

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

Staff Present: Clerk Kara Hansen

Others Present: Engineer Chris Knutson

Mayor Ziegler called the special meeting to order at 7:00 PM.

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

Infrastructure Project Change Order: Engineer Knutson said the change orders are for additional work for the 20-23 Rebid Project.

1. This is to replace sidewalk by the city hall and fire hall. Replacing the sidewalk and driveway next to city hall was in the original plan. The water service in the fire hall needs to be replaced. A service will be drilled underneath the fire hall and bringing it up into the building. The four-inch sidewalk will now be an 8-inch concrete reinforced driveway. \$79,000 is allocated to this with \$51,000 allocated to the new water service in the fire hall. Councilor Peterson asked if negatives reflect items being removed from the project. Engineer Knutson said yes.

2. This is for Poplar street which needs a water main constructed.

3. This is for the water main at Oak St off HWY 10. There will be two connections here instead of one. One connection is to HWY 169 and another across from the highway.

4. This is for the new storm sewer connection at Hilltop St. The pipe at the top of the hill to the bottom before it starts turning east towards the river needs to be replaced. There is no easement here. If there needs to be more work here the city would need to get more easement. The blacktop will need to be redone and the price for such has increased. A polypropylene pipe needs to be put in. Councilor Peterson said we have easements for the whole hill on hilltop. Engineer Knutson said the eastern edge went to a third parcel. There's about 40 feet where the pipe turns east toward the river and about half of that is easement. The assumption is it isn't all under easement.

5. The water main at Centre Street north of Hwy 10 needs to be replaced. Engineer Knutson said the assumption is that the water main is in bad shape. The new water main would go to south side of the Crystal Valley location and up the alley. The gravel would be restored on the road it would not be repaved.

6. The storm and sanitary sewer at East St N needs to be redone and paved.

7. The sanitary sewer at Park Ave and Hilltop St needs to have lining removed and the sanitary sewer needs to be open cut. This also includes the water main replacement on Park Ave which is in questionable condition. The sanitary sewer has two or three spots that need an open cut removal. Councilor Peterson asked what work was done on Park Ave during the project 20 years ago.

Mayor Ziegler said it was only to replace the storm sewer.

8. A truss pipe needs to be installed at the waste water treatment facility from Structure A to Structure C. The meter manhole and the great manhole will be replaced. The bar screen will also be constructed and there will be new metering for the piping.

9. Change the piping to polypropylene. Blue earth county agreed to it. It's an additional \$63,000 with about \$20,000 billed to Blue Earth County.

Total estimate for Change Order Number One is \$850,000.

Mayor Ziegler asked if we had 1.2 million available to us. Engineer Knutson said that was correct. Engineer Knutson said with our engineering services the additional work will have the engineering shift to waste water and shift it away from RD and to MMB. The remaining grant is for about \$1.2 million.

USDA requires contingency and the city will need a couple hundred thousand dollars and we're still waiting for other things. Engineer Knutson thought there might be some equipment PW Supervisor Willette could by, but we should wait.

Engineer Knutson said this gives Holtmeier some flexibility. Substantial completion date will be moved from November 8th, 2024 to June 30th 2025. Final completion moved from July 15th, 2025 to August 15th, 2025.

Councilor Peterson asked if the bonding bill language gives us enough funding through those months. Engineer Knutson said he believed it extended through December 2025. Councilor Peterson asked if the addition of the change orders gets us to a level that RD and MMB will release funds for the city. Engineer Knutson said all this will be submitted to the above entities. As long as it is similar to the work already agreed upon, they should be fine. RD will be a bit more complicated; they need to approve every change order. State aid will also have to approve every change order. Councilor Peterson asked if there were dollar amounts we needed to use or is this close enough to get to the original value and if we have enough new loan to roll in the old loan from RD. Engineer Knutson said the quick answer is no. Ed Gilmore of USDA-RD said the waste water and WWTP were not eligible for MMB. There was about \$450,000-\$500,000 dollars of loan left over. Engineer Knutson thought we would have more loan dollars available, but it would need to be allocated to different projects. Water and Sewer cannot be combined which reduces plan for a well project. Engineer Knutson thought the city could do a small permit waste water plant or water plant. However, this cannot be done through a change order. It would need to be a whole new deal. We have until March 2026 to use that money. PW Supervisor Willette has ideas where we could use that money, but Engineer Knutson was unsure how much of that could be used.

If the city approves the change orders, Engineer Knutson will finalize the RD change order form and include these as an attachment and send this is MMB. Once the city is approved, engineering fees will be moved around to other projects in a future step.

The whole list of change orders presented to the city is called Change Order Number One.

The final figures are \$63,101.45 for the polypropylene pipes, and the \$850,000. The dollar amount might change if RD wants adjustments. The city is approving this additional work to the contract, and will allow the city to receive the MMB funding. Councilor Peterson made a motion to approve Change Order Number One. 2nd by Councilor Finney. All approved. Motion carried.

SEH Bill: SEH sent us a bill for \$38,175.50. Clerk Hansen stated the city has the money to pay it. Councilor Peterson said the invoice was all project related and would be reimbursed by funding. Councilor Peterson made a motion to approve for payment the SEH bill for the amount of \$38,175.50. 2nd by Councilor Finney. All approved. Motion passed.

Shannon Sweeney Email: Councilor Peterson asked about the emails between Ed Gilmore of USDA-RD, Shannon Sweeney of David Drown Associates, and the City of Vernon Center. Councilor Peterson asked if the city would be in trouble if Holtmeier sends us a bill before the next council meeting. Mayor Ziegler, Clerk Hansen, Clerk Roelofs, and Engineer Knutson had a meeting on Wednesday, October 18th, 2023 at 11:30 AM. Mayor Ziegler stated to Engineer Knutson that Holtmeier needed to prepare the change orders so they could be submitted for funding. Mayor Ziegler further stated that Holtmeier will not get paid until everything is submitted and the city receives the funding. Engineer Knutson said Holtmeier is aware of this. Councilor Peterson asked if all parties were aware, and the city would not be in trouble if the payment was not submitted and paid by a certain time. Mayor Ziegler said Engineer Knutson is aware. Councilor Peterson stressed that this information make it into the minutes. Clerk Hansen wrote up a synopsis of the meeting on October 18th with Engineer Knutson, and those notes will be kept on file.

RUSHMORE DISCUSSION: Mayor Ziegler spoke with Eric Meester who said a council member from Rushmore wanted to contact him. The council member wanted to know if the attorney would change some stuff. Rushmore wanted to state that the City of Vernon Center assumes ownership of the equipment once it is on the trailer. The City of Rushmore did not want to put up \$50,000 to hire Rubin Construction to remove it from their building. The councilor from the City of Rushmore said if the equipment is damaged before it is on the trailer, they didn't want to be out of \$50,000. The attorney for the City of Vernon Center will not let the city hire the contractor as the city would be opened up to liability. If the City of Rushmore will not hire the contractor, the deal is off.

MICROSOFT TEAMS: After a discussion it was agreed that the city would buy Microsoft Business Basic with both Teams and Microsoft 365 for the office. Councilor Finney made a motion to purchase Microsoft Office Business Basic. 2nd by Councilor Peterson. All approved. Motion carried.

Councilor Peterson makes a motion to adjourn. 2nd by Councilor Finney. All approved. Motion carried.

Meeting Adjourned at 7:43 PM.

Kara Hansen – Clerk Treasurer

Dana Ziegler – Mayor

Date Approved