



MINUTES
MARCH 2, 2021 / 6:00 pm
REGULAR COUNCIL MEETING

- **CALL TO ORDER:** 6:00PM
- **PLEDGE OF ALLEGIANCE**
- **ROLL CALL:** Martell, Oldenburg, Bissen, Prierwert, Tippery
- **ACTION TO CHANGE AGENDA:** Add Payables to ECM Publishers, Penguin Management, Richards Sanitation
- 1. Consent Agenda:** Motion to consent the agenda with the addition of the payables to ECM Publishers, Penguin Management, Richards Sanitation made by Martell. Second by Oldenburg. Unanimous.

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.

1.1	Regular Council Meeting Minutes	February 28, 2021	February 2, 2021
1.2	Bills Payable Through:	February 28, 2021	
1.3	Consolidated Balance Sheet	February 28, 2021	
1.4	Hokah FD-Temporary Liquor License	May 15, 2021	

2. **Library/City Hall/City Center Report:** Kirsten Plummer reported that everything was going good at the Library.
3. **Water/Wastewater/City Engineer Report:** Matt Vetsch reported that there was a surprise visit from the MN Department of Health. The District Engineer came to inspect the Water Systems. They looked at both well sites and the reservoir and pulled some samples. They will compile their report and send it to Matt when they have it completed. The Engineer noted that she was happy to hear that the City would be looking into the Water Upgrades. Matt noted that the last inspection was completed around 3 years ago but in the future, they should be every 18 months. Matt reported that there have been 3 sewer backups into the basement of Sam Jandt's. The reason for this is that line from the Jandt's house has moved into the main line because of the angle and the fact that the line has settled. This is prohibiting the City from being able to get in and clear out and maintain the sewer line in this area. Matt asked Travis Zenke to come and look at the spot and because it is a very tight spot, he noted that it would be expensive to repair because you would have to dig it all out and move it all, and then bring it all back. Matt spoke to Randy Munson about the situation, and he has equipment that would allow them to cut off the piece, but because it is a metal pipe and not a PVC pipe, he would need a special saw. The cost of this saw is \$3,000 for him to purchase. He would charge the city \$1,000 to try to run his equipment and use the saw to cut off the line. Zenke quoted \$7,000 for repairs to dig up the spot. Matt asked the Council for approval to go ahead with Randy Munson. After further discussion from the Council, they agreed that the situation needed to be addressed and they agreed to move ahead and work with Randy Munson. Motion to work with Randy Munson made by Oldenburg. Second by Martell. Unanimous.
4. **Police Dept./City Attorney Report:** Chief Schuldt reported that the State passed legislation which will involve additional training. He stated that fortunately the patrol training put out by the League of MN Cities already has this training available. Chief Schuldt also asked the Council for permission to follow up with MNDOT to find out where they are at in the process of changing the speed limit along Highway 16 and the plan to install rumble strips.
5. **Emergency Management:** Chief Schuldt reported that he had sent out the Governors updated order. Some of the changes that he noted were that the bars and restaurants could stay open an additional hour.
6. **Streets / Maintenance Report:** No Report.
7. **Planning Commission / Zoning Report:**
 - 7.1 Permit Application 2021-01: Kwik Trip: Jerry Martell reported the results of the Zoning Board meeting that was held on February 23rd. There was an application from Kwik Trip to update their canopy. There were no restrictions in the City Ordinance that would affect this request. The Board voted to recommend the approval of this application.
 - 7.2 Permit Application 2021-02: The Zoning Board also reviewed an application from David and Barbara Kirchoff to build a new garage behind their home in place of their current garage. All setbacks will be met so the Board voted to recommend the approval of this application.
Motion to approve Permit application 2021-01 and 2021-02 made by Oldenburg. Second by Martell. Unanimous.
8. **Recreation Board Report:** Lindsey reported that the Recreation Board met on February 21st and discussed the need to get a group down to the pool to clean up the area. The Board plans to set a cleanup day as soon as things dry up and

the weather will allow. They are hoping for early May. The Board reviewed the State guidance for opening the pool and moving forward with rec activities. There are guidelines and recommendations to require masks and social distancing and Lindsey had updated the City's preparedness plan to reflect these changes. The Board also discussed plans to hire a pool manager to oversee the pool staff. The Rec Board discussed the need to bring in a good leader. The Board had recommended the pay rate for the Pool manager to be \$14/hour and for lifeguard certification there would be an additional \$1/hour. Lindsey asked the Council for approval to post the job notice in the Argus and the Tribune and asked the Council to approve the pay rate to be posted. Lindsey also noted that she had reached out to Jim Scholze who informed her that he was planning to run baseball as they have in past. Lindsey also noted that the group discussed building a cabana using funds that were donated from the Carol Walker memorial. The Council then had discussion about the importance to bring in a good leader at the pool and that it is important to bring in a person who is a little older. They also discussed having a backup manager. The Council also made it clear that the recommendation to hire needs to be brought to the Council and it is their decision. There was also discussion around changing the hours so that the manager would not need to work 7 days a week and possibly limiting the hours the pool is open. Motion to approve the job posting with the pay rate of \$14/hour plus an additional \$1/hour made by Priewert. Second by Martell. Unanimous. Lindsey informed the Council that the next Rec Board meeting will be held March 9th at 6:00PM on the second floor of the Fire Station.

9. **New Business:**

- 9.1 City Audit Review of 2020 Financial Statements: Lindsey presented the draft review received from Smith & Shafer. Lindsey pointed out the overall cash balance is down over \$400,000 because of paying down the sewer bond. She also noted the General Fund was up \$26,000, the Library fund was up \$1,800, the debt service fund was down \$440,000. Motion to approve the financial statements as presented from Smith & Shafer made by Martell. Second by Priewert. Unanimous.
- 9.2 Liquor Licenses 2021: Lindsey presented the liquor license applicants for the 2021 liquor licenses. They included an off sale, on sale, and Sunday sale liquor license for Hummers Pub, Main Street Saloon and Free Range Exchange. Kwik Trip applied for an off sale 3.2 license and a cigarette license. Rita Christianson was in the audience and asked the Council if they could possibly adjust the yearly fee for the licenses for 2021 because in 2020 the businesses were required to shut down or have limited capacity. She felt this would show support to the businesses. The Council had further discussion and decided to adjust the fee for 2021 to \$1. Motion to lower the liquor license fee for 2021 to \$1 made by Martell. Second by Bissen. Unanimous.
- 9.3 Bond Refinancing: Lindsey presented a savings analysis for refinancing the USDA bond with MN Rural Water Association. The interest rate with the current schedule is 4.375% and would decrease to approximately 2.4% and could save the City nearly \$50,000. This savings includes all costs to refinance the loan. Mike Bubany who serves as an advisor to MRWA has provided the savings analysis and recommended that the City submit the no risk application to lock in a rate. At the next Council meeting the Council could review the financing and decide if they would like to move forward. Mike also requested an engagement letter. Lindsey also noted a couple other options could include selling the bonds competitively, but this process can be costly and take time to secure a rating. The City could also consider making additional payments on the USDA bond as currently \$50,000 is budgeted for the year but after the \$450,000 this amount has been reduced to around \$30,000 so the City could pay down the additional \$20,000. After further discussion, a motion was made to submit the loan application and engagement letter by Martell. Second by Bissen. Unanimous.
- 9.4 Houston County Solid Waste Fees: Lindsey presented the letter received from Houston County informing the City that the Solid Waste fees would be increasing from \$3.00/month to \$3.75/month and then in 2022 the fee would increase to \$4.00/month. Motion to accept the fee raise for Solid Waste from \$3.00 to \$3.75 in 2021 and to \$4.00 for 2022 made by Bissen. Second by Martell. Unanimous.
- 9.5 Liability Coverage-Waiver of Statutory Tort Limit: Lindsey presented the waiver of Statutory Tort Limit for liability coverage. Motion to waive the statutory tort limit made by Martell. Second by Bissen. Unanimous.
- 9.6 City Hanging Flower Baskets: Judy Lonkoski was in the audience and asked the Council if they would be paying for the flowers in 2021 so that Twin Pines Nursery could plan for the year. Motion to approve the purchase of the flowers from Twin Pines Nursery made by Martell. Second by Oldenburg. Unanimous.
- 9.7 City Website: Lindsey provided two quotes for updating the City Website. The first quote was with Vision Design Group and would cost \$2,800 for the setup and \$50/month. The second quote was with Immense Impact and would cost \$350 for the setup and \$50/month. Currently the City pays \$50/month. Lindsey provided examples and noted that Immense Impact was a standard layout and did not offer a great deal of customization. She also noted other cities that work with Vision Design Group include La Crescent, Caledonia, and Brownsville. Motion to work with Vision Design Group to update the City website was made by Priewert. Second by Oldenburg. Unanimous.

10. **Old Business:**

- 10.1 MN Basic Code: Lindsey presented the Council with sample information from the City of Houston and their process for accepting the MN Basic Code. After further discussion, a motion was made to table the discussion by Martell. Second by Bissen. Unanimous.
- 10.2 Crosswalk: Matt Vetsch provided a quote on the cost of all materials needed for the crosswalk sign which would be \$9,807. The State would assist with the installation of the crosswalk. The total set aside from Rod Blanks donation of compensatory time was \$4,288 which leaves the remaining \$5,500. Motion to

approve the crosswalk project made by Oldenburg. Second by Martell. Unanimous.

10.3 Personnel Committee: The Council had discussion about the Mayor's suggestion to change the structure of the Personnel Committee to the City Clerk and 2 members of the Council. Members of the Council felt that it was important to have more people on the committee to provide more ideas and opinions and they believed the current structure had been successful. Members of the Council asked if they could follow up and get a little more information before there was a decision.

11. Council Member's Comments/Community Input: No Report.

12. Mayor's Comments: No report.

13. Staff Correspondence: Lindsey informed the Council that back in 2003 the City had an insurance policy with Principal Financial Group and they demutualized and the City received 197 shares of stock. After discussion with the Auditors, they recommended that the shares be cashed out. The amount received for the Shares was \$10,570 and Lindsey asked where the Council would like these funds deposited. After discussion, the Council agreed to put half of the check towards the remaining portion of the crosswalk expense and the remaining to the Fire Station Building Improvements for electric upgrades and sidewalk repairs. Motion to apply half of the receipt to the crosswalk project and half to Fire Station Improvements was made by Martell. Second by Priewert. Unanimous.

14. Correspondence Received: None.

15. Announcements: None.

16. Next Council Meeting

16.1 April 6, 2021 6:00 PM

17. Items for next Agenda: Pool Manager Search, Bond Refinance Application, MN Basic Code, Personnel Committee

18. Adjournment: Motion to adjourn at 8:02 PM made by Martell. Second by Priewert. Unanimous.