

Mayor Hafften called the **April 22, 2014** Regular Meeting of the Rockford City Council to order at 7:00 p.m. The meeting was held in the Council Chambers of City Hall at 6031 Main Street, Rockford, MN.

Roll Call

Roll call was taken. The following council members were present: Hafften, Kesanen, Martinson and Wenz. Absent: Graner. Also in attendance were: Engineer Ward, Attorney Couri, Auditor Berg, Administrator/Special Counsel Madsen, Deputy Clerk Etzel, Finance Clerk Swendsen, Public Works Employees: Duda, Desens and Quirk.

The Pledge of Allegiance to the Flag was given.

Approve Consent Agenda/Set Agenda

MOTION was made by Wenz, seconded by Martinson to approve all items on the consent agenda 3.A to 3.F and set agenda Items 4.A to 4.I.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Regular Council Minutes/April 8, 2014**

MOTION was made by Wenz, seconded by Martinson to approve the minutes of the April 8, 2014, Regular Council Meeting.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Payment of Claims**

MOTION was made by Wenz, seconded by Martinson to approve the payment of claims #23111 to #23166 in the amount of \$90,611.41.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Purchase of Play Ground Equipment/Mutterer Park**

MOTION was made by Wenz, seconded by Martinson to approve purchasing a two bay 5000 Series Swing at \$2,694 and Hemisphere Climber (156435A) at \$9,425 from Landscape Structures and replacing the wood fiber safety surfacing at a price not to exceed \$7,881.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Purchase of Sign/Jim Thome Park**

MOTION was made by Wenz, seconded by Martinson to approve the purchase of a sign from Landscape Structures, posts, footings and rock base not to exceed \$3,000 from the Park Dedication Fund 413.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Purchase of LED Lighting/Riverside Park**

MOTION was made by Wenz, seconded by Martinson to approve the estimate from R.C. Electric for an amount not to exceed \$4,125 for the LED lighting retrofit in the Riverside Park north parking lot.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

***Approve Hiring Seasonal Full Time Streets Employee**

MOTION was made by Wenz, seconded by Martinson to hire Thomas Poppler as the 2014 Full Time Seasonal Street Maintenance worker at \$11 per hour, starting on June 9, 2014.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

2013 Volunteer of the Year/Kelly Grimm

At the March 25th meeting the Council selected Kelly Grimm as the 2013 Volunteer of the Year. Ms. Grimm was invited to the April 22nd meeting and Mayor Hafften presented her with a plaque for sharing her talents and time within the community.

Recognition/Michael Billbe

Mayor Hafften presented a certificate of recognition to Michael Billbe for helping with a medical emergency on March 6, 2014.

Abdo, Eick & Meyers/2013 Financial Report

Auditor Andy Berg of Abdo, Eick & Meyers presented the 2013 Audit Report to the City Council.

The general fund balance at the end of the year is \$1,301,569 which is 65.7% of the 2014 budget. Revenues were higher due to building permits and miscellaneous revenues due to insurance claims and other miscellaneous items. Expenditures were under budget by \$12,248. Berg noted that taxes make-up 70% of the budget.

Special revenue funds, debt service funds, capital project funds, water and sewer enterprise funds were reviewed.

In the future GASB #67 will impact future City financial statements regarding financial reporting for pension plans.

MOTION was made by Martinson, seconded by Kesanen to accept the 2013 Financial Statement as prepared by Abdo, Eick & Meyers.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Resolution #14-23/Ordinance 14-03 Amending Employee Payday and Establish Payday

Administrator Madsen found not all staff were being paid on the same date. The ordinance reads employees will be paid bi-weekly on the first Monday following the close of the preceding two week pay period. To avoid conflict of having different payday, Administrator Madsen is proposing Ordinance #206.05, Subd. 4 be amended to state the payday shall be established and amended by Resolution. A resolution approving the ordinance amendment also established the payday as Friday for all employees.

MOTION was made by Martinson, seconded by Wenz to approve Resolution #14-23 adopting Ordinance #14-03 Amending Employee Payday, approved the payday as Friday for all employees, and authorized staff to publish Ordinance #14-03 in the official newspaper.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Lion's Building Usage

At the June 25, 2013 meeting Council voted to close the Lion's Building in Riverside Park on June 22, 2014 due to the dilapidated condition. It was decided to not tear down the Lion's Building until after the August 8-10 River Days Festival.

Council discussed considering the usage until the 2014 River Days Festival. There were concerns about the poor structure. Staff will need to post a disclaimer that the building may contain mold and the building is not to be used as a storm shelter. The building will not be used after August 15, 2014.

MOTION was made by Martinson, seconded by Wenz to no longer use the Lion's Building in Riverside Park after August 15, 2014 and post a disclaimer at the Lion's Building that it may contain mold and the building is not to be used as a storm shelter (it is the occupants responsibility to be aware of bad weather conditions and evacuate the building).

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

2014 Wastewater Treatment Facility Improvements/Award Bid

Engineer Ward noted the City received six bids for the 2014 Wastewater Treatment Facility Improvement project. The bid opening was held at 2 pm on March 28, 2014 at City Hall.

The current Wastewater Treatment Facility (WWTF) is not designed to meet the phosphorus limit that will be imposed with the new permit (compliance date of May 2015). The City has been investigating phosphorus treatment options over the past year. Based on the capital and operations & maintenance costs identified, the chemical phosphorus removal alternative was recommended and selected to meet the new permit requirements.

This project will also address a number of other infrastructure items at the WWTF that are in need of replacement and discussed previously.

The MPCA approved the plans and specs prior to the bidding, and Wenck has also submitted application material and been approved for point source implementation grant for the phosphorous portion of the project. They will continue to work with MPCA regarding potential additional grant funds, and other documentation throughout the construction.

The bid form for the project included the following items:

- Lump sum base bid
 - *Required controls integrator: Automatic Systems, Inc.
 - *Required instrument supplier: Hatch
 - *Minimum contaminated soil amount: 35 tons
- Alt Item 1 – alternate controls integrator
- Alt Item 2 – alternate instrument supplier
- Alt Item 3 – unit pricing for additional buried conduit above specifications
- Alt Item 4 – unit pricing for additional contaminated soil excavation above 35 tons.

Bids were received from six general contractors. Note no bids included prices for Alt 1 or Alt 2, which means all the contractors were planning to use the City's current controls company and instrument supplies. All the bids included unit prices for Alt 3 and Alt 4, which include unit prices to address certain

items if the quantities exceed what was included in the base bid. The engineer’s estimate of probable cost for the project, not including contingency, is \$1,200,000.

The bid receive from KHC Construction, Inc. of \$1,157,000 is \$43,000 lower than the engineer’s estimate. Wenck recommends the City award the project to the low bidder, KHC Construction, for the base bid amount and the City continue with the bonding process for securing funding for the improvements at the May 13, 2014 Council meeting.

MOTION was made by Martinson, seconded by Wenz to award the bid for 2014 Wastewater Treatment Facility Improvements to KHC Construction, Inc. for the base bid amount of \$1,157,000.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

2014 Utility Improvement Project/Award Bid

Engineer Ward stated the City received two bids for the 2014 Utility Improvement Project. The bid opening was held at 11am on March 14, 2014 at City Hall.

Pricing from the low bidder, LaTour Construction, Inc., included the following:

Base Bid: General Site & Sanitary Sewer Main Rehabilitation	\$562,712.00
Alt 1: Pipe Burst Replacement of Water Main	\$1,375,775.75
Alt 3: Co Rd 33 North Water Main Replacement	\$83,231.00
Alt 4: Co Rd 33 at High St Water Main Replacement	\$75,288.00
Alt 5: Co Rd 33 Maple St to High St Water Main Replacement	\$136,625.00
Alt 6: Hwy 55 Sanitary Sewer Improvements, CIPP	\$89,465.00
Alt 7C: Sanitary Sewer Service Rehabilitation, 2 laterals per MH Segment	\$390,591.80
Total Adjusted Base Bid (Base, Alt 1, 3, 4, 5, 6, 7C)	\$2,713,688.55

Alternate 7C quantities were based on average quantities for 48 services. Following award, and correspondence with final residents, a change order will be brought to council to adjust the quantities to match the actual agreement forms submitted. With that adjustment, the contract amount will be adjusted to reflect the actual improvements to be completed with the project.

Wenck recommends the City award the project to the low bidder, LaTour Construction, Inc., for a total adjusted base bid and alternates of \$2,713,688.55 and the City continue with the bonding process for securing funding for the improvements at the May 13, 2014 Council meeting.

MOTION was made by Wenz, seconded by Martinson to award the bid for the 2014 Utility Improvement Project LaTour Construction, Inc. in the amount of \$2,713,688.55.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Rockford Mall Maintenance Agreement

Administrator Madsen presented the council with an agreement for maintenance at the Rockford Mall. Mike Hymes an independent contractor has been doing the maintenance at the Rockford Mall for several years and is willing to continue the service.

Staff is recommending the City of Rockford enter into a 30-60 day agreement for the maintenance at the Rockford until request for proposals can be approved. Mr. Hymes has prepared two lists of services and fees.

MOTION was made by Martinson, seconded by Wenz to enter into a 60 day agreement with Mike Hymes as an independent contractor to do the maintenance at the Rockford Mall as listed in the agreement.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Attorney's Report

Attorney Couri is busy preparing the closing documents for the Rockford Mall purchase.

Administrator's Report

Administrator Madsen stated there are lot of projects in the works and things are going well.

Council Reports

Martinson – Lions Greenback Dinner was very successful, they raised money for the community.

Hafften – Clean-up Day is Saturday, May 3rd (8am-noon) and the Fire Department Pancake Breakfast is Sunday, May 4th (7am-noon)

Wenz – nothing to report

Kesanen – 1000 Hearts Service Day is Sunday, May 18th. Sign-up for activities is available.

OPEN FORUM

Mayor Hafften called for open forum. No one from the public spoke.

CLOSED SESSION

Pursuant to Minnesota Statue, Section 13D.05, Subd. 3(b), to conduct a closed session pursuant to the attorney client privilege to engage in confidential attorney-client communications related to a matter of an on-going litigation; and

Pursuant to Minnesota Statue, Section 13D.05, Subd. 3(C)(3), to conduct a closed session to discuss , develop or consider offers or counteroffers for the purchase or sale of real or personal property.

MOTION was made by Wenz, seconded by Kesanen to close the meeting at 8:30 to discuss the Kariniemi case and the Rockford Mall Purchase Agreement.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Mayor Hafften opened the closed meeting at 10:10 p.m.

Approve Amendment to Mall Purchase Agreement/Approve Sunshine Station Build Out & Lease

MOTION was made by Martinson, seconded by Kesanen to approve the amendments to the Mall Purchase Agreement and authorize the Mayor and Administrator to sign the agreement.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

MOTION was made by Hafften, seconded by Wenz to authorize staff to take action to contract the build out of the daycare not to exceed \$45,000.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

MOTION was made by Hafften, seconded by Martinson to authorize staff to amend the lease agreement at the Rockford Mall with Sunshine Station Daycare.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

ADJOURNMENT

MOTION was made by Wenz, seconded by Martinson to adjourn the meeting.

MOTION CARRIED-VOTING IN FAVOR: HAFFTEN, KESANEN, MARTINSON AND WENZ.

Mayor Hafften adjourned the meeting at 10:15 p.m.

Renee Hafften, Mayor

Audra Etzel, Deputy Clerk