

ARLINGTON CITY COUNCIL
MEETING MINUTES
APRIL 19, 2010

The meeting was called to order at 6:30 p.m., Mayor Kreft presiding.

Members present: Mayor Kreft, Pederson, Pichelmann, Reetz, Vrklan, Wills

Members absent: None

Also present: Adm. Jaunich, City Attorney Arneson, Todd Bartels, Johnson Controls Representatives: Todd Richter, Madonna Rykken, Denise Cote; Tom Olinger, EDA Director Schultz, Paul Pieper, Fire Dept.
Members: Jeff Otto, Tom Pomplun, Jeremy Otto, Brent Doetkott, Jen Otto, Rick Schmidt; Paul Moe, Chris Neisen, Kurt Menk

Motion by Pederson, seconded by Reetz, and passed by unanimous vote to approve the agenda with the following changes:

Add item 4C) Approval of Phosphorus Trading Agreement with the City of Mankato

Add item 13A) Reimbursement Resolution 19-2010.

Motion by Reetz, seconded by Pederson, and passed by unanimous vote to approve the consent agenda as follows:

- A) Approval of the April 5th Regular Meeting Minutes
- B) Approval of the Bills
- C) Approval of Phosphorus Trading Agreement with the City of Mankato.

It was noted that there were no public hearings scheduled.

It was noted that there were no citizens present to address the Council on non-agenda items.

The following announcements were reviewed:

- 1) Spring Clean Up Day is Saturday, May 1st from 8 am to 1 pm in the Municipal Parking Lot
- 2) LMC Annual Conference is June 23-25 in St. Cloud.

The Council reviewed the following communications:

- 1) March Financial Reports.

Tom Olinger of Abdo, Eick & Meyers presented the 2009 Management Letter and Audit Report. He noted that the number of Audit Adjustments had dropped significantly (in half) from the year before. He spoke briefly on the segregation of duties (internal control over payroll, disbursements, cash receipts, utility billing, investment transactions and inventory) and the need to inventory all assets in the public works area at the end of the year. Olinger recommended that the City should close out the debt service funds that had matured. He commented that they were still working on the Fire Relief Audit.

Motion by Wills, seconded by Vrklan, and passed by unanimous vote to approve the 2009 Audit Report as presented (see file for copy).

Johnson Controls Representatives were present to discuss the Close-Out Report related to the work done for the City. Todd Richter reviewed the work done throughout the city (at the Community Center, Technology Center, Shop, Wastewater Plant and Street Lights, etc.) and discussed some of the problems that they encountered. Denise Cote of American Induction Technologies spoke on the warranties of the equipment installed. She also commented that she would be observing the system over the next year and would then provide a formal performance report at the end of said year. Reetz expressed concern about Staff adjusting the settings on the equipment and possibly voiding any warranties or savings agreements. He would like to see a policy put in place regulating/limiting staff control of the equipment.

Motion by Wills, seconded by Pederson, and passed by unanimous vote to pay the final bill in the amount of \$34,087 to Johnson Controls.

Paul Moe from PeopleServices, Inc. presented the annual report for the Water/Wastewater Departments. He commented on several different items related to the wastewater side of things, such as the Digester Upgrade Project, application of the bio-solids, phosphorus levels, and the jetting of the sewer system. He stated that they had their annual tour with the MPCA and no violations were found. Moe commented that they have been checking sump pumps when they change out water meters, which is part of the I & I Elimination Plan. He spoke briefly on a leak they found that was caused by a problem with an air relief valve on the force main coming from Green Isle and what needed to be done to fix it. On the water side of things, he commented on the meter change out program, water tower cleaning (inside and out) and that 5 fire hydrants had been repaired, of which 2 were replaced. Moe spoke briefly on the number of water service line breaks. In looking ahead, they are hopeful to complete the jetting project this year, start doing some more camera work of the service lines, continue with sump pump inspections and meter change outs, make upgrades to the Hwy 5 Liftstation and make necessary repairs to air relief valves on force main to Green Isle, along with testing/inspecting various liftstation pumps/equipment.

The Council reviewed a recommendation from the Planning & Zoning Committee to approve a CUP with conditions for Paul Pieper to operate a heavy duty truck and farm equipment repair and service shop on the property located at 23315 State Hwy 5.

Councilmember Reetz introduced the following resolution and moved for its adoption:

RESOLUTION 16-2010
A RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR A HEAVY DUTY TRUCK,
TRAILER, AND FARM EQUIPMENT REPAIR AND MAINTENANCE FACILITY WITH
ANCILLARY RETAIL PART SALES AT 23315 STATE HIGHWAY 5

WHEREAS, Mr. Paul Pieper (Applicant) has entered into a purchase agreement for the property at 23315 State Highway 5 in Arlington; and

WHEREAS, the property is legally described in Attachment A and has a property identification number of 310838000; and

WHEREAS, Mr. Paul Pieper has submitted a request for a conditional use permit to allow a heavy duty truck and farm equipment part sales, repair, and maintenance use at the subject property; and

WHEREAS, Section 9, Subd. 3 (1) of the Arlington Zoning Ordinance provides for conditional uses allowed in the I-1 Light Industrial District; and

WHEREAS, notice of a public hearing to accept input on the CUP request was published in the official newspaper on April 1, 2010 and sent to property owners within 350 feet of the property; and

WHEREAS, the Planning and Zoning Commission conducted a public hearing on the CUP request on April 15, 2010 and accepted input on the CUP request; and

WHEREAS, the City Council has reviewed the CUP request and has made the following findings:

1. The proposed use of the subject property is consistent with the Future Land Use Map contained in the Comprehensive Plan and is currently zoned as Light Industrial. The property is currently zoned as I-1 Light Industrial.
2. The proposed use is listed as a conditional use under Section 9, Subdivision 3(1) of the Arlington Zoning Ordinance. The proposed use conforms to lot dimensional requirements of the Light Industrial Zoning District.

3. The proposed use directly abuts a single family residential dwelling unit contained in the R-1 Single and Two Family Residential Zoning District and guided for continued residential use within the Comprehensive Plan. The proposed use has the potential to impact the quality of life and/or property value of the abutting residential use. As such the Planning and Zoning Commission desires to lessen the potential impact of the proposed industrial use on the adjacent residential use to the extent reasonably possible.
4. The conditional use process as set forth in Section 15 of the Zoning Ordinance provides for evaluation and processing of conditional use permit requests. Section 15, Subd. 4 allows for the designation of conditions and setting of requirements/guarantees for the granting of a CUP.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF ARLINGTON THAT: The City Council of the City of Arlington hereby approves a conditional use permit to operate a heavy duty truck and farm equipment part sales, repair, and maintenance facility at 23315 State Highway 5 subject to the following:

1. Use of the subject property shall be limited to the following:
 - a. Use of the property shall be limited to heavy and light duty truck and trailer repair and maintenance involving DOT inspections, breaks, tires, drive train, and custom fabricating of local and over the road trucks. Additional activity on site shall include the repair and maintenance of farm tractors and equipment. At no time shall the use consist of more than any combination of twelve (12) heavy duty trucks, heavy duty trailers, light duty trucks, light duty trailers, farm tractors, farm equipment, or any portions or pieces thereof, except as described in 1(b) below. Trucks, tractors, trailers, and equipment being repaired/maintained shall be parked in an orderly fashion north of the existing building and, therefore, away from the abutting residence.
 - b. Storage and sale of parts/accessories related to heavy duty trucks, heavy duty trailers, light duty trucks, light duty trailers, farm tractors, farm equipment, or any portions/pieces thereof shall be clearly subordinate to the principal use (1a above) and shall be completely enclosed.
 - c. Expansion of the existing structure not to exceed 8,000 square feet and/or an aggregate total of 10,400 square feet (2,400 existing structure plus 8,000 square foot addition).
2. Outdoor storage of heavy duty trucks, heavy duty trailers, light duty trucks, light duty trailers, farm tractors, farm equipment, or any portions or pieces thereof shall be limited to twelve (12) items as the site exists, but may increase to twenty (20) items if/when the additional structure is erected. Trucks, tractors, trailers, and equipment being repaired/maintained shall be parked in an orderly fashion north of the existing building and, therefore, away from the abutting residence.
3. Unlicensed, junk, or scrap heavy duty trucks, heavy duty trailers, light duty trucks, light duty trailers, farm tractors, farm equipment, or any portions or pieces thereof shall not be stored on the site, except that no more than twenty percent (20%) of any combination of the trucks, trailers, tractors, and equipment on site may consist of unlicensed vehicles. Regardless of this exception at no time shall an unlicensed vehicle be stored on site for more than ninety (90) days.
4. Outdoor storage is subject to an interim use permit (IUP) herein granted and which shall be subject to renewal five (5) years from the date of approval of this Conditional Use Permit. The interim use permit hereby specifies the outdoor storage shall consist on one (1) shipping container, one (1) fifteen (15) yard roll-off container to hold recyclable material, and one (1) commercial refuse container. All containers shall be located north of the principal structure and shall only be established after a site landscape plan is submitted and approved by the Planning Commission. The site landscape plan is intended to function as a buffer between the industrial use and abutting residence. A planting schedule shall be included in the site landscape plan along with details of landscape type/species to be employed. Any increase in the volume of outdoor storage and/or containers shall require either an amendment of the interim use permit (IUP) or evaluation at the time of IUP renewal.
5. Access to the site shall be from State Highway 5 as illustrated on the site plan or through an agreed easement with the Hutchinson Co-op.

6. The applicant/property owner must submit details (i.e. location, type and volume) of signage to the City for approval prior to placing any signage on site. Signage must comply with the requirements of the I-1 Light Industrial District.
7. Hours of operation shall be limited to those between 7 A.M. and 7 P.M. The intent of this standard is to reasonably limit the volume of noise generated by the industrial use.
8. A buffer consisting of residential fencing and/or vegetative landscaping and/or berming or some combination thereof shall be provided at the front property line. The intent of the buffering is to clearly define the boundary between residential and industrial property and to lessen the impact of the proposed use on the adjacent residential neighborhood. The buffer shall extend from the residential driveway to the west of the dwelling unit. A site landscape plan shall be submitted and approved by the Planning Commission prior to commencing of the proposed industrial use. A planting schedule shall be included in the site landscape plan along with details of landscape type/species to be employed.
9. The proposed use shall at all times comply with state standards relating to noise, dust, smoke, vibration, odor and the like. Noise decibel levels for frequency/duration during both day/night may not be exceeded. Avoidable dust from the use shall not be released into the air. Vibration shall not be detectable at the property line for more than six minutes of every hour.
10. Any/all exterior lighting shall be directed away from adjoining property.
11. The Building Official shall inspect the premises prior to establishment of the proposed use. Building Official review requirements shall be attained as a condition of approval of this permit.
12. Expansion of the existing facility shall not increase rate, volume or pollutant load released from the site.
13. Railway crossing as it relates to existing/proposed uses shall be investigated.
14. This conditional use permit does not excuse the property owner from obtaining building permits when required or complying with building code requirements.
15. This conditional use permit is in effect for the property at 23315 State Highway 5 and assigned to the current and/or any future owner of the property. The conditional use permit may be revoked by the City following written notice to the property owner if the conditions of the permit as listed herein are not met and/or maintained. The conditional use permit will expire if/when the use of the property is changed.
16. The conditional use permit shall be recorded at the Sibley County Recorder's Office.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Pichelmann and upon poll being taken thereon the following voted in favor thereof: Pederson, Pichelmann, Reetz, Vrklan, Wills; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

Approved by the City Council of the City of Arlington this 19th day of April, 2010.

CITY OF ARLINGTON, MINNESOTA

/s/ James R. Kreft
Mayor

Attest: /s/ Matthew Jaunich
City Administrator

Fire Dept. Members (Truck Committee) Brent Doetkott, Jeff Otto, Jeremy Otto and Tom Pomplun presented a bid in the amount of \$51,000 from North Central International, Inc. for a used truck chassis that would be converted into a tanker truck. Concern was expressed about the truck having a manual transmission versus being an automatic. Doetkott commented that it is hard to find a used truck in good condition that is an automatic. He added that several of the trucks in the fleet are manuals and everyone knows how to drive them. Doetkott explained that bids for the tanker portion could be sought once the chassis was purchased as the specifications differ based on the chassis being used. It was noted that the truck would be a much more heavy duty unit as compared to the current tankers and it would hold 3,500 gallons.

Motion by Pichelmann, seconded by Pederson, and passed by unanimous vote to purchase a used truck chassis in the amount of \$51,000 from North Central International, Inc. for a tanker truck for the fire department.

Brief discussion was held on bonding to cover the costs of the tanker truck. Adm. Jaunich questioned what the cost of the tanker portion was going to be. Doetskott commented that the bids they had obtained ranged from \$65,000 to \$85,000.

Councilmember Reetz introduced the following resolution and moved for its adoption:

RESOLUTION 19-2010
A RESOLUTION DECLARING THE OFFICIAL INTENT OF THE CITY OF
ARLINGTON TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS
OF BONDS TO BE ISSUED BY THE CITY

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the “Reimbursement Regulations”) providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the City of Arlington (“City”) expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond; and

WHEREAS, the City has determined to make this declaration of official intent (the “Declaration”) to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON AS FOLLOWS:

1. The City proposes to undertake the following projects (the “Project”): PURCHASE OF A USED CHASSIS AND A NEW TANKER FOR A FIRE TRUCK.
2. The City reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$150,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of an issue; or (c) “preliminary expenditures” up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the City to finance the project for which the preliminary expenditures were incurred. The term “preliminary expenditures” includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.
4. This Declaration is an expression of the reasonable expectations of the City based on the facts and circumstances known to the City as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the City’s budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the City are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the City’s budget or financial policies to pay such Project expenditures.
5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Pichelmann and upon poll being taken thereon the following voted in favor thereof: Pederson, Pichelmann, Reetz, Vrklan, Wills; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

Approved by the City Council of the City of Arlington this 19th day of April, 2010.

CITY OF ARLINGTON, MINNESOTA

/s/ James R. Kreft
Mayor

Attest: /s/ Matthew Jaunich
City Administrator

Fire Department Members (Turnout Gear Committee) Rick Schmidt, Jeff & Jen Otto and Tom Pomplun were present to discuss the purchase of new turnout gear for the Fire Department. Schmidt stated that the department had been awarded a grant for new gear. He commented that they had six different vendors provide bids, which were then narrowed down to three. Adm. Jaunich commented that the total bid for the 30 sets of gear and helmets would be \$54,804. He stated that the grant would cover \$28,923 (95% federal/5% local match) and the City would cover the rest as they have budgeted a set dollar amount the last few years for this purpose. Chief Otto commented on the helmet bids. He stated all three companies sold the exact same helmet, but the costs varied considerably. Jen Otto commented on the warranties offered with the gear (either 2-3 year or lifetime) and said this was a big factor in making their decision. It was noted that the average life of gear is 10 years.

Motion by Wills, and seconded Pederson, and passed by unanimous vote to purchase turnout gear from MES in the amount of \$48,319.50 and helmets from Fire Safety USA in the amount of \$6,484.50 for the Fire Department.

Fire Chief Otto informed the Council that the department had recently been notified that they were denied the grant for a new truck that they had applied for.

Adm. Jaunich commented that four bids had been received for seal coating. It was noted that the bids were bid as CRS-2 or CRS-2P (with a polymer). Adm. Jaunich talked about the differences between the two types. Wills questioned how often seal coating should be done. Adm. Jaunich stated the plan is to cover the town (rotating areas) every 5 years, but due to budget constraints that schedule will be hard to maintain. Adm. Jaunich handed out a map showing what areas were to be done this year.

Motion by Wills, seconded by Pederson, and passed by unanimous vote to approve the low bid for seal coating (CRS-2P) from Pearson Bros. in the amount of \$62,462.79 for the streets identified.

Brief discussion was held on possibly adding streets to the seal coating project. Adm. Jaunich and the Streets Committee will discuss further, no action was taken.

Adm. Jaunich reported that three bids had been received for street patching. He commented that there were several areas that needed work done. Reetz expressed concern that the patch depth (amount of material actually needed) varied for the same size area being fixed.

Motion by Pederson, seconded by Wills, and carried (Reetz opposed), to approve the low bid for street patching from Neisen's Paving & Excavating, Inc. in the amount of \$4,795.

Councilmember Wills introduced the following resolution and moved for its adoption:

RESOLUTION 17-2010
A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING AN
ADVERTISEMENT FOR BIDS

WHEREAS, City Staff has prepared plans and specifications for the construction of a 20' x 36' park shelter with a sidewalk at Frenzel Park, and has presented such plans and specifications to the Council for approval.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON:

1. Such plans and specifications, a copy of which is attached hereto and made a part hereof, are hereby approved.
2. The City Administrator shall prepare and cause to be published in the official paper and in the *Galaxy* an advertisement for bids for the making of such park shelter under such approved plans and specifications. The advertisement shall be published for two weeks, shall specify the work to be done, shall state that bids will be received by the City Administrator until 11:00 a.m. on May 13, 2010, at which time they will be publicly opened in the Council Chambers at the Community Center by the City Administrator, will then be tabulated, and will be considered by the Council at 6:30 p.m. on May 17, 2010 in the Council Chambers at the Community Center. Any bidder whose responsibility is questioned during consideration of the bid will be given an opportunity to address the Council on the issue of responsibility. No bids will be considered unless sealed and filed with the City Administrator.
3. Park Dedication funds will be used to finance this project

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Pichelmann and upon poll being taken thereon the following voted in favor thereof: Pederson, Pichelmann, Reetz, Vrklan, Wills; and the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

Approved by the City Council of the City of Arlington this 19th day of April, 2010.

CITY OF ARLINGTON, MINNESOTA

/s/ James R. Kreft
Mayor

Attest: /s/ Matthew Jaunich
City Administrator

Councilmember Reetz introduced the following resolution and moved for its adoption:

RESOLUTION 18-2010
A RESOLUTION ORDERING A FACILITY PLAN AND A FINANCE PACKAGE PREPARATION
FOR THE WASTEWATER TREATMENT PLANT

WHEREAS, it is proposed to update the Facility Plan for the Wastewater Treatment Plant for a future construction project; and

WHEREAS, the need to seek financing to fund the future construction project is also needed.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON:

That the proposed following work is completed and responses reported back to the City Council with all convenient speed by Kris Swanson of Bolton & Menk:

- Update of the Facility Plan
- Answer MPCA 6/15/07 comment letter (including additional information on I/I)
- Prepare update for MPCA's Project Priority List (PPL) FY 2011
- Prepare letter to the Public Facilities Authority to have Arlington placed on the Intended Use Plan FY 2011
- Prepare Phosphorus and TMDL grant application
- Complete other miscellaneous items to help the City of Arlington obtain the best ranking on the PPL and position the City to receive any available grant money.

FURTHERMORE RESOLVED, that the work will be accomplished in an hourly not-to-exceed cost of \$7,500. The work will be completed according to MPCA's timeline to obtain funding thru the Clean Water Revolving Fund Fiscal Year 2011.

FURTHERMORE RESOLVED, that Kris Swanson request on behalf of and at the cost of the City, effluent wastewater limits from the MPCA.

FURTHERMORE BE IT RESOLVED, that a copy of this Resolution be passed onto the City of Green Isle.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Wills and upon poll being taken thereon the following voted in favor thereof: Pederson, Pichelmann, Reetz, Vrklan, Wills; and

the following voted against the same: None; and the following abstained from voting: None; and the following were absent: None.

Approved by the City Council of the City of Arlington this 19th day of April, 2010.

CITY OF ARLINGTON, MINNESOTA

/s/ James R. Kreft
Mayor

Attest: /s/ Matthew Jaunich
City Administrator

Discussion was held on whether or not to charge a fee for the ‘garbage’ portion associated with the Spring Cleanup event. Adm. Jaunich commented that the garbage companies were approached about providing staff/trucks for this event. They would then collect fees for the City so that City Staff would not be necessary. It was noted that the recycling company would provide staff (at no charge) and collect their own fees. He stated that two haulers were not interested as they would not have a place to dump their trucks over the weekend (need empty rigs for Monday routes). He added the third company would be interested, but would charge the City a fee for their employee’s time plus equipment. Adm. Jaunich commented that in the past two City Staff have worked this event. It was suggested to have just dumpsters placed in the parking lot that way people could get rid of ‘garbage’ things themselves. Concern was expressed that unallowed items, such as tires, etc. would get disposed of if event was unsupervised. Mayor Kreft asked if there was motion to charge for the Spring Clean up, no action was taken. Reetz expressed his feelings that the City shouldn’t have to cover the costs to dispose of residents’ garbage.

Brief discussion was held on renewing the City’s Workers’ Compensation Coverage. Adm. Jaunich questioned if there was any interest in changing the deductible or to change the plan to include elected officials and/or administrative boards. He stated that they have not included elected officials, etc. in previous years. He recommended approving the plan as it was presented.

Motion by Wills, seconded by Pederson, and passed by unanimous vote to approve the Renewal of the City’s Workers’ Compensation Coverage as presented.

Adm. Jaunich stated that City Staff in an attempt to collect on some older outstanding bills sent letters out to customers. He stated that a customer had sent a letter requesting that half of the bill be waived as it was 5 years old. Adm. Jaunich recommended not waiving the fee as this was the customer’s full responsibility to pay. Attorney Arneson commented on some of the concerns within the letter (cost, supposedly not receiving the letter, etc.). He stated that the City has the right to continue to collect on outstanding bills up to seven years old (statute of limitations).

Motion by Wills, seconded by Pichelmann, and passed by unanimous vote to deny waiving the fee as requested above related to the outstanding fire bill.

Considerable discussion was held on the Community Center roof problem. Adm. Jaunich stated that he met with Dan Vos of Vos Construction about the roof leaking issue. A few options and associated costs/warranties were reviewed. It was the consensus that patching was not the way to go. Adm. Jaunich will research the asphalt shingles versus metal roof further and have an architect design some specs.

Motion by Wills, seconded by Pederson, and passed by unanimous vote to adjourn the meeting at 9:02 pm.

City Administrator Matthew Jaunich

Mayor James R. Kreft