

**COUNCIL MEETING MINUTES
LIBRARY MEDIA CENTER
REGULAR MEETING
412 2nd Street, Ortonville, MN
Tuesday, January 20, 2015
5:00 P.M.**

CALL TO ORDER AND ROLL CALL:

Mayor Steve Berkner called the Regular Meeting to order at 5:00 P. M. Roll Call was taken with the following present: Sykora, Dorry, Berkner, Thomas, Reinke. Absent: Hausauer, Hasslen. Media: Mike Swenson (Ortonville Independent). Staff present: Char Grossman, Susan Lundell, Jason Mork, Tim Scherer, Andrew Buchholz, David McLaughlin. Also: Brian Hiles, Kevin Benson, Rick Ash, Dustin Roggenbuck.

AGENDA AMENDMENTS:

A motion was made by Reinke and seconded by Thomas and passed unanimously to approve the Agenda as presented.

PUBLIC PARTICIPATION AND CORRESPONDENCE:

Dustin Roggenbuck representing the Big Stone Lake Area Chamber of Commerce asked the Council to consider an application for a temporary liquor license for Cornfest in August. In the past the Fire Department Relief Association held the liquor license. Roggenbuck stated he would like to work with the Fire Department regarding the issue of who will reap the profits from liquor sales during Cornfest. Tabled.

CONSENT AGENDA:

Mayor Berkner asked if there were any additions, corrections, or deletions to be made to the Consent Agenda.

- a. *Approve Minutes Regular Council Meeting-01-05-15
- b. *Approve Airport Hangar/Tie Down Leases-Bryan & Kristi Delage, Hot Shot Aviation & Todd & Sara Verheul
- c. *Approve Gambling Permit-Pheasants Forever-Raffle-03-28-15-Sioux Historic

A motion was made by Thomas and seconded by Sykora and passed unanimously to approve the Consent Agenda as presented.

PUBLIC HEARINGS:

None.

ACCEPTANCE OF BOARD AND COMMITTEE MINUTES AND, WHERE NECESSARY, COUNCIL ACTION ON THEIR RECOMMENDATIONS:

- a. Street-Utility Committee Minutes-01-14-15

A motion was made by Reinke and seconded by Sykora and passed unanimously to approve the Street-Utility Committee minutes of 01-14-15.

1. Resolution Calling for Sidewalk Bids

Sykora moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 15-07
RESOLUTION APPROVING CALLING FOR BIDS FOR 2015 DOWNTOWN
SIDEWALK PROJECT**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve calling for bids for the 2015 downtown sidewalk project as follows: Remove & Replace approximately 25,000 S.F. Sidewalk in Downtown Area.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-07 passed this 20th day of January 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

2. Resolution Authorizing Clearing & Inspection of Culvert-\$22,000.00

Reinke moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 15-08
RESOLUTION AUTHORIZING CLEARING AND INSPECTION OF RAILROAD
CULVERT-\$22,000.00**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to authorize the clearing and inspection of a railroad culvert at a cost of \$22,000.00. Funds for the expense will come from the Storm Sewer Fund.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-08 passed this 20th day of January 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

3. Resolution Hiring MRES-Rate Study-Electric-\$6,500.00

Sykora moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 15-09
RESOLUTION APPROVING MISSOURI RIVER ENERGY SERVICES RATE
STUDY-\$6,500.00**

WHEREAS, the City of Ortonville wishes to review its current electric utility rates to determine if rate adjustments are necessary, and

WHEREAS, Missouri River Energy Services is proposing to provide such consultative services to the City of Ortonville,

NOW THEREFORE BE IT RESOLVED, that the City of Ortonville, Minnesota hereby hires Missouri River Energy Services to perform an Electric Rate Study, as set forth in the Scope of Services Agreement, for the Ortonville Electric Utility at a cost of \$6,500.00.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke. Nay: None.

Resolution 15-09 passed this 20th day of January, 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

4. Resolution Hiring Ehlers-Rate Study-Water-\$4,500.00-Sewer \$4,500.00

A motion was made by Reinke and seconded by Berkner to adopt a Resolution hiring Ehlers to complete a rate study for water and sewer services at a cost of \$9,000.00 total. Aye: Berkner, Reinke. Nay: Sykora, Dorry, Thomas. Motion failed.

b. EDA Minutes-12-15-14

A motion was made by Sykora and seconded by Dorry and passed unanimously to approve the EDA Minutes of 12-15-14.

c. EDA Minutes-01-05-15

A motion was made by Sykora and seconded by Thomas and passed unanimously to approve the EDA Minutes of 01-05-15.

STAFF REPORTS:

None.

NEW BUSINESS:

- a. *Approve Airport Hangar/Tie Down Leases-Bryan & Kristi Delage, Hot Shot Aviation & Todd & Sara Verheul (Consent)
- b. *Approve Gambling Permit-Pheasants Forever-Raffle-03-28-15-Sioux Historic (Consent)
- c. Resolution Hiring Travis Radermacher-Fireman

Thomas moved and Dorry seconded that the following Resolution be adopted:

RESOLUTION 15-010

RESOLUTION APPROVING HIRING TRAVIS RADERMACHER AS FIREMAN

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to hire Travis Radermacher as a Fireman commencing immediately.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-010 passed this 20th day of January 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
City Clerk Administrator

- d. Resolution Approving Letter of Engagement to Retain Ehlers as Dissemination Agent Bonding

Reinke moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 15-011
RESOLUTION APPROVING LETTER OF ENGAGEMENT TO RETAIN EHLERS
AS DISSEMINATION AGENT FOR ISSUER**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve a Letter of Engagement to retain Ehlers as Dissemination Agent for Issuer continuing disclosure required under Securities and Exchange Commission (SEC) Rule 15c2-12 (the “Rule”).

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-011 passed this 20th day of January 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
City Clerk Administrator

- e. Dustin Roggenbuck-Application for Temporary Liquor License-BSL Area Chamber-August 14, 15, 16-Beer Garden-Lakeside Park Tabled.

- f. Resolution Accepting Bid-2015 Street and Utility Improvements

Reinke moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 15-012
RESOLUTION ACCEPTING BID 2015 STREET AND UTILITY IMPROVEMENTS**

WHEREAS, pursuant to an advertisement for bids for the improvement of 2015 Street and Utility Improvements, Evergreen Lane, Pomroy Street, Dyer Street, and Spring Drive by the City of Ortonville, bids were received, opened and tabulated according to law, and the following bids were received complying with the advertisement:

Ronglien & Sons Excavating, Inc.	\$305,807.40	Corrected to \$306,307.40
J & J Earthworks, Inc	\$341,998.50	Corrected to \$335,248.50
Central Specialties, Inc.	\$384,720.85	
States Borders Construction	\$444,883.50	

AND WHEREAS, it appears Ronglien & Sons Excavating, Inc. of Big Stone City, South Dakota is the lowest responsible bidder,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ORTONVILLE, MINNESOTA:

1. The Mayor and Clerk-Administrator are hereby authorized and directed to enter into a contract with Ronglien & Sons Excavating, Inc. of Big Stone City, South Dakota in the name of the City of Ortonville for the improvement of **Evergreen Lane, Pomroy Street, Dyer Street and Spring Drive** for 2015 according to the plans and specifications therefore approved by the city council and on file in the office of the City Clerk-Administrator.

2. The City Clerk-Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lower bidder shall be retained until a contract has been signed.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke. Nay: None.

Adopted by the City Council this 20th day of January, 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

g. Resolution Approving Contract For Professional Services Between UMVRDC and City of Ortonville-Zoning Ordinance Update

Reinke moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 15-013
RESOLUTION APPROVING CONTRACT FOR PROFESSIONAL SERVICES
BETWEEN UPPER MINNESOTA VALLEY REGIONAL DEVELOPMENT
COMMISSION AND THE CITY OF ORTONVILLE**

WHEREAS, the City of Ortonville wishes to review its current zoning ordinances to determine what changes are necessary, and

WHEREAS, Upper Minnesota Valley Regional Development Commission is proposing to provide such consultative services to the City of Ortonville,

NOW THEREFORE BE IT RESOLVED, that the City of Ortonville, Minnesota hereby hires Upper Minnesota Valley Regional Development Commission to assist in the updating of the City of Ortonville Zoning Ordinances, as set forth in the Professional Services Contract with the provision that the total cost for the project not exceed \$15,245.00.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke. Nay: None.

Resolution 15-013 passed this 20th day of January, 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

- h. Resolution Approving Engineer Request-Transfer \$120,000 Federal Airport Entitlement Funds to Rush City-Payback 2019

Thomas moved and Sykora seconded that the following Resolution be adopted:

**RESOLUTION 15-014
RESOLUTION APPROVING TRANSFER OF AIRPORT ENTITLEMENT
BALANCE TO RUSH CITY**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve the transfer of \$120,000.00 of the City Airport’s entitlement balance to the City of Rush City, Minnesota providing they pay it back in 2019 and they provide all legal documents, acceptable to the City Attorney, at their expense for the transfer agreement.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-014 passed this 20th day of January 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
City Clerk Administrator

i. Fairway View Contracts

City Attorney David McLaughlin reported the City needs to re-plat the area proposed to be developed in conjunction with the proposed Senior Housing Project. He also stated the engineer needs to design the water and sewer lines for the project and any other utility extensions as needed.

Dorry moved and Thomas seconded that the following Resolution be adopted:

**RESOLUTION 15-015
RESOLUTION OF INTENT TO ISSUE TAX EXEMPT DEBT FOR PROJECT
DEVELOPMENT**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville intends to issue tax exempt debt to replenish the utility accounts utilized to pay project costs for the OAHS Senior Housing Project.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-015 passed this 20th day of January 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
City Clerk Administrator

j. Naming OAHS Senior Housing Project Engineer

Berkner moved and Thomas seconded that the following Resolution be adopted:

RESOLUTION 15-016
RESOLUTION APPROVING HIRING APEX ENGINEERING AS PROJECT
ENGINEER FOR OAHS SENIOR HOUSING PROJECT

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to hire Apex Engineering as project Engineer for the OAHS Senior Housing Development Project to include re-platting the development area and designing the water, sewer, street and other utilities as needed for the development area with fees up to \$80,000.00.

Upon roll call vote the following voted Aye: Sykora, Dorry, Berkner, Thomas, Reinke and the following voted Nay: None.

Resolution 15-016 passed this 20th day of January 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

k. Fairway View Agreements

City Attorney David McLaughlin asked the Council to consider approving a lease agreement for the leasing of EDA property, namely Fairway View, to OAHS for 10 years at \$20,000.00/year. There would also be an assets agreement whereby OAHS would purchase the assets of Fairway View and assume all debts of Fairway View. Final assets and debt schedules have yet to be formulated. Fairway View employees would become OAHS employees.

Concerns were raised by Council Member Sykora about the lack of information the Council Members have received regarding the viability of the Senior Housing Project. Rick Ash explained that the rents will be higher than Fairway View's due to the larger living spaces and the higher costs to construct the new complex. He also stated they have shopped area rents so that the costs are competitive. Ash also stated the nursing home part of the project is separate and will be cut from the total project if the State of Minnesota turns down their application for a new nursing home facility.

Council Member Dorry left the meeting at 6:40 P.M.

City Attorney McLaughlin stated all the documents are complete except for the Fairway View assets to be transferred and liability accrued by OAHS.

Thomas moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 15-017
RESOLUTION AUTHORIZING THE OAHS HEALTH CARE BOARD TO
ENTER INTO LEASE AGREEMENT AND ASSET PURCHASE AGREEMENT
FOR FAIRWAY VIEW WITH ORTONVILLE EDA**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to authorize the OAHS Health Care Board to execute a lease agreement with the Ortonville EDA for the lease of Fairway View for 10 years and to execute an asset purchase agreement with the EDA for the purchase of the assets of Fairway View with the Mayor and Clerk-Administrator authorized to sign said agreements. The asset purchase agreement and the lease have been supplied to OAHS Health Care Board and the Ortonville EDA and are incorporated herein by reference.

Upon roll call vote the following voted Aye: Sykora, Thomas, Reinke and the following voted Nay: Berkner.

Resolution 15-017 passed this 20th day of January 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

1. Resolution for Appointment to Safety Committee

A motion was made by Thomas and seconded by Reinke and passed unanimously to appoint Golf Course Superintendent Andrew Buchholz to the Safety Committee.

Thomas moved and Reinke seconded that the following Resolution be adopted:

**RESOLUTION 15-018
RESOLUTION APPOINTING ANDREW BUCHHOLZ TO THE SAFETY
COMMITTEE**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to appoint Andrew Buchholz to the Safety Committee.

Upon roll call vote, the following voted Aye: Sykora, Berkner, Thomas, Reinke. Nay: None.

Resolution 15-018 passed this 20th day of January, 2015.

APPROVED:

ATTEST:

Mayor
Steve Berkner

Clerk-Administrator
Charleen Grossman

UNFINISHED BUSINESS:

a. Resolution Approving Appointment of Officials/Committees/Commissions & Boards Tabled.

CONSIDERATION OF BILLS:

A motion was made by Thomas and seconded by Sykora and passed unanimously to approve the bills as presented.

NEW ACTIONS:

None.

EXECUTIVE SESSION:

None.

ADJOURNMENT:

A motion was made by Sykora to adjourn at 7:05 P.M.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator