

**DANUBE CITY COUNCIL
Regular Council Meeting
Wednesday, September 14, 2016 7:00 PM
Danube City Council Chambers**

A regular meeting of the Danube City Council was conducted on September 14, 2016 at 7:00 p.m. with Mayor Alex presiding.

The following Councilmembers were present: Sharon Krogman, Dave Maurice, Phil Standfuss and Al Strunc

Councilmembers absent: None

Others Present: Brian Block, Jim Krogman, Mike McGraw, Susie Katka, Police Chief Les Schneider, City Clerk-Treasurer Dotty Schnobrich, and media.

Approval of Agenda

Councilmember Krogman moved and Councilmember Standfuss seconded a motion to approve the Agenda with the addition of Extension Pennings Building Permit for one (1) Year under Consent Agenda. The motion carried unanimously.

Approval of Consent Agenda

Councilmember Maurice moved and Councilmember Standfuss seconded a motion to approve the consent agenda as listed below. The motion carried unanimously.

Consent Agenda – please see notes to agenda items below

The following items are considered routine or non-controversial by the Council and will be approved with one motion. There will be no separate discussion of these items unless a council member, city staff or citizen so requests, in which case the item (s) will be removed from the consent agenda and be considered in its normal sequence on the agenda.

- Minutes of Regular Meeting of August 10, 2016
- Building Permit – 400 N 1st Street – Add Entry, Extend Out Picture Window and Add Canopy
- Extension Pennings Building Permit for one (1) Year

Open Forum

Dennis Zieske – Sewer Backups – Dotty reported that Dennis Zieske asked to be put on the agenda for tonight’s meeting but he obviously didn’t show up for the meeting.

Susie Katka – Susie addressed the Councilmembers regarding concerns on the street maintenance in Danube. Some of her concerns were the sweeping and cleaning of the streets. Susie brought a bag of sand like material that was building in the area by the drains and voiced maybe someone needs to go around once a week and physically remove the buildup around the drains because the street sweeper isn’t able to pick that up. Susie also voiced a concern about snow removal. Last winter after one of the snow falls no one plowed the streets and then the

snow became slush and people drove on them creating ruts and then the slush froze and it made for rough roads in Danube and if the plow would have gone the roads wouldn't have been as bad as they were. Susie commented that she use to hear comments in the past about how clean Danube looked and for some time now she has not heard those comments and she feels that the overall street maintenance in general could use some improving to bring back the cleaner look to Danube. The Councilmembers talked with Susie about her concerns and how to address the issue with the maintenance department. Councilmember Maurice will speak with Dan regarding street maintenance in general.

Fire Department

Brian Block informed the Councilmembers that the new truck is here that they purchased and that the firemen will be training on it Thursday, September 15, 2016. Brian asked the Councilmembers for permission to sell the '78 Dodge. Brian would like to put it on Craig's List to get it out there more. The Councilmembers liked the idea and asked City Clerk Dotty Schnobrich to check with the League of MN Cities about selling the fire truck to make sure that we follow the rules for selling government property.

Councilmember Standfuss moved and Councilmember Maurice seconded a motion to approve the Fire Department to sell the '78 Dodge. The motion carried unanimously.

Open Forum

Jim Krogman – Jim brought three issues before the Councilmembers. The issues were dust controller, fertilizer on the street and on his driveway and all the trucks using Second Street East. Dust control was done last spring on May 26th. From Fall of 2015 to Spring 2016 there have been 1450 trucks and equipment that have gone by his house. There have been 2 fertilizer spills in front of his house and the fertilizer went up his driveway 20 feet. Jim stated that he didn't put screens on his house because the fertilizer dust gets pulverized and blows in his house when the wind blows. Jim passed around pictures that he took from in front of his house. The pictures were from 2015 and 2016. Mayor Alex asked Jim if they sprayed for dust this fall. Jim responded that he was not sure but he did see them spray on May 26th and that is all he is aware of. There were two fertilizer spills this spring. The spills occurred on April 14th and 22nd. Police Chief Schneider was informed when he is made aware of a spill he is to contact management and get the spill taken care of immediately. A lengthy discussion was held between the Councilmembers, Jim Krogman and Mike McGraw about the current truck route and when, how and why it is where it is and how it was decided. Also discussed was whether or not MNDOT denied a second access on HWY 212 prior to the City Council making the decision to turning Oak Street into a truck route.

Employee Report – Chief of Police

Chief of Police Les Schneider was present to give a two monthly employee and Police Department report. Statistics for July 2016 were slightly lower to last year at the same time with 48 calls, 27 reports, 25 traffic stops, 9 citations, 17 mutual assists and 2 home security checks; Statistics for August 2016 were slightly higher to last year at the same time with 59 calls, 36 reports, 16 traffic stops, 16 citations, 31 mutual assists and 4 home security checks. Additional business discussed:

- School Building Update – Schneider reported that the gym floor was completed by Forkrud. The building did have water damage from the August 10th storm and Dan patched the vent cover where it was leaking in. Schneider also reported that he has held fire drills at the school for Tri-Valley. Volleyball has also started.
- Fun Days Summary – Schneider reported that Fun Days went good until Saturday. Schneider also would like to thank the City of Olivia and Renville County for the tables and barricades.
- POST Training Reimbursement Received – Schneider informed the Councilmembers that the POST training reimbursement of \$1,250.65 was received.
- POST Board Meeting (July 28) – Schneider reported that he attended a settlement conference in St. Paul on July 28th with the POST Board.
- Radar Certification (8/3/16) – Schneider reported that on August 3, 2016 the annual certification of the radar did take place.
- Squad Car Update – Schneider informed the Councilmembers that on August 10th Police Officer Matt Vatsaas drove the squad car into standing water on Freedom Street and Pine Street. The squad car stalled out. Danube Auto Works came and towed the squad car to the shop. Due to the water getting into the engine a new engine was put in the squad car, the engine has a three (3) year warranty. The insurance deductible is \$2,500.00 and Schneider will be submitting paperwork to see if FEMA will cover the City's cost of the deductible. The Police Department has been using the 2003 squad car since August 10th.
- 2017 Budget Information – Schneider reported that him and Councilmember Strunc discussed the budget concerns that Councilmember Maurice and Standfuss after the meeting that was held to get a working budget ready for tonight's meeting.
- State Stipend Retention Program (Fire Department & First Responders) – Schneider reported that money was received for the stipends and checks were issued to all those that were on the list. 2017 will be the last year for this stipend.
- First Response Training (Sept 29) – Schneider reported that the First Response will be having training on September 29, 2016.

Closed Meeting

Mayor Alex asked for the City Council to go to a closed meeting at 8:11 pm for the purpose of talking about a Police Department personnel issue.

Councilmember Standfuss moved and Councilmember Maurice seconded a motion to close the City Council meeting at 8:11 pm. The motion carried unanimously.

Councilmember Krogman moved and Councilmember Maurice seconded a motion to adjourn the closed meeting and reopen the regular City Council Meeting at 8:31 pm. The motion carried unanimously.

Employee Report – Public Works Director

In the council packets, Councilmembers received a monthly report for Public Works Director Dan Kaufenberg. The report is below

- Water – The cement for the water tower foundation has been complete. The new isolation valve for well house #3 has also been installed. The well house has been repainted. Next is the installation of new windows. Would like to get Sullivan's Electric

to replace outside light on well #5. It is all corroded and falling off the building. It is nice to have light down there otherwise very dark. The wells averaged 40,000 gal/day for the month of August.

- Sanitary – With the big heavy rainfalls and one really big one that flooded a big area of town the sanitary took on extra water in August. As did every other town in the area. The lift station averaged 61,000 for the month of August. About 20,000 higher than normal.
- School – Dan received some quotes from Chappell Central to redo the piping for the relief valves on the boilers. It was \$2,509.07 to just pipe them down toward the floor and \$6,925.50 to pipe them outside. To go outside requires a lot more pipe and labor. It is not necessary to go outside just an option to eliminate steam in the boiler room.

Councilmember Maurice moved and Councilmember Standfuss seconded a motion to approve Chappell Central to redo the piping for the relief valves on the boilers toward the floor not outside, for \$2,509.07. The motion carried unanimously.

- Sidewalks – Dan talked with Pennings and they gave a quote to replace all the sidewalk in front of Dorothy Kleinhuizen's at \$1500. Kleinhuizens wanted more sidewalk replaced than what the city was originally looking to do. It was about a 50/50 split on the amount being done to what was originally looked at so after talking with Dave/Phil we decided to just split the bill 50/50. Totaling \$750.00 for the City of Danube. Dan also had Nissen Slab Jacking of Spicer do the sidewalk at the REA. Turned out really nice. They fixed the sagging along the curb and the high spot by the window. The bill for that was \$630.00. It was Okayed by Dave/Phil. Dan also had them give a quote to do in front of the city office and around the corner by stop sign. That came in at \$900.00 if the council is interested.

Councilmember Standfuss moved and Councilmember Strunc seconded a motion to approve Nissen Slab Jacking of Spicer to fix the sagging sidewalks in front of the City Office building and around the corner \$900.00. The motion carried unanimously.

Councilmember Strunc voiced that the public works should have two (2) 55 gallon drums of mosquito spray on hand. The Councilmembers discussed the issue and decided that Dan could order another 55 gallon drum of mosquito spray in 2017 to have enough on hand.

Councilmember Standfuss brought up that during a rainfall like the one on August 10, 2016 maybe the Danube Fire Department could have some guys on call available to come help Dan out during the heavy rains. The Councilmembers discussed the suggestion and agreed that this was a great idea to have in place. Dan should talk with Fire Chief Brian Block about coming up with a plan.

The Councilmembers discussed getting a daily pumping breakdown for the August 10, 2016 rainfall from Dan so they could see how quickly the water went through the system. Councilmember Maurice will speak with Dan on both the Danube Fire Department assisting during heavy rainfalls and getting a daily pumping average from the August 10, 2016 storm.

Employee Report – City Clerk

- Transfer Funds – Dotty needs to transfer about \$200,000.00 to cover the second partial pay estimate for the water tower. Where would the Council like to take the funds from? Hometown Bank, Edward Jones or Dawson Coop?
The Councilmembers discussed the issue briefly.

Councilmember Standfuss moved and Councilmember Krogman moved to transfer \$200,000.00 from Hometown Bank in Olivia to Minnwest Bank in Danube. The motion carried unanimously.

- Office Closed- The City Office will be closed on Thursday, September 22, 2016 and Monday, September 26, 2016 for vacation days.
- Benson Donation Follow-up – Aaron sent Dotty an email regarding giving money toward the painting and shingling of the Benson house. The email is as follows:

Hi Dotty,

The city can only do things that are authorized by statute. The law generally prohibits using tax money for a private purpose.

I looked at a few possible statutory provisions that might allow something like the donation that you described below, but I cannot come up with a permissible means to allow it.

The LMC has a good memo on this topic. At the end of the memo, there are a series of questions that we can use to help with the analysis. The questions with my responses are:

1. Does a statute or charter provision specifically or implicitly authorize the specific expenditure? I did not find one.
2. Does the expenditure benefit the community as a whole? No, it would benefit one family.
3. Is the expenditure directly related to the functions of government? It could be argued that the improvements help avoid a nuisance or hazardous building.
4. Does the expenditure have as its primary objective the benefit of a private interest? The expenditure would primarily benefit private property owners.

Although this idea is certainly thoughtful and generous, it is my opinion that law does not allow it.

Please feel free to contact me if you have any questions.

Thank you,

Aaron D. Walton, Esq.

Walton Law Group, P.L.L.C.

Due to this update from the attorney the Councilmembers decided that they would not be able to donate toward that project.

School Building Updates

Renville County West Letter – The Councilmembers received a copy of the letter from RCW. Councilmember Maurice asked Dotty if she issued an invoice for \$1,250.00 like what was requested in the letter. Dotty informed the Councilmembers she did not because at the last Council meeting a motion was made to bill them for \$2,500.00 and was waiting to bring it back to the Councilmembers for that reason.

Councilmember Maurice moved and Councilmember Standfuss moved to bill Renville County West \$1,250.00 which is half the cost of redoing the gym floor. Mayor Alex, Councilmember Krogman, Councilmember Maurice and Councilmember Standfuss voted in favor and Councilmember Strunc opposed. Motion carried with a vote of four (4) to one (1).

Community Center Updates

Councilmember Maurice informed the Councilmembers that they are still working with the new custodian at the Community Center. Dotty informed the Councilmembers that the ceiling tile has come in and Dan Kaufenberg will be taking down the damaged ceiling tile and replacing it with the new.

Unfinished Business

Water Tower – Funding & Partial Pay Estimate #2 Approval – There was no new issues to discuss on the water tower funding but to continue to carry this item forward on each agenda until further notice. The following is the email from City Engineer Lee Elfering regarding the Partial Pay Estimate #2.

Honorable Mayor and City Council

City of Danube

400 Main St. PO Box 397

Danube, MN 56230

RE: 50,000 GALLON WATER TOWER

PARTIAL PAY ESTIMATE #2

Dear Council Members:

Please find attached Partial Pay Estimate No. 2 for the above-referenced project. As you are aware, the Contractor for the project is Maguire Iron. The total amount earned by the Contractor on this partial pay estimate is \$194,550.00. Subtracting 5% retainage of \$9,727.50 and previous payments of \$33,250.00 and adding material on hand of \$33,250.00, the amount due the Contractor is \$184,822.50.

This pay estimate includes costs that have been incurred for the design submittals required by the Contract and the installation of the tower footing and the watermain extension. We have inspected the work performed by Maguire Iron and find it to be in compliance with the plans, specifications, and contract documents. Therefore we would recommend approval of Partial Pay Estimate No. 2 in the amount of \$184,822.50.

If you have any questions regarding this issue please feel free to call.

Sincerely,

ELFERING & ASSOCIATES

Lee Elfering, P.E.

City Engineer

The Councilmembers reviewed the Partial Pay Estimate #2.

Councilmember Maurice moved and Councilmember Krogman seconded a motion to approve the Mayor to sign the Partial Pay Estimate #2 of \$184,822.50 from Maguire Iron for the water tower project. The motion passed unanimously.

HWY 212 By-pass & Turning Lane Update – Lee Elfering Email – The Councilmembers received in their packets an email from City Engineer, Lee Elfering, Geralynn Vick from MnDOT and Cody Brand from MnDOT. The Councilmembers also received a copy of the letter and drawings Lee Elfering received from Geri Vick from MnDOT. Lee informed the Councilmembers that for some time now he has been working with MnDOT on the HWY 212 by-pass and turning lane and due to all the changes that MnDOT is requesting now he would have to start over on the work that he has done and he felt he should speak to the Councilmembers before continuing on with the project. Lee informed the Councilmembers one of the changes is changing the ditch back to the 1930s depth and would require the purchase of

25 feet of right-of-way on both side of HWY 212. The cost just for the paperwork for MnDOT was quoted at \$5,000.00 a piece approximately and there are three (3) different owners that would need to be purchased, which comes to a total of \$15,000.00 just for MnDOT paperwork. On top of this would be the cost of the land. MnDOT would purchase the land and the City of Danube would have to pay MnDOT that cost. Lee explained all the work that would have to be done to put in the by-pass and turning lane so the Councilmembers understood what it all entailed. Lee gave the Councilmembers some ballpark figures for the by-pass and turning lane and the total came to approximately \$250,000.00. The Councilmembers held a discussion about some possible choices on how to go forward on the project.

Councilmember Maurice moved to drop the HWY 212 by-pass and turning lane project completely and leave everything as is. The motion died due to a lack of a second.

The Councilmembers discussed Councilmember Maurice's motion but adding in some stipulations like cleaning up fertilizer spills and stopping truck traffic from using 2nd Street East. After much discussion the Councilmember Strunc made a new motion.

Councilmember Strunc moved and Councilmember Standfuss seconded a motion to approve City Engineer, Lee Elfering to not go further on spending any more money at this time on the by-pass and turning lane project on HWY 212. Mayor Alex, Councilmember Krogman, Councilmember Standfuss and Councilmember Strunc voted in favor and Councilmember Maurice opposed. Motion carried with a vote of four (4) to one (1).

The Councilmembers decided to have Councilmember Standfuss and Councilmember Strunc meet with members from the CCFE to discuss the findings thus far and try and come up with an agreement. Dotty will schedule a meeting for the group to meet and Councilmembers Standfuss and Strunc will bring back their findings at the next Council meeting to decide where to go next on the issue. The Council directed Police Chief to watch more for truck traffic and talk to management regarding any fertilizer spills for immediate clean up and document all incidents and inform the Council of them.

Water Tower Update – Lee Elfering informed the Councilmembers that the water tower construction has been accelerated from the original plan.

Dorothy Kleinhuizen & REA – Sidewalks – This was covered under the Employee Reports – Public Works Director.

Financial Reports

The Councilmembers reviewed the claims list from August 10, 2016 thru September 12, 2016.

Councilmember Standfuss moved and Councilmember Krogman seconded a motion to approve the bills as submitted in the amount of \$269,650.50 (checks) and \$13,738.43 (electronic fund transfers). The motion carried unanimously.

The Councilmembers reviewed the Receipts List from August 5, 2016 thru September 12, 2016.

The Councilmembers reviewed the Actual verses Budget Comparison for 2016.

The Councilmembers reviewed the Bank Reconciliations for August 2016.

New Business

Fee Schedule – The Councilmembers reviewed the Fee Schedule from previous years.

Councilmember Maurice moved and Councilmember Krogman seconded a motion to approve the fees from 2016 for 2017. The motion carried unanimously.

Utility Schedule – The Councilmembers reviewed the break down the rates and usage of resident and business water and sewer accounts. After some discussion the Councilmembers made a motion regarding 2017 utility rates.

Councilmember Maurice moved and Councilmember Standfuss seconded a motion to increase the following utilities: water base rate \$5.00 per quarter to \$48.73; sewer base rate \$5.00 per quarter to \$32.93. The motion carried unanimously.

Employee Evaluation Date – The Councilmembers discussed setting an employee evaluation date. The date that was chosen is Wednesday, October 26, 2016 at 6pm.

Resolution No 5-2016 – Boarder to Boarder Broadband Support – The Renville County HRA/EDA sent a letter asking the Danube City Council to support them in applying for a boarder to boarder broadband development grant application. The Councilmembers reviewed and discussed the request.

Councilmember Maurice moved and Councilmember Krogman seconded a motion to approve Resolution No 5-2016 Boarder to Boarder Broadband Development Grant Application Resolution of Support. Mayor Alex, Councilmember Krogman, Councilmember Maurice and Councilmember Standfuss voted in favor and Councilmember Strunc abstained from voting. Motion carried with a vote of four (4) to one (1).

3rd Street Property – Sale – Mayor Alex asked the Councilmembers if the City is going to sell the property on 3rd street. Councilmember Strunc said no but he would be in favor of selling it but instead giving the property away to someone to build a house on it. The Councilmembers discussed some of the issues that could arise if the City just gives it away. The Councilmembers decided to have Dotty contact the League of MN Cities if the City could give the land away with conditions on the selling. Dotty will bring back the findings from the League of MN Cities to the Council meeting.

2017 Budget – Proposed Tax Levy – Resolution 04-2016 – The Councilmembers went through line by line of the budget that was put together by Councilmember Maurice, Councilmember Standfuss and Dotty Schnobrich. After making changes throughout the budget the Councilmembers made a resolution for adopting the 2016 tax levy of \$240,829.00.

Councilmember Strunc moved and Councilmember Standfuss seconded a motion to pass resolution 4-2016 for the proposed tax levy of \$240,829.00. The motion carried unanimously.

Future Business – None

Correspondence - None

Adjournment

There being no further business before the council, Councilmember Standfuss moved and Councilmember Krogman seconded a motion to adjourn the meeting. With all members voting in favor, the meeting was adjourned at 10:44 p.m.

Respectfully submitted: Dotty Schnobrich, City Clerk

Gene Alex, Mayor

Dotty Schnobrich, City Clerk