

CITY OF APPLE VALLEY
Dakota County, Minnesota
January 12, 2012

Minutes of the regular meeting of the City Council of Apple Valley, Dakota County, Minnesota, held January 12, 2012, at 7:00 o'clock p.m., at Apple Valley Municipal Center.

PRESENT: Mayor Hamann-Roland; Councilmembers Bergman, Goodwin, Grendahl, and Hooppaw.

ABSENT: None.

City staff members present were: City Administrator Lawell, City Clerk Gackstetter, City Attorney Husko, Public Works Director Blomstrom, Assistant City Administrator Grawe, Acting Human Resources Manager Haas, Finance Director Hedberg, Parks and Recreation Director Johnson, City Engineer Manson, Police Captain Marben, Community Development Director Nordquist, Acting Police Chief Rechtzigel, and Fire Chief Thompson.

Mayor Hamann-Roland called the meeting to order at 7:00 p.m. Everyone took part in the Pledge of Allegiance to the flag.

APPROVAL OF AGENDA

MOTION: of Grendahl, seconded by Bergman, moving item 4.S – Approve Change Order No. 2 for Valleywood Clubhouse Project #0330 – Cast-In-Place Concrete to the regular agenda, and approving the agenda for tonight's meeting, as amended.
Ayes - 5 - Nays - 0.

AUDIENCE

Mayor Hamann-Roland asked if anyone was present to address the Council, at this time, on any item not on this meeting's agenda.

Mr. Ed Kearney, Chamber of Commerce President, thanked the Council for delaying action on the Pavement Management Program so the public can attend one of the three informational meetings scheduled for next week. He then commented on an article in the Metropolitan Council's monthly newsletter featuring the City of Apple Valley. The article highlights how transit and jobs go hand in hand. He also thanked the City for arranging Senator Klobuchar's visit to Uponsor and Cedar Park Elementary STEM School.

CONSENT AGENDA

Mayor Hamann-Roland asked if the Council or anyone in the audience wished to pull any item from the consent agenda. There were no requests.

MOTION: of Goodwin, seconded by Bergman, approving all items on the consent agenda with no exceptions. Ayes - 5 - Nays - 0.

CONSENT AGENDA ITEMS

MOTION: of Goodwin, seconded by Bergman, approving the minutes of the regular meeting of December 20, 2011, as written. Ayes - 5 - Nays - 0

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MOTION: of Goodwin, seconded by Bergman, approving issuance of a lawful gambling exempt permit, by the State Gambling Control Board, to American Legion Auxiliary, Unit 1776, for use on March 10, 2012, at the Apple Valley American Legion, and waiving any waiting period for State approval. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving issuance of a new 2012 Coin-Operated Amusement Device License, to Mendota Valley Amusement, Inc., at Auto Max, 7125 151st Street W., as described in the City Clerk's memo dated January 9, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving issuance of a new 2012 Coin-Operated Amusement Device License, to Mendota Valley Amusement, Inc., at Bogart's/Apple Place Bowl, 14917 Garrett Avenue, as described in the City Clerk's memo dated January 9, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving renewal and issuance of Coin-Operated Device Licenses, Fuel Dispensing Facility Permits, Precious Metal Dealer Licenses, Refuse Collection Licenses, and Tobacco or Tobacco Products Licenses for 2012, as listed in the attachment to the City Clerk's memo dated January 9, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-1** designating Apple Valley-Rosemount Thisweek as the official newspaper of the City for the year 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-2** designating Anchor Bank of Apple Valley as the official depository for City funds for the year 2012 and accepting its deposit collateral. Ayes - 4 - Nays - 0 - Abstain - 1 (Hooppaw).

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-3** designating additional depositories and financial security dealers for City funds for the year 2012: Wells Fargo Securities, LLC; Northland Securities, Inc.; RBC Capital Markets Corporation; Robert W. Baird & Co., Inc.; Sterne Agee & Leach, Inc.; and US Bank. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving 2012 fees for Valleywood Golf Course; and granting the Parks and Recreation Director or designee to adjust golf course fees for promotions, as described in the Parks and Recreation Director's memo dated January 9, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, authorizing the distribution of various promotional materials for use at the high schools' senior class parties, as described in the Parks and Recreation Director's memo dated January 10, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving continuation of the

Commission/Committee Recognition Program, allowing each non-staff member of the Cemetery Advisory Committee, Parks and Recreation Advisory Committee, Planning Commission, Traffic Safety Advisory Committee, and Urban Affairs Advisory Committee to receive up to \$720.00 of parks and recreation services, for 2012, as described in the Park and Recreation Director's memo dated January 10, 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-4** approving submitting the application for Fiscal Year 2012 Dakota County Community Development Block Grant (CDBG) funding of \$101,660.00 for the Apple Valley Housing Rehabilitation Revolving Loan Program and DARTS Outdoor Chore Service Program, and authorizing the Mayor and City Clerk to sign the same. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, approving the amended Sub-Recipient Grant Agreement (No. SG011-044) for the Cedar Avenue Bus Rapid Transit (BRT) Market and Development Standards Study with the Metropolitan Council, and authorizing the Mayor and City Clerk to sign the necessary documents. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-5** approving the modification of the Tax Increment Financing Plan for Tax Increment District No. 1. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-6** approving the modification of the Tax Increment Financing Plan for Tax Increment District No. 7. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-7** approving the modification of the Tax Increment Financing Plan for Tax Increment District No. 13. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-8** decertifying Tax Increment Financing District No. 1. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-9** reallocating special assessments for property subdivided as part of Eagle Ridge Business Park – Assessment Roll No. 604. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-10** approving the State of Minnesota Agency Agreement with the Department of Transportation for Federal Participation in Construction. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-11** approving a sign variance for British Petroleum Station's pylon sign, located at 7510 147th Street W., with conditions as recommended by the Planning Commission recommendation. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, ordering plans and specifications for AV Project 2011-140, New Traffic Control Signal System at Intersection of 157th Street and Pilot Knob Road; and AV Project 2012-114, Traffic Signal System Revision at Intersection of 147th Street and Galaxie Avenue. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, appointing Mayor Hamann-Roland and Pamela Gackstetter as statutory members to the Apple Valley Firefighters Relief Association Board of Trustees, for the year 2012. Ayes - 5 - Nays - 0.

MOTION: of Goodwin, seconded by Bergman, adopting **Resolution No. 2012-12** approving amendments to the Apple Valley Firefighters Relief Association Bylaws. Ayes - 5 - Nays - 0.

MOTION: of Bergman, seconded by Goodwin, approving the transfer, rehire, working out-of-class, and resignation of employees, as listed in the Personnel Report dated January 12, 2012. Ayes - 5 - Nays - 0.

END OF CONSENT AGENDA

VALLEYWOOD CLUBHOUSE PROJECT

Councilmember Grendahl asked for an explanation for the change order.

Mr. Johnson explained that the change order was for three additional concrete foundation piers.

MOTION: of Goodwin, seconded by Bergman, approving Change Order No. 2 for Valleywood Clubhouse Contract #0330 - Cast-In-Place Concrete with Thompson Construction of Princeton, Inc., in the amount of an additional \$1,155.00. Ayes - 5 - Nays - 0.

2012 ACTING MAYOR

MOTION: of Grendahl, seconded by Bergman, adopting **Resolution No. 2012-13** appointing Councilmember Goodwin to serve as Acting Mayor, in the absence of the Mayor, for the year 2012. Ayes - 5 - Nays - 0.

Mayor Hamann-Roland thanked Councilmember Goodwin for his leadership.

DAKOTA COMMUNICATIONS CENTER APPOINTMENTS

Mr. Lawell said the Dakota Communications Center (DCC) has requested the City appoint Primary and Alternate Representatives to the DCC Board of Directors as well as various other positions. The appointments would be for a two-year term commencing January 2012.

MOTION: of Hooppaw, seconded by Grendahl, appointing Councilmember Bergman Primary Director and Councilmember Hooppaw Alternate Director to the Dakota

Communications Center (DCC) Board, and appointing Tom Lawell as DCC Executive Committee Member, Charles Grawe as DCC Executive Committee Alternate Member, Jon Rechtzigel as DCC Police Operations Committee Primary Member, Michael Marben as DCC Police Operations Committee Alternate Member, Nealon Thompson as DCC Fire Operations Committee Primary Member, and Dan Engel as DCC Fire Operations Committee Alternate Member, all for a two-year term commencing January 2012. Ayes - 5 - Nays - 0.

VALLEYWOOD CLUBHOUSE PROJECT

Mr. Johnson said staff is requesting approval of multiple contracts from the second bid package for the Valleywood clubhouse. The original bids totaled \$3,248,917. On December 14, 2011, the Valleywood Task Force discussed value engineering options with the design team. It was determined some of the elements should be eliminated or reduced in scope, while other items should remain in the project because they are considered to be long-term investments with energy saving paybacks. The revised total cost for the project is \$3,198,279, which includes a \$94,800 contingency fund. He then reviewed the proposed financial plan, which includes \$1.2 million from the Park Dedication Fund and a loan of \$2 million to be repaid with interest.

Councilmember Grendahl asked if the building will be open year around.

Mr. Johnson stated the building is only scheduled to be open during the golf season. However, it will be available to rent for other uses during the off season. He added that any additional energy costs to use the building during the off season would be incorporated into the fee.

Councilmember Grendahl said she was surprised at the total price of the building and asked how the payback for energy saving measures was calculated.

Mr. Johnson explained each system was calculated differently based on average use.

Councilmember Goodwin stated he was member of the Task Force and the committee put a lot of thought into every element of the project. They did not want to compete with conference centers, restaurants, or caterers. The clubhouse is a public building and he believes its use will evolve over time.

Councilmember Hooppaw acknowledged some of the initial plans and specs were put together rather quickly. He asked if the latter specs have been reviewed in an effort to try to eliminate additional change orders.

Mr. Johnson said his experience indicates there will be additional change orders on the various projects, whether they are a result of an error or a suggestion from a contractor.

Councilmember Hooppaw congratulated staff on Valleywood's projected positive cash flow for 2011, especially considering the unsuitable weather for golf in the beginning of the year.

Councilmember Bergman stated he was also on the Task Force and had hoped the bids would come in lower as well. He noted the original plans did not include an elevator. However, a company in the dining/entertainment business strongly suggested an elevator. Although adding

the elevator increased the price, the committee believed it was an important addition and essential for safe and efficient operations. He agrees that the usage will evolve and looks forward to reviewing the building's policies and fee structure. He does not want this building to compete with the Hayes Community and Senior Center or any other City building.

Mayor Hamann-Roland said the higher total is challenging considering a downturned economy. However, she did not believe it would have been cost effective to spend approximately \$700,000 to repair the existing building. Now, instead of having a liability with the existing clubhouse, the City will have an asset. She is hopeful all of the contingency money will not need to be spent, which will reduce the total cost.

Councilmember Grendahl questioned why the bids came in over the projected amount when the bidding climate is so favorable.

Mr. Johnson said the budget projections were very accurate. The elevator was added afterwards and costs about \$100,000. In addition, there is almost a \$100,000 contingency fund. Without those two items, the total would have been on target.

Mayor Hamann-Roland noted a business in this field recommended the elevator. She does not want a worker's compensation claim because there is not an elevator. She feels it is important for the City to make smart business decisions.

The Council and staff held discussion.

MOTION: of Goodwin, seconded by Hooppaw, awarding various contracts for the Valleywood Clubhouse Project, to the lowest responsible bidders, by adopting **Resolutions 2012-14** for Project #0331 – Cast-In-Place Concrete Slabs & Site, to Thompson Construction of Princeton, Inc., for \$108,118.00; **No. 2012-15** for Project #0510 – Steel Erection, to Maxx Steel Erectors, Inc., for \$31,000.00; **No. 2012-16** for Project #0610 – General Carpentry, to Cannon Construction, Inc., for \$266,791.00; **No. 2012-17** for Project #0741 – Roofing and Metal Panels, to Tecta America Stock Roofing, LLC, for \$97,840.00; **No. 2012-18** for Project #0790 – Caulking/Sealants, to Seal-Treat, Inc., for \$9,875.00; **No. 2012-19** for Project #0840 – Aluminum Entrances/Storefront/Glazing, to Northern Glass & Glazing, Inc., for \$60,795.00; **No. 2012-20** for Project #0920 – Drywall/Framing, to Regal Contractors, Inc., for \$141,732.00; **No. 2012-21** for Project #0930 – Tile, to WTG Terrazzo & Tile, Inc., for \$33,875.00; **No. 2012-22** for Project #0950 – Acoustical Ceilings, to Acoustic Associates, Inc., for \$23,430.00; **No. 2012-23** for Project #0965 – Resilient Flooring/Carpet, to Acoustic Associates, Inc., for \$36,470.00; **No. 2012-24** for Project #0990 – Painting/Finishes, to Wasche Commercial Finishes for \$18,440.00; **No. 2012-25** for Project #1140 – Food Service Equipment, to Premier Restaurant Equipment Co., for \$154,581.00; **No. 2012-26** for Project #1424 – Hydraulic Elevator, to Schindler Elevator Corporation, for \$42,749.00; **No. 2012-27** for Project #2100 – Fire Protection, to Breth-Zenzen Fire Protection, LLC, for \$37,560.00; **No. 2012-28** for Project #2200 – Plumbing and Piping, to Jim Murr Plumbing, Inc., for \$204,692.00; **No. 2012-29** for Project #2300 – Heating, Ventilating & Air Conditioning, to Gemini 26, Inc., d/b/a Bauernfeind Goedel, for \$179,850.00; **No. 2012-30** for Project

#2305 – Testing and Balancing for HVAC, to Marcus Global, Inc., d/b/a/ SMB of Minnesota, for \$5,900.00; **No. 2012-31** for Project #2500 – Temperature Controls, to Prairie Technologies, Inc., d/b/a/ Direct Digital Controls, for \$48,975.00; **No. 2012-32** for Project #2600 – Electrical/Fire Alarm, to Schammel Electric, Inc., for \$229,000.00; **No. 2012-33** for Project #2700 – Communications Systems, to Dascom Systems Group, LLC, for \$31,452.00; **No. 2012-34** for Project #3123 – Earthwork/Site Utilities/Asphalt Paving/Demo, to Prior Lake Blacktop, Inc., for \$209,703.00. Ayes - 4 - Nays - 0 - Abstain - 1 (Grendahl).

COMMUNICATIONS

Mayor Hamann-Roland announced the City will hold informational meetings on the funding for future street maintenance on January 17, 2012, from 7:30 a.m. to 9:00 a.m.; January 18, 2012, from 3:00 p.m. to 4:30 p.m.; and on January 19, 2012; from 7:00 p.m. to 8:30 p.m. All meetings will be held in the Council Chambers at the Municipal Center.

Mr. Blomstrom urged the public to attend one of the three informational meetings. Staff will summarize the input it receives and report it to the City Council at the meeting on January 26, 2012.

Mr. Johnson invited everyone to attend the “Frozen Apple” winter concert series scheduled at the Apple Valley Community Center from 6:00 p.m. to 9:00 p.m. on January 21, February 4, and March 3, 2012. It is a free, family-friendly event co-sponsored by the Apple Valley Arts Foundation and the City of Apple Valley. Several great prizes will be given away and food will be available for sale.

Mr. Lawell said Bogart’s and the Apple Valley Beyond the Yellow Ribbon Committee are sponsoring a military appreciation event at Apple Place Bowl on January 15, 2012. The social begins at 6:00 p.m. with entertainment beginning at 7:00 p.m.

CALENDAR OF UPCOMING EVENTS

MOTION: of Grendahl, seconded by Goodwin, approving the calendar of upcoming events as included in the City Clerk’s memo dated January 9, 2012, and noting that each event listed is hereby deemed a Special Meeting of the City Council. Ayes - 5 - Nays - 0.

CLAIMS AND BILLS

MOTION: of Bergman, seconded by Goodwin, to pay the claims and bills, check registers dated December 22, 2011, in the amount of \$2,048,179.16; December 29, 2011, in the amount of \$562,739.09; January 5, 2012, in the amount of \$577,276.41; and January 12, 2012, in the amount of \$748,584.91. Ayes - 5 - Nays - 0.

MOTION: of Grendahl, seconded by Hooppaw, to adjourn. Ayes - 5 - Nays - 0.

The meeting was adjourned at 7:45 o’clock p.m.

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Respectfully Submitted,

/s/ Pamela J. Gackstetter
Pamela J. Gackstetter, City Clerk

Approved by the Apple Valley City Council on 1-26-12.