

TUESDAY, APRIL 26, 2016 COLD SPRING CITY COUNCIL MINUTES

Acting Mayor Fran Ramler called the meeting to order at 6:30 p.m. The following City Council members were found to be present: Acting Mayor Fran Ramler and Council Members Jan Dingmann, Dave Heinen and Jayme Knapp. Absent: Mayor Robert R. Thelen. Others present: Kris Dockendorf, Brian Lintgen, Jon Stueve, Ryan Hennen, Matt Hesse, Dan Steil, Jim Einyck, Rusty Fifield, Jessica Green, Nikki Sand, Jamie Thelen, Megan Sand Carr, Heidi Stalboerger, Isaac Schweer, Peggy Brown, Dan Weber and Angie Mueller.

APPROVAL OF THE AGENDA

MOTION WAS MADE BY DINGMANN, SECONDED BY KNAPP, TO APPROVE THE AGENDA OF THE APRIL 26, 2016 CITY COUNCIL MEETING. MOTION PASSED 4-0.

CONSENT AGENDA

A. Minutes – April 12, 2016

MOTION WAS MADE BY KNAPP, SECONDED BY HEINEN, TO APPROVE THE MINUTES OF THE APRIL 12, 2016 CITY COUNCIL MEETING AS PRESENTED. MOTION PASSED 4-0.

B. Hometown Pride Festival – Resolution No. 2016-26

MOTION WAS MADE BY KNAPP, SECONDED BY HEINEN, TO APPROVE RESOLUTION NO. 2016-26, A RESOLUTION GRANTING CERTAIN APPROVALS FOR HOMETOWN PRIDE DAYS ON THURSDAY, JULY 28, FRIDAY, JULY 29 & SATURDAY, JULY 30, 2016; NAMELY, APPLICATION FOR EVENT LICENSE AND STREET CLOSURES. MOTION PASSED 4-0.

C. Request for Approval from Curt and Kathy Robbins for the “Let the Sun Shine Run”

MOTION WAS MADE BY KNAPP, SECONDED BY HEINEN, TO APPROVE THE ANNUAL “LET THE SUN SHINE RUN” FOR SATURDAY, APRIL 22, 2017. MOTION PASSED 4-0.

FIREFEST TRAILER

Matt Hesse from the Cold Spring Fire Department presented a request to purchase a semi-trailer that will be used for storage of equipment and supplies for Firefest. He stated they will also use the trailer to advertise Firefest by hanging banners on the side of it.

MOTION WAS MADE BY DINGMANN, SECONDED BY KNAPP, TO APPROVE THE PURCHASE OF A TRAILER FOR FIREFEST USE, AT A COST NOT TO EXCEED \$3,000, TO BE PAID FROM FIREFEST PROCEEDS. MOTION PASSED 4-0.

EVENT APPROVAL FOR GRANITE COMMUNITY BANK & OFF-PREMISES PERMIT FOR SIDE BAR

Jim Einyck from Granite Community Bank explained the 2nd Annual Block Party event which will have the same format as the previous year. He stated they will be auctioning off ten pairs of VIP Firefest tickets and have participation from various vendors. The proceeds from the tickets will go to the Granite Community Charitable Fund, Legacy Foundation through the Rocori Community Foundation.

MOTION WAS MADE BY HEINEN, SECONDED BY KNAPP, TO APPROVE AN OUTDOOR EVENT IN THE GRANITE COMMUNITY BANK’S PARKING LOT FOR A FIREFEST VIP TICKET AUCTION AND BLOCK PARTY ON THURSDAY, JUNE 23, 2016 AT THE GRANITE COMMUNITY BANK, TO BE HELD IN THE PARKING LOT, CONTINGENT ON THEM PROVIDING LIQUOR LIABILITY INSURANCE FOR THEMSELVES COVERING THIS EVENT AT THIS LOCATION. MOTION PASSED 4-0.

APPOINTMENT TO PLANNING COMMISSION

Planning Commission Chairman Dave Heinen stated that there were two applicants for the opening on the Planning Commission. Interviews were conducted and they recommended appointing Ryan Hennen.

MOTION WAS MADE BY HEINEN, SECONDED BY DINGMANN, TO APPROVE THE RECOMMENDATION OF THE PLANNING COMMISSION AND APPOINT RYAN HENNING TO THE PLANNING COMMISSION FOR THE TERM EXPIRING DECEMBER 31, 2017. MOTION PASSED 4-0.

PUBLIC WORKS DIRECTOR REPORT

A. Approve Re-Hiring Part-Time Seasonal Parks Employees

MOTION WAS MADE BY DINGMANN, SECONDED BY KNAPP, TO APPROVE THE RE-HIRING OF JOSH SCHRODEN, MASON RUEGEMER AND CALVIN KALTHOFF AS PART-TIME SEASONAL PARKS

EMPLOYEES; FURTHERMORE, THAT THEY WILL ALL BEGIN AT A PAY RATE OF \$9.00 PER HOUR, WITH AN INCREASE TO \$9.50 OCCURRING ON AUGUST 1, 2016 IN ACCORDANCE WITH MN STATE MINIMUM WAGE LAWS. MOTION PASSED 4-0.

B. License and Purchase Option Agreement – KB Company, LLC

Stueve explained that there are many complications with the Froehle site for the new well. A property directly to the west of the Froehle property, which is owned by KB Company, has been identified as another potential well site. He stated that the KB Company land may be a better fit for a city well and explained that there would be less cost for piping and electricity saving approximately \$300,000 over the Froehle site. He stated that the property owners have determined a price of \$15,000 per acre to purchase the property which would range from 18 to 23 acres. The Council discussed the timing of the new site considering all the time and money invested already at the Froehle site. The Council requested additional time to consider the request and requested cost information to date on the Froehle site.

C. Approval to Drill Test Wells

Stueve explained that they would like to drill four test wells to determine the water quality and quantity at the KB Company property. He stated he received two quotes for the drilling with the low one being \$30,000. The Council agreed they would need more time to make a decision on the purchase and test well drilling.

D. Noise Barrier Fence

Stueve provided a review of the information on the grant for a noise barrier fence. The Council was still skeptical of the effectiveness of the fence and inquired if there was software or an expert from MnDOT that would verify that if a fence was constructed that it would make an impact. Councilor Knapp stated that there is a noticeable difference in the noise between winter and summer when there are leaves on the trees that are located between the highway and the houses. The discussion then lead to planting trees such as evergreens, outside of the right of way, to provide more of a natural buffer that would absorb noise from the highway.

CITY ENGINEER REPORT

A. Accept Bids and Award Contract, CSAH 2 Reconstruction Project – Resolution No. 2016-28

Lintgen explained that Stearns County had opened and tallied the bids for the CSAH 2 Reconstruction Project. He explained the low bid received was \$70,000 over the engineer’s estimate for the City’s portion of the project. He stated that the County has already accepted the bids and is waiting on the City’s approval so they can execute the contracts.

MOTION WAS MADE BY KNAPP, SECONDED BY HEINEN, TO ADOPT RESOLUTION NO. 2016-28, A RESOLUTION ACCEPTING BIDS AND AWARDING A CONTRACT FOR THE “CSAH 2 RECONSTRUCTION PROJECT”. MOTION PASSED 4-0.

B. Approve Bid for Materials Testing for CSAH 2

Lintgen stated that material testing would need to be completed for the CSAH 2 Project. He explained that compaction and moisture tests will need to be completed and that the quote is on a per unit basis so the City will only be charged for the tests that are completed.

MOTION WAS MADE BY KNAPP, SECONDED BY HEINEN, TO ACCEPT THE LOW BID OF \$7,407.50 FROM INDEPENDENT TESTING TECHNOLOGIES FOR MATERIALS TESTING ON THE CSAH 2 RECONSTRUCTION PROJECT. MOTION PASSED 4-0.

C. Other

Lintgen discussed utility relocations, obtaining easements for electrical work, and detours for the CSAH 2 Project.

CITY ADMINISTRATOR REPORT

A. Well Financing Update

Dockendorf explained that the various funding methods are still being considered for funding the new well. She stated that the bonding bill, a rural development loan through Stearns Electric, a DEED grant, a low interest loan through the Public Facility Authority, and issuing bonds are all financing options.

B. Approve Farmland Lease

Dockendorf stated that the EDA owns 14.5 acres of farm land in the Business Park that has been leased out since 2005. The farmer is no longer interested in leasing the land and Ron Fuchs has indicated that he would lease it at the same rate.

MOTION WAS MADE BY HEINEN, SECONDED BY RAMLER, TO APPROVE THE 2016 LEASE OF FARMLAND OF APPROXIMATELY 14.5 ACRES OF FARMLAND ON THE PROPOSED BUSINESS PARK PROPERTY, TO RON FUCHS FOR A PRICE OF \$41 PER ACRE. MOTION PASSED 4-0.

LIST OF BILLS AND ADDITIONS

MOTION WAS MADE BY DINGMANN, SECONDED BY HEINEN, TO REVIEW AND ACCEPT THE PAYMENT OF THE ACCOUNTS PAYABLE ACCORDING TO THE LIST TOTALING \$102,041.51 AND SUPPLEMENTAL LIST TOTALING \$29,031.03 PRESENTED BY CITY STAFF. MOTION PASSED 4-0.

RECESS

At 7:30 p.m. the Council recessed for five minutes to resituate for a workshop session.

WORKSHOP SESSION**A. Discuss CSAH 2 Financing**

Rusty Fifield and Jessica Green from Northland Securities presented information on issuing bonds to finance the City's share of the CSAH 2 improvements. They discussed how the bonds could be issued whether through a negotiated sale with Northland Securities, a competitive sale or sale to Granite Community Bank. They also discussed the benefits and weaknesses of each sale scenario in addition to changing the term from 10 years to 15 years. Fifield presented information showing six options of issuance scenarios with the difference in principal and interest payments. Several members of the Council indicated their interest in Option 2 which was a negotiated sale with Northland Securities, with an S&P rating of A, for a 15 year term, with level annual principal payments. Fifield stated that they would come back at the next meeting with a finance plan and in June they could finalize the action.

B. Discuss Housing Project

Megan Sand Carr provided background information on Sand Companies and their developments. She explained they had been in discussion with Goldn' Plump on the need for more housing in Cold Spring for local employees. She stated that through discussions with the City and Planning Commission the Blue Heron Heights Third Addition tax forfeited lots had been identified as a possible location for such housing. The proposed project would consist of 32-36 units consisting of quad style townhome units with double car garages, a mix of three and four bedroom units, with in unit laundry, an on-site management office and outdoor recreation area. She presented two location options the first being Lots 6-10 of Block 1 and Lots 1-8 of Block 2 in Blue Heron Heights Third Addition and the second option being a five acre portion of Outlot A in Blue Heron Heights Third Addition.

She stated that there is a competitive round of funding for this project and their application would be due in June. The funding notification is in October and construction would likely start in June of 2017. She stated that the more local participation they can gain for the project the higher it will score and therefore the chance to be selected increases. The proposed development cost for the project is between seven and eight million dollars and they would request a local participation of 10.1% which would be approximately \$700,000. Sand Carr proposed the City waiving the assessments for the lots and reducing the sale price of Lots 6-10 in Block 1 to \$7,500 each and the sale price of Lots 1-8 in Block 2 to \$5,000 each. She stated that Sand Companies would pay the full water and sewer connection charges for each unit.

The Council discussed the possible need for an additional outlet for traffic to go to the south, which would flow onto a private road. The Council also discussed the rental rates and that tenants have to meet income guidelines. The Council indicated they would take the information under consideration and make a decision at the next meeting.

ADJOURN

MOTION WAS MADE BY HEINEN, SECONDED BY KNAPP, TO ADJOURN AT 9:08 P.M., SEEING NO FURTHER BUSINESS TO COME BEFORE THE CITY COUNCIL. MOTION PASSED 4-0.

Fran Ramler, Acting Mayor

Kris Dockendorf, Acting City Administrator