

**MINUTES OF A REGULAR CITY COUNCIL MEETING HELD WEDNESDAY, JUNE 12, 2013 – 6:00 P.M. - ROCKVILLE CITY HALL**

The meeting was called to order by Mayor Jeff Hagen. Roll Call was taken and the following members were found to be present: Mayor Hagen, Council members Susan Palmer, Don Simon & Duane Willenbring. Absent: Randy Volkmuth.

Staff members present were: Administrator/Clerk Rena Weber, Public Works Director Rick Hansen & Engineer Dave Blommel.

Others present were: Paul Wirth, Jim & Lon Voigt, Tудie Hermanutz, Rick Tallman, Jan Mick, Paul Betz, David Drown & Kristin Molitor.

**HONOR JERRY BECHTOLD** – Mayor Hagen asked all to take a moment to remember Jerry Bechtold who passed away and was a dedicated public servant.

**ADDITIONS** – *Motion by Member Simon, second by Member Palmer, to approve the additions to the agenda for discussion purposes.*

**AYES:** *Hagen, Palmer, Simon & Willenbring*  
*Motion passed on a 4 to 0 vote.*

**OPEN FORUM**

**CONSENT AGENDA**

**CONSENT AGENDA** – *Motion by Member Palmer, second by Member Willenbring, to approve the consent agenda as presented:*

- a) *Approve minutes of 5/15/13*
- b) *Approve Treasurer's Report of 6/12/13*
- c) *Approve List of Bills and Additions*

<i>Accounts Payable CK #014462 to 014537</i>	<i>\$62,215.37</i>
<i>Payroll CK #004472 to 004484</i>	<i>8,897.09</i>
<i>EFT #000731 to 000737</i>	<i>5,729.22</i>
<i>Pleasant Lake Homeowner's Assn – Fireworks permit approval</i>	
<i>Grand Lake – Fireworks permit approval</i>	

**AYES:** *Hagen, Palmer, Simon & Willenbring*  
*Motion passed on a 4 to 0 vote.*

**BOARD/STAFF REPORT**

**POLICE DEPARTMENT** – The May 2013 report showed 34 contract hours.

**FIRE DEPARTMENT– REQUEST TO HIRE THREE FIRE FIGHTERS** – Member Palmer reported that the Personnel Committee reviewed the following:

- What is this going to do to the Fire Department budget? Cost of equipment/clothing, etc.  
 FF1 & FF2 cost \$1260  
 First Responder 360  
 Total \$1620  
 Uniform full set would cost \$2500; however, they have enough extra equipment to provide the new people.  
 Physical costs - \$200
- What will the total number of fire fighters be with this approval? 25
- How did last year's budget end up? \$20,673.29 to the good

***Motion by Member Palmer, second by Mayor Hagen, to authorize the hiring of up to three people as fire fighters.***

Member Willenbring questioned the cost - \$0

**AYES:** *Hagen, Palmer & Willenbring*

**ABSTAINING:** *Simon*

***Motion passed on a 3 to 0 vote.***

**PUBLIC WORKS** – Member Palmer reported that the Personnel Committee also reviewed the request to hire a part-time seasonal temporary person for mowing grass. The committee recommends hiring of one employee at \$8 to \$10 per hour.

***Motion by Member Palmer, second by Member Willenbring, to authorize the hiring of a part-time temporary seasonal worker for mowing at \$8 to \$10 per hour DOQ.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

Member Palmer also reported that the Personnel Committee reviewed the request to hire one part-time permanent maintenance person to cover for Rick Hansen in his absence. The job description was one from 2006 and in place. The committee recommends hiring someone for 20 hours plus at \$10 to \$15 per hour depending on qualifications. The benefit is that we get somebody to help Rick and knows the city.

***Motion by Member Palmer, second by Mayor Hagen, to move forward with the hiring of a permanent part-time person for 20 hours per week at \$10 to \$15 per hour depending on qualifications.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

Member Palmer indicated that we would truly have to be outsourced in order to be more efficient. By hiring part-time what we get is someone who knows the city.

#### PUBLIC WORKS RFA'S

DITCH MOWING BID - The Maintenance Department requests council action to approve Matt Schmitz to do the 2013 road ditch cutting. We mow the ditches in late June, early July and again in the fall. The Cost is \$60.00/hr plus fuel. We have \$5000 budgeted for ditch mowing.

Fund E101-43100-320. (\$12,000.00 in 2013 budget).

***Motion by Member Simon, second by Member Willenbring, to approve the request as presented.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

SEAL COATING BID - Please award the seal coating project to Astech for the contract price of \$37,893.26 of which Rockville's portion will be \$8,555.50, upon the condition that the project is accepted by the City of Cold Spring.

Fund # 101-43100-317 \$12,000.00 (2013 Budget)

***Motion by Member Palmer, second by Mayor Hagen, to approve the expense as requested as long as the City of Cold Spring approves their portion of the bid.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

#### OLD BUSINESS/NEW BUSINESS

**RENTAL ORDINANCE FEE SCHEDULE** - Rena Weber reported that the Finance Committee reviewed the information she provided from the building inspector. It appears that we would be short changing the city if we go with the proposed schedule. The Finance Committee would like to keep the rates the same as 2002.

The Committee also discussed the late fee and recommended doubling that fee (same as we do with unpaid water/sewer bills).

***Motion by Member Palmer, second by Member Simon, to approve keeping the rental rate at the 2002 fee schedule and further approve doubling the late fee schedule.***

#### RENTAL REGISTRATION FEE SCHEDULE

<u>Fee</u>	<u>Amount</u>
<b>Apartment Inspection Fees</b>	<b>\$50.00 per unit with a \$100.00 minimum fee (includes initial inspection &amp; one follow-up inspection)</b>
<b>Additional Inspection Fees</b>	<b>\$50.00 per inspection</b>
<b>Late Fees and Penalties</b>	<b>100% additional fee up to 60 days late</b>
	<b>City Council to determine additional fee for 61 or more days late</b>

Member Willenbring voiced concern on the following:

- Enormous amount of time spent on this ordinance
- What are the Administrative fees? Notices and follow up notices
- Large apartment complexes – John Clark would have to pay \$425 instead of \$800
- He was there for John Clark Co-op inspection – 16 units were done in 1 hour 15 minutes in order to get a certificate of occupancy. That is costing that entity a whole lot of money.
- Anytime there are more than 4 units an inspection has to be done and certificate issued. This happened two months ago and he still has not received a certificate. *(As a follow up the certificate of occupancy was sent to his wife within a day or two of the inspection.)*
- Member Willenbring would like to go with the Administrator's suggestion of charging an hourly rate for the building official and Administration.

**AYES: Hagen, Palmer & Simon**

**NAYS: Willenbring**

**Motion passed on a 3 to 1 vote.**

**WATER RATE – Ordinance Effective Date** – Rena Weber reported that the council asked that she check into the law regarding when an ordinance is effective. Adam Ripple looked at our past 6 water rate amendment ordinance adoptions and stated:

Unless otherwise specified within the ordinance, an ordinance becomes effective after its publication in the official newspaper. This is established in the 1942 MN Supreme Ct case involving the City of Minnesota. It is an interpretation of Minnesota Statute 412.191.

Judy did go back and figure the amounts – they range from .09 cents to \$44.27 (apartment complex) for a grand total of \$996.23.

**Motion by Mayor Hagen, second by Member Simon, to accept the effective date as published and further to give no credit back to the affected properties.**

**AYES: Hagen, Palmer & Simon**

**NAYS: Willenbring**

**Motion passed on a 3 to 1 vote.**

**SCHEDULE PUBLIC HEARING – 7/2/13 – Noon (Bond Refunding)**

**Member Palmer introduced the following Resolution and moved for its adoption:**

**RESOLUTION NO. 2013-17**

**RESOLUTION CALLING PUBLIC HEARING ON**

**THE INTENTION TO ISSUE GENERAL OBLIGATION CAPITAL  
IMPROVEMENT PLAN REFUNDING BONDS AND THE PROPOSAL TO  
ADOPT THE CAPITAL IMPROVEMENT PLAN THEREFORE**

A. WHEREAS, pursuant to Minnesota Statutes, Section 475.521, Subdivision 2, the City of Rockville, Minnesota (the "City") may issue bonds to finance

capital improvements under its capital improvement plan (the "Plan") without an election provided that, among other things, prior to issuing the bonds the City adopts the Plan after a public hearing thereon and publishes a notice of its intention to issue the bonds and the date and time of a hearing to obtain public comment on the matter; and

B. WHEREAS, the City Council will hold a public hearing on its intention to issue general obligation capital improvement plan refunding bonds (the "Bonds") and to adopt the Plan therefore pursuant thereto on Tuesday, July 2, 2013 at 12 noon.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Rockville, Minnesota, that the City Council hereby calls for a public hearing on its intent to issue the Bonds and to adopt the Plan therefore, such hearing to be held on the date and time set forth in Exhibit A attached hereto. The City Administrator is hereby directed to cause the notice to be published at least 14 but not more than 28 days before the hearing in the official newspaper of the City or a newspaper of general circulation in the City.

The motion for the adoption of the foregoing resolution was duly seconded by Council Member Willenbring and, after full discussion thereof and upon a vote being taken thereon, the following voted in favor thereof: Mayor Hagen, Council members: Palmer, Simon, & Willenbring.

and the following voted against the same:

None

Whereupon said resolution was declared duly passed and adopted.

**Member Palmer introduced the following Resolution and moved for its adoption:**

**RESOLUTION NO. 2013-18  
RESOLUTION APPROVING THE ISSUANCE OF  
\$2,175,000 G.O. CAPITAL IMPROVEMENT PLAN BONDS, SERIES 2013A;**

BE IT RESOLVED by the City Council of the City of Rockville, State of Minnesota (herein, the "City"), as follows:

1. The City Council hereby finds and declares that it is necessary and expedient for the City to sell and issue its fully registered general obligation refunding bonds in the total aggregate principal amount of not to exceed \$2,175,000 (herein, the "Bonds"). The proceeds of the Bonds will be used, together with any additional funds of the City which are required for the refinancing of the EDA's 2,656,000 Lease Revenue Bonds of 2005.
2. The City Council desired to proceed with the sale of the Bonds by direct negotiation and hereby authorizes David Drown Associates, Inc. (herein, "DDA") to negotiate on behalf of the City.
3. The Mayor and the City Administrator are hereby authorized to approve the sale of the Bonds in an aggregate principal amount of not to exceed \$2,175,000 and to execute a bond purchase agreement for the purchase of the Bonds provided the total net present value savings is at least \$150,000.

4. Upon approval of the sale of the Bonds by the Mayor and the City Administrator, the City Council will take action at its next regularly scheduled meeting thereafter to adopt the necessary approving resolutions as prepared by the City's bond counsel.
5. DDA is authorized to prepare an Official Statement and secure a bond rating related to the sale of the Bonds.
6. If the Mayor and City Administrator have not approved the sale of the bonds and executed the related bond purchase agreement by December 31, 2013 this resolution shall expire.

The motion for the adoption of the foregoing resolution was duly seconded by Member Simon, and upon vote being taken thereon, the following in favor thereof: Mayor Hagen, Council members Palmer, Simon, & Willenbring.  
And the following voted against: None.

Whereupon said resolution was declared duly passed and adopted.

**BIDS – Burg Street/Alvin & Marlene Court/Holly Road** – Engineer Dave Blommel presented the bid breakdown for the improvement project. The alternate bid included Holly Road alone and the additional bid was for use of Class 5 materials. Dave Blommel recommends approving all three bids.

***Motion by Member Willenbring, second by Member Simon to include Alternate A bid, but not Alternate B.***

More discussion was held and members withdrew their motion.

***Mayor Hagen introduced the following resolution and moved for its adoption:***

**RESOLUTION NO. 2013-16**

**RESOLUTION ACCEPTING BID**

**WHEREAS**, pursuant to an advertisement for bids for the improvement of:  
**ROAD RE-CONSTRUCTION – BURG STREET, ALVIN & MARLENE COURT & HOLLY 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>	<b>ALT. A</b>	<b>ALT. B</b>	<b>TOTAL</b>
Knife River Corp	355,868.70	20,750.00	5,750.00	382,368.70
Hardrives, Inc.	390,290.65	14,690.65	7,728.00	412,708.30

**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 for the foregoing resolution was duly seconded by Member Simon with the following vote being taken:**

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

ROCK FEST APPROVALS – Jan Mick & Woody Sankey were present to request approvals for the upcoming event:

- Road closures –for tractor pull, parade and dance to end at midnight
- Fire works with the city paying the insurance
- Stoney’s 3.2 liquor license for beer garden 8 p.m. to midnight

***Motion by Mayor Hagen, Second by Member Willenbring, to approve the requests as presented.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

## **COMMITTEE REPORTS**

**MAYOR’S REPORT** - There as none.

**RTCB** – Member Willenbring reported that the RTCB was awarded \$920,000 in bonding for Phase 2 of the project (between Cold Spring & Rockville) and the group will be working on that stretch.

**FINANCE** – VOIGT FAMILY REQUEST – Member Palmer reported the Finance Committee reviewed a request from the Voigt family to reduce the \$352,000 approximate balance by the city buying 10 acres = \$100,000 and waiving \$100,000. The family would then come up with the remaining balance. David Drown, financial consultant reminded the committee to think of this as a business and urged them to reject the request and further to pay the balance in full.

***Motion by Member Palmer, second by Member Willenbring, to deny the request reduce the amount of the assessment and/or proposal and further to require payment in full.***

***AYES: Hagen, Palmer, Simon & Willenbring***

***Motion passed on a 4 to 0 vote.***

Member Willenbring wished to add that the city is not a bank, the city went out on a limb for the Voigt’s and they did get some great value.

**SINGLE GARBAGE HAULER** – Member Palmer reported that the City of Sauk Rapids recently went through this process and has provided a lot of information that we can use. The Finance Committee reviewed the following:

- RFP – one hauler Vs 2
- City billed or they do everything
- Commercial – how do they handle
- Provide 2 different sizes 35 & 50 gallons.
- Pickup on the same day of the week

The Finance Committee would like to obtain a quote first for meeting with the public.

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

### ***RESOLUTIN NO. 2013-19***

#### ***A RESOLUTION ANNOUNCING INTENT TO ORGANIZE THE COLLECTION OF SOLID WASTE WITHIN THE CITY OF ROCKVILLE***

***WHEREAS***, the City of Rockville is interested in evaluating whether the organized collection of solid waste in the City would benefit the City by reducing wear and tear on city streets, increasing safety for residents and providing for cost-effective collection.

***WHEREAS***, before the City may organize a method of collecting solid waste, Minnesota Statutes § 115A.94 requires the City to adopt a resolution of intent to organize collection and invite the participation of interested persons, including persons licensed as of the date of the resolution to operate solid waste collection services in the City, in the process of planning the organized collection system.

***WHEREAS***, during a 60 day negotiation period following the adoption of this resolution of intent, the City shall meet with the haulers to develop a proposal in which the hauler collect solid

waste from designated section of the city. The proposal must address specific issues set out in the new law.

**WHEREAS**, if an agreement is reached with the city licensed collectors, it must be effective for three to seven years. The city will then hold a public hearing before implementing the agreement.

**WHEREAS**, if the City does not reach an agreement with its licensed collectors during the negotiation period, it can form – by resolution – an “organized collection options committee” to study various methods of organizing collection and issue a report.

**NOW, THEREFORE, BE IT RESOLVED, the City of Rockville resolves as follows:**

1. The Rockville City Council hereby announces its intent to organize solid waste collection services within the City and invites the participation of interested persons, including persons licensed to operate solid waste collection services, in planning and establishing the organized collection system.
2. Upon request, staff shall provide mailed notice of all proceedings on the organization of collections in the City.

**The motion for the foregoing Resolution was duly seconded by Member Simon with the following vote being taken:**

**AYES: Hagen, Palmer, Simon & Willenbring**

**Motion passed on a 4 to 0 vote.**

#### **ADDITIONS TO THE AGENDA**

**SEAL COATING PROJECT – COUNTY ROAD 82** – Rena Weber reported that Stearns County would be seal coating the driving lanes only on County Road 82. The cost to apply seal coating to the parking lanes would be \$9,000. Dave Blommel indicated this would be for aesthetics only. The Finance Committee recommends not approving the expenditure.

**Motion by Member Willenbring, second by Mayor Hagen, to not spend the \$9000 for the extra seal coating of County Road 82.**

**AYES: Hagen, Palmer & Willenbring**

**NAYS: Simon**

**Motion passed on a 3 to 1 vote.**

**SIREN REPLACEMENTS** - Mike Hofmann would like to start replacing the again siren system. The rotation would be Pleasant Lake, Grand Lake, and the siren by the school. The new sirens will have battery backup so they will still work if the power is out. The cost of the siren is \$13,993.95 each. Estimated replacement of the sirens (electrical labor to replace) is \$1500 each for the Pleasant Lake and Grand Lake. The siren by the school would be more as the mounting will change. He would like to do two replacements this year as there is \$30,962 in the designated fund and also \$3800 in the budget this year.

**Motion by Member Simon, second by Member Palmer, to approve the purchase of up to two siren replacements, plus tax if there is enough money in the budget.**

**AYES: Hagen, Palmer, Simon & Willenbring**

**Motion passed on a 4 to 0 vote.**

Rick Hansen asked how long does the battery last.

**PARK & RECREATION DEPARTMENT REQUESTS** – Paul Wirth was present to request two things:

- **WASHED SAND** - Approval to purchase washed sand for the hockey rink with MDU grant money \$2500 plus an additional \$260 from parkland dedication fees.

**Motion by Member Palmer, second by Member Willenbring, to approve the request as presented.**

**AYES: Hagen, Palmer, Simon & Willenbring**

**Motion passed on a 4 to 0 vote.**

- 2" CRUSHED GRANITE - Approval to purchase and spread 2" crushed granite on the Lion's Park parking lot - \$3,443.22 from capital improvement budget.  
**Motion by Mayor Hagen, second by Member Willenbring, to approve the request as presented.**

**AYES: Hagen, Palmer, Simon & Willenbring**  
**Motion passed on a 4 to 0 vote.**

**PAUL BETZ – OPTIONAL 2 AM LIQUOR LICENSE** – Paul Betz had requested approval of the renewal of his 2 a.m. liquor license.

**Motion by Mayor Hagen, second by Member Simon, to approve the request to renew Stoney's 2 a.m. liquor license.**

**AYES: Hagen, Palmer, Simon & Willenbring**  
**Motion passed on a 4 to 0 vote.**

**KRISTIN MOLITOR** – Kristin Molitor was present to request approval to host a 5k run on August 17<sup>th</sup> on 88<sup>th</sup> Avenue and 245<sup>th</sup> Street for about 1.5 hours. The purpose is to encourage young women to join a religious order.

**Motion by Mayor Hagen, second by Member Simon, to approve the request to host a 5k run on 8/17/13.**

**AYES: Hagen, Palmer, Simon & Willenbring**  
**Motion passed on a 4 to 0 vote.**

**FINANCIAL CONSULTANT DAVID DROWN** – David was present to explain why the council is going ahead with the 2013 advanced refunding bond stating that if there is a \$150,000 savings he would go ahead. The council needed to pass the trigger resolution (done previously this evening) in order to put things in motion. If we get to that point we would need a bond rating which costs \$7500. Approval was given.

**PLEASANT LAKE WATER TOWER BOND** – David suggested that staff submit an application to Minnesota Rural Water Assn. for this project as we do not want to delay the refunding of city/fire hall.

**Motion by Member Palmer, second by Member Simon, to authorize staff to submit an application for refunding the Pleasant Lake Water Tower project.**

**AYES: Hagen, Palmer, Simon & Willenbring**  
**Motion passed on a 4 to 0 vote.**

#### OPEN FORUM

Tudie Hermanutz –asked who is to remove the stop signs at the railroad. BNSF  
Member Willenbring stated the railroad is still not abandoned.

Rick Tallman –254594 Lake Road questioned:

- a) Claw back provisions in the Arcon Development contract
- b) Not going to refund on water rates – how did the rate of \$ .09 come up.
- c) Glad to see you are willing to talk to him

Member Willenbring questioned Member Palmer what will be discussed on the July 2<sup>nd</sup> meeting.  
Member Palmer indicated the Finance Committee will meet with Rick Tallman to hear his issues.

**ADJOURNMENT – Motion by Mayor Hagen, second by Member Simon, to adjourn the meeting at 7:34 p.m. Motion carried.**

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

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**JEFF HAGEN**  
**MAYOR**