

City of Vernon Center  
9/5/2024  
Regular Council Meeting

Council Present: Mayor Dana Ziegler, Wendy Bennett, Emily Edwards, Adam Finney and Lisa Peterson.  
Staff Present: Clerk Kara Hansen, and PW Supervisor Mark Willette  
Others Present: Representative Bjorn Olson, Lee Martin, Calvin Baarts, Luke Kral, Eric Pederson, Bob Schmiesing, Dan Schmiesing, Mick Schmiesing Todd Schwarz, and Faith from MRM.

Mayor Ziegler opened the Regular Council Meeting at 6:00 PM.

### **Approve Agenda**

Mayor Ziegler moved Representative Bjorn Olson to 2a, moved Infrastructure Project Railroad St from 6b to 2b, moved Public Works Metering and Technology Invoice from 7b to 2c. Councilor Peterson asked to pull the public safety grant, the SCDP closing report, community bank, and funds out of the consent agenda and place them in Follow Up From Previous Meeting in 8b.

Councilor Edwards made a motion to approve the agenda with the corrections and changes. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

#### **a). Bjorn Olson**

Representative Bjorn Olson asked for an update on Vernon Center. Mayor Ziegler said the project for a town this size is going okay. PW Supervisor Willette said the main project it is almost 100% complete and the other projects with the rebid are at about 50% completion. Councilor Peterson said the next step is to address the WTP. Mayor Ziegler asked when the next bonding bill would go through the state legislature. Representative Olson said there should be one next session, but he would look into getting Vernon Center on the bonding bill after this upcoming session for the WTP.

#### **b). Railroad ST**

Mayor Ziegler said there are lots of concerns with the entrance to Railroad St from County Rd 10. Previously, a gas station was located on the west corner of Railroad St and County Rd 10, and the driveway into the gas station allowed trucks to make wider turns there, but as the property no longer has a gas station the driveway was taken out and curb was put in. He said he spoke with the engineers, and without an easement, the road could only be widened 12 feet. Mayor Ziegler went to look at the road with RPR Doug Maeder and PW Supervisor Willette, and they all thought the road needed to be widened another 20 feet to the west, but ideally, 30 ft to the west. The estimated cost to widen the road would be \$15,000 to \$20,000. Mayor Ziegler thought the cost of widening the road would be covered by bonding money, but it does need to be verified by Engineer Chris Knutson. Mayor Ziegler said the City wants to widen that road, but as it's a county road, they need permission from the county to do so. He instructed RPR Doug Maeder and PW Supervisor Mark Willette to contact the assistant engineer of Blue Earth County, have them come down and look at the road, and let them know the current way the road is at the junction of Railroad St and County Rd 10 will not work AS Trucks going into Railroad St will have to drive over the curb and the curb will deteriorate over time. Mayor Ziegler said the decision to widen the road will have to be made by the county. Todd Schwarz said he spoke with an individual at Crystal Valley, and they want to see their side of the road widened. Mayor Ziegler said they need to talk to Blue Earth County engineer and get the permission from the county to do so.

#### **c). Metering and Technology Solutions**

PW Supervisor Willette said he reached out to Lee Martin of Metering and Technology Solutions because he is almost out of the old meters the city bought with the 2015 Project, and need to purchase new

meters. However, the new meters will not work with the current meter reading software the City has. Therefore, the City needs to purchase a new software that can read the old and new water meters. Lee Martin of Metering and Technology Solutions said the new software is Cloud based, so there would be a one-time fee, and the software would have updates from then on, and no new software would need to be purchased. Mayor Ziegler asked to explain the quote for the new software. Lee Martin said the \$10,000 is for Beacon engagement and billing integration. However, there would be a \$1500 one-time fee to Banyon to integrate the new software. Lee Martin said it takes three months for the new software to be installed and the new clerk trained on how to use it, and the billing for that would happen in January. There would be a meter charge of .11 cents, but that would be passed on to the homeowners. Mayor Ziegler said the council would review the budget and get back to Lee Martin about the software.

### **Consent Agenda**

The consent agenda included the 8/6/2024 meeting minutes, Check Reconciliations, July Cash Balance Investment Report, Checks for Month showing in \$1,351,311.89. deposits and \$3,416,103.43 in checks, Savings and Loan Balance, City Revenue Guideline, City Savings Balances, September & October calendar of events, the BEC Call Log for August, and the June and July and August FD Reports.

Councilor Peterson asked to pull the bills and fund balances,

Councilor Finney made a motion to approve the minutes, calendar of events, and fire department reports of the consent agenda. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

### **Additional Bills**

#### **a). Add'l Bills**

Councilor Finney made a motion to approve the additional bills. 2<sup>nd</sup> by Councilor Peterson. All approved. Motion carried.

### **Public Comment**

#### **Infrastructure Project**

##### **a). Pay Application #8**

Councilor Peterson noted there is \$2,066,343.00 left of the state bonding money. She asked when the construction would be done for the year. Mayor Ziegler said construction would be over in November, but if the weather was good the contractor would come to the council and ask for additional working time.

Councilor Peterson made a motion to approve Pay Application #8 for \$634,847.32 but the City will only pay when it is reimbursed from state bonding, BEC portion of Pay Application #8, and all USDA-RD funding. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

##### **c). Resident Assessments**

Clerk Hansen said Engineer Chris Knutson said the council would approve a resolution to call for a public hearing, but the council needs to set the date and time for it. She said Engineer Knutson said to have it in the middle or end of October. A date for the public hearing was set on October 17<sup>th</sup>, at 7:00 PM at 200 Main St W in the firehall. Mayor Ziegler said he wanted to schedule a meeting with Chris Knutson of S.E.H, along with Ed Gilmore of USDA-RD, Shannon Sweeney of David-Drown Associates, along with Councilor Peterson and Councilor Edwards. Mayor Ziegler said he wants this meeting to be in person, and he would like the paperwork turned in to him and the other council members ahead of time, and

City of Vernon Center  
9/5/2024  
Regular Council Meeting

the meeting should be before the October 17<sup>th</sup> public hearing. He directed Clerk Hansen to reach out to everyone to schedule the meeting, and post notices that it would be a work study. Mayor Ziegler said he would like a round number for the interest rate. He asked Clerk Hansen what the interest rate was for the 2015 project and how long a timeframe was to pay that back. Clerk Hansen said the interest rate was 5% for the 2015 project assessments.

Councilor Edwards made a motion to approve Resolution 2024-18 declaring the cost to be assessed. Ordering preparation of proposed assessment and calling for a hearing on proposed assessment with the payback terms of 20 years and an interest rate of 3%. The hearing should be held on the 17<sup>th</sup> day of October 2024 at the Vernon Center Fire and Rescue meeting room at 200 Main St W at 7:00 PM. 2<sup>nd</sup> by Councilor Peterson. All approved. Motion carried.

**d). Hilltop St.**

PW Supervisor Willette said Engineer Knutson recommended installation of curb to the cul-de-sac on Hilltop St as it is eroding. The bid for it would be around \$7000.00. Mayor Ziegler said the council would need a change order drafted before they approved it. He directed PW Supervisor Willette to speak with Engineer Knutson about getting that change order drafted.

**Public Works**

**a). PW Supervisor Notes**

PW Supervisor Willette said his site plan was approved by MDH. He will be dropping off samples soon for the LCRR. He also said there were a couple electrical issues at the WWTP, and some have been addressed, but he will need to do more work in the future. Mayor Ziegler said they could talk to Ed Gilmore about that when he comes for the meeting. PW Supervisor Willette said the contractor has not been taking care of the weeds as they should have. He had a conversation with the contractor and informed them that if the weeds aren't taken care of by Monday, September 9<sup>th</sup>, that he would take care of it, and the contractor would be billed \$300.00 per property public works had to mow.

**Follow up From Previous Meeting**

**a).** Mayor Ziegler said the council was not clear enough with the fire department about purchasing the new brush truck. Clerk Hansen said the fire department had another quote, and were currently locating it. Mayor Ziegler said going forward a standard needed to be made when the fire department changes over people and officers that there is a procedure that needs to be followed when purchasing equipment, and council needs to come up with this standard.

Councilor Peterson asked if all the easements had been received from 102 Oak St N and 101 Poplar St W. Clerk Hansen said she hasn't received the easement with 101 Poplar St W, and she contacted the homeowners about it. They said they'll have it to her as soon as possible.

Mayor Ziegler said on the preliminary budget there was an item for turn out gear for \$15,000.00. Could the Public Safety Grant the city received be used for the PPE? Councilor Peterson said it could.

Councilor Peterson made a motion to approve move \$14266.00 from the general fund the public safety fund. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

Councilor Peterson asked if the Point-of-Sale documents had been reviewed yet. Mayor Ziegler said they had not been.

Councilor Peterson asked if the street signs had been reviewed. Mayor Ziegler said they had not.

Councilor Peterson said the council will need to speak with Engineer Knutson about the cost of replacing all the city signs and if it would be covered by bonding.

b). Councilor Peterson said the 304 Project Debt Service is overdrawn by \$875,000.00, and should have been paid out of the 410 Infrastructure Project or the 412 Fund. Clerk Hansen said the 412 account was created because the auditors wanted a place for county funds to go and is only for incoming money for pay application from Blue Earth County. She said she was directed by Clerk Roelofs to make the bond payments from this particular fund, and the council approved the payment in May. Clerk Hansen said if the finance committee wants to figure out a better place for this to go, then she would like them to meet with her so they could figure it out together.

Councilor Peterson asked about the corrected number in the 200 account. Clerk Hansen said it was a miswritten check which MVAC returned to the city and she voided out and wrote the check for the correct amount which now shows a positive balance.

Councilor Peterson also asked why the July and August Cash Balance do not carry over. Clerk Hansen said she would look into it with the finance committee.

Councilor Peterson made a motion to approve the bills and fund balances with the caveat that the council needs to find out why the 304 account is negative. 2<sup>nd</sup> by Councilor Edwards. All approved.

Motion carried.

Councilor Peterson made a motion to approve the BEC Call logs for August. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

Clerk Hansen said the council would have to file a report if they received over \$35,000.00 of funds from this program in a year's time. The City is currently sitting at over \$4000.00 for this year, so unless a payment comes in, the city will not have to do that paperwork this year. Councilor Peterson directed Clerk Hansen to reach out to Zak Klehr to show how he came up with that number as it wasn't on the grant closeout form.

Councilor Finney made a motion to approve the SCDP Closeout Grant. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

Councilor Peterson said she reached out to Community Bank about the letter of credit and release. She said when a deposit is made, the FDIC guarantees up to \$250,00, but when it's above that number the bank has to take out securities or give the city letters of credit to guarantee the funds. She said this letter of credit is a new guarantee from the bank for the next year. The other files are various guarantees that the bank has had in place cover the funds the city has for the project.

Councilor Peterson made a motion to approve the letter of credit or release from community bank. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

## **Miscellaneous**

### **a). Citizen Concern**

Mayor Ziegler directed Clerk Hansen to have a phone conversation with the individual.

### **b). Citizen Concern #2**

Mayor Ziegler directed Clerk Hansen to send a letter to the resident.

### **c). Citizen Concern #3**

Mayor Ziegler directed Clerk Hansen to send a letter to the resident.

Mayor Ziegler said he would like to see citizen concerns handled in a timelier manner. He instructed Clerk Hansen to send out letters where needed so they don't wait a whole month, and to ask for direction from council before the meeting if she had questions. The council meeting can be for follow up.

City of Vernon Center  
9/5/2024  
Regular Council Meeting

Councilor Finney made a motion to address all three citizen concerns by the various means. 2<sup>nd</sup> by Councilor Peterson. All approved. Motion carried.

**Part-Time Clerk**

Mayor Ziegler reached out to Clerk Roelofs and thought she could still be an asset to the city, and asked her to stay on another six months. Clerk Roelofs said she wanted there to be clearly defined rules on what duties she performs. Mayor Ziegler told her the personnel committee will meet to determine those roles.

**Proposed 2025 Budget**

Mayor Ziegler reminded the council that the final budget in December could not be more than what the council set for today, and the amount set today would not be final. Councilor Peterson said a line should be added for the Public Safety Grant money so it shows as a revenue. PW Supervisor Willette said the streets will need to be seal coated in another 4-5 years and the City should start budgeting for that. Councilor Peterson told Clerk Hansen to add \$25,000 to streets for street seal and coat.

Councilor Peterson made a motion to approve Resolution 2024-19 adopting proposed debt levy collectable setting general tax levy at \$305,526.17 and 2015 improvement debt levy at \$29,111.00. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion Carried.

**Next Meeting Scheduled for 10/7/2024**

**Adjourn**

Councilor Bennett made a motion to adjourn. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

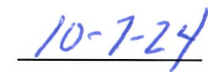
Meeting adjourned at 7:57 PM.



Kara Hansen, Clerk-Treasurer



Dana Ziegler, Mayor



Date approved