



BAXTER CITY COUNCIL AGENDA

Tuesday, January 3, 2017

The regular meeting of the Baxter City Council will be held on Tuesday, January 3, 2017 at 7:00 p.m. at the Baxter City Hall, 13190 Memorywood Dr., Baxter, MN.

1. Call Meeting to Order

2. Roll Call

3. Pledge of Allegiance

4. Public Comments

Comments received from the public may be placed on a future meeting agenda for consideration.

5. Consent Agenda

The following items are considered non-controversial by staff and are recommended to be read and passed in one motion. Any council person, staff, citizen, or meeting attendee can request one or more items be pulled from the Consent Agenda and the item will be pulled and addressed immediately after the passage of the Consent Agenda; otherwise, the following items will be passed in one motion:

- A. Approve City Council Minutes from December 20, 2016 (pp. 3-7).
- B. Approve City Council Work Session Minutes from December 20, 2016 (pp. 8-10).
- C. Approve the Payment of Bills and Finance Report (Addendum A and Addendum A-1).
- D. Approve Resolution No. 2017- Establishing the 2017 Council Appointments (pp. 14-15).
- E. Approve Resolution No. 2017- Establishing the 2017 Annual Designations (pp. 16-18).
- F. Approve Special Event Permit for 2017 Kiwanis Kids Triathlon at Whipple Beach on August 26, 2017 (pp. 19).
- G. Approve 2017 Brainerd Dispatch Advertising Agreement in the Amount of \$5,000 (pp. 20-22).
- H. Approve the CBRE Inc. Contract for Appraisal Services for BNSF Property for the 2018 Cypress Drive Improvements Project on the Not to Exceed Amount of \$7,500.00 (pp. 23-31).

- I. Approve the CBRE Inc. Contract for Appraisal Services for BNSF Property for the 2017 Lift Station No. 3 Reroute Improvements Project on the Not to Exceed Amount of \$8,900.00 (pp. 32-38).
- J. Approve Disposal of Miscellaneous Items Stored at the North Water Tower as recommended by staff (pp. 39-40).
- K. Approve the Purchase of the 2017 Chevy Silverado from Ranger GMC, including Accessories, for \$29,934.19 and place the 2000 Ford Ranger on the Mid-State Auto Auction (pp. 41-42).
- L. Approve Placing the 2004 Chevy Silverado and 2005 Chevy Silverado Public Works Vehicles in the Mid-State Auto Auction (pp. 43-44).
- M. Adopt Resolution 2017-003, Designating Buildings as Structurally Substandard within the City of Baxter's Development District No. 1 (pp. 45-47).
- N. Adopt Resolution 2017-004 Support from Sponsoring Agency (pp. 48).
- O. Adopt Resolution 2017-005, Approving Request for Capital Funding for Cypress Drive Improvements Project (pp. 49-50).

6. Pulled Agenda Items

7. Other Business

- A. Approve 2017 Meeting Calendar for City Council and Commissions (pp. 51-52).

8. Council Comments

- A. Quinn Nystrom
- B. Steve Barrows
- C. Todd Holman
- D. Mark Cross
- E. Darrel Olson

9. City Administrator's Report

10. City Attorney's Report

- A. Closed Session, Minnesota Statute 13D.03, Labor Negotiations

11. Adjourn to a Special Council Meeting on Wednesday, January 11, 2017 at 5:30 p.m.

BAXTER CITY COUNCIL MINUTES
December 20, 2016

Mayor Darrel Olson, who led in the pledge to the flag, called the regular meeting of the Baxter City Council to order at 7:00 p.m.

COUNCIL MEMBERS PRESENT: Mayor Darrel Olson and Council Members Steve Barrows, Todd Holman and Mark Cross.

COUNCIL MEMBERS ABSENT: Council Member Quinn Nystrom.

STAFF PRESENT: Interim City Administrator Kelly Steele, Community Development Director Josh Doty, Finance Director Jeremy Vacinek, Police Chief Jim Exsted, and Public Works Director Trevor Walter.

PUBLIC COMMENTS

No public comments were received.

GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF ACHIEVEMENT FOR EXCELLANCE IN FINANCIAL REPORTING PRESENTATION

Mayor Olson explained the finance department has received the award for the fifth year in a row. The award was established to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure.

Mayor Olson presented the award to Finance Director Jeremy Vacinek and Assistant Finance Director Susannah Jensen.

CONSENT AGENDA

- A. Approve City Council Special Minutes from December 5, 2016.
- B. Approve City Council Minutes from December 6, 2016.
- C. Approve City Council Work Session Minutes from December 6, 2016.
- D. Approve the Payment of Bills and Finance Report.
- E. Approve Planning and Zoning Commission Minutes from December 13, 2016.
- F. Appoint Mr. Keith Binsfeld to the Public Works Maintenance Position at Grade 5, Step 3 of the AFSCME Employee Schedule.
- G. Adopt Ordinance 2016-043 and Summary Ordinance 2016-044 Amending Title 3, Chapter 7 Theaters.
- H. Appoint Warming House Attendant for the 2016-2017 Season.
- I. Adopt Resolution 2016-105 Approving the 2017 Fee Schedule.
- J. Adopt 2017 Mileage Reimbursement Rate of 53.5 cents per mile per IRS Regulations.
- K. Adopt Resolution 2016-100 Declaring Adequacy of Petition and Ordering Preparation of Report for the 2017 Elder Drive Improvement Project.

- L. Adopt Resolution 2016-101 Receiving Feasibility Report for the 2017 Elder Drive Improvement Project.
- M. Adopt Resolution 2016-102 Ordering Improvement and Preparation of Plans for the 2017 Elder Drive Improvement Project.
- N. Accept Utilities Commission Minutes of December 7, 2016.
 - 1. Approve the Central Lakes Crossing Junior Box Retail Developers Agreement.
 - 2. Approve the Assessment Agreement for Central Lakes Crossing Junior Box Retail Development Project for Improvements on Elder Drive.
 - 3. Approve the WSB Professional Engineering Services Contract for the 2017 Elder Drive Improvements Project in the not to exceed amount of \$42,800.00.
 - 4. Approve the Bradford Northwoods Development LLC Development Agreement contingent on a positive review by the traffic engineer.
 - 5. Approve the Bradford Northwoods Holdings LLC Development Agreement contingent on a positive review by the traffic engineer.
 - 6. Approve the WSB Professional Engineering Services Contract for the 2016 Excelsior Road/Fairview Road/Edgewood Drive Improvements Project and the 2016 Excelsior Road Full Depth Reclamation Project in the not to exceed amount of \$835,269.00.
 - 7. Approve the 2018 Cypress Drive Improvements Project Geometric Layout.
 - 8. Accept the Traffic Study for 2018 Cypress Drive Improvements Project.
 - 9. Approve the Intersection Control Evaluation Report for Cypress Drive at College Road and Industrial Park Road for the 2018 Cypress Drive Improvements Project.
 - 10. Approve the 2018 Cypress Drive Improvements Project Modified Phase I Environmental Site Assessment.
 - 11. Approve the Hydro-Klean, LLC Quote in the estimated amount of \$16,988.70 for televising sanitary and storm sewer pipe on the 2018 Cypress Drive Improvements Project.
 - 12. Approve the SEH Contract to begin FHWA Environmental Review and Documentation Process for the 2018 Cypress Drive Improvements Project in the not to exceed amount of \$22,420.00.
 - 13. Approve the Bolton & Menk Agreement for Professional Engineering Services – Fee Amendment Request for the 2016 Golf Course Drive Improvements Project in the actual amount of \$1,200.00.
 - 14. Approve the Anderson Brothers Change Order No. 4 for the 2016 Golf Course Drive Improvements Project revising the final completion date to June 30, 2017.
 - 15. Accept the WSN County State Aid Highway 48 Silent Railroad Crossings Improvements Feasibility Report.
 - 16. Approve the Limited Use Agreement for the Second Addition to Johnson Centre Plat.
 - 17. Approve the Dakota Supply Group Change Order No. 2 in the increased amount of \$32,857.50 for the 2016 Fixed Network Water Meter Replacement Project.
 - 18. Approve the Dakota Supply Group Partial Pay Estimate No. 4 in the amount of \$65,360.47 for the 2016 Fixed Network Water Meter Replacement Project.
- O. Approve Selling Two Blue Plastic Coated Steel Tables on the State of Minnesota Auction Site.
- P. Approve Selling Three (3) PulsaFeeder Pulsa Pumps on the State of Minnesota Auction Site.
- Q. Approve the Recreation Joint Powers 2016 Operational Contribution of \$31,000 to ISD181.

MOTION by Council Member Cross, seconded by Council Member Barrows to approve the Consent Agenda. Motion carried unanimously.

OTHER BUSINESS

Official Map of Dakar Road located East of Kimberly Drive and West of Cherrywood Drive
Community Development Director Doty stated this is a request by the City to officially map Dakar Road and reviewed the project. The Long Range Planning Commission, Utilities Commission and Planning and Zoning Commission have reviewed the official map and recommend approval.

Mayor Olson opened the public hearing at 7:12 p.m.

Darren Devries - 14103 Cherrywood Drive. Inquired on the timing of when the road might exist or start of construction. CD Director Doty stated there is no time frame for construction of the road, it is not in the 5 year plan; however, the City wants to preserve the corridor.

Mr. Devries was concerned as to how it would change traffic flows in the area since he has small children.

Mayor Olson closed the public hearing was closed at 7:15 p.m.

MOTION by Council Member Barrows, seconded by Council Member Cross to adopt Ordinance 2016-045, and Summary Ordinance 2016-046 approving official map for Dakar Road located East of Kimberly Drive and West of Cherrywood Drive. Motion carried unanimously.

PLANNING & ZONING ACTIONS

Adopt Resolution 2016-103 approving Conditional Use Permits for joint access/parking for four existing industrial properties located at 7877 College Road, 7953 College Road, the .86 acre vacant lot located south of 7953 College Road, and 7957 College Road

CD Director Doty explained the City, on behalf of Navillus Land Company, is requesting conditional use permits for joint access/parking for four existing industrial properties located at 7877 College Road, 7953 College Road, the approximately .86 acre vacant lot located immediately south of 7953 College Road and 7957 College Road.

CD Director Doty reviewed the history of the location regarding the land purchase for the turn lane, the site location, and noted that there is no additional construction being proposed. CD Director Doty stated that the City Attorney will be assisting with the joint access agreement.

MOTION by Council Member Cross, seconded by Council Member Holman to adopt Resolution 2016-103 approving Conditional Use Permits for joint access/parking for four existing industrial properties located at 7877 College Road, 7953 College Road, the .86 acre vacant lot located south of 7953 College Road, and 7957 College Road. Motion carried unanimously.

Adopt Ordinance 2016-047, Summary Ordinance 2016-048, and Resolution 2016-104 approving a Zoning Amendment to establish zoning for the recently annexed land into the City located East of Dellwood Drive, East/Northeast of Whispering Woods Lane and Northeast of Woida Road

CD Director Doty explained the request for rezoning of the recently annexed land into the City located East of Dellwood Drive, East/Northeast of Whispering Woods Lane and Northeast of Woida Road.

CD Director Doty reviewed the site area and explained the public process that occurred to amend the Comprehensive Plan for the area. CD Director Doty reviewed the zoning map and the districts associated with each parcel and indicated that the recommended zoning is based off of the Comprehensive Plan Amendment.

MOTION by Council Member Barrows, seconded by Council Member Cross to adopt Ordinance 2016-047, Summary Ordinance 2016-048, and Resolution 2016-104 approving a Zoning Amendment to establish zoning for the recently annexed land into the City located East of Dellwood Drive, East/Northeast of Whispering Woods Lane and Northeast of Woida Road. Motion carried unanimously.

Appoint Two Members to Wastewater Joint Powers Board

Mayor Olson stated the need to appoint two members to the Joint Wastewater Management Board. Council Member Cross and Holman had expressed interest in serving on the board.

MOTION by Council Member Barrows, seconded by Mayor Olson to appoint Council Member Cross and Council Member Holman to the Wastewater Joint Powers Board. Motion carried unanimously.

COUNCIL COMMENTS

Todd Holman – Inquired if the model is working with the comp plan with regards to the Dellwood Drive and Inglewood Drive projects. CD Director Doty stated the Long Range Planning Commission is a viable option but very few cities have that option most work is done through the Planning Commission.

Darrel Olson – Merry Christmas and Happy New Year. Thank staff for their work this past year and expressed his appreciation.

CITY ATTORNEY REPORT

Closed Session Attorney Client Privilege, MN Statute 13D.05, Subd. 3(b) and Labor Negotiations, Minnesota Statute 13D.03

City Attorney Person asked council to go into a closed session to present an update on a project and labor negotiations.

MOTION by Council Member Barrows, seconded by Mayor Olson to enter into a closed session at 7:24 p.m.

Mayor Olson opened the regular meeting at 7:55 p.m.

MOTION by Council Member Barrows, seconded by Council Member Holman to approve the AFSCME Labor Contract and MOU for the 2017 - 2018 contract. Motion carried unanimously.

ADJOURNMENT

MOTION by Council Member Barrows, seconded by Council Member Holman to adjourn to the City Council Work Session at 8:04 p.m. Motion carried unanimously.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Mary Haugen
Administrative Assistant

BAXTER CITY COUNCIL MINUTES
Work Session
December 20, 2016

Mayor Darrel Olson called the Work Session to order at 5:30 p.m.

COUNCIL MEMBERS PRESENT: Mayor Darrel Olson, Council Members Steve Barrows, Todd Holman and Mark Cross.

COUNCIL MEMBERS ABSENT: Council Member Quinn Nystrom

STAFF PRESENT: Interim City Administrator Kelly Steele, Community Development Director Josh Doty, Finance Director Jeremy Vacinek, and Public Works Director Trevor Walter.

2018 CYPRESS DRIVE IMPROVEMENTS PROJECT GEOMETRIC LAYOUT APPROVAL

SEH Consulting Engineer Scott Hedlund reviewed project geometric layout which is the foundation for further development of the project. Mr. Hedlund reviewed several maps depicting the project area and the council held an extensive discussion on traffic volumes, bike and pedestrian trails and street lighting. A trail connection to the Arbor Glen Development was discussed since the City has received inquiries from the residents in the development.

Mr. Hedlund explained that south of College Road, assuming the City connects to County Road 48, two lanes in each direction is not needed based on the traffic volumes.

Council Member Holman stated this is a huge and very significant project and he likes all of the components which are driven by the City's Comprehensive Plan and traffic plans.

Consensus of Council Member Holman and Council Member Barrows was to move forward with the project layout and the bike and pedestrian trails. Council Member Cross stated that if the City is going to do bike trails than they should be done at this time; however the County Road 48 intersection design should be reviewed for sizing.

A feasibility study will be the next step in the project which would include estimated assessment costs for the project.

2017 EXCELSIOR ROAD/FAIRVIEW ROAD/EDGEWOOD DRIVE IMPROVEMENTS PROJECT GEOMETRIC LAYOUT DISCUSSION AND 2017 EXCELSIOR ROAD FROM INGLEWOOD DRIVE TO FOREST DRIVE FULL DEPTH RECLAMATION FEASIBILITY STUDY

WSN Consulting Engineer Welch informed the City Council that he, WSB Consulting Engineer Chuck Rickart and Public Works Director Trevor Walter recently met with both Joe Brenny and Steve Quisberg. Mr. Welch requested the geometric layout discussion be tabled until the next meeting in order to address those issues.

Mr. Welch explained the estimated assessments appear to be slightly higher in comparison to past full depth reclamation projects. The estimated assessment is approximately \$8,264.00 per lot or

\$68.00 per foot with about 20 percent of the frontage property on the road which is not able to be assessed, based on configuration of corner lots and back-lot frontage.

Mr. Welch said this means assessable costs for the project are being spread among fewer properties, resulting in higher assessments. If the city allowed the property to develop with back lots on the frontage road, the council should consider picking up additional costs to make assessments more equitable.

Mr. Welch inquired if the city should pick up the added cost to build the street to a 10-ton design. Building to that level means 4 inches of pavement. A typical city street in Baxter has 3.5 inches of pavement. Welch said WSN is recommending the city pick up the costs for the increased blacktop.

Mr. Welch discussed lighting costs of \$150,000 to \$175,000. Public Works Director/City Engineer Walter stated the street already has three more lights than an average Baxter city street. The lights are also more than 20 years old and even if the city just replaced the existing lights, the upgrade would likely make it brighter.

Council Member Holman stated some residents want to take lights out and others would like additional lighting. Council Member Holman stated Excelsior Road has higher traffic volumes and comes off a commercial corridor, he felt it should be consistent with the light pattern.

Public Works Director/City Engineer Walter suggested adding two more lights for a total of 11 for consistent lighting. CD Director Doty stated a brighter street for greater safety doesn't have to equate to glare to disturb the neighbors as shielding can be used and present a much better option in terms of glare into people's homes.

City Consulting Engineer Welch asked if the city would assess the lighting cost or have it be a city cost. Council Member Holman felt it should be a city cost as it would be hard to argue a benefit to the properties to add two lights.

WSB ENGINEERING CONTRACT FOR 2017 EXCELSIOR ROAD/FAIRVIEW ROAD/EDGEWOOD DRIVE IMPROVEMENTS PROJECT

WSB Consulting Engineer Rickart informed the commission the contract is for preparation of final design plans and construction services.

The project consists of the extension of Fairview Road from where it ends today adjacent to TH 210 to Excelsior Road; the re-alignment of Edgewood Drive north of Excelsior Road; construction of a roundabout at the new intersection of Excelsior Road and Fairview Road/Edgewood Drive, reclaiming and reconstruction of Excelsior Road from Forest Drive to Inglewood Drive and area wide pedestrian improvements.

WSN COUNTY STATE AID HIGHWAY 48 SILENT RAILROAD CROSSINGS IMPROVEMENTS FEASIBILITY REPORT

WSN Consulting Engineer Welch reviewed the feasibility of upgrading the existing Highland Scenic Road BNSF railway crossing to a silent crossing configuration. The mill and overlay project was originally initiated by Crow Wing County and preliminary comments from the City of Baxter were requested.

After discussions by both parties, the county will stop the mill and overlay project at Foley Road and the City will finish the improvements from Foley Road to T.H. 210.

Mr. Welch explained the roadway and railroad crossing will need to meet current silent railroad crossing standards. A bituminous trail is also proposed to be constructed on the east side of CSAH 48. A pedestrian maze consisting of suitable material is proposed at the trail crossing which is designed to slow trail users as they approach the crossing and make them look in both directions.

Estimated total project costs for the improvements is \$334,625.00. Crow Wing County's share is estimated at \$73,115.00 or 22% of the project cost and the City's portion is estimated at \$261,510.00 or 78% of the project cost. Mr. Welch informed the commission that Crow Wing County's Assistant Engineer Rob Hall has reviewed the report and has no concerns.

Mr. Welch explained that since part of the work involved expansion and modification of the BNSF Railway crossing, the City will need to work closely with BNSF to coordinate and schedule the improvements.

MOTION by Council Member Holman, seconded by Council Member Cross to recess at 6:56 p.m. to the regularly scheduled meeting. Motion carries unanimously.

MOTION by Council Member Barrow, seconded by Council Member Holman to reopen the Work Session at 8:05 p.m. Motion carries unanimously.

2017 CROW WING COUNTY HIGHWAY DEPARTMENT RESURFACING OF COUNTY STATE AID HIGHWAY 48 FROM FOLEY ROAD TO COLLEGE DRIVE IMPROVEMENTS PROJECT – CITY OF BAXTER COST PARTICIPATION REQUEST

Public Works Director/City Engineer Walter reviewed the cost participation request for the 2017 Crow Wing County resurfacing of County Road 48 from Foley Road to College Drive. The project will include ADA requirements and full width mill, fill of the roadway in the urban areas and mainline mill and fill with full width overlay in the rural areas.

Two storm water ponds will be designed to provide sediment basins for two of the storm sewer outlets to Rush Lake. One of the ponds will be constructed on City property and the second pond will be constructed if an easement is obtained from the private property owners.

Public Works Director/City Engineer Walter stated the estimated costs for the project is \$63,312.00. Consensus of the City Council was to move forward with the project in the amount of \$63,312.00 and to request a delayed payment plan to work into the budget.

ADJOURNMENT

MOTION by Council Member Holman, seconded by Council Member Cross to adjourn at 8:30 p.m. Motion carries unanimously.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Mary Haugen
Administrative Assistant

REQUEST FOR COUNCIL ACTION

January 3, 2017

Department Origination: Administration **Agenda Section:** Consent

Agenda Item: Resolution 2017-001 Establishing the 2017 Council Appointments

Approval Required: Simple Majority of Vote of the Council

BACKGROUND

Minnesota Statutes authorizes the mayor and city council to appoint members to serve on various commissions, boards, and committees. The attached resolution provides for council member appointments.

FINANCIAL IMPLICATIONS

There are no direct extraordinary fiscal implications from these appointments.

STAFF RECOMMENDATIONS

No staff recommendation.

COUNCIL ACTIONS REQUESTED

Motion to adopt Resolution 2017-001 Establishing the 2017 Council Appointments.

ATTACHMENT

1. Resolution 2017-001 Establishing the 2017 Council Appointments

RESOLUTION 2017-001

A RESOLUTION ESTABLISHING THE 2017 ANNUAL APPOINTMENTS

WHEREAS, Minnesota Statutes authorize the City Council to make various appointments to commissions, boards and committees from its members,

NOW THEREFORE BE IT RESOLVED, the Baxter City Council establishes the following appointments for 2017 as follows:

| | |
|---|---------------------------|
| Parks & Recreation Commission | Quinn Nystrom |
| Planning & Zoning Commission | Steve Barrows |
| Utilities Commission | Mark Cross |
| Long Range Planning Commission | Todd Holman |
| Architectural Review Committee | Mark Cross |
| Brainerd Fire Advisory Board | Darrel Olson |
| Joint Powers Recreation Board | Darrel Olson |
| Northland Arboretum Board | Darrel Olson |
| Community Behavioral Health Hospital Advisory Board | Quinn Nystrom |
| The Center | Steve Barrows |
| Joint Powers Wastewater Board | Todd Holman Mark Cross |

Adopted by the Baxter City Council this 3rd day of January, 2017.

Darrel Olson
Mayor

ATTEST:

Kelly Steele
Assistant City Administrator/Clerk

REQUEST FOR COUNCIL ACTION

January 3, 2017

Department Origination: Administration

Agenda Section: Consent

Agenda Item: Resolution 2017-002 Establishing the 2017 Annual Designations

Approval Required: Simple Majority of Vote of the Council

BACKGROUND

Minnesota Statutes 412.02, Subd. 2 require city councils to make certain designations at the first meeting of the year. The attached resolution provides for the designations as required by law and also staff and consultant designations. It is understood that designations may be modified by action of the City Council within the calendar year.

FINANCIAL IMPLICATIONS

There are no direct extraordinary fiscal implications from these appointments.

STAFF RECOMMENDATIONS

Staff recommends the designations included in Resolution 2017-002.

COUNCIL ACTIONS REQUESTED

Motion to adopt Resolution 2017-002 Establishing the 2017 Annual Designations.

ATTACHMENT

1. Resolution 2017-002 Establishing the 2017 Annual Designations

RESOLUTION 2017-002

A RESOLUTION ESTABLISHING THE 2017 ANNUAL DESIGNATIONS

WHEREAS, Minnesota Statutes require and authorize the City Council to make various designations at its first meeting of the year, and

WHEREAS, the City Council designates city staff and consultants to carry out specific functions and responsibilities,

NOW THEREFORE BE IT RESOLVED, the Baxter City Council establishes the following designations for 2017 as follows:

| | |
|---|--|
| Official Newspaper | Brainerd Daily Dispatch |
| City Depositories | Bremer Bank, N.A.; Stifel, Nicolaus and Company; Wells Fargo Securities; and PMA Financial Network, Inc. (4M Fund) |
| Acting Mayor | Todd Holman |
| Brainerd Lakes Area Economic Development Corporation | City Administrator |
| Emergency Management Director | Police Chief |
| City Engineer | Trevor Walter |
| Consulting Engineer | Widseth, Smith, Nolting & Assoc. Short Elliott Hendrickson Inc. WSB & Associates, Inc. Bolton & Menk, Inc. |
| Attorneys | Brad Person (civil) Matt Mallie (prosecution) Kennedy & Graven (bond counsel) Madden Galanter Hansen, LLP (personnel) |
| Data Practices Responsible Authority | Assistant City Administrator/Clerk |

Data Practices Compliance Official

Assistant City Administrator/Clerk

Assistant Weed Inspector

Public Works Director

Adopted by the Baxter City Council this 3rd day of January, 2017.

CITY OF BAXTER, MINNESOTA

Darrel Olson
Mayor

ATTEST:

Kelly Steele
Assistant City Administrator/Clerk

REQUEST FOR COUNCIL ACTION

January 3, 2017

Department Origination: Police

Agenda Section: Consent

Agenda Item: Approve Special Event Permit for 2017 Kiwanis Kids Triathlon at Whipple Beach on August 26, 2017

Approval Required: Simple Majority of Vote of the Council

BACKGROUND

The Brainerd Kiwanis Club has submitted a special event application for their August 26th, 2017 kids triathlon event which is centered at Whipple Beach. They are estimating the number of participants at about 500 with approximately 85-100 volunteers working the event.

This will be the 10th annual event which has now surpassed the adult race in numbers. The Kiwanis Club has done an outstanding job of organizing and running this event each year. City staff from parks, streets and police assists the club in the set-up for the event and the actual event.

The course routes for both the bicycle and run events require partial road closures in the area. Due to that fact city staff recommends the special event permit.

The volunteers do a tremendous job in both working with city staff and ensuring the safety of the event participants. In the previous years there have been no significant incidents reported to the police department.

FINANCIAL IMPLICATIONS

There will be on-duty commitment from several departments for this event.

STAFF RECOMMENDATION

Staff is recommending approval for the special event application request.

COUNCIL ACTION REQUESTED

Motion to approve the special event application for the Kiwanis Kids Triathlon at Whipple Beach on Sunday, August 26th 2017.

REQUEST FOR COUNCIL ACTION

January 3, 2017

Department Origination: Administration **Agenda Section:** Consent

Agenda Item: Approve 2017 Brainerd Dispatch Advertising Agreement in the Amount of \$5,000

Approval Required: Simple Majority of Vote of the Council

BACKGROUND

Historically, the City's annual advertising agreement with the Brainerd Dispatch has been for \$5,000 to receive the lower per inch rate. Under the terms of the agreement, the City would receive a discounted rate of \$12.44 per column inch rather than the rate of \$14.30 per column inch. If the City does not meet the advertised rate of \$5,000, the Brainerd Dispatch reserves the right to ask the City to pay the difference. The past few years the City has met the \$5,000 annual contracted amount. In 2014, the City purchased \$5,820.24, in 2015 purchased \$6,732.52, and in 2016 purchased \$6,973.

FINANCIAL IMPLICATIONS

The City is required to purchase \$5,000 of advertising services from Brainerd Dispatch in 2017.

STAFF RECOMMENDATIONS

Staff recommends the Council motion to approve the 2017 Brainerd Dispatch advertising agreement.

COUNCIL ACTION REQUESTED

Motion to approve the 2017 Brainerd Dispatch advertising agreement.

ATTACHMENT

1. Brainerd Dispatch Agreement



BRAINERD DISPATCH

SERVING THE BRAINERD LAKES AREA AND CENTRAL MINNESOTA SINCE 1881

December 9, 2016

City of Baxter

You signed a **\$5,000** contract with us this year. The City fulfilled that contract by purchasing **\$6973** worth of advertising with us so far this year.

It is now time to decide if you would like to sign a contract with us again for 2017.

My recommendation, based on your history with us, would be for you to sign a **\$5,000 contract** for the 2017 year. That would entitle your office to a rate of **\$12.44** per column inch. Any dollars spent with Brainerd Dispatch/Echo Publishing for advertising products or services will contribute toward contract fulfillment. Contract level discounts are applicable for advertising products and services excluding: Discover Racks, Event Wraps, Early Bird, Employment, Magazine, Job Printing (flyers, magazines, postcards, etc.), Digital products, and any Classified categorized advertising (Real Estate, Automotive, Service Directory, etc).

I have filled out a contract for **\$5,000** for you. If that sounds like it would work for you just sign the contract and mail or email it back to me. Feel free to call me if you have any questions, 855-5804.

Sincerely,



Ann Windorski

Legal Advertising Coordinator

Enclosures



ANNUAL CONTRACT

BUSINESS PARTNERSHIPS WITH REAL SOLUTIONS

Advertiser: City of Baxter

Brainerd Dispatch/Echo Publishing is hereby authorized to publish retail display advertising or classified advertising in our products for one year from the above date and continuing thereafter as provided by this agreement. Classified display refers to those non-line ad formats which are placed within the classified section of Brainerd Dispatch/Echo Publishing products. Retail display advertising refers to those non-line ad formats which run elsewhere in our products.

The Advertiser agrees to purchase \$ 5,000.00 or a frequency of _____ of advertising services from us during the next twelve months.

We assume no financial responsibility for typographical errors or omissions in advertising, but, if at fault, will reprint that part of the advertisement in which such error has occurred without charge or allow a credit not exceed the value of the space occupied by the error. Claims for errors must be submitted in time for correction by the second day following publication.

The advertiser agrees to furnish copy according to the schedule on the current rate card and to accept provisions of Brainerd Dispatch/Echo Publishing advertising policies as noted thereon.

In event of major fire or other small disaster, and the advertiser is not in business for an extended period, this agreement is automatically invalidated.

We reserve the right to adjust its advertising rates at any time upon 30 days notice to the advertiser. If any such revision is not acceptable to the contract advertiser, advertiser may cancel such contract at any time prior to the expiration of said 30 days upon written notice.

In the event of non-fulfillment of the terms and conditions of this contract, the advertiser agrees to pay for all advertising space used from last anniversary to date at the rate actually earned.

This contract supercedes all previous agreements. It shall remain in force the next 12 months and reviewed prior to the date for each succeeding year at which time a new contract is signed.

Reproduction Agreement: Rates charged for advertising in Brainerd Dispatch/Echo Publishing products are for space used only, and do not include compensation for the right, title and interest to layouts of advertisements placed with us which represent the creative effort of Brainerd Dispatch/Echo Publishing or utilization of its own illustrations, label or material. All such advertising layouts are and remain the sole property of Brainerd Dispatch/Echo Publishing. Advertiser understands that he may not authorize the photographic or other reproduction of any advertising layout used to publish an advertisement in our products in any other publication without the express prior to written consent of Brainerd Dispatch/Echo Publishing. It is further understood that this does not preclude the advertiser from supplying to other publications similar or identical material or information for production of advertisements by such publications or from suggesting the content or form of such advertisements. Advertiser acknowledges the placing of advertising in Brainerd Dispatch/Echo Publishing shall not constitute a work made for hire and agrees that we shall be the exclusive owner of any and all copyright rights to all published advertisements.

Accepted for Dispatch/Echo: Ann Windorski Signed: Ann Windorski

Advertiser: City of Baxter Signed: _____
(Owner or Authorized Representative)

Date: 12/9/16

Comments: _____

REQUEST FOR COUNCIL ACTION

01.03.2017

Department Origination:
Public Works Department

Agenda Section:
Consent

Agenda Item: Approve the CBRE, Inc. contract for appraisal services for BNSF property for the 2018 Cypress Drive Improvements Project in the not to exceed amount of \$7,500.00.

Approval Required: Simple Majority Vote of the Council

BACKGROUND

Acquisition of right of way and easements from multiple parcels is necessary to construct the Cypress Drive Project. Appraisals are one step in the acquisition process. The acquisition process with BNSF generally takes longer and is different than with other parcels, thus we are starting it earlier.

SEH is under contract to assist the City with securing agreements with BNSF. SEH has been coordinating with multiple appraisal firms and BNSF on procurement of appraisal services for valuating partial acquisition of BNSF-owned property necessary for the Cypress Drive project. Attached is a proposal for engaging CBRE, Inc. for these services. This appraiser has the blessing of BNSF. SEH recommends the City approve their contract.

FINANCIAL IMPLICATIONS

Appraisals are a planned piece of the overall costs for this project. The City of Baxter intends to assess a portion of the overall project costs to benefitting properties. The remaining project costs will be funded by various internal and external sources.

STAFF RECOMMENDATION

Staff recommends approving the CBRE, Inc. contract for appraisal services for BNSF property for the 2018 Cypress Drive Improvements Project in the not to exceed amount of \$7,500.00.

COUNCIL ACTION REQUESTED

MOTION to approve the CBRE, Inc. contract for appraisal services for BNSF property for the 2018 Cypress Drive Improvements Project in the not to exceed amount of \$7,500.00.

Attached: SEH Memo dated December 22, 2016
CBRE, Inc. Contract



Building a Better World
for All of Us®

MEMORANDUM

TO: Honorable Mayor and City Council
c/o Trevor Walter, PE
City of Baxter, Minnesota

FROM: Scott Hedlund, PE,

DATE: December 22, 2016

RE: 2018 Cypress Drive Improvements
BNSF Property Appraisal Contract Approval
SEH No. BAXTE 138944 16.00

SEH has been coordinating with various appraisal firms and BNSF on procurement of appraisal services for valuating partial acquisition of BNSF-owned property necessary for the Cypress Drive project. Attached is a proposal for engaging CBRE, Inc. for these services. This appraiser has the blessing of BNSF. SEH recommends the City approve their contract.

Note, the CBRE contract is directly with the City of Baxter, not as a subconsultant to SEH. SEH's current contract for Cypress Drive includes a stipend for hiring an appraiser for the BNSF acquisition. However, at this time we are recommending the City hire the appraiser directly. It is our opinion there is a higher risk of a perceived conflict of interest (COI) with SEH hiring the appraiser on this project in the possible event the appraisal is challenged in a court action. There may also be COI concerns raised by FHWA tied to the federal funding the project has received.

SEH will still continue to coordinate the appraisal and acquisition process as planned. The credit for not hiring the appraiser will be adjusted in a future SEH contract amendment.

Attachment

c: Bob Ellis - SEH

Kelly Steele – City of Baxter

sh

p:\aeb\baxter\138944\1-gen\16-meet\2017.01.03 city council\m seh to city 2018 cypress dr bnsf appraisal 122216.docx

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 416 South 6th Street, Suite 200, Brainerd, MN 56401-3540

SEH is 100% employee-owned | sehinc.com | 218.855.1700 | 866.852.8880 | 888.908.8166 fax

VALUATION & ADVISORY SERVICES



CBRE, Inc.
1900 LaSalle Plaza,
800 LaSalle Avenue
Minneapolis, MN 55402

December 21, 2016

Scott C. Siemens, MAI
Vice President

Trevor Walter
Public Works Director / City Engineer
CITY OF BAXTER
13190 Memorywood Drive, P.O. Box 2626
Baxter, MN 56425
Phone: 218-454-5110
Email: twalter@baxtermn.gov

RE: Assignment Agreement
Land
BNSF Property, 2018 Cypress Drive Improvements
Baxter, MN 56425

Dear Mr. Walter:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

| | |
|--------------------------|--|
| Purpose: | To provide an opinion of the market value of the referenced real property |
| Premise: | As Is |
| Rights Appraised: | Fee Simple |
| Intended Use: | Settlement negotiations regarding a partial acquisition of the subject property |
| Intended User: | The intended users are the client (The City of Baxter), SEH, and BNSF; and such other parties and entities (if any) expressly recognized by CBRE as "intended users" (as further defined herein). |
| Reliance: | Reliance on any reports produced by CBRE under this Agreement is extended solely to the client signing below and to other parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof, whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith. |
| Inspection: | CBRE will conduct a physical inspection of the subject property |

Trevor Walter
 Assignment Agreement
 Page 2 of 7
 December 21, 2016

and its surrounding environs on the effective date of the appraisal.

Valuation Approaches: Sales Comparison Approach
Report Type: Appraisal Report
Appraisal Standards: USPAP
Appraisal Fee: \$7,500
Expenses: Fee includes all associated expenses
Retainer: None required
Payment Terms: Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The fee is considered earned upon delivery of the draft report.

Delivery Instructions: We will invoice for the full balance at completion of the assignment
 CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report.

An Adobe PDF file via email will be delivered to twalter@baxtermn.gov. Bound final copies are available upon request.

Delivery Schedule:
Preliminary Value: Not Required
Draft Report: Not Required
Final Report: February 15, 2017
Start Date: The appraisal will start upon receipt of the signed agreement.
Acceptance Date: These specifications are subject to modification if this proposal is not accepted within 10 business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties hereto.

Trevor Walter
Assignment Agreement
Page 3 of 7
December 21, 2016

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Scott C. Siemens, MAI
Vice President
As Agent for CBRE, Inc.

MN License # 40027702

T 612-336-4227
scott.siemens@cbre.com

AGREED AND ACCEPTED

FOR CITY OF BAXTER:

Signature

Date

Name

Title

Phone Number

E-Mail Address

Trevor Walter
Assignment Agreement
Page 4 of 7
December 21, 2016

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 30 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

Trevor Walter
 Assignment Agreement
 Page 5 of 7
 December 21, 2016

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. The conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.
16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party

Trevor Walter
Assignment Agreement
Page 6 of 7
December 21, 2016

expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and Client's auditors) using the Appraisal Report in the course of providing services for the sole benefit of Client, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

17. In the event Client incorporates or references the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iii) an actual or alleged violation of applicable law by Client (including, without limitation, securities laws) or the negligent or intentional acts or omissions of Client (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.
18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

REQUEST FOR COUNCIL ACTION

01.03.2017

Department Origination:
Public Works Department

Agenda Section:
Consent

Agenda Item: Approve the CBRE, Inc. contract for appraisal services for BNSF property for the 2017 Lift Station No. 3 Reroute Improvements Project in the not to exceed amount of \$8,900.00

Approval Required: Simple Majority Vote of the Council

BACKGROUND

In early 2016, staff initiated dialogue with BNSF to acquire the Foley Road right-of-way in fee title between Elder Drive and Highland Scenic Road after it was discovered during the LS #3 Forcemain Re-route Project that the City maintained only a roadway easement from BNSF and that pending and future utility improvements would generate excessive annual permit and license fees. BNSF's land company has indicated a willingness to consider sale of the land; however, to date an acceptable appraised value has not been provided for consideration. In order to determine the value of the land, BNSF's land company requests that the City pay for the valuation and has indicated their acceptance of CBRE, Inc. to complete the valuation so that a sale price can be determined.

FINANCIAL IMPLICATIONS

Appraisals are a planned piece of the overall costs for this project. The City of Baxter will fund the project costs from the Sanitary Sewer Enterprise Fund.

STAFF RECOMMENDATION

Staff recommends approving the CBRE, Inc. contract for appraisal services for the BNSF property for the 2017 Lift Station No. 3 Reroute Improvements Project in the not to exceed amount of \$8,900.00.

COUNCIL ACTION REQUESTED

MOTION to approve the CBRE, Inc. contract for appraisal services for the BNSF property for the 2017 Lift Station No. 3 Reroute Improvements Project in the not to exceed amount of \$8,900.00.

Attached: CBRE, Inc. Contract

VALUATION & ADVISORY SERVICES

CBRE

CBRE, Inc.
1900 LaSalle Plaza,
800 LaSalle Avenue
Minneapolis, MN 55402

December 22, 2016

Scott C. Siemens, MAI
Vice President

Trevor Walter
Public Works Director / City Engineer
CITY OF BAXTER
13190 Memorywood Drive, P.O. Box 2626
Baxter, MN 56425
Phone: 218-454-5110
Email: twalter@baxtermn.gov

RE: Assignment Agreement
Land
BNSF Property, Foley Road between Elder Drive and Highland Scenic Road
Baxter, MN 56425

Dear Mr. Walter:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose: To provide an opinion of the market value of the referenced real property

Premise: As Is

Rights Appraised: Fee Simple

Intended Use: Settlement negotiations regarding a partial acquisition of the subject property

Intended User: The intended users are the client (The City of Baxter), SEH, Bolton & Menk, Inc., and BNSF; and such other parties and entities (if any) expressly recognized by CBRE as "intended users" (as further defined herein).

Reliance: Reliance on any reports produced by CBRE under this Agreement is extended solely to the client signing below and to other parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof, whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

Inspection: CBRE will conduct a physical inspection of the subject property

Trevor Walter
 Assignment Agreement
 Page 2 of 7
 December 22, 2016

and its surrounding environs on the effective date of the appraisal.

Valuation Approaches: Sales Comparison Approach
Report Type: Appraisal Report
Appraisal Standards: USPAP
Appraisal Fee: \$8,900
Expenses: Fee includes all associated expenses
Retainer: None required
Payment Terms: Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The fee is considered earned upon delivery of the draft report.

Delivery Instructions: We will invoice for the full balance at completion of the assignment
 CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report.

An Adobe PDF file via email will be delivered to twalter@baxtermn.gov. Bound final copies are available upon request.

Delivery Schedule:
Preliminary Value: Not Required
Draft Report: Not Required
Final Report: February 28, 2017
Start Date: The appraisal will start upon receipt of the signed agreement.
Acceptance Date: These specifications are subject to modification if this proposal is not accepted within 10 business days from the date of this letter.

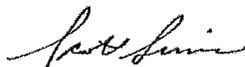
When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties hereto.

Trevor Walter
Assignment Agreement
Page 3 of 7
December 22, 2016

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Scott C. Siemens, MAI
Vice President
As Agent for CBRE, Inc.

MN License # 40027702

T 612-336-4227
scott.siemens@cbre.com

AGREED AND ACCEPTED

FOR CITY OF BAXTER:

| | |
|--------------|----------------|
| _____ | _____ |
| Signature | Date |
| _____ | _____ |
| Name | Title |
| _____ | _____ |
| Phone Number | E-Mail Address |

Trevor Walter
Assignment Agreement
Page 4 of 7
December 22, 2016

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 30 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

Trevor Walter
 Assignment Agreement
 Page 5 of 7
 December 22, 2016

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. The conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.
16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party

expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and Client's auditors) using the Appraisal Report in the course of providing services for the sole benefit of Client, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.

17. In the event Client incorporates or references the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iii) an actual or alleged violation of applicable law by Client (including, without limitation, securities laws) or the negligent or intentional acts or omissions of Client (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.
18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

REQUEST FOR COUNCIL ACTION

01.03.2017

Department Origination:
Public Works Administration

Agenda Section:
Consent

Agenda Item: Approve Disposal of Miscellaneous Items Stored at the North Water Tower as recommended by staff

Approval Required: Simple Majority Vote of the Council

BACKGROUND

The City of Baxter has been storing older, outdated or damaged office items at the North Water Tower for the past several years. Since the miscellaneous office items are obsolete and no longer compatible with the office furnishings, staff is requesting to dispose of the items listed below:

- 3 particle board conference room tables – edges are cracked and peeling
- 59 hard white plastic chairs – bottom caps missing and discolored
- 5 modular desks pieces – not compatible with the current style of desks
- 4 file cabinets – doors do not open fully
- 1 first aid cabinet – does not meet OSHA requirements
- 1 hanging map rack – missing some arms from racking
- 2 desk chair with broken rollers – rollers are no longer available
- 1 chair back
- 1 safe – lock is broken
- 1 high school desk
- 1 drafting table – no longer used in the industry
- 1 metal desk – broken leg
- 1 broken slush machine
- 1 map stand with broken wheel

Staff is requesting the City Council consider recycling any metal items and all other items being disposed of at Hengel's Construction or Crow Wing County Landfill.

FINANCIAL IMPLICATIONS

Staff time to dispose of items.

STAFF RECOMMENDATION

Staff recommends the disposal of miscellaneous items stored at the North Water Tower.

COUNCIL ACTION REQUESTED

MOTION to approve disposal of miscellaneous items stored at the North Water Tower as per staff recommendation.

REQUEST FOR COUNCIL ACTION

01.03.2016

| | |
|-----------------------------|-----------------|
| Department Approval: | Agenda Section: |
| Public Works Administration | Consent |

Item Description: Approve the Purchase of the 2017 Chevy Silverado from Ranger GMC, including accessories, for \$29,934.19 and place the 2000 Ford Ranger on the Mid-State Auto Auction.

BACKGROUND

A public works administration pickup truck is budgeted in 2017 to replace the 2000 Ford Ranger currently in the fleet. The vehicle is being replaced due to age and condition of the vehicle.

Staff would like to place the 2000 Ford Ranger on the Mid-State Auto Auction. This will be the first time the City places a truck on this auction block; however, staff believes Mid-State will produce better sale pricing than we have seen with the State of MN and will reduce the amount of staff time that is needed for selling items on the State site.

Mid-State Auto Auction meets the State Auditors requirements for the liquidation of government vehicles.

FINANCIAL IMPLICATIONS

Currently \$30,000.00 is allocated in the 2017 budget to purchase the pickup and accessories such as safety lighting and City logo graphics. This truck is available to the City by MN State contract and also by the National Joint Powers Alliance. Quotes were also solicited and received from a Baxter dealership who offers the same product. All vehicle prices include taxes and fees. Quote prices are as follows:

| | | |
|--------------------------------|--------------------------------|--------------|
| National Joint Powers Alliance | (NJPA Contract No. 102811) | \$ 31,205.59 |
| Dondelinger Chevrolet | | \$ 28,633.70 |
| Ranger GMC | (MN State Contract No. 118148) | \$ 28,052.54 |

STAFF RECOMMENDATIONS

Staff recommends purchasing the 2017 Chevrolet Silverado 1500 4x4 double cab pickup from Ranger GMC in Hibbing, MN as per MN State Contract No. 118148 and accessories at a total cost of \$29,934.19 including delivery at no additional cost and place the 2000 Ford Ranger on the Mid-State Auto Auction Site.

COUNCIL ACTION REQUESTED

MOTION to approve the purchase of the 2017 Chevrolet Silverado 1500 4x4 double cab pickup from Ranger GMC in Hibbing, MN as per MN State Contract No. 118148 and accessories at a total cost of \$29,934.19 including delivery at no additional cost and place the 2000 Ford Ranger on the Mid-State Auto Auction Site.

REQUEST FOR COUNCIL ACTION

01.03.2017

Department Origination:

Public Works

Agenda Section:

Consent

Agenda Item: Approval to place the 2004 Chevy Silverado and 2005 Chevy Silverado public works vehicles in the Mid-State Auto Auction.

Approval Required: Simple Majority Vote of the Council

BACKGROUND

The Public Works Department purchased the 2004 Chevy Silverado with 2,230 miles on the engine. The vehicle was driven daily by Public Works Supervisor Kevin Cassady and served as one of the plow trucks in the winter months.

The vehicle currently has 93,727 actual road miles on the engine which does not include any run time. The vehicle is currently on loan to the engineering technician until his new truck arrives in February.

Staff would like to place the 2004 Chevy Silverado on the Mid-State Auto Auction. This will be the first time the City places a truck on this auction block; however, staff believes Mid-State will produce better sale pricing than we have seen with the State of MN and will reduce the amount of staff time that is needed for selling items on the State site.

Mid-State Auto Auction meets the State Auditors requirements for the liquidation of government vehicles.

The 2005 Chevy Silverado was transferred from the Building Department to the Parks & Trails Department after staff reduction. The vehicle currently has 74,208 actual road miles on the engine which does not include any run time. The vehicle is a ½ ton pickup therefore it was never set up for snow plowing and towing capabilities which is necessary for the Parks and Trails Department daily operations.

Staff would like to place the 2005 Chevy Silverado on the Mid-State Auto Auction. This will be the first time the City places a truck on this auction block; however, staff believes Mid-State will produce better sale pricing than we have seen with the State of MN and will reduce the amount of staff time that is needed for selling items on the State site.

Mid-State Auto Auction meets the State Auditors requirements for the liquidation of government vehicles.

FINANCIAL IMPLICATIONS

Proceeds from the vehicle sales will be deposited in the Capital Equipment Fund to defray a portion of the costs of future vehicle replacement purchases. State Auditor guidelines recommend disposing of assets by publishing the items for sale through the use of sealed bids or a public auction.

STAFF RECOMMENDATION

Staff recommends placing the public works vehicles in the Mid-State Auto Auction.

COUNCIL ACTION REQUESTED

MOTION to place the public works vehicles in the Mid-State Auto Auction.

REQUEST FOR COUNCIL ACTION

01/03/17

Department Approval: Finance Director Vacinek 

Agenda Section: Consent

Approval Required: Simple Majority Vote of the Council

Item Description: Adopt Resolution 2017-003, Designating Buildings as Structurally Substandard within the City of Baxter's Development District No. 1

BACKGROUND

As part of the proposed Excelsior Road improvements, the city has been exploring the potential of establishing a tax increment district or districts to finance a portion of the project. To meet the requirements of a renewal and renovation district, a certain percentage of parcels and buildings within the district must qualify as structurally substandard. The building located at 7302 Excelsior Road, the "Parcel", meets the qualifications, based upon a recent inspection by LHB, the city's contracted inspector for the potential TIF district.

Per Minnesota Statutes, Section 469.174, subdivision 10(d), the city is authorized to deem the Parcel as occupied by a structurally substandard building prior to its demolition or removal by documenting the building's conditions. LHB recently completed an inspection of the Parcel for this purpose in anticipation of the potential demolition or removal of the hazardous building by the owner. Attached is a resolution, recommended for approval, to preserve the city's ability to utilize the Parcel and building toward a potential tax increment financing district. The TIF district(s) parcels and boundaries currently are in the process of being evaluated and the Parcel may or may not be included within the final borders of the TIF district. The resolution simply preserves the city's ability to use the Parcel.

FINANCIAL IMPLICATIONS

No financial implications exist with adoption of the attached resolution. The subject building and Parcel may be used as part of a future, larger redevelopment or renewal and renovation tax increment financing district to finance infrastructure improvements in the area.

STAFF RECOMMENDATION

Finance Director Vacinek recommends adopting the attached resolution designating the building at 7302 Excelsior Road as structurally substandard to preserve the potential utilization in a future tax increment district.

COUNCIL ACTIONS REQUESTED

Adopt Resolution 2017-003, designating the building at 7302 Excelsior Road as structurally substandard within the City of Baxter's Development District No. 1

EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF
BAXTER, MINNESOTA

HELD: January 3, 2017

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Baxter, Minnesota, was duly called and held at the Baxter City Hall in said City on the 3rd day of January, 2017 at 7:00 o'clock p.m.

The following members were present: _____ and the following were absent: _____.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION NO. 2017-003

**RESOLUTION DESIGNATING BUILDINGS AS STRUCTURALLY SUBSTANDARD
WITHIN THE CITY OF BAXTER'S DEVELOPMENT DISTRICT NO. 1**

BE IT RESOLVED By the City Council of the City of Baxter ("City") as follows:

Section 1. Recitals.

1.01. Under Minnesota Statutes, Section 469.174, subd. 10(d), the City is authorized to deem parcels as occupied by structurally substandard buildings despite prior demolition or removal of the buildings, subject to certain terms and conditions as described in this resolution.

1.02. The property is owned by Steven and Ruth Quisberg ("Owner"), and the Owner intends to cause demolition of the buildings located on the property described in Exhibit A hereto (the "Designated Property"), and may in the future include the Designated Property in a redevelopment or renewal and renovation tax increment financing district as defined in Minnesota Statutes, Sections 469.174, Subd. 10 or Subd. 10a.

Section 2. Buildings Designated Substandard; Other Proceedings.

2.01. The City finds the buildings on the Designated Property as described in Exhibit A are structurally substandard to a degree requiring substantial renovation or clearance, based upon the analysis of such buildings by LHB, the city's consulting inspector for the project, dated December 28, 2016, and on file in City Hall.

2.02. After the date of approval of this resolution, the buildings on the Designated Property may be demolished or removed by the Owner, or such demolition or removal may be financed by the City, or may be undertaken by a developer under a development agreement with the City.

2.03. The City intends to include the Designated Property in a redevelopment or renewal and renovation tax increment financing district, and to file the request for certification of such district with the Crow Wing County auditor within three years after the date of demolition of the buildings on the Designated Property.

2.04. Upon filing the request for certification of the new tax increment financing district, the City will notify the Crow Wing County Auditor that the original tax capacity of the Designated Property must be adjusted to reflect the greater of (a) the current net tax capacity of the parcel, or (b) the estimated market value of the parcel for the year in which the buildings were demolished or removed, but applying class rates for the current year, all in accordance with Minnesota Statutes, Section 469.174, subd. 10(d).

2.05. City staff and the City's consultants are authorized to take any actions necessary to carry out the intent of this resolution.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, and upon a vote being taken thereon, the following voted in favor thereof: _____

and the following voted against the same: _____.

WHEREUPON, said resolution was declared duly passed and adopted on this 3rd day of January 2017.

STATE OF MINNESOTA)
COUNTY OF CROW WING) ss
CITY OF BAXTER)

I, the undersigned, being the duly qualified and acting Clerk of the City of Baxter, Minnesota, DO HEREBY CERTIFY that I have compared the attached and foregoing extract of minutes with the original minutes thereof on file in my office, and that the same is a full, true and complete transcript of the minutes of a meeting of the City Council duly called and held on the date therein indicated, insofar as such minutes of a meeting of the City Council of said City duly called and held on the date therein indicated insofar as such minutes relate to designating buildings located at 7302 Excelsior Road as structurally substandard within the City's Development District Number One, in said City.

WITNESS my hand as such Clerk of said City this 3rd day of January, 2017.

Kelly Steele
Interim City Administrator/City Clerk

EXHIBIT A

Description of Designated Property

Property address: 7302 Excelsior Road in the City of Baxter, MN

Parcel Number: 010064400HDA009

Legal: S 660ft of SE1/4 of SE1/4 Sec 6 Exc that Pt Platted as County Market Addn and Exc W 100ft Thereof and also Exc S 333ft There of. Subj to Esmnts/Reserv/Restr of Rec. together with an Esmnt of Rec.

**CITY OF BAXTER, MINNESOTA
RESOLUTION 2017-004**

RESOLUTION OF SUPPORT FROM SPONSORING AGENCY

BE IT RESOLVED that the City of Baxter act as sponsoring agency for a Transportation Enhancement Project identified as the “Inglewood Drive Extension and Railroad Crossing” and acknowledges herewith that it is willing to be the project sponsor, knowing full well that such sponsorship includes a willingness to secure and guarantee the local share of costs associated with this project and responsibility for seeing this project through to its completion, with compliance of all applicable laws, rules and regulations.

BE IT FURTHER RESOLVED that Public Works Director Trevor Walter is hereby authorized to act as agent on behalf of this applicant.

AGREEMENT TO MAINTAIN FACILITY

WHEREAS: The Federal Highway Administration (FHWA) required that states agree to operate and maintain facilities constructed with federal transportation funds for the useful life of the improvement and not change the use of right of way acquired without prior approval from the FHWA; and

WHEREAS: Transportation enhancement projects receive federal funding from the Fixing America’s Surface Transportation (FAST) Act (formerly SAFETEA - LU); and

WHEREAS: City of Baxter is the project sponsor for the transportation project identified as the “Inglewood Drive Extension and Railroad Crossing”.

THEREFORE, BE IT RESOLVED THAT the Project Sponsor hereby agrees to assume full responsibility for the operation and maintenance of property and facilities related to the aforementioned transportation enhancement project.

CERTIFICATION

I hereby certify that the foregoing resolution is a true and correct copy of a resolution adopted by the City of Baxter on this 3rd day of January, 2017.

CITY OF BAXTER, MINNESOTA

Darrel Olson, Mayor

ATTEST:

Kelly Steele, Assistant City Administrator/Clerk

REQUEST FOR COUNCIL ACTION

01/03/17

Department Approval: Finance Director Vacinek 
Interim Administrator Steele

Agenda Section: Consent

Approval Required: Simple Majority Vote of the Council

Item Description: Adopt Resolution 2017-005, Approving Request for Capital Funding for Cypress Drive Improvements Project

BACKGROUND

In 2015, the city began the process to seek capital funding from the State of Minnesota for a portion of the 2018 Cypress Drive improvements. When completed, Cypress Drive will serve as an alternative, parallel corridor to the Trunk Highway 371 interregional corridor, increasing safety and efficiency on the state highway and will promote economic development in the industrial park for the region.

A request was made to the 2016 Minnesota Legislature and included in the final bonding bill. Unfortunately, the final bonding bill was not approved by the Senate in the final moments of the session. Efforts to revive the bonding bill in a special session were also unsuccessful. Bonding bills are typically approved in even years. It is unknown whether a bonding bill will be approved in the 2017 Legislative Session that begins on January 3, 2017 and the process entailed; however, the need for a supplemental funding source for the 2018 proposed Cypress Drive improvements still exists. Adoption of the attached resolution will start the process to request funding for a portion of the proposed project.

FINANCIAL IMPLICATIONS

No out-of-pocket costs exist with adoption of the attached resolution. Staff resources and incidental out-of-pocket costs may be incurred to draft legislation and work with area legislators to request state funding.

STAFF RECOMMENDATION

Interim Administrator Steele and Finance Director Vacinek recommend adopting the attached resolution requesting funding from the State of Minnesota for a portion of the proposed 2018 Cypress Drive improvements.

COUNCIL ACTIONS REQUESTED

Adopt Resolution 2017-005, approving the request for capital funding for the Cypress Drive Improvement Project

RESOLUTION NO. 2017-005

**APPROVING REQUEST FOR CAPITAL FUNDING FOR CYPRESS DRIVE
IMPROVEMENTS PROJECT**

WHEREAS, there continues to be an identified need for expansion of Cypress Drive to four lanes from Excelsior Road to College Road in Baxter, Minnesota; and,

WHEREAS, Cypress Drive is an alternative parallel corridor designed to provide relief to the interregional Trunk Highway 371; and,

WHEREAS, a capital budget request for funding with the State of Minnesota was made in 2016, but a final bonding bill was not approved; and,

WHEREAS, the Minnesota Management and Budget Office, has a process for local governments and political subdivisions to submit capital budget requests; and,

WHEREAS, there is an identified solution of acquisition, design and construction estimated to cost \$11.6 million;

NOW, THEREFORE BE IT RESOLVED, city staff, through actions of the Baxter City Council, is hereby authorized to confer with the City's legislators for capital funding for Cypress Drive and execute and file an application on behalf of the City of Baxter with the Minnesota Management and Budget Office for the project described above.

Whereupon, said Resolution is hereby declared adopted on this 3rd day of January 2017.

Darrel Olson, Mayor

ATTEST:

Kelly Steele, City Clerk

City Seal

REQUEST FOR COUNCIL ACTION

January 3, 2017

Department Origination: Administration

Agenda Section: Other Business

Agenda Item: Approve 2017 Meeting Calendar for City Council and Commissions

Approval Required: Simple Majority of Vote of the Council

BACKGROUND

In previous years, the council has approved the annual meeting calendar for all council and commission meetings. Each commission has reviewed and recommended approval of their 2017 meeting dates. The 2017 meeting calendar will be published in the Brainerd Dispatch.

The council should be aware of a meeting conflict on Tuesday, July 4, 2017. As provided in the City Code, the July 4, 2017 council meeting is proposed to be moved to Wednesday, July 5, 2017, the first business day following the holiday.

The council should be aware the council meetings scheduled for January 17, February 21, and September 5 follow a holiday on the preceding Monday.

FINANCIAL IMPLICATIONS

There will be a fee to publish the meeting calendar in the Brainerd Dispatch. The publication fee has been included in the 2017 budget.

STAFF RECOMMENDATIONS

Staff recommends the council motion to approve the 2017 meeting calendar for city council and commissions.

COUNCIL ACTION REQUESTED

Motion to approve the 2017 meeting calendar for city council and commissions with the recommend change of moving the first council meeting in July to Wednesday, July 5, 2017.

ATTACHMENT

1. 2017 City of Baxter Meeting Calendar



A Growing Community

2017 City of Baxter Meeting Calendar

City Council:

Meets the first and third Tuesday of each month at 7:00 p.m.

Planning & Zoning Commission:

Meets second Tuesday of each month at 6:00 p.m.

Parks & Trail Commission:

Meets fourth Monday of each month at 4:00 p.m.

Utilities Commission:

Meets first Wednesday of each month at 5:30 p.m.

Long Range Planning Commission:

Meets fourth Monday of each month at 6:00 p.m.

January 3
 January 17
 February 7
 February 21
 March 7
 March 21
 April 4
 April 18
 May 2
 May 16
 June 6
 June 20
 July 5
 July 18
 August 1
 August 15
 September 5
 September 19
 October 3
 October 17
 November 7
 November 21
 December 5
 December 19

January 10
 February 14
 March 14
 April 11
 May 9
 June 13
 July 11
 August 9
 September 12
 October 10
 November 14
 December 12

January 23
 February 27
 March 27
 April 24
 May 22
 June 26
 July 24
 August 28
 September 25
 October 23
 November 27
 December 26

January 4
 February 8
 March 8
 April 5
 May 3
 June 7
 July 6
 August 2
 September 6
 October 4
 November 8
 December 6

January 23
 February 27
 March 27
 April 24
 May 22
 June 26
 July 24
 August 28
 September 25
 October 23
 November 27
 December 26

* Meeting dates are subject to change.

* The Architectural Review Commission meets as needed on the first and third Thursday of the month at 5:30 p.m.