

Glyndon City Council

6/28/2017

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, Financial Advisor David Drown and City Engineer Chris Thorson.

As Per Sign in Sheet: Kelly Richards

3. **Motion to Approve Consent Agenda**

- a. Minutes – 6-14-17 Glyndon Days Discussion Meeting
- a. Minutes – 6-14-17 Council Meeting
- b. Approve Resolution of Payments – A motion was made by Kimberly Savageau to approve the Consent Agenda, seconded by Justin Schreiber.
Motion Carried.

4. **Additions to Agenda**

- Department Budget Discussion for July 12th Council Meeting – Kimberly Savageau

5. **Motion to Approve Agenda**

A motion to approve the 6/28/2017 Agenda was made by Kimberly Savageau, seconded by Joe Olson.
Motion Carried.

6. **New Business**

- a. **Arvig Digital Conversion – Joel Smith** – Joel Smith, Arvig Manager of Video Operations, presented the project plan they have been working on to convert analog to digital service in Glyndon. This will improve picture quality and help recover bandwidth to offer additional services in the future. Arvig has converted most areas east of town and will start in Glyndon towards the end of July. Smith stated letters will be sent out on July 24th to residents notifying them of the project and how to test if their tv's are compatible to switch to digital services. If they are not compatible, Arvig has converter boxes available to lease. Arvig will install them at no charge for tv's that need DTA's, which are converter boxes. The process starts with the customer testing their tv's, then go to Arvig's online website to fill out a form as to whether or not they will need converter boxes. If they do need a converter box, Arvig can install them or they can do a self-installation once Arvig sends them a converter box. If Arvig does not get feedback from residents through the website, the next step is to contact them by phone. The final notification stage for customers that do not respond to previous inquiries will have their analog channels switched back and forth from analog to digital, digital to analog with an onscreen message to contact Arvig. They will also send out a mailing to the customers when the final cutover date will be. If the customer has a converter box, they will be instructed to go to a specific channel one evening before the cutover date and during the night Arvig will send a signal

to their box and in the morning, they will have full digital service. Anyone that has an advanced set box such as a DVR, will be update automatically. Tv's with digital tuners that don't need converter boxes, will have to rescan their television channels. Once completed, there will no longer be two-part channels, such as 73, this will be explained in letters to the customers. Affield asked for information before July 14th so she can add it to the July newsletter. Smith hopes to have the conversion completed by October 31, 2017. Arvig will offer the traditional coaxial cable or IPT (internet/phone/cable) for residents that have fiber optic. Arvig recommends having IPT in the new development because it has a newer look and feel to it, the multi-room capability is more advanced, has more tuners built into IPT, which means you can record 6 different shows at the same time.

b. GO Bond Rating from Standards & Poor's – Affield informed Council the City's Bond Rating increased from an A stable to an A+ stable. Drown stated Standard & Poor's like the trends in the improvement, the demographics and growth in the community. S&P may think the City of Glyndon has a lot of debt but as long as you managed it well they will rate you okay. Drown stated they like the City's cash position. Three years prior, the City was borrowing temporary debt to pay expenses and now Standard and Poor's has upgraded the rating because that is not the case now.

c. Resolution 2017-15 – A Resolution Awarding the Sale, Authorizing the Issuance and Establishing the Terms of \$3,305,000 General Obligation Improvement Bonds, Series 2017A and Providing for their Payment – David Drown – Drown informed Council a month ago the bond selling process was started and today the bids were sold competitively. There were three bids for the sale of the Improvement Bonds; Northland Securities, Robert W. Baird and Piper Jaffray. Northland Securities presented the best bid. Drown stated the bid was one tenth of a percent higher than what he had predicted last month. The Bond payments will be paid from Special Assessments at about 4% which will be around \$220,000 - \$225,000 per year. To be sure the bonds are paid, the City requested a security Letter of Credit to cover 25% of the costs of the assessments. The Letter of Credit will be in the amount of \$717,000.00, which would cover four (4) years of bond payments if the Developer defaulted. Drown reviewed the Letter of Credit that was submitted and stated it looks good. Drown informed Council the Bond is for \$3,305,000, that is the amount being borrowed for approximately twenty (20) years. Drown recommends awarding the sale of the Bond to the lowest bidder which is Northland Securities. The Bond payment needs to be reflected in the budget in upcoming years. Individuals who currently own lots in the Southview Addition are not required to pay special assessments for two (2) years so there is extra money built into this bond issue to cover the interest only payments on the bonds for a couple of years. The special assessments are delayed until 2019. Affield informed Council the City has not received a signed copy of the Letter of Credit yet. Kelly Richards will visit with the bank tomorrow to make sure a copy is sent. Affield stated a payment request has been submitted by Chris Thorson for Sellin Bros., it will be on the July 12th 2017 agenda for approval. The payment will not go out until the Bond money is received on July 14, 2017, after the contracts have been signed with Sellin Bros. Savageau stated the Developer's Agreement needs to be recorded once the signed Letter of Credit is in hand. A motion to approve Resolution 2017-15 was made by Kimberly Savageau, seconded by Dave Owings.
Motion Carried.

Mayor Johnson asked when the next portion of the development starts, will the City have to go through this same process? Drown stated it depends on how the Developer will construct his streets and improvements. If he is going to special assess, then yes, the City would be doing the process over. If he decides to bill the improvements to the lots on his own, then most of this

process will go away, the City would only need a Developer's Agreement. If TIF is an option David Drown and Council will address it at this time.

Additions to the Agenda – Budget Discussion – Kimberly Savageau

Savageau asked about the water and sewer funds that help the City meet the GASBY 54. She is concerned if the City should need to build a new pond in the future with those funds, that would take a large amount of the reserve. Should the City be looking into building their reserves even more?. Drown feels the City should have a policy in place stating the major funds the City has cannot go below a certain fund balance. Certain funds should carry six (6) months to a year worth of funds to cover expenses for that amount of time. Drown stated the number one reason a City gets into financial difficulty is if Council spends down cash to low levels. Olson mentioned the Parke Avenue project in 2018 and some street reconstruction that will need to be looked at in the next few years, what are his suggestions for the City? Drown explained to Council they will need to look at this sooner than later on how the City will pay for that project. Drown will work with the numbers and let Council know what they will need to be looking at for the 2018-19 budget. Thorson stated once the Parke Avenue project design is closer to be finalized he will present the information to David Drown. Owings and Savageau requested a printout of all the bonds and when they retire. Drown offered to put a booklet together which would be a useful guide for Affield when working with the budget. Owings asked if the City would ever receive higher than an A+ rating. Drown stated the City could see a higher rating with the increased growth but it is mainly bragging rights, the difference is only a tenth of a percent between ratings. It is a wonderful indication of how well the Council is managing the financial affairs of the City. Drown stated the number one factor in getting a higher credit rating is pretty much outside the City's control, it is the wealth level of the people living in the City. No rating agencies worries about your issuing debt, they say the City has a lot of debt, which the City has more now than three (3) years ago and they raised the credit rating because they see you are managing your financial affairs a lot better now than three to four years ago. Your ability to make sure you do not miss bond payments have improved, that is what rating agencies care about.

d. 2016 Summary & Recommendation Letter for TIF Reports from David Drown Associates – Drown informed Council the City's 2016 TIF reports are due by August 1st and have been sent to the State. Drown stated in three to four (3-4) years, the TIF District for the first phase of Centennial, will be paid off and the City will see funds available to use in their General Fund. Until the district is paid in full, the funds from homes that start falling out of the district must be spent on housing development. Owings asked if the funds could be used on sealcoating roads. Drown does not believe so, it needs to be used for affordable modest family housing. A family needs to be in a certain income bracket to qualify for TIF. Affield stated once the TIF reaches its maturity and is closed, those funds can be used as part of the General Fund. Affield informed Council the City was not deducting the 10% administration fee all these years which has helped pay the TIF back sooner.

e. Glyndon Days 2017 Proclamation – A motion was made by Joe Olson to accept the Glyndon Days 2017 Proclamation, seconded by Justin Schreiber.
Motion Carried.

f. Fund Balance Policy from Eide Bailly - Affield would like to visit with Brian Stavenger and the Financial Committee prior to adopting this policy.

g. Approve Gaming Permit – Lion/Lioness Raffle for December 4th, 2017 at Glyndon Community Center – A motion was made by Kimberly Savageau to approve the gaming permit for the Lion/Lioness, seconded by Dave Owings.

Motion Carried.

h. Water & Sewer Meter Installation at Detached Garage 125 14th St SW – Shaun Erickson – Wendy Affield – Affield informed Council Mr. Erickson will be having Sellin Brothers hook the water and sewer lines to his detached garage. The plumbing is already in the building but the lines were never extended. Once Erickson is ready to use the service he will need to purchase meters from the City and the Maintenance Department would then turn on the service from the road. Affield visited with Banyon and the account is set up to have this extra charge once the service is needed.

i. Discussion on Alleyway/Parking Lot at 120 7th St SE and 611 Eglon Ave SE – Mayor Johnson & Wendy Affield – Mayor Johnson explained to Council the alleyway between the apartment complexes and residents, have been used as a parking lot for many years. Now a resident would like to use the access to exit his property and use the alley to get to the street. The alleyway has not been vacated. Owings asked if a utility easement would work in that area. Thorson strongly recommends not to vacate that location. After further discussion Council requested Affield to visit with City Attorney Ken Norman prior to sending a letter to the Apartment owner. Chief Cline explained, if you put up “no parking” signs on City property we would need to enforce the violation with a citation.

7. Old Business/Unfinished Business

a. Project Updates – Chris Thorson – Thorson informed Council the Highway 10 project is moving forward on schedule and the road hopefully will be reopened at the end of July. Thorson visited with MN DOT concerning the watermain looping project and was asked to wait until their project is finalized before moving forward. Steve Lafontaine from PFA informed Thorson the funding for this project will be looked at in mid-July so August or September would be the soonest. The new stoplight that will be installed will be motion sensitive. All will be asphalt except for the concrete medians.

Thorson informed Council the Southview Addition is coming along great with all the sewer and water mains installed, hydrants installed and the pond should be started next week. Affield will add the plat of Southview Addition to the Glyndon Website with Kelly Richard’s contact information. Owings questioned Thorson if the ditch on 12th Avenue is completed or will black dirt be added. He feels there is more clay than dirt and is worried the grass will not grow. Olson stated the finishing touches on all projects need to be addressed after the issues that came from the Lyndon, Lund & 9th project. Thorson will check with his inspectors to see what has been done so far in that ditch.

Thorson informed Council when he looked into the half bridge being installed in the Coulee, he found out that FEMA would request an analysis to be performed which would cost between \$7,000 and \$9,000. Thorson stated the City still may not be allowed to install a bridge and if they were allowed the cost would be more than the City would want to spend. Savageau was looking for options to keep the kids off Parke Avenue when the 2018 reconstruction project starts.

Thorson handed out a section drawing of what Parke Avenue may look like from 12th to 14th in front of Johnson Park. Thorson explained the sidewalk will run on the east side of the road and four (4) driveways on the west side will be replaced and curb and gutter will be installed. Thorson informed Council after further review, the changes with Jim Sullivan’s addition by eliminating some streets the pond that is shared by Southview Addition and Jim’s addition should be able to handle the sanitary sewer portion of this section of Parke Avenue the City is looking at widening. LJA Engineering is looking into their figures to see if this would work. Council will

need to find out when Mr. Sullivan is looking at starting his project. That section would need to go through the bidding process and be special assessed. Olson mentioned the section on 12th Avenue that is gravel will also need to be looked at for possible paving. Thorson suggested recyclable bituminous for that location.

Thorson discussed the storm water pond needed on 7th Street. He stated the County and City have visited with Seter's regarding a section of land that would be suitable for the pond location. Thorson handed out a design that is being looked at for the pond and what portion Seter's may developed in the future. Seter's may exchange the land for the pond if they would be allowed to hook into it. Owings asked if the County has talked about extending 7th Street all the way to County 17. Thorson has heard talk but at this time, that is all it is. A lot of planning would need to be looked at for that project.

Thorson is glad to hear that Stantec will be attending the next Council Meeting to discuss the Quiet Zone project. Smaller pedestrian gates will need to be installed on Parke Avenue with the 2018 project. A crossing arm will need to be moved to accommodate the new road width. Thorson stated, to install these items for the Quiet Zone it will cost around \$120,000, which was not considered in Peggy Harters estimate. Harters situation was just adding medians to that location. Thorson informed Council more firm estimations will be looked at in the near future. Public informational meetings will start this fall.

b. 3rd and Final Reading for Ordinance #185 – An Ordinance Regulating the Construction of Housing Structures in the Southview Addition to be Built with the Low Opening Above the 925.00 Elevation - Kimberly Savageau made a motion to wave the complete reading of Ordinance #185 and accept this as the 3rd and final reading, seconded by Justin Schreiber.
Motion Carried.

c. Letter of Credit Update for Southview Addition – Draft copy was received, waiting for the signed copy. Kelly Richards will check with the bank.

d. Update on Sign Ordinance – Susan Dayley & Wendy Affield – Dayley visited with Myron Knodel from the Hill Lounge and asked if he could bring in a copy of the permit for the sign he installed at his apartment complex that references the direction to his business. Dayley addressed the emails he dropped off, stating a permit was not given. Dayley researched the City's old Ordinance which states the same as the new Ordinance, "all commercial advertising is not permitted in residential districts." Myron told Affield and Dayley the sign company was in charge of requesting the permit. Savageau discussed the in-home business sign sizes that are acceptable in front of your home. Council requested Affield to send a letter asking Myron to remove the sign at the apartment complex that promotes his business in a different location and if he has any issues he would have to address the Council.

e. Glyndon Days Discussion – Dave Owings made a motion to have the Glyndon Days banner ordered from Super Frog, seconded by Joe Olson.
Motion Carried.

Glyndon Days work session meeting is scheduled for July 26th at 6:00 p.m.

8. Department Reports / Committee Reports

a. Mike Cline, Police Chief – Chief Cline reported the Police Department is at 1265 calls of service for the year which averages about 210 calls per month. Taser instructor

training will be July 18th & 19th. Part-time Officer Brandon Boe will be leaving the department for a full-time job in Bismarck. Part-time applications will be reviewed and interviews will be scheduled for next week. Chief Cline informed Savageau he will be at the meeting on the 12th and will have his budget to her prior to the meeting. The officers had active shooter training at Monsanto the other morning and suggested they have the fire department tour the building so they know where the chemicals are located. Chief Cline discussed the shooting that happened during a routine stop and stated his officer did everything he was trained to do. Owings questioned if the department should look into purchasing body cams. Chief Cline discussed the pros and cons of body cameras.

b. Bob Cuchna, Fire Chief – Not Present

c. Scott Lofgren, Maintenance/Public Works Supervisor – Not present

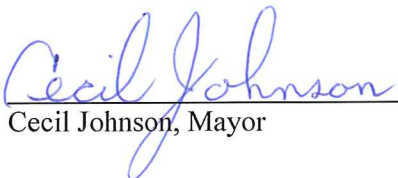
d. Wendy Affield, City Clerk – Affield informed Council she is in the process of writing up a report of what she learned in the sessions she attended at the League of Minnesota Cities Convention in Rochester. Affield stated, most every town she visited with at the convention are having issues getting residents to participate in any community activity. Owings questioned, when would the Fire Department be receiving their relief dues. Affield stated, Denise did not pay the dues in 2015 so she needs to figure out why and how to code the check before she can print it. The amount for 2015 is \$290.00 and \$300.00 for 2016. Affield explained in the past the Fire Department would request the dues from the volunteer firefighters and after having issues collecting the funds they asked if the City would take the dues out of the yearly payroll check, in turn issuing a check to the Relief Association. Affield will issue a check once she makes sure the right accounts are being used.

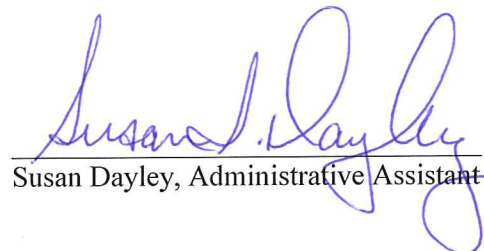
9. Open Forum –

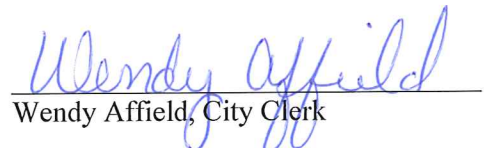
10. Miscellaneous Announcements –

11. Adjournment -

A motion was made by Kimberly Savageau, seconded by Justin Schreiber to adjourn at 9:21 p.m. Motion Carried.


Cecil Johnson, Mayor


Susan Dayley, Administrative Assistant


Wendy Affield, City Clerk

June 28, 2017 Glyndon City Council Minutes