

Jackson, Minnesota
July 16, 2019

The Jackson City Council met in regular session in the Council Chambers of City Hall at 6:00 p.m. on Tuesday, July 16, 2019 with the meeting called to order by Mayor Wayne Walter. On the roll call, the following persons were present: Mayor Wayne Walter, Aldermen Matt Madden, Larry Anderson, Brandon Finck, Donnie Schoenrock and Dave Cushman, City Administrator Matt Skaret, City Attorney Brad Anderson, Core and Main National Accounts Manager Bob Meyer, Core and Main Product Specialist Charles Bausch, Core and Main Outside Sales Representative Clint Hay, Core and Main Senior Sales Manager, Metering-North Region Todd Bredesen, SEH Engineer Karen Cavett, SEH Engineer Maria Tiegs, Jackson Motorplex General Manager Doug Johnson, MRES Jackson Distribution Maintenance Foreman Jeremy Boogerd, Water/Wastewater Superintendent Tony Oxborough, Street Superintendent Phil Markman, Luke Ewald of Des Moines Valley Public Health and Human Services, SEH Engineer Scott Lavoy, SEH Marketing Director-Business Development Manager Alec Boyce, Engineer Greg Mitchell of Bolton and Menk, Park Board Chairman Michael Haeffner, Dave DeJong, Helen Mekosch, Jeff Johnson, City Clerk/Council Secretary Dave Maschoff, Justin Lessman of the Jackson County Pilot and Dave Schmidt of KKOJ/KUXX Radio. (Alderman Jeffrey Gay was absent.) (A quorum of the City Council was present.)

AMI PRESENTATION

Mayor Walter said the meeting would start with the AMI presentation.

City Administrator Matt Skaret welcomed the officials from Core and Main who were on hand to make the presentation to the Mayor and City Council.

Skaret noted back in March, the City accepted proposals for an AMI electric and water metering infrastructure system. He said there was an AMI Committee consisting of City Councilmembers Matt Madden and Jeffrey Gay, Utilities Commission member Kevin Siepker and City staff including himself, Tony Oxborough, Jeremy Boogerd and Deb Mitchell.

Skaret explained the AMI Committee reviewed seven proposals that were submitted. He said the Committee narrowed the seven proposals down to three. Skaret said three companies were interviewed by the AMI Committee. He noted the representatives from Core and Main were interviewed on April 10th. Skaret said the Core and Main representatives braved a horrific ice storm that day for their presentation.

Skaret said following interviews with the three companies, the AMI Committee narrowed the proposals down to one. He explained the Committee chose Core and Main to make a general presentation about their product and company to the Mayor and City Council. Skaret thanked the Core and Main representatives for attending the City Council meeting.

Todd Bredesen, Senior Sales Manager for Core and Main introduced himself. Bredesen explained he is the Sales Manager for the North Region which covers 11 states. Bredesen also introduced Core and Main's Electric Specialist Bob Meyer, Product Specialist Charles Bausch from Lincoln, Nebraska who covers Nebraska, parts of South Dakota and Southern Minnesota, and Territory Manager Clint Hay from the Sioux Falls, South Dakota office of Core and Main.

Bredesen explained Core and Main represents a company called Sensus. He said Sensus is an AMI producer that makes water, electric and gas meters, fire protection and lighting controls. Bredesen said Sensus makes all sorts of those items that come under what's called Advanced Metering Infrastructure or AMI.

Bredesen explained Core and Main's history and noted they are the largest water works distributor in the Country. He said they are also a very large industrial supply house and do water and electric services in most of the nation.

During their presentation, Bredesen, Meyer, Bausch and Hay explained aspects of the AMI System. The City Council Chamber's Smart Screen was utilized to explain the AMI System. Bredesen, Meyer, Bausch and Hay detailed how the system is installed and operates, the consumption information the system provides, passed around to everyone the water and electric meters that are used and outlined the efficiencies and benefits of the system. They also noted the customer service Core and Main provides in setting up the system and assistance if any problems occur.

Mayor Walter thanked Bredesen, Meyer, Bausch and Hay for their presentation.

Mayor Walter also thanked the AMI Committee for all their time in reviewing the proposals and selecting Core and Main to give a presentation to the City Council.

CALL THE MEETING TO ORDER

Mayor Walter called the regular meeting of the Jackson City Council to order. He noted the roll call showed Alderman Jeffrey Gay was absent.

There were no public hearings, no bid lettings and no open forum.

CONSENT AGENDA

SCHOENROCK/ANDERSON moved and it was unanimously carried to approve the Consent Agenda as presented.

There were no unscheduled guests who attended the meeting.

AMI

Mayor Walter once again thanked the representatives from Core and Main for their presentation. Mayor Walter said the Council needed to discuss the AMI proposal from Core and Main.

Skaret explained the City is looking at a four year deployment of the AMI System. He said the total cost when adding inflation and figuring in the project coordination, the initial infrastructure, the electric and water meters, the water nodes, the upgrade to the City's utility billing software, annual maintenance fees and associated costs amounts to \$898,668.

Skaret said those costs would be split between the water, sewer and electric funds. He said starting off, year one is going to be the most expensive year because the initial infrastructure will be deployed, there will be the project coordination along with the initial purchase of water and electric meters and the one time upgrade that has to do with the City's technology.

Skaret said the cost for the first year of implementing the AMI System will be \$313,766. He said that cost would be spread out with \$116,315 coming from the Electric Fund and \$98,725 each from the Water and Sewer Funds.

Skaret explained when the City gets into years two, three and four of the project, the price per year for deployment is about \$194,961 per year which would be split between the Electric, Water and Sewer Funds. He said the amount coming from the Electric Fund would be \$76,499 and the amount coming from the Water and Sewer Funds would be \$58,909 each.

Skaret said the implementation of the AMI System was discussed at the July 15th Finance Committee Meeting. He noted the City is not bonding for the AMI project. Skaret said it is something that the City does have the reserves and the utility funds to pay for. As stated during the City's audit presentation, Skaret noted all the City's funds are in good shape financially.

Cushman pointed out the costs do not include labor. He said the City's crews would be installing the system.

Boogerd said the City's crews would be installing the system. He explained there is a project coordinator from the company that would be on site during the first nine months of installation. Boogerd noted the project coordinator won't be in Jackson every day. He pointed out the project coordinator would be in Jackson getting the collectors set up with the backhaul and making sure the system itself is online when the meters are starting to be installed and everything is working like it's supposed to. Boogerd said after that nine months and the system is operating, he and Oxborough will monitor the system and the City Council will need to decide how many meters they want to purchase and deploy for a particular year until all the water and electric meters have been changed over to the AMI System.

Boogerd said for the initial deployment, the big electric meters the Electric Department would want to change first would be on the Industrial Parkway and Downtown along with as many residential meters as the budget allows.

Schoenrock asked if the implementation of the AMI System will result in an increase in water and electric rates for residents or will rates remain the same.

Skaret said he spoke with the City's Financial Consultant, Shannon Sweeney. He said it all depends on upcoming projects for the City. Skaret said Sweeney thinks right now the City can absorb the cost with the City's utility funds. Skaret noted the City has other projects coming in the future such as street work and other utility work. Skaret said the water and electric rates will not have to increase just because of the AMI project. He said it depends on what's happening down the road regarding projects. Skaret said the City keeps a pretty close eye on the fund balances and expenditures. He noted those fund balances are something that are always being reviewed.

Skaret said there shouldn't be a rate increase solely because of the implementation of the AMI System.

Oxborough said he wanted to clarify that with the updating of the City's water meters, customers may see an increase in their water usage. Oxborough explained the current water meters are rated for 20 years and many in the City are 40 years old. He said water usage for a customer may seem higher with the new meters compared to the current worn out meters. Oxborough explained worn out water meters only register so much amount of flow but brand new water meters will be accurate. He said some customers may notice that change and questions about that may come up.

Skaret noted water meters slow down as they age so with everyone getting a new water meter, some customers may experience a slight increase in their water bill.

Madden pointed out one thing to remember about the AMI System is the protection it will provide for residents. He explained if a resident has a running toilet they are unaware of, the AMI System will set off an alarm that something is running and the resident can be notified. Madden said protections are also provided through the AMI System for electric service. He said an alarm will be noted on the computer if an electric meter socket is going bad and it can be replaced before causing further damage and saving the cost of replacing the whole electric service.

Boogerd said the AMI System will also allow the Electric Department to track and determine the problem when residents call and say they have blinking lights.

Oxborough said the new AMI System will also provide the capability to install a water meter that can gauge the temperature and send an alarm if a water line is getting close to freezing up. He said he can then contact property owners to let them know to start running water before the water line freezes. Oxborough said there are huge advantages with the AMI System because it will send an alarm if there's a problem and the Water Department can take care of the situation. He said the AMI System will save time for the Water Department and also saves time for residents.

Schoenrock asked what the next step would be.

Skaret said if the City Council feels comfortable moving forward, the next step would be for the City Council to approve a motion to go with the Core and Main proposal.

Boogerd explained if the City Council approved the proposal and Core and Main were contacted on July 17th, it would take about eight to ten weeks to build the collectors and get them to Jackson. He said Core and Main would then do a deeper study to determine where the collectors exactly need to be located. Boogerd said the collectors would be deployed and installed. He said in the meantime, the software would be built as well.

Boogerd explained from the time the collectors are installed, there would be another eight to ten weeks before the water and electric meters arrive which would be around Thanksgiving or in December. He said if the weather and other projects allow; the installation of the new meters will begin.

Boogerd said while they are waiting for the meters to be built, the collectors and the repeaters should already be installed and the umbrella on the system ready to receive information. He said as soon as the meters arrive, the Electric and Water Departments should be able to start installing them. Boogerd said the Project Manager will help to make sure the meters are indeed talking back to the system.

Schoenrock asked if there was a software cost for the system over time.

Skaret explained there is a onetime upgrade tech fee that's shown on the cost spreadsheet. He said there are also annual fees with Core and Main and also with the software company, Tyler Technologies.

Boogerd said IT personnel from Tyler Technologies takes care of all the patchwork, bugs, and upgrades and if any problems occur.

Mayor Walter asked if there was a motion or if the City Councilmembers wanted to think about it more.

MADDEN/FINCK moved and it was unanimously carried to accept the Core and Main AMI metering proposal.

Boogerd thanked the City Council for their approval of accepting Core and Main's proposal.

Boogerd said he and Oxborough have been working on compiling information about the AMI System for two years.

Schoenrock noted the automatic metering had first been discussed as far back as five to seven years ago.

Mayor Walter thanked Boogerd and Oxborough and again thanked the AMI Committee for their work.

HELEN MEKOSCH REGARDING SENIOR DINING BUILDING NEEDS

Mekosch first asked when the contract between the City and Lutheran Social Services for the Senior Dining Site expires.

Skaret explained the City has an annual contract with Lutheran Social Services.

Mekosch asked who buys the paint for the Senior Dining Building.

Skaret said the City owns the Senior Dining Building so it would be the City that would purchase any paint for the building or takes care of any work on the outside of the building.

Mekosch asked why Senior Dining pays for snow removal when the City owns the building.

Markman noted the snow removal at the Senior Dining site is contracted with a private firm. He said the snow removal goes out for bids each year.

Mekosch said it should be up to the City to pay for the snow removal each year.

Mekosch asked about who takes care of pest control at the Senior Dining Building.

Markman said he hasn't heard of any issues regarding pests and no one has said anything.

Mekosch noted there have been some issues with pests.

Skaret said the message about pests has never been sent to City Hall. He said if there are problems at the Senior Dining Building, that someone can always come and speak with him.

Mekosch asked about the doors on the Senior Dining Building and whether there were any plans to replace them with automatic doors to meet code.

Skaret said the City is entering budgeting season and it's something the City can look at.

Mekosch also asked about the bathrooms at the Senior Dining Building.

Markman explained there's a grandfather clause that the building has been a Senior Dining site for so long that some of those things have been grandfathered in. He said if you change the original usage of the original building, then everything has to be brought up to ADA codes. Markman said that's probably why those things have never been addressed. He noted the City has never been told there have been any issues regarding those items.

Mekosch said the bathrooms are not really handicap accessible and they really need to be. She said they need the automatic flush. Mekosch noted there is one toilet stool that's low and doesn't even have a railing to help someone get up.

Mekosch said she thinks some of those items should be addressed. She asked if Alderman Larry Anderson and someone else had lunch at the Senior Dining site.

Alderman Anderson said he had lunch there on July 15th. He explained he had taken the list of items that Mekosch has previously given to the City Council and looked things over. Alderman Anderson reported the floor and ceiling are in good shape. He said the back door of the building latches very well. Alderman Anderson said he looked at the bottom of the door and it seemed a little suspect but everything seemed to be aligned properly and locked just fine. He noted a chain was put on the south door to keep the wind from catching the door and blowing it open which was an improvement.

Alderman Anderson went on to say the recessed lighting was good. He said there's probably some bulbs that need to be changed out. Alderman Anderson noted there are five two-by-two lights in the ceiling with the old U-bulb. He pointed out there was one of those lights working out of the five.

Other than that, Alderman Anderson said the floor was good. He said the paneling was a little suspect around the window sills but the paneling on the north side of the building was good.

Mekosch asked Alderman Anderson if he had looked at all the paneling.

Alderman Anderson said he looked at most of the paneling. He said around the window sills, the paneling really needs some tender loving care.

Alderman Anderson said the dishwasher is not the responsibility of the City. He said that's the responsibility of Lutheran Social Services.

Alderman Anderson said he inspected all the cupboards and found them to be in good shape. He said the serving counter seemed to be fine and the floor in the kitchen is fine. Alderman Anderson said he didn't find any issues there at all.

Alderman Anderson said all-in-all the structure is sound. He said it does need a good painting on the inside the building. Alderman Anderson said he was told the last time the inside was probably painted was back in the 90's. He said he thinks George Veenhuis painted the inside of the building so it probably could use an update with paint.

Mekosch said she would beg to differ with Alderman Anderson. She said the floors in the Senior Dining Building need to be replaced. Mekosch said they have been there for many years.

Alderman Anderson asked Mekosch what's wrong with the floors.

Mekosch said the floors are not good for the seniors. She noted the floors get wet and they're slippery. Mekosch said the floor needs to be replaced.

Alderman Anderson asked if the Senior Dining would like carpet.

Mekosch said they don't want carpet.

Alderman Anderson said all floors are slippery when they get wet.

Mekosch said somebody noted the back door of the Senior Dining Building needs some work done to it.

Alderman Anderson said the back door worked and latched just fine. He said he didn't see an issue with it. Alderman Anderson said the number of people he talked too said the door was fine.

Mekosch said everyone she's talked to at their meetings along with other people say the Senior Dining Building needs to be updated.

Alderman Anderson said some of it needs to be updated, but not all of it.

Mekosch said she disagreed with Alderman Anderson.

Mekosch asked about getting announcements on the Jackson local access channel on the Southwest Broadband Cable TV System.

Skaret explained if the Senior Dining Site would like to have an announcement put on the local access channel all they have to do is fill out a form and it will be put on the channel at no charge.

Schoenrock asked Mekosch to choose the top two items on her list of things to be done which are of main concern and give that information to Skaret, Markman or Alderman Anderson. Schoenrock asked if the Senior Dining Board could meet and prioritize what the top two things are that need to be addressed. He said those top two things could then be given to Skaret. Schoenrock said those top two items could then be added to the City's budget discussions for next year.

Mekosch thanked Schoenrock for the suggestion and thanked the Mayor and City Council for their time.

JACKSON MOTORPLEX GENERAL MANAGER DOUG JOHNSON TO DISCUSS 2020 JACKSON MOTORPLEX NATIONALS

Johnson thanked Skaret for inviting him to the City Council meeting. He said next year's Jackson Nationals will be expanded to four days Wednesday, June 24th through Saturday, June 27th at the Jackson Motorplex.

Johnson said he thinks there are a lot of things that can be done as a race track together with the City and everyone involved to make the Nationals grow into a bigger and better event. He said the Jackson Motorplex's goal is eventually to be as big or close to being as big as the Knoxville Nationals.

Johnson said there are so many things that the City of Knoxville, the Knoxville Chamber and everyone in Knoxville does to get those attending the Knoxville Nationals involved for the whole week.

Johnson suggested it would be good for a couple people from Jackson to come to the Knoxville Nationals and spend the day to see what happens there during their entire week and what the City and community does to get involved. He said there's no reason the same things can't be done in Jackson to make the experience better for everyone coming to Jackson. Johnson said everyone has the same objective on how do we keep those visitors to spend their money in town instead of in surrounding communities. With the Jackson Nationals expanding to four days next year, Johnson said it's anticipated that more people will be visiting Jackson.

Johnson said one of the biggest demands nowadays is camping space. He said another comment he's heard from people attending the Nationals is what's there to do during the day. Johnson said there are opportunities in the community that can be discussed for next year's Nationals. He said he thinks there are more things that may be done to keep people in Jackson during the Nationals such as possibly a golf tournament, events at Fort Belmont and the like.

Skaret asked Johnson if he heard any feedback about the community shuttle bus service that the City partnered with the Motorplex in providing rides during this year's Nationals.

Johnson said he heard positive comments from people staying at the KOA Campground who thought it was greatest thing in the world and loved it.

Cushman said there are a lot of little things the community can start addressing now to prepare for next year's Jackson Nationals. He noted some things such as people renting out their homes or driveways for a camper to people attending the Nationals or having the Citywide rummage sales. Cushman said ideas about what can be done for next year can start now and it can build momentum. He said we may have 100 more people stay in Jackson for the four day event. Cushman said maybe it's time to retool and try some things. He said now's the time to talk about it and continue to talk about ideas and build momentum.

Markman also noted the opportunities for non-profit groups to benefit from those attending the Nationals.

Schoenrock pointed out the crowd filling the grandstand at the Jackson Nationals is more than the population of the City of Jackson. He said he's spoken to Jackson Chamber Director Sharon Henning about incorporating an event like Franks-A-Lot into the week of the Jackson Nationals. Schoenrock listed a number of community events that the group Thrive Knoxville hosts during their Nationals week. He said it's the businesses and community members that rally to host the events.

Schoenrock said one of the things he and Henning spoke about was moving Town and Country Days and changing the name back to Race Days during the Jackson Nationals Week. He commented it was cool to see the City partner with the Jackson Motorplex this year to provide the community shuttle bus and said he thinks that relationship can grow.

Johnson said he has also spoken to Chamber Director Henning about different things for Nationals week. He said moving the City wide rummage sales to the week of the Nationals would benefit everybody. Johnson said City wide rummage sales are held the entire week of the Knoxville Nationals. He said there are people who will spend the entire day going to garage sales. Johnson said those hosting rummage sales may see a lot of growth in their sales.

Cushman said this really gets to be about highlighting and showcasing the community.

Markman noted spouses travel with their husbands to Knoxville and they and family members may not necessarily go to the races but participate and take advantage of all the other activities and events taking place during the week.

Schoenrock noted he and Doug Johnson will be in Knoxville on August 5th at the Nationals. He suggested having City Administrator Skaret and maybe a couple other representatives travel to Knoxville and meet with their Mayor, City Administrator, Chamber Director or whoever was available to gather some ideas and see what has worked and not worked for them.

Mayor Walter said the Chamber Director in Knoxville would probably be a good source of information.

Johnson noted the Fair Board operates the racetrack in Knoxville. He said speaking with a couple of those Fair Board members would probably also be beneficial.

Finck suggested having Skaret and Chamber Director Sharon Henning travel to Knoxville to meet with officials there.

Schoenrock said he will be in Knoxville on August 5th. He said Doug Johnson could assist in contacting people in Knoxville to meet with Skaret, Henning and any other Jackson representatives.

Cushman said the most important meeting to kick off ideas for next year's Jackson Nationals is now and not a month before the Nationals. He said we have a whole year to work towards this goal.

Johnson thanked the Mayor and City Council.

Mayor Walter and the City Councilmembers thanked Johnson for attending the Council meeting.

BIKE SHARE PROGRAM UPDATE

Luke Ewald of Des Moines Valley Public Health and Human Services provided additional information regarding what other communities did regarding insurance for their Bike Share Programs. Ewald gathered further information after questions about liability insurance arose at the Council's July 2nd meeting.

Skaret explained if the City took ownership of the bikes in the Bike Share Program and the City took the liability, the cost to the City for liability insurance would be about \$100 a year.

Ewald noted it would cost the Friends of the Trails Committee \$2,500 to \$5,000 a year if they had their own liability insurance on the bikes.

Ewald pointed out the communities he's spoken with said the Bike Share Program has been big success and there have been no incidents. He said there was one incident in Sleepy Eye regarding a mechanical issue. Ewald said the communities he spoke with reported their bikes have worked great.

Schoenrock thanked Ewald for the information. He asked does the City Council want to support the Bike Share Program as an amenity in our community. Schoenrock said if the Council doesn't want to, then the bikes can be taken somewhere else. He said if the Council wants to have them; the liability insurance would be an additional \$100 a year. Schoenrock said an agreement could be approved in which Trails Committee would take care and pay for the maintenance of the bikes. Schoenrock said it's no different than the City having the splash pad or anything else the City has. He said it's a good amenity and the City is getting the bikes and bike racks for free.

Ewald said the Friends of the Trails Committee would take care of administering the Bike Share Program. He said the Committee was requesting the bikes be insured by the City's liability insurance.

Cushman said a contract could be agreed upon and then be revisited in two or three years and determine how it's working out for everybody.

Schoenrock suggested revisiting the contract at the end of the summer of 2020.

Ewald said the bikes have just been set up and no one has ridden them yet.

Skaret explained for the City to accept the bikes there will need to be a resolution approved by the Council accepting the bikes as a donation to the City. He said there would also need to be a contract with the Trails Committee or Ezekiel's Wheel Bike Shop on the maintenance of the bikes.

Attorney Anderson also mentioned developing some type of waiver to be agreed upon by those riding the bikes.

Mayor Walter said he wanted to clarify that if the City didn't accept the bikes, the bikes would still stay in Jackson because they would belong to the Trails Committee.

Schoenrock said the Bike Share Program would be another amenity that the City could offer and it would be another amenity to draw people to move to Jackson.

Jeff Johnson of the Trails Committee said the bikes would be a great opportunity for another amenity in the community where visitors could use the bikes to tour the community. He noted the Trails Committee cannot afford the annual liability insurance premium they would be charged.

Dave Dejong of the Trails Committee said he agreed with Alderman Schoenrock that the bikes would be a good amenity for the community. He said the Trails Committee is requesting the City's support.

ANDERSON/SCHOENROCK moved and it was unanimously carried to have City Administrator Matt Skaret and City Attorney Brad Anderson work with the Friends of the Trails Committee on developing an agreement for the Bike Share Program.

Luke Ewald thanked the City Council.

SPLASH PAD PLUMBING PERMIT FEE WAIVER

Skaret said the Splash Pad project is coming along. He said construction is about ready to start. Skaret said the site for the Splash Pad has been determined.

As far as permits the Splash Pad Committee would need a plumbing permit from the City according to City Building Official Harry Jenness. Skaret said the fee would normally be \$21. He asked for Council consideration to waive the plumbing permit fee.

FINCK/ANDERSON moved and it was unanimously carried for the City to waive the \$21 plumbing permit fee for the Splash Pad Project.

WATER STORAGE TANK PROJECT PAY APPLICATION NO. 8/CHANGE ORDER UPDATE

SEH Engineer Maria Tiegs explained the work that was involved with Water Storage Tank Project Pay Application Number 8. She said the work was for the excavation for the foundation of the ground storage reservoir tank. Tiegs said the amount due for Pay Application Number 8 was \$33,440.

Skaret noted pictures that were distributed to the Mayor and Council of the work involved with Pay Application Number 8.

SEH Engineer Karen Cavett explained they have to excavate about nine-and-a-half feet for the new ground storage reservoir.

Cavett said two artesian wells were found while they were excavating. She said there was very little documentation on the depth of the artesian wells. Cavett said it was known there were artesian wells present. She said one of them is under the existing storage tank. Cavett explained most artesian wells are typically seven to ten feet deep. She said the artesian well at the site of the new storage tank goes down at least 18 feet. Cavett said it's unknown how deep the block work for the artesian well may go. She said they didn't go down any further because they were afraid they would hit artesian pressure. Cavett said the artesian well will have to remain in place.

Because of the deep artesian well, Cavett explained two options. She said one is to put a steel bottom on the new water storage tank or increase the thickness of the cement slab for the tank. Cavett said increasing the thickness of the cement slab would be a huge change order. She said the cost for the concrete slab foundation change is estimated at \$90,000 to \$100,000. Cavett said installing a glass lined system would cost roughly an estimated \$100,000 and would result in a six week delay in the project because those bases are made as needed. She noted the concrete would be 48 inches thick and could start right away.

Cavett said right now SEH is awaiting information from the tank manufacturer on what they recommend to use as a foundation for their structure. She said SEH's structural engineer will review the information as well.

Cavett said once the information is received, the City Council may need to have a special Council meeting in order to keep the project moving forward.

Cavett noted the deep artesian well is something they never foresaw and that it would be over 18 feet deep.

Finck asked if the situation with the electrical transformer in the water plant has been addressed.

Cavett said a meeting will be held on Thursday, July 18th to discuss that.

CUSHMAN/FINCK moved and it was unanimously carried to approve Water Storage Tank Project Pay Application No. 8 to Magney Construction in the amount of \$33,440.

Mayor Walter suggested having a Special City Council meeting to hear the recommendations and cost figures from SEH regarding the foundation for the new ground storage water tank.

SCHOENROCK/FINCK moved and it was unanimously carried for the Jackson City Council to have a Special City Council meeting on Tuesday, July 23, 2019 at 6:30 p.m.

MEMORIAL PARK CHANGE ORDER NO. 1

SEH Engineer Scott Lavoy said there are some changes to be made to the Memorial Park Project. He explained he met on June 26th with Water/Wastewater Superintendent Tony Oxborough, Street Superintendent Phil Markman and City Administrator Matt Skaret to discuss concerns they had about the Memorial Park construction plans.

Lavoy said SEH's Landscape Architect was told to make some changes that were never incorporated into the final plans. Lavoy said there were of number of changes that didn't get included in the final plans.

Lavoy said those items included adding the skating rink and warming house and correcting the storm water drainage. He noted changes that were also requested included doing a couple adjustments to the grades including raising the levy by the restroom building. Lavoy said another change included moving the sidewalk from crossing an existing large electric utility box not shown on the plans. He pointed out other changes included correcting the storm water and sanitary sewer depictions and accommodating for the lack of topsoil in much of the park area needed to grow grass.

Lavoy explained Svoboda Excavating is the contractor for the project. He said they have agreed to perform all this additional work for \$79,300 bringing the contract total for the project from \$419,477 to \$498,780 for the construction. Lavoy said he has no idea how the changes to the project were never incorporated into the final construction plans.

Skaret said Lavoy came on board as the new engineer on the project on June 26th. He said once these errors were discovered, SEH brought in a new engineering team for the project. Skaret said Lavoy has been great at trying to get this project back on track and getting what the City thought they were getting into reality.

Lavoy said SEH is doing their best to get the project back on track. He offered his most sincere apologies for SEH missing those items for the project. Lavoy said SEH has been working diligently with the contractor to get this situation addressed.

Finck asked if the City would be paying additional engineering costs due to the changes.

Alec Boyce of SEH said the City will not pay additional engineering costs due to the changes.

Finck asked Lavoy if he felt the bid for the corrections is competitive.

Lavoy said he feels the bid is competitive compared to bids on similar items.

Skaret explained the budgeting for the project. He said the initial bid from Svoboda's was about \$419,000 and the existing contract with SEH for engineering and construction administration was about \$102,000 along with some other miscellaneous costs. With the revised numbers, Skaret said the City had about \$56,000 in contingencies to work with based on the revised numbers for the project. He said the additional \$79,300 in costs will put the project about \$25,000 over what was initially estimated for the project. Skaret said the State grant is capped at \$290,000 and the State will not pay any additional funds. He said the additional \$25,000 will be a cost the City will have to make up.

Skaret said the funds for that amount can be found through reserves and other funds without causing significant disruption or harm to any City Departments or anything like that. He said there are also some things in the plans that the City could do to potentially lower that \$79,000 figure. Skaret noted right now there are 47 trees to be planted for the park at \$600 each for a total of about \$28,200.

Lavoy said fewer trees could be planted to lower the cost of the project if so desired.

Skaret said another savings could be found in having City staff remove the remaining boulders at the site.

Lavoy said there are things that could be done to make the project less expensive.

Cushman thanked Lavoy for stepping in and finding out what the City had here. He noted these weren't little sub-changes. Cushman said this is what would be classified as a train wreck for the engineering fees the City pays SEH to do this. Cushman said for the engineering to come back that far off kilter is almost disappointing. He said he was glad SEH was able to come in and salvage this project and are behind it. Cushman asked Skaret if such a major change order has any effect on the grant from the State.

Skaret said he has a phone call into the State and has not heard back from them.

Cushman again thanked Lavoy for stepping in to make the corrections to the project. He said personally, he would hate to see trees eliminated from the plans. Cushman said he would like to study other areas of the project if cuts were going to be made.

Lavoy noted because of delays in the start of the project, seeding of the park may not occur until spring because it may end up being too late to seed this year. He said to remain in compliance with the Storm Water Permit; some temporary mulch could be put down to stabilize the surface until seeding can take place.

Cushman asked if the ice skating rink was going to be moved this year.

Markman said it will be fine if the bayou has to be used again this year.

Skaret asked if setting up the rink and filling it would upset seeding the park in the spring.

Markman said he didn't think so since there will be natural snow cover there anyway.

Lavoy again apologized for the problems due to the engineering plans.

Boyce said Lavoy is trying to make things right for the City.

CUSHMAN/MADDEN moved and it was unanimously carried to approve Memorial Park Change Order No. 1 in the amount of \$79,300.

126 JACKSON STREET FORFEITURE PROPERTY SPECIAL ASSESSMENTS WAIVING

Skaret said this was a request from Jackson County. He explained the property at 126 Jackson Street was tax forfeited several years ago and went back to the County.

Skaret explained there was a dilapidated house on the property which the County demolished in 2018. He said the demolition cost the County over \$27,000. Skaret said there is another \$2,343.83 in special assessments on the property, mostly from delinquent utility bills.

Skaret said the County would like to sell the property at auction. However, he said the County Auditor's Office doesn't believe the property will be sold for more than what the special assessments are. Because of that, Skaret said the County Auditor's Office has requested the City Council approve waiving or writing off the special assessments.

Schoenrock said not to waive or write off the City's special assessments.

Finck said he agreed with Schoenrock in not waving the entire amount of the special assessments. He suggested if the County sold the property, for example \$1,500, the City could split the proceeds with the County.

Attorney Anderson said he doesn't believe the City has waived the special assessments in these types of situations in the past.

Cushman suggested if the County sold the property, there could be a split of the sale proceeds between the County and the City up to the total amount of what's owed to the City for special assessments. He mentioned about setting a precedent.

Schoenrock noted waiving the special assessments may set a bad precedent for tax forfeited properties in other communities in Jackson County.

SCHOENROCK/CUSHMAN moved and it was unanimously carried to approve a 50/50 split of the profits of the sale, minus the County's sales cost from the sale amount, of the tax forfeited property at 126 Jackson Street and to waive the City's special assessments after the property is sold based on the sale price.

Other:

City Administrator Matt Skaret

Skaret said he attended the Jackson County Board of Commissioners meeting on July 16th. He said MnDOT presented their highway plans for Jackson County for the next ten years. Skaret said the only project affecting the City of Jackson other than the Highway 71 project in 2020 from Windom to the north side of Jackson is continuing work on Highway 71 through Jackson to the Iowa border. He said that project is scheduled for 2028 subject to change.

ADJOURNMENT

With no further business, ANDERSON/FINCK moved and it was unanimously carried to adjourn the meeting at 8:25 a.m.

David A. Maschoff, Council Secretary

Wayne Walter, Mayor

