

OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
AUGUST 4, 2014

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, August 4th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Nordaune, Steve Schaub, Joe Fagnano and Scott Peterson. Staff present: City Manager Bill Lavin, Finance Director Michael Betker and City Clerk Joan Taylor. Also in attendance were Senior Advocate Robin Bendel and members of the Senior Advocacy Board, Assistant Librarian Bonnie Hemingson and members of the Library Board, Mark Ranum from Pioneerland Library System and Ron Halgerson from TSP. Also in attendance was Advocate Tribune News Editor Scott Tedrick.

MINUTES: M/S GALOW/NORDAUNE TO APPROVE THE MINUTES OF THE July 21st REGULAR MEETING. Motion carried unanimously.

BILLS: M/S NORDAUNE/ SCHAUB TO APPROVE BILLS PRESENTED FOR PAYMENT. Motion carried unanimously.

REPORTS: The following reports were acknowledged at this time: Building Inspection, Fire Department, Hospital Board, Kilowatt Community Center Board, Public Works and Utilities Commission report.

CMMPA: Upon the recommendation of the Utilities Commission, Nordaune introduced the following resolution and moved its adoption authorizing execution of a Power Supply Agreement with CMMPA to utilize its discretion in making optimal purchases for the purchasing 5-day by 16-hour fixed price energy not to exceed \$52 per megawatt hour for years 2016 to 2020.

RESOLUTION NO. 14-115

RESOLUTION AUTHORIZING EXECUTION OF
POWER SUPPLY AGREEMENT

WHEREAS, the City Council of the City of Granite Falls, MN, (hereinafter the Council) previously approved Resolution No. 14-61 for the purchase of 5-day by 16-hour fixed price blend and extend energy from Central Minnesota Municipal Power Agency (hereinafter CMMPA) for the years 2014 to 2020 inclusive so long as the price of such energy does not exceed \$52.00 per megawatt hour, and

WHEREAS, the CMMPA has not been able to execute the agreement with Xcel Energy for resale to the Council because Xcel's price has exceeded \$52.00 per megawatt hour, and whereas, CMMPA proposes to utilize its discretion in making optimal purchases for the Council by purchasing 5-day by 16-hour fixed price energy for years 2016

to 2020 inclusive so long as the price of such energy does not exceed \$52.00 per megawatt hour.

NOW THEREFORE, Council Member Nordaune moved the adoption of the following resolution, to-wit:

BE IT RESOLVED, that the Council purchase from CMMPA electrical energy as set forth in the 2016-2020 Annual 5x16 Agreement to be executed by the Council for years 2016 to 2020, inclusive which purchase is hereby authorized, ratified and approved, and

BE IT FURTHER RESOLVED, that the Mayor and City Manager are hereby authorized to execute all documents necessary to effectuate the transaction with CMMPA, including the Transaction Specification and Term Sheets evidencing the transaction.

WHEREUPON Schaub seconded the motion and a vote was held. The following Directors voted aye: Galow, Otaibi, Nordaune, Smiglewski, Schaub, Fagnano and Peterson.
The following Directors voted no: None

WHEREUPON the Resolution was declared passed and the Resolution approved this 4th day of August, 2014.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

CERTIFICATE

I, Joan M. Taylor, City Clerk for the City of Granite Falls do hereby certify that attached hereto is a true and correct copy of a resolution duly adopted by the Council at a meeting duly held on the 4th day of August, 2014, notice of such meeting having been given in accordance with law and at which meeting a quorum was present and acting throughout.

I also do hereby certify that such resolution has not been amended in any way from the date of such adoption to the date hereof.

IN WITNESS WHEREOF I have hereunto set my hand this 4th day of August, 2014.

Joan M. Taylor, City Clerk

With second by Schaub, the resolution was adopted unanimously.

CUSTODIAL SERVICES SENIOR CENTER: Following discussion relative to the contract for cleaning of the Senior Citizens Center, Galow introduced a resolution amending the contract for Senior Center Facility Contractor, changing the duties required on a daily basis at a total monthly price of \$400.

RESOLUTION NO. 14-116

**RESOLUTION AMENDING CONTRACT FOR
SENIOR CENTER FACILITY CONTRACTOR**

WHEREAS, pursuant to Resolution No. 14-28, council renewed the independent contract with Frank Kranitz for custodial services located at the Senior Citizen Center located at 155 7th Avenue in the amount of \$650 per month through February 28, 2015; and

WHEREAS, since the senior meal site has temporarily been relocated to the Henry Hill Apartments located at 150 7th Avenue many of the custodial services are no longer necessary; and

WHEREAS, it has been recommended to amend the contract with Frank Kranitz to reduce the custodial services to only include setting tables, greet, pour and serve coffee and water, pass out bread, milk, salads and desserts and clean up dishes at a contract price per month of \$400.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, amending the contract for custodial services at the senior meal site with Frank Kranitz to include the above referenced duties for a total contract price of \$400 per month.

Adopted by the City Council this 4th day of August, 2014.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second Nordaune, the resolution was adopted by the following vote: Aye Galow, Otaibi, Nordaune, Schaub and Peterson. Nay: Smiglewski and Fagnano.

LIBRARY/SENIOR CENTER: Ron Halgerson was in attendance to discuss the findings of the Water Infiltration Assessment completed by TSP Architects. Also in attendance for this discussion were Robin Bendel, Senior Advocate, members of the Advocacy Board and Library Board, Assistant Librarian Bonnie Hemingson, and Mark Ranum from Pioneerland Library System.

Following discussion regarding the improvements recommended and consensus that city staff could complete a number of the listed recommendations and that the air quality issue is a safety and health issue, Schaub introduced a resolution authorizing preparation of plans and specifications and calling for bids to complete the recommended repairs to the Library/Senior Center building contingent upon approval by City Attorney Holmstrom at a cost not to exceed \$108,000. The financing for these repairs would be split between Capital Improvements and the Library Trust Fund.

RESOLUTION NO. 14-117

RESOLUTION AUTHORIZING PREPARATION OF PLANS & SPECIFICATIONS
AND CALLING FOR BIDS FOR REPAIRS TO LIBRARY/SENIOR CENTER BUILDING

WHEREAS, because of air quality issues experienced in the lower level of the Library/Senior Center, TSP Architects was asked to investigate existing conditions of the site and building and identify apparent conditions that contribute to water infiltration and provide recommendations and cost estimates for repair; and

WHEREAS, TSP Architects completed the assessment and provided its recommendations and costs estimates to repair the conditions that exist in the building; and

WHEREAS, as the air quality issues in the building present a health and safety issue it has been recommended to authorize the preparation of plans and specifications and call for bids to expedite the repair of the Library/Senior Center contingent upon approval by the city attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the preparation of plans and specifications and call for bids to complete repairs to the Library/Senior Center Building as recommended by TSP Architects; and

BE IT FURTHER RESOLVED that the financing for the repairs be split 50% from Capital Improvements and 50% from the Library Trust Fund.

Adopted by the City Council this 4th day of August, 2014.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Nordaune, the resolution was adopted unanimously.

2015 TRANSIT GRANT: Nordaune introduced the following resolution and moved its adoption approving the submittal of the 2015 Public Transit Grant Application to the Minnesota Department of Transportation, Office of Transit.

RESOLUTION NO. 14-118

RESOLUTION APPROVING THE 2015 PUBLIC TRANSIT GRANT APPLICATION

Resolved that the City of Granite Falls enter into an Agreement with the State of Minnesota to provide public transportation service in the City of Granite Falls.

Further resolved that the City of Granite Falls agrees to provide a local share of 20% percent of the total operating cost and 20% of the total capital costs.

Further resolved that the City of Granite Falls authorizes the Mayor and the Acting City Manager to execute the aforementioned Agreement and any amendments thereto.

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of the resolution presented to and adopted by the Granite Falls City Council at a duly authorized meeting thereof held on the 4th day of August, 2014, as shown by the minutes of said meeting in my possession.

Joan M. Taylor
City Clerk

Notary: _____

With second by Peterson, the resolution was adopted unanimously.

WATER TREATMENT PLANT: Following discussion Galow introduced a resolution calling for bids for the demolition and site restoration of the old Water Treatment Plant contingent upon approval from Rural Development.

RESOLUTION NO. 14-119

RESOLUTION CALLING FOR BIDS FOR DEMOLITION OF THE
OLD WATER TREATMENT PLANT AND SITE RESTORATION

WHEREAS, included in the contract for the construction of the new Water Treatment Plant is the demolition of the old Water Treatment Plant and site restoration; and

WHEREAS, plans and specifications have now been completed by Stantec and it has been recommended to call for bids for demolition and site restoration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, calling for bids for the demolition of the old Water Treatment Plant and site restoration contingent upon Rural Development approval; said bids to be opened at 10:00 a.m. on September 3rd.

Adopted by the City Council this 4th day of August, 2014.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Otaibi, the resolution was adopted unanimously.

CUSTODIAL SERVICES: Following discussion relative to cleaning the Senior Citizens Center, Nordaune introduced a resolution amending the contract for Custodial Services for City Building to add cleaning of the Senior Center at \$80 per month.

RESOLUTION NO. 14-120

RESOLUTION AMENDING CONTRACT FOR
CUSTODIAL SERVICES CITY BUILDINGS

WHEREAS, pursuant to Resolution No. 13-110, council renewed the custodial services contract with Jodi (Lalim) Petersen in the amount of \$725 per month through September 30, 2014 for custodial services for city buildings; and

WHEREAS, it has been recommended that the Senior Center be added to this contract at an additional cost of \$80 per month to provide cleaning of the bathroom, vacuuming all carpets and light dusting when necessary to be done twice a week at a cost of \$20 per cleaning.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, amending the contract for custodial services for city

building with Jodi (Lalim) Petersen to include the Senior Center at an additional amount of \$80 per month for a total contract price of \$805 per month.

Adopted by the City Council this 4th day of August, 2014.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

With second by Schaub, the resolution was adopted unanimously.

BUSINESS SUBSIDY: Nordaune introduced the following resolution and moved its adoption calling for a public hearing on the proposed granting of business subsidy relative to a loan to Specialty Systems.

RESOLUTION NO. 14-121

RESOLUTION CALLING FOR A PUBLIC HEARING ON THE
PROPOSED GRANTING OF BUSINESS SUBSIDY

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

Recitals:

Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Statutes"), authorize the City, upon satisfaction of certain conditions, to grant a business subsidy; and

the City fits the definition of "grantor" in the Statutes; and

It is a legal requirement that the City hold a public hearing prior to adoption of a resolution granting a business subsidy.

Public Hearing. A public hearing on the proposed grant of a business subsidy in accordance with the Statutes will be held at the time and place set forth in the Notice of Hearing attached hereto as Exhibit A and hereby made a part hereof; and

Notice of Public Hearing. The City Clerk is authorized and directed to cause notice of the hearing in substantially the form attached hereto as Exhibit A to be given one publication in a newspaper of general circulation in the City at least 10 days but not more than 30 days before the hearing. The newspaper must be one of general interest and readership in the City and the notice must be published at least once.

Councilmember Nordaune moved for the adoption of the foregoing resolution, and said motion was duly seconded by Councilmember Peterson and upon a vote being taken thereon after full discussion thereof, the following voted in favor thereof: unanimous

and the following voted against the same: none

whereupon said resolution was declared duly passed and adopted.

Adopted on August 4, 2014, by the Granite Falls City Council.

David Smiglewski
Mayor

Attest:

Joan M. Taylor
City Clerk

STATE OF MINNESOTA)
COUNTY OF YELLOW MEDICINE) ss
CITY OF GRANITE FALLS)

I, the undersigned, being the duly qualified and acting Clerk of the City of Granite Falls, Minnesota (the "City"), DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council of the City, duly called and held on the date therein indicated, insofar as such minutes relate to the calling of a public hearing on proposed granting of a business subsidy.

WITNESS my hand this 4th day of August, 2014.

City Clerk
Granite Falls, Minnesota

EXHIBIT A

Notice of Public Hearing on Granting A Business Subsidy

NOTICE IS HEREBY GIVEN that the City Council of the City of Granite Falls, Minnesota, will hold a public hearing on Monday, August 18, 2014, at a regular meeting of the City Council beginning at approximately 8:00 p.m., to be held in the Council Chambers, 641 Prentice Street, Granite Falls, Minnesota, to

have the City Council consider granting a business subsidy in connection with a loan to be made by the City to SpecSys, Inc. (the "Company") in the amount not to exceed \$200,000 for the purchase of equipment for the Company's manufacturing facility located at 1123 Highway 212 within the City (the "Project").

The summary of the terms of the business subsidy is available for inspection at the office of the Clerk during regular business hours. After the public hearing the City Council will consider granting the business subsidy.

Any person with residence in or the owner of taxable property in the City may file a written complaint with the grantor if the grantor fails to comply with Minnesota Statutes, Sections 116J.993 to 116J.995, and no action may be filed against the grantor for the failure to comply unless a written complaint is filed.

All interested persons may appear at the public hearing and present their views orally or in writing. Anyone needing reasonable accommodations or an interpreter should contact the City Clerk's office at the City Hall, telephone (320) 564-3011.

[Publish on August 6, 2014]

With second by Peterson, the resolution was adopted unanimously.

ORDINANCE: Following discussion M/S NORDAUNE/PETERSON TO HAVE THE FIRST READING OF AN ORDINANCE AMENDING SALARIES FOR THE MAYOR AND COUNCIL MEMBERS TO \$4,000 AND \$3,000 RESPECTIVELY. Motion passed by the following vote: Aye: Otaibi, Nordaune, Smiglewski, Schaub, Fagnano and Peterson. Nay: Galow.

LMC: Following discussion relative to the sale of alcohol during the League of Minnesota Cities Regional Meeting to be held at the Kilowatt Community Center on October 21st, it was the consensus of council to allow a local vendor to serve alcohol at this meeting.

2014 INFRASTRUCTURE BIDS: Staff advised council that the bids for the 2014 Infrastructure Improvements will be opened at 2:00 p.m. August 14th.

LIFT STATION: Council reviewed the update regarding the Sanitary Sewer Lift Station Project received from Daryl Kirschenman from Stantec. Also council was advised that the Notice of Award has been signed relative to the Pedestrian Bridge Rehabilitation Project.

TURBINE REPLACEMENT: Council reviewed the update on the progress of the Turbine Replacement Project.

2014 FLOOD: Council was advised that Yellow Medicine County has now been included in the disaster declaration relative to the 2014 flood event. A meeting will be held with FEMA on Tuesday, August 12th.

BOULEVARD SIGNS: Council discussed the placement of signage on city boulevards.

ADJOURN: M/S/P NORDAUNE/SCHAUB TO ADJOURN at 8:50 p.m.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

BILLS PAID:

Total 3M SERVICES:	340.00
Total ADVOCATE-TRIBUNE:	246.20
Total AMERICAN WELDING & GAS INC:	404.10
Total ARNESON DISTRIBUTING INC.:	358.00
Total ARTIC GLACIER INC:	351.80
Total AUS FLOORS & MORE:	304.50
Total AUS, NANCY:	50.00
Total BAKER & TAYLOR BOOKS:	1,629.32
Total BENNETT & BENNETT TRANS. INC.:	347.40
Total BENTAAS, JUSTIN:	122.08
Total BEVERAGE WHOLESALERS INC:	299.60
Total BOND TRUST SERVICES CORP:	94,936.88
Total BORDER STATES ELECTRIC SUPPLY:	435.19
Total BRINDLEE MOUNTAIN FIRE APPARATUS LLC:	9,900.00
Total CARLSON & STEWART REFRIG INC:	182.85
Total CENEX CREDIT CARD:	14.52
Total CENTRAL MN MUNICIPAL POWER:	94,918.33
Total CENTURYLINK:	1,912.87
Total CENTURYLINK-PHOENIX:	16.32
Total CHIPPEWA COUNTY HWY DEPT:	629.00
Total CITIZENS ALLIANCE BANK:	7,086.60
Total CM SERVICES:	340.00
Total CNH CAPITAL:	193.80
Total COLLECTION BUREAU:	106.71
Total DAN'S SHOP INC:	78.46
Total DEPARTMENT OF HUMAN SERVICES:	19,294.82
Total ECONOMART:	88.21
Total ENESTVEDT, LYNN:	35.00
Total FAGEN INC.:	20,727.02
Total FARMERS COOP OIL CO OF ECHO:	2,589.30
Total FARMERS UNION OIL CO:	3,452.83
Total FARMERS UNION OIL CO.:	5,850.50
Total G & K SERVICES:	82.10
Total GALLS INC.:	246.93
Total GRANITE FALLS AUTO PARTS:	283.86
Total GRANITE FALLS BANK:	10,637.98

Total GRANITE TRUE VALUE:	2,722.61
Total GRAYMONT CAPITAL INC:	1,609.25
Total GREAT PLAINS GAS CO.:	2,793.00
Total HAWKINS INC:	3,635.48
Total HDR INC:	3,647.97
Total HILLYARD-HUTCHINSON:	69.88
Total HOERNEMANN, PAUL:	255.00
Total HOLMSTROM & KVAM:	14,272.00
Total ILLINOIS FIRE & POLICE EQUIPMENT:	166.61
Total INH COMPANIES:	6,854.87
Total JOHN DEERE FINANCIAL:	84.99
Total JOHNSON BROS WHOLESALE LIQUOR:	4,702.55
Total KEELER-AUS, RAE ANN:	600.00
Total KEEPRS:	988.29
Total KORTHUIS JEWELRY & GIFTS:	136.69
Total KOTEK, NICOLLE:	80.00
Total KRANITZ, FRANK:	325.00
Total KUSTOM SIGNALS INC:	4,882.00

Total LAVIN, WILLIAM P.:	348.50
Total LEE'S AUTO & DIESEL:	296.62
Total LIGHT FUND:	92.13
Total LOCHER BROTHERS:	15,285.20
Total LOW VOLTAGE CONTRACTORS:	1,295.00
Total MADISON BOTTLING CO.:	8,908.40
Total MADISON NATIONAL LIFE:	270.06
Total MARCO:	440.90
Total MARTIN MARIETTA AGGREGATES:	2,768.57
Total MARTIN TRUCKING:	484.60
Total MEDIACOM:	55.29
Total MINNESOTA VALLEY SERVICES LLC:	20,573.43
Total MINNESOTA VALLEY TECH. INC:	275.00
Total MN DPT OF ADMINISTRATION:	94.55
Total MN MUNICIPAL BEVERAGE ASSOC.:	925.00
Total MN VALLEY COOPERATIVE:	1,498.07
Total MN VALLEY TESTING LAB INC.:	957.00
Total NIELSEN, BETSY:	40.00
Total OFFICE DEPOT:	187.45
Total OFFICE PEEPS:	391.88
Total O'REILLY AUTO PARTS:	265.76
Total ORREN, MONICA:	693.45
Total PETERSEN, JODI:	362.50
Total PETERSON, BRAD:	35.00
Total PETTY CASH:	200.00
Total PHILLIPS WINE & SPIRITS CO.:	2,312.02
Total PITNEY BOWES INC.:	382.17
Total PRENTICE PLACE COMMONS ASSN:	100.51
Total PROACTION SAFETY & SALES:	277.56
Total R.C. PETERSON ELECTRIC INC:	50.00
Total RECREATION SUPPLY COMPANY:	118.31
Total ROBERT L. CARR CO:	76,000.00
Total SAND, KRIS:	504.00
Total SAWMILL, THE:	22.61
Total SICKMAN, MAYVIS:	518.24
Total SIOUX VALLEY WIRELESS:	19.95
Total SIRENNET.COM:	462.64
Total TIMM, DEREK:	3,052.50
Total TROY'S ELECTRIC COMPANY:	94.92
Total UNITED STATES GEOLOGICAL SURVEY:	7,956.00
Total UNITED STATES TREASURY:	58.00
Total UPS:	13.79
Total USA BLUEBOOK:	57.02
Total UTILITIES PLUS ENERGY SERVICES:	742.50
Total UTILITY CONSULTANTS INC:	40.00

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Total VERIZON WIRELESS:	2,263.43
Total VIKING COCA-COLA BOTTLING CO.:	103.50
Total VISA:	5,023.62
Total WBM WINE & SPIRITS:	2,469.60
Total WEST CENTRAL COMMUNICATIONS:	90.00
Total WEST CENTRAL SANITATION:	649.87
Total XEROX CORPORATION:	49.90
Total ZEP:	100.61
Total ZIEGLER INC.:	141.60

Grand Totals:	<u>486,058.50</u>
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