

REPORT TO THE CITY COUNCIL FROM
THE WAYS & MEANS COMMITTEE
STANDING COMMITTEE OF THE MINNEAPOLIS CITY COUNCIL
July 6, 2015

A regular meeting of the committee was convened at 1:30 p.m. on this date.

Members Present: Council Members John Quincy (Chair), Elizabeth Glidden, Blong Yang, Lisa Bender, Andrew Johnson, and Linea Palmisano.

Matters listed below are hereby submitted with the following recommendations; to-wit:

1. Approving the following legal settlements and authorizing the proper City officers to execute any documents necessary to effectuate settlements:
 - a. ([15-00773](#)) Steven Meldahl v. City of Minneapolis, Hennepin County District Court file No. 27-CV-14-20251, settlement by cancelling the following special assessments: RFS 13-0971475 in the amount of \$550, RFS 13-0971186 in the amount of \$150, RFS 12-0939541 in the amount of \$150, RFS 12-0906479 in the amount of \$150, RFS 13-0984478 in the amount of \$150; additionally, reducing special assessment RFS 13-0959682 from \$300 to \$250 and reducing the \$3,000 rental license reinstatement fee required by M.C.O. 244.1945 for the property at 3111 Upton Ave. down to \$1,950.
 - b. ([15-00774](#)) Norman Bradford v. City of Minneapolis settlement by payment of \$15,500 payable to Norman Bradford and/or his attorneys, the Johnson Law Office.
 - c. ([15-00775](#)) Luis A. Palaguchi v. Wilson and City of Minneapolis, Hennepin County District Court file No. 27-CV-14-15903, settlement by payment of \$10,000 payable to Luis A. Palaguchi and his attorneys, Paige J. Donnelly, Ltd.
 - d. ([15-00776](#)) Christopher Jilek v. City of Minneapolis, et al., Hennepin County District Court file No. 14-CV-3258, settlement by payment of \$5,000 to the Plaintiff and his attorney, Zorislav Layderman.
 - e. ([15-00777](#)) Four personal injury claims by payment of: \$11,000 payable to Ulysses Bridges and his attorneys, Paige J. Donnelly, Ltd., \$19,000 payable to Lugine Miller and his attorneys, Paige J. Donnelly, Ltd., \$14,000 payable to Roosevelt Johnson and his attorneys, Paige J. Donnelly, Ltd., and \$7,000 payable to Teddy Lawrence Roark and his attorneys, Paige J. Donnelly, Ltd.
 - f. ([15-00778](#)) Claim of David Grady settlement by payment of \$9,000 to the Claimant and his attorney, Brantingham Law Office, P.A.
 - g. ([15-00779](#)) Jessica Porter f/k/a Joshua Nordyke v. City of Minneapolis et al., Hennepin County District Court file No. 13-CV-2499 (MJD/FLN), settlement by payment of \$45,000 to Hazelton Law Firm, PLLC, Trust Account.

On motion by Quincy, carried on voice vote, the matter was approved.

2. Contract Amendment with Jeane Thorne ([15-00780](#))

Authorizing the proper City officials to amend the 2015 agreement between the City of Minneapolis and Jeane Thorne so that it includes the Firm's name change to AllStaff Recruiting Inc., d/b/a Jeane Thorne Staffing, and to increase the not-to-exceed amount in the agreement to \$100,000.

On motion by Quincy, carried on voice vote, the matter was approved.

3. Convention Center and Target Center consulting pool contracts ([15-00781](#))

Authorizing the appropriate city staff to negotiate and enter into contracts with consultant pool vendors for a term of three years.

On motion by Quincy, carried on voice vote, the matter was approved.

4. All State Communications contract increase ([15-00782](#))

Authorizing increase of contract C-38878 with All State Communications, OP No. 7990, by \$154,275.32, resulting from submitted change orders, for a new total of \$1,374,275.32 to allow for close out and final payment.

- a. Change Order 1 - \$14,480 for watertight fiber in exhibit halls
- b. Change Order 2 - \$52,735.70 for 85 missed FB5 locks
- c. Change Order 3 - \$7,805 for Mighty-Mo vertical wire management
- d. Change Order 4 - \$56,689.32 for audio fiber upgrade
- e. Change Order 5 - \$3,796 for loom tubing hall floor boxes
- f. Change Order 6 - \$673 for 25-pair to 249
- g. Change Order 7 - \$7,798 for HVAC fiber
- h. Change Order 8- \$3,840 for fiber repair
- i. Change Order 9 - \$6,142 for grounding
- j. Change Order 10 - \$22,889 for engineers' fiber
- k. Change Order 11 - \$8,023 for HVAC fiber
- l. Change Order 12 - \$3,249 for irrigation upgrade
- m. Change Order 13 - \$6,250 for closet clean up
- n. Change Order 14 - \$1,690 for four cables bar area
- o. Change Order 15 - \$4,256 for HVAC cable 18-2
- p. Change Order 16 - \$3,804 for MDF wire managements
- q. Change Order 17 - (\$52,470.70) for 156 cable credit
- r. Change Order 18 - \$584 to recertify twelve-strand jazz fiber
- s. Change Order 19 - \$2,062 for Comnet switch

On motion by Quincy, carried on voice vote, the matter was approved.

5. Bid for elevator upgrade project at 3 City properties ([15-00783](#))

Approving low bid of Morcon Construction Company, Inc. (OP No. 8111) for an estimated expenditure of \$848,400 to furnish and deliver all labor, materials and incidentals necessary for the elevator upgrade project for City of Lakes, 309 2nd Ave S, the Traffic Maintenance Facility, 300 Border Ave, and the Harriet Maintenance Facility, 6024 Harriet Ave S, and authorizing the proper City officers to execute a contract for the project.

On motion by Quincy, carried on voice vote, the matter was approved.

6. Gift acceptance of conference and related travel expenses from SharePoint Fest Seattle ([15-00784](#))

Considering a resolution regarding acceptance of gifts covering conference and travel expenses for Tamara Bredemus, Minneapolis Senior Collaboration Architect, to participate in SharePoint Fest Seattle technology conference as a speaker.

On motion by Quincy, carried on voice vote, the matter was approved.

7. Contract increase for Aercor Wireless, Inc. ([15-00785](#))

Authorizing proper City officials to amend the contract for Aercor Wireless, Inc., contract No. C-36960, in the following ways:

- a. Extend the contract for licensing, support, and maintenance of the NetMotion and 2FA (Factor Authentication) Dual Authentication Solutions for three additional years, through Dec 31, 2018.
- b. Increase the contract by \$85,000 for a new not-to-exceed total of \$335,000 over the life of the contract.
- c. Update Terms and Conditions to reflect current standards.

On motion by Quincy, carried on voice vote, the matter was approved.

8. Landmark 201 W Broadway Project ([15-00764](#))

Approving recommendation that the \$350,000 City loan to the Landmark 201 West Broadway Project be restructured based on the revised terms and conditions contained in the staff report.

Action Taken by CD & RS: Forwarded without recommendation.

Staff presentation by Mark Winkelhake, Manager of Development Finance

On motion by Quincy, carried on voice vote, the matter was approved as amended and reads as follows:

13) If a scheduled monthly payment is not received by the 10th day of the month, then staff will notify the Borrower by certified mail that the entire outstanding loan balance is due to the City within 10 business days of receipt of the notice. If the City does not receive full payment within the prescribed period, from either the Borrower (Landmark 201 West Broadway LLC) or the Guarantor (Master Properties Minnesota LLC), then the loan will be considered in default. If the Borrower defaults on the loan, then staff is directed by the City Council to take legal action, as soon as possible, to collect on the loan pursuant to the authorization that was granted staff at the Adjourned Session of the City Council on August 15, 2014. Such actions may include, but are not limited to, a foreclosure action, a deed in lieu of foreclosure, and a lawsuit.

9. Eastside Food Co-op Expansion Project (2551 Central Ave) ([15-00765](#))

Approving \$450,000 of Community Development Block Grant (CDBG) Great Streets gap financing loan and approval of subordinating \$400,293 (\$319,273.53 current balance) of Neighborhood Revitalization Program Loan Pool loans originated in 2003, with the Development Finance Committee's recommendation to require a 3-month debt service reserve for all subordinate loans, to match the 3-month debt service reserve for Self-Help Federal Credit Union's first position loan.

Action Taken by CD & RS: Forwarded without recommendation to the July 6, 2015, Ways & Means Committee.

Staff presentation by David Frank. Director of Economic Policy and Development - CPED

On motion by Quincy, carried on voice vote, the matter was approved as amended and reads as follows:

Approving a \$450,000 CDBG Great Streets gap financing loan and the subordination of a \$400,293 (\$319,273.53 current balance) NRP loan originated in 2003, and requiring that the borrower provide a three-month debt service reserve for all subordinate debt to the project. The total of the three reserves for the two City loans and a subordinate loan from LISC would be approximately \$20,000.

10. Job Fairs in 2015 ([15-00761](#))

Authorizing acceptance of funds from Hennepin County in the amount of \$30,000 to manage industry-specific and geographically-targeted job fairs in 2015; approving budget appropriation.

Action Taken by CD & RS: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

11. Great Streets Program Fund Balance ([15-00762](#))

Receiving and filing report.

Action Taken by CD & RS: received and filed.

On motion by Quincy, carried on voice vote, the matter was approved.

12. 2014 Financial Status Report on CPED Development Programs ([15-00763](#))

Receiving and filing report.

Action Taken by CD & RS: received and filed.

On motion by Quincy, carried on voice vote, the matter was approved.

13. School Based Clinic Project Connect: Revenue from Minnesota Coalition for Battered Women ([15-00741](#))

a. Accepting revenue not to exceed \$15,000 from the Minnesota Coalition for Battered Women for participation in Project Connect to assist youth experiencing intimate partner violence.

b. Approving resolution increasing appropriation.

Action Taken by HE & CE: Appointed.

On motion by Quincy, carried on voice vote, the matter was approved.

14. Green Business Program: Revenue from Environmental Initiative ([15-00738](#))

a. Accepting estimated revenue not to exceed \$60,000 from Environmental Initiative for the Green Business Program.

b. Approving resolution increasing appropriation.

Action Taken by HE & CE: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

15. Mounted Patrol Horse Boarding Contract Amendment ([15-00767](#))

Authorizing amendment of contract with Horsemen, Inc. for the boarding of police mounted patrol horses, increasing by \$96,600 for one year and authorizing execution of any documents necessary to effectuate the agreement. Further, that the Purchasing Department be authorized to continue payments for services provided up to \$25,000 while this agreement is approved and executed.

Action taken by PSC & EM: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

16. 8th St SE Street Reconstruction & Street Lighting Project: Capital budget amendment ([15-00744](#))

a. Approving resolution amending the 2015 capital budget by establishing the 8th St SE Street Reconstruction and Street Lighting Project (No. 2283) by increasing the appropriation for the project by \$186,698, to be funded from assessments of \$80,593 and University of Minnesota funding of \$106,105.

b. Approving resolution declaring the City's intent to reimburse expenditures up to \$80,593 with proceeds from tax exempt bonds.

Action Taken by T & PW: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

17. 7th Street Ramp Project: Capital budget amendment ([15-00745](#))

Approving resolution amending the 2015 capital budget by increasing the appropriation for the 7th St Ramp Project from MSA funds by \$1,000,000 and decreasing Transportation and Economic Development grant funds for the project by \$1,019,645.

Action Taken by T & PW: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

18. Peavey Plaza landscaping donation from Minneapolis Downtown Council ([15-00748](#))

Approving resolution authorizing acceptance of a donation from the Minneapolis Downtown Council of annual plantings at Peavey Plaza valued at approximately \$15,000.

Action Taken by T & PW: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

19. Collaborative Research Project Agreement with University of Minnesota ([15-00749](#))

Authorizing execution of an agreement with the University of Minnesota Board of Regents to conduct research to determine the design and operating parameters that will lead to improved performance of granular activated carbon filters in the Minneapolis drinking water process.

Action Taken by T & PW: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

20. Bid for 7th Street Ramp ([15-00750](#))

Accepting low bid of Lunda Construction Company (OP No. 8099) in the amount of \$8,243,364.39 to furnish and deliver all labor, materials, and incidentals necessary for the construction of the 7th Street/Trunk Highway 94 Ramp, and authorizing the proper City officers to execute a contract for the project.

Action Taken by T & PW: Approved.

On motion by Quincy, carried on voice vote, the matter was approved.

21. Office of State Auditor Report ([15-00800](#))

Receiving presentation on the 2014 State of Minnesota/Office of State Auditor Management and Compliance Reports for the City of Minneapolis.

Scheduled Staff Report: Presentation in committee by Stephanie Erickson, Office of State Auditor, State of Minnesota.

Palmisano moved to postpone the 2014 State Audit Report presentation to the Ways & Means Committee until its meeting on August 17, 2015.

Staff Presentation by Spencer Cronk, City Coordinator.

Additional clarification provided by City Attorney Peter Ginder.

Glidden moved a substitute motion to receive the State Audit Report presentation now, and then have the report return to Ways & Means on August 17, 2015 for further discussion and consideration of recommendations following the report's review by the Audit Committee.

On roll call, the result was:

Ayes: Glidden, Bender, Quincy (3)

Noes: Yang, A. Johnson, Palmisano (3)

The substitute motion by Glidden failed.

Palmisano's original motion carried on a voice vote.

22. Setting of Public Hearing for Land Sale ([15-00801](#))

Setting a time certain for a public hearing on July 20 at 1:30 pm regarding the sale of City owned land in the vicinity of 40th St West and France Ave South to the City of Edina.

On motion by Quincy, carried on voice vote, the matter was approved.

23. Setting of Public Hearing for Land Sale ([15-00802](#))

Setting a time certain for a public hearing on July 20 at 1:30 pm regarding the sale of City owned land in the vicinity of 40th St West and France Ave South to the City of St. Louis Park.

On motion by Quincy, carried on voice vote, the matter was approved.

With no further business to transact, the meeting adjourned at 2:10 p.m.

Reported by Kelly Geistler, Committee Coordinator