

On Tuesday, June 16, 2009, at the Stockton City Hall, Mayor Chris Parker called to order a Public Hearing for the Water Project at 6:00 PM. Council members Lisa Gibbs, Dave Johannes, Rick Przytarski and Cheryl Beeman were all in attendance.

Sewer and Water Committee had broken down the questions of awarding the contract and options & alternatives for residents electing to access the water system. The construction bids are below the grant amount, there will be no additional water system hook-ups required at current pricing. The City cannot force any owner to hook up. If the City proceeds potential for new residents, hydrant impact on homeowners insurance, future flood risks to wells and eventual emergency services in town. Failure to proceed means paying the engineering bill and the HRA bill through other means.

Current lowest bidder for the lines & valves is Haselton Construction out of Fairbault, MN at a cost of \$1,741,294.03 and the reservoir with Wapasha Construction from Winona at a cost of \$632,061.41 – total with contingencies \$3,134,741.93. Residents are not required to hook up, and there will be no by-pass fee. Council will need to keep an eye on the fee rate to maintain the system.

Committee discussed having the City bond or loan for assessment for the residential hook up from curb stop to the home. City could waive the Water Access charge of \$1500 for a period of time, would like to see a target of \$1.00 per day for rate, have the sewer rate tied in to water consumption, and research for a grant for the Mobile Home Park (MHP).

Committee proposed the city coordinate assessments that allow residents to commit to hooking up within three months, and the city could waive the water access charge of \$1500 for those that do commit for an eighteen month period. There would need to be a higher base rate in order to minimize billing fluctuations for users, with a target revenue of \$25,000 to maintain the system.

If the target revenue is \$25,000 than the base rate would be \$10.00, plus \$3.57 per 1,000 gallons of usage. Based on an average of 4,500 gallons used the average monthly bill would be \$26.07, this is based on 40 new users.

City could also try to assess the installation and meter costs over a 15 year basis at 5.5% interest for those that meet the commitment deadline.

Committee will need to define ongoing and acceptable well maintenance ordinance vs. a bad well to be capped without replacement.

A table explained number of users compared to the usage rate costs, if more households hooked into the system the usage rate would drop.

Under additional information, the MN Department of Health regulates and tests for certain chemicals on a weekly, monthly or annual basis. New users should be able to hook into the system by Spring of 2010 once the new system is complete, cleaned and pressurized. Residents should mark the area they would prefer for the valve location. Remaining wells will need to be used for outside use only or capped with a compliance certification. Fee structures will be evaluated yearly.

Other issues would be gathering system access commitments by December 31, 2009, possibly having the contractor connecting those that will commit for a cost discount, City council to confirm the need to bond and assess to cover the homeowners installation, City Council to confirm a fee structure and council to also confirm any updates/changes to the water ordinance.

Committee recommended to the Council move forward with the project.

Dave Frauenkron asked about the blacktop assessment and how long this would still need to be paid, assessment goes until 2017.

Dave McCorquodale asked about the MHP connection. The current grant would need to be almost

finished before the grantee would look at the option of using the excess monies to connect. Current estimates to connect the MHP are between \$150,000 to \$185,000. Mr. McCorquodale also stated the tenants are not to be considered as this is private property, and would also be a value to the new system.

Dave Frauenkron asked about the cost of the Water Meter – the cost is \$100 and is not included in the grant nor would be in the City assessed portion of hooking up.

Dave Frauenkron asked about changing the sewer rate fee to compare for the water usage – this is something the Committee would need to work on in the future.

Leasah Lilla talked about the 3-month to commit with a year to install and if the City could have another deal a year later for those residents who are unsure about committing to hooking up. The Council would need the commitment numbers to figure out how much to borrow to assess. City could add additional money to the bond, but that money would be on a first come, first serve basis. Jack Noll stated the HRA is checking with the bond counsel to stage bonds from year to year.

Marilyn Johnson asked about the \$1500 Hook up fee and the \$1800 average it would cost for the homeowners to hook into the system. The \$1800 is from the curb stop to the home and based on the average front yard of 80 yards, and \$30 per foot. This price would be including turning the well for outside purposes and putting in the water meter.

Dave Frauenkron stated the assessment on \$2000 from the curb stop to the home would be about \$10-\$12 per month, over a 15 year period with interest.

Mayor Parker also discussed having the contractor install those that commit and get a possible group discount.

The City assessment would include the water meter fee and the plumbing to the home.

Sharon Logan discussed the radium problems surrounding towns are having now, and if the level did get too high, what would the City have to do – Currently the MN Dept. of Health tested and our level is less than half of the requirement. Mayor Parker stated this is why the Committee is looking at a target revenue of \$25,000 to have a cushion for these contingencies. If radium did get into the City well, all private wells would also be contaminated.

Leasah Lilla asked if the well goes bad and the owner sells the property, would they have to hook up – At the time of sale there must be a well disclosure and the current owner should be aware the well is bad and would need to hook into the City water system.

Committee had discussed putting no new well drilling into the water ordinance.

Cheryl Beeman asked about the water samples that had discolored water. Chad stated the problem is 2 houses down from the well house and is in a low spot on the system, flushing helps but a reservoir would be even better. Also would help if the system loops around.

Mayor Parker asked for a last call discussion.

Mayor Parker closed the Public Hearing at 6:48 P.M.

On Tuesday, June 16, 2009, at the Stockton City Hall, Mayor Chris Parker called to order the Stockton City Council meeting at 6:50 PM. Council members Lisa Gibbs, Dave Johannes, Rick Przytarski and Cheryl Beeman were all in attendance.

The Pledge of Allegiance was said.

Cheryl Beeman added under new business Palmer residents and Clerk Winchester added under old business Channelization Study and under new business Gym doors. Dave Johannes made a motion to accept the agenda with additions with a second from Lisa Gibbs. Motion passed.

Rick Przytarski made a motion to accept the May 2009 minutes, with a second from Cheryl Beeman. Motion passed.

Rick Przytarski made a motion to accept the Financial report except paying the Zenk, Read & Trygstad bill, with a second from Dave Johannes. Motion passed.

Rick Przytarski made a motion to pay Potter Construction and to get gravel for the ball field parking lot from the Flood Funds. Motion seconded by Dave Johannes. Motion passed.

The Public Hearing was held tonight on the water project, and the Sewer & Water committee requests the Council to go with Haselton Construction and Wapasha Construction for a total cost of \$3.13 million, which would be covered by the \$3.162 million grant. Committee also requested the residents would not be forced to hook up and to have no by pass fee, and for the Council to find the best pricing option available. Rick Przytarski made a motion to accept the grant and move forward with the Committee recommendations, motion seconded by Dave Johannes. Lisa Gibbs and Cheryl Beeman opposed the vote with Mayor Parker breaking the tie with an aye. Motion passed, contracts were awarded. The DNR will need to be sent \$500 with the application and HRA will need all invoices already paid by the City, also easement letters will be completed by Bill Trygstad.

The Flood bonding projects have not been completed. Mr. Trygstad needs a list of ditches that still need to be cleaned. Chad has done some of them already. Rick Przytarski asked if the City is going with the water project, shouldn't we wait on cleaning these. Council needs to decide on the four projects left and if they are going to continue with the projects. Rick Przytarski stated handing this over to the Planning & Zoning Committee to look at the ditches and decide which ones need to be fixed.

American Fencing quoted \$9450 to remove the 4-foot fencing, install it along the private/public line and install an 8-foot fence in the adult outfield. Cheryl Beeman made a motion to approve of American Fencing quote, with payment out of the Flood Funds, seconded by Rick Przytarski. Motion passed.

Cheryl Beeman discussed the information she found on the compost sites. Some cities have fencing with a gate, the key would be obtained at the City Hall with a sign out sheet, most Cities have the Maintenance personnel take care of the burning and compost site. Discussion was held on where to put the site, County Road 23 was the previous site, but some is private property. Currently someone has been dumping there again and a sign will need to go up for illegal dumping. Chad asked if the City could find the property line and put up a fence with a gate so it wouldn't be on private property. Or possibly getting an easement from the property owner. Planning & Zoning Committee should look into which sites are viable for a compost site, subject tabled until further information.

The channelization study is finished and Mr. Trygstad would like to meet with the Committees to discuss the study. Currently the City received money for the study but would need to apply to FEMA and the state for money to complete the project. Cheapest route would be to have a 200-foot ditch bottom with a cost of \$5 million. Mr. Trygstad supplied his report in booklet form for the Council and Committee members to read before the next committee meeting.

Monte Eastvold from Northland Securities discussed refinancing the 1999 GO Bond from Street Improvement. Based upon the new interest rates the City could save about \$10,000, this is based upon current pricing, and if the City does decide to refinance, rate could increase. Northland Securities would buy the bond and administer them at no cost for administration fees. Todd Hagan from Ehlers could not make the Council meeting but did send on his reports, this is the company the City currently has the bond through. Mr. Hagan's report shows \$285,000 left though there is \$340,000 currently owed. Mr. Hagan is taking into effect the cash on hand the City has. Council will discuss at next months meeting.

Steve & Jessica White proposed a website for the cost of \$1,000. This would include the set up, seven page design, online editing system and administrator training. Discussion was held on the logo, this

can be decided at any time but would like a universal logo, Dave Johannes will continue to work on the logo. Mayor Parker stated the City will get up to 850 email addresses to sell to the residents to generate revenue, could also sell advertising space. It would be possible to have an email address for all council members.

Jack Noll gave an update on the demolition project, which is finished. This was provided by FEMA, State and DNR funding, and also included green space updates and the channelization study. DNR contract had 5 house only, with 8 complete buyouts. Five dropped out of the project, and there was one city garage demo. Deadline for the DNR grant is June 30th. Bonnie Oldham has a problem with the fill being full of debris, the site not being level, not being seeded, and the side hill having scrape marks on it. Mayor Parker stated since these were problems brought up by their attorney he was hesitant to comment if this will turn into a litigation. Jack Noll will talk with the engineers to discuss the problems. Juliann Johnson asked about the orange fencing and once the project is totally completed these will come down. FEMA had 6 complete buyouts and will contribute to the green space ideas, they also provided the channelization study grant. FEMA does not have a deadline. Mr. Noll will ask for a six month extension.

Jack Noll discussed the unused funds that will need to be returned. State funding has \$747,000. DNR has \$549,000 and FEMA has \$245,000 that will need to be returned. Dave Johannes made a motion to return any unused funds, with a second from Rick Przytarski. Motion passed.

Beth Winchester will be on vacation Friday, June 26 through Monday, July 6 and Mayor Parker will be on vacation from Saturday, June 27 to Wednesday, July 8th.

Bonnie & Roger Oldham requested to vacate the south part of the alleyway in block 67 along side the lots of 6, 7 & 8. Leasah Lilla is requesting to have the alleyway in block 38 vacated as well. Dave Johannes made a motion to hold a public hearing on Tuesday, July 14, 2009 at 6:30 P.M. to vacate these alleyways. Motion seconded by Lisa Gibbs. Motion passed.

Clerk would like to get estimates on a new computer, it has been seven years since the computer as bought. The computer has low virtual memory and is slow to respond. Clerk will work with Dave Johannes to get new computer estimates for the next council meeting.

SAPG has been researching outside doors for the gym. Glass Replacement quote is \$2625 each and Kendall is \$3513 each. Both are aluminum with masonite panel and transom window on top. Dave Johannes made a motion to accept the Glass Replacement quote, with a second from Lisa Gibbs. Motion passed.

Cheryl Beeman asked if the Palmer's were suppose to be included in the water project grant. Past council minutes state the City would defer the payment until we could check into the grant. Since they cannot be forced to hook into water, city shouldn't be assessing for it. Council would like to defer the water portion on the taxes and reimburse the residents for any water assessment payments made already.

Chad's Business:

Generator application has been signed by the Lewiston Fire Chief and has been submitted, just waiting on word if there is a generator available.

A black walnut tree on 8th and E Street will need to be cut down, but the branches are too close to the neighbors garage, he would like to get estimates for a company to cut it down. Council instructed him to get the lowest estimate to do the job, company must be bonded and permission from the neighbor to cut it down.

There will be five lawn letters that will go out to various homeowners to cut or eradicate the weeds.

Can cage needs to be put back up, and he was instructed to take the cans in when he will already be going into town.

A late addition to the agenda is the dumpsters for the City clean up day. Clerk Winchester received the following from Leasah Lilla.

Veolia: delivery - \$50 – Pull charge & removal \$150 – Per ton charge \$90

Waste Management: 30yd roll-off up to 4 tons (\$69/ton) - \$881.34 (taxes included)

Miller Scrap – 30yd roll-off & hauling \$185 + \$60 per ton (taxes not included)

Red Box – 30yd roll-off, drop off & pick up \$150 + \$90 per ton disposal

Someone would need to monitor the the site for hazardous waste, would only be for one day and list would need to be prepared for what can/cannot be included. Since it will need to be coordinated, Council would like the Promotional Group to discuss.

Dave Frauenkron asked about HBCI and the cell tower. Jack Roberts talked with Gary Evans recently and there seems to be a problem with Verizon obtaining Al-tell, purchasing the company is done by a state-to-state basis and plans were suppose to be submitted this summer. Lisa Gibbs commented that the access channel is not up and running and they would be violating the Franchise Agreement. Clerk was instructed to talk with legal counsel to discuss our options.

Rick Przytarski made a motion to close the Stockton Council meeting, with a second from Cheryl Beeman. Motion passed, meeting adjourned at 8:50 P.M.