

Glyndon City Council

5/24/2017

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, City Engineer Chris Thorson and Alex Ranz.

As Per Sign in Sheet: Kelly Richards, Debbie Thompson and Brian Stavenger.

3. **Motion to Approve Consent Agenda**
 - a. Minutes – 5/10/17 Council Meeting
 - b. Minutes – 5/15/17 Special Meeting
 - c. Approve Resolution of Payments – A motion was made by Kimberly Savageau to approve the Consent Agenda, seconded by Dave Owings.Motion carried.

4. **Additions to Agenda**
 - a. Changing June 14, 2017 morning Council Meeting to 7:00 p.m. that evening.
 - b. Lawn Mowing Fees – Susan Dayley

5. **Motion to Approve Agenda**

A motion to approve the 5/24/2017 Agenda was made by Justin Schreiber, seconded by Joe Olson.

Motion carried.

6. **New Business**
 - a. **2016 Eide Bailly Audit Review – Brian Stavenger** – Stavenger explained the Audit Summary to Council stating the audit indicates in the last five years, the City has seen positive steps towards stable and healthy cash balances. Altogether, it was a good clean audit. Stavenger explained for every dollar the City owes they have a dollar ninety-three in cash, which is a good strong position to be in. Stavenger informed Council a 1.0 debt ratio coverage is ideal and in 2015 the City was at .94 debt coverage and in 2016 it increased to a positive debt service coverage of 1.76 which means there are adequate revenues to cover debt payments. Stavenger explained the graphs for general operations receipts and disbursements stating they have not changed much in the last three years. Stavenger informed Council two (2) Bonds were paid off in 2016. Olson asked when the last time the City took out a tax anticipation note. Affield believes it was in 2014 when she started working for the City. The GASB 54 rule suggests that cities have six months or more in reserves if something were to happen. The City of Glyndon has seven months of reserves which leaves them in a stable financial position to purchase bonds for projects if necessary. Cash balances continue to grow, strong debt service coverage in both enterprise water, sewer and other debt service. Stavenger stated, the City of Glyndon's financial position has come a long way from five to six (5-6) years ago. Olson asked if the Capital Improvement

Plan should be looked at by the Auditors or the City's Financial Advisor. Stavenger feels the Financial Advisor should be looking at the current numbers since the Auditors are working with prior year's numbers. Owings questioned if the Council could use those extra funds to buy down some debt the City has and can they transfer between the funds. Stavenger stated, you can move funds around if necessary but usually the water and sewer funds are not touched as often. Owings informed Council he has visited with Stavenger concerning escrow funds that should roll over year to year if not used, he would like to see it tracked better in the Banyon System. Mayor Johnson asked Affield, if it is difficult to do certain things in Banyon. Affield stated, Banyon does not want to answer accounting questions but yet you need to know how to put things into the system and the accountant cannot explain that to you. Affield believes Owings would like accounts set up for each department that would show only the balances of the escrow funds, so when adequate funds are available the department head can look at purchasing the equipment needed. Stavenger informed Council Lake Park is in the process of trying to have the figures that are done internally put into their audit by adopting a policy which essentially allows the Auditors to include those reserves in the yearly figures. Stavenger will forward a sample policy the Council to review and discuss if it is something they would like to pass for the 2017 audit process. Savageau informed Council at this time the funds are going into a restricted savings account and an internal spreadsheet is kept as to what is in each departments account. Stavenger stated the City can keep doing it the way they have been or change to the fund policy option he discussed. Council discussed if the City is setting aside enough funds for future needs of each department.

b. Approve Resolution 2017-12 – A Resolution Authorizing the Sale of Real Property Located in Glyndon, Minnesota Owned by the City of Glyndon – Mayor Johnson informed Council this is for the lot that was sold in Stockwood. Affield stated the closing is tomorrow. A motion was made by Kimberly Savageau to approve Resolution 2017-12, seconded by Dave Owings. Motion carried.

c. Question Regarding a Controlled Burn on Her Property – Debbie Thompson – Debbie Thompson would like a controlled burn done on the remaining shop on her property that was formerly owned by Skeeter Metcalf. Thompson would like to know what she needs to do for the Fire Department to burn what is left of the building down for her. Thompson informed Council the Fire Department burned down the Skolness house near her home but have declined to burn her shop. Fire Chief Bob Cuchna's recommendation is, as the home homeowner, she has more flexibility to tear the building down, put it in small piles in a field, and burn it during the winter months. Thompson would need to get the necessary permits needed to do that type of burn. Cuchna explained there are a lot of steps to go through in order to do a controlled burn, it needs to be used for training purposes and not a demolition burn. Cuchna stated she would need visit with Clay County and receive the necessary permits to burn the garage. The permits include asbestos, abatement check, debris removal, etc. Cuchna told Thompson to contact Bruce Jaster who is the Clay County Environmental Health Coordinator. Joe Olson stated there is an abatement checklist through the county she would need to get in order to burn the structure. Cuchna has all the paperwork that was needed to do the training burn on the Skolness house. DNR will not issue a final burn permit until all these things are done. City Council informed Thompson she would need to go to the Clay County Courthouse to start the process.

d. Discussion Concerning Street Lighting on the Walking Path in Southview Addition – Affield informed Council due to the high cost of lighting around the pond, Mr. Richards decided to eliminate those lights from his project. Affield stated to avoid safety concerns in the future, a few lights should be installed on the walking path. Affield stated she

spoke with Jim from Red River Coop and he suggested installing three (3) lights on the path close to the electrical for the fountains, that way the cost would be minimal to feed from the electrical line that will be installed for the three (3) water fountains Mr. Richards is installing. The cost would be \$10,500 and would be special assessed among the 83 lots at approximately \$126.50 per lot. The height of the lights will be fourteen feet (14') with the base bolted into a cement pad. The fountains will be illumined so the lights on the walking path will be spaced out accordingly. The walking path lights will match the street lights. A twenty-five-foot (25') street light will be installed at both entrances going into the development on 12th Avenue and County Road 17. Affield informed Council an eighty-dollar (\$80.00) rebate will be given for each light installed. Joe Olson made a motion to approve installing three (3) lights on the walking path around the pond in Southview Addition, seconded by Kimberly Savageau. Motion carried.

e. Letter of Credit for Southview Addition – Skype with David Drown – Due to technical difficulties, we were unable to skype with David Drown. Sidebar discussion by Kelly Richards stating his Letter of Credit was not in place at this time but would like Sellin Bros. to begin working. Richards is wondering if a letter from his bank stating the Letter of Credit is being processed and was approved would be enough for the City to allow Sellin Bros. to start. Thorson stated the contract has not been signed with Sellin Bros. since the Letter of Credit is not in place. Mayor Johnson informed Richards he was instructed by the City Attorney not to sign anything until the Letter of Credit is in place at the bank. It was agreed upon by Council the City of Glyndon will not be liable for any work done if the contractor starts before the contract is signed. Council informed Richards it is between him and Sellin Bros. if they want to start the project before the contract is signed. No Letter of Credit has been received at this time.

f. Resolution 2017-13 – Resolution Providing for the Competitive Negotiated Sale of \$3,305,000.00 General Obligation Water Revenue Bonds Series 2017A – A motion was made by Dave Owings to approve Resolution 2017-13 pending the Letter of Credit from Kelly Richards, Mayor Johnson questioned if this Resolution can be passed if the Letter of Credit is not in place. Thorson informed Council the Resolution is to allow David Drown to move forward on the Bond Sale bid process. Mayor Johnson stated a motion is on the table by Dave Owings, he needs a second, seconded by Justin Schreiber. Motion carried.

g. Notice of Pay Equity Compliance with MN Management & Budget
(informational only)

h. Gravel and Dust Control on 12th Avenue East of Parke Avenue – Scott Lofgren – Mayor Johnson informed Council the County took the lower bid for the dust control but Lofgren is not pleased with the work from that company so he would like to take the second bid from Glacier Snow Management. Savageau asked Thorson if he found anything out from the discussion they had a while back concerning a special coating for 12th Avenue. Thorson stated he is unable to find anything out concerning the product called otta seal. This product was a cheaper covering to be put on top of gravel instead of asphaltting it. Thorson suggested grinding up the asphalt from the Parke Avenue project next year and covering 12th Avenue, this will help keep the dust down. Joe Olson made a motion to authorize Scott Lofgren to order Class 5 Gravel from Aggregate Industries and hire Glacier Snow Management for the dust control, seconded by Dave Owings. Motion carried.

7. Old Business/Unfinished Business

a. 2nd Reading of 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 – A motion was made by Kimberly Savageau to wave the complete reading of Ordinance #185 and accept this as the second reading, seconded by Justin Schreiber. Motion carried.

b. Project Updates – Chris Thorson – Thorson will keep Affield posted as to when Sellin Bros. will be on site to start construction on Southview Addition. Thorson discussed the meeting he attended today with BNSF Representatives concerning the Parke Avenue Project. One topic was concerning the road staying skinnier by the railroad tracks and adding the median for the quiet zone. BNSF said the County would have to have a certain distance from the cross arm to the curb line on the street which would be five and a half feet (5 ½'), Thorson stated at this time they have six inches (6"). BNSF informed Clay County one of the cross arms would need to be moved and it would cost approximately twenty-five thousand dollars (\$25,000). The secondary spur crossing at that location was also looked at to be removed but was informed BNSF still uses those tracks and they would need to be replaced. The County Engineer did a cost approximation and came up with \$170,000 to update the second set of tracks that cross Parke Avenue. Thorson asked if it can be paved right up to it as it is now. BNSF was not sure if that could be done again. BNSF will need to check with Kuehl Farms to see who owns the tracks/land the railroad uses to park their vehicles on by the elevator. Owings recalls hearing railways do not like to remove the spurs because they are so expensive to have installed if needed in the future. Mayor Johnson stated, BNSF has no intention of mowing the property they own along the train tracks. BNSF did not know they owned two hundred feet (200') on each side of the tracks. The City could check to see if the railroad would be interested in selling the footage on either side of the tracks. Thorson informed Council he was told by BNSF in order to make the crossing a 'Quiet Zone' on Partridge Avenue the City would need to pay for the updating of the circuitry in the bungalow for the signals because they are outdated. The cost would be \$80,000 - \$100,000 to update BNSF's equipment even though the City would only be adding concrete medians to that section. Thorson would like to contact Peggy Harter in regards to this new discovery and see what she would like to do next. Thorson informed Council the next topic concerning Parke Avenue is about the land that will need to be purchased for the retention pond on 7th Street. Thorson informed Council he visited with Seters and they may be looking at developing retirement style twin homes close to the parcel the City is looking at for the retention pond. Seter's would be looking at extending 7th Street further to accommodate the townhomes. More conversation will be discussed at a later time. Thorson stated he is waiting to hear for a Bonding Bill to pass for the water main looping project. A few Council Members have heard the Bill is waiting to be signed. Schreiber asked why the silt fence was in the ditch on 12th Avenue. Thorson informed Council a water line will be installed in the ditch to connect to the water main line running on Lyndon Avenue to the north and south. Olson would like to visit more on the Capital Improvement plan so David Drown can have some numbers for the projects that will need to be completed in the near future. Affield informed Council part of the bond information for Southview Addition questioned if there are any known future projects they should be aware of. Affield sent the estimated price quotes that were done by Ulteig to Drown & Associates so they have some numbers to look at. Thorson informed Council the lift stations in Southview and Stockwood use a different voltage than the other lift stations in town and the generators the City owns are unable to hook to the 208 voltages. Lofgren will check to see if the generators the City owns can have a conversion package done to them. Thorson stated a rough estimate for a new generator is between \$40,000 to \$45,000. Olson stated for his employer he is looking into contracting with Cummins to bring out a generator within a certain amount of time for a specific

fee per year. The City may want to look into this option instead of purchasing a generator. Olson will visit with Lofgren concerning this topic. Thorson explained the process maintaining the lift stations if the power goes out. Savageau questioned if a lift station goes down that means residents should not flush their toilets. Thorson stated, that is correct. Savageau feels the City needs to find a way to notify the residents if this happens.

c. Nutritional Services Monthly Fee and Rental Agreement – Tracy Ellenbaum agreed to keep the rent at \$500 because, with further research, the number of meals being made are at a steady number. The new contract is ready to be signed. A motion was made by Dave Owings to approve the Nutritional Services Monthly Fee and Rental Agreement, seconded by Kimberly Savageau. Motion carried.

d. Glyndon Days Discussion – Council agreed to move the Regular Council Meeting on June 14, 2017 to 7:00 p.m. instead of 7:00 a.m. and have a Glyndon Days meeting prior to the Council Meeting at 6:00 p.m. A motion was made by Kimberly Savageau to change the June 14, 2017 Council Meeting to the evening instead of morning, seconded by Justin Schreiber. Motion carried.

8. Department Reports / Committee Reports

a. Mike Cline, Police Chief – Not present.

b. Bob Cuchna, Fire Chief – Cuchna reiterated the discussion with Debbie Thompson explaining because of State Laws, the City of Glyndon cannot issue that type of burn permit Thompson is requesting. Cuchna stated the Skolness house was burned down for training purposes and all the necessary paperwork was in place. Jesse Ingebretson is resigning his volunteer duties in Glyndon since he accepted a position at the Moorhead Fire Department. Tonia King is on the Rescue Squad and will be training to become a fire fighter for the Glyndon Fire Department. Chief Cuchna indicated there will be an expensive pump repair in the amount of \$3,000 to \$12,000 coming up in the near future. Flashing radio controlled solar signs for Highway 10 will be around \$10,000 for both signs if Council chooses to have them installed so oncoming traffic is aware the fire or rescue vehicles need to access Highway 10. MNDOT would install the signs. With the road reconstruction on Highway 10, the second entrance will be eliminated by the Fire Hall. Chief Cuchna will have staff present for the Ice Cream Social on Wednesday, June 7, 2017 and for Glyndon Days in August.

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

d. Wendy Affield, City Clerk – Affield reported the closing for the Stockwood lot is Thursday, May 25, 2017 at 9:00 a.m. Affield informed Council someone called asking about street lighting in the Stockwood Addition. More discussion is needed for future lighting once the lots are sold.


9. Open Forum –

10. Miscellaneous Announcements –

11. Addition to Agenda - Mowing Fees – Discussion regarding mowing fees to be charged to properties that are unkept, wondering whether a certified letter needs to be mailed each time it needs to be mowed. The mowing charge would then be added to their property taxes once a year. Ken Norman will be contacted to see if a letter needs to be sent each time or only once. Council discussed the ditch on BNSF property that needs to be cleaned out for drainage. Mayor Johnson informed Council BNSF is supposed to send the Road Master out to discuss this matter.

12. Adjournment

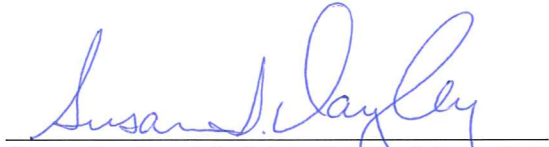
A motion was made by Joe Olson, seconded by Kimberly Savageau to adjourn at 9:10 p.m.
Motion carried.



Cecil Johnson, Mayor



Wendy Affield, City Clerk



Susan Dayley, Administrative Assistant

May 24th, 2017 Glyndon City Council Minutes