

ARLINGTON CITY COUNCIL
MEETING MINUTES
MARCH 17, 2008

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

Members present: Mayor Kreft, Borchert, Griep, Reetz, Vrklan, Wills

Members absent: None

Also present: Administrator Jaunich, Attorney Arneson, Greg Goblirsch, Jerome Gildea, Jeff Otto, Keith Dressen, PZ Adm. Cynthia Smith-Strack, Kurt Menk

Motion by Griep, seconded by Wills, and passed by unanimous vote to approve the agenda with the following additions/changes:

Delete item 18 – Arbor Day Observance

Add item 16.1 – Jordan Trading Units.

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

- 1) Approval of the March 3rd Regular Meeting Minutes
- 2) Approval of the Bills
- 3) Approve the closing of West Chandler Street from Highway 5 to 6th Avenue on April 19th from 8:00 a.m. – 3:00 p.m.
- 4) Approving the appointment of Tim Vos to the Arlington Ambulance Service.

Kreft noted that there were no citizens present to address the Council.

Adm. Jaunich noted the upcoming meetings, seminars and/or conferences as follows:

- 1) GIS Workshop-Thursdays March 27th at 2:00 pm at the Community Center
- 2) Board of Appeal and Equalization Hearing-Tuesday, April 8th from 3-8 pm at the Sibley County Assessor's Office
- 3) LMC Legislative Conference, April 9-10 in St. Paul
- 4) Early registration has opened for the LMC Annual Conference-June 11-13 in Rochester.

The Council reviewed the following:

- 1) Thank you card from Vikki Louwagie, Sibley East Jr. High School Counselor, for the use of the Community Center for their 7th Grade Courage Retreat
- 2) Financial Report
- 3) Building Permit Report
- 4) Water/Waste Water Report.

Cemetery Committee members Greg Goblirsch and Jerome Gildea presented the yearly report, which included some future ideas and/or goals, such as a proposed new roadway, landscaping, and columbarium. Goblirsch thanked the Council for funding the installation of the privacy fence in the northwest corner of the cemetery last summer. Brief discussion was held on the cemetery perpetual fund and what it could be used for.

Fire Chief Otto and 2nd Assistant Chief Dressen were present to ask for authorization to proceed with purchasing the proposed new pumper truck (approximately \$400k) for the fire department. Otto explained that the new truck would replace the 1984 pumper truck, which they can no longer get pump parts for. He stated that the department had met with the various townships (within their district) last fall and again this spring about the purchase of the proposed truck and each township voted to proceed with the purchase. The cost of the truck would be split 50-50 between the City of Arlington and the townships collectively. Otto

stated that if the Council authorizes the department to proceed with purchasing the truck, it would be at least 6 months before delivery occurred. It was noted that the department has been discussing possibly keeping the '84 pumper, but converting it to a tanker instead of trading or selling it. He explained that the '75 tanker is not scheduled for replacement for approximately 10 years, but they are having issues with it (have to continuously weld the water tank). Brief discussion was held on the fleet in general in conjunction with the 5-year rotation/replacement schedule. It was the consensus of the Council to authorize the Fire Department to move forward with the purchase of the proposed new pumper truck.

Fire Chief Otto spoke briefly on the federal grant (\$23,400) that the department had been awarded last fall. He stated that he was seeking authorization to start purchasing items (listed on the grant) for the department, such as a training manikin, radios, and pagers. It was noted that a percentage of the grant was also to be used for covering the costs associated with training classes. It was the consensus of the Council to authorize Fire Chief Otto to proceed with the purchases.

PZ Administrator Smith-Strack presented, for its first reading, Ordinance No. 212 – An Ordinance Amending the Arlington Zoning Ordinance (Ordinance 169) by adding Section 13, Sub. 7 Relating to Wind Energy Conversion Systems (WECS). She explained that the ordinance will cover both commercial and non-commercial WECS's and defined both. She also talked about the setback requirements, maintenance and a decommissioning plan for WECS. Adm. Jaunich expressed concerns about the setbacks, that they may be too restrictive; brief discussion was held.

P&Z Adm. Smith-Strack stated that the following 3 items are outstanding issues with the High Island Creek development:

- 1) Parkland dedication or fee in lieu of parkland dedication;
- 2) Construction costs for the extension of 8th Avenue from the High Island Addition (plat boundary) to the Main Street;
- 3) Placement of fabric under first bituminous lift on 8th Avenue Extension for moisture control related to hydrant flushing.

She stated that a meeting was held with the developers to discuss the outstanding issues, which brought forth more questions. After reviewing the construction plan file and both the P&Z and Council minute books for possible answers, a separate meeting was held with former City Administrator Krueger and former Mayor Czech. The Utilities Committee was also consulted for input. It was being recommended that the City enter into a Memorandum of Understanding with this developer to ensure that the intent of both parties is clear and all outstanding issues can be resolved. Discussion was held on the collection of the fees (\$40,000, plus possible interest) for the trail system, in lieu of parkland dedication, that was proposed within the developer's agreement. It was suggested by Mayor Kreft to work out some kind of payment schedule.

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

RESOLUTION NO. 16-2008

CORPORATE AUTHORITY CERTIFICATE AND TRADING AUTHORIZATION

For Brokerage Accounts
(For use by Corporations Only)

- Complete all sections, sign and return.

Account Number(s) 130-10172

Account Title:	Advisor (if applicable):
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I, Matthew Jaunich, being the City Administrator of the City of Arlington, a municipal corporation duly organized and validly existing under the laws of the State of Minnesota, and having its chief executive office or its only place of business at 204 Shamrock Drive, Arlington, MN 55307 (the “City”), in the name and on behalf of the City, hereby:

- (a) represent, and warrant that I am a duly authorized representative of the City and am authorized to execute this Certificate on behalf of the City;
- (b) certify that below is a true, complete and correct copy of the resolutions (the “Resolutions”) duly adopted by the City Council of the City as of March 17, 2008, which resolutions have not been amended, modified, revoked or rescinded since their adoption to and including the date hereof;

RESOLVED, that the City of Arlington (the “City”) is hereby authorized and directed to establish and maintain one or more accounts, including margin accounts (if the City is authorized to open a margin account, the City has checked the box at the end of the Certificate), (each, an “Account”), and to engage in any of the transactions hereinafter described, in each case, with or through Bear, Stearns & Co. Inc., Bear, Stearns Securities Corp., Bear, Stearns International Limited and/or any of their now or hereafter existing affiliated entities (collectively, “Bear Stearns”), through an Account or otherwise, with Bear Stearns acting as principal or agent in such transactions;

RESOLVED, that the City is hereby authorized and empowered to purchase (including on a forward or when-issued basis or on margin) hold, finance, pledge, exercise, convert, tender, redeem, exchange, transfer, assign, sell (including on a short, when-issued or forward basis), enter into, write, issue, terminate, amend and otherwise deal and trade, singly or in combination, in the following: any and all forms of securities, evidences of interest, participation, or indebtedness, instruments of any issuer (whether publicly registered or exempt from registration) transactions and investments, including, but not limited to common or preferred stock, scrip, warrants and rights; bills, notes, bonds or debentures of any coupon, (including “zero coupon”) or maturity; certificates of deposit, bank notes or deposit notes; commercial paper, money market instruments; listed and/or over-the-counter options, commodities, commodity futures, options on futures (including single stock futures contracts and other securities futures products), transactions in foreign currencies; limited partnership interests and other interests in hedge funds, buyout funds, real estate investment trusts, venture capital funds, private equity funds and private equity investment vehicles; whole mortgage loans, any and all interests and participations in mortgage loans, mortgage-backed and asset backed securities; any kind of derivative investment, including interest rate, currency, credit, equity or other swap transactions; repurchase and reverse repurchase transactions, buy/forward sale transactions, dollar rolls, secured lending transactions and any instrument or interest generally regarded as an investment or hedge, secured or unsecured, or any transaction, that is similar to any of those described above (including an option with respect to any of them) (each of the foregoing, an “Activity”);

RESOLVED, that each of the directors, officers, employees and agents of the City listed below (“each, an Authorized Person”) is hereby individually authorized for and on behalf of the City by oral, written, electronic or other means to: (1) give to and receive from Bear Stearns oral, written or electronic instructions, confirmations, notices or demands with respect to any Account, Activity or transaction; (2) bind the City to enter into and perform any transaction or agreement, amendment or modification thereof, relating to any Account, Activity or transaction involving the City; (3) lend or borrow money or securities and secure the repayment thereof with the property of the City; (4) pay in cash or by check or by credit or debit card or draft drawn upon the funds of the City any sums required to be paid in connection with any Account, Activity or transaction; (5) order the transfer of record of any securities, funds or other property to any name and to accept delivery of any securities, funds or other property; (6) direct the sale or exercise of any rights with respect to any securities or other property; (7) agree to any terms or conditions or execute or otherwise assent to any document or agreement affecting any Account, Activity or transaction; (8) endorse any securities or other property in order to pass title thereto (or any interest therein); (9) direct Bear Stearns to surrender any

(c) represent and warrant that the City [check the correct statement or cross out the incorrect statement]

has more than one officer, director or employee

(i) has only one officer, director and employee and that person is the sole beneficial owner of the City, and

(ii) the City has provided evidence of such sole ownership to Bear Stearns (attached hereto);

(d) represent and warrant that the Resolutions [check the correct statement or cross out the incorrect statement]

authorize the City to engage in margin transactions credited or debited to an account at Bear Stearns

do not authorize the City to engage in margin transactions credited or debited to an account at Bear Stearns; and

(e) represent and warrant that the Resolutions [check the correct statement or cross out the incorrect statement]

authorize each Authorized Person to order the trade and non-trade related free delivery of funds and securities to themselves and third parties

do not authorize each Authorized Person to order the trade and non-trade related free delivery of funds and securities to themselves and third parties.

IN WITNESS WHEREOF the City, through the undersigned, has executed this Certificate and affixed the seal of the City as of the 17th day of March, 2008.

BY: /s/ James R. Kreft
Signature

[CORPORATE SEAL]

James R. Kreft Mayor
(Typed or Printed Name) (Title)

Mark here if a corporate seal has not been adopted by the City and is not required in the applicable jurisdiction.

This Certificate must be executed by a person or entity duly authorized by the City to do so. The person executing this Certificate shall not be one of the persons authorized to act for the City pursuant to the Resolutions referred to in clause (b) above unless (i) the City has provided evidence that the City has only one officer, director or employee or (ii) the cross certification appearing below is completed.

Cross Certification

I, Matthew Jaunich, the undersigned City Administrator of the City hereby affirm and ratify each of the certifications, representations, warranties, covenants, and agreements contained in this Certificate.

IN WITNESS WHEREOF the City, through the undersigned, has executed this Certificate as of the 17th day of March, 2008.

By: /s/ Matthew Jaunich

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: Borchert, Griep, Reetz, Vrklan, Wills;

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 17th day of March, 2008.

Signed: /s/ James R. Kreft
Mayor

Attest: /s/ Matthew Jaunich
City Administrator/Treasurer/Clerk

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

Discussion was held on Ordinance No. 200 regarding private wells (testing and attaching meters to same) and private septic systems within city limits. The Council reviewed sample letters that Adm. Jaunich had drafted to send out to the property regarding their private wells and septic systems and being in compliance with Ordinance 200. Griep stated that he had talked with the County's Septic Inspector and was told that he could not inspect systems within the city boundary, but gave him a list of individuals who could.

Griep commented that he had been contacted by Steve & Janet Geib regarding some property they own in city limits and having to hook up to city water/sewer upon the sale thereof. The property is scheduled to close very soon, but they want to wait until the frost was out of the ground first.

Motion by Wills, seconded by Reetz, and passed by unanimous vote that upon the sale of Steve & Janet Geib's property, to allow them to hook up to city water as soon as it is permissible (frost gets out of the ground), but no later than June 30, 2008.

Discussion was held on what kind of advertising is/is not permissible. Adm. Jaunich commented that he was having difficulty finding a sample advertising policy to work from and asked the Council to give him the discretion of what is or is not acceptable advertising. It was the consensus of the Council to give Adm. Jaunich the authority to use his discretion when it comes to advertising the City of Arlington.

Discussion was held on the southwest corner of the city, along with the southern boundary line. Adm. Jaunich commented that there is some question about where exactly the southern boundary line is and if certain properties need to be annexed or not because part of the property is in city limits and part is out. There was also discussion about providing city services to Matt & Lisa Otto, who own property just outside city limits.

Motion by Griep, seconded by Wills, and passed by unanimous vote to authorize the City Engineer (Bolton & Menk) to survey the southern border of the city.

Brief discussion was held on what the process was going to be for the 1 or 2 property owners immediately north of and adjacent to city limits requesting city services. It was noted that they would have to formerly petition the City for annexation. Adm. Jaunich will contact the property owners.

The Council reviewed the Phosphorus Management Plan that had been presented at a previous meeting.

Motion by Griep, seconded by Reetz, and passed by unanimous vote to approve the Phosphorus Management Plan as presented above (*see attached*).

The Council reviewed a memo from Paul Christensen of PeopleService regarding purchasing phosphorus units (credits) through Jordan Trading Units from the City of Mankato to remain in compliance with our Minnesota River Basin General Phosphorus Permit. Adm. Jaunich stated that the City has been doing well with staying under the permitted amount of phosphorus it generates. However, if it would ever go over the

permitted amount, chemicals can be added to reduce the level, but this would not be cost prohibitive; whereas purchasing these credits would be.

Motion by Griep, seconded by Reetz, and passed by unanimous vote to purchase Jordan Trading Credits from the City of Mankato for approximately \$656.76 per year for the next 3 calendar years.

The Council reviewed the flyers from last year regarding the Community Cleanup (phosphorus/boulevards) and the Spring Cleanup (appliances, etc.). Adm. Jaunich questioned if the city wanted to promote both of the events again this year.

Motion by Reetz, seconded by Wills, and passed by unanimous vote to set Saturday, May 3rd as the date for the Spring Cleanup event (for appliances, computers, etc.).

Motion by Wills, seconded by Griep, and passed by unanimous vote to set Monday, April 21st as the date for the Community Cleanup event (for phosphorus/boulevards).

Adm. Jaunich commented that the Streets Committee is currently looking at the Solid Waste Collection Ordinance and making revisions that include dumpsters (placement) and implementing a fee for commercial providers. It was noted that the Streets Committee also pre-authorized Supt. Thomes to seek out prices for the plow/sanding truck (for fixing, replacing new and replacing used).

Adm. Jaunich commented that the Comp Plan Task Force had meeting the week before and thing were progressing smoothly. He stated that the Charter Commission had their first meeting and was well attended. They set the 2nd Thursday evening of the month as their meeting date.

Mayor Kreft commented that he and Councilmember Wills had met regarding the city's recognition of Arbor Day and would have something to present at the next meeting.

Mayor Kreft also commented on a seminar that he had attended at the Arboretum recently.

Motion by Wills, seconded by Borchert, and passed by unanimous vote to adjourn the meeting at 8:45 p.m.

City Administrator Matthew Jaunich

Mayor James R. Kreft