

**DANUBE CITY COUNCIL
Regular Council Meeting
Wednesday, August 10, 2016 7:00 PM
Danube City Council Chambers**

A regular meeting of the Danube City Council was conducted on August 10, 2016 at 7:00 p.m. with Mayor Alex presiding.

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

Councilmembers absent: Al Strunc

Others Present: Nancy Standfuss, Brian Block, Damon Bratsch, Gene Alex Jr., Cal Lueck, Suzie Lueck, Mike McGraw, Public Works Director Dan Kaufenberg, City Clerk-Treasurer Dotty Schnobrich, and media.

Approval of Agenda

Councilmember Maurice moved and Councilmember Standfuss seconded a motion to approve the Agenda with the addition of Sidewalks - Dorothy Kleinhuizen and REA under Old/Unfinished Business. The motion carried unanimously.

Approval of Consent Agenda

Councilmember Maurice moved and Councilmember Krogman 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 July 13, 2016
- Bar Door Open Saturday, September 24, 2016 for Anniversary Celebration

Open Forum

Cal and Suzie Lueck – Cal informed the City Councilmembers that Don Ward and himself want to divide the property that they purchased between their houses. Cal said the attorney would like to see approval on public record from the City Council before he writes up the deed for the County. The County would like to see that the City has knowledge and approval of the divide. *Councilmember Maurice moved and Councilmember Standfuss seconded a motion to approve Cal & Suzie Lueck and Don Ward to divide the property located at Lot 17 Track A&B in Danube with an easement on the driveway to the garage. The motion carried unanimously.*

Mike McGraw – Mike inquired from the Councilmembers if there was an update on the Highway 212 by-pass & turning lane. The Councilmembers informed Mike that this item is on the agenda under Old/Unfinished Business and that they would be discussing it along with an email from the City Engineer, Lee Elfering.

Fire Department

Brian Block, Damon Bratsch and Gene Alex Jr. discussed with the City Council about purchasing some boots for \$5,500.00 approximately and gloves for \$1,500.00 approximately. The small equipment fund has \$14,473.03 available to use for this purchase. Brian has also applied for a DNR matching grant, which is up to \$5,000.00.

Councilmember Maurice moved and Councilmember Krogman seconded a motion to approve the Fire Department to purchase the boots and gloves for approximately \$7,000.00. The motion carried unanimously.

Brian also talked with the City Councilmembers about purchasing a 2001 Ford F450 which has a 500 gallon tank & pump with a 20 gallon foam tank. The truck also has room for 3 firefighters in the back. If the Fire Department purchases this truck it would replace the 250 gallon tank and pump truck. The Capital Outlay for the Fire Department has \$93,287.00 available for a fire truck. The truck that the Fire Department is looking at is located in Cottonwood. The Danube Fire Department is going to make an offer on the truck of \$75,000.00. They would like to take \$35,000.00 from the Capital Outlay and get the other funds from the Danube Area Donation Society (which is funded by the Danube Lions Club gambling) and the Smelt Fry. The Fire Department would like to replace those funds back in the Capital Outlay Fund in the next couple 3 to 4 years. The members of Fire Department and the City Councilmembers discussed ways to raise funds with the intent of purchasing a different fire truck down the road. Some of the ideas was by doing a fund raiser for the public to see what they were donating the fund to another was approaching the townships for funds out of their Capital Outlay to help purchase a new fire truck. The Councilmembers encouraged the Fire Department to increase their Capital Outlay in the budget in future years for the purpose to purchase a fire truck.

Councilmember Standfuss moved and Councilmember Maurice seconded a motion to approve the Fire Department \$35,000.00 to purchase the boots the 2001 Ford F 450 500 gallon a minute truck. The motion carried unanimously.

Nancy Standfuss – John Benson House – Painting and Shingling

Nancy Standfuss thanked the Councilmembers for allowing her to address the City Council. Nancy informed the Councilmembers that she was putting on a fundraiser to get the Benson house painted but someone informed her that she needed to look at the house the shingles are shot so the fundraiser changed to painting and shingling. To date Nancy has raised \$6,000.00. Nancy has received two bids to date for the painting it is \$4,300.00 and the shingling is \$9,468.00. Nancy is still waiting to hear back on a second bid for both of these items. Nancy shared a personal story with the Councilmembers about giving back. Nancy would like to do this as their way to pay it forward and a way to thank him for his service. Nancy thanked the Councilmembers for their consideration on this.

The Councilmembers discussed the issue after Nancy Standfuss left and if the City of Danube could donate to this cause. After a brief discussion it was decided to have Dotty contact the City Attorney and ask if the City of Danube can give to something like this.

Employee Report – Public Works Director

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

- Sanitary – Thul specialties finished their manhole rehab project. After they were done Dan checked the manholes and found a few were still leaking. Dan has contacted them and they are to come back and inspect with me to make sure the job is done right. We had been having issues with weeds the last five years as well as high PH levels. There was a lot of duckweed floating around and it would clog up pipes for discharge. Dan has tried spraying the weeds in the water in the past but they always came back. In the spring Dan threw some bacteria packets to eat the sludge and also used a dye in the secondary pond. So far no weeds have surfaced and the PH levels are coming down. Northstar Pump is scheduled to do the annual inspection on the lift station. The lift station averaged 60,000 gal/day for the month of July.
- Water – The foundation for the new water tower has been begun. Windows have been ordered through Danube Lumber for the two well houses. The grout is fixed and Dan has begun repainting them. The wells averaged 50,000 gal/day for the month of July. Dan will be doing Nitrate samples as well as THM/HAA samples in the month of August.
- Streets – We are the list for Midwest Asphalt to do 2 days of air patching this summer yet before it turns cold. Dan clarified the quote from Midwest Asphalt that the bill will be the cost per day plus the oil and rock chip used during that time.
- Mosquitoes – This year has been a bad year for mosquitoes. I think we have almost doubled are order of spray we usually go through. We have gone through 30 gal so far this year at a cost of \$1100. I have been ordering 2.5 gal jugs for \$37/gal. Instead of ordering multiple times with shipping charges each time. I would like to order 55gal drum next year for \$1595. This would be cheaper at \$29/gal.
The Council members discussed purchasing a 55 gallon drum of mosquito spray as recommended by Dan.
Councilmember Maurice moved and Councilmember Standfuss seconded a motion to approve purchasing a 55 gallon drum of Mosquito spray for 2017. The motion carried unanimously.
- Dorothy Kleinhuizen & REA – Sidewalks – Dan reported back on Dorothy’s sidewalk that if the City cuts some of the root on the tree that the tree may die over time. Another possible solution is to make the sidewalk go around the tree. Dan and Mayor Alex had different answers in the conversations with Dorothy and Jim Kleinhuizen so Dan is going to go back and talk to Dorothy and Jim again to try to get one answer about the tree that is causing the sidewalk issue. Dan also had Rick Ferguson approach him regarding 3 or 4 sidewalks that are sinking down and the lip of the curb has become a tripping hazard. The Councilmembers discussed the sidewalk issue in front of the REA and decided that Dan should get a quote on jacking up the sidewalk and build up the base under the sidewalk and meet with Councilmember Maurice and Councilmember Standfuss and they will make the decision on whether or not to fix it.

Employee Report – Chief of Police

Chief of Police Les Schneider was not present to give his monthly employee and Police Department report. Schneider will give a two month report at the next council meeting in September.

Employee Report – City Clerk

- **Apartment Building** – Dotty talked with the individual that originally made the complaint about a possible rodent problem at the apartment buildings and it was discovered that it was not at the apartment building but instead within their own business and the company that did the pest control was incorrect about where the problem was located.
- **Community Center** – Dotty purchased a small three (3) tier shelf for over at the Community Center and she will get it labeled and placed in the cleaning supply room for renters.
- **Building Down at the Park** – Ben Ryan contacted Dotty on Monday, August 8, 2016 at home to let her know that he would not be able to attend the special meeting at 6:00 pm on Wednesday, August 10, 2016. Dotty informed Ben that was okay because she had forgot and Councilmember Strunc is gone this month. The Council will need to pick a different day to hold this special meeting. The September meeting has EDA before it so that would not work for an earlier start time to address this issue. Possibly would the Council want to do October 12, 2016 at 6:00 pm to address the building?
The Councilmembers discussed a date and decided that the next time the building is to be discussed is at the October 12, 2016 meeting and to start at 6pm instead of 7pm.
- **Office Closed**- The City Office will be closed on Monday, September 5, 2016 for a Labor Day and Thursday, September 22, 2016 and Monday, September 26, 2016 for vacation days.

School Building Updates

Dan informed the Council that him and Mayor Alex went to Sacred Heart and got mats so the City of Danube doesn't have to redo the mats that were torn. The mats are all up. Mayor Alex reported that the gym floor has been redone now. Mayor Alex also reported that they are working on the scoreboards down at the school. Dotty reported that she sent a bill to RCW School as per the motion from the July 13th Council meeting.

Community Center Updates

Thomas Grosklags was hired for the Community Center custodian at a rate of \$18.00 per hour. Mayor Alex met with Thomas earlier today at the Community Center to go over how to care for the floors. Mayor Alex reported that he met with Thomas earlier today to tell him how to clean the floors and that the Community Center needed to be cleaned up after the auction today and Thomas was going to go back later and clean the Community Center.

Unfinished Business

Water Tower – Funding – 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.

HWY 212 By-pass & Turning Lane Update – Lee Elfering Email – Below is the email from Lee Elfering, City Engineer. Dotty read the email out loud for those who were present regarding this matter.

TO: Honorable Mayor and City Council Members
FROM: Lee Elfering, City Engineer

DATE: August 9, 2016

RE: Project Update

CCFE Bypass & Turn Lane

I met with the property owner on the south side of the Highway, Mr. Schroeder, the later part of June to discuss the proposed changes to the ditch and his field entrance location along Highway 212. Al Strunc was also at the meeting and after discussing the proposed improvements Mr. Schroeder indicated that he would like the field approach left in its current location and that he was ok with the proposed ditch and pipe modifications in the plan. The plans were then submitted to MnDOT and we indicated we had met with Mr. Schroeder and that he had verbally approved the plan.

MnDOT is having an internal meeting this Friday to discuss the plan that has been submitted and will provide written response on if the plan is approved or what necessary changes or additional items are needed to have the bypass/turn lane approved. I have informed MnDOT that I may want a meeting to discuss their response depending on the extent of the request.

Water Tower Update – Lee Elfering Email – Below is the email from Lee Elfering, City Engineer.

TO: Honorable Mayor and City Council Members

FROM: Lee Elfering, City Engineer

DATE: August 9, 2016

RE: Project Update

Water Tower

A partial payment request is in your meeting packet for the first payment on the project for material on hand. The subcontractor completing the foundation work started on Monday and poured the footings this afternoon. They anticipate pouring the foundation walls for the tower base Thursday or Friday of this week.

We have been working with the Contractor on some revisions to the plans. Our inspection consultant is concerned the condensation pit which is included in the plan may not be sufficient and a floor drain should be installed to replace it. The water that would flow into the drain is clean water and we have been working with Department of Health to get approval for a surface discharge of this water instead of discharging it to the sanitary sewer. The City should have received a copy of a letter from the MPCA that outlines they will not allow a surface discharge of the water however they have agreed to allow the discharge of the drain to a rock bed outside the tower for the water to be infiltrated. The Contractor has provided a cost of \$1,521.00 for the drain installation.

Dan also requested that since we were now working close to the existing main well an isolation valve be added to the well line. Addition of this valve would allow the well to be worked on or isolated without impacting any of the remaining City system. The Contractor has provided a price of 2,028.00 for this valve addition.

We have also had discussions with the Contractor regarding the bituminous paving for the new site and the curb and street patching. These types of impacts did not exist on the original site because the existing water main was in the boulevard. The Contractor did not originally have a subcontractor for paving and has provided an estimate of around \$18,421.00 for the driveway and the street patch work. If the bituminous paving of the street patch and driveway is removed the additional cost for the pavement and curb removals, curb installation, and gravel placement is \$3,695.00. We believe better pricing could be received for the paving by having it done by a separate contractor and would recommend the City obtain quotes for that work from local

contractors who typically do the blacktop repairs in the City. We would recommend the Tower Contractor complete the removals and the curb replacement as part of his work.

The benefit of the new site is that less water main is needed to connect to the existing City system. The Contractor will be providing a credit of \$2,870.00 for the reduction of the water main needed for the new site.

We are recommending the City approve the modifications listed above for a net increase in the total contract of \$4,374.00.

The Councilmembers discussed the modifications.

Councilmember Standfuss moved and Councilmember Maurice seconded a motion to approve the modifications as listed by City Engineer, Lee Elfering, (if the total is correct) of \$4,374.00 increase to the total contract. The motion passed unanimously.

Partial Pay Estimate #1- Lee Elfering Email

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 #1

Dear Council Members:

Please find attached Partial Pay Estimate No. 1 for the above-referenced project. As you are aware, the Contractor for the project is Maguire Iron. The total amount requested by the Contractor on this partial pay estimate is \$33,250.00.

This pay estimate includes a request for material for the tower and costs that have been incurred for the design submittals required by the Contract. These costs are typically paid as material on hand as they are costs incurred prior to any of the actual construction occurring on site. The material on hand payments will be subtracted from future payments as the work progresses and bid items are paid. Therefore we would recommend approval of Partial Pay Estimate No. 1 in the amount of \$33,250.00.

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 #1.

Councilmember Maurice moved and Councilmember Krogman seconded a motion to approve the Mayor to sign the Partial Pay Estimate #1 of \$33,250.00 to certify that all amounts shown are correct for the work that has been completed by Maguire Iron for the water tower project.

The motion passed unanimously.

Water Tower Update – MN Dept. of Health – The Councilmembers received a letter from the Minnesota Department of Health regarding a floor drain for clear water waste in the base of the tower. City Engineer, Lee Elfering is working with the Minnesota Department of Health regarding the drain and will report back to the Council with updates.

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

Financial Reports

The Councilmembers reviewed the claims list from July 14, 2016 thru August 09, 2016. *Councilmember Standfuss moved and Councilmember Krogman seconded a motion to approve the bills as submitted in the amount of \$154,381.48 (checks) and \$10,028.69 (electronic fund transfers).* The motion carried unanimously.

The Councilmembers reviewed the Receipts List from July 8, 2016 thru August 4, 2016.

The Councilmembers reviewed the Actual verses Budget Comparison for 2016.

The Councilmembers reviewed the Bank Reconciliations for July 2016.

New Business

Co-op Country Farmers Elevator property ID 30-00003-00 Classification – Dotty received a call from Randy Mertz from the Assessor’s office in Olivia. Randy informed Dotty that currently the property ID 30-00003-00 is classified as rural service district. This property has the scale house, seed warehouse and tillable farmland located on it. Currently with that classification the Co-op is paying about ½ of the possible taxes. Below is an example of what the taxes would be with the current rural district classification and by removing that classification.

Tax Year 2017

	Rural District Classification	Removing Classification
If the property remains non taxable by state	\$ 11,000	\$ 20,000
If the property changes to taxable by state	\$ 50,000	\$ 100,000

In Ordinance #63 Establishing an Urban Taxing District and a Rural Taxing District, Section 4 Change of District it addresses this issue. The Council needs to review the ordinance and decide if Dotty is to contact Marc Iverson to let him know of the change that needs to take place to this property. Dotty also informed the Councilmembers that an email was sent to Craig Hebrink to inform him of this issue being discussed. Craig Hebrink replied that they would not be attending the meeting and that they will abide by the decision of the Council.

The Councilmembers discussed the Co-op property and after much discussion it was decided that the City Councilmembers are held to following the Ordinances of the City of Danube and don’t have a choice but to remove the classification per Danube City Ordinance #63.

Councilmember Krogman moved and Councilmember Standfuss seconded a motion to approve removing the Rural District Classification from Property ID 30-00003-00 to comply with Danube Ordinance #63. The motion passed unanimously.

Board of Appeal and Equalization Training – The Councilmembers were made aware that only Councilmember Krogman is current on her Board of Appeal and Equalization Training and the rest of the Council has expired and need to complete the training before February 1, 2017.

2017 Budget – Date to Work on and Who – Proposed Due by September 15, 2016 – The Councilmembers discussed the 2017 budget work that needs to be done and it was decided that Dotty, Councilmember Maurice and Councilmember Standfuss will get together on Wednesday, September 7, 2016 at 8:30am at the City Clerk’s office to prepare the 2017 budget for the Council to review at the September Council Meeting.

LGA for 2017 – The Councilmembers were made aware that the City of Danube will receive \$149,042.00 in LGA for the year 2017. This figure will be put in the budget for 2017.

Future Business – None

Correspondence - None

Adjournment

There being no further business before the council, Councilmember Standfuss moved and Councilmember Maurice seconded a motion to adjourn the meeting. With all members voting in favor, the meeting was adjourned at 8:56 p.m.

Respectfully submitted: Dotty Schnobrich, City Clerk

Gene Alex, Mayor

Dotty Schnobrich, City Clerk