

ARLINGTON CITY COUNCIL
MEETING MINUTES
OCTOBER 2, 2006

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

Members present: Mayor Czech, Borchert, Griep, Reetz, Voight, Wills

Members absent: None

Also Present: Administrator Krueger, Asst. EDA Director Schultz, Fire Department members Doug Mackenthun & Keith Dressen, Street Supt. Thomes, Paul Christensen, Chris Gutschow, Karen Archer, Kurt Menk

Motion by Griep, seconded by Borchert, and passed by unanimous vote to approve the agenda with the following addition:

8 a-1) Travel request – P&Z Administrator Jenness
14.5 REA (Electrical) Contract.

Motion by Griep, seconded by Reetz, and passed by unanimous vote to approve the minutes from the September 18, 2006 meeting as presented.

Motion by Reetz, seconded by Wills, and passed by unanimous vote to approve the bills as presented.

Street Supt. Thomes presented the bids for snow removal for the 2006-2007 season. He explained that no bids were received for hauling the snow; in previous years MJ Neisen Asphalt and Chaves Trucking were awarded the contract. He stated that he had made contact with a local contractor who would be interested in hauling snow, but this individual only has 1 truck. Thomes stated that they usually need a minimum of 3 trucks and therefore, was recommending continuing to advertise for hauling bids. Thomes explained that one bid was received for each bobcat and blading, which were returning bidders from previous years.

Motion by Voight, seconded by Wills, and passed by unanimous vote to accept the snow removal bid for bobcat work from Haggmiller Lumber Company for the 2006-2007 snow season.

Motion by Borchert, seconded by Griep, and passed by unanimous vote to accept the snow removal bid for blading from Klehr Grading for the 2006-2007 snow season.

Street Supt. Thomes presented the 3 bids that were obtained for tires for the 2001 Chevy Pickup (his truck). He stated the tires had over 28,000 miles on them and were still the original tires. He stated that 2 of the bids were for the same tire that is currently on the truck and the 3rd bid was a cheaper quality tire.

Motion by Reetz, seconded by Wills, and passed by unanimous vote to accept the low bid for tires for the 2001 Chevy Pickup in the amount of \$554.61 from Quast Amoco.

Street Supt. Thomes talked about the need to have manhole covers and gate valves raised up again before the snow removal season and presented a couple of bids. He and Klehr Grading went out together around town and determined that 19 manhole covers and 8 gate valves need to be raised up. He presented 2 bids, one from Parking Lot Repair for \$100 per manhole and \$40 per gate valve and one from Hardline Asphalt for \$90 per manhole and \$45 per gate valve. Reetz commented that the manhole at the intersection of 3rd Avenue and East Baker should not be included in this project. The contractor that did the utility repair should come back and fix it at no cost to the City. Thomes commented that they have to come back and fix another one by the wastewater plant, because it did not meet the County's specs.

Motion by Borchert, seconded by Voight, and passed by unanimous vote to accept the low bid from Hardline Asphalt to make the necessary manhole and gate valve infrared repairs in the amount of \$90 per manhole and \$45 per gate valve.

Street Supt. Thomes explained that Hardline Asphalt is the company that replaced the surface of the tennis/basketball court in Four Season's Park. They are coming back to repair/seal the holes that were made from the tent posts during the Sesquicentennial Celebration.

Arlington Fire Department members Keith Dressen and Doug Mackenthun were present to discuss the need to replace their 1983 grass rig (Motley as they call it). Dressen explained that the truck has been having many mechanical difficulties and is no longer a trustworthy vehicle. He explained that the department has started looking around to find a replacement truck. They found a 1-Ton 2005 Chevy 4x4 truck with 11,000 miles and plow package already on it, plus 2-year warranty for \$21,750 at Brau Motors. They also checked into the cost of having it painted and found that After Burner Auto Body was the cheapest at \$2,514. The cost for the light bar, siren and other necessary parts to make the vehicle operational was \$1,464.25. A skid unit (slides in the back, holds 200 gallons of water, 200 feet of hose reel and has an 11hp motor with pump on it) was priced out at \$8,995 (plus freight approximately \$300-\$500). The department was looking at putting a headache rack on it also, which is where the light bar would be mounted. The overall estimated cost to get the truck operational is \$35,000-\$38,000. He stated that the Fire Relief Association has \$35,000 (fundraiser money) that they wish to put towards the purchase of this truck. The Fire Department was asking the City if it would consider picking of the difference if the actual costs go over the \$35,000. Wills questioned if the amount included sales tax. Dressen stated that because they are a Fire Department and the purchase is for a fire truck, they are tax exempt. Mackenthun added that the Department is applying for a grant (which would be a 50/50 match) that would cover the cost of some of the equipment, but they will not know until February if they get the grant or not. He further added that they could take the equipment off the old truck and put it on the new truck, but they are not favorable of the idea of old on new. Wills questioned what they were planning to do with the old rig. Dressen commented that they were planning to sell it. He stated that the department has 2 grass rigs, which the Fire Relief Association has paid for both. Reetz commented that at the most recent meeting with the Townships, they expressed feelings that they were not interested in helping to pay for this rig.

Motion by Borchert, seconded by Reetz, and passed by unanimous vote to approve the funding up to \$39,000 for the purchase of a new grass rig for the Fire Department as presented above.

Mayor Czech thanked the Fire Relief Association for the \$35,000 donation towards the purchase of the grass rig.

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

RESOLUTION NO. 15-2006

RESOLUTION FOR TAX RATE AUTHORIZATION FOR THE YEAR 2007

WHEREAS, The State of Minnesota has enacted Chapter 243, Laws of Minnesota 2006, Article 6, Section 2, requiring City Councils to have adopted and filed and authorizing resolution if Arlington's tax rate turns out to be higher the following year than a theoretical tax rate for the previous year under the law; and

WHEREAS, Arlington prides itself on beginning its budget process as early as possible in the calendar year in order to maximize input by all concerned parties and allow full review of all expenditure items; and

WHEREAS, There are numerous factors that are beyond the control of Arlington and that can potentially cause tax rates to rise, including but not limited to:

- A. Class rate changes by the State on various types of property.
- B. The economy and its effect on the tax base, including real estate and new construction growth or lack thereof,
- C. Tax Increment Financing (TIF) districts created by cities,
- D. Limitations on what percentage the market value of property can rise each year as set by the State.
- E. Unfounded mandates upon local governments and reductions of Federal and State aids, and

WHEREAS, Because of these outside factors beyond control, Arlington may need to have a higher tax rate for the following year, and if the tax rate has to go up, Arlington wishes to be in compliance with the law with an authorizing resolution adopted and filed; and

WHEREAS, Regardless of external factors influencing the tax rate through the years, Arlington has a strong tradition and a record of success in holding down property taxes on the citizens of Arlington; and

WHEREAS, Arlington's property tax levy has been set each year well within the levy limitations imposed by the State of Minnesota; and

WHEREAS, Even during those years when the State has not enacted levy limitations, has had its own self-imposed levy limitations to protect the interests of Sibley County's taxpayers;

NOW, THEREFORE BE IT RESOLVED, That if the tax rate of Arlington for the year 2007 is higher than the tax rate certified by the County Auditor under clause (3) of Section 2, Article 6, Chapter 243, Laws of Minnesota 2006, the higher tax rate is hereby authorized by the City of Arlington.

BE IT FURTHER RESOLVED, That regardless of outside factors impacting tax rates, the Arlington Council Members remain firmly committed to the delivery of mandated and other important services at a cost well within established levy limits in order to hold down property taxes of the citizens of Arlington.

BE IT FINALLY RESOLVED, That an official copy of this adopted resolution be filed with the County Auditor who for purposes of this law in Sibley County is the Division Manager of Property Records and Taxation.

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, Voight, 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 2nd day of October, 2006.

Signed: /s/ David Czech
Mayor

Attest: /s/ David L. Krueger
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.

The Council reviewed the September Building Permit report from P&Z Administrator Jenness.

Motion by Griep, seconded by Wills, and passed by unanimous vote to approve the travel request from P&Z Administrator Jenness to travel to Roseville to attend a seminar on Thursday, October 5th.

The Council reviewed the thank you letter from the Minnesota Pipeline Company and also the thank you card from the Louis Woehler family.

Mayor Czech explained that Michelle Battcher had contacted him and expressed an interest to fill the vacancy on the Planning & Zoning Board.

Motion by Griep, seconded by Voight, and passed by unanimous vote to accept Mayor Czech's recommendation to appoint Michelle Battcher to the vacant position on the Planning & Zoning Board.

Mayor Czech commented that he is still looking for someone to fill the vacancy on the Police Committee and is hopeful to have a name for the next meeting.

Chris Gutschow and Paul Christensen from People Service presented a Water/Wastewater Service proposal to the Council. They gave a description of their business and what they would provide as far as services to the City. The Council reviewed the draft contract that had been put together by People Service. It was noted that they would hire 2 individuals to cover Arlington and these individuals would be on-call 24/7 on an alternating schedule 1 week at a time. These individuals also must live within a 20-minute response time of Arlington. Some discussion was held on changing out both the electric and water meters simultaneously. Some discussion was also held on insurance liabilities. Mayor Czech suggested discussing the cost comparables at the next meeting and having Deputy Clerk Tesch present also. People Service was very much interested in pursuing this proposal further with the City of Arlington.

Karen Archer (representing the Arlington Good Samaritan Center) was present to discuss the closing of the Adult Day Health Center, which was also affecting the Sibley County Faith In Action. Voight explained how the Hospital Board arrived at their decision. She explained that the hospital has lost approximately \$450,000 since 1999 with regards to operating costs. She stated that Medicare is no longer reimbursing the people who were using the program and the clientele keeps getting less and less because people are no longer able to afford it. Archer stated that the Good Samaritan Center is interested in doing what it can to help this program. Voight stated that the Hospital Board is willing to help and provide information where they can. They had not intended to drop the program and leave anyone in the wind; they were just at the point where they could no longer afford to do it. Archer expressed concern about comments that she has been hearing regarding the discontinuance of other programs such as meals on wheels. Voight stated the Hospital Board has discussed these other programs, but has not taken any action at this time. She explained that the meals on wheels program is costing the Hospital \$100,000 per year. They have checked with the Good Samaritan Center on this to see if they would be interested in taking it over and have no intention of walking away, they would find someone to take this over. Voight invited anyone with concerns to attend a Hospital Board meeting. Voight stated that she would take Ms. Archer's concerns back to the Hospital Board.

Administrator Krueger reminded the Council of the following upcoming dates/meetings:

- a) Street Committee – Tuesday, October 3rd at 1:00 p.m. – Community Center
- b) Joint Trail Committee – Wednesday, October 11th at 7:00 pm – Community Center
- b) LMC Regional Meeting October 25th – St. Peter.

Mayor Czech commended Administrator Krueger on his presentation to the County Commissioners regarding the implementation of a joint Trail System between Arlington, Gaylord, Green Isle and Sibley County.

Administrator Krueger thanked the County Commissioners as they are willing to work with the cities on this trail system by allowing County Engineer Darin Mielke to devote some time and hours to this project.

Wills explained to the Council that Clayton Strobel did not get an extension to do his community project to become an Eagle Scout.

Discussion was held on the REA (Electrical) Contract with McLeod Coop Power. Reetz expressed his dissatisfaction with McLeod's attitude and service the last few months. He suggested that the City should consider redoing the current contract or find another company to work with. Administrator Krueger commented that there are some things the City needs to have done that McLeod just does not do. He suggested hiring Dan Geiger of Heartland Engineering to help write a Request for Proposal because he is familiar with our city and substation (from when he worked for United Services Group, the City's electrical engineer/consultant). Administrator Krueger will continue to work with the Utility Committee and McLeod Power.

Administrator Krueger explained that Gregg Borchert had donated an Urn Vault to be used for the time capsule. He stated that it gets sealed so the items inside will be protected from moisture. He stated that the History Book, Reunion Book, Mayor's Proclamation and a letter from Mayor Czech to the Mayor of 2056 will be placed in the capsule. The City is looking for other items to go into it. Mayor Czech reminded the Council of the upcoming Birthday Celebration on October 22nd.

Chuck Pettipiece from Pettipiece & Associates and Assistant EDA Director Schultz were present to discuss the application for the Small Cities Development Grant Program. Pettipiece explained that the State has made some changes, such as implementing a pre-application process and looking for joint applications, plus they have taken out the need for a target area. Mayor Czech was favorable to the idea of the program and the idea of a joint application with Gaylord. Pettipiece explained how a joint application would work. The application from last year could be used; it just needs to be updated.

Motion by Reetz, seconded by Borchert, and passed by unanimous vote to authorize Pettipiece & Associates to move forward with the pre-application process for the Small Cities Development Grant program.

Assistant EDA Dir. Schultz spoke briefly on the EDA Strategic Planning Session that was held on September 22nd. He felt this was a very good session and it is intended to have a follow up meeting on October 10th in the evening. Schultz commended the speaker that they had come down from the University of Minnesota. Voight commented that she really got a lot out of the meeting; it was very interesting. Schultz commented that he feels revitalizing the downtown is the key to this community. Administrator Krueger commented that there were quite a few commonalities and good ideas that come out of the meeting. Voight commented that they were surprised to find that for the most part they all have the same idea and direction they want to see Arlington take.

Administrator Krueger and Assist EDA Dir. Schultz commented briefly on the Housing and Hotel Studies.

Motion by Wills, seconded by Reetz, and passed by unanimous vote to adjourn the regular meeting.

Administrator David L. Krueger

Mayor David Czech