OFFICIAL CITY COUNCIL PROCEEDINGS REGULAR SESSION AUGUST 18, 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 18th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Nordaune, Steve Schaub, and Joe Fagnano. Absent: Scott Peterson. Staff present: Finance Director Mike Betker and City Clerk Joan Taylor. Also in attendance were EDA Director Justin Bentaas, Hospital Administrator George Gerlach, City Engineer Dave Berryman and Advocate Tribune News Editor Scott Tedrick.

MINUTES: M/S NORDAUNE/GALOW TO APPROVE THE MINUTES OF THE August 4th REGULAR MEETING. Motion carried unanimously by those present.

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

HOSPITAL: Hospital Administrator Gerlach was in attendance to discuss with council the Hospital Board's recommendation to accept the bid received from Kraus-Anderson in the amount of \$8,416,149 which includes Alternates 2, 3 & 4 for the construction of the new nursing home. The recommendation was contingent upon the Hospital Board receiving a construction schedule, a list of subcontractor/bidders and a completed bid tabulation sheet by August 26, 2014. Following discussion Schaub introduced a resolution and moved its adoption accepting the bid received from Kraus-Anderson as recommended by the Hospital Board.

RESOLUTION NO. 14-122

RESOLUTION ACCEPTING BID FOR CONSTRUCTION OF NURSING HOME

WHEREAS, pursuant to Resolution No. 14-91 council authorized the Hospital Board to use the "Best Value Procurement" method when calling for bids for the construction of the new Nursing Home Project in accordance with Minnesota Statutes; and

WHEREAS, the Hospital Board at its August 14th meeting along with concurrence from Rural Development is recommending council accept the bid received from Kraus-Anderson in the amount of \$8,416,149 to include Alternates 2, 3 & 4, contingent upon the board receiving a construction schedule, a list of subcontractor/bidders and a completed bid tabulation sheet by August 26, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the bid received from Kraus-Anderson in the amount of \$8,416,149 which includes Alternates 2, 3 & 4, contingent upon the Hospital Board receiving a construction schedule, a list of subcontractor/bidders and a completed bid tabulation sheet by August 26, 2014.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

2014 STREET & UTILITY IMPROVEMENTS: The following bids were received for the 2014 Street & Utility Improvement Program on August 14, 2014.

Duininck, Inc.	\$1,216,695.51
Quam Construction	\$1,257,263.00
Hjerpe Contracting	\$1,137,521.25

Upon recommendation by the city engineer, Nordaune introduced the following resolution and moved its adoption to award the bid for the 2014 Street & Utility Improvements to the low bidder, Hjerpe Contracting in the amount of \$1,137,521.25.

RESOLUTION NO. 14-123

RESOLUTION AWARDING BID FOR 2014 STREET/UTILITY IMPROVEMENT PROGRAM

WHEREAS, pursuant to Resolution No.14-88 council ordered the street and utility improvements and ordered the preparation of final plans and specifications and authorized advertising for bids for the 2014 Street and Utility Improvement Program; and;

WHEREAS, the following bids were received complying with the advertisement:

Duininck, Inc.	\$1,216,695.51
Quam Construction	\$1,257,263.00
Hjerpe Contracting	\$1,137,521.25

WHEREAS, it appears that Hjerpe Contracting is the lowest responsible bidder, and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA,

1. The Mayor and City Manager are hereby authorized and directed to enter into a contract with Hjerpe Contracting, Hutchinson, Minnesota, in the

name of the City of Granite Falls for the 2014 Street & Utility Improvement Program, according to the plans and specifications therefore approved by the City Council and on file in the office of the city clerk.

2. The city clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

BONDS: Schaub introduced the following resolution and moved its adoption calling for the sale of \$2,510,000 General Obligation Bonds, Series 2014C.

Council Member Schaub introduced the following resolution and moved its adoption:

RESOLUTION NO. 14-124

Resolution Providing for the Sale of \$2,510,000 General Obligation Bonds, Series 2014C

- A. WHEREAS, the City Council of the City of Granite Falls, Minnesota has heretofore determined that it is necessary and expedient to issue the City's \$2,510,000 General Obligation Bonds, Series 2014C (the "Bonds"), to finance the construction of various improvements in the City; and
- B. WHEREAS, the City has retained Ehlers & Associates, Inc., in Roseville, Minnesota ("Ehlers"), as its independent financial advisor for the Bonds and is therefore authorized to solicit proposals in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Granite Falls, Minnesota, as follows:

- 1. <u>Authorization; Findings</u>. The City Council hereby authorizes Ehlers to solicit proposals for the sale of the Bonds.
- 2. <u>Meeting; Proposal Opening</u>. The City Council shall meet at 7:30 p.m. on September 15, 2014, for the purpose of considering proposals for and awarding the sale of the Bonds.

3. Official Statement. In connection with said sale, the officers or employees of the City are hereby authorized to cooperate with Ehlers and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

The motion for the adoption of the foregoing resolution was duly seconded by City Council Member Nordaune and, after full discussion thereof and upon a vote being taken thereon, the following City Council Members voted in favor thereof: unanimous by those present.

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted.

Dated this 18th day of August, 2014.

City Clerk

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

REPORTS: The following reports were acknowledged at this time: Airport Commission, EDA Board, Hospital Board, Park Board and Police Chief.

MEMORIAL PARK: Upon the recommendation of the Park Board, Nordaune introduced the following resolution and moved its adoption in support of an application to the Greater Minnesota Regional Parks & Trails Commission to designate Memorial Park as a park of regional significance in greater Minnesota.

RESOLUTION NO. 14-125

RESOLUTION IN SUPPORT OF APPLICATION TO GREATER MINNESOTA PARKS AND TRAILS COMMISSION

BE IT RESOLVED that the City of Granite Falls act as legal sponsor for the project contained in the Park Legacy application to be submitted on August 29, 2014 and that the Upper Minnesota Valley Regional Development Commission is hereby authorized to apply to the Department of Natural Resources for funding of this project on behalf of the City of Granite Falls.

BE IT FURTHER RESOLVED that the City of Granite Falls has the legal authority to apply for financial assistance, and financial capability to meet the match requirement (if any) and ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that the City of Granite Falls has not incurred any development costs and has not entered into a written purchase agreement to acquire the property described in the Cost Breakdown section on this application.

BE IT FURTHER RESOLVED that the City of Granite Falls has or will acquire fee title or permanent easement over the land within the park boundary described in the site plan included in the application.

BE IT FURTHER RESOLVED that, upon approval of its application by the State, The City of Granite Falls may enter into an agreement with the State of Minnesota for the above-referenced project, and that the City of Granite Falls certifies that it will comply with all applicable laws and regulations as stated in the grant agreement including dedicating the park property for uses consistent with the funding grant program into perpetuity.

NOW, THEREFORE BE IT RESOLVED that the MAYOR AND CITY MANAGER are hereby authorized to execute such agreements as are necessary to implement the project on behalf of the applicant.

Adopted by the City Council this 18th day of August, 2014

David Smiglewski Mayor

I CERTIFY THAT the above resolution was adopted by the City Council of Granite Falls on the 18^{th} day of August, 2014.

Joan M. Taylor City Clerk

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

SALVATION ARMY HEATSHARE: Nordaune introduced the following resolution and moved its adoption authorizing execution of an agreement with the Salvation Army to continue participation in the HeatShare Program effective September 1, 2014 through August 31, 2015.

RESOLUTION NO. 14-126

RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT WITH SALVATION ARMY TO CONTINUE PARTICIPATION IN HEATSHARE PROGRAM

WHEREAS, pursuant to Resolution No. 93-133, council authorized execution of an agreement with the Salvation Army to administer its HeatShare program which furnishes financial assistance to special needs residents with payment of residential energy bills through the combined efforts of the Granite Falls Municipal Utilities and the Salvation Army; and

WHEREAS, in future years council authorized execution of agreements with the Salvation Army to continue participating in the HeatShare Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing execution of an agreement with the Salvation Army to continue participation in the HeatShare Program as administered by the Salvation Army, effective September 1, 20014 to August 31, 2015.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

ASSESSMENT SERVICES: Council reviewed a proposal received from David Hammerschmidt, Rural Appraisal Services to provide assessment services for the city for 2014 in an amount of \$30,000. Following discussion, Nordaune introduced a resolution and moved its adoption to accept the proposal received from David Hammerschmidt for the 2014 assessments.

RESOLUTION NO. 14-127

RESOLUTION ACCEPTING PROPOSAL OF RURAL APPRAISAL SERVICES FOR ASSESSMENT SERVICES

WHEREAS, a proposal has been submitted Rural Appraisal Services, David Hammerschmidt, to provide assessment services for calendar year 2014 in the amount of \$30,000; and

WHEREAS, the proposal is calculated by the assessment rate of \$18.51 per parcel for 1621 parcels.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the proposal of Rural Appraisal Services to provide assessment services for calendar year 2014 in the amount of \$30,000.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk With second by Fagnano, the resolution was adopted unanimously by those present.

HAZARDOUS BUILDING: Following discussion concerning the property located at 275 5th Avenue, Nordaune introduced a resolution and moved its adoption ordering inspections of this structure.

RESOLUTION NO. 14-128

RESOLUTION ORDERING INSPECTIONS OF STRUCTURES PER MINNESOTA STATUTE 463.15

WHEREAS, it has been reported to the City Council that the structure located at 275 5th Avenue may be a hazardous building and constitute a fire hazard or a hazard to public safety or health due to disrepair and inadequate maintenance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, ordering the City Building Inspectors and, if necessary, the State Fire Marshall or Fire Chief to make an inspection of said building and make a report of said inspection within thirty (30) days hereof to the City Council for purposes of making findings and determination of whether or not said buildings constitute a "hazardous building" within the meaning of Minnesota Statutes 463.15.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor: City Clerk:

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

KILOWATT COMMUNITY CENTER: The following quotes were solicited to replace the water slide pump at the Kilowatt Community Center:

Rec Supply	\$3,514.00
Horizon Commercial Pool Supply	\$3,705.00
Lincoln Aquatics	\$5,673.75

Following discussing and it being in the best interest of the city, Schaub introduced a resolution and moved its adoption waiving calling for quotes and accepting the quote received from Rec Supply in the amount of \$3,514 to replace the water slide pump at the KCC.

RESOLUTION NO. 14-129

RESOLUTION WAIVING CALLING FOR QUOTES AND ACCEPTING QUOTE FOR WATER SLIDE PUMP – KILOWATT COMMUNITY CENTER

WHEREAS, the following quotes were solicited for the purchase of a water slide pump at the Kilowatt Community Center:

Rec Supply	\$3,514.00
Horizon Commercial Pool Supply	\$3,705.00
Lincoln Aquatics	\$5,673.75

WHEREAS, it being in the best interest of the city to expedite the purchase of the water slide pump at the KCC, it has been recommended that council waive calling for quotes and accepting the quote from Rec Supply in the amount of \$3,514 for the replacement of the water slide pump.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, waiving calling for quotes and accepting the quote from Rec Supply in the amount of \$3,514 for the purchase of a water slide pump at the Kilowatt Community Center.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

MEMORIAL PARK: Following discussion Nordaune introduced a resolution and moved its adoption accepting the proposal received from the Upper Minnesota Valley Regional Development Commission to provide professional services to develop a Master Plan for Memorial Park in order to secure future funding for park improvements.

RESOLUTION NO. 14-130

RESOLUTION AUTHORIZING EXECUTION OF CONTRACT FOR PROFESSIONAL SERVICES

UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT COMMISSION

WHEREAS, the Upper Minnesota Valley Regional Development Commission has submitted a proposal to provide professional services to

develop a Master Plan for Memorial Park in order to secure future funding for park improvements; and

WHEREAS, the Park Board is recommending council accept this proposal to be included in the 2015 budget.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing execution of a contract with the Upper Minnesota Valley Regional Development Commission in the amount of \$6,700 to \$7,500 to complete the Master Plan for Memorial Park to be included in the 2015 budget.

Adopted by the City Council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

DRIVER'S EXAM STATION: Nordaune introduced the following resolution and moved its adoption to renew the Lease Agreement with the Department of Public Safety for use of the City Council Chambers at City Hall the second and fourth Wednesdays of each month between the hours of 8:30 a.m. and 4:30 p.m. commencing October 1, 2014 through September 30, 2014 to be used as a driver examination station for the sum of \$500 per year.

RESOLUTION NO. 14-131

RESOLUTION AUTHORIZING EXECUTION OF AMENDMENT TO LEASE AGREEMENT WITH DEPARTMENT OF PUBLIC SAFETY

WHEREAS, pursuant to Resolution No. 12-36 council approved renewal of the Lease Agreement with the Department of Public Safety for the use of the Council Chambers at City Hall the second and fourth Wednesdays of each month between the hours of 8:00 a.m. and 4:00 p.m., except holidays, commencing September 1, 2011 running through August 31, 2014, to be used as a driver examination station for the sum of \$500 per year; and

WHEREAS, the Department of Public Safety desires the renewal said agreement for a three-year period beginning October 1, 2014 through September 30, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the Mayor and City Manager to execute a Lease

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Agreement PS0318 for the use of the Council Chambers at City Hall the second and fourth Wednesdays of each month between the hours of 8:30 a.m. and 4:30 p.m., except holidays, commencing October 1, 2014, and continuing through September 30, 2017 to be used as a driver examination station for the sum of \$500 per year.

Adopted by the city council this 18th day of August, 2014.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

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

ORDINANCE: Following discussion M/S NORDAUNE/SCHAUB TO HAVE THE SECOND READING AND SUBSEQUENT ADOPTION OF AN ORDINANCE AMENDING CITY CODE CHAPTER 30.

ORDINANCE NO. 172, 2ND SERIES

AN ORDINANCE OF THE CITY OF GRANITE FALLS, MINNESOTA, AMENDING CITY CODE CHAPTER 30, GENERAL ADMINISTRATION, SECTION 30.10, SALARIES OF MAYOR AND COUNCIL MEMBERS, AND BY ADOPTING BY REFERENCE CITY CODE 1, GENERAL PROVISIONS, CHAPTER 10, GENERAL CODE CONSTRUCTION; GENERAL PENALTY

The City of Granite Falls does ordain as follows:

- Section 1. Section 30.10. Salaries of Mayor and Council Members. The salaries of the mayor and council members are hereby fixed as follows, which amounts are deemed reasonable:
- Subd. 1. The annual salary for the mayor shall be \$4,000 commencing for calendar year 2015 and thereafter payable as to each year in quarterly installments.
- Subd. 2. The annual salary for each council member shall be \$3,000 commencing for calendar year 2015 and thereafter payable as to each year in quarterly installments.
- Subd. 3. The salaries provided for herein shall be effective commencing January 1, 2015, and thereafter as noted.
- Section 2. City Code Chapter 1, General Provisions, Including Section 10.99, General Penalty and Enforcement, 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 and as herein above specifically provided.

Adopted by the City Council of the City of Granite Falls, Minnesota, this 18th day of August, 2014, by the following vote: Aye: Otaibi, Nordaune, Smiglewski,

Schaub and Fagnano. Nay: Galow. Absent: Peterson.

ATTEST:

Joan M. Taylor, City Clerk

David Smiglewski, Mayor

This Ordinance published in the *Granite Falls-Clarkfield Advocate Tribune* on the 20th day of August, 2014.

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

- PUBLIC HEARING: Mayor Smiglewski opened a duly advertised public hearing at 8:00 p.m. to comply with Business Subsidy Criteria as it relates to loans provided to Specialty Systems. Following discussion, Mayor Smiglewski closed the hearing at 8:04 p.m.
- CITY CEMETERY: Council reviewed correspondence received from Pastor Leslie Neist stating that on September 7th the Granite Falls Lutheran Church will clean gravestones, as well as trimming and general cleanup at the City Cemetery.
- GRANITE FALLS MANOR: Council was reminded of the Ground Breaking for the new manor which will be held on Tuesday, August 26th at 2:00 p.m.
- HIGHWAY 212: Council was also advised that the BNSF Railroad will be replacing the Highway 212 railroad bridge span and the highway will be closed from 13th Street to 15th Street for 5 days beginning September 15th.
- SANITARY SEWER LIFT STATION: Council reviewed an update relative to the Sanitary Sewer Lift Station Replacement Project from the project manager.
- TURBINE REPLACEMENT PROJECT: Council also reviewed a project update concerning the Turbine Replacement Project.
- GROUP HEALTH INSURANCE: Council was advised that the city's group health insurance will increase by 15% beginning January 1, 2015.
- VOLSTEAD HOUSE: Staff advised council that the construction documents will be completed in October to complete the repairs to the Volstead House foundation. Bid opening is planning for January.

ADJOURN: M/S/P NORDAUNE/SCHAUB TO ADJOURN at 8:12 p.m.

David Smiglewski Mayor

ATTEST:

Joan M. Taylor City Clerk

BILLS PAID:

Total ADVOCATE-TRIBUNE:	234.48
Total ALMICH'S MARKET:	17.24
Total AMERICAN WATER WORKS ASSN:	245.00
Total AMERICAN WELDING & GAS INC:	148.32
Total ARNESON DISTRIBUTING INC.:	62.50
Total ARTIC GLACIER INC:	118.10
Total ARTISAN BEER COMPANY:	41.25
Total ATKINSON, JASON:	128.57
Total AUS, NANCY:	470.00
Total BAKER & TAYLOR BOOKS:	24.68
Total BARR ENGINEERING CO.:	11,302.87
Total BENINGA, JOEL:	6.43
Total BENTAAS, JUSTIN:	35.84
Total BEVERAGE WHOLESALERS INC:	117.90
Total BLUEGLOBES INC:	430.10
Total BORDER STATES ELECTRIC SUPPLY:	325.23
Total BRANESS PEST CONTROL SERVICE:	410.00
Total CENTRAL MN MUNICIPAL POWER:	141,382.95
Total CENTURYLINK:	1,930.56
Total CITIZENS ALLIANCE BANK:	5,496.45
Total CNH CAPITAL:	60.84
Total COALITION OF UTILITY CITIES:	1,493.00
Total CREATIVE FORMS & CONCEPT:	679.76
Total CROSSROADS TRUCK REPAIR INC:	663.27
Total DAKOTA SUPPLY GROUP:	932.12
Total DAN'S SHOP INC:	11.18
Total DAVE'S ELECTRIC MOTOR CO:	139.77
Total DAVIS TYPEWRITER CO:	26.95
Total DC SIGNS:	320.00
Total DEPARTMENT OF ENERGY:	18,589.41
Total EXCEL OVERHEAD DOOR:	31.00
Total FARMERS COOP OIL CO OF ECHO:	8,278.26
Total FARMERS UNION OIL CO.:	688.11
Total G & K SERVICES:	101.75
Total GLOBAL EQUIPMENT CO.:	420.18
Total GRANITE FALLS AUTO PARTS:	333.58
Total GRANITE FALLS BANK:	4,071.72
Total GRANITE REDI MIX:	1,019.00
Total GRANITE TRUE VALUE:	2,002.01
Total GREAT PLAINS GAS CO.:	4,782.78
Total HAUGER, DAN:	75.00
Total HAWKINS INC:	1,586.36
Total HILLYARD-HUTCHINSON:	48.33
Total HOERNEMANN, PAUL:	255.00

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Grand Totals: 377,522.63

Total ZIEGLER INC .:

276.00

2,336.94