

**COUNCIL MEETING MINUTES
LIBRARY MEDIA CENTER
REGULAR MEETING
412 2nd Street, Ortonville, MN
Monday, May 18, 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: Hausauer, Dorry, Berkner, Hasslen, Thomas, Reinke. Absent: Sykora. Staff present: Char Grossman, Susan Lundell, Jason Mork, Tim Scherer, David McLaughlin. Also: Rick Ash, Kevin Benson, Paul Kalibabky, Adam Ellard, Paula Bailey.

AGENDA AMENDMENTS:

ADD: 8.a.2. Hiring Swimming Pool Employees

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

PUBLIC PARTICIPATION AND CORRESPONDENCE:

a. Paul Kalibabky-Waste Management

Paul Kalibabky of Waste Management presented a proposal for residential and commercial garbage service for 5 years.

A motion was made by Hausauer and seconded by Thomas and passed unanimously to refer the proposed Waste Management Agreement to the Utility Committee for a recommendation.

b. Adam Ellard-Odesa Fire Department-Pull Tabs

Adam Ellard, Owner of Off the Green and Paula Bailey, Gambling Manager for the Odessa Fire Department asked the Council for permission to sell pull tabs from Off the Green located in the city-owned Club House located at 145 Golf Club Road.

A motion was made by Hausauer and seconded by Hasslen and passed unanimously to authorize Adam Ellard of Off the Green to sell pull tabs for the Odessa Fire Department from the city-owned Club House located at 145 Golf Club Road.

c. David McLaughlin-OAHS

Recommendations from the City Attorney were considered for OAHS Senior Housing Project set-back compliance. The ordinance states the set-back must be 15 feet. The set-back will be less than fifteen feet by approximately four inches. Three solutions to the problem were offered by City Attorney David McLaughlin as follows:

1) The first solution would be that in fact there is a set-back of the required amount because the City of Ortonville owns the land immediately adjacent to the rear lot line so that the fifteen (15) feet listed is met, Section 150.023 subd. E (3)(b)(3). In order to insure this continues, no future structure should be placed to the rear of the facility. This is not likely to occur as the rear lot line is adjacent to a portion of the golf course.

2) The alternative would be to find that portion that encroaches within the ten (10) feet would actually be part of the side yard as opposed to the back yard. This would lessen the set-back requirement. The definition of side-yard and set-back and rear-yard is open to debate and an interpretation of this type could cause problems in the future as precedence would be set regarding how the City Council and the Planning Commission should define the set-back.

3) The third alternative would be that a variance be obtained from the set-back requirement. It is my understanding that the building inspector had said that the construction would not be halted or delayed as a result of the variance process. In other requests for variances, the Planning Commission and the City Council have routinely granted variances for less than one (1) foot. It would be expected that same procedure would be followed in this case.

We would recommend that the City adopt option "1" as it is compliant with the zoning requirements as the City owns all of the property. Any subsequent erection of structures to the east of Senior Housing facilities would not be allowed if proper set-backs are not present. This is similar to what has been done with other variance requests. It is particularly appropriate in this case as the City owns both sides of the property line.

A motion was made by Dorry and seconded by Hausauer and passed to approve Option 1 stating the City of Ortonville owns the land immediately adjacent to the rear lot line so that the fifteen (15) feet listed is met, Section 150.023 Subd. E (3)(b)(3) for the OAHS Senior Housing Project. Nay: Reinke, Berkner. Motion carried.

McLaughlin stated the City will have 2 new deeds to sign that will transfer property from the City to the EDA for the OAHS Senior Housing Project. These deeds will replace the deeds previously signed using metes and bounds descriptions.

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-05-04-15

A motion was made by Thomas and seconded by Hausauer 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. Personnel Committee Minutes-05-12-15

A motion was made by Reinke and seconded by Hasslen and passed unanimously to accept the Personnel Committee minutes of 05-12-15.

1. Resolution Approving Swimming Pool Wages

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

**RESOLUTION 15-060
RESOLUTION APPROVING 2015 SWIMMING POOL WAGE SCHEDULE**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve a 2015 Swimming Pool Wage Schedule for Lifeguards, WSIs, Assistant Pool Director and Pool Director.

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

Resolution 15-060 passed this 18th day of May 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

2. Resolution Hiring Swimming Pool Staff

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

**RESOLUTION 15-061
RESOLUTION APPROVING HIRING SWIMMING POOL EMPLOYEES FOR 2015
SEASON**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to hire swimming pool employees as follows: Amber Schulke, Assistant Pool Director, WSI \$11.55/hr; Stephanie Arndt, Assistant Pool Director, WSI, \$11.20/hr, Jacob Meyer, WSI \$11.95/hr; Candace Schultz, WSI \$11.95/hr; Katie Berdan, WSI \$10.55; Gina Nelson, WSI \$10.55; Hannah Strei, WSI \$10.20; Alisha Ross, WSI \$10.20; Riley Blake \$10.47; Lauren Swanson \$10.10; Nathan Roe \$9.69; Russell Lindahl \$9.69; *Tyra Biever \$9.33; *Clarissa Blake \$9.33; *Contingent upon passing lifeguard training course.

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

Resolution 15-061 passed this 18th day of May 2015.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
City Clerk Administrator

b. Golf BoardMinutes-05-05-15

A motion was made by Dorry and seconded by Hasslen and passed unanimously to accept the Golf Board minutes of 05-05-15.

1. Resolution Increasing Golf Course Supt. Cell Phone Allowance by \$20.00 per month until April 2016

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

**RESOLUTION 15-062
RESOLUTION APPROVING INCREASING GOLF COURSE
SUPERINTENDENT CELL PHONE ALLOWANCE**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve increasing the Golf Course Superintendent cell phone allowance to \$40.00/month until April of 2016.

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

Resolution 15-062 passed this 18th day of May 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

A discussion was held regarding glass bottles on the Golf Course.

c. Street-Utility Minutes-05-13-15

A motion was made by Reinke and seconded by Hausauer and passed unanimously to accept the Street-Utility minutes of 05-13-15.

1. Resolution Approving Repair of Water Tower

A motion was made by Hausauer and seconded by Dorry and passed unanimously to authorize Public Works Director Tim Scherer to advertise for bids for water tower repair and re-painting.

2. Ad Hoc Utility Committee Meeting-05-22-15

A motion was made by Reinke and seconded by Hausauer and passed unanimously to call for an Ad Hoc Utility Committee meeting on Friday, May 22, 2015 at 3:30 P.M. in the City meeting room in the Armory to discuss the contract with Big Stone City for the purchase of water from the City of Ortonville. A City Council quorum may be present but no official action will be taken.

STAFF REPORTS:

None.

NEW BUSINESS:

a. Approve Amendment to MnDot Grant Agreement #03918

A motion was made by Hausauer and seconded by Reinke and passed unanimously to approve Amendment # 2 to MnDOT Grant Agreement #03918 allowing for additional funding for airport maintenance and operation to be paid by the Minnesota Department of Transportation for State Fiscal Year 2015.

b. Resolution Calling for Public Hearing-OAHS

Reinke moved and Thomas seconded to adopt the following Resolution:

RESOLUTION 15-063

**RESOLUTION CALLING FOR A PUBLIC HEARING ON A PROJECT
BY ORTONVILLE AREA HEALTH SERVICES UNDER MINNESOTA
STATUTES, CHAPTER 469**

BE IT RESOLVED, by the governing body (the "Council") of the City of Ortonville, Big Stone County, Minnesota (the "City" or the "Issuer"), as follows:

Recitals. The Council makes the following recitals of fact:

The City owns and operates Ortonville Area Health Services ("OAHS") as a revenue producing enterprise under Chapter XI of the City's Home Rule Charter and has delegated the operational oversight to the board of OAHS.

Sanford Health Network, a South Dakota corporation ("SHN") and its affiliate Sanford Medical Center, a South Dakota corporation ("SMC," and together with SHN, "Sanford") provides administration services pursuant to an Amended and Restated Management Agreement dated January 1, 2010 (the "Management Agreement").

It has been represented to the Council by Sanford that each of SHN and SMC is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

Fryberger, Buchanan, Smith & Frederick, P.A. ("Bond Counsel") has informed the Council that Minnesota Statutes, Section 447.45 (the "Act") authorizes the City to issue revenue bonds to finance the acquisition and betterment of hospital, nursing home and related medical facilities, including but not limited to facilities related to a nursing home providing supportive services to elderly persons who are not yet in need of nursing home care.

- a. The City has authorized OAHS to explore the possibilities of financing options related to acquiring, constructing and equipping a 51-bed skilled nursing facility comprised of three 17-bed neighborhoods to be located immediately to the southwest of the existing Fairway View, 215 Lundell Avenue, Ortonville, Minnesota (the "Project").
- b. It is intended that the Project be financed by an issue of tax-exempt revenue bonds or notes issued by the City under the Act (the "Obligations").
- c. Bond Counsel has informed the Council that due to the existence of the Management Contract, the issuance of the Obligations requires a public hearing under the Code to assure the tax-exempt status of the Obligations.

The Obligations.

- a. It is declared, on a preliminary basis, to be the intention of the Issuer to issue the Obligations in the principal amount not to exceed \$6,000,000 for the purpose of financing the costs of the Project.
- b. The Obligations, when, as and if issued, including interest thereon, are payable solely from the revenues of OAHS' health care facilities. No holder of the Obligations shall ever have the right to compel any exercise of the taxing power of the Issuer to pay the Obligations or the interest thereon, nor to enforce payment of them against any property of the Issuer except those projects, or portions thereof, mortgaged or otherwise encumbered.
- c. All details of and conditions precedent to the issuance of the Obligations and the provisions for payment thereof are subject to final approval of the Issuer.

Public Hearing.

The Issuer will conduct a public hearing on the issuance of the Obligations and the proposal to undertake and finance the Project.

The Clerk-Administrator is authorized and directed to cause the notice (either directly or through Bond Counsel) substantially in the form attached hereto as Exhibit A, to be published in the official newspaper of the Issuer and a newspaper of general circulation in the jurisdiction of the Issuer not less than 14 days prior to the date set for the public hearing; provided that if

the official newspaper of the Issuer is a newspaper of general circulation in the jurisdiction of the Issuer, the notice may be published only once.

Declaration of Official Intent. This resolution constitutes a declaration of official intent under U.S. Treasury Regulations, §1.150-2.

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

Resolution 15-063 passed this 18th day of May 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

c. Resolution Approving IT Service Agreement-Marco

Hausauer moved and Thomas seconded to adopt the following Resolution:

**RESOLUTION 15-064
RESOLUTION APPROVING 3-YEAR MANAGED SERVICES AGREEMENT
FOR INFORMATION TECHNOLOGY SERVICES**

BE IT AND IT IS HEREBY RESOLVED by the Council of the City of Ortonville to approve a 3-year Managed Services Agreement for Information Technology Services with Marco at a cost of \$990.00/month with a one-time implementation fee of \$1,000.00.

Upon roll call vote the following voted Aye: Hausauer, Dorry, Hasslen, Thomas, Reinke. Nay: Berkner.

Resolution 15-064 passed this 18th day of May 2015.

APPROVED:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator

UNFINISHED BUSINESS:

None.

CONSIDERATION OF BILLS:

A motion was made by Hausauer and seconded by Hasslen and passed to approve the bills as presented. Abstain: Dorry, Berkner.

NEW ACTIONS:

None.

EXECUTIVE SESSION:

An executive session was called under the exception for attorney-client privileges. The topic to be discussed is utilities.

Mayor Berkner closed the regular session and called an executive session to order at 6:00 P.M. Mayor Berkner closed the executive session and called the regular Council meeting back to order at 6:05 P.M. No action was taken.

ADJOURNMENT:

A motion was made by Hausauer to adjourn the meeting at 6:05 P.M.

APPROVE:

ATTEST:

Steve Berkner
Mayor

Charleen Grossman
Clerk-Administrator