

ORTONVILLE CITY COUNCIL MEETING MINUTES
REGULAR MEETING
CITY OFFICE MEETING ROOM
315 Madison Avenue, Ortonville, MN
Monday, July 20, 2009
7:00 P.M.

CALL TO ORDER AND ROLL CALL:

Mayor Pro Tem Nick Anderson called the Regular Meeting to order at 7:00 PM. Roll Call was taken with the following present: Mayor Pro Tem Nick Anderson, Mike Dorry, Bob Meyer, Bill Powell, and Craig Randleman. Absent: Mayor Blair Johnson and Steve Berkner. Staff Present: City Administrator David Lang, Deputy City Clerk Susan Lundell, Community Development Coordinator Vicki Oakes, City Attorney Craig Ash, Police Officer Jason Mork, Golf Course Superintendent Travis Strasser, Pool Director Sarah Karels. Media Present: Mike Swenson (*Ortonville Independent*). Also present: EDA Board Members Burt Nypen and Becky Parker, Vince Robinson of Development Services, Inc., (DSI) Bruce Kimmel and Carolyn Drude of Ehlers & Associates, Bob Schlieman of Ulteig Engineers. Also Present: Penny Baybridge, Marcy Stotesbery, Alice Rademacher, Elsie Perrine, Kyla and Larry Powell.

AGENDA AMENDMENTS: Add:

10.a. Police Commission Update – Bob Meyer

11.b. Old Business-AMR-Mike Dorry

12.c. New Business-Public Restrooms at Community Center-Craig Randleman

Motion by Meyer second by Randleman to adopt the agenda as amended.

All in favor. 5-0. MCU. (Motion carried unanimously)

CITY ATTORNEY REPORTS & RECOMMENDATIONS:

a. Approve First Reading of Ordinance 09-09 An Ordinance Approving Sale of Lot 2, Block 1, Course Air Fourth Addition

City Attorney Ash reported no ordinance amendment was needed for the sale of this lot. Ordinance 07-07 passed in November 2007 covers the terms of the sale. The price of the lot is \$7,500.00 and the purchaser must build within two years of the closing. Attorney Ash presented a purchase agreement between the City of Ortonville (seller) and Larry D. and Kyla J. Powell (purchaser) with said terms included for the sale of Lot 2, Block 1, Course Air Fourth Addition.

Motion by Dorry second by Meyer to authorize the Mayor and City Clerk-Administrator to enter into a Purchase Agreement with Larry D. and Kyla J. Powell for the sale of Lot 2, Block 1, Course Air Fourth Addition at a price of \$7,500.00 plus assessments with the condition that they build a residential house on the property within two years of the closing.

4-0-1. Abstain: Powell. MC. (Motion carried)

RECOGNITIONS/PRESENTATIONS/INTRODUCTIONS:**a. Carolyn Drude-Bruce Kimmel, Ehlers & Associates Inc.-Scattered Site Redevelopment Tax Increment Financing District**

Bruce Kimmel of Ehlers & Associates Inc. reported on the use of tax increment financing (TIF) as a redevelopment tool for the City. The plan is to use Pay as You Go financing for a scattered site redevelopment TIF district to include the following: Columbian Hotel, Blair Johnson CPA, Larry's Refrigeration, Sherman Studio, Old Antique Store, Peterson Hardware Building, Pizza Ranch, Too Mad Corner, Once & Again, JoLee's Jewelry Store, DCC Solutions, Heritage Printing, Jim Kaye's Building, Current Hardware Hank, Odd Fellows Building, Strege Recycling, Bobby Dean Tate Building, Yellow House, Arndt Property, New Hardware Hank location. Kimmel provided a timeline of action steps from today going forward approximately two months. A Public Hearing regarding the creation of a TIF District is scheduled for September 21, 2009. Kimmel stated the City would need to enter into a contract with Ehlers & Associates for TIF Advisory Services at a cost of \$14,000.00 and a Service Agreement with Development Services, Inc. for Tax Increment Financing District inspections at a cost of \$75.00/site.

b. Bob Schlieman-Ulteig Engineers-2009 Underground Utility and Street Improvements-McCloud Street and Forcemain Replacement West of Lake Shore Drive-Bid Results

Bids for Alternate 1, a 32-foot wide street with curb and gutter and for Alternate 2, a 28-foot wide street without curb and gutter on McCloud Street were opened on Thursday July 16 as follows: Alternate 1, Quam Construction \$449,742.00; Duininck Bros., Inc. \$497,232.50; Sellin Brother, Inc. \$532,789.50 and for Alternate 2, Quam Construction \$389,059.50, Duininck Bros., Inc. \$414,783.40, Sellin Brothers, Inc. \$475,033.50. Approximately \$40,000 in grant money may be available if the project is done this year. Charts were presented showing the assessable amounts.

CITIZENS TO BE HEARD:

None this evening

CONSENT AGENDA :

a.*Approve Minutes of City Council Workshop Meeting July 6, 2009

b.*Approve Minutes of City Council Regular Meeting July 6, 2009

c.*Approve Appointment of Thomas Oakes to Planning and Zoning Commission

d.*Approve Gambling Permit-St. John's Catholic Church-9-27-09

e.*Authorize Mayor and Chief of Police to sign a Request for Permission to Mn/DOT-District 4 to Use a Section of Trunk Highway No. 75/7 for Bicycle Ride (TRAM) Ortonville to Odessa-July 27

Motion by Powell second by Randleman to approve the Consent Agenda as presented.

All in favor. 5-0. MCU.

RECOMMENDATIONS OF CITIZEN BOARDS, COMMITTEES AND COMMISSIONS:

a. Personnel Committee Recommendation: Resolution Approving 5.8% Cost of

RECOMMENDATIONS OF CITIZEN BOARDS, COMMITTEES AND COMMISSIONS: (Cont.)

Living Increase in City Salaries Commencing January 1, 2010

Discussion and questions followed. Council Member Randleman reported there is currently a precedence of giving city employees a Cost of Living (COLA) increase each year. The Cost of Living increase for 2008 was 5.8%. The COLA adjustment from the most recent full year has been used as the basis for the upcoming next year.

Motion by Dorry second by Meyer *to table until the second Council meeting in August.* Further discussion and questions ensued regarding the COLA versus a merit increase.

All in favor. 5-0. MCU.

b.Personnel Committee Recommendation: Resolution Approving \$75.00 Per Month Health Insurance Benefit Increase for City Employees Commencing January 1, 2010

Discussion and questions followed.

Motion by Randleman second by Anderson *to table the proposed increase until the second meeting in August.*

All in favor. 5-0. MCU.

c.EDA Board Recommendation: Resolution Calling for a Public Hearing by the City Council on the Proposed Adoption of a Modification to the Development Program for Development District No. 1 and the Proposed Establishment of Tax Increment Financing District No. 1-3 Therein and the Adoption of a Tax Increment Financing Plan Therefor.

Carolyn Drude of Ehlers & Associates Inc. stated the City needs to pass this Resolution calling for a Public Hearing as the first step in TIF District creation.

Motion by Powell second by Randleman *to adopt Resolution 09-099 Resolution Calling for a Public Hearing by the City Council on the Proposed Adoption of a Modification to the Development Program for Development District No. 1 and the Proposed Establishment of Tax Increment Financing District No. 1-3 Therein and the Adoption of a Tax Increment Financing Plan Therefor.* This Resolution calls for a Public Hearing at 7:00 P. M. on September 21, 2009.

Upon roll call vote the following voted Aye: Anderson, Dorry, Meyer, Powell, Randleman. Nay: None.

All in favor. 5-0. MCU.

d.EDA Board Recommendation: Resolution Approving Contract with Ehlers & Associates Inc. for TIF District Management-\$14,000

Motion by Randleman second by Powell *to adopt Resolution 09-100 Resolution Approving Contract with Ehlers & Associates Inc. for TIF District Management-\$14,000.* Hardware Hank will pay up to \$4,000 of the cost, the Columbian Hotel will pay up to \$4,000 and the EDA will pay up to \$6,000 with the stipulation that the TIF District's first obligation is to pay back the EDA for setting up the District.

Upon roll call vote the following voted Aye: Anderson, Dorry, Meyer, Powell, Randleman.

All in favor. 5-0. MCU.

RECOMMENDATIONS OF CITIZEN BOARDS, COMMITTEES AND COMMISSIONS: (Cont.)

e.EDA Board Recommendation: Resolution Approving Service Agreement for Ortonville Economic Development Authority TIF District Inspections with Development Services Inc.-\$75/Site

Motion by Randleman second by Powell to adopt Resolution 09-101 Resolution Approving Service Agreement for Ortonville Economic Development Authority TIF District Inspections with Development Services Inc.-\$75/Site.

Discussion and questions followed.

Upon roll call vote the following voted Aye: Anderson, Dorry, Meyer, Powell, Randleman.

All in favor. 5-0. MCU.

REPORTS FROM COUNCIL COMMITTEES:

a.Police Commission: Hiring new Police Chief – Council Member Meyer reported the Commission interviewed four applicants. They chose three to do background checks on and a recommendation will be made at a future date.

UNFINISHED BUSINESS:

a.Planning Commission Recommendation: Resolution Setting Plan Review Fee, Plumbing Fee, Refund Policy, and Investigative Fee. Tabled for future consideration.

b. AMR Update-City Clerk-Administrator Lang reported the system will be used with the September 1 billing.

NEW BUSINESS:

a.Approve Expenditures

Motion by Randleman second by Powell to approve the expenditures as submitted.

Council Member Dorry expressed concern that the Ortonville Independent publishing bill for the month was \$3,190.00 and stated the budgeted amount for publications for the year has almost all been used. Clerk-Administrator Lang stated there were a lot of publications and ads this month.

All in favor. 5-0. MCU.

b.Resolution Accepting Bid-2009 Underground Utility and Street Improvements-McCloud Street

Randleman would like the 32-foot wide street with curb and gutter installed to prevent water from running into peoples' yards. Anderson wants to see the project move forward. Powell is opposed to a 32-foot street with curb and gutter and Dorry stated it is a "bad time" to do the project. There will not be a full Council until the second meeting in August. Engineer Bob Schlieman expressed concern about waiting until August since street construction season is nearing an end. No motion was offered.

NEW BUSINESS: (Cont.)

12.c. Public Restrooms at the Community Center.

Council Member Randleman received a complaint about the Public Restrooms at the Community Center being closed over Crazy Days. The Experience Works worker was unavailable and the Community Center Manager was on vacation.

CITY CLERK-ADMINISTRATOR REPORTS & RECOMMENDATIONS:

- a.Update: Small Cities Development Grant Program
- b.MRES Bright Energy Solutions Rollout & BestTrak Training
- c.Coalition of Greater MN Cities Conference-Brainerd-July 29-31
- d.Chief of Police Applicants
- e.Pioneerland Library-2010 Budget Request
- f.Review Process Timeline for Fire Hall Grant-July 26 through July 31

ADJOURNMENT:

Motion by Anderson second by Randleman to adjourn the meeting at 7:48 P.M.

All in favor. 5-0. MCU.

APPROVE:

ATTEST:

Blair Johnson
Mayor

David A. Lang
Clerk-Administrator