

**CITY OF HANOVER
CITY COUNCIL MEETING
FEBRUARY 29, 2016 – OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance:

Mayor Chris Kauffman called the regular meeting of Monday, February 29, 2016 to order at 7:00 p.m. Present were Mayor Chris Kauffman, Doug Hammerseng, Ken Warpula, and Jim Zajicek. John Vajda was absent. Also present were City Administrator Brian Hagen, Accountant/Deputy Clerk Elizabeth Lindrud, Public Works Supervisor Scott Vogel, and City Engineer Justin Messner. Tammy Omdal with Northland Securities, Doug Voerding from the Wright County Journal Press, resident Pat Athmann and a Hennepin County Sheriff were present as guests.

Approval of Agenda:

MOTION by Warpula to approve the agenda as presented, seconded by Hammerseng. **Motion carried unanimously.**

Consent Agenda:

Warpula recommended adding a range of \$10-\$12/hr. for the Public Works Seasonal help. Kauffman inquired on what Carl Osberg's role with WSB is related to the claims. Messner stated he is the Sr. Structural Engineer. Kauffman further inquired on the costs related to Geyer Signs and if Public Works could deliver the signs to St. Cloud. Kauffman requested that the job description for the seasonal help be changed to reflect that direction is given by the Public Works Supervisor, not Public Works Lead. Warpula inquired on the timber deck gaps and the time invoiced, Messner explained that instead of having an inspector onsite all day, the contractor laid the first few timbers out to be inspected. Warpula further inquired on the labor dispute charges related to a trail project. Messner stated that a County audit was required and there was a discrepancy, WSB helped to resolve the issue.

MOTION by Warpula to approve the consent agenda with the amended salary range for the Seasonal Position, seconded by Hammerseng.

a. Approve Minutes of February 16, 2016 City Council Work Session Meeting

b. Approve Minutes of February 23, 2016 Special Council Meeting

c. Approve Claims as Presented:

➤ Claims	\$ 43,796.16
➤ Payroll	\$ 7,446.16
➤ P/R taxes & Exp	\$ 2,975.24
➤ Other Claims	<u>\$ 1,448.86</u>
➤ Total Claims	<u>\$ 55,666.42</u>

d. Res No 02-29-16-22 – Approving Non-Waiver of LMCIT Statutory Coverage Limits

e. Res No 02-29-16-23 – Authorizing Posting of Pub. Works/Parks Seasonal Position

f. Res No 02-29-16-24 – Accepting Donation from Miller Trucking & Landscape Supply

Motion carried unanimously.

Citizen's Forum:

None

Public Hearings

Street Reconstruction Plan

Hagen introduced Tammy Omdal from Northland Securities and stated she has been assisting the City with preparation work needed to issue the bond. Hagen explained that the estimate for the Hanover Hills surface improvement project, along with \$500,000 each year for years 2018, 2019, and 2020 were

used to determine the total amount of \$2.5 million needed to complete these projects. If approved and a reverse referendum is not passed the City could bond for the full \$2.5 million if needed. Hagen stated that the intent is to follow the funding plan to determine what portions of the project are funded with bond money instead of bonding the full \$2.5 million. By approving the full \$2.5 million however, the City would have authority to bond that amount if needed. Hammerseng inquired as to what would happen if one year only \$200,000 was needed, could the additional \$300,000 be eliminated? Omdal stated that each year the Council can make a new Street Reconstruction Plan and reduce the amount to be bonded on that plan. Hammerseng further inquired that if after five years the full \$2.5 million was not used can the rest be used? Omdal stated that no, once the five years has passed any remaining amount that was not bonded could not be bonded. She further stated that funds can only be used for street reconstruction projects within that five year period and the total bonded amount cannot exceed \$2.5 million.

Warpula inquired on how much money the City sets aside for street projects each year. Hagen explained that prior to 2016, the City designated capital transfer amounts as part of the operating budget. We now levy the capital amounts directly to the capital improvement funds. Further, the funding plan in place for the CIP is now focused on an annual Debt Service/CIP amount. 2016 is approximately \$530,000, with the plan increasing this amount by 3% on average each year in order to fund future expenses related to capital improvements. Warpula would like to build the street fund so that the City does not have to bond again once these projects are completed. Hagen stated that the debt will increase the first few years, but over the life of the funding plan, overall debt would decrease with more projects being paid for by cash.

MOTION by Warpula to open the Public Hearing at 7:20 p.m., seconded by Zajicek. **Motion carried unanimously.**

Kauffman asked if there were any public comments. There were none.

Public Hearing was closed at 7:22 p.m. and the Regular meeting was reopened at 7:22 p.m.

Res No 02-29-16-25 – Approving the Adoption of a Street Reconstruction Plan and Authorizing the Issuance of General Obligation Street Reconstruction Bonds

MOTION by Hammerseng to approve Res No 02-29-16-25, seconded by Zajicek. **Motion carried unanimously.**

Capital Improvement Plan

Hagen stated that the Capital Improvement Plan identifies one project over the next five years. This plan was drafted prior to the Open House and the tour of the Corcoran Public Works. Based on feedback from the Open House and tour of Corcoran's Public Works, direction on Hanover's future Public Works Facility changed. He further stated the original \$1.5 million is in question, and a more accurate total project cost estimate is being formed. Hagen recommends the public hearing on the Capital Improvement Plan be continued to May 17, 2016, which at that time the updated bonding requirement would be considered. Warpula stated he wants total cost and Kauffman stated he would like the various options along with the additional costs. Hammerseng inquired as to how the annual debt service payment would increase with a larger bond amount. Omdal stated she can send that information to Council. She further stated interest rates could also change over the next few months which would have an impact to the annual payment amount that we would not know until that time.

MOTION by Warpula to open the Public Hearing at 7:20 p.m., seconded by Hammerseng. **Motion carried unanimously.**

Kauffman recommended that the Public Hearing be continued until May 17, 2016.

MOTION by Warpula to continue the Public Hearing until May 17, 2016 seconded by Zajicek. **Motion carried unanimously.**

Unfinished Business:

None

New Business:

Fire Department Conference Room Technology Upgrades

Warpula stated there is currently no speaker system in the Fire Hall conference room. Warpula further stated they do need the upgrades in technology for training. The total cost for the install and equipment is \$3,000. Council inquired if less expensive equipment could be purchased based on knowing that the projectors in City Hall were \$500 each. Warpula was unsure of the details of the quote, but does support the upgrades needed for training purposes.

MOTION by Warpula to approve the purchase and installation of technology upgrades for the Fire Hall in the amount of \$3,000, seconded by Hammerseng. **Motion carried unanimously.**

Res No 02-29-16-26 – Accepting Plans& Authorizing Bids for Hanover Hills Improvements

Messner stated that this resolution accepts the plans and authorizes the advertisement for bids on the Hanover Hills Street Improvement Project. Bids would be opened on March 31, 2016. Messner further stated that the engineer’s estimate for construction costs to be \$616,381.25. Warpula inquired as to how long the project will take from start to finish. Messner stated the Mill and Overlay will take a week and the reconstruction will take a couple weeks depending on weather.

Messner updated Council on the meeting with Rockford Township on sharing the cost for repaving Division Street. Messner stated that Rockford Township feels that most of the traffic is coming from St. Michael and Hanover Hills, not Rockford Township. Messner stated that Rockford Township will not discuss further cost sharing until they conduct a traffic count. Council requested that a bid alternate be added for the Division Street reconstruct.

MOTION by Warpula to approve Res No 02-29-16-26 with an alternate bid for Division Street, seconded by Hammerseng. **Motion carried unanimously.**

Res No 02-29-16-27 – Accepting Feasibility Report on 5th St. Watermain Extension

Messner stated that this resolution accepts the feasibility Report on the 5th St. Watermain Extension. The watermain would extend from County Road 19 to the east parcel line with an alternate to extend and create a loop to River Road. Kauffman inquired as to why the watermain was now able to run along the same side as the sewer line. Messner explained that it found there was room to install the watermain the minimum 10 feet required from the sewer line.

Hagen inquired if the 8 inch line would be able to service a future senior housing complex. Messner stated if it was a multistory unit with fire suppression 8 inches would not be sufficient and that 10 inch line would be needed. Hagen further inquired if the City were to receive the multiunit senior housing development on 5th St, could that project extend the stubbed service to their property or would they be required to finish the loop. Messner stated that they would need to loop.

The preliminary estimated amount assessed would be around \$45,000 per property, including the City’s property.

MOTION by Warpula to approve Res No 02-29-16-27, seconded by Hammerseng. **Motion carried unanimously.**

Res No 02-29-16-28 – Accepting Plans & Authorizing Bids 5th St. Watermain Extension

Messner stated that this resolution accepts the plans and authorizes bids for the 5th St. Watermain Extension. The bids would be opened on March 31, 2016. Warpula inquired if the Public Works building and sale of the 5 acres were to fall through, would the City still be required to go through with the watermain extension. Messner stated that the bids are good for 60 days, and the City would need to award or reject the bid in that time. Further inquiries on whether a 10 inch line should be installed were asked. Messner recommended that 10 inch line be run the entire length of the extension versus only a portion of project if the City was planning to make that change at this time. Engineer's estimate on construction cost to loop the watermain was \$225,212. By increasing pipe size, the estimate is low by the difference in the pipe cost.

MOTION by Warpula to approve Res No 02-29-16-28 with the 10 inch line, seconded by Zajicek. **Motion carried unanimously.**

Res No 02-29-16-29 – Accepting Plans & Authorizing Bids CSAH 19 Sidewalk Extension

Messner state that this resolution accepts the plans and authorizes bids for the sidewalk extension from the County Road 19 vehicle bridge to the Bridges of Hanover up 109th to Settler's Lane. Messner further stated that the construction estimate is \$130,000. Warpula inquired on the use of asphalt versus concrete. Messner stated that the County required concrete and a portion will require curb and gutter. There was discussion on why the crosswalk is located at 109th/Settlers Lane instead of 109th/Rosedale Ave. Staff explained that for public safety reasons, the crosswalk would be more dangerous at an intersection where traffic is exiting a County Road without the requirement to stop.

MOTION by Warpula to approve Res No 02-29-16-29, seconded by Hammerseng. **Motion carried unanimously.**

Res No 02-29-16-30 – Accepting Donation of Soccer Nets

Hagen stated that St. Michael is willing to donate a set of soccer nets to the City. Kauffman further explained that the regulation sizes are changing and St. Michael is buying new nets. Hagen asked where Council would like to see the nets placed. Kauffman stated the Park Board can decide on the placement. Warpula left at 8:40 for a call.

MOTION by Kauffman to approve Res No 02-29-16-30, seconded by Hammerseng. **Motion carried unanimously. Warpula was absent at this time.**

Warpula returned at 8:45 p.m.

2017-2018 Hennepin County Sheriff Contract

Hagen stated that the rates for the 2017-2018 Hennepin County Sheriff are \$71.90 for 2017 and \$74.06 for 2018. Hagen stated that he inquired as to why the rate jumped more than usual from the current contracted rate and found that the contracts are approved prior to labor negotiations, so the actual cost to provide service for the County was higher than the contract rate for the past two years to the City. Kauffman stated there is no reason to increase coverage beyond the three hours per day, as there is a low call rate.

Reports

Vogel

- Stated that the 10 acres tree cutting should be done this week. The wood chipper will be coming next week.
- the bridge timber was moved behind City Hall so that it is in a more secure location.

Messner

- Stated that Vogel and LS Black felt the bridge timbers were heavier than they should be. The timbers were weighed and they were around 80lbs heavier than expected. Messner further explained that the structural engineer became concerned about the weight. He further stated that the iron is being tested; the original assumptions were to error on the side of caution and assume the iron was a lower quality. If the iron tests to be higher quality the timbers will be fine as is, if the iron comes back lower quality the timbers will need to be sawn down and/or kiln dried. Messner further stated that a plaque with the load rating and number of people allowed on the bridge would be added to the bridge.

Zajicek

- Park Board has their yearly events planned.
- Stated the Park Board isn't comfortable giving a position on the Settlers Park Ballfield redesign until they see a final plan and exactly which trees would need to be removed.

Hammerseng

- Stated that Planning Commission had a meeting and welcomed new member Mike Christenson.
- Stated that Messer's colleague from WSB gave an educational presentation on MS4 regulations.
- Stated that Planning Commission discussed the impervious surface ordinance and agreed that at 50% requirement it could hinder industrial development. Messner stated that 75% is average for most cities and that 50% is more restrictive.

Lindrud

- Stated that AEM will be out next week to help start with audit prep.

Kauffman

- Reminded everyone that the caucus is March 1,2016. The Republicans are meeting at Hanover City Hall and the Democrats are at the STMA Middle School West.

Adjournment:

MOTION by Hammerseng to adjourn at 9:20 pm, seconded by Warpula. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator