

City of Vernon Center
4/2/2024
Regular Council Meeting

Council Present: Mayor Dana Ziegler, Wendy Bennett, Emily Edwards, Adam Finney, and Lisa Peterson.
Staff Present: Clerk Kara Hansen, PW Supervisor Mark Willette
Others Present: Calvin Baarts, Greg Burkhardt, Scott Quist, Sheriff Jeff Wersal, Grace Drees, Engineer Chris Knutson

Mayor Ziegler opened the regular council meeting at 6:00 PM.

Approve Agenda

Scott Quist from GMS Industrial was added to agenda for building and business expansion under miscellaneous, Grace Drees was added with inquiry about the construction in the cul-de-sac, Calvin Baarts had a question on truck routing which will be placed in Infrastructure Project.
Councilor Bennett made a motion to approve the agenda with the updates. 2nd by Councilor Peterson. All approved. Motion carried.

Burkhardt & Burkhardt Single Audit

This year's audit opinion was given an unmodified "Clean." 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 105% of expenditures in 2023. The enterprise funds showed the average five-year profits in water at a negative of \$239.00 due to the purchase of WTP equipment. The sewer also had negative balance of \$21,328 due to interfund loan/transfers to the infrastructure project.
Councilor Peterson made a motion to accept the audit. 2nd by Councilor Finney. All approved. Motion carried.

Consent Agenda

The consent agenda included the 3/7/2024 & 3/25/2024 meeting minutes, Check Reconciliations, February Cash Balance Investment Report, Checks for Month showing in \$37,182.78 deposits and \$34,152.73 in checks, Savings and Loan Balance, City Revenue Guideline, City Savings Balances, April & May calendar of events, BEC Call Log for March, VCFD March Report, the FD hours for the month of March, and the MVAC Monitoring Response.
Councilor Bennett said there were some items in the Checks for the Month that were also on the additional bills. Clerk Hansen said the auditors told her to place any bill in the month it is received, and those were the invoices she received for March that were not approved by council at the previous meeting.
Councilor Peterson said there were three accounts on the Cash Balance Investment that had a negative balance: the 304 fund, 411 fund, and 601 fund. Clerk Hansen said the council approved a transfer last month to make the 411 account a positive balance. She also said there were journal entries from the audit and both the 304 and 601 account had entries. If she sees the 304 and the 601 accounts are still negative after posting the journal entries, she will draft two resolutions for next month's meeting and speak to Councilor Peterson about appropriate amounts to transfer.
Councilor Peterson made a motion to approve the consent agenda. 2nd by Councilor Bennett. All approved. Motion carried.

Additional Bills

a). Add'l Bills

Councilor Peterson asked Clerk Hansen to find out if audit costs could be covered by bonding. Councilor Edwards made a motion to approve the additional bills. 2nd by Councilor Peterson. All approved. Motion carried.

Public Comment

Grace Drees asked if there were plans for the cul-de-sac on Hilltop St as it is eroding. Engineer Knutson said the cul-de-sac was built by MN Dot and further channels will have to go through them. Mayor Ziegler said the council would do some research and get back to Miss Drees about plans for the cul-de-sac.

Infrastructure Project

a). Roof Drains at Lumberyard

Engineer Knutson said the roof drains will be covered by bonding. Councilor Peterson said her recommendation would be not to assess it.

Councilor Peterson made a motion to approve the roof drain costs be allocated to the PFA Bonding. 2nd by Councilor Finney. All approved. Motion carried.

b). Resident Assessments

Mayor Ziegler asked if they had the preliminary assessments for the residents. Engineer Knutson said they have the feasibility report which has not been changed. He asked if the city wanted to do assessments in the fall of this year or in spring of 2025. Mayor Ziegler said they will assess the fall of 2024. Engineer Knutson said nobody's assessment would increase from the feasibility report. Clerk Hansen said there are residents who are unaware they are being assessed for the project. Mayor Ziegler told her to put a notice in the next newsletter about property assessments from the project. Any resident who has a question about the amount of their assessment can call City Hall.

c). 409 First St E

Clerk Hansen said the resident at 409 First St E came to her with concerns about his water line having enough pressure. PW Supervisor Willette said the city is sizing the water main on County Road 10 from 4 inches to 6 inches and extending it to the property line between 407 First St E and 409 First St E. With the looping of the water main at Railroad St in 2023, and looping and up sizing of the water main on East St, after the project is complete, Rural Water will check the pressures, volumes, and flows in town. If the homeowners at 409 First St E are not satisfied with the water pressure, the city has agreed to run a two inch line from the water main stub to the east side of the driveway, and replace the shut off.

d). I&I Sewer Replacement Program

Clerk Hansen said there is currently over \$97,000 in the I&I Savings account to fund another program to have residents replace their sewer laterals through city funding and paying it back with assessments. The average cost of a sewer lateral was \$4,112.05 during the previous SSS Program. Mayor Ziegler asked if the council wanted to open up the program for the city to fund the sewer lateral replacements for residents. Councilor Peterson said there are new property owners in the city that weren't here for the previous program, and the city already has a resident interested in it. Mayor Ziegler said to send the non-compliant residents a letter letting them know about the program, and to give them until the end of 2025 to bring their sewers laterals into compliance.

Councilor Finney made a motion to open up the I&I SSS Financing to the available funds with the same terms as previously used until funds are used up by the end of 2025. 2nd by Councilor Peterson. All

approved. Motion carried.

e). Plastic in Sewers

PW Supervisor Willette provided pictures of large pieces of plastic he found in the sewers. Engineer Knutson thought it was accidental, but that Holtmeier was responsible for it. Mayor Ziegler asked how to prevent this from happening in the future, and if the sewer lines needed to be televised when they were done as it would reveal debris in the sewer line. He said Holtmeier needs to prove to the city that there is nothing more in the sewer system when it's complete. Engineer Knutson said there is nothing specifying they have to televise the sewer system, but he thought he could convince Holtmeier to cover it as there is physical proof their debris in the sewer when they installed the system. Mayor Ziegler said Engineer Knutson should contact Matt Schneider of Holtmeier and Jim Voda of Holtmeier and have a discussion with them about this. If PW Supervisor Willette hadn't discovered the debris, and it rained, then resident basements would have flooded, and Holtmeier would be liable for the costs.

f). Truck Routes

Calvin Baarts asked if Centre Street was going to be worked on at the same time as Main St E. Engineer Knutson said there wasn't much utility work being done on Centre St so Holtmeier could hold off on doing that street. Clerk Hansen said the current work schedule for Holtmeier had Main St E slated for work in late April, and Centre St was scheduled for July. **(GET MARK'S NOTES ON HOW TRUCKS WOULD COME IN)**. Mayor Ziegler said before the project goes down Main St E they would arrange for him, Mr. Baarts, and Holtmeier to have a meeting to address routing the trucks to the lumberyard.

Mr. Baarts also asked why County Road 10 west of HWY 169 was being worked on in April before they did Oak St. Engineer Knutson said because traffic control detour measures are in-place it wouldn't be cost effective to push construction of County 10. It would cost the county \$130.00 a day for extra days it had to be out. Or it would cost them \$5000.00 to bring it back out if work on County Road 10 west of HWY 169 was delayed.

Public Works

a). PW Supervisor Notes

PW Supervisor Willette said he's been overwhelmed with complaints about the infrastructure project. Mayor Ziegler emphasized that the Project is an inconvenience to citizens, and it's up to the council to support the city's employees when complaints about the project come in. PW Supervisor Willette said he will be directing calls about the project to the engineers. For complaints, he will direct those calls to Clerk Hansen so she can send them a citizen concern form.

PW Supervisor Willette asked about seasonal help. Councilor Edwards said she is working on it. The work will be seasonal and the start date will be June 1st, 2024 and the ending date will be October 1st, 2024. The seasonal help could work up to 40 hours a week on an as needed basis. Mayor Ziegler said they need to hire a candidate who is 18 years of age as they will need to occasionally drive the city truck. The council agreed on a \$15.00 an hour wage.

PW Supervisor Willette said he had Ron's Plumbing take a look at City Hall for the sewer smell and they could not find where the smell is coming from. PW Supervisor Willette said he has extended the roof pipe to 75 inches. Clerk Hansen said after PW Supervisor Willette put baking soda and vinegar into the toilet, she has not experienced the smell. Councilor Peterson asked if City Hall's sewer lateral was replaced. Clerk Hansen said it was replaced last year.

b). 102 West St N Property

Clerk Hansen said the Point-of-Sale Sewer Form was turned in, but the televising was not. Mayor Ziegler directed PW Supervisor Willette to re-camera the sewer lateral to verify compliance at a time that

would work for both him and the new buyer. PW Supervisor Willette said the sewer lateral for that property was replaced in 2019 and should be good, but it does need to be verified.

c). Televising Forms

Mayor Ziegler instructor PW Supervisor Willette and Clerk Hansen to order the forms the city used for televising for the 2011 Project.

d). DSG Quote at WWTP

PW Supervisor Willette said he needs equipment to hook up with the hydrant to clean and maintain the WWTP structures. (LOOK FOR AT OFFICE)

e). Peterson Bid for Railroad St Tile

Peterson Motor Grader quoted the city at 15644.00 to replace the tile on Railroad St.

Mayor Ziegler made a motion to accept the bid of \$15,644.00 from Peterson Motor Grader to replace the tile on Railroad St. 2nd by Councilor Finney. All approved. Motion carried. Councilor Peterson abstained.

f). Street Sweeping Verification

PW Supervisor Willette asked if there was going to be street sweeping this year. The council agreed to wait until next year

g). Updated Conflict Sewers

PW Supervisor Willette said he is working on all the non-compliant services to see what are left before Clerk Hansen sends the new SSS Finance Program out to those residents.

h). MPCA Recognition

Clerk Hansen said the city received special recognition from the MPCA for the amount of I&I eliminated in 2023

i). FD Training

PW Supervisor Willette said DSG is willing to come to town and train the fire department how to use the newer and much higher water system including hydrants and valves to prevent damage to either by water hammer in current hydrant operations including operator errors.

Midco Franchise

Midco is an internet service provider. They will be coming into town and bury fiber into the homes of several residents. The council instructed Clerk Hansen to give the contract to the attorney, and to bring their opinion at next month's meeting.

Miscellaneous

a). Point of Sale Update

Clerk Hansen said she sent a letter to the property owners of 203 Park Ave N on March 11, 2024 stating there was no Point-of-Sale Sewer form turned into the city. To this day, she has not heard back from the property owners. The council instructed her to send another letter to the property owner notifying them of the penalties for not turning in a Point-of-Sale for their sewer lateral.

b). Utility Bill for 102 West St N

Clerk Hansen said the new property owner for 102 West St N was improperly billed for the full month of March. The final bill was sent to the previous property owner. A motion is needed to waive the bill.

Councilor Peterson made a motion to waive the city utility bill for the new property owner at 102 West St N. 2nd by Councilor Edwards. All approved. Motion carried.

c). Zoning for GMS Industrial

Scot Quist of GMS Industrial said he recently purchased an indoor gun range with five lanes that he would like to bring to Vernon Center and put inside his property. He said the gun range he purchased is

essentially a concrete tube with insulation around it to help with noise reduction. He would also follow EPA regulations with lead rounds. There would be security measures in place. The gun range would not be open to the public. There would be a yearly fee to have access to it and those who have paid would have to put in a password to access it. Mayor Ziegler asked how many clients does Mr. Quist plan on having. Mr. Quist said 30-50, and GMS Industrial already holds conceal carry classes in the Vernon Center building, but they have to go out of town to certify each participant. It would be handgun only. No automatic weapons or rifles will be allowed. He said the Blue Earth County Sheriff's Department is also interested in having a gun range in Vernon Center. Sheriff Jeff Wersal said it would be used for training purposes as their current facility is not conducive for training when it's raining or there is snow on the ground. Mayor Ziegler asked if putting in an indoor gun range in Vernon Center would be a benefit to the Blue Earth County Sheriff Department. Sheriff Wersal said yes. Mayor Ziegler said he reviewed the zoning ordinance and said there is nothing prohibiting a gun range from being installed in GMS Industrial. However, the council would speak to their attorney to make sure all parties were on the same page. Scott Quist said the gun range he is buying is similar to one in Kasota. Mayor Ziegler said he would be interested in going to Kasota to hear the noise as the citizens would be most concerned about it. Mayor Ziegler said the council should look into putting in an ordinance to prohibit someone a gun range for semi-automatic rifles.

Mr. Quist said he would like to install another building on his property. It would be a warehouse with a loading dock. He said he hasn't found another way to put a loading dock into the current structure except to build a warehouse. He said it would be on the east side of the property, and it would bring another one or two full time jobs to the city. Mayor Ziegler said as long as it fits all zoning parameters, Mr. Quist can draft a plan to be approved by the zoning board. Mr. Quist also asked if the city would be willing to sell the parcel of land just south and east of his property. He said he planned to plant trees and grass on that area and take the old tennis court out.

Next Meeting Scheduled for 5/7/2024

Adjourn

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

Meeting adjourned at 8:14 PM.