

**MINUTES OF THE REGULAR MEETING
OF THE ZIMMERMAN CITY COUNCIL
MONDAY, AUGUST 7, 2017**

CALL TO ORDER

The regular meeting of the Zimmerman City Council was called to order at 7:00 p.m. at City Hall by Mayor Earenfight, followed by the Pledge of Allegiance.

ROLL CALL

Present: Mayor Earenfight, Council Members Brisbin, Nathe, Smith, and Whiting. Also present were Administrator Piasecki, Clerk/Treasurer Tillmann, Public Works Director Johnson and Engineer Bittner.

AGENDA APPROVAL

Brisbin/Smith unanimous to approve the agenda with the following change:

- **Fire Protection Report rescheduled to August 21, 2017**

APPROVAL OF MINUTES

Whiting/Nathe unanimous to approve the meeting minutes of the July 24, 2017 Regular Meeting as presented.

CONSENT AGENDA

Brisbin/Whiting unanimous to approve the consent agenda as follows:

- a. Approve the payment of claims (check #39253 - #39296) in the amount of \$66,046.99 and electronic payments (e-checks #1529 - #1536) in the amount of \$33,722.57 as presented.
- b. Approve the semi-annual payment to the Minnesota Public Facilities Authority in the amount of \$504,620.04 (ck #39301) for scheduled principal and interest payments on GO Revenue Bonds as follows and as recommended by staff:
 - 2000 SBR Interest: \$10,353.00 Principal: \$246,000.00
 - 4th Avenue WWTP Interest: \$14,364.00 Principal: \$102,000.00
 - 2010 SBR Interest: \$19,903.04.00 Principal: \$112,000.00
- c. Accept the following invoices and authorize payment to Bolton & Menk (ck #39298) for contracted Engineering services for the period of June 3 –30, 2017, as recommended by staff:
 - Invoice #205803 in the amount of \$27,284.000, for Project Management Services related to the 2017 3rd Avenue South Improvement Project;
 - Invoice #205820 in the amount of \$8,450.00 for Project Management Services related to the Wellhead Protection Plan Amendment.
- d. Accept Invoice #1130 in the amount of \$6,2511.96 (ck #39300), authorizing payment to Metro West Inspection Services, Inc., for professional Building Inspection Services in the City of Zimmerman for the month of June, 2017, as recommended by staff.
- e. Accept the Building Permit Summary Report for July, 2017 as presented.

OPEN FORUM

There was no one present to address the Council during Open Forum:

GRANT AWARD – CenterPoint Energy Community Partnership Grant

Ryan Goetz, Sales Consultant, CenterPoint Energy, presented a check for \$750 to the City Council as part of the Community Partnership Grant. Grant funds will be used to purchase a defibrillator for the Civic Building in Lions Park. Mayor Earenfight accepted the grant on behalf of the City and thanked Goetz for CenterPoint Energy's generosity.

RESOLUTION #17-08-01

Brisbin/Smith unanimous to adopt RESOLUTION #17-08-01, accepting the donation of \$750.00 from CenterPoint Energy for a Community Partnership

Grant for the City to purchase a defibrillator for the Civic Building in Lions Park.

PUBLIC HEARING – Sherburne County HRA Development District 2017-1 & Project Plan

At 7:05 p.m., Mayor Earenfight opened a Public Hearing regarding a request from the Sherburne County Housing & Redevelopment Authority (HRA), to establish Redevelopment District 2017-1 and the associated project plan for Vision Enterprises, LLC. **Dan Weber, Assistant Sherburne County Administrator**, and **Kathleen Heaney, Sherburne County Attorney**, were present, representing the Sherburne County HRA.

Assistant Administrator Weber provided an overview of the request and project plan. Sherburne County intends to enter into a purchase agreement to sell three (3) County owned lots in the Public Safety Addition to Vision Enterprises, LLC. Vision Enterprises intends to purchase the three lots and develop, at minimum, a 10,000 square foot building on the property. The building will include 3,000 square feet of office space, with the balance being a large enclosed garage area for bus storage. Vision anticipates 2 full-time employees at this site, in addition to 30 – 35 part-time drivers.

County Attorney Heaney outlined the process for consideration of the request. In order to sell the property and enter into agreements within the City of Zimmerman, the County HRA must receive City approval. The first step is for the City Planning Commission to hear the request and make a recommendation to the City Council. Heaney and Weber appeared before the Planning Commission at their July 26, 2017 meeting. The Planning Commission found the request to be consistent with the City goals of increased commercial development and diversity of the local tax base. If the Council agrees with the Planning Commission recommendation, Council may adopt a resolution approving the County HRA's request to establish Development District 2017-1 and accept the Project Plan. If approved by the City, the Sherburne County HRA will then hold a public hearing to determine the sale of the land, with the City's comments taken into consideration at the hearing.

Jason Anderson, Business Services Director, Vision Enterprises, was present to answer questions of the Council regarding the project plan. Vision Enterprises currently operates bus garages in Elk River and Big Lake and they service the Elk River School District, which has four schools in Zimmerman. Many of their employees live in the Zimmerman area and commute to Big Lake and Elk River for work. Having a bus garage in Zimmerman will increase efficiencies of the operation because the schools they service are located within 2.5 miles of the proposed location, and will provide many of their employees a shorter commute to work. Busses will be fueled on-site.

The site proposal has two vehicle access points. Employees will access the property via 269th Avenue and employee parking will be on the north side of the building. Bus traffic will access the site via 269th Avenue and 5th Street West. They intend for the building to face south, and the grade of the property makes the most sense to have the building face that way. Trees will be planted around the perimeter of the property to provide a buffer from the building. They anticipate construction to start this fall, depending on the timing of approvals at the City and County level.

Weber advised the City Council that **Tom McChesney, owner of UMA Precision Machining, 26833 5th Street West**, relayed to him that he is opposed to bus traffic on 5th Street West, as he believes it will interfere with delivery trucks into his business. He would prefer that busses access the property only on 269th Avenue. Anderson stated that they will do their best to minimize bus traffic on 5th Street; however, it is ideal for them to have access on both streets due to the proposed location of the fueling station and ability for busses to access the garages. He added that he would discuss moving the 5th Street driveway as far north as possible so as not to interfere with UMA's north driveway. Member Nathe stated that it didn't make sense to restrict access to only 269th Avenue since that is an older street and 5th Street West has been built to handle commercial traffic. He would be concerned that the additional heavy traffic on 269th Avenue would cause excessive wear and tear on an

already deteriorating street. Piasecki added that 269th Avenue is actually a township road, however, the City has an agreement with the Township that the City maintains the road.

Mayor Earenfight closed the public hearing and reopened the regular Council meeting at 7:17 p.m.

RESOLUTION #17-08-02 **Brisbin/Whiting unanimous to adopt RESOLUTION #17-08-02, approving a request of the Sherburne County Housing & Redevelopment Authority to establish Development District 2017-1 and associated project plan for Vision Enterprises, LLC, finding the documents to be in the public interest and providing opportunity for economic development, including increased employment, livable wages and an improved tax base, as recommended by staff and the Planning Commission.**

PUBLIC WORKS REPORT

Engineer Bittner presented the following requests:

Lift Station #7 Rehabilitation – Pay Request #3 – Final

R.L. Larson Excavating was contracted to perform the Lift Station #7 Rehabilitation in 2015. The lift station has been fully operational and functioning properly for some time and final punch list items are now complete, including successful restoration turf in the project area. R.L. Larson has requested the City close out the project and has submitted their final pay request in the amount of \$17,415.19. Bittner has reviewed the pay request, recommending approval of the request and close out of the project.

RESOLUTION #17-08-03 **Nathe/Smith unanimous to adopt RESOLUTION #17-08-03, approving Pay Request #3 (final) as submitted by R.L. Larson Excavating, Inc., in the amount of \$17,415.19 (ck #39302), for expenses related to the Lift Station #7 Rehabilitation Project, with funds to be taken from the Sewer Fund, as recommended by staff and the City Engineer.**

2017 Pavement Preservation – Pay Request #1

Asphalt Preservation Company, Inc. was contracted to perform the 2017 pavement preservation project, at a total contract price of \$213,711.96. The project is complete and Asphalt Preservation Company has submitted Pay Request #1 in the amount of \$206,393.54 for work completed through July 28th. Bittner has reviewed the pay request and recommends approval of the request. Five percent (5%) retainage is being held pending final review of the project, and calculation of quantities.

RESOLUTION #17-08-04 **Smith/Whiting unanimous to adopt RESOLUTION #17-08-04, approving Pay Request #1 as submitted by Asphalt Preservation Company, in the amount of \$206,393.54 (ck #39297), for expenses related to the 2017 Pavement Preservation Project, with funds to be taken from the Capital Improvements Fund (Fund 400), as recommended by staff and the City Engineer.**

2017 3rd Avenue South Improvement – Pay Request #1

C & L Excavating was contracted to perform the 2017 3rd Avenue South Improvement Project, which includes reconstruction of a portion of 2nd Street West lying south of CSAH 4 and 3rd Avenue south lying west of Main Street. Underground work should be completed by the end of this week. Sewer and water work will begin on 2nd Street West tomorrow and storm sewer work should be completed by Thursday. Work completed to date totals \$518,661.99, less a 5% retainage. Pay Request #1 in the amount of \$63,728.39 was paid on July 10, 2017. C & L

Excavating has submitted Pay Request #2 totaling \$429,000.50 for work completed through July 28, 2017. Engineer Bittner has reviewed the pay request and recommends approval.

RESOLUTION #17-08-05 **Brisbin/Nathe unanimous to approve RESOLUTION #17-08-05, approving Pay Request #2 in the amount of \$429,000.50 (ck #39299), submitted by C & L Excavating for expenses related to the 2017 3rd Avenue South Improvement Project, as identified on Pay Request #2, as recommended by staff and the City Engineer.**

Wastewater Treatment Plant Diesel Generator

Public Works Director Johnson reminded Council that the back-up generator at the wastewater treatment plant recently suffered mechanical failures. A repair contractor has estimated repairs to be approximately \$70,000. Staff has filed an insurance claim with the League of Minnesota Cities Insurance Trust (LMCIT), and the LMCIT adjuster has advised that the League will likely cover the repair costs plus 1 month of portable generator rental. A portable generator has been placed on site to keep the plant operational should a power outage occur, and to keep the City in the Connexus Energy Peak Shaving Program. The annual discount to the City for participating in the Peak Shaving Program is approximately \$17,000.

Since the current generator is 18 years old and installed as part of the original plant construction, staff has been researching costs of a new generator sized to power the existing plant operation, plus the next plant expansion. Staff worked with Eric Meester of Nero Engineering to adequately size a new generator. Several options have been reviewed by Johnson and Administrator Piasecki, including purchasing a new generator or leasing a generator sized adequately to meet the City's needs. At this time, Public Works Director Johnson feels that purchasing a new generator is the best option. The smallest workable option is a 350KW generator which would provide sufficient start up power for the Wastewater Treatment Plant (WWTP) and a future expansion, but would not be enough to fully power the facility. A larger 500Kw option would not only start up the plant for current and future components, but would be fully capable of powering the plant if the need should arise.

Staff recommends purchasing a 500Kw generator from Ziegler Inc., using the National Joint Power Alliance contract pricing. The City is currently an NJPA member and able to access this contract pricing instead of competitively bidding for the equipment. It will take approximately 12 weeks for a generator to be built and delivered to the site no matter which size generator is approved.

Nathe/Whiting unanimous to approve the purchase of a Caterpillar Model C18 TA, Tier 4F, EPA certified diesel generator from Ziegler, Inc., under National Joint Powers Alliance contract pricing, at a cost of \$186,756, to replace the backup generator at the Wastewater Treatment Plant, with payment from the Sewer Fund (Fund 602), as recommended by staff.

ADMINISTRATOR'S REPORT –presented by Administrator Piasecki

Planning Commission Report – Preliminary/Final Plat of Westside Estates

The Planning Commission met on July 26, 2017 to hear a presentation from Sherburne County regarding the HRA's Development District 2017-1 and Project Plan for Vision Enterprises, LLC. The second item on their agenda was a public hearing for a Preliminary Plat submitted by Choice Homes, LLC for "West Side Estates". The plat is a simple subdivision of 34.15 acres of property recently annexed into the City, which will create a saleable lot and an outlot which can be further subdivided in the future. The Planning Commission recommends approval of the preliminary and final plat of "West Side Estates".

Nathe/Whiting unanimous to approve the preliminary plat of "West Side Estates", as requested by Choice Homes, LLC, as recommended by the Planning Commission.

Smith/Nathe unanimous to approve the final plat of “West Side Estates”, as requested by Choice Homes, LLC, including any corrections or modifications as required by Sherburne County, as recommended by the Planning Commission.

MAYOR/COUNCIL ITEMS

Due to a lack of agenda items, Council agreed to cancel the Committee of the Whole Meeting scheduled for Monday, August 14, 2017

Mayor Earenfight noted the following upcoming events:

- Upcoming Community Events
 - Tuesdays through October 3 -- Farmer’s Market – 2:30 – 6:00 p.m. – Zimmerman Bowling Alley
 - August 15 – Movie in the City Park – 8:15 p.m.
 - August 18 – Zimmerman American Legion Golf Tournament – Princeton Golf Course
 - September 9 -- City Wide activities
 - Community Shred Event – 10 a.m. – 1 p.m. -- City Hall
 - Ladies on the Loose – 10 a.m. – 3 p.m.
 - Fire Department Open House -- 11 a.m. – 3 p.m. – Fire Station
 - Youth Expo – 11 a.m. – 3 p.m. – St. John Lutheran Church
 - Firemen’s Dance – 8 p.m. – Midnight – Fire Station

Before adjourning, Mayor Earenfight asked for a moment of silence in honor of US military personnel and their families, both at home and abroad.

Whiting/Brisbin unanimous to adjourn the meeting at 7:43 p.m. Motion carried.

Approved this 21st day of August, 2017.

s/s Kary Tillmann, Clerk/Treasurer

APPROVED 08/21/2017