

OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
OCTOBER 19, 2015

A regular session of the Granite Falls City Council was called to order by Mayor David Smiglewski at 7:30 p.m., Monday, October 19th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Sarina Otaibi, Steve Schaub, and Scott Peterson arrived at 7:35. Council Members absent: Steve Nordaune and Joe Fagnano. Staff present: City Manager Bill Lavin, Finance Director Michael Betker and City Clerk Joan Taylor. Also in attendance were EDA Director Justin Bentaas, Dorian Gatchell and Advocate Tribune News Reporter Scott Tedrick.

MINUTES: M/S GALOW/SCHAUB TO APPROVE THE MINUTES OF THE OCTOBER 5TH 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.

Council Member Peterson arrived at this time.

AMERICAN LEGION: Dorian Gatchell was in attendance to request the use of Sorlien Park for Riverside Jam scheduled for August 13, 2016 and to extend their liquor license temporarily to the area to be blocked off for the dance. Following discussion M/S SCHAUB/PETERSON ALLOWING THE AMERICAN LEGION THE USE OF SOLIEN PARK AND TO EXTEND ITS LIQUOR LICENSE TEMPORARILY FOR THIS AREA ON SATURDAY, AUGUST 13TH. Motion carried unanimously by those present.

He also discussed the Legions plans for Western Fest. Because a meeting has been scheduled for October 29th, this matter was tabled until after that meeting.

REPORT: The Airport Commission report was acknowledged at this time.

AIRPORT IMPROVEMENTS: Upon the recommendation of the Airport Commission Peterson introduced the following resolution and moved its adoption to move forward with improvements to the airport consisting of new full-depth 4" bituminous for the runway, entrance road, taxiway and apron at a total cost of \$1,585,375 of which the state's share would be 90% or approximately \$1,427,000 with the city's share at an estimated cost of \$158,000 contingent upon execution of a grant agreement with the Office of Aeronautics. Financing for these improvements is recommended to come from an interfund loan from the Light Fund to the General Fund to be repaid with taxes payable 2017 through an increase in the General Fund tax levy equal to the amount of tax dollars expected from the Ethanol Plant as the Jobz benefit will expire.

RESOLUTION NO. 15-141

RESOLUTION AUTHORIZING IMPROVEMENTS TO THE AIRPORT

WHEREAS, the Airport Commission at its October 13th meeting recommended council move forward with improvements to the airport consisting of new full-depth 4" bituminous for the runway, entrance road, taxiway and apron at a total cost of \$1,585,375 of which the state's share would be 90% or approximately \$1,427,000 with the city's share at an estimated cost of \$158,000; and

WHEREAS, staff recommended that the city's share be financed through an interfund loan from the Light Fund to the General Fund to be repaid with taxes payable 2017 through an increase in the General Fund tax levy equal to the amount of tax dollars expected from the Ethanol Plant as the Jobz benefit will expire.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the city to move forward with the 2016 airport improvements as stated above contingent upon execution of a grant agreement with the State Office of Aeronautics.

Adopted by the City Council this 19th day of October, 2015.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

Following discussion Galow introduced a resolution and moved its adoption identifying the city's intent to proceed with the 2016 Airport Pavement Rehabilitation Project and the possibility of issuing tax abatement bond to finance the improvements.

RESOLUTION NO. 15-142

DECLARING THE OFFICIAL INTENT OF GRANITE FALLS TO REIMBURSE
CERTAIN EXPENDITURES FROM THE PROCEEDS
OF BONDS TO BE ISSUED BY THE CITY

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds

used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the City has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS AS FOLLOWS:

1. The City proposes to undertake the construction of the 2016 Granite Falls Municipal Airport Pavement Rehabilitation Project (the "Project").

2. The City reasonably expects to reimburse the expenditures of \$158,537.46 made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$175,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.

3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the City's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

Approved by the City Council of Granite Falls this 19th day of October, 2015.

GRANITE FALLS, MINNESOTA

David Smiglewski, Mayor

Attest:

Joan M. Taylor, City Clerk

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

SEWER RATES: Following discussions at the Utilities Commission meeting recommendation Schaub introduced the following resolution and moved its adoption to call for a public hearing regarding the following sewer rate adjustments, said hearing to be held November 2nd at 8:00 p.m.

The first adjustment would be an increase in the monthly availability charge for all customers from \$5.50 per month to \$10.75 per month to become effective with the bills due December 15, 2015;

The next adjustments would be a three-stepped increase in sewer rates

- Increase of \$0.85 per 100/cu.ft., from \$3.60 per 100/cu.ft. to \$4.45 per 100/cu.ft. to become effective with bills due April 15, 2016;
- Increase of \$.90 per 100/cu.ft., from \$4.45 per 100/cu.ft. to \$5.35 per 100/cu.ft. to become effective with utility bills due August 15, 2016; and
- Increase of \$.90 per 100/cu.ft., from \$5.35 per 100/cu.ft. to \$6.25 per 100/cu.ft. to become effective with utility bills due December 15, 2016.

RESOLUTION NO. 15-143

RESOLUTION CALLING FOR HEARING ON
PROPOSED SEWER RATE ADJUSTMENT

WHEREAS, in order to costs associated with improvements to the Wastewater Treatment Plant as well as projects addressing infiltration and inflow problems, it has been recommended that council consider the following adjustments in the sewer rates:

The first adjustment would be an increase in the monthly availability charge for all customers from \$5.50 per month to \$10.75 per month to become effective with the bills due December 15, 2015;

The next adjustments would be a three-stepped increase in sewer rates

- Increase of \$.85 per 100/cu.ft., from \$3.60 per 100/cu.ft. to \$4.45 per 100/cu.ft. to become effective with bills due April 15, 2016;
- Increase of \$.90 per 100/cu.ft., from \$4.45 per 100/cu.ft to \$5.35 per 100/cu.ft. to become effective with utility bills due August 15, 2016; and
- Increase of \$.90 per 100/cu.ft., from \$5.35 per 100/cu.ft to \$6.25 per 100/cu.ft. to become effective with utility bills due December 15, 2016.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, calling for a public hearing at 8:00 p.m. on Monday, November 2, 2015, to solicit public input relative to the above-recommended increases in sewer rates and monthly availability rate.

Adopted by the City Council this 19th day of October, 2015.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

GRANITE FALLS DAM: In order to respond to the Federal Energy Regulatory Commission's request for additional information regarding the city's request to lower the Granite Falls dam hazard rating, BARR Engineering has submitted a proposal to respond to FERC's requests in an amount not to exceed \$12,500. Following discussion Galow introduced a resolution accepting the proposal as submitted by BARR Engineering.

RESOLUTION NO. 15-144

RESOLUTION ACCEPTING PROPOSAL FOR ENGINEERING SERVICES
GRANITE FALLS DAM HAZARD RATING

WHEREAS, in July of 2008 the Federal Energy Regulatory Commission lowered THE hazard potential of the Granite Falls dam from “High” to “Significant”; and

WHEREAS, now that the city’s flood mitigation work has largely been completed the city requested that the dam’s hazard potential be further reclassified from “Significant” to “Low”; and

WHEREAS, the Federal Energy Regulatory Commission has responded to the city’s request for lowering the potential hazard rating and requested further information; and

WHEREAS, BARR Engineering has submitted a proposal to provide FERC with this additional information at an estimated not-to-exceed cost of \$12,500.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the proposal received from BARR Engineering in an amount not to exceed \$12,500 to submit the city’s response to FERC’s comments.

Adopted by the City Council this 19th day of October, 2015.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

MEMORIAL PARK: Schaub introduced the following resolution and moved its adoption supporting grant funding for regional parks or trails in Greater Minnesota for improvements to Memorial Park.

RESOLUTION NO. 15-145

**RESOLUTION SUPPORTING GRANT FUNDING
FOR REGIONAL PARK OR TRAIL IN GREATER MINNESOTA:**

**Park or trail name: Memorial Park
Park or Trail I.D. #14-005D
Funding Request I.D.# 15-014F
Date of Resolution: October 19, 2015**

Check below as identified on application:

X Lead Applicant (City of Granite Falls)

o Joint Applicant/Partner (City or County)

BE IT RESOLVED that the City of Granite Falls has the legal public authority to sponsor a grant funding request associated with the identified park or trail, which must be previously designated by the Commission as a regional park or trail.

BE IT FURTHER RESOLVED that the City of Granite Falls is fully aware of the information provided in the funding request, including any non-state match and other long-term commitments (as defined in the application), related master plan and any supporting information as submitted.

BE IT FURTHER RESOLVED that the City of Granite Falls certifies that they will comply with all applicable laws, regulations and requirements associated with regional designation and grant funding for their respective portions of any funding request.

I CERTIFY THAT the above resolution was adopted by the City of Granite Falls.

Adopted by the City Council of Granite Falls, Minnesota this 19th day of October, 2015

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

Schaub introduced an additional resolution and moved its adoption supporting grant funding for regional parks or trails in Greater Minnesota for improvements to Memorial Park.

RESOLUTION NO. 15-146

**RESOLUTION SUPPORTING GRANT FUNDING
FOR REGIONAL PARK OR TRAIL IN GREATER MINNESOTA:**

**Park or trail name: Memorial Park
Park or Trail I.D. #14-005D**

Funding Request I.D.# 15-015F

Date of Resolution: October 19, 2015

Check below as identified on application:

X Lead Applicant (City of Granite Falls)

o Joint Applicant/Partner (City or County)

BE IT RESOLVED that the City of Granite Falls has the legal public authority to sponsor a grant funding request associated with the identified park or trail, which must be previously designated by the Commission as a regional park or trail.

BE IT FURTHER RESOLVED that the City of Granite Falls is fully aware of the information provided in the funding request, including any non-state match and other long-term commitments (as defined in the application), related master plan and any supporting information as submitted.

BE IT FURTHER RESOLVED that the City of Granite Falls certifies that they will comply with all applicable laws, regulations and requirements associated with regional designation and grant funding for their respective portions of any funding request.

I CERTIFY THAT the above resolution was adopted by the City of Granite Falls.

Adopted by the City Council of Granite Falls, Minnesota this 19th day of October, 2015

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

The above applications would be for two separate grant applications; one for infrastructure work including replacement of the bathroom/shower facility, repair of the large shelter house and installation of a crosswalk across Highway 67 in the amount of \$265,000; the other grant application would be for architectural drawings and design for projects listed in the Memorial Park Master Plan with emphasis on trails, disc golf, playground design and location, and signage design in an estimated amount of \$50,000.

WEBSITE DESIGN: Following discussion Otaibi introduced a resolution and moved its adoption accepting the proposal of Revize Software Systems in the amount of \$27,300 to redesign the city's web site. The financing will be paid over five years with the total cost being split 75% by the city and 25% by the EDA.

RESOLUTION NO. 15-147

RESOLUTION ACCEPTING PROPOSAL TO REDESIGN CITY WEBSITE

WHEREAS, the Website Committee recommended council accept the proposal received from Revize Software Systems at a cost of \$27,300 to redesign the city's website; and

WHEREAS, it has been recommended that this amount be split over a five-year period with the city's share at 75% and the EDA at 25%.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, accepting the proposal from Revize Software Systems at a cost not to exceed \$27, 300 to be split 75%/25% city/EDA.

Adopted by the City Council this 19th day of October, 2015.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Council

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

VOLSTEAD HOUSE: Council reviewed correspondence received concerning additional work that may be necessary due to wood rot found during the repairs to the foundation.

TURBINE REPLACEMENT PROJECT: Council reviewed an update regarding the Turbine Replacement Project. Following discussion Galow introduced a resolution and moved its adoption authorizing additional repairs to the turbine floor support and pedestal be authorized at a cost of \$48,680; also authorizing additional repairs of the entire tailrace and downstream wall at a not-to-exceed cost of \$47,500. Financing for these repairs shall come from the Light Fund.

RESOLUTION NO. 15-148

RESOLUTION APPROVING ADDITIONAL REPAIRS
TURBINE REPLACEMENT PROJECT

WHEREAS, upon demolishing the turbine floor and pedestal, and subsequent dewatering conditions were found that require more extensive repairs for the turbine floor support and pedestal than original anticipated at a cost of \$48,680; and

WHEREAS, also found upon dewatering and inspection of the entire tailrace and downstream wall additional repairs are recommended at an approximate cost of \$47,500; and

WHEREAS, Barr Engineering is recommending the additional repairs to the turbine floor support and pedestal to be completed at a cost of \$48,680; and

WHEREAS, Barr Engineering is also recommending the additional repairs as found upon inspection of the entire tailrace and downstream wall be completed at a cost not to exceed \$47,500.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, authorizing the additional repairs to the turbine floor support and pedestal to be completed at a cost of \$48,680; and

BE IT FURTHER RESOLVED authorizing the additional repairs needed following inspection of the tailrace and downstream wall be completed at a cost not to exceed \$47,500.

Adopted by the City Council this 19th day of October, 2015.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

SANITARY SEWER LIFT STATION: Council reviewed an update received from Stantec regarding the Sanitary Sewer Lift Station Project.

LEVEE CERTIFICATION: Staff advised council that City Engineer Berryman along with Stanley Consultants are currently in the process of preparing a response to FEMA's comments regarding certification of the Granite Falls levee.

PEDESTRAIN BRIDGE: Council reviewed an update regarding the Pedestrian Bridge Project.

ADJOURN: M/S/P SCHAUB/PETERSON to adjourn at 8:50 p.m.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

BILLS PAID

Total ABDO EICK & MEYERS:	75.00
Total ADVOCATE-TRIBUNE:	213.00
Total AMERICAN WELDING & GAS INC:	64.15
Total ARTIC GLACIER INC:	152.90
Total AUS, NANCY:	50.00
Total BEITO, GARY:	510.00
Total BENTAAS, JUSTIN:	42.00
Total BERGESON, DAWN:	300.00
Total BEVERAGE WHOLESALERS INC:	160.70
Total BOND TRUST SERVICES CORP:	81,712.50
Total BORDER STATES ELECTRIC SUPPLY:	606.77
Total CENTRAL MN MUNICIPAL POWER:	147,570.64
Total CENTURYLINK:	1,466.43
Total CITIZENS ALLIANCE BANK:	5,352.85
Total CNH CAPITAL:	116.50
Total COALITION OF GREATER MN CITIES:	50.00
Total COLLECTION BUREAU:	9.64
Total CRYSTEEL TRUCK EQUIPMENT:	794.00
Total DAKOTA SUPPLY GROUP:	818.11
Total DAN'S SHOP INC:	2.82
Total DAVE'S ELECTRIC MOTOR CO:	446.43
Total DAVIS TYPEWRITER CO:	72.22
Total DEPARTMENT OF ENERGY:	17,919.80
Total DISPLAY SALES CO:	395.44
Total FAGEN INC.:	175.87
Total FJERMESTAD, CINDY:	519.89
Total G & K SERVICES:	139.49
Total GALLS INC.:	34.95
Total GRANITE FALLS BANK:	4,071.72
Total GRANITE TRUE VALUE:	683.36
Total GRAYMONT CAPITAL INC:	4,097.98
Total GREAT PLAINS GAS CO.:	1,991.10
Total H & H CONSTRUCTION:	100.00
Total HAWKINS INC:	381.50
Total HEIG, JESSICA MARIE:	20.00
Total HILLYARD-HUTCHINSON:	220.44
Total HOERNEMANN, PAUL:	255.00
Total HOLMSTROM & KVAM:	18,219.12
Total IRBY:	67.40
Total JENSVOLD, ELEANOR:	2,890.00
Total JOHNSON BROS WHOLESALE LIQUOR:	7,640.34
Total KEELER-AUS, RAE ANN:	625.00

Total KEEPRS:	867.50
Total KIEFER SWIMPRODUCTS:	105.69
Total KKRC-FM:	595.00
Total KORTHUIS JEWELRY & GIFTS:	103.15
Total KOSEN FEED LOT:	2.06
Total KOTEK, NICOLLE:	80.00
Total KRANITZ, FRANK:	325.00
Total LIGHT FUND:	58.32
Total LOCHER BROTHERS:	6,350.05
Total M.A.A.C. INC.:	7,000.00
Total MADISON BOTTLING CO.:	7,670.45
Total MADISON NATIONALLIFE:	298.40

Total MARCO:	211.68
Total MARTIN TRUCKING:	652.00
Total MEDIACOM:	55.29
Total MEYER'S REPAIR & TOWING INC:	140.95
Total MINNESOTA VALLEY TECH. INC:	98.30
Total MN VALLEY COOPERATIVE:	1,272.04
Total MN VALLEY TESTING LAB INC.:	640.00
Total MUNICIPAL EMERGENCY SERVICES:	24.00
Total NIELSEN, BETSY:	41.00
Total OFFICE PEEPS:	456.31
Total O'REILLY AUTO PARTS:	121.25
Total PETERSEN, JODI:	362.50
Total PETTY CASH:	194.46
Total PHILLIPS WINE & SPIRITS CO.:	2,432.40
Total PIONEER PUBLIC TV:	208.33
Total PIONEERLAND LIBRARY SYSTEM:	211.40
Total POOLER, RON:	199.00
Total PRAXAIR INC:	1,490.00
Total PRENTICE PLACE COMMONS ASSN:	100.51
Total R.R. SCHROEDER CONSTRUCTION INC:	98,811.60
Total REGIONAL DEVELOP. COMMISSION:	336.20
Total SMITH, DENNIS:	256.30
Total TIMM, DEREK:	2,707.50
TOTAL FILTRATION SYSTEM:	147.26
Total UNIVERSITY OF MINNESOTA:	80.00
Total UPS:	11.28
Total VANHOOF, DENNIS:	94.32
Total VANOVERBEKE, JEFF:	75.00
Total VERIZON WIRELESS:	4,248.69
Total VIKING COCA-COLA BOTTLING CO.:	77.00
Total WBM WINE & SPIRITS:	1,730.65
Total WEST CENTRAL SANITATION:	719.24
Total WILLMAR FIRE EQUIPMENT INC.:	.00
Total XEROX CORPORATION:	38.51
Total YELLOW MEDICINE CO. AUDITOR:	66.11

Grand Totals: 442,801.76