

1. **Call to Order:** Mayor Cecil Johnson
2. **Roll Call**
3. **Motion to Approve Consent Agenda**
 - a. Minutes – revised minutes of page 3 6/24/15
 - b. Minutes – 7/8/15 Council Meeting Minutes
 - c. Motion to Approve Resolution of Payments
4. **Additions to Agenda**
5. **Motion to Approve Agenda**
6. **New Business**
 - a. **Ulteig Construction Update**
 - b. **Arvig Construction Report**
 - c. **“Knock-down” Parcels in Centennial TIF District No. 1-1 Recommendation David Drown
City Financial Advisor**
 - d. **Resolution – Approval for removing the excess parcels from TIF District No. 1-1 at the
end of this year, and providing for the repayment of \$151,993 in TIF revenue to Clay
County over the next two years.**
7. **Old Business/Unfinished Business**
 - a. **3rd Reading and final adoption of Ordinance 177 – An Ordinance Regulating Special
Vehicles within the City of Glyndon, Minnesota, Providing Penalties for Violations of this
Ordinance and Repealing Ordinance 131.**
 - b. **Council Approval of “Summary Publication” of Adopted Ordinance 177 Repealing
Ordinance 131.**
 - c. **Stockwood Discussion**
 - d. **Seter’s East Second Addition Update**
8. **Department Reports / Committee Reports**
 - a. **Mike Cline, Police Chief**
 - b. **Bob Cuchna, Fire Chief**
 - c. **Scott Lofgren, Maintenance/Public Works Supervisor**
 - d. **Denise Anderson, City Clerk**
 - e. **Council Members Joe Olson and Kimberly Savageau, Glyndon Improvement
Committee**
9. **Open Forum -** **this is the time for the General Public to address the Council regarding a City Business item that is
not on the agenda. Typically decisions will not be made at this meeting but will be referred to staff for further research. The
Open Forum shall not be used to make political statements, political endorsements or for any political campaign purposes.*
10. **Miscellaneous Announcements**
11. **Adjournment**

Next Council Meeting is scheduled for Wednesday, August 12th, 2015, at 7:00 a.m.

Olson's first sheet explains Glyndon's Actual Attorney Fees:

Year	2011	2012	2013	2014
Ken Norman	\$34,437.00	\$40,426.00	\$40,250.00	\$45,857.00
Wold Johnson	-	-	\$9,024.00	\$1,441.00
Clay - Criminal	\$8,138.00	\$8,138.00	\$8,572.00	\$8,572.00
Total	\$42,575.00	\$48,564.00	\$57,846.00	\$55,870.00
Budget	\$18,000.00	\$30,340.00	\$45,000.00	\$50,000.00
Plus/Minus	(\$24,575.00)	(\$18,224.00)	(\$12,846.00)	(\$5,870.00)

The second sheet Olson explained was Civil Attorney Billing per City:

City	Population	2010	2011	2012	2013	2014	2015
Dilworth	4124	-	-	\$10,440.00	\$36,524.00	\$61,439.00	-
Barnesville	2570	-	-	\$21,362.00	\$18,524.00	\$18,208.00	\$18,106.00
Hawley	2083	-	-	\$19,768.00	\$20,239.00	\$18,907.00	\$24,000.00
Glyndon	1397	\$27,618.00	\$34,437.00	\$40,426.00	\$40,250.00	\$45,857.00	\$50,000.00
Lake Park	781	-	-	\$9,000.00	\$36,173.00	\$23,977.00	-

- 2013 Lake Park-Increased legal fees pertaining to a dispute with the Mayor, totals also include criminal prosecution.
- 2014 Dilworth-Increased legal fees pertaining to dismissal of the Fire Chief and the Police Chief.

The third graph Olson explained was for Glyndon City Attorney Hours Billed at Current Rate of \$75.00 Per Hour:

Year	2010	2011	2012	2013	2014
Charges	\$27,618.00	\$34,437.00	\$40,426.00	\$40,250.00	\$45,857.00
	Divided by	\$75.00/Hour	⇔	Divided by	\$75.00/Hour
Hours	368	459	539	536	611
5 Year Avg.			502		
Hours Per Month	30.6	38.25	44.9	44.6	50.9

Also included in the packet Olson handed out was a copy of the monthly statement from Miller, Norman & Associates and a statement from Wold Johnson, P.C. Olson stated his concerns at this point in regards to how the statement from Miller, Norman & Associates is not broken down very well with what topic was discussed, how much time it took to accomplish the task and what the cost for that task was. Olson addressed the second page of the statement indicating why each day

Glyndon City Council

7/8/2015

7:00 a.m. Regular Council Meeting
City Hall Council Chambers

1. **Call to Order:** Mayor Cecil Johnson called the meeting to order at 7:00 a.m.
2. **Roll Call:** Council Members Present: Dave Owings, Chris Jensen, Joe Olson and Kimberly Savageau, City Staff Present: Deputy City Clerk Wendy Affield, Police Chief Mike Cline, Maintenance Supervisor Scott Lofgren, City Engineer Chris Thorson and Alex Ranz.

As Per Sign in Sheet: Karen Kringler.

3. Motion to Approve Consent Agenda

Chris Jensen mentioned that before Council approves the Consent Agenda he would like to make sure the spreadsheets that are in the Minutes for the meeting on June 24th are accurate and are including all the correct information. Jensen brought up the legal services that were done for the City when the Employee Handbook was updated by Wold Johnson that are not on the spreadsheet and would like research to be done to make sure that figure is added. Joe Olson explained to Jensen that his reason for the spreadsheets are to inform Council that the City of Glyndon spends more money in Attorney fees than the surrounding cities. Olson and Jensen agreed to block out the first chart "Glyndon's Actual Attorney Fees" on page 3 of the minutes until the correct figures for Wold Johnson are included.

- a. Minutes – 6/24/2015
 - b. Motion to Approve Resolution of Payments – Joe Olson made a motion to approve the Consent Agenda, seconded by Dave Owings.
- Motion Carried.

4. Additions to Agenda

- Centennial TIF Calculation – David Drown
- Future TIF Payments to Midwest Regional Development – David Drown
- Newsletter Communication – Dave Owings

5. Motion to Approve Agenda

A motion to approve the 7/8/15 agenda was made by Chris Jensen, seconded by Kimberly Savageau.
Motion Carried.

6. New Business

a. Ulteig Construction Update – Alex Ranz informed Council Members that the work has continued on Lyndon Avenue taking off the reclaim, the subgrade material was tested, fabric installed and reclaim was put back down. Ranz stated that the driveways will be poured and ditch work will be starting today with paving scheduled for Tuesday or Wednesday of next week. Mayor Johnson asked Chris Thorson about the concerns a homeowner has on Lyndon and 12th with the drainage of the County ditch. Thorson stated that a catch basin had been installed by the homeowner and was not maintained so it was full of sediment and was not suitable for the area it was draining to. Thorson informed Council that the ditch will be redone on Lyndon and will flow

to the south towards 12th Avenue but will need to be addressed by Clay County when it comes to the drainage issue along both sides of 12th Avenue.

b. Proclamation of 2015 Glyndon Days – Mayor Cecil Johnson – Mayor Johnson read the Proclamation for Glyndon Days 2015.

c. Application for 1 Day Temporary On-Sale Liquor License – Glyndon Rod and Gun Club – Kimberly Savageau made a motion to approve a 1 day liquor license for the Rod and Gun for Glyndon Days, seconded by Chris Jensen.
Motion Carried.

d. MN DOT Request for City Approval (Municipal Consent) of the Final Layout for SP 1401-171 TH 10 – Council asked if contact information was given to businesses on Highway 10 in regards to access openings into their properties. Affield and Mayor Johnson stated they have given out Lori Vanderhider's (MN DOT) name and number to anyone with questions on Highway 10. Karen Kringler asked if there will be another stoplight located on Highway 10 and is there going to be an opening into Stockwood. Chris Thorson addressed Kringler's questions explaining that the City will still only have the one stoplight and Stockwood will only have a right in, right out like it is at this time. Council explained to Kringler that MN DOT will only let the City have full accesses certain distances apart. Council explained to Kringler that the initial plan was to extend the road in Stockwood to connect 110th Street South which has a full access but since the City does not own the land a road was unable to be installed at this time and MN DOT needed to move forward on their project layout. Olson indicated that the cost sharing for the City is estimated to be around \$11,000. Thorson informed Council that the City will need to schedule a Public Hearing which is indicated from MN DOT:

The deadlines for the City's responsibilities regarding municipal consent of the attached layout are as follows, based on a submittal date of the final layout to the City of 7-1-2015:

- Within 15 days of receiving the final layout, schedule a public hearing.
- Within 60 days of receiving the final layout, conduct the public hearing.
- Provide at least 30-days' notice of the public hearing.
- Within 90 days of the public hearing, approve or disapprove the layout by resolution.

MN DOT will attend the public hearing to present the final layout and answer questions, as required by statute.

Council discussed a time to schedule the Public Hearing and decided to change the August 12th morning meeting to 7:00 p.m. with the Public Hearing starting at 6:00 p.m. prior to the Council Meeting.

7. Old Business/Unfinished Business

a. 2nd Reading Ordinance 177 – An Ordinance Regulating Special Vehicles within the city of Glyndon, Minnesota, Providing Penalties for Violations of this Ordinance and Repealing Ordinance #131 – A motion was made by Kimberly Savageau to waive the complete reading of Ordinance #177 and except this second reading, seconded by Joe Olson.
Motion Carried.

Dave Owings asked for clarification as to after the July 22nd third reading of the Ordinance it will be final. Chief Cline stated that it will be final and published in the Clay County Union also stating that they will be lenient with the Ordinance for Glyndon Days and work into issuing

citations after residents have been informed or warned to make sure they are in compliance with the City Ordinance.

At this time Mayor Johnson asked Dave Owings if he would like to address his Addition to the Agenda.

Newsletter Communication – Dave Owings – Owings talked about the e-mail that was sent to Council and City Hall in regards to the expense of the monthly newsletter and the better job the City needs to do communicating with the residents on work being done throughout the community. Owings did some quick calculations on what it would cost the City to mail out a second newsletter to inform residents of the stages of the projects and what new information may come along in between the Utility Billing process. Council discussed other ways of informing residents which included Facebook, the Rebel Newspaper or even using a radio station. Kimberly Savageau suggested that the second letter may be designated for the homeowners affected by the construction with “Construction Update” written on the envelope. Chris Jensen indicated that communication within the city has always been an issue and Anderson’s response to the email was very well written and informative to what steps the City is trying to take to better the communication with the residents. Savageau also suggested email updates if residents would like to furnish their emails. Owing informed Council that he has researched the Honey Alert System but found out it was very costly. Olson asked Thorson if he has ever heard of weekly update meetings when it comes to these types of projects. Thorson informed Council that they usually do have these weekly meetings but since this project has such a short completion timeline they did not feel it would be necessary. Thorson also mentioned that other towns on their bigger projects have done a Facebook page where the City can add pictures and project status updates. Owings stated that things will also be better when the new website is up and running.

At this time Dave Owings set up the skype meeting with David Drown.

b. Seter’s East Second Addition Update – David Drown – Drown informed Council Members that he visited with Steve Iverson who indicated that they were unable to secure a Letter of Credit requested by the City because the bank was requiring a deposit of cash to match the Letter of Credit and the owners do not have millions of dollars of cash sitting around. Drown informed Council he put together a proposal for the Seters and their partners to review with a few other options that may be considered. Drown heard from Iverson stating he feels it could be a workable transaction and will be visiting with his partners to put the deal together. Drown stated the major changes in the proposal are: instead of securing those assessments with a Letter of Credit the City would be asking that each of the partners in the development company to supply a security portfolio; and the other change would be that the development group buy the land from the Seters so then it would be a two party deal and if any issues arise the developer could deed the land over to the City. David Drown stated that he is comfortable with this deal and will come to Glyndon and visit with Council to help better inform everyone on what the next steps would be. Olson asked if it was something that would be ready yet this year. Drown stated that it is unlikely any actual work would be done this year as the engineers will still need to design the streets and underground along with the bidding process. Chris Thorson asked Drown if the land sale would be for the whole area that is being looked at under the master plan or just the first phase. Drown stated that it would only be on the first phase as it has the most assessment on it. The Seters would still be in the deal with an Assessment Lien on their property but not one that would require payment from them because the development group will assume responsibility with covering the interest on the deferred assessments. Drown informed Council that this is a priority for him and he will stay on top of this project and inform Council as developments accrue. Mayor Johnson questioned how to answer people that are interested in purchasing a lot on what

the time line is if the development starts. Thorson indicated that if the developers agreement was finalized soon and the engineering process was designed it would be possible to bid out the job early fall and if the contractor who was granted the bid was available to start right away some of the underground work could be accomplished but the actual streets would not be able to be installed until next year. Jensen stated that if people question what is happening with Seters East Second Addition they should be directed to contact Steve Iverson. Drown will contact Steve Iverson and find out if he has a specific person he would like interested parties to contact about the lots. Savageau asked Drown if there is something set up in the Developers Agreement indicating that if the development company becomes delinquent on paying the taxes and specials for one year the land would be deeded over to the City. Drown agreed with including that stipulation in the Developers Agreement.

c. Stockwood Discussion – David Drown – Drown highlighted the background into how the Stockwood Development started and stated that it has now been put into tax forfeit. Drown discussed what role the City will play now that the land is in tax forfeit. Drown explained to Council that once the land went into tax forfeit the State of Minnesota has taken title of it and the City's Assessment Lien on the property is gone. The City will need to inform the County what the plan is; if any of the lots are sold, to reassess what the original assessment costs were on those lots. Drown explained that it would be feasible in his judgement that the City purchase the lots because the City would have the advantage to quickly make them available for sale, use Tax Increment Financing to promote the development and to take them off the property tax rolls so they are not accruing property tax liability that would be paid to the County and the School District. Drown informed Council that he requested Anderson to visit with the County and has ascertained a way that the City can purchase the property in December 2015 and the County would be able to process the purchase and pay the City most of the money back excluding the County and State fees in January 2016 to satisfy the City's delinquent special assessments. Mayor Johnson asked Drown what the City should do when it comes to the electricity for that development. Drown indicated that the City would recoup the cost of installing electricity by selling the lots, charging water and sewer services and receiving the property taxes on that piece of property. Savageau asked Drown if the money the City receives from purchasing the lots would have to go back on the Bond. Drown informed Council Members that he visited with the City's Bond Council and his opinion was that since the City has taken a lot of general property tax money out of the General Fund and made Bond payments with that it would be legitimate for the proceeds from the tax forfeit transaction be paid back to the City and put into the General Fund to reimburse the City for the property taxes it has paid for in Bond payments in the past. Owings question Council if the City wants to get involved in the real estate business and the added cost and time it will bring on the City employees. Savageau stated that if we can put enough information on our website it may help deviate the amount of questions that would be addressed to City Hall employees. Jensen understands the concern that the City would have when it comes to selling the lots but it would also give the City control over what types of businesses come into Glyndon. Savageau believes the City should look into purchasing Outlot-A so if a road needs to be built to attach Stockwood to 110th Street South businesses would have a full access entrance to Hwy 10. Olson asked Drown if the commercial idea is the only way to sell the lots or is it feasible to do a residential option. Drown stated that it would be up to the residents and City Council to rezone the property if they felt it was beneficial. Council discussed the possibility of hiring a Realtor to help sell the lots. Mayor Johnson asked Drown if "DEED" from the State of Minnesota could help the City market the commercial lots. Drown explained that "DEED" maintains a data base of available industrial property and they would put it on their website if asked but they would not actively try and sell the property. Council visited with Drown and asked if the City should recertify the assessments on the lots or should they just establish lot prices. Drown would just establish lot prices and not recertify the assessments. Owings is still

concerned with the expense of electricity being installed and who will be responsible for paying for it, because without electricity the lots are undesirable. Council discussed the option and cost for both underground electricity and overhead that was estimated years prior.

d. Centennial Decertification – David Drown – Drown discussed the TIF process and explained that if no activity has occurred on vacant lots within a 4 year time period they are supposed to be removed from the TIF District. Drown explained that the development was done in 1996 which means that if any vacant lots were not built on by 2000 they should have been decertified. Drown explained that the increments the City has been collecting since 2000 from the vacant lots will need to be figured out and reimbursed to the County. Drown informed Council Members that Anderson has been to the County and researched the lots within the TIF District and has provided him with the figures needed to calculate the amount the City owes the County. Drown has visited with Mr. Sefkow and explained that the City will reduce the next two tax increment payments until the City has recouped the overage paid. Drown explained that Sefkow would like to be shown the projection of increments indicating that there is plenty of money left over in future years to satisfy the obligation. Drown also indicated that Sefkow will be very supportive and cooperative working with the City. Drown informed Council that he will bring them a formal action for the decertification of the lots within a few weeks. Drown stated that when the City refunds the overage amount the County will then distribute the amount back to the City which is called an excess increment payment early next year which can be put back into the General Fund or used towards the installation of electricity to the Stockwood Development if the City takes control of it. Drown informed Council that the TIF payments to Sefkow should be finished around 2020 and then that property tax will go back on the normal property tax rolls which the City would then be benefiting. Mayor Johnson asked Drown if Jim Sullivan develops the property he owns in the Centennial Development can he request a TIF. Drown stated that Mr. Sullivan would be able to request a new TIF District be created. Mayor Johnson thanked Drown for all his work with these projects.

8. Department Reports / Committee Reports

- a. Mike Cline, Police Chief** – Nothing at this time.
- b. Bob Cuchna, Fire Chief** – Not Present.
- c. Scott Lofgren, Maintenance/Public Works Supervisor** – Lofgren informed Council that the Volleyball Court at Johnson Park has been changed from grass to sand with the help of Bruce Curfman and his bobcat. Council would like to express their appreciation for the time Bruce Curfman donated constructing the sand volleyball court that the residents can enjoy using this summer. Lofgren stated that the portable sign has been completed but the letters/numbers and track still need to be purchased. Council discussed the option of renting out the sign to residents of Glyndon for their personal or non-profit organizations. Options of a donation or deposit to use the sign was discussed with the understanding that if letters are missing the group or individual will be responsible for purchasing new ones. A contract will be drawn up for the rental/non-profit usage of the portable sign. Lofgren informed Council the street reconstruction is moving along as planned.
- d. Denise Anderson, City Clerk** – Not Present. Affield informed Council that Anderson wanted them to have the copy she handed out concerning Clay County Wheelage Tax Update stating; as of December 31, 2014 Glyndon has \$10,932.77 in their fund. Affield stated that Anderson suggests to use the funding on the Parke Avenue reconstruction in 2018/2019.

Monsanto Update from Chris Thorson – Thorson informed Council that he has received the plans and specification from Monsanto for the water and sewer extension out to the site. Thorson will visit with Lofgren after the meeting concerning the plans.

e. **Councilman Joe Olson & Kimberly Savageau, Glyndon Improvement Committee** – Olson informed Council that the committee has been working on Glyndon Days. Karen Kringler would like any suggestions Council may have for a candidate to be the Grand Marshall for Glyndon Days. Kringler also would like Council to know she has heard many nice complements concerning the library at the park.

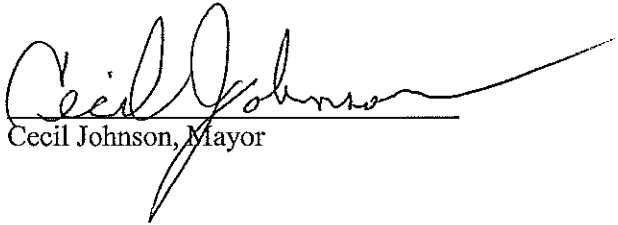
9. **Open Forum** – Nothing

10. **Miscellaneous Announcements** – Mayor Johnson and Councilman Olson attended an information meeting in Dilworth concerning a referendum for the expansion of the DGF School System. Olson stated that the City Council should be aware of what expansions the Glyndon School System may be planning since the City of Glyndon has received the Tapp Grant to put towards sidewalks for the children to safely walk to school. Olson informed Council that the 7th Avenue tie into County 17 was also brought up and discussed.

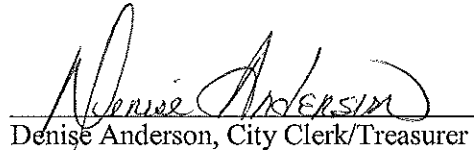
Chris Thorson brought it to Affield's attention that the Agenda states that the Wednesday, July 22nd meeting is at 7:00 a.m. when it is at 7:00 p.m.

11. **Adjournment**

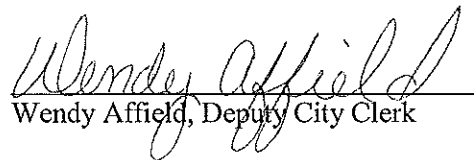
A motion was made by Joe Olson, seconded by Chris Jensen to adjourn at 8:50 a.m.
Motion carried.



Cecil Johnson, Mayor



Denise Anderson, City Clerk/Treasurer



Wendy Affield, Deputy City Clerk

July 8th, 2015 Glyndon City Council Minutes