

**MINUTES OF A SPECIAL CITY COUNCIL MEETING HELD THURSDAY, JULY 29, 2010 – 6:00 P.M. – ROCKVILLE CITY HALL**

The meeting was called to order by Acting Mayor Sue Palmer. Roll Call was taken and the following members were found to be present: Acting Mayor Palmer, Council members Bill Becker, John Koerber, Jerry Schmitt, Randy Volkmuth & Duane Willenbring. Absent: Mayor Hagen.

Staff members present were: Administrator/Clerk Rena Weber, Public Works Director Rick Hansen, and Engineer Scott Hedlund.

Others present: Tom Nystrom, Paul Wenner, & Toni Reif.

Acting Mayor Palmer announced that the special meeting had been called for the purpose of approving/awarding the bid for the Grand Lake Road/Fowler Road Improvement project.

**GRAND LAKE ROAD/FOWLER ROAD BIDS** – Engineer Scott Hedlund presented copies of the plans and specifications for review. Discussion was held on:

- a) Bids Received
- b) Deferred Assessment policy
- c) Assessment with and without Fowler Road included in the project
- d) Response from Neighbors

Bids Received:

<b>COMPANY</b>	<b>BASE BID</b>	<b>ALTERNATE BID</b>	<b>TOTAL</b>
Knife River Corp	205127.70	12482.84	217610.54
Kraemer Trucking	228909.05	13761.80	242670.85
Hardrives, Inc.	228424.56	15238.07	243662.63
J R Ferche, Inc.	234409.10	16730.00	251139.10

SEH recommended approval of the low bid of Knife River.

Deferred Assessment Policies were provided from the City of Waite Park as they have had a similar incident in the commercial industrial portion of their policy as well as a residential deferment.

Assessments (refer to Exhibit A hereby attached)

Response from Neighbors – Rena Weber reported that with the date of meeting being moved up Grell's could not attend the meeting, however, the revised rates were emailed to the Grell's and Charles stated he would be okay with tarring Fowler Road as it would be cheaper than Grand Lake Road, but he would like to know the details on when the deferment would be due.

***Motion by Member Willenbring, second by Member Volkmuth, to split the award of bids (Resolution No. 2010-15) into two votes (one for Grand Lake Road and one for Fowler Road).***

***Ayes: Koerber, Palmer, Schmitt, Volkmuth & Willenbring***

***Nays: Becker***

***Motion passed on a 5 to 1 vote.***

***Member Willenbring introduced the following resolution and moved for its adoption:***

**RESOLUTION NO. 2010-15**

**RESOLUTION ACCEPTING BID**

**WHEREAS**, pursuant to an advertisement for bids for the improvement of:

**ROAD RE-CONSTRUCTION – GRAND LAKE ROAD**

Bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

<b>COMPANY</b>	<b>BASE BID</b>
Knife River Corp	205127.70
Kraemer Trucking	228909.05
Hardrives, Inc.	228424.56
J R Ferche, Inc.	234409.10

**AND WHEREAS**, it appears that Knife River is the lowest responsible bidder.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ROCKVILLE, MINNESOTA:**

1. The Mayor and Administrator/Clerk are hereby authorized and directed to enter into the attached contract with Knife River in the name of the City of Rockville for the improvement according to the plans and specifications therefore approved by the city council and on file in the office of the Administrator/Clerk.
2. The Administrator/Clerk is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

***The motion was duly seconded by Member Volkmuth, with the following vote being taken:***

***AYES: Becker, Koerber, Palmer, Schmitt, Volkmuth & Willenbring.***

***Motion passed on a 6 to 0 vote.***

**SEH CONSTRUCTION SERVICES CONTRACT** – Member Volkmuth reported that Public Works discussed the construction services contract with Scott Hedlund and recommends going ahead with the SEH proposal not to exceed \$20,000 with city staff will take over whatever we can.

***Motion by Member Volkmuth, second by Member Willenbring, to approve the recommendation of Public Works regarding the SEH construction services contract not to exceed \$20,000, with city staff completing whatever they can of the project, and further to re-consider if there is a major scope of work change.***

***AYES: Becker, Koerber, Palmer, Schmitt, Volkmuth & Willenbring.***

***Motion passed on a 6 to 0 vote.***

**FOWLER ROAD** – Member Volkmuth recommended that we award the bid as it is not up to safety standards, further defer the assessment per the handout until:

- a) The property is split or sold then remaining assessment needs to be paid in full
- b) Or the Assessment is deferred up to a period of 15 years whereby the remaining amount needs to be paid in full
- c) At 4.75% interest
- d) In addition the property owners need to agree that road is not up to city specs
- e) There is no penalty for prepayment, but final payment in full is due at 15 years

Member Becker voiced concern that we better not use the words “unsafe road” and would rather use “not following specs”.

Member Volkmuth stated the fire department will have a hang up with the size of the road. This is at least a mostly straight road.

Member Becker asked why we are deferring this. He did not hear there is a hardship in paying?

Member Volkmuth asked are we putting the city in a hardship because of the large size of the lots.

Scott Hedlund reported that these are the only three not fully developable lots in the city.

***Motion by Member Volkmuth, second Member Willenbring, to include Fowler Road in the Bid Award (Resolution No. 2010-15) at a price of \$12,482.84 per the following recommendations:***

- a) The property is split or sold then remaining assessment needs to be paid in full***
- b) Or the Assessment is deferred up to a period of 15 years whereby the remaining amount needs to be paid in full***
- c) At 4.75% interest***
- d) In addition the property owners need to agree that road is not up to city specs***
- e) There is no penalty for prepayment, but final payment in full is due at 15 years***

***AYES: Becker, Koerber, Schmitt & Volkmuth***

***NAYS: Willenbring***

***ABSTAINING: Palmer***

***Motion passed on a 4 to 1 vote.***

Electrical Bid – Rick Hansen wanted to report on the results of his discussion with the electrical contractor. Rena Weber reported that this was not on the agenda so technically we can't discuss it.

***ADJOURNMENT – Motion by Member Volkmuth, second by Member Becker, to adjourn the meeting at 6:15 p.m. Motion carried.***

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**VERENA M. WEBER-CMC  
ADMINISTRATOR/CLERK**

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**SUSAN PALMER  
ACTING MAYOR**

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