

Barnesville City Council
Regular Meeting
May 11, 2009

Mayor Dahnke called this regular meeting to order at 7:00 p.m. Present were Mayor Dahnke and Council members Roger Cooper, Larry Davis, Jr., Del Ellefson, Chad Hagen, Jeremy Krause and Merlin Strom. Others in attendance were City Attorney John Shockley, Public Works Supt. Dave Riddering, City Clerk Jeri Reep, EDA Director Karen Lauer, Police Chief Dean Ernst, Ambulance Manger Jon Yeske, TEC Manager Guy Swenson, Sr. Accountant Laurie Schell, Dan Lubbesmeyer from People Service, Dan Hanson from Ulteig Engineering, Jodeen Miller, Chad Krueger, Sheila Krueger, Susan Pearson, Darin Allmaras, and Pam Aakre from the Record Review.

Mayor Dahnke asked City Clerk Jeri Reep to take roll call. The next item on the agenda was the pledge of allegiance. All rose to recite the pledge of allegiance.

Mayor Dahnke asked if there were any additions or corrections to the agenda. City Clerk Jeri Reep stated that the Thursday Nite Lions had two gambling permits to approve, the time and temperature sign would be tabled, and the park access lease would be tabled.

05-11-09-01 Motion by Mr. Krause and second by Mr. Davis to approve the agenda and consent agenda as presented, with the addition of the gambling permits for the Thursday Nite Lions and the tabling of the time and temperature sign and the park access lease. Motion carried.

The following items were on the consent agenda.

1. Approval of the minutes of the Regular meeting held on April 13, 2009.
2. Approval of the minutes of the Special meeting held on April 8, 2009.
3. Department head reports.
4. Finance report-there was none.
5. Approval of check numbers 66117-66326 in the amount of \$271,833.01 and EFT payments in the amount of \$194,039.65.
6. Barnesville High School parking lot patching request.
7. Hire the following lifeguards: Heather Dahl, Alec Albright, Zack Olson, Zack Schultz, Devon Brakke, Taylor Dobmeier, Logan Lass, Andrew Stout, Shelby Lien, Samantha Stangland, Valerie Fankhanel at the recommended wage.
8. Hire Brady Jorud and Troy Longtin as Temporary Public Works employees @\$8.00 per hour.
9. Approve travel for Guy Swenson, Diane Hanson, Tom Olson and Mike Pearson to attend the Telephone Operators Conference in Fargo, ND.
10. Hire Robert Harris as Seasonal Golf Course Groundskeeper @ \$8.00 per hour.
11. Hire Nancy Kava as Seasonal Pro Shop employee @ \$8.65.

Mayor Dahnke stated the next item on the agenda was the board and commission reports. Council member Merlin Strom stated that the Planning Commission was looking at ball diamonds and walking paths. Mr. Strom thanked the Park Board for the great job they are doing. Mr. Dan Hanson with Ulteig Engineers stated that there are monies available for the Safe Route to School grants. Council member Chad Hagen stated that the airport is open for the season. Council member Roger Cooper stated that the Community Education classes are scheduled for summer. Council member Jeremy Krause stated that the Golf Course has added more storage available for cars, and the greens look good.

05-11-09-02 Motion by Mr. Ellefson and second by Mr. Krause to approve the board and commission reports as presented. Motion carried.

Mayor Dahnke stated the next item on the agenda was the citizens to be heard. Mr. Chad Krueger approached the council and wondered what is going on the street in front of his residence. Police Chief Dean Ernst informed council members that Mr. Krueger cut down a tree on the boulevard. The Police Department filed a report on the incident, since the city ordinance prohibits removing a tree on the boulevard. Council member Roger Cooper stated that this tree was damaged three years ago and felt that the ordinance should be reviewed. Police Chief Dean Ernst stated that he didn't know what condition the tree was in, that is not our decision. Council member Roger Cooper stated he would like to see the report on this incident not to be sent to the county for prosecution. City Attorney John Shockley warned council members on not setting a precedent. Mayor Dahnke asked that Public Works Supt. Dave Riddering, Police Chief Dean Ernst, Council member Roger Cooper and Mr. Chad Krueger meet to discuss the tree violation and report back at the June regular meeting.

Mayor Dahnke stated the next item on the agenda was the 2009 Northern Lights Group Work camp. Mr. John Young was not present to discuss the Work camp with council members.

Mayor Dahnke stated the next item on the agenda was the Community Garden.

Mayor Dahnke stated the next item on the agenda was the Community Garden discussion. Mrs. Jodeen Miller approached the council and stated that the Barnesville Child Day Care Center and the HELPERS support the community garden. Mrs. Miller stated that she has been working with EDA Director Karen Lauer on a location for this garden. The proposed land is in the Commercial Park, and would need a lot of groundwork to get it ready for a garden. Mrs. Miller also stated that they would also need access to water. City Attorney John Shockley informed council members that the Community Garden could have a lease agreement. Council members had no further questions for Mrs. Miller.

05-11-09-03 Motion by Mr. Ellefson and second by Mr. Hagen to authorize City Attorney John Shockley to write a lease agreement for the Barnesville Community Garden and the City of Barnesville. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Alltel amendment to the WWC Holding Interconnection and Reciprocal Compensation Agreement. TEC Manager Guy

Swenson stated that this is to approve the Alltel amendment to the WWC Holding Co. Interconnection and Reciprocal Compensation Agreement. This will allow Barnesville Municipal Telephone to continue to operate and bill Alltel for all traffic generated under the old WWC Holdings Co. This is mainly a name change on the original Interconnect agreement.

05-11-09-04 Motion by Mr. Cooper and second by Mr. Hagen to approve the Alltel amendment to the WWC Holding Co. Interconnection and Reciprocal Compensation Agreement. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Calix shelf purchase. TEC Manager Guy Swenson stated that we have nearly consumed all of the available shelf space with moving DSL customer from the Motorola Nextlevel system to the Calix system, along with additional customers. Mr. Swenson stated that the DSL growth continues. Mr. Swenson recommended to purchase of 4 Calix E5-110 ADSL2 + 48 port shelves for \$14,603 and 16-Cat-5-25 pr PVC jacketed cables for \$1392, plus shipping and taxes, not to exceed \$18,000.00

05-11-09-05 Motion by Mr. Hagen and second by Mr. Strom to approve the purchase of 4 Calix E5-110 ADSL2 + 48 port shelves for \$14,603 and 16-Cat-5-25 pr PVC jacketed cables for \$1392, plus shipping and taxes, not to exceed \$18,000.00. Mr. Swenson stated that this is a budgeted item. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Ottertail Power Maintenance Contract Agreement. TEC Manager Guy Swenson informed council members that the current contract with Ottertail Power is to expire on May 15, 2009. There are a few changes in the new contract. This proposed contract is a ten year contract. City Attorney John Shockley has reviewed the contract.

05-11-09-06 Motion by Mr. Ellefson and second by Mr. Davis to approve the ten year maintenance contract with Ottertail Power Company and the City of Barnesville. Motion carried.

Mayor Dahnke stated the next item on the agenda was the electric policy addition. TEC Manager Guy Swenson stated that this proposed policy is to not remove or loosen electric meter sockets from customer's homes. This activity should be conducted by a licensed electrician. Mr. Swenson stated that he has received a request from a local electrician to purchase some of our old cyclonic electric meters for use in temporary metering situations. The TEC Board was recommending proceeding with the proposed policy.

05-11-09-07 Motion by Mr. Davis and second by Mr. Ellefson to approve the following policy: It is the policy of Barnesville Municipal Utility to dispose of old electric meters by placing them in the dumpster. Provided this meter does not pose a hazard to the environment. Meters that pose a hazard to the environment shall be appropriately recycled. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Aggregator of Retail Customers (ARC) Ordinance. TEC Manager Guy Swenson stated that this ordinance is to accept the Aggregator of Retail Customers ordinance. Aggregator of Retail Customers is a group or entity that will purchase demand response from one customer, and sell it to another customer within a

region. Missouri River recommends passing this ordinance. City Attorney John Shockley has reviewed the ordinance.

05-11-09-08 Motion by Mr. Ellefson and second by Mr. Hagen to approve the 1st reading of the following ordinance. Motion carried.

ORDINANCE NO. 2009-__

AN ORDINANCE TO AMEND AND REENACT THE CONSOLIDATED RATE ORDINANCE OF THE BARNESVILLE CITY CODE RELATING TO ELECTRIC RATES AND CHARGES FOR RESIDENTIAL AND COMMERCIAL ELECTRIC SERVICES AND THE AGGREGATION OF DEMAND RESPONSE ON BEHALF OF RETAIL CUSTOMERS IN THE CITY OF BARNESVILLE.

BE IT ORDAINED by the City Council of the City of Barnesville, as follows:

SECTION 1. Legislative Findings. Whereas, the Federal Energy Regulatory Commission has issued Order No. 719, 125 FERC & 61,071, 73 Fed. Reg. 64,099 (October 28, 2008).

WHEREAS, pursuant to Order No. 719, 18 C.F.R. ' 35.28(g)(1)(iii) provides: AEach Commission-approved independent system operator and regional transmission organization must permit a qualified aggregator of retail customers to bid demand response on behalf of retail customers directly into the Commission-approved independent system operator=s or regional transmission organization=s organized markets, unless the laws and regulations of the relevant electric retail regulatory authority expressly do not permit a retail customer to participate.@

WHEREAS, pursuant to Order No. 719, 18 C.F.R. ' 35.28(g)(1)(k)(A) provides: Every Commission-approved independent system operator or regional transmission organization that operates organized markets based on competitive bidding for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator=s or regional transmission organization=s tariff) must accept bids from demand response resources in these markets for that product on a basis comparable to any other resources, if the demand response resource meets the necessary technical requirements under the tariff, and submits a bid under the Commission-approved independent system operator=s or regional transmission organization=s bidding rules at or below the market-clearing price, unless not permitted by the laws or regulations of the relevant electric retail regulatory authority.@

WHEREAS, pursuant to Chapter 216B of the Minnesota Statutes and the Barnesville Home Rule Charter, the City Council is authorized to enact ordinances governing the provision of electric power to customers located within the City of Barnesville=s service area.

WHEREAS, the City Council of the City of Barnesville has determined that it would be harmful to the demand response in the City of Barnesville, and the collective interests of the City of Barnesville, as a load-serving entity with an obligation to serve at retail, and the City of Barnesville=s retail customers to permit any entity other than the City of Barnesville itself or its authorized designee to aggregate demand response on behalf of its retail customers.

WHEREAS, the City Council of the City of Barnesville, as the electric retail regulatory authority for the City of Barnesville, has determined it to be desirable that the aggregation of demand response on behalf of retail customers located in the City of Barnesville to be bid directly into the organized electric and ancillary services markets administered by MRES (or any successor independent system operator or regional transmission organization to which the City of Barnesville is a member) be performed by the City of Barnesville or its authorized designee, the following amendments to the Code of the City of Barnesville are hereby adopted.

SECTION 2. The Consolidated Rate Ordinance is hereby revised to add under the heading "Aggregation of Retail Customer Demand Response" a new subsection 10 to provide as follows:

- A. The City of Barnesville or its authorized designee is the sole entity permitted to bid demand response on behalf of retail customers served by the City of Barnesville directly into any Commission-approved independent system operator or regional transmission organization organized electric markets.
- B. Retail customers served by the City of Barnesville wishing to bid their demand response into a Commission-approved independent system operator or regional transmission organization organized electric markets may do so by participating in the program established by the City of Barnesville or its authorized designee. Retail customers are not permitted to participate in the demand response program of any other entity without the express prior authorization of the City of Barnesville.

SECTION 3. The Consolidated Rate Ordinance is hereby revised to add under the heading "Ancillary Services Provided by Demand Response Resources" a new subsection 11 to provide as follows:

- A. The City of Barnesville or its authorized designee is the sole entity permitted to bid demand response on behalf of retail customers served by the City of Barnesville directly into any Commission-approved independent system operator or regional transmission organization organized markets for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator or regional transmission organization tariff.)

- B. Retail customers served by the City of Barnesville wishing to bid their demand response into a Commission-approved independent system operator=s or regional transmission organization=s organized markets for energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response ancillary services (or its functional equivalent in the Commission-approved independent system operator=s or regional transmission organization=s tariff) may do so by participating in the program established by the City of Barnesville or its authorized designee. Retail customers are not permitted to participate in the demand response program of any other entity without the express prior authorization of the City of Barnesville.

SECTION 4. This ordinance shall take effect upon publication in accordance with the Barnesville City Charter.

PASSED by the City Council of the City of Barnesville this ____ day of _____, 2009.

APPROVED BY:

Mayor

ATTEST:

City Clerk

First Consideration:

Second Consideration:

Date of Publication:

Mayor Dahnke stated the next item on the agenda was the discussion of the mower purchase. Public Works Supt. Dave Riddering informed council members that he had received two quotes for a 72" front mount mower. Mr. Riddering was recommending the Kubota mower in the amount of \$12,250.00. Council member Del Ellefson stated

that this is an essential purchase, and that the personnel and finance committee authorize this purchase, pending the LGA funding. Council member Jeremy Krause stated that this purchase was not in the 3% budget restriction.

05-11-09-09 Motion by Mr. Ellefson and second by Mr. Strom to approve the purchase of the Kubota 72" side discharge deck mower from Fargo Tractor in the amount of \$12,250.00. This purchase will be pending the approval of the Local Government Aid monies to be received. If the city does not receive the funding from the Local Government Aid, the purchase will not be placed. Motion carried.

Mayor Dahnke stated the next item on the agenda was the mosquito sprayer purchase. Public Works Supt. Dave Riddering informed council members that he is unable to get parts for the old mosquito sprayer. Mr. Riddering stated that he had received two quotes for the purchase of a new mosquito sprayer, one from Rhodes Chemical for a Phoenix Fogger in the amount of \$7,627, plus freight, and the other from US Vector Controls for a Mozzie Fog in the amount of \$5,863.00, delivered and set up. Mr. Riddering was recommending the Mozzie Fog 8.0 HO for \$6,863.00. Mr. Riddering stated that this is a budgeted item, and was not on the potential cut list due to LGA shortfalls.

05-11-09-10 Motion by Mr. Cooper and second by Mr. Hagen to approve the purchase of the Mozzie Fog 8.0 model 610 from US Vector Controls in the amount of \$6,863.00, delivered and set up. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Park Access Lease. Mayor Dahnke stated this item will be tabled until the June regular council meeting.

Mayor Dahnke stated the next item on the agenda was the discussion to adopt the Front Street Preliminary Engineering Report as the official facility plan. Mr. Dan Hanson with Ulteig Engineers approached the council and stated that he has met with Mr. Dave Overboe the Clay County Engineer. Mr. Overboe stated that Clay County has received moneys that has to be spent this year, and that these monies could be to pay for the preliminary engineering report. Mr. Hanson has re-submitted this project to the PFA for funding. Mr. Hanson stated that this project will be considered a Clay County project, and asked permission to ask City Attorney John Shockley for assistance if needed. City Attorney John Shockley stated that it would be nice to have a council representative on the committee also. Mayor Dahnke stated that Council member Del Ellefson, Dave Riddering, John Shockley, Karen Lauer, and Dan Hanson would make up this committee.

Mayor Dahnke stated the next item on the agenda was the Underground Utility and Street Improvement Resolution.

05-11-09-11 Motion by Mr. Ellefson and second by Mr. Strom to approve the following resolution. Upon a roll call vote, the following voted in favor of: Council member Hagen, Cooper, Ellefson, Davis, Strom and Krause. The following voted against: none. Motion carried.

CITY OF BARNESVILLE
COUNTY OF CLAY
UNDERGROUND UTILITY AND STREET IMPROMENTS
RESOLUTION NO. 05-11-09-11

BE IT RESOLVED:

WHEREAS: the City of Barnesville has received a Preliminary Engineering Reports; **Streets and Utility Reconstruction Front Street (CSAH52)**; Barnesville, Minnesota dated November 2007.

THEREFORE BE IT RESOLVED that the Preliminary Engineering Report, **Street and Utility Reconstruction Front Street (CSAH52)**; Barnesville, Minnesota has been adopted as the Facilities Plan.

The Facilities Plan is adopted by the City Council on this 11th day of May, 2009.

Fred Dahnke
Mayor

Jeri Reep
City Clerk

Council member Del Ellefson stated that he would like to comment on the letter to the editor in the Barnesville paper from Mr. Todd Thompson. In Mr. Thompson's letter, he was concerned about the condition of Highway 52, and the safety issue of the road condition. Mr. Ellefson stated that he did not want an accident causing a death on the road, or any type of accident because of the rough road. Council member Merlin Strom stated that he felt the same way about the highway. Council members felt that Hazardous Road Sign, or Rough Road Ahead signs should be placed on the highway.

05-11-09-12 Motion by Mr. Ellefson and second by Mr. Strom to authorize City Clerk Jeri Reep to send a letter to the Clay County Engineer stating the Council's concern of the road condition of Highway 52 from Barnesville to Sabin. Motion carried.

Mayor Dahnke stated the next item on the agenda was to award the bids on the Old City Hall Renovation project. Council member Jeremy Krause stepped out of the room.

EDA Director Karen Lauer stated that in November 2008 the City was awarded a \$35,461 matching grant from the MN Historical Society for the Old City Hall renovation project. Mrs. Lauer stated this project will consist of the following:

1. Purchase of new windows and doors for the 1st floor.
2. Installation of doors and windows on the 1st floor.
3. Purchase and installation of two garage doors at front of the Liquor Store.
4. Rebuilding of Sunburst Parapet located at top of the building.

Mrs. Lauer stated that bids were requested from local contractors for items 1, 2, and 3. Mrs. Lauer stated that individual bids were received.

05-11-09-13 Motion by Mr. Davis and second by Mr. Hagen to approve the bid from Barnesville Building Center for the windows in the amount of \$24,399.42. The following voted in favor of: Council member Hagen, Cooper, Ellefson, Davis and Strom. The following voted against: none. Council member Jeremy Krause abstained from the vote due to conflict of interest. Motion carried.

05-11-09-14 Motion by Mr. Davis and second by Mr. Hagen to approve the bid from Bolgrean Construction in the amount of \$17,572.00. The following voted in favor of: Council member Hagen, Cooper, Ellefson, Davis and Strom. The following voted against: none. Council member Jeremy Krause abstained from the vote due to conflict of interest. Motion carried.

Mayor Dahnke stated the next item on the agenda was an update on the house behind the Chiropractor. City Attorney John Shockley stated that council just needs a motion to direct Mr. Dave Riddering with the Public Works Dept. authorization to proceed with the cleaning and leveling of the lot.

05-11-09-15 Motion by Mr. Cooper and second by Mr. Davis to authorize the Public Works Department to proceed with the cleaning and leveling of the lot behind Barnesville Chiropractic Clinic, on 2nd Street NW. These charges will be assessed to the property. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Liquor Store remodeling project. Council member Merlin Strom informed council members that Liquor Store Manager Angela Mikulecky has sent out letters to contractors asking for proposals for the remodeling at the Liquor Store. The proposals are due on May 22, 2009. This item will be discussed at the June regular council meeting.

Mayor Dahnke stated the next item on the agenda was the propane storage tank update. City Attorney John Shockley stated that he continues to call Suburban Propane concerning the propane tank storage.

Mayor Dahnke stated that a special meeting has been called for Thursday, June 4, 2009 at 4:30 p.m. to discuss the Front Street Project.

05-11-09-16 Motion by Mr. Davis and second by Mr. Ellefson to adjourn the meeting at 8:36 p.m. Motion carried.

Submitted by:

Attest:

Jeri Reep
City Clerk

Fred Dahnke
Mayor