15.00
XCEL ENERGY	FACILITY CHARGE	1,219.29

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Final Totals... 221,092.67