

Council Present: Mayor Dana Ziegler, Lisa Peterson, Emily Edwards, Adam Finney – absent: Wendy Bennett

Staff Present: Clerk Diane Roelofs, Clerk Kara Hansen, PW Supervisor Mark Willette

Others Present: Patricia Krosch, Tim Strommer, Chad Ostermann

Mayor Ziegler called the regular meeting to order at 6:00 PM

Agenda: Councilor Peterson made a motion to approve the agenda. 2nd by Councilor Finney. All approved. Motion carried.

Consent Agenda: The consent agenda included the 9/7/2023 meeting minutes, the 9/12/2023 special meeting minutes, Checks for Month showing \$35,553.35 in deposits and \$27,602.80 in checks, September Cash Balance Investment Report, Savings and Loan Balance, 20-23 Project expense report, Check Reconciliations, City Revenue Guidelines, City Expenditure Guidelines, November and December calendar of events, Record of Preconstruction Meeting Minutes from 8/30/2023, Todd Schwarz temporary road quote, BE CO. Call Log for September, VCFD September Report. Councilor Peterson made a motion to approve the consent agenda. 2nd by Councilor Finney. All approved. Motion Carried.

Additional Bills: Minnesota Paving. The class five is it going into the DEED. Clerk Roelofs said it was going to the temporary road and should be recoded. Most of the bill from Farrish Johnson was for the project. Councilor Peterson made a motion to approve additional bills. 2nd by Councilor Edwards. All approved. Motion carried.

Mayor Ziegler asked if a motion was needed to approve a meeting for the overdue utility bills. Clerk Roelofs said because it is a public hearing it needs to be motioned for. Councilor Peterson asked if there was enough time to get it on the tax. Clerk Roelofs said yes. Councilor Peterson made a motion to set a public hearing for overdue utility bills on November 7th, 2023 at 5:30 PM. 2nd by Councilor Edwards. All approved. Motion carried.

Clerk Roelofs and Clerk Hansen are currently working on how to pay out Clerk Roelofs vacation leave, and was left off the additional bills.

Resolution 2023-20 Transfer Funds: Mayor Ziegler inquired the need to transfer money. Clerk Roelofs said it is the city's share and Minnesota Public Facilities needs to have a resolution showing that we are transferring funds and if there is money left after the project, we can pay it back. Councilor Peterson made a motion to approve Resolution 2023-20 to transfer city funds from the 403 Future Projects Fund to the 410 Infrastructure Project 2023 Fund in the amount of \$55,000. 2nd by Councilor Edwards. All approved. Motion carried.

Public Comment: None.

Chad Ostermann - MM Insurance: Mr. Ostermann presented the city insurance renewal summary. There was a small increase in this year's insurance due to inflation, but it is under 10%. Dividend from last year to this year is \$1880. There is one small open claim, but the check has come in for the city. There have been no Work Comp claims since 2019.

The pending deal with the City of Rushmore was discussed. The trucking company, Rubin Construction, has insurance for the transit of the equipment when it is on the truck, but once the equipment is on the truck does the city assume ownership of it?

Mr. Ostermann advised the city to purchase the equipment before it is on the truck, and write out a contract that the City of Vernon Center are the owners of the equipment before it is loaded onto the truck. The city should arrange a contract with Rubin Construction. The city currently has a policy in place for in-transit material (Property In-transit). Mr. Ostermann said the city should not put the equipment under insurance until it is delivered. The current policy covers 250K. The city should acquire a certificate of insurance to show what they have for that piece of equipment. The certificate would show the liability limit. The city was advised to inquire about putting itself in as additional to Rubin Construction's insurance. If the city is listed on Rubin Construction it means the policy is primary.

The City of Rushmore does not want to own the equipment as soon as it's on the trailer. Mayor Ziegler said the attorney won't let us hire Rubin Construction to do work in the City of Rushmore's building. The City of Rushmore will have to hire Rubin Construction to remove the equipment as we do not know the structure of this building or the kind of work Rubin Construction needs to do to put the equipment on their trailer. Councilor Peterson made a motion to approve 2023 renewal summary with waiver of tort limit. 2nd by Councilor Finney. All approved. Motion passed.

Resolution 2023-19 Execution of Advance Agreement/Accept MRWA to Purchase GO Utility Bond Infrastructure Project and Interim Loan: Clerk Roelofs said a motion is needed to approve the closing date of October 11, 2023. We do not have to reapprove it. Councilor Peterson made a motion to approve Resolution 2023-19 with the new closing date of October 11, 2023. 2nd by Councilor Edwards. All approved. Motion carried.

Advance Agreement for MRW Finance Authority: Clerk Roelofs said the Advance Agreement is for the interim loan from Minnesota Rural Water (MRW). The city needs to have a temporary loan in place and this is the paperwork needed to close the temporary loan. The amount would be available up to \$3,317,000. Councilor Peterson asked if Rural Development pays for this loan and the Community Bank loan? Clerk Roelofs said the city would pay the Community Bank loan, but the city is approved for re-financing of the debt. Councilor Peterson made a motion to approve the advance agreement between Minnesota Rural Water and City of Vernon Center dated October 11, 2023 in the amount of \$3,317,00.00. 2nd by Councilor Finney. All approved. Motion carried.

Resolution 2023-19: This resolution was already approved.

Engineering Memo: Councilor Edwards asked about the change order requests. Mayor Ziegler said the change order requests were submitted to Holtmeier. We are just waiting for the bids to come back. There will be a special meeting to approve the change orders when the bids come in.

Mayor Ziegler asked where the construction was on East St. PW Supervisor Willette said the first crew is up to the school. They did removals up to Poplar St. Water services are going in on Hilltop St, and then Holtmeier will start on the storm sewer. Main St water will be shut down tomorrow, October 4th, 2023 from 9:00 AM to 1:00 PM while Holtmeier replaces water valves.

A citizen's car was stuck in their driveway. It was advised they contact the project engineer, John Voigt,

to get the car out. Councilor Finney asked why there was work being done on the hill behind the old meat market. Mayor Ziegler said because the storm sewer was going in there. Pfeffer Tree Service will be returning to do stumps, but they need to do gopher calls on all of them. PW supervisor Willette said the internet was hit yesterday. The first crew knew about the line, but didn't get that information to the second crew who hit the line.

Mayor Ziegler mentioned dissatisfaction with the internet. Councilor Peterson said there are fiber optic cables in the school and bank. There are grants the Federal Government pushed down to the state for needy areas. Some small towns might need to write to legislators to get the grant funding for this. Mayor Ziegler said we should reach out and ask what the city can do to get this done.

Public Works

PW Supervisor Willette thought the last construction meeting was good.

Mayor Ziegler said we need to approve the CSAH Maintenance Agreement. It is good for five years. This is an annual amount that comes in to all cities with a county road going through it. Councilor Edwards made a motion to approve the CSAH Maintenance Agreement with Blue Earth County. 2nd by Councilor Peterson. All approved. Motion carried.

Sewer Lateral Replacement Appv: Mayor Ziegler said no citizen can hire a company or individual to dig unless they are approved by the city. The digger will need insurance and have the correct paperwork in place for approval. There are 8-10 already approved. Digging at night or on weekends is not approved.

Rushmore: Councilor Peterson and Mayor Ziegler spoke with PW Supervisor Willette. There is a risk in assuming the WTP equipment. If the city wishes to proceed, the city will have to take the liability risk. The city will take ownership of the equipment when it's on the truck, but a separate agreement with the trucking company is needed. The City of Rushmore is willing to sell the equipment to us for scrap price. If the equipment is decent and the city can get it installed it will save the citizens \$200,000 to \$300,000. Councilor Edwards asked how much would we need to pay a contractor to install the equipment. Mayor Ziegler said if it costs 50K to get it here, it will cost at least 50K to install it. The City of Rushmore wants the WTP equipment out of their building by December 1st. Rubin Construction has insurance the city just needs to double check it. The city can't wait until the November Council meeting to decide on this. Councilor Peterson thought it was worth the risk. PW Supervisor Willette said he would go down the day before Rubin Construction would pick up the parts to make sure it was all in good condition. If the City of Rushmore does not want to hire Rubin Construction to take the equipment out of their building, then the deal is off. Councilor Peterson made a motion to proceed with the contract to buy the equipment from the City of Rushmore. 2nd by Councilor Finney. All approved. Motion carried.

Traffic Sign Proposal: Mayor Ziegler spoke to Officer Blakesley of the Blue Earth County Sheriff's office about traffic signs. Officer Blakesley advised not to purchase a traffic sign that records data, but displays the speed and also flashes. Councilor Peterson asked where and how the signs would be installed. Clerk Roelofs said at either end of town, and there are additional costs for stands. The city is unaware if MN DOT needs to install it, but we will approve it with them. Traffic signs are not in the budget, but Clerk Roelofs said there are funds in the Street Cap Reserves. Mayor Ziegler said the funds could come out of the public safety fund.

ESST Attorney Letter: The city attorney advised us to amend our personnel policy to accommodate the new ESST requirements. Mayor Ziegler said a personnel committee meeting should be called in November to discuss amending the personnel policy.

Website: Clerk Hansen said that the original contract with our internet carrier, GovOffice, was bought out by Catalis. In our contract with GovOffice, our website price for 2024 was set to go down to \$600 a month. With Catalis, we would need to sign a new contract with them for four years, and our first year would be \$1995 with an increase of 6% every year. Clerk Hansen proposed the city switch to Municipal Impact. Councilor Finney asked if citizens would have a button that connects them to a third-party paying platform for their utilities. Clerk Hansen said they do. The council discussed the pros and cons of having Municipal Impact move everything to their domain versus Clerk Hansen and Clerk Roelofs doing moving it over themselves. Mayor Ziegler made a motion to switch the website from Catalis to Municipal Impact and pay Municipal Impact the \$2150 for a yearly subscription, set up, and to move everything to their domain. 2nd by Councilor Peterson. All approved. Motion carried.

Miscellaneous: PW Willette spoke to Dennis Peterson about fixing city hall's sewer. It will have to be pushed back.

PW Willette said he would like to use some of his vacation in November/December and see if the extra would be carried over. Currently, he has 89 hours, and his comp hours are 102.75. Mayor Ziegler said PW Supervisor Willette should use his vacation and get his hours below 40. PW Supervisor Willette said any time he takes off he will put down as vacation.

Clerk Roelofs will work 20-hour weeks. After January 31st the Council will reevaluate those hours. There was a discussion about approving a check to Clerk Roelofs for her unused vacation time. As long as it is in line with the current policy it should be okay.

Councilor Finney asked if there was any desire to put up a doggy bag dispenser in the park. Councilor Peterson said it was worth looking into the cost.

Councilor Peterson asked about getting a shady area put in the park since most of the trees were taken out. Mayor Ziegler was in favor of a permanent structure over a temporary one. The city should look into this after the project, but we prefer not to plant trees.

The Council decided to move the public hearing to 6:00 PM. The Council will open the regular meeting and then the public hearing. It will be the first line item of the November meeting agenda.

Adjourn: Councilor Peterson made a motion to adjourn. 2nd by Councilor Finney. All approved. Motion carried.

Meeting Ended at 7:20 PM

Kara Hansen – Clerk Treasurer

Dana Ziegler – Mayor

Date Approved