

## Holdingsford City Council Meeting Minutes August 13, 2018

Mayor Sue Marstein called the Holdingsford City Council meeting to order at 7:00 p.m. The pledge of allegiance was recited.

Present: Susan Marstein, Eric Berscheid, Mike Odden, Bob Sanchez, Alan Walz, Sandra Meer, Steve Horvath, Keith Hommerding, Pat Meier, Dorine Rausch, Robb Berscheid, Melvin Breth, Linda Harlander, Scott Lange, Lynne McKenzie, Jason Murray, Marty O'Hara, Eugene Ostendorf, Andy Pratt, Aaron Rudolph, Ernie Schmit, Gordy Sjaaheim, and Doug Watercott.

Alan Walz made a motion to approve the consent agenda to include minutes of the July 9<sup>th</sup> Council Meeting, finance reports, and submitted claims, with two changes to the agenda under Guests; City Engineer, Scott Lange regarding water/sewer hookups for Konsor annexation and Robb Berscheid with Chamber business. Bob Sanchez seconded the motion. AIF

### Department Reports

Liquor Store report was given by manager Patrick Meier. July gross revenue = \$52,820.78. Expenses = \$40,356.18. Year to date lottery proceeds = \$919.26. Year to date adjusted balance = \$21,729.07. Charlie Roth and Paul Jensen are scheduled to play the next two weekends, respectively. Numbers from the last three years of sales at Holdingsford Daze were provided and profits were up more than \$5,000 from last year. Friday's car show brought in extra sales and overall weekend sales were better. Pat thanked all who helped to make Holdingsford Daze successful. Gambling revenue is budgeted at \$12,000 and revenue is on track with profits at about \$6,700.

Fire Department report was given by Chief Keith Hommerding. There have been 121 calls so far this year, including 61 in Holdingsford, 30 in Holding Township, 17 in Brockway Township, ten in Krain Township, two in Avon Township, and one mutual aid response to the City of St. Stephen. Of the 121 calls, 94 were medical, eight fires, six false alarms, five hazardous materials, four good intent, three weather related and one service call.

Volunteer attorney's, working with an organization called Wills for Hero's met with firefighters and helped individuals write their wills at no cost. The Fire Department budget meeting is scheduled for Wednesday, August 29<sup>th</sup> at 7:00pm.

The department is getting rid of some small items that are either unneeded or old. They will make a list of the items and check with Maintenance Department before disposing of them.

A practice training burn is scheduled for September 29<sup>th</sup>. All department firefighters passed their physicals.

Dorine Rausch reported on the last quarterly Emergency Managers meeting in July. Stearns County is working with cities to establish a new siren alert system. At this time the same radio frequency accommodates all emergency calls/alarms and some are being dropped. The County is looking at the possibility of establishing one frequency just for sirens and will work with entities on a shared cost. The weather station that was ordered went through FEMA and will be here in about a month.

Homeland Security will be conducting soil samples because the city is on the outer perimeter for the Monticello Nuclear Power Plant. Sampling for pre-radiation will be done August 23<sup>rd</sup>. The next quarterly meeting for Emergency Managers will be in October.

Maintenance Report was given by Maintenance Specialist Steve Horvath. Water tower repair was completed. The monthly water production numbers reflect operating in closed loop and refilling the water tower. Check valves were replaced on blower 1 and 2 at the Wastewater Treatment Plant. The water filter at the WWTP is plugged due to iron bacteria in the Plants well water and the size of the filter. Traut Wells re-bedded the filter which should last about 4-5 months, and a few options were discussed and will be studied to help alleviate the iron problem. Semi-annual mercury testing was completed at WWTP. The dirt area around the new bathroom facility was power raked and seeded twice because of rain. Plans for a new aerator system at the WWTP splitter boxes were drawn up and cost estimate received from Two Rivers Enterprises and Headley's Hardware. The current aerator isn't functioning and has never been fixed because of cost. The aerator can tap into airline and will reduce man hours. The pipe material will cost approximately \$550. Several areas with graffiti were cleaned. There was discussion on putting pavers or gravel down from the playground to the new bathroom facility at the park.

1,967,000 gallons of well water were pumped. 2,059,000 gallons of wastewater was treated.

### Guests

Joan Cipala's daughter, Lynne McKenzie submitted a survey of the Cipala property at Gertrude and Second Street with the application for a property division. The surveyor divided the property into four tracts; three property tracts were over the required 10,000 square feet and one tract at 8,069 square feet. The fourth tract borders the neighbor to the south who has expressed interested in purchasing and extending his lot. Lynne noted that a realtor would be working with them on the property sales. A public hearing was set for September 10<sup>th</sup> at 7:00pm to hear comments and concerns from neighboring property owners.

Cathy Birt notified the city that her therapy dog had passed away. Birts now have three licensed dogs.

Doug Watercott from Rolling Lakes Auto, inquired about help in working with the Minnesota Pollution Control Agency (MPCA). He has been in business at the corner of County Roads 9 and 17 for the past 2.5 years and wants to purchase the property but hasn't been able to get financing since the MPCA hasn't declared the property free of contaminants. Soil borings were done in early July and test results are not analyzed yet according to property owner Linda Harlander who has been in contact with MPCA personnel.

Jason Murray from David Drown Associates reviewed the annual Tax Increment Financing (TIF) Report and noted that TIF District 1, the housing district that will decertify in 2024, may exceed the allowable 10% administration costs, which is mainly due to the set up fees being charged to the district when it was set up in 1999. Recent TIF districts have charged fees to the developers. To bring it into compliance before decertification, future administration fees should not be charged to the district.

Jason Murray addressed the request to amend the Development Agreement for Everything Signs project in TIF District 4. The district was first created as a multi-parcel TIF district to include Berkon, Wm D. Scepianiak, Everything Signs and three other small parcels. The county disperses funds to the TIF Districts and bare land properties pull increment away from the other properties that have developed according to the Developers Agreement. Currently in District 4, the city has two obligations; one is to Berkon, which is performing as expected, the other is to Everything Signs which is affected by the bare land properties. The amendment asks for pay-as-you-go TIF assistance equal to *\$14,800 or the lesser of the total tax increment* instead of *assistance equal to 90% of the increment generated by the respective projects*. The change shouldn't have a negative impact on the city, but some increment should be held in the fund in case of needed improvements in the district. If there is a fund balance when the district is decertified, extra funds go back to the city, county and school district.

Mike Odden made a motion to amend the original Developers Agreement to accommodate the larger increment reimbursement option for documented expenses for Everything Signs. (as noted above) Bob Sanchez seconded the motion. AIF

City engineer, Scott Lange provided a report with pictures and documentation for the water tower patching project that was completed at the end of July. Color Dynamics has not sent a bill yet.

In regards to the proposed annexation of the Konsor property, he noted plans to extend water and sewer lines out on the east side of 4<sup>th</sup> Street about 12 feet apart. The public utility would be an 8" water main to a small lift station, then to private 2" water main. Lange asked for approval of plans with full acknowledgement that public funds would not be used for the extension project since it is needed for the development and contingent on completion of annexation process. After the annexation, they would ask that the city take over the upkeep of the public utility. Since the well water at the WWTP has iron bacteria, they also looked at the possibility of tying into the extension and running about 600' of pipe at a cost of \$12,000-\$18,000 from 4<sup>th</sup> Street to the WWTP.

Eric Berscheid made a motion to give preliminary approval of the sewer and water line extension for Konsor property, contingent on annexation of the property. Mike Odden seconded the motion. AIF

City attorney, Andy Pratt, reported on his work with the State on the annexation process. The State office that handles municipal boundary adjustments ruled that the city cannot petition to annex into itself so a different process must be followed. The city can declare city owned property annexed by ordinance at a regular meeting. The city owned property was taken out of the original annexation petition. Marty O'Hara also indicated that they would prefer to be removed from the original petition. Greg Konsors' petition for the annexation of five parcels would then require a new public hearing, with notice to all who are contiguous to the property as well as the Holding Town board. A public hearing was scheduled for Monday, September 17<sup>th</sup> at 7:00pm to consider annexation of five parcels into the city. There was also discussion on request from the township to take over maintenance of 4<sup>th</sup> Street.

Robb Berscheid representing the Holdingford Chamber of Commerce asked about changing past practice for shared expenses for Holdingford Daze. In the past, the city and Chamber would each pay half of the cost for portable toilets and extra patrol hours for Sheriff's Department coverage. After the last Chamber meeting, they offered to pay for the portable toilets (about \$1,080 this year) if the city would pay for extra patrol coverage for the event (about \$540 this year). In recent years the Chamber has also taken over costs associated with the band, garbage containers and cleanup efforts. Alan Walz made motion that the city pays for police coverage for the Holdingford Daze weekend events this year and going forward. The Chamber will pay for the cost of portable toilets. Bob Sanchez seconded the motion. AIF

#### Unfinished Business

Two quotes for patching/paving River Street were reviewed. The quote from Knife River was for \$61,050.00 to reclaim, pave and shoulder. The quote from Hardrives to reclaim and pave was for \$70,735.00. Patching was approximately \$7,000. After discussing options, the council decided to wait another year before patching or paving the city portion of River Street since it was not budgeted and the cost was higher than expected. The bids to patch and overlay areas on 2<sup>nd</sup> Street, 3<sup>rd</sup> Street and the corner of Rolling River Road came in from Hardrives at \$14,624.00 and Knife River at 24,425.00. Eric Berscheid made a motion to approve \$14,624.00 quote from Hardrives to patch areas on Rolling Ridge Road, 2<sup>nd</sup> Street and 3<sup>rd</sup> Street, contingent on Larsen filling the void underneath area on 3<sup>rd</sup> Street. Alan Walz seconded the motion. AIF

A bid for paving a 10-12' wide path of the Pedestrian Road will also be sought from Knife River and Hardrives. Eric Berscheid will check on price and options to remove and/or mill it.

Mike Odden made a motion to approve allocation of \$15,000 or less for Pedestrian Road improvements. Alan Walz seconded the motion. Marstein, Odden, Sanchez and Walz voted in favor. Berscheid opposed, citing lack of need for improvements.

Ernie Schmit reported that the new bathroom/shower facility at Veteran's Park is functioning and in use. The building area has been seeded. He noted that the Holdingford Lions agreed to pay for gutters on the building and he will lay a rock garden under the outside water faucet and gutter down spouts. There was discussion about laying pavers until the grass grows in or putting in sidewalks as well as placement for the bulletin board and collection box for camping fees. A list of current expenses and donations was reviewed. The Legion pledged \$2,500 and will pay in increments. Ernie will forward a list of volunteers and a dedication will be planned.

### New Business

Following the July 9<sup>th</sup>, public hearing, discussion and initial approval at the July council meeting, Alan Walz made motion to approve Resolution 18-08-13-1: Approving a Residential Lot Split for Property Located at 800 Third Street. Bob Sanchez seconded the motion. AIF

Budget meetings were set for Wed, August 22<sup>nd</sup> at 4:30pm for the Maintenance Department and at 5:30pm for the City Office, and Wed, August 29<sup>th</sup> at 4:30pm for the Liquor Store, 6:00pm for Parks and 7:00pm for the Fire Department.

An initial check on Certificate of Deposit renewal rates found Stearns Bank at 2.25% and CMCU at 1.5% for 12 months. Following discussion, Eric Berscheid made a motion to check rates upon the August maturity date for Certificate of Deposit with local institution officials at CMCU and Stearns Bank and accept the higher rate for 12 month CD renewal. If the same rate is quoted, the CD will be renewed and stay with the credit union. Mike Odden seconded the motion. AIF

The city ordinance on graffiti was reviewed and the council asked that property owners are notified that graffiti should be removed within 30 days according to the ordinance. If it's not cleaned up, city employees will do it or it will be hired out, then billed to the property owners and/or put on taxes..

The recent evaluation for Office Assistant Shawn Williams was reviewed. The council noted that raises should be based on merit, not automatic after a set time period. Mike Odden made a motion to hold Shawn at the current step and look for improvement at one year review. Eric Berscheid seconded the motion. AIF

The Personnel Policy is being reviewed and job descriptions are being updated. Job Descriptions will be given to employees for review before next meeting and upcoming union negotiations on September 5<sup>th</sup>.

Following discussion and review at the work session, Eric Berscheid made a motion approve and submit Ordinance fees to the county court system for county approval. Alan Walz seconded the motion. AIF

### Admin Reports

Clerks Report: Filing for open office positions on the city council closes at 5:00pm on Tuesday. Primary Election will be Tuesday, August 14<sup>th</sup>. Polls are open 7am-8pm.

Mayors/Council Discussion notes:

- Meeting with Xcel Energy representatives regarding the possibility of moving poles and power lines off Main Street, options to go underground or move behind the buildings. Other communication providers have their lines on the poles. A \$5,000 deposit would need to be submitted to Xcel for them to begin looking at cost options.
- There are areas where branches are hanging in front of road signs, limiting visibility and need to be trimmed. Maintenance will be notified. Property owner on 4<sup>th</sup> and Gertrude also needs cut down hedge again.
- The county billed the city for our "share" of road work on County Road 17/ River Street amounting to about \$50,000. We were not billed for last year's work done on County Road 9 and were not made aware of this cost at the preconstruction meetings before the work began so are working with the county to find an agreeable solution.

### Announcements

Residents who are delinquent on their utility payments are: Mara Glader, Sandra Ross, Cody Ritter, Cody Woidylla, and Wade Birt. Building permits were issued to Matt Erickson and Berscheid Properties.

Next Council Meeting: Monday, September 10, 2018 at 7:00pm. City offices will be closed on September 3<sup>rd</sup> in observance of Labor Day.

Motion to adjourn the meeting was made by Alan Walz and seconded by Mike Odden. Meeting adjourned 10:35p.m.  
Respectfully submitted,

Sandra Meer  
City Clerk, Holdingford

JULY 2018	
<u>Department</u>	<u>Gross Pay</u>
General	\$ 5,899.57
Public Works	\$ 7,651.08
Fire	\$
Liquor	\$ 8,018.39
Total	\$21,569.04
2 pay periods ending	
7/6, 7/20	

**City of Holdingford - Equal Opportunity Provider  
Accounts Payable Check Register Report - STEARNS BANK  
For The Fiscal Periods Range From 2018-7 To 2018-7**

*For All Vendors And For Outstanding, Cleared, Voided Checks - Computer Generated*

Check #	Type	Date	Vendor Name	Amount	Status
33848	C	7/9/2018	704 AFSCME Council 65	\$92.89	C
33849	C	7/9/2018	691 Allstream	\$216.19	C
33850	C	7/9/2018	9 Bernick's Pepsi-Cola	\$662.55	C
33851	C	7/9/2018	627 Breakthru Beverage Minnesota	\$2,614.40	C
33852	C	7/9/2018	828 Brian Zapzalka	\$650.00	C
33853	C	7/9/2018	18 C & L Distributing, Inc	\$1,163.35	C
33854	C	7/9/2018	817 C Emery Nelson, Inc	\$718.32	C
33855	C	7/9/2018	24 Central McGowan, Inc	\$54.72	C
33856	C	7/9/2018	21 Central MN. Alarms, Inc.	\$203.85	C
33857	C	7/9/2018	969 City of Upsala	\$855.00	C
33858	C	7/9/2018	48 D & D Beverage	\$204.50	C
33859	C	7/9/2018	926 Eckberg Lammers, P.C.	\$180.00	C
33860	C	7/9/2018	550 Everything Signs	\$45.00	C
33861	C	7/9/2018	707 F.I.R.E	\$1,100.00	C
33862	C	7/9/2018	70 Frito-Lay, Inc	\$69.31	C
33863	C	7/9/2018	80 Gopher State One-Call, Inc	\$121.60	C
33864	C	7/9/2018	787 Granite City Jobbing Co	\$482.36	C
33865	C	7/9/2018	91 Hawkins, Inc	\$1,106.84	C
33866	C	7/9/2018	92 Headley Hardware	\$1,928.25	C
33867	C	7/9/2018	481 Heggies Pizza	\$77.50	C
33869	C	7/9/2018	614 Holdingford Gas and Grocery	\$418.20	C
33870	C	7/9/2018	119 Johnson Brothers Liquor C	\$1,583.32	C
33871	C	7/9/2018	970 Kathleen Neumeister	\$1,100.00	C
33872	C	7/9/2018	333 Kathy O'Hara	\$143.38	C
33873	C	7/9/2018	971 Marteck	\$53.44	C
33874	C	7/9/2018	730 Midcontinent Business Solutions	\$231.75	C
33875	C	7/9/2018	687 MN Dept Hlth, MDH	\$456.00	C
33876	C	7/9/2018	191 Northland Trust Services, Inc	\$15,603.75	C
33877	C	7/9/2018	389 Pat's Floral Design	\$35.35	C
33878	C	7/9/2018	906 Pete's Portables	\$289.24	C
33879	C	7/9/2018	207 Postmaster	\$405.00	C
33880	C	7/9/2018	671 Ripplinger Plumbing	\$3,000.00	C
33881	C	7/9/2018	225 Schlenner, Wenner & Co	\$18,800.00	C
33882	C	7/9/2018	951 Shred Right	\$67.60	C
33883	C	7/9/2018	685 Star Publications, LLC	\$25.00	C
33884	C	7/9/2018	915 Steve Horvath	\$278.23	C
33885	C	7/9/2018	972 Tony Abfalter	\$438.75	C
33886	C	7/9/2018	271 UC Lab	\$517.50	C
33887	C	7/9/2018	903 Upper Lakes Foods, Inc.	\$81.82	C
33888	C	7/9/2018	281 Viking Coca Cola Bottling	\$1,328.00	C
33889	C	7/9/2018	358 XCEL ENERGY 51-5655040-0	\$2,892.19	C
33890	C	7/9/2018	519 XCEL ENERGY 51-8242904-3	\$41.11	C
33902	C	7/25/2018	550 Everything Signs	\$804.00	C
33908	C	7/25/2018	963 Karen Booth	\$80.44	C
33926	C	7/25/2018	804 Toshiba Financial Services	\$99.12	C
33931	C	7/25/2018	359 XCEL ENERGY 51-5655038-6	\$1,373.92	C
33932	C	7/25/2018	361 XCEL ENERGY 51-5655039-7	\$699.55	C
33933	C	7/25/2018	383 XCEL ENERGY 51-5655041-1	\$934.54	C
33868	C	7/9/2018	104 Holdingford Community Ed	\$100.00	O
33891	C	7/25/2018	496 Albany Chrysler Center	\$499.86	O
33892	C	7/25/2018	824 American Solutions for Business	\$275.51	O
33893	C	7/25/2018	6 AmeriPride Linen	\$67.60	O
33894	C	7/25/2018	973 Apex Masonry & Concrete, LLC	\$9,474.00	O
33895	C	7/25/2018	9 Bernick's Pepsi-Cola	\$578.65	O

Check #	Type	Date	Vendor Name	Amount	Status
33896	C	7/25/2018	400 Bruce Gerads	\$90.00	O
33897	C	7/25/2018	18 C & L Distributing, Inc	\$9,158.11	O
33898	C	7/25/2018	873 CenturyLink	\$65.41	O
33899	C	7/25/2018	48 D & D Beverage	\$647.50	O
33900	C	7/25/2018	53 Ecolab	\$83.14	O
33901	C	7/25/2018	864 Eric Berscheid	\$344.14	O
33903	C	7/25/2018	70 Frito-Lay, Inc	\$43.07	O
33904	C	7/25/2018	787 Granite City Jobbing Co	\$262.57	O
33905	C	7/25/2018	90 Harry's Frozen Foods	\$175.75	O
33906	C	7/25/2018	948 Henry's Foods, Inc	\$1,209.81	O
33907	C	7/25/2018	101 Holdingford Chamber of Commerce	\$50.00	O
33909	C	7/25/2018	175 MN Municipal Beverage Assoc	\$500.00	O
33910	C	7/25/2018	911 MN PEIP	\$514.23	O
33911	C	7/25/2018	176 MN Rural Water Assn	\$275.00	O
33912	C	7/25/2018	431 MPCA	\$45.00	O
33913	C	7/25/2018	199 Opatz Metals	\$370.00	O
33914	C	7/25/2018	906 Pete's Portables	\$144.62	O
33915	C	7/25/2018	207 Postmaster	\$54.00	O
33916	C	7/25/2018	893 Rolling Lake Auto	\$26.00	O
33917	C	7/25/2018	775 Royal Tire, Inc,	\$804.06	O
33918	C	7/25/2018	223 S.E.H.	\$50.00	O
33919	C	7/25/2018	750 St Cloud Times #1076	\$25.00	O
33920	C	7/25/2018	685 Star Publications, LLC	\$88.00	O
33921	C	7/25/2018	243 Stearns County Sheriff's Office	\$7,535.00	O
33922	C	7/25/2018	242 Stearns Cty Auditor-Treas	\$540.00	O
33923	C	7/25/2018	960 Summit Companies	\$1,095.00	O
33924	C	7/25/2018	263 Tom's Refuse	\$6,306.08	O
33925	C	7/25/2018	637 Tony Stalberger	\$84.75	O
33927	C	7/25/2018	877 Joel Knutson	\$300.00	O
33928	C	7/25/2018	903 Upper Lakes Foods, Inc.	\$132.52	O
33929	C	7/25/2018	339 Verizon Wireless	\$121.97	O
33930	C	7/25/2018	281 Viking Coca Cola Bottling	\$415.48	O
33934	C	7/25/2018	943 Z Roofing, LLC	\$320.00	O
			<b>Cleared</b>	<b>\$64,327.83</b>	
			<b>Outstanding</b>	<b>\$42,871.83</b>	
			<b>Void</b>	<b>\$0.00</b>	