



CITY OF GAYLORD
CITY COUNCIL MEETING AGENDA
 Wednesday, September 18th, 2019
 6:30 P.M., City Hall

Members Present: Mayor Boeder and Members, Grochow, Muchow and Uecker.

Members Absent: Homme and Padilla

Staff Present: Aaron Walton, Walton Law Office; Lori Waltz, City Clerk/Finance Officer; Charlie Eichten, Chief of Police; Ty Reimers, City Services Manager; and Lori Doering, Deputy Clerk

Visitors Present: Justin Black, SEH; Avery Grochow, Sibley Surveyors; Yariana Soto and Joe Deis, Gaylord Hub

1. **Call Meeting to Order**

Pursuant to due call and notice thereof, the meeting of the City Council was called to order by Mayor Boeder at 6:30 p.m.

2. **Pledge of Allegiance**

The Pledge of Allegiance was recited by Council and visitors present.

3. **Consider 09-18-19 Agenda**

Mayor Boeder wanted to move Brian Young's resignation to 8.B. and add soil borings for Amba Homes under 9.B.i. and let George Eilertson discuss 10.A. under new business right after 9.C. under old business.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER GROCHOW SECONDED, TO APPROVE THE SEPTEMBER 18th, 2019 AMENDED AGENDA WHICH INCLUDED THE FOLLOWING ITEMS. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

4. **Comments, Updates, Reports, Concerns**

4.A. Citizens -None

4.B. Council Members -None

4.C. City Staff - None

5. **Consent Agenda**

Uecker pointed out an error in the minutes for the Budget Workshop minutes from 08-21-19 that needs correction as follows; The donation for Eggstravagannza and the Miss Gaylord Committee should change from \$6,000.00 to \$11,000.00, with \$10,000.00 going to Eggstravagannza and \$1,000.00 going to the Miss Gaylord Committee.

COUNCIL MEMBER UECKER MOVED, COUNCIL MEMBER MUCHOW SECONDED, TO APPROVE THE CONSENT AGENDA, WHICH INCLUDED THE FOLLOWING ITEMS. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

5.A. Minutes

- 5.A.i. City Council Meeting – August 21st, 2019
- 5.A.ii. City Council Budget Workshop – August 21st, 2019
- 5.A.iii. Gaylord Volunteer Fire Department Meeting – August 26th, 2019
- 5.A.iv. Gaylord Ambulance Meeting – September 3rd, 2019
- 5.A.v. Planning & Zoning Meeting – September 4th, 2019

5.B. Accounts Payable

- 5.B.i. Accounts Payable – August 31st – September 12th, 2019

5.C. Reports of Officers, Boards, and Commissions

- 5.C.i. None

5.D. Other

- 5.D.i. 3rd Quarter Certified List to the County

6. Public Hearings – 7:00 PM

- 6.A. None

7. Communications, Requests, and Petitions

- 7.A. Resignation – Brian Young, Street and Storm Water Maintenance Technician
This item was moved to 8.B.

8. Department and Committee Reports and Action Items

8.A. Administration Department – Lori Waltz – City Clerk/Finance Officer

8.A.i. Electricity in Pond Meadows

Waltz stated Xcel is requesting payment of \$64,387.34 to install electric service in the Pond Meadows Development. The city needs to pay up front and as residents build and connect to the service Xcel will reimburse us.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE THE PAYMENT OF \$64,387.34 TO XCEL ENERGY FOR ELECTRICITY IN THE POND MEADOWS DEVELOPMENT. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.A.ii. **Resolution 2019-82** Approving 101 Development Resources Contract Renewal for 2019-2022.

Waltz explained this is the same contract we have previously had; we are just changing it to a three-year contract.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER GROCHOW SECONDED, TO APPROVE RESOLUTION NUMBER 2019-82, RESOLUTION TO APPROVE 101 DEVELOPMENT RESOURCES CONTRACT RENEWAL FOR 2019-2022. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.A.iii. **Resolution 2019-83** Approving Walsh Field and Tennis Court Lease
Waltz said this is regarding the lease we have with Sibley East for Walsh Field and the tennis courts. They want to change the term of the lease from a five-year lease to a two-year lease.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE RESOLUTION NUMBER 2019-83, RESOLUTION TO APPROVE THE LEASE FOR USAGE OF WALSH FIELD AND TENNIS COURTS FOR 2019-2021, AT A YEARLY LEASE AMOUNT OF \$1,500.00. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.A.iv. Fire Department Engine E-1 (Unit 1 Pumper) Repair
Waltz reported Chief Schons is requesting council approval for this repair. The estimated cost of the repair is \$3,600.00 with a possible additional cost of \$680.00 for a total possible repair cost of \$4,280.00.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE THE REPAIRS OF THE PUMPER TRUCK AT A COST NOT TO EXCEED \$4,280.00. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.B. City Services Department – Ty Reimers – City Services Manager

The resignation of Brian Young, Street and Storm Water Maintenance position was received by council.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE THE RESIGNATION OF BRIAN YOUNG, THE STREET AND STORM WATER MAINTENANCE DEPARTMENT. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.B.i. Street and Storm Water Maintenance Position

Reimers explained the first two items are position descriptions for both the Street and Storm Water maintenance position and the Buildings and Grounds Maintenance Position. He stated he has a starting wage from our current pay scale for Buildings and Grounds between \$17.00 - \$19.51 per hour depending on experience and Street and Storm Water between \$20.00 - \$22.34 per hour depending on experience. He also wanted to note that with the hiring of the buildings and grounds position it would eliminate the need to hire the DAC for cleaning our buildings at a cost of about \$2,600.00 per year as well as the part-time summer help.

8.B.ii. Buildings and Grounds Maintenance Position

COUNCIL MEMBER GROCHOW MOVED, COUNCIL MEMBER MUCHOW SECONDED, TO APPROVE REIMERS MOVING FORWARD WITH ADVERTISING TO FILL THE TWO POSITIONS. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

8.B.iii. Update on Main (Purple) Park

Reimers gave an update on the main park to look for alternatives to replace the wood chips.

He obtained an estimate of \$14,000.00 to remove 12 inches of wood chips and replace with pea gravel. So, he is looking for more alternatives. He noted the north side needs to be tiled as there is no place for the water to go. We also need to remove the heavy landscape material under the wood chips.

8.B.iv. Update on Waste Water Control Structure Replacement

Reimers stated he spoke to Hjerpe and they are saying it would be mid to late October to replace the structure. Hopefully everything is dried out by then.

8.C. Police Department – Charlie Eichten – Chief of Police

8.C.i. Quarterly Update

Chief Eichten reviewed with council the police activity for the three months. There were approximately 3100 ICR's and 49 arrests. They have had several trainings, two new part-timers were hired and the officers have been volunteering in the community, They participated in the Thompson Reuters build a bike event and they gave us 9 bikes to give away during EMS week. There were no issues during Egg days. The Chief reported on some recent calls they have had and have done 218 Ordinance Violations.

9. Unfinished Business

9.A. **Resolution 2019-81** Accept Application for Payment #9 for the 2018 10th Street Improvements Project – Justin Black, SEH

Black presented payment application number 9 for the 10th Street project in the amount of \$177,166.62. This would not be a final payment; we are still holding back just over \$50,000.00 retainer fee.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE RESOLUTION NUMBER 2019-81, RESOLUTION TO ACCEPT APPLICATION FOR PAYMENT #9 FOR CONSTRUCTION SERVICES FOR THE 2018 10TH STREET IMPROVEMENTS PROJECT TO WM MUELLER AND SONS IN THE AMOUNT OF \$177,166.62. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

9.A.i. Soil Borings Pond Meadows/Amba Homes

Black reviewed with council that soil borings were done prior to the street project. The developer has requested a copy of the borings and we did that. The developer is now requesting additional soil borings be made on his lot as well as geotechnical evaluations be performed to assess the suitability of townhomes being built on the soils. Black obtained costs to do the additional soil boring and geotechnical evaluations at a cost of \$7,582.00. Walton explained that the developer would like the city to pay for the soil borings and any soil corrections that are needed before he signs the purchase agreement. Council discussion was this is not a normal request and should be the developer's due diligence process and that the city has worked with the developer quite well on the front end.

9.B. Purchase Agreement Amba Homes Gaylord, LLC (See TIF Agreement and the Development Agreement in Council Packet from 09/04/19 that was approved) – Aaron Walton

Walton asked council if they would like it in the purchase agreement, the contingency that we will not pay for the soil borings or the soil corrections and if the developer chooses to do the borings and finds the soil unacceptable, he would be allowed out of the purchase

agreement. Walton will revise the purchase agreement to include the contingency.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER GROCHOW SECONDED, TO APPROVE THE PURCHASE AGREEMENT WITH AMBA HOMES, LLC WITH THE CONTINGENCY THAT THE CITY WILL NOT PAY FOR THE BORING. IF THE DEVELOPER DOES THE BORINGS AND FINDS THE SOIL UNACCEPTABLE, THEY CAN BACK OUT OF THE PURCHASE AGREEMENT. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

9.C. Bond Issue for 3rd Street Extension Project and Refunding the 2012A Bonds – George Eilertson, Northland Securities

Eilertson explained to council the 2019 Bond issue will be financed for the extension of 3rd Street and the refunding of the \$795,000.00 General Obligation Improvement Bonds, Series 2012A. By delaying the issuance of the bond, it has worked in the city's favor, interest rate wise. By refunding the \$795,000.00, it gets rid of the Moody's rating and now the city would have a Standards & Poors rating. Also, by refunding, the interest rate reduction would result in a savings between \$30,000.00 and \$33,000.00. Eilertson noted the timing for the new bond should be in November and to close in December.

COUNCIL MEMBER GROCHOW MOVED, COUNCIL MEMBER MUCHOW SECONDED, TO APPROVE THE PROPOSED 2019 BOND ISSUE AS PRESENTED FOR THE THIRD STREET EXTENSION AND REFUNDING OF THE \$795,000.00 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2012A. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

9.D. **Resolution 2019-78** Accepting the DDA Wage and Compensation Study and Implementation of Recommendations – Chad Muchow

Muchow stated he knows that some of the council members wanted a workshop on this but this has been in the council's lap for quite some time and if we keep doing nothing much longer to get something implemented it will be the first of the year, and one thing he doesn't want is to make any market rate adjustments to our old outdated system now that we spent money for a new system. Mayor Boeder stated two things are important, getting the wage study proposal approved, which council has already by consensus said to move forward with the six-step system, but to work hard on our personnel policy handbook that should get done by the end of the year also. Uecker pointed out an error in the position classification for the Utility Billing/Administrative Assistant says a 5 and it should be a 4. And one officer should be at \$23.74 not \$22.89. Uecker also wanted to see the Chief move up a grade, Grochow was concerned about moving him a grade as the grade is by his job duties, she said you could move a step but not a grade. After some discussion Uecker was alright with the grade but feels he should move up one step. Grochow said her concern with that is he will always be off the scale compared to his years of tender. Walton asked if everyone was alright with the grid. Boeder stated the grid was approved by consensus. It was further discussed that people would get their raises on January 1st of each year upon satisfactory review and people on probation would not get their raise until the following January 1st. After a lengthy discussion Walton suggested splitting two different items on the resolution, one is the grid and the other is where to place people on the grid.

COUNCIL MEMBER MUCHOW MOVED, COUNCIL MEMBER UECKER SECONDED, TO APPROVE THE SIX STEP OPTION WITH 20 GRADES AS PRESENTED BY DAVID DROWN AND ASSOCIATES. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

COUNCIL MEMBER UECKER MOVED, COUNCIL MEMBER MUCHOW SECONDED, TO APPROVE THE NEW PAY GRADE FOR 2020 EXCEPT FOR THE CORRECTION OF THE UTILITY BILLING/ADMINISTRATIVE ASSISTANT AS A GRADE 4, AND THE POLICE OFFICER ON THE FIRST LINE TO BE CORRECTED FROM \$22.89 TO \$23.74 AND MOVE THE POLICE CHIEF FROM STEP 2 TO STEP 3. WITH AN IMPLEMENTATION DATE OF JANUARY1, 2020. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED.

10. New Business

10.A. Resolution 2019-84 Calling for Redemption of GO Series 2011B – George Eilertson, Northland Securities

Eilertson stated he had reviewed the 2011B Bond with Lory Young and she noted that the storm sewer fund is quite healthy and maybe should consider just paying the 2011B bond off instead of refinancing this one. The city could save \$28,733.00 by paying the bond off. Eilertson said you could either pay it all off or just spend down some of it. Muchow was concerned about future needs the city may have for that money. Eilertson said this is something we can look at more and discuss it again in November.

11. Other

11.A. Minnesota College of Osteopathic Medicine Update – Phil Keithahn None

12. Closing Comments

- Council
- Staff

13. Upcoming Meetings and Events

- 14.A. Tuesday September 17th – Charter Commission Meeting – 5:30 – City Hall
- 14.B. Wednesday September 18th – 6:30 – City Council Meeting
- 14.C. Thursday September 19th – Noon – Gaylord Chamber @ Library
- 14.D. Wednesday September 25th – 6:30 – HPC Meeting @ Library
- 14.E. Monday September 30th – 7:00 – Fire Department Meeting @ Fire Hall
- 14.F. Monday October 7th – 6:30 – Ambulance Department Meeting @ EMS Building
- 14.G. Wednesday October 2nd – 6:30 – City Council Meeting
- 14.H. Wednesday October 9th - 5:30 – P&Z @ City Hall
- 14.I. Monday October 14th - 5:00 – EDA @ City Hall
- 14.J. Monday October 14th - 6:30 – Parks & Rec @ Library
- 14.K. Wednesday October 16th – 6:30 – City Council Meeting
- 14.L. Thursday October 17th – Noon - Gaylord Chamber @ Library
- 14.M. Wednesday October 23rd – 6:30 – HPC @ Library
- 14.N. Monday October 28th – 7:30 – Fire Department Meeting @ Fire Hall

14. Adjournment of Regular Meeting

There being no further business to come before the City Council.

COUNCIL MEMBER UECKER MOVED, COUNCIL MEMBER MUCHOW SECONDED TO ADJOURN. WITH ALL MEMBERS VOTING IN FAVOR, THE MOTION CARRIED. THE MEETING WAS ADJOURNED AT 8:13 P.M.

Lori Waltz
City Clerk/Finance Officer

Don Boeder
Mayor