

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, January 15, 2014, in the Council Room at 400 Railroad Avenue for the said City.

Other Council members present were: Councilors Laurie Dingmann, Tom Kasner, John Greer and John R. Harlander. None were absent.

Also present were: Tom Schneider, Clerk/Adm., Joe Mergen, Public Works Supervisor, Jeremy Mathiasen, City Engineer, Stantec, Inc., Ozzie Carbajal, Police Chief, and Mike Kosik, Staff Writer, Albany Enterprise. No members from the public were present for the meeting.

After due discussion, a motion was made by Tom Kasner and seconded by John R. Harlander to authorize the payment of the following bills: Check Numbers 64012 to 64059 and 15115 to 15128. 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 January 2<sup>nd</sup>. Mr. Schneider noted that an amendment to the Business Assistance/Development Agreement between the City and 8<sup>th</sup> Street Rentals, LLC, (Joseph Peternell), for pay-as-you-go tax increment financing to construct a new mixed use commercial building at 131 8<sup>th</sup> Street is not needed. Mr. Schneider noted that there has been no agreement signed to date and it was easier just to re-draft a new agreement that listed the substantial completion date on or before December 31, 2014. After due discussion, a motion was made by Tom Kasner and seconded by Laurie Dingmann not to prepare an amendment to the said Agreement and to authorize Mayor Daron Gersch to execute the said Agreement on behalf of the City to reflect the substantial completion date to be on or before December 31, 2014. All voted for the motion and it carried. Mayor Daron Gersch hearing no other corrections or additions declared the minutes of January 2<sup>nd</sup> approved.

Mr. Mathiasen appeared before the Council to update the Council their review of R.L. Larson Excavating, Inc., the General Contractor, claims for extra work and compensation relating to the 2013 Railroad Avenue (State HWY #238) Improvements. Mr. Mathiasen noted that the claims were cross referenced with their daily construction diaries and organized into the following categories based on the nature of work: 1) utility service changes, 2) unexpected debris and other items uncovered during excavating, 3) removal of existing sanitary sewer pipe, and 4) differing alignments, sizes and types of existing sanitary and storm sewer piping. Mr. Mathiasen noted that some of the extra costs will be the responsibility of the Minnesota Department of Transportation (MnDOT) and the City. Mr. Mathiasen also noted that the extra work claims is \$134,000, but based on the engineering review, he believes the extra claims should be closer to \$90,000. Councilor John Greer noted that liquidated damages should be considered being the general contractor did not meet the completion deadline for Phase I and Phase II which resulted in the City incurring additional engineering fees and testing. Councilor Tom Kasner noted that the project delays were caused by subcontractors, but the ultimate responsibility for the delays fall on the general contractor. Mayor Daron Gersch, with the consensus of the Council, informed Mr. Mathiasen that the extra work claims are closer to \$80,000 than \$134,000 and that information be provided to the general contractor for an agreement. Mayor Daron Gersch noted that he has witnessed concrete surface chipping west of 5<sup>th</sup> Street on Railroad Avenue which should be addressed with the general contractor and MnDOT. Mr. Mergen noted that other areas of the project will be inspected after the snow melt for any further issues and concerns.

Councilor Laurie Dingmann, Albany Area Schools Community Education Liaison, informed the Council that the City received a request for a donation to the Community Education Summer Recreation Program to reduce the registration costs for City participants in the amount of \$10 per participant. Ms. Dingmann noted that in the past the City has partnered with the Community Education Department for the summer activities by providing a small financial donation in the amount of \$1,000 +/-, depending on the number of City participants. Mr. Schneider noted that other governmental jurisdictions within the School District are also providing a small donation to the said Program. Mayor Daron Gersch, with the consensus

of the Council, directed Mr. Schneider to contact the Community Education Department to advise them that the City approved their request.

Councilor Tom Kasner, EDA Liaison, informed the Council that Adam Rushmeyer's term as an Economic Development Authority (EDA) board member expired December 31, 2013; whereby Mr. Kasner recommended that he be re-appointed. After due discussion, a motion was made by John R. Harlander and seconded by Tom Kasner to approve Mr. Rushmeyer to a five-year term on the EDA Board. All voted for the motion and it carried.

The Council took notice of an amendment to the City's Personnel Policy to provide a lump sum payment to a full-time employee in lieu of a Health Savings Account (HSA) contribution for employees not enrolled in the high deductible health insurance plan. No action was taken by the Council and the amendment will be presented at the next Council meeting.

The Council took notice of the 2013 fuel purchases by the Police, Fire, and Street Departments at the local gas stations. Mr. Greer noted that the supervisors of the departments should monitor purchases throughout the year at each gas station so at the end of the year the fuel purchases are somewhat equal. Mr. Mergen noted that due to limited access at Tesoro and Albany Oil because of the mainstreet (Railroad Avenue) improvements, additional fuel purchases were made at these two gas stations compared to the others. Mr. Mergen informed the Council that fuel purchases at each gas station are rotated monthly and during the winter months (snow removal) the purchases can fluctuate significantly from one to another gas station. Mayor Daron Gersch, with the consensus of the Council, directed Mr. Mergen to monitor the fuel purchase at each gas station more regularly.

Mayor Daron Gersch announced the next regular Council meeting for 6:30 o'clock in the evening on Wednesday, February 5, 2014 and adjourned the meeting at 7:30 PM.

---

Tom Schneider, Clerk/Adm.