

**MINUTES OF SPECIAL SESSION
HIGHLAND CITY COUNCIL
MONDAY, JULY 26, 2010**

Mayor Michaelis called the Regular Session to order at 11:00am. Councilmembers present were Bardill, Bellm and Zobrist. Councilman Schwarz was absent. In attendance were City Manager Mark Latham, Deputy City Clerk Hediger and City Clerk Bellm.

NEW BUSINESS

Approve Notice of Municipal Letting Bid #RE-06-10 Re-bid for Modification of Fiber Headend Building – Councilman Bardill made a motion to approve Notice of Municipal Letting Bid #RE-06-10 Re-Bid for Modification of Fiber Headend Building as attached; seconded by Councilwoman Bellm. Councilwoman Bellm stated, as I understand, we really do not need a 150-foot tower; however, I do not mind getting a bid for it. Concerning video headend versus Tier III, as Director Cook explained it to me; we are not going to be able to get Tier III, because of the cost. However, Tier III does give us a leg-up in marketing. Dependent upon how the costs come in, I would give consideration to something that would be most advantageous to us in the long run. Yes, at some point, we could tear out the old and put in Tier III; however, it may be cheaper to do it now and give us a better product. While we represent the citizens and we want to save money, better equipment is more advantageous at attracting business, makes our system more profitable and creates a better product for resale in the future. It may come in \$400,000 - \$500,000 higher; however, it may be only \$200,000-\$300,000 more and could put us a step ahead for the future. Mayor Michaelis stated he spoke with Director Cook about this; he explained Tier III is not in the budget at this point. Councilwoman Bellm acknowledged he stated that to her also. He suggested once the sales come in, we could upgrade at some point. She stated she thinks it is prudent to look at both to see what the cost difference is. City Manager Latham pointed out we got this down to \$1.3M at the last bid. We have taken some things out. Deputy City Clerk Lana Hediger explained we have this set up for public for notification immediately, if approved, and would be in the paper tomorrow and Highland's paper on Thursday. The way this is set up, it is a requirement that any bidder be at a pre-bid meeting on Tuesday. If we make the modification to the bid packet at this point, it would take time to change the packets for the bidders and push everything back. Councilwoman Bellm acknowledged we cannot afford to lose any more time on this; therefore, she is willing to go forward with this.

Councilwoman Zobrist asked where the original engineer's estimate came from. City Manager Latham stated he did not know. The \$900,000 is for the original headend, not for Tier III, which stores more data, thus requires more equipment and more cooling for the equipment. We had two bidders last time. I would anticipate receiving at least another bidder. The lack of a pre-bid meeting and immediate start requirement for the project limits the bidders. The pre-bid meeting will allow the bidders to have their electricians, HVAC and other subcontractors there. Roll Call Vote: Bardill and Bellm voted aye, Zobrist voted nay. Mayor Michaelis voted aye. Motion carried.

Councilwoman Bellm motioned to adjourn; seconded by Councilman Bardill. All council members voted aye, none nay. Motion carried. Meeting adjourned at 11:10am.

Joseph Michaelis, Mayor

Barbara Bellm, City Clerk