

**Glyndon City Council**

**10/25/2017**

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

1. **Call to Order:** Mayor Cecil Johnson called the meeting to order at 7:00 p.m.
2. **Roll Call:** Council Members Present: Dave Owings, Justin Schreiber, Joe Olson and Kimberly Savageau, City Clerk Wendy Affield, Administrative Assistant Susan Dayley, Police Chief Michael Cline, City Engineers Kris Carlson and Alex Ranz.

**As Per Sign in Sheet:** Tiffany Wardlow and Shaun Erickson

3. **Motion to Approve Consent Agenda**
  - a. Minutes – 10-11-17 Council Meeting
  - b. Approve Resolution of Payments – Affield added bills for Braun Intertec in the amounts of \$1,001.00 and Bobcat for \$5,117.00. A motion was made by Joe Olson to approve the Consent Agenda, seconded by Dave Owings.  
Motion Carried.

4. **Additions to Agenda**
  - None

5. **Motion to Approve Agenda**

A motion to approve the 10/25/2017 Agenda was made by Justin Schreiber, seconded by Kimberly Savageau.  
Motion Carried.

6. **New Business**
  - a. **Boundary Line Adjustment** – Kimberly Savageau informed Council a purchaser would like to combine two lots in the Southview Addition into one tax parcel so they can build across the lot line. The County is looking for Council approval to allow this boundary line adjustment. Savageau stated, she has informed the property owners the special assessments are being assessed per lot so even though they will receive one tax statement they still technically own two lots and will be subject to the specials for each lot. Owings asked if they would qualify for two tax incentives? Savageau stated the incentive is per home, not lots. Olson asked if the City would be losing money if we combine the lots. Savageau stated the property taxes are based on the home value, which would be much like two single family homes.  
A motion was made by Kimberly Savageau to approve the boundary line adjustment, lot combination making two lots in Southview into one; addresses of 1297 and 1301 Southview Drive, seconded by Dave Owings.  
Motion Carried.

**Skipped to Project Updates 7.a. per Mayor Johnson's request.**

**b. Driveway Approach Request on Parke Avenue – Wendy Affield –** Kimberly Savageau made a motion to approve a driveway approach on Parke Avenue at 105 7<sup>th</sup> St SW, seconded by Dave Owings.  
Motion Carried.

**c. Lawn Mower Discussion** (2 bids attached from Scott Lofgren) – Council discussed the two bids attached from John Deere (ranging from \$16,000 to \$18,000) and Kubota (\$19,000) and would like further discussion with Lofgren. Olson informed Council Lofgren contacted him and would like more time to research other mowers. Owings gave Affield instruction to have Lofgren request a quote from Buffalo River Sales in Glyndon and a few other places to compare prices and options on mowers. Savageau questioned if a used mower could be considered.  
Tabled at this time.

## 7. Old Business/Unfinished Business

**a. Project Updates – Kris Carlson** – Carlson presented a memo to Council on the project updates with detailed information, Council found this to be quite informative.

Carlson reported work is continuing with the 2017 Water Main Looping Project. Low bidder, Hough, Inc. is continuing to work with their subcontractors for the project to begin in the Spring of 2018 as to whether the subcontractors will honor their 2016 bid price. Carlson would like a response soon so the PFA paperwork can be started.

Carlson reported Ranz received a phone call from LJA Engineering indicating they are starting the design work for Jim Sullivan's Charleswood Addition, keeping in mind the discussion for the street plans on Parke Avenue, South of 12<sup>th</sup> Street. Carlson recommends the City follow as they did for the Southview Addition, beginning with the Developers Agreement.

Carlson stated the Southview Addition Project is substantially complete and is in winter suspension. Carlson said we are starting to see some isolated slope failures in the Southview stormwater pond. Carlson requested, and received, a recommendation letter from Braun Intertec with two options to correct the slope failures. Braun Intertec's suggestion is to go with the drain tile system, which is being pursued, this would include placing drain tile around the pond with designated outlets. A proposal for the repair from Sellin Brothers, Inc. came in at \$132,037. Carlson stated the rip rap option is a practical repair. The slope failures are due to silt beneath the clay being pushed out by the water. Braun Intertec is going to do sample boring tomorrow to determine the depth of the clay and silt. The rock will be extended up the slope above the lens to let the water freely drain out but hold the slope in place. Mayor Johnson is skeptical this repair is going to resolve the slope failures. Carlson informed Council this same issue happened in Moorhead, what they do first is put Geotech fabric down, then fine and course grade rock, which acts as a filter, then larger rocks are installed on top so when the water seeps out and hits the fabric it runs down into the water where as of right now it is pushing the silt out and then slides down the hill, which is causing the sluffs. Olson asked who would be paying for the repair. Carlson stated this is a project cost and will be assessed to the properties. Mayor Johnson asked if this depletes the contingency funds that were included in the project cost. Carlson stated there was \$116,000 incorporated into the budget for contingency costs and at this point, none of those funds have been used. Originally, the contingency funds were going to be used to purchase a generator that would maintain the lift stations in that location if power was lost. Carlson is checking on a second opinion and other options to keep the costs down and still be able to purchase the generator. Owings asked which option between the drain tile and rip rap would last the longest. Carlson will need to do more research to figure out which would last longer. Mayor Johnson asked if the drain tile had a sock, would the water drain through or get plugged. Carlson

stated it does have a sock but it can still plug up. Carlson informed Council Braun Intertec had those concerns also so they suggested doing a wrapped trench with a sock on the drain tile, this allows two filters for the water to go through. Mayor Johnson asked if there was silt when the boring samples were taken and how far down did they go when the silt was reached? Carlson responded yes, silt was present in the boring samples but he will have to verify the depth with the boring logs. Carlson and Thorson were concerned from the beginning about the silt lens location being close to the bottom of the footings. The pond was constructed according to the Geotechnical Evaluation Report and Sellin Brothers, Inc. constructed the pond according to that report from Braun Intertec and are not at fault. Mayor Johnson asked if this was something Braun Intertec did not notice before construction of the pond? The report recommended a ratio of 5:1 drain slope but did not mention anything in regards to drain tile. Carlson stated he can pursue these questions more but would like to get the resolution figured out before they have further discussions. Kelly Richards and LJA Engineering ordered the report from Braun Intertec so it was part of their design package. Olson stated the party who did the report should answer these hard questions we are asking.

In regards to the property pin issue in Southview, Carlson stated he has been working with their land surveyors and internally reviewing how the surveying was performed. The land surveyors have raised some questions and are requesting field notes from LJA on what they gathered in the field. Once they have this information, they would like to set up a meeting to discuss the issue at hand and determine what the next step will be. Savageau asked if they would be going back to the surveyor from MnDOT who updated the corner pin. There may have been some new state laws concerning the methodology to spreading out the irons that may have not shown up on the original plat. Carlson stated he will check the field notes from Troy Tooz to find out what the timeline was for the new updated state laws and what pins Southview Addition should be using, then he will have a recommendation for the City. Shaun Erickson stated he feels he is losing property and is not gaining the two feet on the other side like the surveyor said he would. Erickson told the surveyor, if this is the case, his property would be in his neighbor's house. That is when the surveyor told him the whole development is off and everything has to be shifted. Erickson stated when he talked to Sellin Brothers, Inc. this summer they told him the back line was off two to three feet (2-3'). Erickson, at the time, did not know what they were talking about. With that being said, Erickson would like to be involved and updated on this issue as things develop. Affield asked Carlson if an overlay map has been created. Carlson stated it has not but would like more information from the surveyors as to what was actually physically shot for irons and monuments along with a timeframe when the surveying took place. Carlson said there are different methods for distributing these errors. Erickson stated he has had his property surveyed 2-3 times and they used the original monument pin. Erickson asked why, after 10 years, these surveyors come in and say their surveying report is correct and the lots with existing homes built in the Centennial Addition are completely incorrect. Why do we accept this opinion now? Erickson stated if Sellin's knew there was an issue in the spring when they started working in Southview, why was it not brought forward so there could have been discussions with the current home owners next to the Southview Addition? Erickson stated no one knew about the discrepancy until he brought it to the City's attention. Mayor Johnson stated someone had to have known about the problem and did not say anything. Carlson asked Erickson if he still had the original pins on his property. Erickson stated in 2008 Ulteig Engineering surveyed his property and those pins are still in the same location. Carlson would like to do more research on the certified monument pins used for the surveying. Carlson said he has had a few phone calls from home owners asking if they need to hire their own surveyor and he suggested they wait until Ulteig has some answers to the issue at hand. Olson asked if Sellin's staff knew about this problem, why did they not come forward with the information? Carlson did not know anything about the problem until home owners contacted him concerning the new pins in their yards.

Erickson asked what pins were used when the streets were being constructed? Carlson stated LJA Engineering did the staking for the streets and utilities. Olson asked who and where do we go to find the answers to these types of questions? Carlson stated he needs to request the project field notes from LJA and go from there. Mayor Johnson asked if people would be able to build on the lots in question. Savageau stated the properties would have to be re-plated depending on the findings on the back lots. Carlson anticipates if there was a replat done the only line that would change would be the one on the back half of the block in question, they have plenty of depth on the new lots to include the adjustment. Erickson questioned if Mr. Sullivan will have problems too as he progresses with his development. Mayor Johnson agreed and said it will trickle down the line. Erickson stated this needs to be figured out. Mayor Johnson stated when this is figured out we need to notify Jim Sullivan because he plans to start work in Charleswood in the Spring of 2018. Schreiber stated everyone this affects should know about this issue. There needs to be a monument that is consistently used for surveying and can't be changed however it suits each individual. Savageau explained surveyors all have different methods of surveying; there are different opinions, different 'Norths', and different ways of doing it. For example, there could be a property line and if each side hired different surveyors, they could both come up with different set property lines. If this is the case, the ultimate decision of the property lines would have to come from the Court. Schreiber asked if the pins are already set, can the new surveyors impede on another person's property? Carlson stated that it could happen. Savageau said the only way to eliminate an issue like this is to register your land. Carlson said he needs to compile the information and forward it to Council. Owings asked Savageau to explain how to register your property. Savageau said there are two ways of owning land; Abstract Property and Torrens Property.

- Abstract Property is a system used by the counties to track real property ownership, which is an abstract of property owners and contains the detailed history of a piece of property.
- Torrens Property is a way counties use to track property ownership and is considered registered land. The owner is issued a Certificate of Title by the court system and is assured no one else has any claim to their property, this can never be disputed.

Mayor Johnson asked Carlson to keep everyone updated.

Carlson referred back to the memo that was distributed in regards to the Parke Avenue Project. Carlson informed Council the Environmental Review was submitted to MnDOT and hopefully, the approval results will be back by the end of November. The final plans and specs will be submitted to the County by November 17<sup>th</sup> allowing the bid process to start in January or February 2018. Carlson stated he will need to have a final review meeting with Lofgren and the County before the final plans are submitted. Carlson informed Council Clay County submitted paperwork for a TIGER Grant requesting \$4.2 million for the Parke Avenue Project. The determination should be made sometime in December of this year. Carlson stated with part of the Parke Avenue Project being special assessed, we need to make sure to follow Minnesota Statute 429 procedure along with scheduling the required Public Hearings.

**b. Parke Avenue Discussion – David Drown entered the meeting through Skype at 7:30 p.m.** – Drown stated he will be discussing the upcoming Parke Avenue project regarding the financing, implications and how it fits into with the City's budget. Drown stated the cost of the project overall is \$6.5 million with the City's share being a little over \$3 million. Breaking this down, three quarters of a million dollars is for water improvements (*which is a quarter of the project*), a third of a million dollars for sanitary sewer work, three quarters of a million for

drainage, one million dollars for street work and \$400,000 for pathways. The City is paying for all the sewer and water, half of the drainage costs, thirty percent (30%) of Parke Avenue roadway and the majority of the work on 7<sup>th</sup> Street by the School. The City and County will half the pathways.

Drown presented a 20-year payment schedule on the bond for the Parke Avenue Project. The interest rate is a little over 3% at this time so the annual bond payments for the next 15 years would be approximately \$245,000. Drown recapped the Lyndon, Lund, and 9<sup>th</sup> Street Project that was assessed 80% to the property owners and 20% to the City. If the City assesses 80% of the Parke Avenue Project, costs will be around \$100 per foot of property and if the lot is 100' it would run close to \$10,000 per lot. This should be in line with the same assessment share as the Lyndon, Lund and 9<sup>th</sup> Street Project a few years back. This would generate \$89,000 a year in assessments revenue, \$1.3 million over a 15-year span. Drown stated, water funds should take care of the water related costs and sewer funds should take care of the sewer related costs. Tax levies will need to cover the difference which will be approximately \$102,000 per year on a 20-year bond. Drown presented a chart for the Property Tax Levy for Debt before and after the Parke Avenue Project. The Property Tax Levy bonds that are currently outstanding are \$200,000 for the next five years, after that, the bonds start dropping off, there are two years with \$150,000 payments, after that, the City would be debt free. If the Parke Avenue Levy is added to this, it raises the debt levy by \$100,000 in the first year then drops off as the other debt gets paid down. The \$100,000 adds 50% to the debt levy. Referring now to the 2016 Audit, revenues for water and sewer; the sewer fund had an excess of \$132,000 and has been building for the last few years, this is a very solid balance to have, understanding those funds are accumulating to be used when a new pond is needed. Drown stated the water fund on the other hand is not maintaining the funds needed to cover the yearly expenses. Drown suggested to increase the water rates to keep up with the debt. Drown recommends having 6-12 months' worth of cash in the water and sewer funds.

Drown stated another option is to keep the debt levy the same and postpone any new projects until some debt falls off, stating this does not allow debt to fall off for 20 years. This means if the City has projects that require debt assistance, the debt levy would need to be increased, nothing will be paid off. This option starts off nice but ends up being a lot harder to take on other projects since nothing is being paid off. David Drown does not suggest this option.

Drown suggests moving forward with the Parke Avenue Project in 2018 so in future years new projects can get under way and be covered with the funds that drop off each third year. In the 5-year Capital Improvement Plan, street and drainage have the most impact on property tax. For 2018, the Capital Improvement Plan prepared earlier this year for the reconstruction of Parke Avenue on the one mile of work, will cost the City approximately \$2.1 million for street and drainage and \$1.1 million for utilities. Looking ahead to 2019, Drown suggests rebuilding the streets south of Highway 10 and north of the railroad. Drown stated there is 1.8 miles of street work that needs to be done, estimating at \$300.00 per foot, the cost for the improvements will be in the neighborhood of a \$3 million project. If the soils and such are in a condition that will allow to be crushed and ground up, the millings can be applied as an overlay which will lower the cost to maybe \$100.00 per foot. If things work out well, it can be a \$500,000 project instead of \$3 million. In 2020, street work of one mile to the further south end of Glyndon should begin, then in 2021 street work in the Centennial Addition and spots around the Community will be looked at, then in the 5<sup>th</sup> year, paving the gravel road on 12<sup>th</sup> Street heading east should be considered. These future projects can be as much as \$8 million or best case, \$1.5 million, depending on the quality of the roadway. The strategy is, projects should be spaced out because otherwise, the tax levy could be very high in ten years. Drown believes now is the time to move forward with Parke Avenue and decide on a plan to have the much-needed street projects completed when necessary.

Drown suggests increasing the tax levy up to \$85,000, then every three years the levy will drop approximately \$50,000 a year. This is a laddering plan of debt payment, if you regularly have bond issues that are the same size and payment structure, you can issue new debt that requires a \$50,000 levy every third year, this will maintain a constant debt levy. This means the City could take on Capital Improvement Projects every three years, this strategy will put the City on a stable property tax levy allowing scheduling of future street projects. This will budget or allocate \$50,000 a year so after three years the City would have \$150,000 to be used towards a street project. Another option Drown stated was, the City could look at dropping the debt levy so they would have \$30,000 every third year or \$90,000 after three and have smaller bond payments. If we have to reconstruct all the streets in the 5-year plan, it will take 20 years to complete. If we are able to reconstruct these street with mill and overlay, these could be paid off in 4-6 years. The Council needs to check the severity of the condition of the streets and prioritize the upkeep by redoing every 5 years, which should be included in the Capital Improvement Plan. Carlson stated the drainage is the biggest problem in Glyndon. Olson brought up the question regarding changing from rural section to curb and gutter section in Glyndon. Carlson stated this would have to be evaluated down the line as well.

David Drown's overall message to Council is to move forward with the Parke Avenue Project in 2018 and in the next year or two, increase capital levies up to levels that we can actually maintain the City streets perpetually and offer our tax payers some stability. Drown informed Council every year the Parke Avenue project is postponed the cost will increase three to four percent (3-4%) more in inflation which is equal to the interest we spend waiting another year. If the work needs to be done and the County is ready to move forward in 2018, Drown sees no benefit of waiting with the project. Carlson stated the TAPP Grant money has not been figured into the amounts listed on the preliminary cost sheet. Olson mentioned the City is hoping to receive a TIGER Grant which is \$4.2 million to help offset some of the costs as well. Carlson stated he should have a fresh set of numbers in 2-3 weeks. Savageau stated Chris Thorson originally had included options for reconstructing the side streets for the Parke Avenue Project and asked Carlson if those plans have been taken out of the project? Carlson stated the only side street in the project is 7<sup>th</sup> Street and part of the cost share for that street is being paid by the County as they are acquiring the land since the street leads to the pond that will be built for the Parke Avenue Project. Carlson informed Council the water main looping on 12<sup>th</sup> is included in the cost of the Parke Avenue project. Carlson stated plans are moving along for a 2018 construction year, but if the City needs to push it back to 2019 they will need to let the County know. Olson asked Drown if he included future monetary figures that could be generated from the Stockwood, Southview and Charleswood Developments. Drown responded, assessments from Stockwood should cover the bond payments and pave its' own way with no projected difficulties. In the upcoming years the City will start to see some property revenue from Centennial, which is currently in a TIF District, so there should be some tax relief of \$40,000 to \$50,000, it will help but not make all this go away. Savageau asked if and when the TIF falls off, are there extra funds set aside? Affield will discuss this with Savageau.

Drown left the meeting here.

Mayor Johnson addressed Carlson stating we need to take a closer look at the 5-year Capital Improvement Plan for the street projects. Mayor Johnson feels the streets look good and if they are maintained they should last a few more years. Carlson agreed it is worth taking another look at because the plans are not finalized. Olson asked Carlson if there should be street testing to determine which streets need to be an overlay and which ones cannot be repaired with that process. Carlson stated they need to determine if water, sewer and street projects can be combined so the assessments with the improvements are more beneficial. If it is a street project

only, the City will need to determine what they are comfortable assessing. Carlson stated he does not want to do an overlay that will be worn out in 5 years, but determine the best repair for each situation. Olson stated the City is assessing the ratio of 80/20, should we think about assessing 100% and review the policy? Carlson said it is an option to look at.

There was discussion among Council regarding the Parke Avenue Project and the impact on the tax levy. Olson said he would like to see the project move forward and make a definite decision relatively soon. Carlson complimented Drown, saying he did have good options for the City. Savageau stated this would be a huge increase in the tax levy which is approximately \$100,000. Owings said this would be a twenty-one percent (21%) increase on the tax levy. Savageau stated this would be in addition to the County tax levy, a school referendum when it goes through, and the possible cost increase in the sewer and water rates. Affield reminded Council Drown suggested setting the levy higher so it does not have to jump so much the next year. Council discussed other options than having to levy the full amount. Carlson will visit with David Overbo from the County concerning the Parke Avenue project schedule. Carlson informed Council after rechecking the numbers they found around \$200,000 to deduct for the storm water chambers that is not necessary by Highway 10. Savageau addressed the style of light poles that will be on Parke Avenue. Carlson stated the lighting is not included in the current bid amounts. Mayor Johnson asked if any of the roadway could get by with not being fully reconstructed. Carlson stated to meet the complete street width criteria the whole road needs to be reconstructed. Affield suggested Council take in what David Drown discussed and visit more at the next Council Meeting.

**Returned to item 6.b.**

**c. Budget Discussion** – Savageau asked when the final Tax Levy is going to be set. Affield stated it would be after the Truth and Taxation Hearing on December 13, 2017.

**d. City of Glyndon's Special Assessment Report from Clay County** – Affield presented a report with special assessments the City pays and the remaining balances. Savageau stated she clarified with the County Auditor the interest does come back to the City that is paid. Savageau stated she was looking to see if it would benefit the City by paying them off early.

**e. Hiring of Full-Time Police Officer for 2018 Discussion** – Mayor Johnson asked for opinions on hiring a 3rd Full-Time Police Officer. Mayor Johnson is skeptical because of the upcoming Parke Avenue Project, 2-year tax abatement and \$1,000 utility credit on new homes in the Southview Addition, he feels now is not the best time. Savageau reminded Council the 2-year tax abatement has a capped house value of \$200,000, anything over that amount the City would receive property taxes on. Owings feels the current officers deserve weekends off without having to use their vacation time. Owings stated, to retain the officers, this is a step the City needs to take. Chief Cline stated this will give his officers a better quality of life, it is an investment for the City and the department does what they can to cut costs and generate revenue, such as selling impounded cars, using used tires that are donated, he feels this is the year to add an officer. Olson stated he foresees Highway 10 becoming busier along with everything else in Glyndon. From a crime stand point, Olson feels the City will be safer with an additional officer. Olson stated it is money well spent and the City will need to trim other areas of the budget in order to finance the officer. Olson supports hiring a 3<sup>rd</sup> Full-Time Officer. Schreiber stated with the Parke Avenue Project in 2018, there will be a great need for another officer. Dave Owings made a motion to keep the funds for an additional Full-time Officer in the 2018 budget, seconded by Joe Olson. Mayor Johnson asked if anyone had further discussion. All in Favor - Ayes – Dave Owings, Joe Olson and Justin Schreiber.



Mayor Johnson stated No - Nays – Mayor Johnson and Kimberly Savageau.  
Motion Carried.

**f. Ordinance #186 – 3<sup>rd</sup> and Final Reading** (*publication 10-30-17*) – Kimberly Savageau made a motion to wave the complete reading of Ordinance #186 and accept this as the 3<sup>rd</sup> and final reading, seconded by Justin Schreiber.  
Motion Carried.

**8. Department Reports / Committee Reports**

**a. Mike Cline, Police Chief** – The Glyndon Police Department is partnering up with the DEA and other law enforcement agencies on October 28, 2017 for a Drug Take Back Program to dispose of unused prescription medications. Chief Cline reported the code entry door has been installed at the Police Department with a separate code for Law Enforcement Officers, Fire Department and City Employees. The department is at 2030 calls of service this year, averaging 203 calls per month. The Police Department has received ten (10) impounded vehicles, six (6) of them will be sold to Al's Auto because they are not salvageable. Four (4) of the vehicles will be available for the sealed bid auction going through November 20, 2017. The vehicles are also posted on Craigslist. There are three (3) combined training sessions coming up. Starting in November for Inclement Weather and Night Qualification Shoot and in December the Taser and Defensive Tactics with the Hawley Police Department. Chief Cline thanked the Council's support for the additional officer.

**b. Bob Cuchna, Fire Chief** – Absent

**c. Scott Lofgren, Maintenance/Public Works Supervisor** – Absent

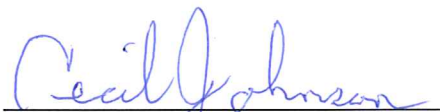
**d. Wendy Affield, City Clerk** – Nothing at this time.

**9. Open Forum –**


**10. Miscellaneous Announcements –**

**11. Adjournment -**

A motion was made by Justin Schreiber, seconded by Kimberly Savageau to adjourn at 8:52 p.m.  
Motion Carried.

  
Cecil Johnson, Mayor

  
Susan Dayley, Administrative Assistant

  
Wendy Affield, City Clerk