

Mayor Hafften called the **October 28, 2014** Regular Meeting of the Rockford City Council to order at 6:05 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, Martinson, and Wenz. Absent: Kesanen. Also in attendance were: Administrator/Special Counsel Madsen, Public Works Supervisor Peterson and Deputy Clerk Etzel.

The Pledge of Allegiance to the Flag was given.

Approve Consent Agenda/Set Agenda

MOTION was made by Graner, seconded by Wenz to approve all items on the consent agenda 3.A. to 3.B. and set agenda item 4.A to 4.D.

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

***Approve Regular Council Minutes/October 14, 2014**

MOTION was made by Graner, seconded by Wenz to approve the minutes of the October 14, 2014 Regular Council Meeting.

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

***Approve Payment of Claims**

MOTION was made by Graner, seconded by Wenz to approve the payment of claims #23858 to #23916 in the amount of \$591,405.58.

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

Resolution #14-49/Refinance of 2007A Bond

Administrator Madsen reviewed the report prepared by Shannon Sweeney of David Drown Associates. In 2007 the City issued a bond for \$2,585,000 to fund the public works facility. The bond had a net interest rate of 4.35% and have a call date of February 1, 2015. As interest rates are presently lower than that on the remaining principal balance of the existing bonds, they estimate that the City could save approximately \$211,00 (net present value and net of issuance costs) by refinancing the remaining principal balance over the same remaining term.

The recommendation for the structure of the sale of 2007A Bonds includes:

Remaining Balance of 2007A Bonds	\$2,065,000.00
Accrued Interest to D/S Funds	\$1,897.71
Underwriting	\$31,950.00
Finance, Legal, Rating	\$33,000.00
<u>Rounding</u>	<u>\$50.00</u>
Total Project Cost:	\$2,131,897.71

The funding sources to be utilized to finance project costs are summarized below:

G.O. CIP & Utility Revenue Bonds	\$2,130,000.00
<u>Accrued Interest</u>	<u>\$1,897.71</u>
Total Funding Sources:	\$2,131,897.71

Presently the City is levying approximately \$106,000 per year for debt service payments and transferring \$37,650 annually (each) from the water and sewer funds. Gross savings produced by the refinance of the existing debt over the same term are projected to reduce these debt service payments by approximately \$17,500 annually over the remaining life of the bond issue.

If interest rates increase by .25% the annual savings would be reduced by approximately \$3,600 and the cumulative net savings would be reduced by approximately \$46,000. Interest rates would need to increase by approximately 1.25% to completely eliminate potential savings.

David Drown Associates, Inc. is recommending the following features for the proposed bond issue:

- Callable any time after 2/1/2012
- Sale of bonds utilizing a competitive sales process
- Recommend purchasing a Standard & Poor's Rating

The proposed schedule for the issuance of the bonds is as follows:

- October 28, 2014 Authorize Sale Process
- November 25, 2014 Award Sale of Bond Issue
- December 16, 2014 Closing

A resolution has been prepared by David Drown Associates, Inc. for consideration.

MOTION was made by Graner, seconded by Martinson to approve Resolution #14-49 providing for the competitive negotiated sale of \$2,130,000 General Obligation Refunding Bonds Series 2014C.

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

Resolution #14-50/Approve Lawful Gambling Premises Permit-Red Vest/Confidence Learning Ctr.

Administrator Madsen stated the City received Premise Permit Application for lawful gambling from the Confidence Learning Center to be located at the Red Vest (8210 Bridge Street). Staff checked with the Minnesota Department of Public Safety to review the regulations and found no reason to deny the permit.

MOTION was made by Hafften, seconded by Wenz to approve Resolution #14-50 to approve the premises permit application for lawful gambling operation for Confidence Learning Center to operate at the Red Vest, 8210 Bridge Street for the perpetual time contingent upon: quarterly reports submitted to the City of Rockford, 10% donation to the Rockford Area Historical Society and a 25% contribution distributed in the City of Rockford's Fire Department Service Area.

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

Rockford City Center Mall/Snow Removal

Administrator Madsen brought the issue of snow removal at the Rockford City Center Mall up for discussion. Snow removal is an expense included in the Common Area Maintenance Fees (CAM Fees) along with other costs to operate the mall: taxes, common area heating/cooling, public bathrooms, cleaning – to name a few. Welsh charged a CAM Fee that covered all of these expenses and all services were hired out. Staff has been able to provide some of the services: limited repairs, maintenance, etc., in house which helps reduce the CAM Fees paid by the tenants. Snow plowing may or may not be one of these expenses.

Staff estimates the plowing to take 4 to 6 hours, depending on the event. Administrator Madsen's concern for staff and for the community, is timing. If it snows overnight and there is substantial accumulation by 4 or 5am, staff will already be plowing during this same time frame. In an overnight snow event, staff will need to decide whether to plow first, the city streets or the mall parking for the tenants and customers.

In the past Welsh paid approximately \$10,000 as a flat contract fee for plowing of the mall parking lot last season. The estimate for this year is \$8,000 to \$10,000. Two local businesses have offered to bid the work. If Council agrees, staff will get bids to include a flat fee and per event costs to plow.

Administrator Madsen and Public Works Supervisor Peterson will contact local contractor and bring the bids to Council at a future meeting for further consideration.

Rockford City Center Mall/Façade Entrance Information

Administrator Madsen noted the Rockford City Center Mall façade entrance project is moving forward. There was an alternative bid to fully build up the entrances at an estimated cost of \$5,000 to \$10,000 per entrance. Upon further research, due to material issues, the total cost would be about \$50,000 total for both entrances. Staff does not feel this cost is effective. Adding lighting was discussed as an option.

Council Member Martinson requested electrical out lite(s) be added to the front of the mall. Architect, Mr. O'Brien stated this would be the time to add to the project.

Mr. O'Brien was at the meeting and gave an update on the project. The electric box located in the front is not in a good spot and would like to relocate inside, this would be an additional cost. There were other small issues requiring cost of approximately \$1,000. Council discussed and would like Mr. O'Brien to go ahead with the change order and bring back for approval at the next meeting.

Open Forum

Mayor Hafften called for open forum.

Nancy Carswell with the Rockford Community Market asked if they could have a vendor Holiday Sale in the Rockford City Center Mall common area on November 22, 2014 from 9am to 1pm. The group will have liability insurance. Other groups and/or vendors would be invited to participate. Council will have staff work with the Rockford Community Market on the details for the use at the mall. Administrator Madsen would like to review this process for future requests at the mall.

Administrator's Report

Administrator's update included recent reports of graffiti and property damage costing over \$1,000. There was a neighborhood meeting with residents and the Wright County Sheriff's department. Wright County will increase patrol during the Halloween weekend. Council would like to offer a \$100 reward if someone reports vandalism and the vandal is captured. Staff will research details and legality before advertising on Facebook, the city website and notifying the school.

There have been many request for an ice skating rink. Staff looked at the park and feel the Walker property would be a good site. A-1 Transfer had their equipment on site for demolition of the Lion's Building in Riverside Park and was able to provide a reasonable price of \$3,400 to remove the concrete/asphalt and grade the lot. The funds will come from the capital improvement budget. The

concrete/asphalt should have been removed back when the City first purchased it. The material was a tripping hazard. Also, the space can now be used to expand the River Days space.

Staff spoke with the neighbors in the area and they are very excited since they typically flood their back yard. There is a hydrant next to the site. Most of the trees are on the perimeter out of the area needing to be graded.

Mayor Hafften asked that the Park and Recreation Committee be brought up to date and get their feedback regarding the ice rink, adding boards and a warming house. Possible funding from gambling proceeds needed to be spent within the Rockford area.

Staff will order signage to advertise the ice skating rink coming soon.

Engineer's Report

Public Works Supervisor gave the following update on the Maplewood Manor project. Restoration and sodding will be done this week, the main line lining tests is wrapping up and the lateral lining is starting and will take about two weeks. The lining process was going to be water shot process which takes about four hours to do a shot. Staff and the contractor specked out a steam shot and did a post televised viewing and were happy with the results. There was a concern with the process due to cold spots because of ground water, the process tested out fine. Using the steam process versus the hot water shot cost about a \$1.75 less per foot and takes less time.

Public Works

Public Works Supervisor Peterson stated the salt delivery has not arrived due to shipping issues. Last season staff ordered 60,000 tons and this season staff ordered 82,000. Staff will let council know when the salt has been received.

The wastewater plant continues to move forward.

The compost site will remain open until 3pm on Friday, November 7, 2014 weather pending. Staff needs to close the site for the season to prepare the materials on site. Supervisor Peterson noted the current compost site is not big enough and would like to discuss other site options at a future meeting.

Fire Department Update

The Fire Department will be handing out glow sticks on Halloween starting at dusk.

The department and staff are continuing to work on the deprecation schedule, which currently runs into fund issues in 2020. Staff is working on different proposals to cover deprecation.

Council Reports

Martinson – appreciates staffs hard work keeping the compost site clean.

Graner – Joseph and the Amazing Technicolor Dreamcoat is being produced at the Rockford High School on November 13th, 14th and 15th with the RHS band doing the music.

Hafften – Rockford High School Band Concert is November 6th and the NW League is meeting on November 12th, which is the same day as the City Council Special Meeting due to Veteran's Day.

Wenz – nothing to report.

ADJOURNMENT

REGULAR COUNCIL MEETING

October 28, 2014

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

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

Mayor Hafften adjourned the meeting at 7:15 p.m.

Renee Hafften, Mayor

Audra Etzel, Deputy Clerk