



MINUTES
APRIL 6, 2021 / 6:00 pm
REGULAR COUNCIL MEETING

- **CALL TO ORDER:** 6:00 PM
- **PLEDGE OF ALLEGIANCE**
- **ROLL CALL:** Martell, Oldenburg, Prierwert, Tippery
- **ACTION TO CHANGE AGENDA:** Add Payables to Ancom, Cartegraph, Environmental Services, Hokah Co-op, LMC Trust, MN Department of Labor, RCT Sewer, SELCO, Tri-State Carpets. Add Agenda Item to Accept resignation of Council Member Don Bissen.

1. Consent Agenda: Motion to consent the agenda with the addition of payables to Ancom, Cartegraph, Environmental Services, Hokah Co-op, LMC Trust, MN Department Labor, RCT Sewer, SELCO, Tri-State Carpets and the addition to the Agenda Item to Accept resignation of Council Member Don Bissen made by Martell. Second by Oldenburg. Aye: Martell, Oldenburg, Prierwert, Tippery.

All items listed under the consent agenda are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

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| 1.1 | Regular Council Meeting Minutes | March 2, 2021 |
| 1.2 | Bills Payable Through: | March 31, 2021 |
| 1.3 | Consolidated Balance Sheet | March 31, 2021 |

- 2. Accept Resignation of Council Member Don Bissen:** Mayor Tippery notified the Council that he received a letter of resignation from Don Bissen dated April 6, 2021. Motion to accept Council Member Bissen's resignation made by Oldenburg. Second by Martell. Aye: Martell, Oldenburg, Prierwert, Tippery. Council member Martell requested that the Clerk send Council Member Bissen a note of thanks for his service.
- 3. Library/City Hall/City Center Report:** Kirsten Plummer informed the Council that at the Library Board meeting the group discussed the racial allegations around 6 of the Dr. Seuss books which have been in the news. They will no longer be publishing the Dr. Seuss books however the Board decided that they would not be removing them from the Hokah Library shelves. The Hokah Library has 2 of the 6 books. The Board reviewed the annual report and Kirsten noted the report is 12 pages long and if anyone would like to review it they can contact her. Kirsten has not been able to get in contact with the IT vendor and asked Lindsey if she could reach out. If she did not hear from them soon, she was going to reach out to others. Kirsten noted the changes to the bylaws proposed at the last meeting were approved. Kirsten also noted that Judy Lonkoski had purchased a scanner because one of their other scanners quit working. The Friends of the Library reimbursed Judy \$75 for the purchase of this scanner. Council member Prierwert asked Kirsten about her plans for the Summer Program. Kirsten noted that she is working on this. She plans to have Storytime and she is hoping to work with Summer Rec to coordinate some activities.
- 4. Water/Wastewater/City Engineer Report:** Matt Vetsch reported the MN Health Department completed the sanitary survey and he received a copy of the report. He noted that the hatches on the reservoir will need to be addressed and that Paul Poellinger would be doing repairs to address this issue. Matt has a deadline to complete the updates to complete the survey report. Lee Tippery asked what they can do to the City if the items are not taken care of and Vetsch informed him that we could be fined. Vetsch also reported that the engineers are starting all the paperwork to apply for funding for the water project. Lee Tippery informed the Council that the City purchased a pressure washer during the previous month. He noted the need for a new pressure washer as it was very important for cleaning up the plant and it was the best price after checking around to several other vendors.
- 5. Police Dept./City Attorney Report:**
- 5.1 LETG Report: Chief Schuldt had sent out the LETG report with the packet and he noted there was nothing new this month.
 - 5.2 Highway 16 Correspondence: Chief Schuldt included his correspondence with Mike Dougherty from MN DOT. This email was also copied to Jeremy Miller and Greg Davids regarding an update on the status of the speed limit reduction along Highway 16. Mike noted that they are still planning to install the rumble strips and they are hoping to be done early this spring. He also noted that there are no plans to move forward with a speed limit reduction. Mike did indicate that they do not believe they would be increasing the limit in that area to 60 mph. Both Bob and the Council stressed their frustrations and discussed the difficulty when turning onto Highway 16 from 4th street. The state promotes zero deaths, however, they do not see this area as an issue even with the accidents and fatality along the highway. Schuldt has kept all correspondence and

he would like to send this information to the Governor.

5.3 Siren Updates: Chief Schuldt reported that the siren located in town which is tested every 6 months passed the recent test. He also noted that the other siren in town will be tested the first Wednesday of the following month.

- 6. Emergency Management:** Chief Schuldt reported there were no new updates since the last meeting.
- 7. Streets / Maintenance Report:** Matt Vetsch reported that the new Bobcat was delivered, and he also noted that they are getting ready for mowing grass. Lee Tippery asked Vetsch if George Walther would be planning to mow the lawn this summer. Vetsch stated that he was waiting to hear back from the MET program but that he thinks he should be able to once they have all the paperwork completed. Mayor Tippery reported that he had been contacted about the weeds on the side hill along 4th Street. He asked if that was the residents responsibility. Vetsch stated that they had cut some back the year before and he said they could go in and cut it back. Council member Martell noted that was the homeowner's responsibility and he had taken care of that area when he lived there. Tippery asked if Public Works would be able to cut it back. Vetsch said he could talk to the resident. Kirsten Plummer thanked the Public Works staff for being so quick to take care of getting the power back on in the library the day after the fire so that she was able to get the library back open.
- 8. Planning Commission / Zoning Report:**
 - 8.1 Permit 2021-03: Don & Sandy Bissen:** Council member Prierwert informed the Council that they received an application from Don Bissen on March 30th. This application did not include a drawing or building outline. A building outline was received on March 31st and a drawing of the property layout on April 1st. They also received a second application from the Bissens on April 6th. The Zoning Board was not able to review the application at their meeting because the application was not complete at that time. The Zoning Committee will review both applications at their next meeting and they also stated they were in the process of reviewing the building code requirements. They did reach out to the League of MN Cities and their attorney stated that if the property owner files a building application within 180 days, then with the Councils approval they can build on the existing footprint. Council member Martell also reached out to Skip Wieser who stated the same information as the LMC. Martell noted that because it is a commercial district and the second floor is occupied by the owner, this is unfamiliar territory. Martell said that Bissen had stated that he was hoping to get started on the project soon. Martell said they could review the application at the next meeting, however, if he needed to have a decision sooner that the Council could plan a special meeting. The Council had further discussion that it will take some time to get everything cleared out on the property and that he can clear out the footings, but he would need to wait to begin the building process until everything has been reviewed and the Council approves the application. Vetsch stated that they will need to make changes to the water shut off also. Currently the water goes into Bissens basement and then routes to Tom Bernsdorf's property. Vetsch noted they will need to put in two new curb stops side by side so they can tie onto them.
- 9. Recreation Board Report:** Sam Mullen reported they were working to get ready for Rec to start for the summer and get the pool ready for the season. They are planning to dig out the pool. The Rec Board was planning to meet on Monday April 12th to go over the plan for their pool cleanup day which is planned for April 17th. Sam also discussed the addition of a Tiki Hut which would be on the left hand side of the pool house. This will be paid for by donations from the Carol Walker memorial. Clerk Lindsey reported that the Personnel committee had 2 great candidates who applied for the Pool Manager position. Zach Petrie currently works at the La Crescent school and he has a great background and a lot of experience working with children and youth programs. Harley Furlong also applied, and she brings a lot of experience working at the pool as she has been working there since 2017. The Personnel Committee held interviews on April 5th. The Personnel Committee recommended that the Pool Manager position be offered to Zach Petrie with a pay rate of \$14.50/hour plus \$1/hr additional for lifeguard training. The Personnel Committee also recommended to the Council that they offer the Assistant Manager position to Harley Furlong with a pay rate of \$12/hr plus \$1/h for lifeguard certification. Having both a manager and an assistant manager would allow for both to share the responsibility as the pool is open 7 days per week. They feel that with the age of the group it is important to have a manager working but for one person to work 7 days would be difficult and that person may burn out quickly. Motion to offer the Manager position to Zach Petrie at \$15.50/hr and the Assistant Manager position to Harley Furlong at \$13/hr was made by Prierwert. Second by Martell. Unanimous.
- 10. New Business:**
 - 10.1 Bond Refinance Application – Resolution 2021-03:** Mike Bubany was in attendance. He provided an introduction of the bond refinance plan. He stated that he had worked with the City around 3-4 years prior and at that time the City did not decide to move forward with refinancing because in order to get the interest rate that they needed, the City would have had to sell the bonds on the open market. To get the interest rates the City would need a credit rating and the cost to get that rating was \$10,000. The process did not guarantee them the low interest rate and the City would still be out that cost. The City decided to wait. Then back a couple years ago, Mike had reached out to the City and at that time they did not move forward with refinancing. Then about a year ago, Mike had reached out to the City Clerk and he noted that the City had been double budgeting for the bond payment so there was a large balance in the debt service fund. He recommended at that time to pay the bond balance down. The City paid \$450,000 down on the bond. This reduced the payments and today with the low interest rates and the reduced balance the City could refinance without obtaining a credit rating. The City could lock into the low interest rate and after the issuance cost, they could have a large overall savings. Mike also discussed another option for the City which

would include making the additional payment on the current bond schedule. The City currently budgets \$53,000 for the yearly bond payment but after the debt was paid down, the yearly payment would be approximately \$30,000 so the City could use the additional amount budgeted to pay down the debt. Mike noted that would slowly save the City around \$30,000 over time. He informed the Council that by refinancing, the City could free up the \$20,000 for other items or projects. Mike presented the proposal to the Council with an interest rate through the MN Rural Water Association. This would place the bond with a bank and would have set fees and the bank could lock in a rate. Mike also provided a handout which shows the Council the history of the US treasuries interest rates. He noted that the Council locked in in early March at a great time as the market was beginning to trend upward. Mike reviewed the proposal with the Council. The first page shows the issuance cost and accrued interest from the beginning of the year. The bond issue total is \$373,000. The second page shows the payment summary for principal and interest which are guaranteed. The last page shows the comparison and shows a total savings of \$55,000 or present value savings of \$46,000. Mike asked the Council for questions, otherwise he asked the Council for their approval. The Council discussed the proposal and noted the savings it provided to the City. They did discuss if this refinancing could be incorporated with the upcoming Water upgrades, however Mike noted that because the City would be grant eligible and they would have specific requirements under those grants that they would need to apply for those funds separately. Motion to accept the proposal and accept Resolution 2021-03 made by Martell. Second by Prierwert. Unanimous.

11. Old Business:

11.1 MN Basic Code: No update.

11.2 Personnel Committee: Jerry Martell contacted the cities of Spring Grove, Houston, Brownsville, Eitzen, Rushford and Caledonia to find out how their personnel committees were structured. Houston has two council members and the Administrator with an occasional department head. Spring Grove has two Council members and a department head. Brownsville has two Council members. In Eitzen everything is handled by the Council and there is no committee. Rushford has the mayor, one council member and the City Administrator. Caledonia has two council members and the Administrator and on occasion the department head. Mayor Tippery proposed two members of the Council, City Clerk and on occasion a department head. Tippery also recommended that the committee be nominated every year. Prierwert discussed the fact that all other committees are on a 3-year rotation. Sam Mullen also provided her input and noted that when you are on a committee it takes time to learn the position and what is going on so to have the committee stay more than one year could be important. She also said that quite often you only go over certain things once a year which can be challenging to teach a new group each year. She recommended at least every other year. Motion to change the City Personnel Committee to have two members of the Council, the City Clerk and a discretionary department head for a two-year term made by Martell. Second by Oldenburg. Unanimous.

12. Council Member's Comments/Community Input:

13. **Mayor's Comments:** Mayor Tippery extended his thanks to the Fire Department for the great job they did handling the fire in town. He said he thought everyone worked great together. Tippery also asked how to move forward with the replacement of Council member Bissen. Prierwert recommended looking back at the members who filed for candidacy. The Clerk noted that there were no members who filed for the Council Member position, but that Mike Walsh had filed for the Mayor position. Martell recommended offering the position to Mike Walsh. Tippery asked what would happen if Mike did not accept and Martell stated that they could run with 4 members on Council or they could hold a special election. The mayor said he would like to reach out to the League of MN Cities and also to Skip. The Mayor said he would speak with Mike. Martell noted that the past practice was to first look at the members who filed for candidacy. Oldenburg said that he felt that Mike knows what is going on and he did file and he thought that it should be offered to him. Martell felt that they should start by offering it to him. Oldenburg asked if the Mayor would be electing members of the Personnel Committee and the Mayor said he would like to wait until the next meeting. Sam Mullen also noted that Don Bissen was the representative for the Rec Board and she asked if someone would be taking his place. The Mayor said he would also take a look at that for the next meeting.

14. **Staff Correspondence:** None.

15. **Correspondence Received:** Richards Sanitation Fee Change- Lindsey was notified by Richards Sanitation that due to the increase of tipping fees as well as increased fuel charges, they would be increasing the rate for the garbage totes. There was a small increase of \$.05 for bags, the totes increased from \$.13 to \$.15 per month.

16. **Announcements:** None.

17. **Next Council Meeting**

17.1 May 4, 2021 6:00 PM

18. **Items for next Agenda:** MN Basic Code, Council Appointment, Board Appointments

19. **Adjournment:** Motion to adjourn at 7:19PM made by Martell. Second by Oldenburg. Unanimous.