

ARLINGTON CITY COUNCIL  
MEETING MINUTES  
APRIL 6, 2009

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

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

Members absent: None

Also present: Administrator Jaunich, Attorney Arneson, Police Chief Bruce Rovinsky, Engineer Curt Cordt, Mike Callies, Engineer Joel Hawbaker, Fire Chief Jeff Otto, FD Secretary/Hiring Committee Rick Schmidt, Kurt Menk

Motion by Griep, seconded by Reetz, and passed by unanimous vote to approve the agenda as presented.

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

- A) Approval of the March 16<sup>th</sup> Regular Meeting Minutes
- B) Approval of the March 31<sup>st</sup> Special Meeting Minutes
- C) Approval of the Bills
- D) Approval Transient Merchant/Peddlers permit for Jorge Saucedo (Taco Stand)
- E) Approval of Charitable Gambling Permit for Chamber of Commerce on June 20<sup>th</sup> for a raffle
- F) Approval of request by the Arlington Historical Society to paint the old fire hall.

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) Board of Appeal & Equalization Hearing is April 13<sup>th</sup> from 3-8 pm at the Sibley County Assessor's Office
- 2) Spring Clean Up Day is Saturday, April 25<sup>th</sup> from 8 am to 1 pm in the Municipal Parking Lot.

The Council reviewed the following communications:

- 1) March Building Permit Report
- 2) February Water/Wastewater Report
- 3) Small Cities Progress Report.

Police Chief Rovinsky presented his monthly police report. It was noted that the department had responded to 59 calls. Chief Rovinsky commented that the department was going to start working on "junk" yard letters in conjunction with Spring Clean Up. Brief discussion was held on the status of part-time officers.

Curt Cordt and Mike Callies, Electric Engineer/Consultants from Heartland Engineering presented the annual report on the city's electrical system to the Council. Cordt talked about a problem that is occurring at the old substation (on Adams St.) with the center phase voltage regulator. They believe there is a partially burnt out contact within the regulator, which has been causing lights to dim/blink around the southeastern part of town. They are evaluating the best way to fix the problem and will bring a cost estimate to a future meeting. Cordt gave an update on the line/pole replacement project that was done last year. He stated that the cost of the project was at about \$65,000, which was less than what it had been bid at (\$100,000), and that there was still some follow up work that needed to be done by McLeod. Cordt talked about the need to update the transformer and other equipment in the Horseshoe Drive/Circle Lane area as long as other improvements were being made. Cordt added that they started updating their electric model of the town and are in the process of doing a Distribution Construction Work Plan study, which includes doing some field study work to verify what is in place versus what has been put on paper; they have found some discrepancies. Cordt commented that the City does not have an Arc Flash Assessment Policy in place and needs one (an electric

code requirement), which he could put together. He explained what the Arc Flash Assessment was and how it was used (what types of personal protective equipment are needed in specified areas of town, etc.). There was some discussion on what types of projects, whether large or small, could be done this year.

Adm. Jaunich stated that the Utilities Committee had reviewed the Plans and Specifications for the proposed Wastewater Treatment Plant Improvements and was recommending that the Council move forward with the project. It was noted that this was a much needed update, which would bring the system into better compliance and was being considered now in an effort to replace some equipment (digester) and keep the permit classification down. Engineer Hawbaker (who was filling in for Engineer Tullis) answered questions related to the proposed project. It was noted that the cost estimate for the remodeling project was \$310,000. Financing options were discussed.

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

**RESOLUTION NO. 24-2009**

**A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING  
AN ADVERTISEMENT FOR BIDS**

WHEREAS, to a resolution passed by the City Council on June 2, 2008, the city engineer (Bolton & Menk) has prepared plans and specifications for an improvement to the Wastewater Treatment Plant for the conversion of the existing anaerobic digester to aerated storage, among other improvements, and has presented such plans and specifications to the council for approval; and

WHEREAS, the Council had previously approved plans and specifications and ordered an advertisement for bids in a resolution passed on November 3, 2008; and

WHEREAS, the plans and specifications from November 3, 2008 have been modified and need to be re-approved and an advertisement for bids needs to be reauthorized.

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

1. Such plans and specifications, a copy of which is attached hereto and made a part hereof, and are hereby approved.
2. The City Engineer shall prepare and cause to be inserted in the official paper and in the *Construction Bulletin or similar trade magazine*, an advertisement for bids upon the making of such improvement 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 10:00 a.m. on May 4, 2009, at which time they will be publicly opened in the council chambers of the community center by the City Administrator and engineer, will then be tabulated, and will be considered by the Council at 6:30 p.m. on May 4, 2009, in the council chambers of 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 and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City Administrator for five (5) percent of the amount of such bid.
3. The City Administrator shall work with the City Engineer on a specific bid date deadline if the dates selected in bullet #2 do not work.

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

Adopted by the City Council of the City of Arlington this 6<sup>th</sup> day of April, 2009.

Signed: /s/ James R. Kreft  
Mayor

Attested: /s/ Matthew Jaunich  
City Administrator

Whereupon said resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

Engineer Hawbaker gave an update on the Horseshoe Drive/Circle Lane Improvement Project. He stated that they have applied for all the necessary permits (MPCA, DNR, High Island Creek Watershed, etc.) and are waiting to hear back on them. It was noted that the Plans and Specs will be ready for review at the next regular meeting. Adm. Jaunich commented that residents have been expressing their concerns to him about the pending assessments. Attorney Arneson commented that he was working on the easements that will be needed for this project.

Engineer Hawbaker gave an update on the GIS & CIP projects. He stated that the utility portion is almost complete, but they are still waiting on some information (plans/specs on old improvement projects) from the City Staff. Adm. Jaunich stated that Staff has been going through minute books and old files trying to find the needed information.

Discussion was held on the proposed improvements for the parking lot on West Main Street (Main & 4<sup>th</sup> Avenue NW). Adm. Jaunich stated that they had received a verbal confirmation from the church allowing the City an easement across their portion of the lot to make the proposed improvements. Attorney Arneson commented that the church representative had expressed some concern that they are not always able to park on their property as the general public utilities the entire lot and that this issue would have to be addressed within the easement. Hawbaker estimated the cost of the project to be about \$50,000-\$55,000.

Mayor Kreft inquired on the status of the Sportsman's Park survey. Engineer Hawbaker stated that they are working on the boundary line portion currently.

Fire Department Hiring Committee Member Rick Schmidt presented 5 applications for prospective new firefighters. It was noted that there were 4 openings on the department and the Committee was recommending hiring Keith Doetkott, Dan Herrmann, Luke Geib, Tony Voigt, with Kendal Duck as an alternate. Adm. Jaunich recommended Herrmann, Geib, Voigt and Duck. Pederson expressed his feelings that Doetkott should be allowed back on the department based on his previous (18 years) experience, that he hasn't caused problems for the department and the department wants him back.

Motion by Vrklan, seconded by Pichelmann, and carried (Pederson opposed) to hire Dan Herrmann, Luke Geib, Tony Voigt and Kendal Duck as new firefighters.

Fire Chief Otto was present to discuss the Emergency Operations Plan that he had put together. He stated that this document was a revision of an older document (age unknown) and he intends to update it every year. The document was reviewed in detail with suggested changes and/or additions. Adm. Jaunich and Chief Otto will work together on making the revisions.

The first reading of Ordinance No. 240 – An Ordinance Repealing and Replacing Ordinance 117, 136, and 138 Relating to Management of Flood Plains Within the City of Arlington, was held. Reetz explained that the City was notified by the Minnesota Department of Natural Resources Water's Division that it needed to update its ordinances related to flood plains. A memo from PZ Adm. Smith-Strack detailing the main points/changes to the ordinance was reviewed.

The first reading of Ordinance No. 241 – An Ordinance Amending Ordinance 169, The Arlington Zoning Ordinance by Repealing Existing Standards Relating to Signage and Replacing Them With Section 13.5, was held. A memo from PZ Adm. Smith-Strack detailing the main points of the ordinance was reviewed.

The second reading of Ordinance No. 242 – An Ordinance Amending Ordinance 214, Section 6(1), Addressing the Assessments of Project Costs, was held. Griep abstained from the conversation due to conflict of interest. Adm. Jaunich noted that there were no changes made after the first reading. He noted

that this ordinance would allow WAC & SAC fees to be assessed versus paid up front (excluding new construction hookups), which would alleviate potential financial burden on property owners hooking up to city services.

Motion by Vrklan, seconded by Pederson, and carried (Griep abstained) to approve Ordinance No. 242 – An Ordinance Amending Ordinance 214, Section 6(1), Addressing the Assessments of Project Costs, as follows:

**Ordinance No. 242**

**AN ORDINANCE AMENDING ORDINANCE 214, SECTION 6(1.), ADDRESSING THE ASSESSMENTS OF PROJECT COSTS**

THE CITY COUNCIL OF THE CITY OF ARLINGTON, MINNESOTA TO PROMOTE THE PUBLIC SAFETY, HEALTH AND WELFARE, HEREBY ORDAIN AS FOLLOWS:

**Section 1.** Ordinance 214, Section 6 (1.) is hereby amended to read as follows:

The cost of any improvement shall be assessed upon property improved by the improvements based upon benefits received. The following general principles shall be used as a basis of the City's assessment policy:

1. **Project Cost.** The "project cost" of an improvement includes the costs of all necessary construction work required to accomplish the improvement, plus engineering, legal, administrative, financing and other contingent costs, including acquisition of right-of-way and other property. The finance charges include all costs of financing the project. These costs include but are not limited to financial consultant's fees, bond rating agency fee, bond attorney's fees, and capitalized interest. The interest charged to the project shall be included as financing charges. Actual SAC and WAC are not included in the project cost and will be billed to the property owner upon completion of the home. WAC and SAC may be included in the project cost if an already existing home or business is in city limits and previously did not have city water or sewer service, or if a home or business is annexed into city limits and petition to hook up to city water and sewer.
  - a. **SAC** is defined as the Sewer Access Charge. This is the initial hook up charge of a property to the City's sewer system.
  - b. **WAC** is defined as the Water Access Charge. This is the initial hook up charge of a property to the City's water system.

**Section 2.** All other portions of Ordinance 214 not amended by this ordinance shall remain in full force and effect.

This ordinance shall become effective immediately upon publication.

For City of Arlington

/s/ James R. Kreft  
By James R. Kreft  
It's Mayor

/s/ Matthew Jaunich  
By Matthew Jaunich  
It's City Administrator

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

**RESOLUTION NO. 23-2009**

**A RESOLUTION ACCEPTING A DONATION AND DESIGNATING ITS USE**

WHEREAS, the City of Arlington may accept a gift of real or personal property, including money, and use it in accordance with the terms prescribed by the donor; and

WHEREAS, the City may not, however, accept or use gifts for religious or sectarian purposes; and

WHEREAS, the City of Arlington has received a donation of \$100 from the Arlington Baseball Association for the Fire Department.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Arlington that the City accepts the donation in full and designates its use to be placed in the Fire Department General Fund.

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

Adopted by the City Council of the City of Arlington this 6<sup>th</sup> day of April, 2009.

Signed: /s/ James R. Kreft Attested: /s/ Matthew Jaunich  
Mayor City Administrator

Whereupon said resolution was declared duly passed and adopted and was signed by the Mayor whose signature was attested by the City Administrator.

The Council reviewed in detail the Financial Management Plan as prepared by Adm. Jaunich. It was noted that the Plan serves three main purposes:

- 1) It draws together in single document the City's major financial policies.
- 2) The plan establishes principles to guide both staff and Council members to make consistent and informed financial decisions.
- 3) The plan provides guidelines for ensuring and maintaining an appropriate level of funds, unreserved and reserved, to sustain the financial integrity of the City.

Motion by Reetz, seconded by Griep, and passed by unanimous vote to approve the Financial Management Plan, *as attached*.

Summer Recreation applications were reviewed. Supt. Thomes had reviewed all six applications and was recommending hiring Doug Flieth as Director, Stephanie Schultz and Paul Pichelmann as Assistants. It was noted that these three individuals held the positions last year.

Motion by Reetz, seconded by Pederson, and carried (Pichelmann abstained) to hire Doug Flieth as the Director, and Stephanie Schultz and Paul Pichelmann as the Assistants for the Summer Recreation positions.

Lawn Mowing applications were reviewed. Adm. Jaunich noted that 2 individuals were needed for the Spring/Fall portion and 2 individuals for the summer portion. Supt. Thomes had reviewed all 10 applications and was recommending hiring Harold Melsha and Kenneth Renneke for the Spring/Fall and Shane Henke and Eric Haefs for the summer. It was noted that these four individuals held the positions last year.

Motion by Griep, seconded by Vrklan, and carried (Pichelmann abstained) to hire Harold Melsha and Kenneth Renneke for the Spring/Fall lawn mowing and Shane Henke and Eric Haefs for the summer lawn mowing positions.

Adm. Jaunich stated that Jeff Paine had successfully completed his six month probation/training period. Supt. Thomes had given him a commendable review. The Employee Relations Committee was recommending termination of the training period and to increase Paine's wage to \$15.68 per hour. There were many good comments about Paine's work ethic.

Motion by Vrklan, seconded by Pichelmann, and passed by unanimous vote to terminate the training period for employee Jeff Paine and adjust his salary to \$15.68 per hour.

Discussion was held on the Ambulance Service Pension Plan. Attorney Arneson commented that he had spoken with several individuals about the pension plan and determined that there is nothing illegal about the plan; no state agency regulates/oversees this type of plan; and it is not a standard plan. He added that it appears to be copied somewhat from a State Incentive Plan (is almost like an awards plan or scholarship program) for retiring ambulance service workers. He added that the current plan cannot be rolled into PERA, but the ambulance personnel can be enrolled in PERA from this point forward. Lengthy discussion was held on where to go from here, continue the plan as is and not make any more contributions to it, pay out current plan now or wait until retirement (as was the intent); or implement PERA or another 'qualified' plan. It was agreed the current plan needs to be revised and some type of plan needs to be in place.

Pichelmann commented that the Library is looking to purchase some new furniture (tables and chairs) and will be doing fundraising and also seeking donations. Adm. Jaunich stated that it has come to his attention that it is unlawful for the City to actively 'seek' donations.

Reetz gave an update on the Planning & Zoning Committee. He stated that they are looking at a Beekeeping ordinance.

Brief discussion was held on TIF Funds and what the State Legislature is trying to pass regarding same.

Mayor Kreft recessed the regular meeting to hold a closed meeting.

Mayor Kreft called to order the closed meeting at 8:58 pm.

Mayor Kreft stated that the purpose of the closed meeting was to consider an offer or to develop a counteroffer for the purchase of real property. Adm. Jaunich stated that he had met with the property owner about the parcel the City was interested in purchasing for the wind turbine. It was noted that the owner wanted \$35,000 per acre and was not willing to come down. The owner was concerned about what the wind turbine would do to the value of his remaining property in the area. It was suggested to look at one of the other sites, but concern was expressed about the infrastructure costs that would go with it because they were further away from the new substation. Considerable discussion was held on the options available to the City. Adm. Jaunich was given some direction regarding a counteroffer.

Motion by Vrklan, seconded by Reetz, and passed by unanimous vote to adjourn the closed meeting at 9:25 pm.

Mayor Kreft reconvened the regular meeting.

Motion by Griep, seconded by Pederson, and passed by unanimous vote to adjourn the meeting at 9:25 pm.

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City Administrator Matthew Jaunich

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Mayor James R. Kreft