

Pursuant to due call and notice thereof a regular meeting of the Council in and for the City of Albany, Stearns County, Minnesota, was called to order by Mayor Daron Gersch at 6:30 o'clock in the evening on Wednesday, September 18, 2013, in the Council Room at 400 Railroad Avenue for the said City.

Other Council members present were: Councilors Laurie Dingmann, and John Greer. Councilor John R. Harlander and Tom Kasner were absent.

Also present were: Tom Schneider, Clerk/Adm., Joe Mergen, Public Works Supervisor, Jeremy Mathiasen, City Engineer, Stantec, Inc., Ozzie Carbajal, Police Chief, Aaron Baros, Patrol Officer, Mike Kosik, Staff Writer, Albany Enterprise, and the following Albany High School students: Nick Budde, Mason Dorseth, and Luke Van Overbeke.

After due discussion, a motion was made by John Greer and seconded by Laurie Dingmann to authorize the payment of the following bills: Check Numbers 63666 to 63712 and 14969 to 14985. All voted for the motion and it carried. The complete check register is on file at the office of the City Clerk/Adm. for public inspection during regular office hours.

Mayor Daron Gersch called for any corrections or additions to the minutes of the regular Council meeting held on September 4th and hearing none declared them approved.

Jean Pundsack, 211 Railroad Avenue, appeared before the Council to question why tenants in the adjacent apartment complex are allowed to park on Railroad Avenue and in front of her residence. Ms. Pundsack informed the Council that there were "NO PARKING" signs attached to each electric pole on Railroad Avenue prior to the street being reconstructed that prohibited vehicles from being parked overnight on Railroad Avenue. Ms. Pundsack noted that the off-street parking lot in the rear of the apartment building is not being utilized by the tenants. Councilor John Greer noted that if the vehicles are not violating the City's Parking Ordinance, then no violations may be considered. Mr. Carbajal informed the Council that Ordinance 51 regulates parking and no vehicle shall remain parked on a public street for more than forty-eight (48) hours and any vehicle which is moved less than one (1) block shall be deemed to have remained stationary. Mr. Schneider informed the Council that the purpose of the "NO PARKING" signs was to prevent vehicles from being parked on Railroad Avenue during snow removal emergencies and that the said signs were not reinstalled being several "WINTER PARKING" regulation signs are already erected throughout the City. Mayor Daron Gersch, with the consensus of the Council, directed Mr. Schneider to contact the owner of the apartment building to request that his tenants use the off street parking lot behind the apartment building.

Traci Ryan, David Drown Associates, the City's Tax Increment Financing Consultant, appeared before the Council to discuss a Business Subsidy application the City received from Joe Peternell requesting ten year "pay-as-you-go" financing in the amount of \$145,000 to construct an 11,520 square foot mixed use structure within Tax Increment Redevelopment District No. 14 at 131 8th Street (HWY #238). Ms. Ryan informed the Council that the project will involve the removal of two existing substandard buildings and the new construction expenses are estimated to be \$825,000 which will generate nearly \$17,000 annually in tax increments. Ms. Ryan also presented to the Council a proposed Business Assistance Development Agreement which outlines the project objectives and related tax increment reimbursement to be made to Mr. Peternell. After due discussion and upon the recommendation by the Albany Economic Development Authority (EDA) at their meeting held on September 10th, a motion was made by John Greer and seconded by Mayor Daron Gersch to approve the following:

- Ten-year "pay-as-you-go" tax increment financing through a "pay-as-you-go" Note (\$145,000) with a 10-year term, biannual payments equal to 90% of the increment at 5% interest.
- A Business Assistance Development Agreement with changes as discussed.

- Mr. Peternell to pay for expenses to prepare the Business Assistance Development Agreement plus consultant costs but will not be charged for costs to create TIF District 14 due to the number of beneficiaries.

All voted for the motion and it carried.

It was noted and directed to have the minutes reflect that by not charging Mr. Peternell for a portion of the costs for the creation of TIF District 14, any verbal agreement to reimburse Mr. Peternell for one-half payment of TIF District 13 is cancelled. Ms. Ryan also noted that because Peternell was the sole beneficiary of TIF District 13, the City was under no obligation to reimburse him for a portion of TIF District 13 costs.

Mr. Schneider informed the Council that the 2012 Tax Increment Finance (TIF) District Status Report was presented to the Albany Economic Development Authority (EDA) at the September 10th meeting. Mr. Schneider noted that the report provides a brief review of the fund balance comparison for each district between 2011 and 2012.

John Hoefs, Administrator, Mother of Mercy Campus of Care, appeared before the Council to inform the Council of their organizations request to refund the City's Health Care Facilities Revenue Bonds, Series 2008 (Mother of Mercy Campus of Care Project, dated July 25, 2008). Mr. Hoefs noted that the new 2013 revenue bond aggregate principal amount will be \$5,050,000. Mr. Hoefs also noted that the net proceeds of the 2008 Bonds were loaned by the City to the Corporation in order to (i.) construct an addition to the Corporation's 76-bed nursing home facility, as well as renovate the existing nursing home facility, (ii) improve the Corporation's assisted living and memory care facility, (iii) redeem and refinance the outstanding principal amount of the City's Health Care Facility Revenue Refunding Bonds (Mother of Mercy Nursing Home Project), Series 1996, (iv) establish and fund a reserve fund and certain interest on the 2008 Bonds, and (v) pay expenses in connection with the issuance of the Bonds. After due discussion, a motion as made by John Greer who introduced the following resolution and moved its adoption:

RESOLUTION NO. 2013-17

RESOLUTION OF INTENT REGARDING PROPOSAL TO REFUND THE CITY'S HEALTH CARE FACILITIES REVENUE BONDS, SERIES 2008 (MOTHER OF MERCY CAMPUS OF CARE) UNDER MINNESOTA STATUTES, CHAPTERS 469 AND 462C

The motion for the foregoing Resolution was seconded by Laurie Dingmann and after a full discussion thereon and upon a vote being taken thereon, the following voted in favor thereof: Mayor Daron Gersch, Councilors John Greer and Laurie Dingmann, and none voted against the same whereupon the said Resolution was declared duly passed and adopted. The full text of the said Resolution is on file at the office of the City Clerk/Administrator for public inspection during regular office hours.

The Council took notice of a Perpetual Sign Easement prepared by the City Attorney by and between the City of Albany and the Mother of Mercy Campus of Care, Albany, for the placement of a monument "Welcome to Albany" sign at 21470 Co. Rd. #54. Mr. Hoefs informed the Council that his board approved the said easement, but noted that the crops will need to be harvested prior to the installation of the monument sign. After due discussion, a motion was made by Mayor Daron Gersch and seconded by John Greer to approve the Perpetual Sign Easement. All voted for the motion and it carried.

Mr. Mathiasen appeared before the Council to update the Council on the progress of the 2013 Railroad Avenue (T.H. #238) Improvements (Phase II). Mr. Mathiasen informed the Council that the general contractor will bring in a second pipe crew the week of September 23rd to accelerate the utility installation, but inclement or cold weather may adversely affect the completion date. Mr. Mathiasen presented to the Council pay request number five submitted by R. L. Larson Excavating, Inc., for the Railroad Avenue Improvements. After due discussion, a motion was made by John Greer and seconded by Laurie Dingmann to approve the pay application for R. L. Larson Excavating, Inc., in the amount of \$149,432.08. All voted for the motion and it carried.

Mr. Schneider informed the Council that there was a two-vehicle accident at the intersection of 10th Street and Midland Avenue; whereby a resident who resides near the intersection requested that the Council considers adding temporary “STOP” signs at the said intersection being traffic has increased in this area due to the Phase II detour on Railroad Avenue. Mr. Carbajal noted that the accident was not related to the detour for the road construction. Councilor John Greer questioned if the Council had any thoughts whether or not permanent “STOP” signs should be considered in those areas where temporary “STOP” signs have been placed during the reconstruction of Railroad Avenue or if additional intersections in town should be considered for permanent “STOP” signs. Mayor Daron Gersch, with the consensus of the Council, directed Mr. Schneider to include a notice in the City’s newsletter, website and/or by email to invite the public to the October 16th Council meeting to hear public input to evaluate which intersections would be good candidates for permanent “STOP” signs to help guide the Council in this decision process directed at improving public safety.

Mr. Mathiasen presented to the Council proposed costs for additional ornamental street lighting to each property owner on the east and west side of 8th Street between Shamrock Lane and Railroad Avenue. Mr. Mathiasen noted that the property west of 8th Street will be redeveloped with two new commercial buildings and developers questioned if ornamental street lights may be considered similar to the new ornamental lights erected on Railroad Avenue. Mr. Mathiasen noted that the estimated cost for the placement of four ornamental lights on the west side of the street is nearly \$37,000, but not all property owners have been contacted to determine if they would agree to pay for 25% of the total costs. Mayor Daron Gersch, with the consensus of the Council, directed Mr. Mergen to contact the property owners to determine if they would agree to pay 25% of the costs for the new ornamental street lights and to discuss the request at the next Council meeting.

Mr. Mergen recommended to the Council that the unpaid lawn mowing bill at 1230 Stonebrooke Drive be certified to the Stearns County Auditor to be collected as a special assessment in the tax year 2014. After due discussion, a motion was made by John Greer and seconded by Laurie Dingmann to direct the City Clerk/Administrator to certify to the Stearns County Auditor the unpaid lawn mowing bill at 1230 Stonebrooke Drive in the amount of \$250.00. All voted for the motion and it carried.

Mr. Mergen also recommended to the Council that the City consider selling the old Christmas lights as surplus property. Mr. Mergen noted that a local individual donated funds to the City to purchase new Christmas lights for main street and the old lights are no longer needed. After due discussion, a motion was made by Mayor Daron Gersch and seconded by John Greer to direct the City Clerk/Administrator to publish a notice in the local newspaper to sell the Christmas lights as surplus property. All voted for the motion and it carried.

Mr. Schneider informed the Council that the City’s Economic Development Authority (EDA) held a meeting on September 10th to discuss the circumstances encountered by Robert Deters, owner of a new commercial building at 571 Railroad Avenue that resulted in his building not being substantially completed on or before July 1st. Mr. Schneider noted that a Development Agreement was executed between the City and Mr. Deters that authorized the City to provide Tax Increment Financing (TIF) funds in the amount of \$24,200 for the demolition of a dilapidated commercial building with the stipulation that a new commercial building had to be substantially completed and if not, Mr. Deters is to reimburse the TIF funds to the City. Mr. Schneider noted that Mr. Deters explained to the EDA the circumstances that resulted in the construction delays and the EDA recommended that no financial penalties be considered. After due discussion and upon the recommendation by the EDA, a motion was made by Laurie Dingmann and seconded by Mayor Daron Gersch not to impose any penalties to Mr. Deters for not substantially completing his building on or before July 1, 2013. All voted for the motion and it carried.

Mr. Baros appeared before the Council to introduce himself as the new Patrol Officer. Mr. Baros thanked the Council for their support to hire him as a Patrol Officer. Mayor Daron Gersch welcomed Mr. Baros to the Police Department and community.

Councilor John Greer, Police Department Liaison, informed the Council that the Albany Police Department successfully passed a Bureau of Criminal Apprehension (BCA) Minnesota Justice Information

System (MNJIS)/National Crime Information Center (NCIC) Criminal History Compliance audit. Mr. Greer noted that the audit is conducted every three years and commended Kristie Watson, Police Secretary, for exemplary record keeping the past three years for the Albany Police Department.

Mayor Daron Gersch announced the next regular Council meeting for 6:30 o'clock in the evening on Wednesday, October 2, 2013 and adjourned the meeting at 8:15 PM.

Tom Schneider, Clerk/Adm.