

City of Rockford, Minnesota Council Workshop Minutes
5:00 p.m., Tuesday, April 9, 2019

The meeting was called to Order by Mayor Renee Hafften at 5:00 p.m. Council members Debbie Buoy, Scott Seymour, Rick Martinson and Ted Hill were present.

City Administrator / Special Counsel, Dan Madsen; Public Works Director, Trevor Brummer; and City Engineer Steve Hegland of Wenck and Associates were also in attendance.

Members of the Council and Staff discussed various city-owned properties, including the house at 8905 Highway 55 that has traditionally been rented as a residence, and the "Lumberyard" lot located at the corner of Highway 55 and Main Street. Discussions centered around the city's interests in retaining or selling the properties, and what policy positions were factors in any eventual disposition of the properties.

Members of the Council also discussed the County Assessment process and reviewed the pattern and intervals properties in Rockford are inspected in person by assessors, as opposed their annual review for valuation based upon comparable sales.

No formal action was taken, as these matters were set on for discussion purposes only.

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The meeting was called to Order by Mayor Renee Hafften at 6:00 p.m. Council members Debbie Buoy, Scott Seymour, Rick Martinson and Ted Hill were present.

City Administrator / Special Counsel, Dan Madsen; City Engineers Jared Ward and Steve Hegland of Wenck and Associates; Public Works Director, Trevor Brummer; Street Swami, John Quirk; Wright County Assessors Tammy Anderson, Mitch Douglas; Hennepin County Assessors, Mitch King and Joby Rausch; Annette Tryon and Laura Franklin from 1,000 Hearts, Amanda Buoy; and members of the Rockford Fire Department and Rockford Fire Auxiliary were also in attendance.

Public Hearing: Local Board of Appeal and Equalization

Mayor Renee Hafften opened the Public Hearing at 6:01 p.m. for the 2019 Local Board of Appeal and Equalization.

Hennepin County Assessors presented a review of sales and valuations of properties located on the Hennepin County side of Rockford. After reviewing trends, new construction, home sales and general increases in market values, the Board was presented with an agreement reached between Hennepin County Assessors and Dan Ryan, owner of a commercial property located at PID#: 2911924440015. The parties agreed that comparable sales and other information applicable to the valuation showed the market value of \$320,000 as previously determined was too high; and that the lower value of \$280,000 was better supported. After discussion and review, including concerns about tenancy and rent received, **MOTION** was made by Martinson, and seconded by Hill, to approve the reduction in market valuation.

Motion Carried: Voting in favor, Hill, Martinson, Buoy and Seymour. Voting in opposition, Hafften.

Wright County Assessors then presented their review of sales and valuations of properties located on the Wright County side of Rockford. After reviewing trends, new construction, home sales and general increases in market values, the Board was presented with two agreements reached between Wright County and the owners of PID#s: 113048003130 and 113010013010 independently. The Auditors explained that the previous value of PID# 113048003130 of \$488,100 was likely too high, and the lower valuation of \$468,900 was better supported by comparable sales. Additionally, PID#: 113010013010 had a valuation of \$151,000 which was likely too high, and the Auditors recommended the valuation be lowered to \$139,700. The Auditors also explained that they received a request to review and reduce the market valuation of PID#: 113500292108 posted at \$158,200, but had not had a chance to review the property or make any recommendations for the Council regarding that property.

After additional discussion and review, **MOTION** was made by Hafften, and seconded by Hill, to reduce PID#: 113010013010 from \$151,000 to \$139,700 based upon the Assessors recommendation.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

MOTION was made by Hafften, and seconded by Martinson, to reduce PID #113048003130 from \$488,100 to \$468,900 based upon the Assessors recommendation.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

MOTION was made by Hafften, and seconded by Seymour, to leave PID#: 113500292108 at the previously established valuation of \$158,200.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

Mayor Hafften then asked the public if anyone else had any questions, comments, concerns or wished to contest the market valuation of the property. No one in the room accepted the opportunity, and after a second and third call for comment **MOTION** was made by Hill, and seconded by Seymour, to close the Public Hearing and Adjourn the Local Board of Appeal and Equalization at 6:29 p.m.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

Set Agenda/Approve Consent Agenda Items:

A **MOTION** was made by Hill, and seconded by Buoy, to approve the Consent Agenda Items 3A through 3C, with removal of the 2019 Seal Coating Project prior to adoption of the Agenda, and set the Agenda for the Council Meeting as listed:

3A. Approve Minutes from the March 26th, 2019 Workshop and Regular Council Meeting

3B. Approve Payment of Claims, Check Number: 29837 through Check Number 29893 totaling \$85,296.15

3C. Approve March Building Permits

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

New Business: 1,000 Hearts Presentation

Laura Franklin and Annette Tryon of 1,000 Hearts provided a presentation to the Council of their activities over the past year, and discussed plans for the coming year. These update included food shelf activities, service works and their 365 program. Tryon also asked the Council if they would be willing to waive the \$40 fee for their use of the Park Shelter on May 18th for their annual service day. After additional discussion and review, including the Council thanking 1,000 hearts for their support and service to the community, **MOTION** was made by Hill, and seconded by Buoy, to approve the waiving of the rental fee as requested.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

New Business: Proclamation Volunteer Recognition Week

Mayor Hafften read aloud the Volunteer Recognition Week Proclamation and thanked all volunteers in the community for their time, effort and dedication in making Rockford the special place that it is. No formal action was taken by the Council.

New Business: Volunteer of the Year

Mayor Hafften presented Debbie Buoy with the plaque for being voted Volunteer of the Year for her service with the Fire Auxiliary and support of the City of Rockford and greater Rockford Area and community. Her efforts include her dedication to the members of the Fire Department, her leadership and volunteerism at Rocktoberfest, Fire Department Pancake Breakfast, Fire Department Spaghetti Dinner, Toy Drive and countless other initiatives and activities she supports on behalf of our community. Members of the Fire Department and Fire Auxiliary posed with Buoy for a photo that was masterfully taken by City Administrator / City Attorney, Dan Madsen. No formal action was taken by the Council.

Old Business: 2019 Street Improvement Project Update

Steve Hegland reviewed the status of the 2019 Street Project and shared that the bid opening went better than expected. The original engineering estimate for the project was approximately \$400,000. The bids revealed that the presumed lowest responsible bidder had a low bid of \$300,000 which would result in lower city cost and lower assessments to the community. Hegland explained that the next step would be sending a letter to residents informing them of the lower bid prices and then approving the contract and awarding the bid to the contractor. After completion of the project, the Council would then review and certify the assessment role based upon actual expenses and the City would close the project out. Members of the Council asked various questions, including why the Assessment Roll would not be certified upon awarding the bid. It was explained that the biggest reason to wait would be to see if the contingency amount of 5% would actually be spent. Certification upon award of the bid would preclude the city from assessing that 5% as it is speculative until it is incurred and assessments cannot be speculative in nature. After the project is completed, we will know how much, if any, of the 5% contingency was used, and that amount could then be assessed along with the project costs. No formal action was taken, as this matter was set on for discussion and informative purposes only.

Closed Session: Mn. Stat. 13D.03, Subd. 3 Sale of Property, Consideration of Offer, PID # 1130140000130 & 113014000012.

MOTION was made by Martinson, and seconded by Hill, to enter closed session to discuss the offer and Purchase Agreement for the sale of the aforementioned parcels more commonly referred to as the "Lumberyard Lot."

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour and the Council moved into Closed Session at 6:52 p.m.

MOTION was made by Seymour, and seconded by Hill, to exit closed session at 7:13 p.m.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

Madsen explained that the Council had discussed the offer by Tailwind Development to purchase PID # 1130140000130 & 113014000012 for construction of commercial offices for \$5,000 with the proposed cost of development being part of the consideration for the low purchase price. After discussion and review, **MOTION** was made by Hill, and seconded by Buoy, to approve the Purchase Agreement and authorizing the City Attorney and staff to make additional non-material changes thereto.

Motion Carried: Voting in favor; Hafften, Hill, Martinson, Buoy and Seymour.

Staff Reports:

Members of the Staff and Council then discussed various matters including Rocktoberfest, 2019 Street Improvement Project, River Levels, City Clean-up day being May 4th, the Fire Department Pancake Breakfast on May 5th, and the Greenback Dinner on Saturday, April 13th, 2019.

Open Forum:

Mayor called for open forum, no one from the public spoke.

Adjournment:

A **MOTION** was then made by Hill to adjourn the meeting. This motion was seconded by Seymour.

Motion Carried: voting in favor; Hafften, Martinson, Hill, Seymour and Buoy and the meeting was adjourned at approximately 7:25 p.m.

Typed this 11th day of April, 2019.

Dan Madsen
City Administrator, Special Counsel
City of Rockford Minnesota

All meetings of the Rockford City Council are video recorded and available for viewing on-line at www.cityofrockford.org. Meeting minutes are intended to be a general

synopsis of the meetings of the City Council, and more detail regarding discussions and policy considerations is provided by watching the recording of the meeting.

Approved:

Renee Hafften
Mayor

Attest:

Dan Madsen
City Administrator, Special Counsel