

**Barnesville City Council
Regular Meeting
October 13, 2014**

Mayor Gene Prim called this regular meeting to order at 7:00 p.m. Members present were Council members Larry Davis, Jr, Jason Rick, Don Goedtke, Betty Strom, Richard Sylvester and Cathy Enstad. Others in attendance were, City Administrator Mike Rietz, Sara Nyhus-Wear with Ohnstad Twichell, City Clerk Jeri Rep, Finance Director Laurie Schell, TEC Manager Guy Swenson, EDA Director Karen Lauer, Police Chief Dean Ernst, Public Works Supt. Trevor Moen, Mike Kurkowski with People Service, Ambulance Manger Scott Nelson, Joel Paulsen with KLJ Engineering, Terry Schritz, Dwight Berg, Angela Berg, and Jacob Underlee with the Record Review.

Mayor Prim next asked if there were any corrections or additions to the agenda. City Administrator Mike Rietz stated the following items needed to be added to the agenda. Approval of payment #3 to Arvig Construction, resolution for decertification of TIF District No. 1-2, and liability coverage waiver.

10-13-14-01 Motion by Mr. Rick and second by Mrs. Strom to approve the agenda as presented with the following additions: Approval of payment#3 to Arvig Construction, resolution for decertification of TIF District No. 1-2, and liability coverage waiver. Motion carried.

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

10-13-14-02 Motion by Mr. Rick and second by Mr. Davis to approve the consent agenda as presented. Motion carried. The following items were on the consent agenda:

1. Approval of the minutes of the regular meeting held on September 8, 2014.
2. Approval of the minutes of the special meeting held on September 3, 2014
3. Approval of the minutes of the special meeting held on September 24, 2014
4. Department head reports
5. Approval of 3rd quarter transfers
6. Approval of check numbers 78523-78778 in the amount of \$1,468,079.44 and EFT payments in the amount of \$189,421.51.
7. Approval to accept the resignation of EMT Kayt Frost effective October 16, 2014
8. Approval to hire Kirk Peterson as EMT
9. Approval to hire William Carlson as EMT
10. Approval of travel for TEC Manager Guy Swenson to attend the MRES Area meeting
11. Approval of gambling permit for Barnesville Rod & Gun, November 1, 2014
12. Approval of amendments to the Personnel Policy
13. Approval of payment in the amount of \$1,055,105.93 to Arvig Construction, payment No. 3.

Mayor Prim stated the next item on the agenda was the board and commission reports.

Council members reported on the boards and commissions they are 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 public hearing for the assessments for Improvement District 2013-1.

10-13-14-03 Motion by Mr. Rick and second by Mr. Sylvester to open the public hearing at 7:05 p.m. for the Assessments for Improvement District 2013-1. Motion carried.

Mr. Joel Paulsen with KLJ Engineering next discussed with council members the Improvement District 2013-1 assessments. Mr. Paulsen stated the total cost of this project was \$338,821.92. The total to be assessed is \$306,942.90, and the total city cost is \$31,879.02.

Mr. Terry Schritz stated that his preliminary price was much lower than the final assessment cost.

10-13-14-04 Motion by Mr. Sylvester to continue the assessment hearing to the November regular meeting. There was no second to the motion.

Mr. Dwight Berg stated that the assessment cost is getting split between three people.

Council members discussed the Terry Schritz assessment. Council members agreed to transfer \$1,805.62 for the sewer assessment to the city assessment.

Mayor Prim asked if there were any additional comments. There were none.

10-13-14-05 Motion by Mr. Rick and second by Mrs. Strom to close the public hearing at 7:49 p.m. Motion carried.

Council members directed staff to correct the assessments to the correct numbers for the November regular meeting.

10-13-14-06 Motion by Mr. Rick and second by Mrs. Strom to table the final assessments for the Improvement District 2013-1 for the regular November meeting. Motion carried.

Mayor Prim stated the next item on the agenda was the quotes for repair to the wastewater lagoons.

City Administrator Mike Rietz informed council members that quotes were received for manhole structure improvements at the waste water plant. These repairs are required by the MPCA. There has been some shifting that occurred in the berm between the two ponds. Staff is recommending the bid from Sellin Brothers in the amount of \$68,775.00. People Service will cover \$19,900 of this expense.

10-13-14-07 Motion by Mr. Davis and second by Mr. Sylvester to approve the bid from Sellin Brothers in the amount of \$68,775.00 for manhole structure improvements at the waste water plant. Motion carried.

Mayor Prim stated the next item on the agenda was the public hearing for the vacation of a portion of the 6th Ave. NE right of way.

10-13-14-08 Motion by Mr. Rick and second by Mr. Sylvester to open the public hearing for the vacation of a portion of the 6th Ave. NE right of way at 7:55 p.m. Motion carried.

City Administrator Mike Rietz informed council members that this vacation was petitioned for by the abutting owners. This will allow the Car Wash being built by DMT Properties to start their driveway at the current end of this road rather than extending the road at city street specifications. This street right of way ends at Whiskey Creek and will not be a thru street. The property on the other side of the street has an access on the existing portion of the street.

Mayor Prim asked if there were any questions or comments. There were none.

10-13-14-09 Motion by Mr. Sylvester and second by Mrs. Strom to close the public hearing for the vacation of a portion of the 6th Ave. NE right of way at 7:56 p.m. Motion carried.

10-13-14-10 Motion by Mr. Davis and second by Mr. Goedtke to approve the following resolution. Upon a roll call vote, the following voted aye: council members Rick, Goedtke, Strom, Davis, Sylvester and Enstad. The following voted nay: none. Motion carried.

**CITY OF BARNESVILLE
CLAY COUNTY, MINNESOTA**

RESOLUTION NO. 10-13-14-10

**RESOLUTION VACATING A PORTION OF 6TH AVE NE FROM A
POINT STARTING 300 FEET EAST OF THE FRONT ST RIGHT-OF-
WAY TO ITS TERMINATION POINT AT WHISKEY CREEK IN THE
CITY OF BARNESVILLE, COUNTY OF CLAY, MINNESOTA.**

WHEREAS, a petition signed by the majority of property owners abutting that portion of 6th Ave NE from a point starting 300 feet east of the Front St. right-of-way to its termination point at Whiskey Creek in the City of Barnesville, was received by the City Administrator on the 21st day of July, 2014; and

WHEREAS, the petition requested that the City Council pursuant to Minn. Stat. § 412.851 vacate that portion of 6th Ave NE from a point starting 300 feet east of the Front St. right-of-way to its termination point at Whiskey Creek as more fully described in Exhibit A to this Resolution; and

WHEREAS, the City Administrator reviewed and examined the signatures on said petition and determined that such signatures constituted a majority of the landowners abutting upon the street to be vacated; and

WHEREAS, a public hearing to consider the vacation of said street was held on the 13th day of October, 2014, before the City Council in the City Hall located at 102 Front Street N., Post Office Box 550, Barnesville, MN 56514 at 7:00 p.m. after due published notice had been given, as well as personal mailed notice to all affected property owners and state agencies by the City Administrator on the 15th day of September, 2014 and all interested persons were given an opportunity to be voice their concerns; and

WHEREAS, any person, corporation or public body owning or controlling easements contained upon the property vacated, reserves the right to continue maintaining the same or to enter upon such way or portion thereof vacated to maintain, repair, replace or otherwise attend thereto; and

WHEREAS, the City Council in its discretion has determined that the vacation is in the best interest of the public as the area purposed to be vacated is not currently an operational street.

NOW THEREFORE BE IT RESOVLED AS follows:

BE IT RESOLVED by the City Council (the “Council”) for the City of Barnesville, Minnesota (the “City”), as that is in the public interest to vacate that portion of 6th Ave NE from a point starting 300 feet east of the Front St. right-of-way to its termination point at Whiskey Creek.

BE IT FURTHER RESOLVED that the above described section of street is hereby vacated, however, reserving the original right-of-way as an easement for the existing and future utilities for the purpose of ingress and egress to construct, maintain, repair and reconstruct said utilities. Said reserved easement shall be in perpetuity.

BE IT FURTHER RESOLVED, that the Mayor and City Administrator are hereby authorized to sign all documents necessary to effectuate the intention of this resolution.

Dated: October 13, 2014

Adopted:

Eugene Prim, Mayor

ATTEST:

Michael Rietz, City Administrator

Mayor Prim stated the next item on the agenda was the public hearing on Modifications of the TIF District 1-3.

10-13-14-11 Motion by Mr. Rick and second by Mrs. Strom to open the public hearing at 7:57 p.m. for the Modifications of the TIF District 1-3. Motion carried.

City Administrator Mike Rietz informed council members that this hearing for the modification of TIF District 1-3 will need to continue to the November regular council meeting. The hearing notification was not published in the newspaper; the hearing will need to continue to a date after the notice is run in the newspaper.

Mayor Prim asked if there were any questions or comments. There were none.

10-13-14-12 Motion by Mr. Sylvester to close the public hearing. There was no second to the motion. Motion failed.

10-13-14-13 Motion by Mr. Davis and second by Mrs. Strom to continue the public hearing for the Modifications of the TIF District 1-3 to the November regular meeting. Motion carried.

Mayor Prim stated the next item on the agenda was the Xcel Energy franchise agreement.

City Administrator Mike Rietz stated that the franchise agreement with Xcel Energy has by approved by the City Attorney and Xcel Energy and recommends approval.

10-13-14-14 Motion by Mr. Davis and second by Mr. Rick to approve the franchise agreement between the City and Xcel Energy as presented. Motion carried.

Mayor Prim stated the next item on the agenda was the amended resolution of road vacation.

City Administrator Mike Rietz stated when the Enderson Elevator sold the property to Cris Mortenson, a flaw was discovered in the legal description in the resolution vacating this portion of the street. This resolution will correct that error.

10-13-14-15 Motion by Mr. Rick and second by Mrs. Enstad to approve the following resolution. Upon a roll call vote the following voted aye: council members Rick, Goedtke, Strom, Davis, Sylvester and Enstad. The following voted nay: none. Motion carried.

City of Barnesville
County of Clay
Resolution No. 10-13-14-15
AMENDED RESOLUTION OF ROAD VACATION

WHEREAS: the City of Barnesville approved and adopted a Resolution dated May 9, 1994 and recorded May 26, 1994, as Microfilm No. 472698 (“Resolution”) to vacate certain roadway within the City of Barnesville pursuant to a petition filed by Jerry Enderson (also referred to as J.D. Enderson) determining such vacation as in the best interests of the public and the City of Barnesville and would not adversely affect the public pursuant to a hearing on May 2, 1994; and

WHEREAS, the legal description utilized within the Resolution had an error in the call and therefore did not adequately describe that part of road being vacated; and

WHEREAS, the City of Barnesville has agreed that an Amended Resolution be adopted to amend the original Resolution to correct the legal description.

NOW, THEREFORE, BE IT RESOLVED:

The City of Barnesville hereby adopts this Amended Resolution for Road to correct the original Resolution to vacate the following described roadway, fee title to the adjacent owners thereof:

Commencing at the Northeast corner of Outlot 12A, Barnesville Auditor’s Outlots, which point is located on the West right-of-way line of the alley which runs in a North/South direction through Block 3, Great Northern Addition to the City of Barnesville, which point is the point of beginning; from said point of beginning proceed southwesterly along the North line of said Outlot 12A, which is also along the South line of 2nd Avenue NW (also previously known as “First Street” to the intersection with the East line of the Otter Tail Valley Railroad right of way; thence proceed in a northwesterly direction along the east right of way line of said railroad a distance of 66 feet to a point of intersection with the North line of said 2nd Avenue NW; thence in a northeasterly direction along the North line of said 2nd Avenue NW to a point of intersection with the West line of the alleyway in Lot 3 extended; thence proceed southerly along the extended westerly line of said alleyway to the point of beginning (excluding that portion of said avenue previously vacated by resolution recorded at Microfilm No. 168700 in the office of the Clay County Recorder). Reserving unto the City of Barnesville a perpetual easement over and across said property for the construction, operation and maintenance of any and all public utilities.

Dated this 13th day of October, 2014.

City of Barnesville

Jason Rick, Council member

Donald Goedtke, Council member

R. S. Sylvester, Council member

Betty Strom, Council member

Larry Davis, Jr., Council member

Catherine Enstad, Council member

Attest:

Jeri Reep, City Clerk

Mayor Prim stated the next item on the agenda was to set a date for a special meeting to review the Financial Management Plan and Health Insurance renewal. Mayor Prim set Monday, October 20, 2014 at 6:30 p.m. to discuss the health insurance renewal.

Mayor Prim stated the next item on the agenda was the KLJ Task Order #6, Sanitary Sewer Facilities Plan.

City Administrator Mike Rietz informed council members that this task order is for the Facility Plan preparation. This will be a requirement to move forward with the PFA for any future wastewater projects and has a five year shelf life once approved by the MPCA.

10-13-14-16 Motion by Mr. Sylvester and second by Mrs. Enstad to authorize staff to sign the Task Order #6 with KLJ Engineering for the Sanitary Sewer Facilities Plan. Motion carried.

Mayor Prim stated the next item on the agenda was the membership in Lakes Country Health Insurance Pool.

City Administrator Mike Rietz stated that the Personnel and Finance committee recommend discontinuing membership with the Lakes Country Service Coop Health Insurance pool.

10-13-14-17 Motion by Mr. Sylvester and second by Mr. Rick to discontinue membership in the Lakes Country Service Coop Health Insurance Pool as of December 31, 2014. Motion carried.

Mayor Prim stated the next item on the agenda was the discussion on mosquito control.

City Administrator Mike Rietz informed council members that the public works committee and the personnel and finance committee both reviewed the mosquito spraying operations. It was determined that an additional aerial spray and some occasional additional ground spraying would be looked at next year as a method for improved control when weather conditions are favorable for producing mosquitoes.

Mayor Prim stated the next item on the agenda was the telephone local floor rate increase.

TEC Manager Guy Swenson stated that the FCC has mandated the floor rate for a residential telephone lines to be raised to \$16.00 per month by December 1, 2014. Mr. Swenson stated that if we do not meet the floor rate we will lose dollar for dollar from our High Cost Loop Support that we receive from Universal Service.

10-13-14-18 Motion by Mrs. Strom and second by Mrs. Enstad to approve the increase in the local telephone floor rate to \$16.00 per month, and authorize TEC Manager Guy Swenson to have Olsen Thielen change our local tariff and submit those changes to the State PUC for approval. Motion carried.

Mayor Prim stated the next item on the agenda was the discussion of the digger truck repair.

TEC Manager Guy Swenson informed council members that this request is for the boom on the digger truck. Mr. Swenson stated that the cost is approximately \$7,200.00 for repairs. Mayor Prim questioned if it would be cheaper to rent a truck when we needed this type of truck.

10-13-14-19 Motion by Mrs. Strom and second by Mr. Sylvester to approve the repair of the digger truck boom by Truck Utility, not to exceed \$12,000.00. Motion carried.

Mayor Prim stated the next item on the agenda was the resolution for decertification of TIF District No. 1-2.

City Administrator Mike Rietz informed council members that this TIF is for Midwest Bank.

10-13-14-20 Motion by Mr. Rick and second by Mr. Goedtke to approve the following resolution. Upon a roll call vote, the following voted aye: council members Rick, Goedtke, Strom, Davis, Sylvester and Enstad. The following voted nay: none. Motion carried.

City of Barnesville
County of Clay
State of Minnesota
Resolution No. 10-13-14-20

RESOLUTION APPROVING THE DECERTIFICATION OF TAX INCREMENT
FINANCING DISTRICT NO. 1-2 OF THE CITY OF BARNESVILLE

WHEREAS, on June 23, 1997, the City of Barnesville (the "City") created its Tax Increment Financing District No. 1-2 (the "District"), within its Redevelopment Project No. 1 (the "Project"); and

WHEREAS, as of the date hereof all bonds and obligations to which tax increment from the District have been pledged have been paid in full or defeased and all other costs of the Project have been paid; and

WHEREAS, the City desires by this resolution to cause the decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes for taxes payable 2015.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Barnesville that the City's staff shall take such actions as is necessary to cause the County Auditor of Clay County to decertify the District as a tax increment district and to no longer remit tax increment from the District to the City.

Attest:

Eugene Prim, Mayor

Michael Rietz, City Administrator

Mayor Prim stated the next item on the agenda was the liability coverage waiver form.

City Administrator Mike Rietz stated that this is required yearly. Staff is recommending not waiving the limits, this keeps the statutory liability limits in place on our insurance coverage.

10-13-14-21 Motion by Mr. Sylvester and second by Mrs. Strom that the City of Barnesville does not waive the monetary limits on municipal tort liability established by MN Statutes 466.04. Motion carried.

Mayor Prim stated if anyone is interested in attending the regional meetings, to let staff know.

Council member Davis questioned the installation of electric and water meters status. TEC Manager Guy Swenson stated that not all new meters have been installed.

Mayor Prim adjourned the meeting at 8:39 p.m.

Submitted by:

Attest:

Jeri Reep
City Clerk

Eugene Prim
Mayor