

Barnesville City Council
Regular Meeting
May 8, 2017

Mayor Prim called this regular meeting to order at 7:00 p.m. Members present were Council members Jason Rick, Betty Strom, Larry Davis, Jr., and Brad Field. Absent was council member Don Goedtke. Others in attendance were City Administrator Mike Rietz, Sara Nyhus-Wear with Ohnstad Twitchell, City Clerk Jeri Reep, EDA Director Karen Lauer, Police Chief Dean Ernst, Ambulance Director Scott Nelson, Mike Kurkowski with People Service, Scott Kolbinger with KLJ Engineering, David Brown, Mary Reedy with CliftonLarsonAllen, Matt Jenison, Aubree Martinez, Kara Beatty, Tonya Stokka, and Michael Stein with the Record Review.

Mayor Prim next asked if there were any addition or corrections to the agenda. City Administrator Mike Rietz stated the only addition was to appoint Angela Ernst to the Community Education Advisory Board.

05-08-17-01 Motion by Mr. Rick and second by Mrs. Strom to approve the agenda as presented, with the addition of approving the appointment of Angela Ernst to the Community Education Advisory Board. Motion carried.

Mayor Prim stated the next item on the agenda was the resolution appointing David Brown to the City Council.

05-08-17-02 Motion by Mr. Davis and second by Mrs. Strom to approve the following resolution to appoint David Brown to the City Council, Ward 2. Upon a roll call vote, the following voted aye: Council member Rick, Strom, Davis and Field. The following were absent: Council member Goedtke. Motion carried.

Resolution No. 05-08-17-02

**RESOLUTION APPOINTING DAVID BROWN TO THE CITY COUNCIL OF THE
CITY OF BARNESVILLE, MINNESOTA**

WHEREAS, Barnesville City Council ward two Member Dawn Stuvland has tendered her resignation from the Barnesville City Council; and

WHEREAS, the Barnesville City Council has officially accepted Dawn Stuvland's resignation effective February 27, 2017 ; and

WHEREAS, there now exists a vacancy in ward two (2) of the City Council's membership; and

WHEREAS, Chapter 3, Section 8 of the Barnesville City Charter provides in relevant part that, "Whenever a vacancy occurs in any of the elective offices, specifically provided in this Charter, such vacancies shall be filled by a resolution of the Council."; and

WHEREAS, the City Council of the City of Barnesville, MN has reviewed the qualifications of David Brown and desires to appoint him to the City Council to fill the vacancy in ward two (2).

NOW THEREFORE, be it resolved by the City Council of the City of Barnesville that David Brown is hereby appointed to fill the vacant position in ward 2 effective immediately.

David Brown shall take the oath of office upon the approval of this resolution and shall have all the powers and authority as any other member of the Barnesville City Council.
PASSED by the Barnesville City Council this 8th day of May, 2017.

Mayor

ATTEST:

City Administrator

Mayor Prim stated the next item on the agenda was the oath of office for David Brown.

City Administrator Mike Rietz presented the oath of office to Mr. David Brown for Ward 2.

Mayor Prim stated the next item on the agenda was the consent agenda.

05-08-17-03 Motion by Mr. Rick and second by Mrs. Strom to approve the consent agenda.
Motion carried. The following items were on the consent agenda:

1. Approval of the minutes of the regular meeting held on April 10, 2017.
2. Approval of the department head reports.
3. Approval of check numbers 83392-83632 in the amount of \$509,165.61 and EFT payments in the amount of \$235,069.43.
4. Approval to hire Lynn LeNoue for the Public Works Maintenance I, at \$14.00 per hour.
5. Approval of the use of the Old Council Chambers for a Wine Class sponsored by Firehall Liquors.
6. Approval of a wage increase for Pro Shop Manager Brock Walseth to \$14.50 per hour.
7. Approval to appoint David Brown to the Community Education Board.
8. Information on Barnesville's Power Supply
9. Information on the Certificate of Excellence in Reliability from American Public Power.
10. Approval to appoint Angela Ernst to the Community Education Advisory Board.

Mayor Prim stated the next item on the agenda was the boards and commissions report.

Council members reported on the boards and commissions they serve on.

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

Mayor Prim stated the next item on the agenda was the sewer blockage on 5th Street SE.

City Administrator Mike Rietz stated that there have been two incidences at this property. Mr. Rietz stated that the sewer main just downstream from this address has a slump in it that causes the main to hold water. The sewer line flows, but it has to be maintained more regularly than a normal sewer main to ensure that debris are not accumulating in the low spot in the line.

Mr. Matt Jenison who lives at this address stated that the previous owner had sewer blockage in the past. Mr. Jenison stated that they have installed a new check valve to alert them of sewer blockage.

After much discussion, Mayor Prim referred this item to the Public Works Portfolio committee and report back at the June regular meeting.

Mayor Prim stated the next item on the agenda was the Community Garden lease agreement.

City Administrator Mike Rietz stated that Midwest Bank is looking to sponsor a Community Garden. This lease agreement will allow them to do that on City land near the wastewater lagoons. These gardens are planned to be near the potato picking event that is held during Potato Days. The Chair of the Potato Days Committee has reviewed this location, and are okay with the plans.

05-08-17-04 Motion by Mr. Field and second by Mr. Davis to approve the Community Garden Lease Agreement with Midwest Bank. Motion carried.

Mayor Prim stated the next item on the agenda was the CliftonLarsonAllen 2016 audit report.

Ms. Mary Reedy with CliftonLarsonAllen next approached council members and discussed the 2016 audit. Ms. Reedy discussed the required communications of the audit. Ms. Reedy stated that they had three material weakness: segregation of duties, audit adjustments, and auditor drafts financial statements and notes. There was one significant deficiency of the business telephone rates did not agree to the tariff. The MN Office of the State Auditor recommends no less than 5 months of operating expenditures for the General Fund. The City is on target as of December 31, 2016. The Ambulance Dept. and Liquor Store showed an operating loss for the year. Ms. Reedy stated that they would submit the financial statements and the required State Auditor Reporting Form before the deadline of June 30, 2017. Transfers of about \$766,000 from proprietary funds in the year compared to about \$759,000 in the prior year. The Telephone and Electric Fund continue to transfer significant amounts to the General Fund while maintaining positive change in net position. Ms. Reedy asked council members if they had any questions for her. There were no other questions.

05-08-17-05 Motion by Mr. Rick and second by Mr. Field to accept the 2016 audit report from CliftonLarsonAllen as presented. Motion carried.

Mayor Prim stated the next item on the agenda was the discussion of additional tile work on 13th Street.

City Administrator Mike Rietz stated that this discussion is for additional tile work on 13th Street to further stabilize the roadway. The Public Works Portfolio committee recommends proceeding with this project. The bids for the sealcoat project came in under budget, and a part of that project will be paid by Clay County, so there will be money left in this budget to cover the City's share of this drain tile work.

05-08-17-06 Motion by Mr. Davis and second by Mr. Field to authorize staff to get estimates on additional drain tile work on 13th Street, and to clean the ditch. Motion carried.

Mayor Prim stated the next item on the agenda was the discussion of additional amenities at Blue Eagle Lake Beach.

Mayor Prim stated that after the June 2016 council meeting, he believed that some type of equipment would be installed and maintained to replace the platform at Blue Eagle Lake. Mayor Prim stated that he would like to see a raft be placed in the water at Blue Eagle Lake.

Council member Strom stated that the Park Board has discussed placing of some equipment in the water at the Blue Eagle Lake, twice, and recommend that nothing be placed in the water at Blue Eagle Lake.

05-08-17-07 Motion by Mrs. Strom, and second by Mr. Field that no additional rafts be placed at Blue Eagle Lake. Council member Davis stated that we need to do something at the lake for the kids. Council member Field stated that the recommendation from the Park Board is not to add anything to the water at the lake. Upon a roll call vote, the following voted aye: council members Strom and Field. The following voted nay: council members Rick, Davis, Brown. The following were absent: council member Goedtke. Motion failed.

05-08-17-08 Motion by Mr. Rick and second by Mr. Brown to approve the placement of a raft in the water at Blue Eagle Lake. Mr. Rick directed staff to report back at the June regular meeting with a recommendation and dollar amount. Upon a roll call vote, the following voted aye: Council members Rick, Davis, and Brown. The following voted nay: Council members Field and Strom. The following were absent: Goedtke. Motion carried.

Mayor Prim stated the next item on the agenda was the resolution decertifying parcels in the TIF District 1-1.

City Administrator Mike Rietz informed council members that eight parcels on which homes were built has received 14 years of full increment are ready to be decertified. This means that in 2018, on an annual bases, the City will receive approximately \$6,500.00 in tax revenue from these parcels.

05-08-17-09 Motion by Mr. Field and second by Mr. Davis to approve the following resolution. Upon a roll call vote, the following voted aye: council members Rick, Strom, Davis, Brown, and Field. The following were absent: council member Goedtke. Motion carried.

**CITY OF BARNESVILLE
CLAY COUNTY, MINNESOTA
RESOLUTION NO. 05-08-17-09**

**RESOLUTION APPROVING THE ELIMINATION OF PARCELS FROM
TAX INCREMENT FINANCING DISTRICT NO. 1-1 WITHIN
REDEVELOPMENT PROJECT NO. 1 OF THE CITY OF BARNESVILLE.**

WHEREAS, on July 8, 1996, the City of Barnesville (the "City") created its Tax Increment Financing District No. 1-1 (the "TIF District") within its Redevelopment Project No. 1 (the "Project") by approval of a tax increment financing plan (the "TIF Plan) for the TIF District; and

WHEREAS, the Barnesville Economic Development Authority (the "EDA") is the administrative authority for the TIF District; and

WHEREAS, the following property, by property identification number, was included in the TIF District:

- 50.335.0040
- 50.335.0070
- 50.335.0280
- 50.335.0370
- 50.335.0410
- 50.335.0440
- 50.335.0450
- 50.335.0510

WHEREAS, the City desires by this resolution to amend the TIF Plan to remove the above-described parcel from the TIF District, thereby reducing the size thereof; and

WHEREAS, the total current net tax capacity of the parcel to be eliminated from the TIF District equals or exceeds the original net tax capacity and, therefore this amendment to the TIF Plan is accomplished pursuant to *Minnesota Statutes, Section 469.175, Subdivision 4, clause (e)(2)(A)*.

NOW THEREFORE, BE IT RESOLVED by the City that the TIF Plan for the TIF District is hereby amended to remove the described parcel and the City Administrator is authorized and directed to notify the County Auditor thereof pursuant to *Minnesota Statutes, Section 469.175, Subdivision 4, clause (e)*.

NOW THEREFORE, BE IT FURTHER RESOLVED by the City as follows:

1. The tax increment financing plan (the "TIF Plan") for the TIF District is hereby modified to remove the Parcel from the TIF District, effective for taxes payable in 2018.
2. Upon approval of a similar resolution by the EDA, staff are authorized and directed to file a copy of this resolution with the County Auditor of Clay County along with instructions to adjust the records for the TIF District accordingly.

ADOPTED: May 8, 2017

ATTEST:

Eugene Prim, Mayor

Michael Rietz, City Administrator

(Seal)

Mayor Prim stated the next item on the agenda was the shared water/sewer easement agreement.

City Administrator Mike Rietz informed council members that the EDA has been working with three businesses who wish to construct shops in the Commercial Park to the south of K & M Tire. Staff has been working with the City Engineer to correctly design the needed connections, which will be paid for and installed by the businesses at the time they are constructing their buildings. Staff also has been working with City Attorney on the Easement Agreement which sets forth the terms for the shared water and sewer service lines. The three businesses have reviewed this agreement, and find it acceptable. This agreement will give the City access to water shut-offs and protects the City from any problems that should arise from the shared water and sanitary sewer service lines.

05-08-17-10 Motion by Mr. Rick and second by Mr. Davis to approve the shared water and sanitary sewer easement agreement with Kim Peterson Construction, Bolgrean Construction and Kirk Peterson. Motion carried.

Mayor Prim stated the next item on the agenda was the 2nd reading of Ordinance 2017-03.

City Administrator Mike Rietz that this ordinance is to change the zoning of the Nursing Home from R-1 and R-2 to R-3 as recommended by the Planning Commission.

05-08-17-11 Motion by Mr. Davis and second by Mr. Rick to approve the 2nd reading of Ordinance 2017-03. Motion carried.

ORDINANCE NO. 2017-03

AN ORDINANCE TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF BARNESVILLE, MINNESOTA, AS ADOPTED IN SECTION 7-0201 OF THE BARNESVILLE CITY CODE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BARNESVILLE, MINNESOTA:

SECTION 1. Amendment. The Official Zoning Map of the City of Barnesville, Minnesota, as adopted in Section 7-0201 of the Barnesville City Code (the Barnesville Zoning Map), is hereby amended as follows:

The following listed parcels are hereby rezoned from R-1 and R-2(Single Family Residential and Urban Residential) to R-3 (Multi-Family Residential District):

Parcel No. 50.700.0010

SECTION 2. Amendment of Zoning Map. The proper City Officials are hereby authorized to amend and change the Barnesville Zoning Map to correspond thereto.

SECTION 3. Effective Date. 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 8th day of May, 2017.

APPROVED BY:

Eugene Prim, Mayor

ATTEST:

Jeri Reep, City Clerk

First Consideration: April 10, 2017
Second Consideration: May 8, 2017
Approved: May 8, 2017
Date of Publication: May 15, 2017

Mayor Prim stated the next item on the agenda was the approval of the summary Ordinance 2017-03.

05-08-17-12 Motion by Mr. Davis and second by Mr. Rick to approve the Summary Ordinance 2017-03. Motion carried.

TITLE AND SUMMARY OF ORDINANCE NO. 2017-03

The following Ordinance is hereby published by title and summary:

1. Title of Ordinance:

An Ordinance to Amend the Official Zoning Map of the City of Barnesville, Minnesota, as Adopted in Section 7-0201 of the Barnesville City Code.

2. Summary of Ordinance:

This ordinance rezones parcel no. 50.700.0010 from R-1 and R-2 to R-3.

This Ordinance shall take effect upon publication in accordance with the Barnesville City Charter.

3. Availability of Ordinance:

A complete, printed copy of this Ordinance is available for inspection by any person during regular business hours in the office of the City Clerk, Barnesville City Hall, 102 Front Street North, Barnesville, Minnesota.

This Ordinance was passed by the City Council of the City of Barnesville on the 8th day of May, 2017.

APPROVED:

Eugene Prim, Mayor

ATTEST:

Jeri Reep, City Clerk

First Reading: April 10, 2017
Second Reading: May 8, 2017
Adopted: May 8, 2017
Published: May 15, 2017

Mayor Prim stated the next item on the agenda was the 2nd reading of Ordinance 2017-04.

City Administrator Mike Rietz stated that this ordinance creates a new section that incorporates the changes to State Statute related to liquor store hours on Sunday.

05-08-17-13 Motion by Mr. Davis and second by Mr. Rick to approve the 2nd reading of Ordinance 2017-04. Motion carried.

**CITY OF BARNESVILLE
ORDINANCE NO. 2017-04**

AN ORDINANCE TO AMEND AND REENACT SECTIONS 4-0123 AND 4-0128, AND CREATE AND ENACT SECTION 4-0125(4) OF THE REVISED CITY CODE OF 2013 OF THE CITY OF BARNESVILLE RELATING TO LIQUOR SALES.

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

SECTION 1. Section 4-0123 of the Revised City Code of 2013 of the City of Barnesville is hereby amended and reenacted to read as follows:

SEC. 4-0123. HOURS AND DAYS OF ON-SALE BEER SALES. No sale of beer shall be made between the hours of 1:00 a.m. and 8:00 a.m. on the days of Tuesday through Saturday, nor between the hours of 1:00 a.m. and 12:00 noon on Sunday, nor between the hours of 10:00 p.m. on Sunday and 8:00 a.m. on Monday. Provided, however, that in any year that December 31 falls on a Sunday, license holders may stay open on that Sunday until 1:00 a.m. on Monday, January 1 of the next year.

SECTION 2. Section 4-0125(4) of the Revised City Code of 2013 of the City of Barnesville is hereby created and enacted to read as follows:

SEC. 4-0125. SUNDAY SALES.

Subd. 4. Off-Sale. The provisions of Minnesota statutes section 340A.504, as such section may be from time to time amended, supplemented or replaced, with reference to the hours of off-sale of intoxicating liquor is hereby adopted and made a part of this chapter, except as the same may be made more restrictive or otherwise referred to herein.

SECTION 3. Section 4-0128 of the Revised City Code of 2013 of the City of Barnesville is hereby amended and reenacted to read as follows:

SEC. 4-0128. HOURS AND DAYS OF ON-SALE LIQUOR SALES. No sale of liquor shall be made between the hours of 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor on Sunday between 1:00 a.m. and 12:00 noon, nor between the hours of 8:00 p.m. on December 24 and 12:00 p.m. on December 25. When December 31 falls on a Sunday, licensees may operate from 10:00 a.m. on December 31 to 1:00 a.m. on January 1. (NOTE: This Section does not prohibit sales during hours when on-sale is permitted on Sunday as stated in the Section of this Chapter entitled "Sunday Sales".)

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

PASSED AND ADOPTED by the Barnesville City Council this 8th day of May, 2017.

APPROVED:

Eugene Prim, Mayor

ATTEST:

Jeri Reep, City Clerk

First Consideration: April 10, 2017
Second Consideration: May 8, 2017
Approved: May 8, 2017
Date of Publication: May 15, 2017

Mayor Prim stated the next item on the agenda was the approval of Summary Ordinance 2017-04.

05-08-17-14 Motion by Mr. Davis and second by Mr. Rick to approve the Summary Ordinance 2017-04. Motion carried.

TITLE AND SUMMARY OF ORDINANCE NO. 2017-04

The following Ordinance is hereby published by title and summary:

1. Title of Ordinance:

An Ordinance to Amend and Reenact Sections 4-0123 and 4-0128, and Create and Enact Section 4-0125(4) of the Revised City Code Of 2013 of the City of Barnesville Relating to Liquor Sales.

2. Summary of Ordinance:

This ordinance adopts Minnesota State Statutes related to Sunday operating hours for off-sale liquor store operations.

This Ordinance shall take effect upon publication in accordance with the Barnesville City Charter.

3. Availability of Ordinance:

A complete, printed copy of this Ordinance is available for inspection by any person during regular business hours in the office of the City Clerk, Barnesville City Hall, 102 Front Street North, Barnesville, Minnesota.

This Ordinance was passed by the City Council of the City of Barnesville on the 8th day of May, 2017.

APPROVED:

Eugene Prim, Mayor

ATTEST:

Jeri Reep, City Clerk

First Reading: April 10, 2017
Second Reading: May 8, 2017
Adopted: May 8, 2017
Published: May 15, 2017

Mayor Prim stated the next item on the agenda was an update on the clean-up at 908 Front Street South.

City Administrator Mike Rietz next updated council members of the cleanup at 908 Front Street South. Mr. Rietz stated that the Public Works Dept. has been working to remove all of the debris from the tax-forfeited property. For the most part, this part is complete. The next step is the environmental side of the project. An application has been submitted to Minnesota Pollution Control. Staff recommends that we wait until late July and see if funds become available through MNTBAP, and if not, wait until October to see if the state receives additional federal funding, and if not apply for the DEED funds on November 1st.

Mayor Prim stated the next item on the agenda was the Missouri River Energy Services Electric Rate Study proposal.

TEC Manager Guy Swenson stated that the last rate study was completed by Missouri River Energy Services in 2012. Staff is recommending MRES conduct another rate study. The cost of the study is \$17,000.00, however, MRES will cover 50% of the cost of the study. MRES would complete the rate study in the first half of 2018.

05-08-17-15 Motion by Mr. Rick and second by Mrs. Strom to approve and authorize staff to execute the 2018 MRES rate study proposal. Motion carried.

Mayor Prim adjourned the meeting at 8:26 p.m.

Submitted by:

Attest:

Jeri Reep
City Clerk

Eugene Prim
Mayor