

City of Vernon Center
4/3/2025
Regular Council Meeting

Council Present: Acting-Mayor Lisa Peterson, Emily Edwards, and Adam Finney.
Staff Present: Clerk Kara Hansen and PW Supervisor Mark Willette
Others Present: Greg Burkhardt, Casey from MRM, Larry Allen, and Caleb Peterson

Acting-Mayor Peterson opened the regular council meeting at 6:00 PM

Approve Agenda

PW Supervisor Willette asked to add item c). Railroad Drainage & MPCA Comments, and item d). Street Sweeping under Public Works. Acting-Mayor Peterson asked to pull the SSS Replacements from the Consent Agenda and put it under Public Works under a). City Sewer Laterals.

Councilor Finney made a motion to approve the agenda with the additions and corrections. 2nd by Councilor Edwards. All approved. Motion carried.

2024 Audit Results

This year's audit opinion was given an unmodified "Clean" audit. In Internal control over financial reporting the city did show material audit adjustments as "material weaknesses" and significant deficiencies showing as preparation of financial statements and limited segregation of duties. These findings are a result of the city only having one employee in the city office and are common in small city offices. Auditor Burkhardt recommended the city accept the risk. There were no Minnesota statute legal compliance findings. The unassigned fund balance was at 74% of expenditures in 2024. The enterprise funds showed the average five-year profits in water at a positive of \$24,578.00. The sewer had a negative balance of \$4,015.00.

Councilor Finney made a motion to accept the 2024 Audit findings. 2nd by Councilor Edwards. All approved. Motion carried.

Consent Agenda

The consent agenda included the 3/4/2025 mtg minutes, Check Reconciliations, February Cap Funds, February Cash Balance Investment Report, Checks for Month showing in \$83,754.31 deposits and \$111,274.61 in checks, City Expenditure Guideline, City Revenue Guideline, 2020-23 Project Balance Excel Spreadsheet, April & May calendar of events, the BEC Call Log for March, the March FD Report, & the FD PPE list.

Councilor Edwards made a motion to approve the consent agenda except letter f.) SSS Replacement Participants. 2nd by Councilor Finney. All approved. Motion carried.

Additional Bills

a). Add'l Bills

Acting-Mayor Peterson pointed out two expenses on the city credit card for gas and asked if Clerk Hansen took her personal car. Clerk Hansen said she did. Mayor-Peterson directed Clerk Hansen to pay back the gas as it wasn't in a City owned vehicle. Acting Mayor Peterson directed Clerk Hansen to create an Expense Report for all city employees who take business trips on behalf of the city. Clerk Hansen said there were two additional expenses she received today, one for Maple River Messenger for \$30.39 for printing the City Fee Schedule, and one from Burkhardt & Burkhardt for \$27.50 for auditing services. Councilor Finney made a motion to approve the additional bills including Maple River Messenger for \$30.39 and Burkhardt and Burkhardt for \$27.50. 2nd by Councilor Edwards. All approved. Motion carried.

Public Comment

Larry Allen said he wants a permit for a storage shed, and said his originally approved permit was changed as the shed wasn't where he wanted it. Clerk Hansen told Larry Allen that he originally came into her office and wanted to build a shed, but didn't want to go through with a variance hearing. They came up with a zoning permit application which wouldn't need a variance hearing, and Larry Allen was present for that. She said if he's changed his mind, that's fine, but she never changed the permit. Councilor Finney said if Larry Allen wants to change the permit, he needs to submit another zoning application for the Zoning Board to review and make sure what he wants is on it. The zoning board will decide if a variance hearing is needed after review. Councilor Finney said he heard that Larry Allen wanted to run a sewer line to the building. PW Supervisor Willette said there is a water service on HWY 169, but Larry Allen would need to run a sewer line to Poplar St E, and he would need to do it before the final layer of road was laid by Holtmeier. PW Supervisor Willette also said he recommended running a water line to Poplar St E as well.

Infrastructure Project

a. Engineer Notes

Engineer Knutson said he sent an email about using some of the PFA bonding money on the infrastructure project. He said the WWTP would need a new laptop to do the logs from the new flow meter, and the money can come from the PFA grant money or the USDA-RD loan, but recommended the grant money. PW Supervisor Willette asked how much the software would cost. Engineer Knutson said the software is included in the flow meter purchase, and recommended an IT professional do the installation of the computer. Clerk Hansen said she made contact with an IT specialist out of New Ulm, and she would ask him for a computer quote and pricing on installation.

Engineer Knutson said the City was also looking at purchasing jetting equipment. He said their preliminary estimates are between \$25,000 and \$35,000 depending on if the city wanted to buy new or used, or if they wanted the jetter mounted on a trailer. Councilor Edwards asked if they needed to bid out a jetter. Engineer Knutson recommended the city get a couple of quotes, but bidding wasn't required. He recommended PW Supervisor Willette reach out for quotes from familiar suppliers.

b. Change Order #4

Engineer Knutson said he's working with another engineer to have initial plans for a new well and additional items for WTP improvements ready to send out for bids. The city has close to half a million dollars to spend on water improvements and another \$210,000 to spend on sewer improvements to receive the full loan amount from USDA-RD. He said they're working on having bidding documents ready to review by USDA-RD by the end of the month for both the water and wastewater improvements. It will take 60 days to award the bid.

RPR Doug Maeder will be present to do a spring walkthrough of the project to look over warranty items. They're looking at doing concrete work at the WWTP. Engineer Knutson said Change Order #4 is for concrete work around manholes and valves, and concrete work would be by the foot, and the amount might be different from what's on the change order, but he could work with the contractor to adjust the square footage when the work is performed.

Councilor Finney made a motion to approve Change Order #4 for concrete work around manholes and valves for \$4,972.00. 2nd by Councilor Edwards. All approved. Motion carried.

c. Citizen Concern 2025-01

Clerk Hansen said the citizen who filled out the report has had their sump pump running every couple of

minutes since the project started in 2023. PW Supervisor Willette said this has been an ongoing issue. Engineer Knutson said a new sewer line was pipe burst through the old line before it was pulled through. He said the storm/drain tile cannot be hooked up to the sanitary sewer as the resident is requesting, and ground water will go higher when a new project has closed off an old drain tile. He said the water that's being pumped is likely ground water, and there's not much the city can do about it. Acting-Mayor Peterson agreed there was not much the City could do but be aware of the situation.

Public Works

a). City Sewer Laterals

Acting Mayor Peterson said she was happy with the list of sewer services, but noted some services "needed council direction" and asked for clarification. PW Supervisor Willette said there are certain properties in town that were considered compliant at the 2015 project, but are currently not compliant due to the change in ordinance requiring sewer laterals be replaced to the stack. This is why some addresses on the spreadsheet need council direction. Acting Mayor Peterson said this could be a future work study item and asked it to be tabled.

Acting-Mayor Peterson directed Clerk Hansen to add an a columns for houses that were compliant with the 2015 Project, and state whether they are or are not compliant right now. She also asked Clerk Hansen to incorporate Clerk Roelof's spreadsheet of SSS Financing, and make a new list of those who have applied for it.

b). 110 Oak St S Lining

PW Supervisor Willette asked Engineer Knutson his opinion on lining sewer laterals as there are some properties in the city who would possibly benefit from lining as opposed to open cut. Engineer Knutson said he'd recommend lining sewer services as long as the service is clean, and he would consider lining and installing a new sewer lateral as the same in terms of compliance. Acting-Mayor Peterson asked if lining companies needed to be on the approved contractor list. PW Supervisor Willette said this lining project does not require digging, and per city policy they didn't have to be an approved contractor, just a licensed plumber and licensed lining contractor. He said lining isn't cheap, so it wouldn't benefit all properties, just ones with special considerations such as the sewer lateral running under concrete. Councilor Edwards asked if the City could create a form for contractors looking to line someone sewer and put stipulations on it that it be televised prior to lining and after lining. Clerk Hansen said she would work with PW Supervisor Willette to come up with a form.

c). MPCA

PW Supervisor Willette said where Urban Oil used to be he's gotten several Gopher Calls for soil boring by a contractor working on behalf of the MPCA. PW Supervisor Willette said he spoke with the contact person for the MPCA on theses borings, but that person would not give him any information on their findings in that area, and they will not close this case until possibly autumn. PW Supervisor Willette contacted Mayor Ziegler and told him he thinks the drain tile should be stopped before this property so the city isn't accidentally dumping petroleum products and chemicals into the storm sewer. Acting-Mayor Peterson said the matter should be tabled until the next meeting.

d). Street Sweeping

PW Supervisor Willette said the street sweeper will be in town on Tuesday, April 8th. He said there are signs around town that Clerk Hansen put up asking residents to move their vehicles. PW Supervisor Willette told Engineer Knutson that the street sweepers should go down HWY 169 where a sheep shed is, turn around there after they swept that area, and come back through town.

Follow up From Previous Meeting

a). Cannabis Ordinance & Resolution

Clerk Hansen said Mayor Ziegler wanted to delegate authority regarding cannabis laws and zoning to the county. Acting-Mayor Peterson said the matter could be tabled until the next meeting.

b). Clerk's Conference

Clerk Hansen said she went to the MCFOA Clerk's Conference from March 18th to March 21st, and she learned of new ADA compliance requirements involving PDFs which would take effect in 2027. She said, currently the only way for the city to ensure their PDFs are ADA compliant was to purchase Adobe Acrobat Pro. She said the business package was priced at \$330.00 a year, and she already has it in next year's budget as she wants a whole year to practice before the new guidelines go into effect.

Fire Department Sealed Bids

Clerk Hansen said the Fire Department would like to put both trucks up for sealed bids and have everything ready by the pancake breakfast this Sunday.

Councilor Edwards made a motion to approve sending the 1992 Ford Tanker and the 1988 1-Ton out for sealed bids. 2nd by Acting Mayor Peterson. All approved. Motion carried. Councilor Finney abstained.

Records Retention Schedule

Clerk Hansen said City Hall is in danger of running out of space to store records in the future. The storage room is approaching capacity, her filing cabinets are quickly filling up, and the google drive is at 90% capacity. The City needs to free up space or they will be paying for storage. She contacted the Minnesota Historical Society to see if the City had adopted the Minnesota State Records Retention Schedule, and the City of Vernon Center had not adopted it. They recommended the City do so, so records can be maintained in a more meticulous manner. Acting-Mayor Peterson said the subject could be tabled until the next meeting.

Next Meeting Scheduled for 5/6/2025

Adjourn

Councilor Edwards made a motion to adjourn. 2nd by Councilor Finney. All approved. Motion carried.

Meeting adjourned at 7:50 PM.

Kara Hansen, Clerk-Treasurer

Dana Ziegler Mayor

Date approved