

Mayor Hafften called the **October 14, 2014** Regular Meeting of the Rockford City Council to order at 6:02 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, Graner, Kesanen, Martinson, and Wenz. Absent: none. Also in attendance were: Engineers Ward, Administrator/Special Counsel Madsen, Rockford Area Historical Society Director Mavencamp, Lead Streets Quirk, Finance Clerk Swendsen and Deputy Clerk Etzel.

The Pledge of Allegiance to the Flag was given.

Proclamation - Manufacturer's Week October 19, 2014 to October 25, 2014

Mayor Hafften read the proclamation and declared the week of October 19th – 25th, 2014 Manufacturer's Week in Rockford. The HRA will host a recognition breakfast for all of the city manufacturer's.

Approve Consent Agenda/Set Agenda

MOTION was made by Graner, seconded by Martinson to approve all items on the consent agenda 3.A. to 3.H. and set agenda item 4.A to 4.C adding Rockford City Center Mall presentation to New Business.

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

***Approve Regular Council Minutes/September 23, 2014**

MOTION was made by Graner, seconded by Martinson to approve the minutes of the September 23, 2014 Regular Council Meeting.

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

***Approve Payment of Claims**

MOTION was made by Graner, seconded by Martinson to approve the payment of claims #23778 to #23857 in the amount of \$620,762.16

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

***Approve September 2014 Building Permits**

MOTION was made by Graner, seconded by Martinson to approve the September Building Permits #14-99 to #14-121.

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

***Resolution #14-47/Approve Investments**

MOTION was made by Graner, seconded by Martinson to approve Resolutions #14-47 to approve the investments.

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

***Pay Request #1/Rockford City Center Mall Facade– KUE Contractors, Inc.**

MOTION was made by Graner, seconded by Martinson to approve Pay Request #1 for the Rockford City Center Mall façade project to KUE Contractors, Inc. in the amount of \$13,659.00.

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

***Pay Request #2 and Final/Elm & Ash Street Sanitary Sewer– Burschville Construction, Inc.**

MOTION was made by Graner, seconded by Martinson to approve Pay Request #2 the final payment for the Elm & Ash Street Sanitary Sewer project to Burschville Construction, Inc. in the amount of \$2,951.90.

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

***Pay Request #4/Wastewater Treatment Facility Improvements – KHC Construction, Inc.**

MOTION was made by Graner, seconded by Martinson to approve the Pay Request #4 for the Wastewater Treatment Facility Improvement project to KHC Construction, Inc. in the amount of \$556,716.00.

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

***Pay Request #5/2014 Utility Improvement Project – LaTour Construction, Inc.**

MOTION was made by Graner, seconded by Martinson to approve Pay Request #5 for the 2014 Utility Improvement project to LaTour Construction, Inc. in the amount of \$336,309.17.

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

Rockford City Center Mall Presentation

Architect, Tim O'Brien presented a color sample for the EIFS/stucco for the Rockford City Center Mall. The color he is suggesting is an antique grey color. It is his recommendation to order the antique grey to pull together all the colors, giving the mall a radically different appearance for the current colors.

Council discussed the colors and would like to move forward with the antique grey suggested by Mr. O'Brien.

Council was wondering if the Roof Top Units (RTU) will still be visible once the new façade is in place. Mr. O'Brien thought the RTUs would be no more visible with the new façade than they were prior to the remodeling. Fencing could be installed at a later date if the Council feels the RTUs are still too visible once the remodeling is complete.

Mr. O'Brien will order the EIFS in the antique grey color shown to Council.

Resolution #14-48/Transfer Funds from F313to F416 & Approve DNR Grant – Riverside Park Shelter

Finance Clerk Swendsen stated the city applied for and was awarded a grant from the DNR in the amount of \$60,400. The grant will be used to help fund the demolition of the Lion's Building and reconstruction of the picnic shelter located in Riverside Park. As a requirement of the grant, the City has agreed to match the DNR grant amount of \$60,400.00.

The picnic shelter committee identified matching City funds would be available in Fund 313, 2014A PIR Refunding Bond. The unaudited balance remaining in Fund 313 is \$199,712.53 as of September 30, 2014. This surplus of funds is the result of the City exercising the Notice of Call for Redemption, bond callable date of February 1, 2010, thus saving the City interest on the outstanding balance of the bond and building the fund balance with the Special Assessment levied through 2014. Use of surplus monies in Fund 313 is in compliance of the Bond Documents and MN Statue 475.61, Subd. 4 which state any surplus remaining in the debt service fund when the obligations and interest thereon are paid, may be appropriated to any other general purpose by the municipality.

Staff is recommending Council approve the transfer of funds in the amount of \$60,400 from Fund 313 to Fund 416 Riverside Park, as matching dollars for the demolition and reconstruction of the Riverside Park Picnic Shelter.

If more than \$120,800 is needed, additional fund would need to come from the budget.

MOTION was made by Martinson, seconded by Graner to approve Resolution #14-48 accepting the DNR Grant in the amount of \$60,400 and staff shall transfer \$60,400 from Fund 313 to Fund 416, Riverside Park Picnic Shelter to cover the City's matching contribution pursuant to the DNR Grant Requirements

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

Council thanked former Administrator Nancy Carswell for submitting the DNR Grant for the Riverside Park Shelter.

Stork House HVAC Grant Update

Rebecca Mavencamp, Director of the Rockford Area Historical Society shared with the Council an article she wrote and was published in the Ramsey County Historical Society Magazine. Copies are available for purchase at the Stork House.

The City contracted with Ms. Mavencamp to apply for a HVAC grant to the Legacy funds of the State of Minnesota. The application was submitted in June and defended August 14th to a panel of reviewers at the Minnesota Historical Society (MHS), and was awarded a grant amount of \$121,274.00.

The MHS proposed a timeline as follows:

- 1st milestone: 30% \$36,382 upon execution of grant agreement
- 2nd milestone: 20% \$24,255 A peer review must be conducted of the HVAC plans prior to RFP preparation and bidding to ensure that any potential problems and issues can be identified and resolved. Submit result of peer review.

- 3rd milestone: 20% \$24,255 The RFP must state the specific parameters (set points and allowable fluctuation) for the system. This must be included and committed to by the proposers in order to make the design engineer responsible for achieving and maintaining the desired temperature(s) and humidity. In addition, an independent firm must be hired to conduct system commissioning when installation is complete. Submit verification.
- 4th milestone: 10% \$12,127 Site visit once grant work is at least 75% completed. Contact grants office to make visit arrangement at least 30 days prior to visit.
- Retainage: 20% \$24,255 upon final report accepted and final product delivered: detailed photographs of the completed work and a report containing environmental monitoring data for no less than 30 days documenting that the system is achieving the requisite temperature and humidity parameters. The data should be collected during a period when there has been daily temperature swings of at least 20 degrees. The data, preferably from electronic data loggers, should be in tables showing daily maximum and minimum temperature and humidity for the controlled space(s). Graphs can be included but may not be the sole form of documentation. Ms. Mavencamp will prepare the final report.

The City is responsible for the allocated amount of \$21,000 plus in-kind donations of staff time to procure the architect/engineer as project lead and work together to hire the necessary contractors. The RAHS has committed both financial and in-kind matches for staff time and resources. The RAHS will also be responsible for preparing the AFS House for construction in partnership with City staff.

A pure review will be done before bidding begins. Seal bids will be required for this project and Council is requesting references from the bidders prior to issuing a contract. The HVAC project would most likely start mid-November, after an architect/engineer has been hired.

The project needs to be completed within two years according to the grant requirements.

MOTION was made by Wenz, seconded by Kesanen to accept the HVAC Grant funds of \$121,274 from the Minnesota Historical Society and the City will allocate \$21,000.

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

Rockford City Center Mall/Temporary Rental Space

The Lion's Building located in Riverside Park is being demolished. Staff continue to receive calls from people/groups looking for space to meet. This has prompted the preparation of a space in the mall until the Event Center is determined and built-out for rental.

Staff is making progress towards a small rental space in the mall of approximately 748 square feet, identified as Suite 700 "formerly the old dance studio", located across from the public restrooms. At this point the dance floor has been removed and the space is in the process of getting new ceiling tiles and fixing the broken light Plexiglas. Fuller Drywall has been hired to repair and patch the walls in the space. The carpet is not in good condition and may need to be replaced if determined to be a safety issue. Once the space is painted it should be available for use. All the repairs cost approximately \$1,800 at this point, and with painting and potential carpet removal/replacement should not exceed \$4,000.

Since this space will be in rentable condition in the next couple of weeks, staff is looking for parameters for renting the space.

Staff has prepared information including costs per square foot plus CAM (750 square feet would typically rent for around \$8.25 per square foot per year plus about \$1.60 for CAM fees per square foot – this would be \$7,387.50 per year or about \$20.24 per day. Other variations of rental fees were prepared for discussion.

Council wanted to know what would happen to those renting the room should someone choose to lease the space. Administrator Madsen noted staff would prepare another available empty space within the mall.

The Council Members went back and forth on what each felt was a fair amount to charge for the use of the space. After a lengthy discussion it was decided each Council member would submit their suggestion to staff to bring back to Council for future consideration.

Key check-out, damage deposit and clean-up of the space was also discussed.

Staff will contact the Fire Chief to find out the maximum capacity based on the square footage.

Council would like staff to prepare rental options and bring back to a future meeting.

Administrator's Report

Administrator's update included: mall façade demolition is done and the project is going well, the Lion's Building is being demolished, and the HVAC grant for the Stork House was approved.

Engineer's Report

The Engineer's report included the following:

- Wastewater Treatment Facility – contamination costs are still unknown
- 2014 Utility Project – is going well, patch work done by the end of October and all sanitary lining work is anticipated to be completed by the end of November
- Wellhead Protection Plan – currently behind schedule, but part 1 is partially completed.
- 2014 Flood Repairs – recently meet with FEMA and by the end of October FEMA will determine which projects will be funded.
- County Road 33 – being put back together soon

Fire Department Update

Council Member Graner noted the Fire Department is working on updating their Equipment Replacement Plan.

Public Works

John Quirk/Lead Streets stated the compost is busy, hydrant flushing is complete, staff is working on jetting and street sweeping will be starting soon, waiting for the leaves to fall.

Council Reports

Martinson – nothing to report.

Kesanen – RiverWorks Annual Steak Dinner is Friday, October 24th and will be held at the RiverWorks Thrift Store – tickets are available for purchase on-line (about 200 people attend).

Graner – nothing to report.

Hafften – nothing to report.

Wenz – nothing to report.

Open Forum

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

Closed Session

MOTION was made by Martinson, seconded by Graner to close the meeting pursuant to Minnesota Statue, Section 13D.05, Subd. 3, to conduct a closed session pursuant to the attorney client privilege to engage in confidential attorney-client communications related to a matter of on-going litigation regarding the Kariniemi case.

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

Mayor Hafften closed the meeting at 7:22 p.m.

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

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

Mayor Hafften opened the meeting at 7:41 p.m.

MOTION was made by Graner, seconded by Martinson to take no further action regarding the Kariniemi case at this time.

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

ADJOURNMENT

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

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

Mayor Hafften adjourned the meeting at 7:43 p.m.

Renee Hafften, Mayor

Audra Etzel, Deputy Clerk