

**ARLINGTON CITY COUNCIL
MEETING AGENDA
FEBRUARY 4, 2019 AT 6:30 PM
COUNCIL CHAMBERS**

The City Council is provided background information for agenda items in advance by city staff, committees and boards. Many decisions regarding agenda items are based upon this information, as well as: City policy and practices, input from constituents, questions or information that has not yet been presented or discussed regarding an agenda item. If you have a concern or question, please ask to be recognized by the Mayor during the "Citizens addressing the Council" portion of the agenda— state your name and address for the record. Please keep comments under 5 minutes. Individuals wishing to speak for more than five minutes should ask to be included on the agenda in advance. All comments are appreciated, but please refrain from personal or derogatory attacks on individuals.

1. Call Meeting to Order and Pledge of Allegiance
2. Roll Call
3. Approve the Agenda and any Agenda Additions

CONSENT AGENDA

The items listed for consideration will be enacted by one motion unless the Mayor, a member of the City Council, City Staff or a person in attendance requests an item to be removed from the Agenda.

4. Approval of Consent Agenda
 - A) Approval of the December 17, 2018 Regular Meeting Minutes.
 - B) Approval of the January 7, 2019 Regular Meeting Minutes.
 - C) Approval of the January 22, 2019 Regular Meeting Minutes.
 - D) Approval of Bills.
 - E) Approval of Gambling Permit for Sibley Medical Center for Arli-Dazzle, Saturday, Dec. 7, 2019.

PUBLIC HEARINGS

PETITIONS, REQUESTS, & COMMUNICATIONS

5. Addressing the Council
6. Announcements
 - A) Transportation Day at the Capital, Feb. 7th, 9:00 a.m.- 2:30 p.m. @ Best Western Capital Ridge, St. Paul.
 - B) Sibley County Community Development & University of MN Extension and Small Business Development Center, Succession Planning Session on Friday, Feb. 8th from 11 a.m. – 1 p.m. @ Sibley County Service Center in Sibley Room, 111 8th Street, Gaylord.
 - C) Meeting with MN Pollution Control Agency (MPCA) regarding the Wastewater Treatment Facility Permit on Feb. 11th @ 9 a.m. in the Arlington Council Chambers.
 - D) City Offices will be Closed on Monday, Feb. 18th for the President's Day Holiday.
 - E) Council Meeting Rescheduled to Tuesday, Feb. 19th @ 6:30 p.m.
 - F) Arlington Lion's Fish Fry, Friday, Feb. 22nd, 11 a.m. - 7:30 p.m. @ Arlington Community Center.
 - G) Awarding of Darwin Mathwig Award @ the Arlington Lion's Fish Fry, Feb. 22nd @ 5:00 p.m.
 - H) Ridgeview Sibley Medical Foundation Spring Benefit, Friday, April 12 starting at 5:00 p.m. @ Arlington Community Center.

7. Communications
 - A) Maintenance Department Update
 - B) Year End Building Report

ORDINANCES & RESOLUTIONS

8. Resolutions
 - A) Approve/Deny Resolution 10-2019 – Ratifying Additional Mayoral Appointment

UNFINISHED BUSINESS

9. Discussion Regarding the Results of the ESI Engineering Noise Study.
10. Approve/Deny Administrator Patrick Melvin’s 2018 Performance Evaluation Summary.

NEW BUSINESS

11. Approve/Deny Contractor’s Estimate No. 2 and Final in the amount of \$4,010.88 to Nielsen Blacktopping, Inc. for 2017 Cemetery Roadway Improvements.
12. Approve/Deny Contractor’s Final Pay Request in the amount of \$70,008.43 to OMG Midwest, Inc. for Work on the 2017 Street & Utility Improvement Project.
13. Approve/Deny Racheal Holland and Quinn O’Reilly (Melchert, Hubert, Sjodin office, Waconia, MN) for appointment as our Alternate Attorney.
14. Approve/Deny EDA Recommendation for Sale of the TSE Building.
15. Authorization for the Fire Department to Proceed with Purchase of Tanker Truck in 2019/2020.

MISCELLANEOUS BUSINESS

16. Discussion about EDA and Planning Committee Workshop with Council on Feb. 21 or Feb. 22, 2019.

ADJOURNMENT

Reminders:
Planning & Zoning February 7th @ 7 pm
EDA – February 11th @ 5:30 p.m.
Library – February 12th @ 5:30 p.m. (library) (changed date)

**ARLINGTON CITY COUNCIL
MEETING MINUTES
FEBRUARY 4, 2019**

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

Members present: Mayor Rich Nagel, Michelle Battcher, Adam Cowell, Tom Hatlestad, Jim Heiland, Ben Jaszewski

Members absent: None

Also present: City Adm. Patrick Melvin, City Attorney Ross Arneson, Maintenance Supvr. Kirby Weckworth, Fire Chief John Zaske, Kurt Menk, EDA Director Amy Newsom, Lindsay Thomes, Austin Frauendienst, Jacob Sjostrom

Motion by Battcher, seconded by Jaszewski, and passed by unanimous vote to approve the agenda with the following change:

Remove items 4 A) Approval of the December 17th Regular Council Minutes; and B) Approval of the January 7th Regular Council Minutes.

Add item 5 A) Approve/Deny EDA Recommendation for Sale of the TSE Building.

Motion by Heiland, seconded by Battcher, and passed by unanimous vote, to approve the consent agenda with the following changes:

- A) ~~Approval of the December 17, 2018 Regular Meeting Minutes.~~
- B) ~~Approval of the January 7, 2019 Regular Meeting Minutes.~~
- C) Approval of the January 22, 2019 Regular Meeting Minutes.
- D) Approval of Bills.
- E) Approval of Gambling Permit for Ridgeview Sibley Medical Center for Arli-Dazzle, Saturday, Dec. 7, 2019.

It was noted that there were no public hearings scheduled.

Adm. Melvin shared an email from a resident requesting the camera be focused on the Council rather than documents and that Councilmembers speak into the microphones to make it easier to hear them.

Due to time additional time commitments, Mayor Nagel requested that the Agenda Item #14 – Approve/Deny EDA recommendation for Sale of the TSE Building be moved up on the agenda for discussion. EDA Director Newsom gave a brief overview of the group proposing to purchase the TSE building. She then advised that the EDA was recommending that the City accept this proposal for sale of the TSE building from this group (S & F Enterprises, LLP) because these young people have ties to the area and are proposing to make 2 new businesses part of the building, as well as utilize the rest of the building for rental units. S & F Enterprises, LLP consists of Austin Frauendienst, Lindsay Thomes, Jacob Sjostrom, and Kelly Beneke. Austin has a trucking business which consists of himself and 5 additional employees. He is presently running his business out of his home. Lindsay Thomes is a real estate agent with True Real Estate. 90% of her clients are in Sibley County. S & F Enterprises is proposing to run these 2 businesses out of the building, and renovate the rest of the building to have up to 6 apartment rentals. There are 11 parking spaces on the south side of the building and 2 parking spots in the area that is presently the loading dock area. Their proposal is that they purchase the building for \$10,000 as allowed under the City's Commercial Buildings and Lots Policy. They believe the building may need to be rezoned to allow for it to be both commercial and residential. The City would not be obligated to pay realty fees as Lindsay Thomes was the agent who was receiving the listing as of February 1, 2019. Battcher observed that she felt the building was already zoned as CBD (central business district) which would already allow this type of use. City Attorney Arneson was of the opinion that there were similar situations already existing (most business on the Main Street corridor) and so if re-zoning was needed it should not be difficult. Arneson felt that a Purchase Agreement should be drawn up which would make the sale subject to 2 contingencies: (1) zoning approval (as needed); and (2) an engineering study to

determine if the proposal is economically feasible. Austin has had 1 contractor go through the building and that contractor believed it was feasible. The engineer contracted by S & F Enterprises should be in contact with Building Inspector Haslip as things progress to see if building codes are being met. Motion by Cowell, seconded by Battcher, and passed by unanimous vote to approve the sale of the TSE building to S & F Enterprises, LLP, upon the recommendation by the EDA. City Attorney Arneson was instructed to prepare a formal Purchase Agreement.

The following announcements were reviewed:

- A) Transportation Day at the Capital, Feb. 7th, 9:00 a.m. - 2:30 p.m. @ Best Western Capital Ridge, St. Paul.
- B) Sibley County Community Development & University of MN Extension and Small Business Development Center, Succession Planning Session on Friday, Feb. 8th from 11 a.m. – 1 p.m. @ Sibley County Service Center in Sibley Room, 111 8th Street, Gaylord.
- C) Meeting with MN Pollution Control Agency (MPCA) regarding the Wastewater Treatment Facility Permit on Feb. 11th @ 9 a.m. in the Arlington Council Chambers.
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Maintenance Supvr. Weckworth provided his monthly update. He stated that the snow season has picked up. The new truck is working great. The City has placed a call for bids for the 2019/2020 snow removal season. The 4 new picnic tables for the Four Seasons Park have arrived. They have helped the PD install a ventilation fan in their evidence room. They have been trying to keep up with making ice for the ice rink. Kirby is currently working on obtaining quotes for pallet racking for the department. There may be an opportunity to obtain some used pallet racking, which would keep the cost down, but still allow for the department to be better organized. They have had builder Travis Tuchtenhagen look at the northwest corner of the ambulance building as the overhang above the windows there has a large crack which needs to be repaired sooner rather than later. Tuchtenhagen has advised that he is unable to provide a true quote for this project as until he gets into it and finds out what is causing the issue, he does not know exactly what will be needed to repair it. Weckworth has been looking at the new street lighting and is getting a sample to test out to help decide what should be purchased. Both MVEC and Xcel Energy are recommending the same brand. He is checking into whether the cost could be lowered by ordering through a distributor. He will draft a Request for Bid once the exact lights we want is determined. This RFP will request various options as to whether to purchase from one company but then have a different company install. This will be forwarded to City Attorney Arneson who will finalize the numbers and forward the bid. This should be available for an MVEC loan. They are aware that the City of Arlington will be applying for a loan to cover a portion of these costs. Weckworth is trying to finish up swapping out some of the street signs. Heiland requested that he find out how much use of the ice rink there has been.

A review of the Year End Building report noted that there was a total valuation of \$978,656.00 in projects that had been applied for, and they were mostly for roofing, siding, and windows. Building Inspector Haslip would be willing to come to a City Council meeting to explain things more fully. The Council was pleased to see the improvements to the homes which thereby improves the City overall.

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

RESOLUTION NO. 10-2019

A RESOLUTION RATIFYING ADDITIONAL MAYORAL APPOINTMENT

WHEREAS, a vacancy has occurred on the Library Committee;

BE IT RESOLVED that Mayor Richard Nagel has appointed the following individual to the following appointment to fulfill the remainder of the vacant term:

CITIZEN COMMITTEES:

Library Committee: (Term Length: Two years)

Citizen Appointee: Sheila Arneson (2020).

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember Hatlestad, and upon poll being taken thereon the following voted in favor thereof: Battcher, Cowell, Hatlestad, Heiland, Jaszewski; 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 4th day of February, 2019.

Attest: /s/ Pat Melvin
City Administrator

Signed: /s/ Rich Nagel
Mayor

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

Adm. Melvin gave a re-cap of the conference call that occurred in the Special Meeting earlier in the night between members of the Council, 2 engineers from ESI Engineering, and Josh Holwell from Northland Drying. The engineers explained in greater detail their noise study and the results. Northland Drying admitted that they had been unaware that although they were in the industrial zone for their business that since it abuts a residential area they need to meet the State standards for noise for residential areas. The conference call ended with Northland Drying advising that they had contacted Pesco Inc. in Minneapolis to look into what could be done to mitigate the noise. Pesco Inc. has worked with a company similar to Northland Drying and had helped them reach the necessary noise level reduction. ESI Engineering advised that they were available in a few weeks to do additional testing for Northland, if Northland requested, and that they would be available for testing after procedures had been implemented to see if the noise level had been reduced enough to meet State standards.

Motion by Heiland, seconded by Hatlestad, and passed by unanimous vote to approve the performance evaluation done for City Administrator Melvin for 2018. A summary of which was included in the Council packet.

Motion by Battcher, seconded by Hatlestad, and passed by unanimous vote to approve Contractor's Estimate No. 2 and Final in the amount of \$4,010.88 to Nielsen Blacktopping, Inc. for 2017 Cemetery Roadway Improvements Blacktopping following further review by Jason Ferrite, the City Engineer, to ensure the depth of the roadway was done as required in the specifications due to concerns about the ponding and noticeable waves in the roadway.

Motion by Hatlestad, seconded by Battcher, and passed by majority vote of Battcher, Cowell, Hatlestad and Jaszewski to deny Contractor's Final pay Request in the amount of \$70,008.43 to OMG Midwest, Inc. for work on the 2017 Street & Utility Improvement Project. There was discussion as to whether a portion should be paid, holding some back, so that the company would have an incentive to deal with issues regarding the grass seeding and caulking that are continuing to be issues. The recommendation from the Council was to have Bolton & Menk review the grass seeding issues in the spring when it is more visible and repair the gaps between the firehouse apron and the building.

City Attorney Arneson and Adm. Melvin addressed the Council regarding the need to have alternate legal counsel for the City available on an as needed basis if and when conflict issues arise. Adm. Melvin advised he and Mayor Nagel had met with 3 potential candidates/firms and believed that the best choice was Rachael Holland and Quinn O'Reilly of the Melchert, Hubert & Sjodin office out of Waconia. Motion by Battcher, seconded by Jaszewski, to approve Holland and O'Quinn as alternate attorneys for the City. Adm. Melvin opined and there was agreement that they should be added to the 2019 listing for appointments and committees.

Fire Chief Zaske then spoke to the Council regarding the need to have authorization to proceed with the purchase of a tanker truck. Zaske advised that there had been a committee formed in August of 2018, with the first meeting occurring in September to review and determine who to award a bid to for the purchase of this tanker truck. Due to the size fit limitations for a tanker for the City (the max allowed would be 28'6"), there are only 2 vendors who can build to this specification. Freightliner is already sold out of the chassis for trucks for 2020 delivery already. It has been determined that they would need to go with a Peterbuilt truck. They need to deliver the necessary specifications for the chassis for this truck in March in order to have a truck built for delivery in 2020. The fire department committee will go through the 2 sets of specifications received from the 2 vendors and compare page-by-page to determine what specs they want for the chassis and truck. Zaske has found that if either the Fire Dept. or the City would become a member of a company called Sourcewell that it will help reduce the price the City would need to pay for this truck. As the chassis needs to be ordered in 2019 there was discussion as to how to pay for this portion of the truck as the entire price was on the budget for 2020. Approximate price of the chassis is \$110,000 to \$130,000. Once a vendor is chosen the vendor could loan the City this portion of the total truck funds, but there will be an interest cost to be paid to the vendor. Discussion occurred as to whether the City could bond for this money and what the cost for the bond would be. Adm. Melvin is to speak with Shannon Sweeney regarding potential bonding for the payment for the chassis in 2019, or should the City just bond for the entire truck amount (approx. \$325,000) in 2019. City Attorney Arneson asked about speaking to Sweeney regarding an equipment certificate which is a special provision which allows the City to not have to go through the bonding process but basically obtain a bank loan for this portion of the payment to avoid the bond costs. There may be some differences in how the interest is handled on both ends of this loan. Motion by Cowell, seconded by Heiland, and passed by unanimous vote, for the fire department to proceed with purchase of the chassis for the tanker truck in 2019. Zaske then brought up the membership in Sourcewell – should it be the fire department or the City? It was determined that the City should become a member. There is no charge for this membership and the organization can be utilized to get reduced costs for any vehicle, equipment needed within the City. Zaske will forward by email the information he has regarding this membership to Adm. Melvin.

In miscellaneous business Adm. Melvin discussed with the Council when to have a joint meeting among the Council, the EDA and the Planning & Zoning. It was determined that Thursday, Feb. 21 would be the best date. Time will be determined after consulting with the other committees.

Motion by Hatlestad, seconded by Heiland, and passed by unanimous vote to adjourn the meeting at 8:00 pm.

/s/ Pat Melvin

City Administrator Patrick Melvin

/s/ Rich Nagel

Mayor Richard Nagel