

**CITY OF HANOVER
CITY COUNCIL WORK SESSION
MAY 17, 2016 – OFFICIAL MINUTES**

Call to Order

Mayor Kauffman called the Regular City Council Work Session Meeting of Tuesday, May 17, 2016 to order at 6:05 p.m. Present were Mayor Chris Kauffman, Councilors John Vajda, Doug Hammerseng, Ken Warpula, and Jim Zajicek. Also present were City Administrator Brian Hagen, Accountant/Deputy Clerk Elizabeth Lindrud, and Public Works Supervisor Scott Vogel. Other guests present were Nancy Schulzetenberg with Bergen KDV, and Rusty Fifield with Northland Securities, Claudia Pingree, Adam Lange, Stephanie Gleason, Vonnie and Martin Waters, Joe Kaul, Brad Adkins, Eric Swenson, Tony Mornin, Tim Bienias, Joseph Olson, Brian Kottke, Pat Meister, Stan Kolasa and others.

Approval of Agenda

Hagen requested to add Res No 05-17-16-67 approving the purchase agreement form J.S. Stewart as item 8a. Kauffman requested to add the Foxtailers Snowmobile Club after the Public Hearing.

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

Consent Agenda

Lindrud stated there was an additional claim of \$4,074.85 payable to Albertville Body Shop for fire truck repairs, bringing the total claims amount to \$112,231.41.

MOTION by Warpula to approve consent agenda as amended, seconded by Hammerseng.

a. Approve Minutes of May 3, 2016 City Council Meeting

b. Approve Claims as Presented:

➤ Claims	\$ 98,446.41
➤ Payroll	\$ 8,100.90
➤ P/R taxes & Exp	\$ 3,142.66
➤ Other Claims	\$ 2,541.44
➤ Total Claims	<u>\$ 112,231.41</u>

Motion carried unanimously.

Public Hearings

Capital Improvement Plan

Hagen stated that the Public Hearing is a continuation for the February 29, 2016 to approve the Capital Improvement Plan. The hearing was continued so the City could obtain a more accurate quote on the costs associated with the public works facility. Hagen explained the updated bond amount is \$2.1 million.

Kauffman opened the Public hearing at 6:10 p.m.

Kauffman asked if there were any public comments. Adam Lange asked if the building cost was \$2.1 million, Kauffman explained that is the maximum amount the City can bond for, Council thinks \$1.5 to \$1.7 million in costs is a more realistic number. Hagen stated this cost includes all soil corrections, pavement for driveway and parking lot and the construction of the building. Kauffman explained that the building is 12,000 square feet to accommodate future growth. Joe Kaul inquired if the bond includes the costs to renovate the current Public Works area, Kauffman replied it did not and there are not currently plans to renovate that area. Discussion took place on whether funds from the bond could be used towards retrofitting the Public Works area. Rusty Fifield explained that wording could be added to the resolution allowing funds to be used to improve City Hall. Martin Waters inquired as to why the design changed since the Open House the City hosted. Kauffman explained that changes were made due to feedback received from the Open House.

Discussion took place around the site location for the building. Fifield stated that the approval of the Capital Improvement Plan for the bond are not site specific, that Council is approving resolutions to create authority for the City to bond for the project.

MOTION by Warpula to close the Public Hearing at 7:34 p.m., seconded by Zajicek. **Motion carried unanimously.**

Res No 05-17-16-64 – Adopting a Capital Improvement Plan and Providing Preliminary Approval for the Issuance of Bonds

Council agreed to amend the Capital Improvement Plan and Resolution to also allow for bond funds to be used to make improvements to City Hall.

MOTION by Warpula to approve Res No 05-17-16-64 as amended, seconded by Hammerseng. **Motion carried unanimously.**

Res No 05-17-16-65 – Approving Post-Issuance Compliance Procedure and Policy for Tax-Exempt Government Bonds

MOTION by Warpula to approve Res No 05-17-16-65, seconded by Zajicek. **Motion carried unanimously.**

Res No 05-17-16-66 – Approving the Issuance of General Obligation Capital Improvement Plan Bonds, Series 2016A

MOTION by Kauffman to approve Res No 05-17-16-66, seconded by Hammerseng. **Motion carried unanimously.**

Foxtailers Snowmobile Club – Matting for Bridge Decking

Brad Adkins, Eric Swenson, and Tony Mornin introduced themselves to Council and stated that they have been working on a solution to protect the Historic Bridge decking from the snowmobiles in winter. They explained that in the past the club had screwed plywood to the decking to protect it, but since the Bridge has been restored they want to avoid putting holes in the new decking. He explained they have conveyor belts that would only need to be secured at the end of the bridge, but the plywood could be put underneath without screwing into the deck boards. Hammerseng stated the City has invested a lot of time and money into the Historic Bridge and wants to ensure it is not damaged. The Foxtailers agreed and did state that they are not able to use the County Road 19 Bridge for safety reasons due to the heavy auto traffic. Vogel stated his main concern was around the added weight to the bridge and meeting the weight restriction requirement. Vajda asked the club to come back in September with more information.

2015 Audit Review

Nancy Schulzetenberg from BergenKDV gave a presentation on the 2015 Audit. She explained there was one mid-level finding related to the lack of segregation of duties. She stated that is due to the small staff size and it is mid-level because there are other measures in place, such as Council reviewing claims and financials, to mitigate any threat. Schulzetenberg stated the City's 2015 end result was good.

Hagen explained that the City currently has excess funds in the operating account. These funds can be transferred into capital funds in order to utilize them on upcoming projects versus using other funding sources. Hagen stated Council will see a resolution transferring these funds in the coming meetings.

Res No 05-17-16-67 – Approving Purchase Agreement for Property Located on Fifth Street Northeast.
Hagen stated that Jim Stewart delivered signed copies of the purchase agreement and agrees to the terms listed in the document. Hagen further explained that \$20,000 of the purchase price will be put in an escrow and used towards the cost of the watermain assessment.

MOTION by Kauffman to approve Res No 05-17-16-67, seconded by Vajda. **Motion carried 3 to 2.**
Voting aye: Kauffman, Vajda, Hammerseng.

Voting nay: Warpula, Zajicek

Public Works Facility Preliminary Design Approval

Hagen explained that he is seeking direction for John Studer to go forward with the building plans. Council agreed that they approved of the preliminary design. However, further consideration is needed for site location.

MOTION by Vajda to approve the Public Works Facility Preliminary Design, seconded by Zajicek. **Motion carried unanimously.**

Res No 05-03-16-62 – Ordering 5th St. NE Watermain Extension Project

Council agreed that the watermain was needed for future development.

MOTION by Vajda to approve Res No 05-03-16-62, seconded by Warpula. **Motion carried unanimously.**

Res No 05-03-16-63 – Awarding 5th St. NE Watermain Extension Bid

Zajicek inquired if Hagen received any feedback on R.L Larson Excavating, Inc. Hagen stated that Messner has positive experiences working with them before and further stated that they have already worked to reduce the impact on surrounding properties by planning for directional boring on a portion of the project.

MOTION by Warpula to approve Res No 05-03-16-63, seconded by Vajda. **Motion carried unanimously.**

St. Michael Compost Site Upgrades

Hagen explained that St. Michael has been having staffing issues at the compost site and one solution being discussed is having a gate system with an electronic key fob system for residents. Hagen stated the cost to Hanover could go up from \$5,000 a year to \$6,000 with this improvement. Hagen further stated a camera system would also be utilized. Council had questions as to why this system would be needed. Vajda and Zajicek stated they would contact Steve Bot to discuss.

Reports

Vogel:

- Stated that they are hoping to start crack filling next week.
- Staff has been busy mowing and maintenance.
- Stated that there are willow trees growing up through the Beebe Lake trail and he is working with Justin Messner on a solution.
- Stated that the Hanover Lions city cleanup day went well.

Lindrud:

- Began working on the 2017 budget.

Hagen:

- Met with Cindy Nash and Justin Messner for the Comp Plan Amendment.
- Met with Scott Cole, the architect, engineer, and builders to review changes related to parking and emergency vehicle access.

Warpula:

- Extended an invitation to Council to join the Fire Department for the Fire Department's hose testing in August.

Adjournment

MOTION by Warpula to adjourn at 9:55 p.m., seconded by Vajda. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator