

**Barnesville City Council
Regular Meeting
July 14, 2008**

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 COO Mike Brethorst, City Attorney John Shockley, City Clerk Jeri Reep, Public Works Supt. Dave Riddering, TEC Coordinator Guy Swenson, EDA Director Karen Lauer, Police Chief Dean Ernst, Sr. Accountant Laurie Schell, Ambulance Manger Jon Yeske, Dan Lubbesmeyer with People Service, Sean Wahl, Dan Hanson with Ulteig Engineers, and Pam Aakre with the Record Review.

Mayor Dahnke asked COO Mike Brethorst 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. COO Mike Brethorst stated that we would need to remove the pole replacement agenda item, and add the gambling request from Ducks Unlimited.

07-14-08-01 Motion by Mr. Hagen and second by Mr. Strom to approve the agenda and the consent agenda as presented, with the addition of the gambling request from Ducks Unlimited. Motion carried. The following items were on the consent agenda.

1. Approval of the minutes of the Regular meeting held on June 9, 2008.
2. Approval of the minutes of the Special meeting held on June 23, 2008.
3. Department head reports.
4. Finance report-approval of check numbers 63981-64267 in the amount of \$794,016.13 and EFT payments in the amount of \$133,106.15.
5. Approval of Change Order #2 from Lako Drilling for the construction and testing of Production Well #10.
6. Approval of Pay Request #1 from Lako Drilling in the amount of \$72,087.90.
7. Approval of quote from Ottertail Power to replace three poles, not to exceed \$7,500.00.
8. Approval of the Calix invoice for the Calix C-7 Operating system in the amount of \$3,195.00.
9. Approval of the NFL Network Satellite Change, not to exceed \$1,700.00.
10. Approval of Barnesville Knights of Columbus to operate a beer garden at Potato Days on August 23, 2008.
11. Accept the resignation of Aleise LaFayette as Liquor Store Clerk.
12. Approve the hire of Kelli Froslic as Liquor Store Clerk @ \$8.86 per hour.
13. Approve the temporary liquor request from Ratzos Pool Hall for the Community Picnic on July 17, 2008.

14. Approval of the Barnesville Ducks Unlimited gambling license at the American Legion for September 20, 2008.

Mayor Dahnke stated the next item on the agenda was the Board and Commission reports. Council member Merlin Strom stated that there was no Planning & Zoning meeting held in July. Council member Jeremy Krause stated that the Golf Course has hired Rick Nicklay.

07-14-08-02 Motion by Mr. Davis and second by Mr. Cooper to approve the board and commission reports as presented. Motion carried.

Mayor Dahnke stated the next item on the agenda was the public forum. Mayor Dahnke asked if there were any citizens present to be heard. There were none.

Mayor Dahnke stated the next item on the agenda was the Barnesville Community Fund presentation. Mr. Sean Wahl approached the council to discuss the Community Fund. Mr. Wahl stated that the Community Fund would be starting a fund drive this fall, and would be requesting \$100,000 from the City of Barnesville, over a four year time frame. The Community Fund's goal is \$175,000.00. Mayor Dahnke asked council members if they had any other questions for Mr. Wahl. There were no other questions. Mayor Dahnke thanked Mr. Wahl for his presentation.

Mayor Dahnke stated the next item on the agenda was the West Central Initiative Fund presentation. Ms. Brianna McAleer approached the council and discussed with council members the West Central Initiative (WCI). Ms. McAleer was asking for an \$8,000.00 donation to the WCI Endowment fund over the next five years. Ms. McAleer stated that the city donation would be matched dollar for dollar by The McKnight Foundation. Mayor Dahnke asked council members if they had any other questions for Ms. McAleer. There were no other questions. Mayor Dahnke thanked Ms. McAleer for her presentation.

Mayor Dahnke stated the next item on the agenda was the PFA Funding-settlement. COO Mike Brethorst informed council members that after the final payment request from Visser Scrapper Service, and the settlement payment, that we will be short by \$27,304.00. Mr. Brethorst stated that he is recommending that this difference be paid by the restricted cash fund.

07-14-08-03 Motion by Mr. Hagen and second by Mr. Davis to approve the final payment for the PFA for the final payment for the Pond and the Visser Scrapper Services settlement payment in the amount of \$27,304.00, with the funds from the restricted cash fund. Motion carried.

Mayor Dahnke stated that the next item on the agenda was the \$95,000 land option note. COO Mike Brethorst informed council members that it is staff recommendation to refinance the \$95,000 land option note with Wells Fargo Bank and finance it in house

with the use of the Special Projects Funds. Mr. Brethorst stated that it is estimated to be a savings of \$8,323.18 over six years.

07-14-08-04 Motion by Mr. Ellefson and second by Mr. Krause to approve the transfer of \$56,792.17 to the General Fund from the Special Projects fund and create a note for the transaction and charge 2% interest to the General Fund. Motion carried.

Mayor Dahnke stated the next item on the agenda was the discussion of the utility billing policy. Council member Jeremy Krause stated that he would like to table this item until the August regular meeting. Mr. Krause would like to see how other communities are billing apartment owners and tenants for the water and sewer charges. This item will be discussed at the Public Works and Personnel and Finance portfolio meetings.

Mayor Dahnke stated the next item on the agenda was the cost estimates for the McGrath & Southern City Center. COO Mike Brethorst stated that this is for the preliminary engineering for the 2011 improvements for utilities, paving and grading. Mr. Dan Hanson with Ulteig Engineers stated that the report is close to being completed, and should be available at the August regular meeting. Mr. Hanson stated that the last infrastructure there was placed in the late 1960. This item will be placed on the August regular meeting.

Mayor Dahnke stated the next item on the agenda was the Industrial Park drainage cost estimates. EDA Director Karen Lauer informed council members that the EDA Board has recommended that the City enter into an agreement with Ulteig Engineering to conduct a preliminary engineering study in the Industrial Park. Mrs. Lauer stated that this preliminary report is necessary before a sale of land. The cost would be \$4500.00, which would be offset by the sale of the land.

07-14-08-05 Motion by Mr. Ellefson and second by Mr. Strom to approve the preliminary engineering study by Ulteig Engineering for a parcel of land in the Industrial Park. The cost of \$4500.00 will be offset by the sale of the land. Motion carried.

Mayor Dahnke stated the next item on the agenda was the Eminent Domain for the Lass property. City Attorney John Shockley informed council members that this is for the appraisal of the Lass property on the southeast part of town. The appraised amount is \$3,077.00. Mr. Shockley stated that the Lass's were offered \$6,000.00 for the property, but they refused the offer. Mr. Shockley stated that he, along with Mayor Dahnke, and staff had made a full effort to work with the Lass's on this property. Mr. Shockley informed council members that a resolution was necessary to offer to purchase this property from the Lass's.

07-14-08-06 Council member Ellefson introduced the following resolution and moved for its adoption:

07-14-08-06

RESOLUTION OF OFFER TO PURCHASE

Be it resolved by the City Council of the City of Barnesville that the City Council, having executed a Resolution of Necessity and Public Purpose dealing with the following property located in the County of Clay and the State of Minnesota, to-wit (hereinafter referred to as “Tract A”):

That part of the Northwest Quarter (NW¼) of Section 32, Township 137 North, Range 45 West, Clay County, Minnesota, described as follows: Commencing at the northwest corner of said Northwest Quarter; thence South 00 degrees 14 minutes 58 seconds West, assumed bearing along the west line of said Northwest Quarter, a distance of 685.36 feet to the point of beginning of the land to be described; thence South 89 degrees 45 minutes 02 seconds East 30.00 feet; thence South 00 degrees 14 minutes 58 seconds West 1920.32 feet to the south line of said Northwest Quarter; thence South 89 degrees 34 minutes 19 seconds West 30.00 feet to the west line of said Northwest Quarter; thence North 00 degrees 14 minutes 58 seconds East, along the west line of said Northwest Quarter 1920.67 feet to the point of beginning. Containing 57,613 square feet, or 1.32 acres more or less.

WHEREAS, the owners of Tract A are Duane Lass and Ione Lass; and

WHEREAS, the Minnesota Land Trust, a Minnesota Non-profit Corporation has been granted a conservation easement on Tract A; and

WHEREAS, the City of Barnesville needs Tract A to construct and maintain Drainage Improvement District No. 2008-1; and

WHEREAS, Tract A is currently being used for agricultural purposes; and

WHEREAS, the City has obtained an appraisal which determined that the interest of the owners in Tract A has a fair market value totaling \$3,077.00. The City offers to permit Duane Lass and Ione Lass until November 15, 2008 to remove all growing crops raised on Tract A during the agricultural production year of 2008 as an alternative to paying damages for the value of the growing crops on Tract A.

NOW, THEREFORE, BE IT RESOLVED, that pursuant to Minnesota Statutes Chapter 117 and Minnesota Statute Section 117.036, the City of Barnesville offers to purchase Tract A from the owners of this property for a total amount of \$3,077.00, which includes compensation for all damages, if any, to all other property of the owners, subject

to the interest of other parties who may have an interest in the proceeds by virtue of a mortgage, tax lien, judgment lien, or mineral interest in the above-described property.

Dated: July 14th, 2008.

APPROVED:

Fred Dahnke
Mayor

ATTEST:

Michael M. Brethorst
Chief Operating Officer

The motion for the adoption of the foregoing Resolution was duly seconded by council member Strom. On roll call vote, the following council members voted aye: Ellefson, Davis, Cooper, Strom, Hagen, and Krause. The following council members voted nay: none. The following council members were absent and not voting: none. The majority having voted aye, the motion carried and the Resolution was duly adopted.

Mayor Dahnke stated the next item on the agenda was the resolution of Necessity and Public Purpose for the eminent domain process.

07-14-08-07 Council member Hagen introduced the following resolution and moved for its adoption:

07-14-08-07
RESOLUTION OF NECESSITY AND PUBLIC PURPOSE

BE IT RESOLVED by the City Council of the City of Barnesville (hereinafter the “City Council”) that the City Council has found it necessary to complete the construction of Drainage Improvement District # 2008-1; and

WHEREAS, the City Council has determined that Drainage Improvement District # 2008-1 is necessary to prevent urban and street flooding in the Heartland addition to the City of Barnesville, Minnesota; and

WHEREAS, the City Council has reviewed the reports of the City Engineer and City Staff with respect to the feasibility of constructing Drain Improvement District # 2008-1; and

WHEREAS, the City Council has reviewed pictures of the urban and street flooding that has occurred in the Heartland addition to the City of Barnesville, Minnesota; and

WHEREAS, in order to proceed with this project, it is necessary for the City of Barnesville to acquire the following property located in the County of Clay and the State of Minnesota, to-wit (hereinafter referred to as "Tract A"):

That part of the Northwest Quarter (NW¹/₄) of Section 32, Township 137 North, Range 45 West, Clay County, Minnesota, described as follows: Commencing at the northwest corner of said Northwest Quarter; thence South 00 degrees 14 minutes 58 seconds West, assumed bearing along the west line of said Northwest Quarter, a distance of 685.36 feet to the point of beginning of the land to be described; thence South 89 degrees 45 minutes 02 seconds East 30.00 feet; thence South 00 degrees 14 minutes 58 seconds West 1920.32 feet to the south line of said Northwest Quarter; thence South 89 degrees 34 minutes 19 seconds West 30.00 feet to the west line of said Northwest Quarter; thence North 00 degrees 14 minutes 58 seconds East, along the west line of said Northwest Quarter 1920.67 feet to the point of beginning. Containing 57,613 square feet, or 1.32 acres more or less.

WHEREAS, the owners of Tract A are Duane Lass and Ione Lass; and

WHEREAS, the Minnesota Land Trust, a Minnesota Non-profit Corporation has been granted a conservation easement on Tract A; and

WHEREAS, the City Council has determined that the acquisition of Tract A is for the creation of a drainage ditch and other infrastructure which will benefit the public by providing for the abatement of urban flooding, drainage and promoting the health and safety of the residents of the city of Barnesville; and

WHEREAS, the City Attorney for the City of Barnesville is directed to take all necessary action, including but not limited to utilizing quick take, to obtain possession of Tract A pursuant to Minnesota Statutes Chapter 117; and

NOW, THEREFORE BE IT RESOLVED, that, pursuant to the provisions of Minnesota Statutes Chapter 117 it is hereby found necessary to obtain Tract A through the use of eminent domain and that use of eminent domain to acquire Tract A is for a public use or public purpose.

Dated: July 14th, 2008.

APPROVED:

Fred Dahnke
Mayor

ATTEST:

Michael M. Brethorst
City Administrator

The motion for the adoption of the foregoing Resolution was duly seconded by council member Ellefson. On roll call vote, the following council members voted aye: Ellefson, Davis, Cooper, Strom, Hagen, and Krause. The following council members voted nay: none. The following council members were absent and not voting: none. The majority having voted aye, the motion carried and the Resolution was duly adopted.

Mayor Dahnke stated the next item on the agenda was the Commercial Park incentive package. EDA Director Karen Lauer stated that the EDA has been working with a company wishing to locate in the Barnesville Commercial Park. In an effort to attract this business as well as optimize the use of the land on the north side of the Commercial Park, that the recommendation is to approve \$1,900 forgiveness on the land price which the City paid cash for in 1998; plus an additional forgiveness of \$27,307.32 on the specials which have already been paid by the City via a bond issue.

07-14-08-08 Motion by Mr. Ellefson and second by Mr. Krause to approve the proposed financial incentives to attract business to the Commercial Park. This would approve \$1,900 forgiveness on the land price which the City paid cash for in 1998, plus an additional forgiveness of \$27,307.32 on the specials which have already been paid by the City. The location is Barnesville Commercial Park; Block 1, lots 3,4,5,6 and 7 and the south 180 feet of Lot 1. Motion carried.

Mayor Dahnke stated the next item on the agenda was the 2nd Reading of Ordinance 2008-9, an ordinance regulating geothermal heating systems. City Attorney John Shockley informed council members that the city can increase the yearly fee if the council so wishes. After some discussion, this item will be referred to the Public Works committee, along with EDA Director Karen Lauer, and Dan Hanson with Ulteig Engineers, and will table the item until the August regular meeting.

Mayor Dahnke stated the next item on the agenda was the Small Cities Grant modification. EDA Director Karen Lauer informed council members that this grant is for the residential and commercial rehab grant that we had received. Mrs. Lauer presented different options that the city could do for the funds remaining.

07-14-08-09 Motion by Mr. Ellefson and second by Mr. Davis to approve \$125,000 of the Small Cities Grant monies to be changed from the Commercial to Residential homes and that the area to be extended to include the entire city. Motion carried.

Mayor Dahnke stated that the next item on the agenda was the Historical Society Grant resolution.

07-14-08-10 Motion by Mr. Cooper and second by Mr. Ellefson to approve the following resolution. Upon a roll call vote, the following voted in favor of: Council members Hagen, Cooper, Ellefson, Davis, Strom and Krause. Those voting against: none. Motion carried.

**CITY OF BARNESVILLE
COUNTY OF CLAY
STATE OF MINNESOTA**

**RESOLUTION 07-14-08-10
RESOLUTION OF SUPPORT FROM A DESIGNED AGENCY**

BE IT RESOLVED that City of Barnesville act as a sponsoring agency for the state capital County and Local Preservation project (ML 206, Chapter 258, Section 23, Subdivision 4: as amended by Chapter 283, Section 3.) Old City Hall Rehabilitation II and acknowledges herewith that it is willing to be the project sponsor; knowing full well that such sponsorship includes a willingness to secure and guarantee the local share of

costs associates with this project and responsibility for seeing this project through to completion, with compliance of all applicable laws, rules, and regulations.

BE IT ALSO RESOLVED and City of Barnesville has demonstrated ability and a plan to fund the program(s) intended for the future use of the facility.

BE IT FURTHER RESOLVED that Karen Lauer is hereby authorized to act on behalf of this applicant.

CERTIFICATION

I hereby certify that the forgoing resolution is a true and correct copy of a resolution adopted by the City Council on the 14th day of July 2008.

SIGNED:

WITNESSED:

Michael M. Brethorst
Chief Operations Officer

Jeri L. Reep
City Clerk

Date: July 14, 2008

Date: July 14, 2008

Mayor Dahnke next asked for a motion to adjourn.

07-14-08-11 Motion by Mr. Davis and second by Mr. Ellefson to adjourn the meeting at 8:30 p.m. Motion carried.

Submitted by:

Attest:

Jeri L. Reep
City Clerk

Fred Dahnke
Mayor

