

OFFICIAL CITY COUNCIL PROCEEDINGS
REGULAR SESSION
JULY 15, 2019

A regular session of the Granite Falls City Council was called to order by Mayor Dave Smiglewski at 7:00 p.m., Monday, July 15th, in the Council Chambers of City Hall. Council Members present: DuWayne Galow, Steve Nordaune, Joe Fagnano and Scott Peterson. Council Member absent: Brad Peterson. Staff present: City Manager Crystal Johnson, Finance Director Neal Carstensen and City Clerk Joan Taylor. Also in attendance were City Attorney Greg Holmstrom, EDA Director Cathy Anderson, Kristi Fernholtz, Tarin Gatchell, Robin West and Advocate Tribune News Reporter Noah Lusti.

CONSENT AGENDA: M/S/P GALOW/NORDAUNE TO APPROVE THE CONSENT AGENDA AS FOLLOWS: Minutes, Bills, Building Inspector, Finance Report, Police Chief's Report and Meetings & Events.

HIGHLAND PARK MOBILE HOME PARK: City Attorney Holmstrom advised council on the request received from the owner of the Highland Park Mobile Home Park. Following discussion, M/S NORDAUNE/FAGNANO THAT COUNCIL ACKNOWLEDGES THE MOBILE HOME PARK IS "GRANDFATHERED IN" AND CAN CONTINUE TO OPERATE AS A MOBILE HOME PARK IN THE FUTURE ABSENT ANY CHANGES IN THE LAW. Motion carried unanimously by those present.

REPORT: The EDA Board Report was acknowledged at this time.

PUBLIC HEARING: A duly advertised hearing was called to order by Mayor Smiglewski at 7:15 p.m. to receive input regarding the proposed EDA and HRA levies. Following discussion and with no residents in attendance, Mayor Smiglewski closed the public hearing at 7:18 p.m.

Following the public hearing, Galow introduced a resolution and moved its adoption approving the HRA levy for taxes payable 2020 in the amount of 0.0185% of the estimated market value for a total of \$35,288.

RESOLUTION NO. 19-107

RESOLUTION APPROVING SPECIAL BENEFIT TAX LEVY OF THE GRANITE FALLS ECONOMIC DEVELOPMENT AUTHORITY FOR HOUSING AND REDEVELOPMENT PURSUANT TO MINNESOTA STATUTES, SECTION 469.033, SUBD. 6, FOR FISCAL YEAR 2020

WHEREAS, the Economic Development Authority for the City of Granite Falls was created by action of the City Council pursuant to Minnesota Statutes, Section 469.004; and

WHEREAS, pursuant to such action on the part of the City Council and Minnesota Statutes, Section 469.001 to 469.047, the Authority was granted all

of the same functions, rights and powers, duties privileges, immunities and limitations as are provided for redevelopment created for cities under the Act; and

WHEREAS, Section 469.033, Subd. 6, of the Act permits the Authority to levy all territory within the area of operation and collect a special benefit tax up to 0.0185% of estimated market value upon all taxable property, both real and personal, with the Authority's taxing district; and

WHEREAS, proceeds of the tax may be extended for the purposes of Section 469.001 to 469.047 of the Act, including, without limitation, to pay certain administrative costs of the Authority; and

WHEREAS, the Authority has requested that the City Council approve the levy of such a special benefit tax in the amount not exceeding 0.0185% of the estimated market value of taxable property within the Authority's Taxing district contained within the city; and

WHEREAS, the Authority is also required pursuant to Section 469.033, Subd. 6, of the Act to, in connection with the levy of such a special benefit tax, formulate and file a budget in accordance with the budget procedure of the city in the same manner as required of executive department of the city and the amount of the tax levy for the following year shall be based upon that budget and approved by the city; and

WHEREAS, the Authority has presented to the City Council a copy of a proposed budget for its operations for fiscal year 2020; and

WHEREAS, the Council having held a public hearing to receive input from the residents on the proposed levy for special benefits tax and hearing no objections.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, that the levy of a special benefit tax pursuant to Minnesota Statutes, Section 469.033, Subd. 6, is hereby consented to with respect to taxes payable in calendar year 2020 in an amount not to exceed 0.0185% of estimated market value of taxable property within the Authority's area of operation within the city.

Adopted by the City Council this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

Also, following the public hearing, Fagnano introduced a resolution and moved its adoption approving the EDA levy for taxes payable 2020 in the amount of 0.01813% of the estimated market value for a total of \$34,582.

RESOLUTION NO. 19-108

RESOLUTION APPROVING SPECIAL BENEFIT TAX LEVY OF THE ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF GRANITE FALLS PURSUANT TO MINNESOTA STATUTES, SECTION 469.107 FOR FISCAL YEAR 2020

WHEREAS, the Economic Development Authority for the City of Granite Falls was created by action of the City Council pursuant to Minnesota Statutes, Section 469.090.-469.1082; and

WHEREAS, pursuant to such action on the part of the City Council and Minnesota Statutes, Section 469.090 to 469.1082, the Authority was granted all of the same functions, rights and powers, duties privileges, immunities and limitations as are provided for redevelopment created for cities under the Act; and

WHEREAS, Section 469.107, of the Act permits the Authority to levy all territory within the area of operation and collect a special benefit tax up to 0.01813% of estimated market value upon all taxable property, both real and personal, with the Authority's taxing district; and

WHEREAS, proceeds of the tax may be extended for the purposes of Section 469.090 to 469.1082 of the Act, including, without limitation, to pay certain administrative costs of the Authority; and

WHEREAS, the Authority has requested that the City Council approve the levy of such a special benefit tax in the amount not exceeding 0.01813% of the estimated market value of taxable property within the Authority's Taxing district contained within the city; and

WHEREAS, the Authority shall, in connection with the levy of such a special benefit tax, formulate and file a budget in accordance with the budget procedure of the city in the same manner as required of executive department of the city and the amount of the tax levy for the following year shall be based upon that budget and approved by the city; and

WHEREAS, the Authority has presented to the City Council a copy of a proposed budget for its operations for fiscal year 2020; and

WHEREAS, the Council having held a public hearing to receive input from the residents on the proposed levy for special benefits tax and hearing no objections.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, that the levy of a special benefit tax pursuant to Minnesota Statutes, Section 469.107, is hereby consented to with respect to taxes payable in calendar year 2020 in an amount not to exceed 0.01813% of estimated market value of taxable property within the Authority’s area of operation within the city.

Adopted by the City Council this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

EAGLE SCOUT PROJECT: Tarin Gatchell was in attendance to discuss with council his plan for his Eagle Scout Project which includes area river and park trash clean-up. Following discussion, M/S NORDAUNE/GALOW FOR APPROVAL AND APPRECIATION FOR THE PROJECT AS PRESENTED BY TARIN GATCHELL. Motion carried unanimously by those present.

REPORT: The Hospital Board report was acknowledged at this time.

STREET DEPARTMENT: Council reviewed the two bids received for the replacement of the Street Department mower. Following discussion Nordaune introduced a resolution waiving calling for bids and accepting the bid received from Wayne’s Truck Repair for the purchase of a 2019 Hustler Fastrak with a 54” Deck and 23 hp Kawasaki Engine in the amount of \$5,429.

RESOLUTION NO. 19-109

RESOLUTION WAIVING CALLING FOR BIDS AND ACCEPTING BID FOR REPLACEMENT OF LAWN MOWER – STREET DEPARTMENT

WHEREAS, the lawn mower at the Street Department is in need of replacement; and

WHEREAS, the following quotes have been received to replace this equipment:

Granite & Monte Hardware \$5,599 (48” Deck, 22.5 hp Toro)

Wayne's Tractor Repair \$5,429 (54" Deck, 23 hp Kawasaki Engine)

WHEREAS, it being in the best interest of the city to expedite the replacement of this mower, it has been recommended that council waive calling for bids and accept the bid received from Wayne's Tractor Repair in the amount of \$5,429.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, waiving calling for bids and accepting the bid from Wayne's Tractor Repair in the amount of \$5,426 to purchase this equipment.

Adopted by the City Council this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

CHARITABLE GAMBLING: Following discussion Nordaune introduced a resolution approving a State of Minnesota Gambling Control Board Premises Permit Application submitted by the Hanley Falls Firemen's Relief to conduct pull-tabs at the Tolley's Bar and Grill, 1316 Highway 212 West from which a portion of the proceeds will be donated to the Hoops Club.

RESOLUTION NO. 19-110

RESOLUTION APPROVING STATE OF MINNESOTA
GAMBLING CONTROL BOARD PREMISES PERMIT
APPLICATION OF HANLEY FALLS FIREMEN'S RELIEF

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, to approve the State of Minnesota Gambling Control Board Premises Permit Application as submitted by the Hanley Falls Firemen's Relief for the purpose of conducting Pull-Tabs at Tolley's Bar and Grill, 1316 Highway 212 West to run from August 1, 2019 through July 31, 2020.

Adopted by the City Council this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

PUBLIC HEARING: A duly advertised hearing was called to order by Mayor Smiglewski at 7:30 p.m. to receive public input regarding the vacation of a portion of an unnamed or undesignated street 33 feet in width which lies immediately to the south of and adjacent to Lots 1 and 2 of Block 4 of Baldwin's Addition to the city and which lies immediately to the north of and adjacent to Lot 1, Lincoln Addition to the city. Following discussion with the home owner requesting the vacation, Mayor Smiglewski closed the public hearing at 7:33 p.m.

Following the public hearing, M/S NORDAUNE/GALOW TO HAVE THE FIRST READING OF AN ORDINANCE AMENDING CITY CODE SECTION TABLE OF SPECIAL ORDINANCES III, VACATIONS, BY VACATING A PORTION OF AN UNNAMED STREET AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 10, GENERAL CODE CONSTRUCTION AND PENALTIES. Motion carried unanimously by those present.

MEMORIAL PARK IMPROVEMENTS PHASE IV: Kristi Fernholtz from the RDC was in attendance to discuss with council the projects to be included in Phase IV of the improvements to Memorial Park and request authorization to submit the grant application for this phase. Some of the items in Phase 4 would include the old bath house location, park entrance piers, river side picnic area, signage, etc. for a total project cost of approximately \$895,000. Following discussion Nordaune introduced a resolution and moved its adoption authorizing execution of the Memorandum Agreement between the city and the Greater Minnesota Regional Parks and Trails Commission.

RESOLUTION NO. 19-111

RESOLUTION APPROVING MEMORANDUM AGREEMENT

BE IT RESOLVED the Memorandum Agreement attached hereto be and it hereby is approved and its execution by an Officer of the City of Granite Falls is authorized on behalf of Applicant.

Adopted by the City Council of Granite Falls, MN this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

MEMORANDUM AGREEMENT

This Memorandum Agreement memorializes the current status of City of Granite Falls (the "Applicant") which has applied for a grant from the Greater Minnesota Regional Parks and Trails Commission (the "Commission") as a designated regional park or trail. Applicant states that:

Applicant has the right and authority to sponsor a grant funding request to the Commission.

It has a right and authority to act as Legal Sponsor for the State Grant Application (the "Application") and will work with the Minnesota Department of Natural Resources ("DNR"), in developing a Grant Agreement relating to the funding which may be awarded by the Commission.

The Applicant certifies it has read and understands the Office of Grants Management [Conflict of Interest Policy 08-01](#), will maintain an adequate Conflict of Interest Policy and monitor and report any actual, potential, or perceived conflicts of interest to the Commission and DNR.

Applicant confirms all of the information in its Application and further confirms that it has no expectation of, or entitlement to, reimbursement of costs incurred prior to grant agreement execution date and, if applicable, it has not entered into a written purchase agreement to acquire property described in its Application if grant funds are to be used for the purchase.

Applicant has or will acquire a fee interest ownership or permanent easement over the land described in the Application for regional parks and regional special recreational feature parks as applicable. The applicant has or will acquire a fee interest, perpetual easement or minimum twenty (20) year lease over the land described in the Application for regional trails, or regional special recreational feature parks as applicable, before the project proceeds. Applicant agrees that it will comply with all applicable laws, regulations and requirements as stated in the Grant Agreement with the DNR, including dedicating the park property for uses consistent with the grant agreement into perpetuity or for trails, committing to maintain the trails for a period of not less than twenty (20) years, and dedicating all land acquired under the project for uses consistent with the grant agreement into perpetuity.

The Commission will confirm at such time that it has made the award of funds authorizing a Grant Agreement to be developed between the DNR and the Applicant.

IN WITNESS WHEREOF, the foregoing executed as of July 15, 2019.

CITY OF GRANITE FALLS

By
David Smiglewski, Mayor
Its Authorized Representative

GREATER MINNESOTA REGIONAL
PARKS AND TRAILS COMMISSION

Renee Mattson, Executive Director

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

NSP PLANT: Council reviewed a proposal received from Flaherty and Hood, P.A. to provide analytical and legislative services related to the valuation and taxation of the property at the Minnesota Valley Electric Plant in two phases:

Phase 1: Analysis and administrative advocacy services outlined in said agreement in an amount not to exceed \$10,000; and

Phase 2: Should the city and the Firm determine through the work conducted in Phase 1, that a direct lobbying strategy for the city, separate from that of the CUC is in the best interests of the city, or that additional work needs to be done to represent the city’s interested relative to Xcel Energy and/or the Minnesota Dept. of Revenue, the parties may enter into a second agreement to carry out legislative services in pursuit of such legislation.

Following discussion Nordaune introduced a resolution and moved its adoption accepting the proposal for Phase 1 with Flaherty and Hood in an amount not to exceed \$10,000; said funds to be paid from the Electric Fund.

RESOLUTION NO. 19-112

RESOLUTION APPROVING CONTRACT FOR LEGISLATIVE SERVICES FOR
RELATED TO VALUATION AND TAXATION OF MINNESOTA VALLEY
ELECTRIC PLANT PROPERTY

WHEREAS, Xcel Energy has future plans to decommission and demolition of the Minnesota Valley Electric Plant; and

WHEREAS, such decommissioning and demolition of this plant will have a direct impact on the city tax base; and

WHEREAS, Flaherty and Hood, P.A. has provided a proposal to provide analytical and legislative services related to the valuation and taxation of the property at the Minnesota Valley Electric Plant in two phases:

Phase 1: Analysis and administrative advocacy services outlined in said

agreement in an amount not to exceed \$10,000; and

Phase 2: Should the city and the Firm determine through the work conducted in Phase 1, that a direct lobbying strategy for the city, separate from that of the CUC is in the best interests of the city, or that additional work needs to be done to represent the city’s interested relative to Xcel Energy and/or the Minnesota Dept. of Revenue, the parties may enter into a second agreement to carry out legislative services in pursuit of such legislation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF GRANITE FALLS, MINNESOTA, approving a contract with Flaherty & Hood, P.A. in an amount not to exceed \$10,000 for Phase 1 analysis and administrative advocacy services; funding to come from the Electric Fund.

Adopted by the city council this 15th day of July, 2019.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

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

BARBER CIRCLE/DANIELS DRIVE: Staff updated council relative to the construction of Barber Circle/Daniels Drive. The contractor has been given until the end of the week to begin work.

COUNCIL VACANCY: This matter was tabled until a full council is available.

ADJOURN: M/S/P NORDAUNE/S. PETERSON TO ADJOURN at 8:10 p.m.

David Smiglewski
Mayor

ATTEST:

Joan M. Taylor
City Clerk

BILLS PAID:

Total ABDO EICK & MEYERS:	7,803.75
Total ADVOCATE-TRIBUNE:	3,305.68
Total ALEX AIR APPARATUS:	575.00
Total ALMICH'S MARKET:	192.68
Total AMERICAN WELDING & GAS INC:	84.45

Total ARTIC GLACIER INC:	343.62
Total AUS, NANCY:	100.00
Total AUTOMATIC SYSTEMS CO:	1,622.25
Total BEVERAGE WHOLESALERS:	124.80
Total BIG SKY REAL ESTATE LLC:	7,306.43
Total BLUE, BROOKE:	55.00
Total BOND TRUST SERVICES CORP:	200,336.59
Total BORDER STATES ELECTRIC SUPPLY:	2,207.44
Total BRANESS PEST CONTROL SERVICE:	700.00
Total BRUNNER, MIKE & KATHY:	56.56
Total CANATSEY, SAM:	51.03
Total CENTRAL MN MUNICIPAL POWER:	139,825.69
Total CENTURY FENCE COMPANY:	18,150.00
Total CENTURLINK:	1,915.08
Total CINTAS:	105.36
Total CITIZENS ALLIANCE BANK:	5,352.85
Total CNH CAPITAL:	45.60
Total COALITION OF UTILITY CITIES:	1,419.00
Total DAN'S SHOP INC:	11.64
Total DAVE'S ELECTRIC MOTOR CO:	572.60
Total DAVID DROWN ASSOCIATES INC:	2,000.00
Total DEMERS, NIKKI:	11.48
Total DEPARTMENT OF ENERGY:	12,430.03
Total DEPARTMENT OF HUMAN SERVICES:	9,466.24
Total EDMAN BUILDERS LLC:	36,167.18
Total FARMERS UNION OIL CO:	3,600.66
Total FARMERS UNION OIL CO.:	5,645.77
Total FERGUSON WATERWORKS SUPPLY:	882.42
Total FIRE SAFETY U.S.A.:	77.40
Total FIRST ADVANTAGE:	96.87
Total FITZGERALD,KEVIN:	1,000.00
Total GOPHER:	258.12
Total GRANITE FALLS AUTO PARTS:	432.42
Total GRANITE FALLS BANK:	9,884.23
Total GRANITE FALLS HEALTH:	26.04
Total GRANITE FALLS, CITY OF:	33.75
Total GRANITE HARDWARE:	435.71
Total GRAYMONT CAPITAL INC:	4,573.08
Total GREAT PLAINS GAS CO.:	1,912.42
Total HOERNEMANN, PAUL:	50.00
Total HOLMSTROM & KVAM PLLP:	19,905.66
Total IMS PLUMBING LLC:	360.82
Total IMS, JASON & HOLLY:	600.00
Total IRBY:	153.64
Total ISFELD, TAMARA:	1,000.00
Total JOHNSON, CRYSTAL:	149.64
Total KDMA-AM:	60.00
Total KEELER-AUS, RAE ANN:	800.00
Total KESTELOOT ENTERPRISES INC:	133.32
<hr/>	
Total KIWANIS CLUB:	30.00
Total LABAT, HOLLY:	10.00
Total LEE'S AUTO & DIESEL:	2,351.78
Total LIGHT FUND:	35,401.55
Total LINCOLN PIPESTONE RURAL WATER:	60.37
Total LIPETZKY, MEGAN:	33.71
Total LOCHER BROTHERS:	10,481.05
Total MADISON BOTTLING CO.:	13,452.68
Total MARCO TECHNOLOGIES LLC:	420.10
Total MARTIN MARIETTA AGGREGATES:	324.32
Total MINNESOTA VALLEY TECH. INC:	104.20
Total MN MUNICIPAL UTILITIES ASSN:	4,834.56
Total MN VALLEY COOPERATIVE:	1,276.16

Total MN VALLEY TESTING LAB INC.:	365.00
Total MOEDE, TAYLOR:	5.48
Total M-R SIGN CO INC:	201.75
Total NELSON INTERNATIONAL:	215.16
Total OBROVAC, MARK:	30.00
Total OFFICE DEPOT:	625.16
Total OFFICE PEEPS:	10.42
Total PETE'S ELECTRIC MOTOR INC:	518.63
Total PREUSS, ERIC:	45.00
Total RECREATION SUPPLY COMPANY:	140.89
Total SAWMILL, THE:	7,598.85
Total SHERWIN-WILLIAMS:	20.84
Total STANTEC CONSULTING SERVICES:	1,392.00
Total SW CORRIDOR TRANSPORTATION COALITION:	1,000.00
Total SW-WC SERVICE COOPERATIVES:	41,044.00
Total TIMM, DEREK:	3,302.50
Total TOSTENSON INC:	5.20
Total TOSTENSON SEPTIC LLC:	525.00
Total TROY'S ELECTRIC COMPANY:	154.50
Total UPS:	62.04
Total WEBER CONSTRUCTION:	1,750.02
Total WEST CENTRAL SANITATION:	2,088.65
Total XCEL ENERGY:	1,400.58
Total XEROX CORPORATION:	170.95
Total ZEP:	126.91
Total ZIEGLER INC.:	66,420.00
	<hr/>
Grand Totals:	702,410.01