

City of Vernon Center  
6/10/2024  
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: Engineer Chris Knutson, Denise Fritschmann, Eric Pederson, Calvin Baarts

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

### **Approve Agenda**

Mayor Ziegler asked to pull the Savings and Loan Balance from the Consent Agenda for discussion.  
Councilor Peterson made a motion to approve the agenda with the change. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

### **Consent Agenda**

The consent agenda included the 5/7/2024 meeting minutes, Check Reconciliations, April Cash Balance Investment Report, Checks for Month showing in \$2,565,922.81 deposits and \$1,654,342.28 in checks, Savings and Loan Balance, City Revenue Guideline, City Savings Balances, June & July calendar of events, BEC Call Log for May, VCFD May Report, FD hours for the month of May, LMC No Fault Sewer Backup Cover, Resolution 2024-12 Funds Transfer, and Resolution 2024-13 Fireman's Relief Donation.  
Councilor Peterson made a motion to approve the consent agenda but not the Savings and Loan Balances. 2<sup>nd</sup> by Councilor Bennett. All approved. Motion carried.

### **Additional Bills**

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

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

#### **b). MVAC SCDP Reimbursement Request**

Councilor Peterson made a motion to approve the MVAC SCDP Reimbursement Request for \$47,939.50. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

#### **c). Northland Trust Bond Payment**

Councilor Peterson made a motion to approve the payment of the interest for the Northland Trust Bond in the amount of \$16,495.00. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

#### **d). 2023B Bond Payment**

Councilor Peterson made a motion to approve the payment of the remaining balance of the 2023B Bond in the amount of \$2,258,850.00 and any applicable interest. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

#### **e). Savings and Loan Balances**

Mayor Ziegler asked in the April Savings and Loan Balances where it shows the money coming in and out for the bonding. Clerk Hansen said the bonding money was deposited in May and the loan payments were also made in May. As this is the April Savings and Loan Balance, the payments made in May would not be reflected until the next council meeting. She said she has an updated Project Excel Spreadsheet which reflects the balance of the 410 Fund, and she placed the most current Cash Balance Investment Report in the consent agenda to support her numbers. She said the balance of the 410 account is \$2,430,435.84 with investments. The City also has a 412 account for the county portion of the Infrastructure Project, and that balance is \$53,712.61. Councilor Peterson said the bonding money for pay applications 1, 2, & 3 has already come in, and there is enough money in the 410 fund to repay the 2023B Bond.

Councilor Finney made a motion to accept the Savings and Loan Balances. 2<sup>nd</sup> by Councilor Peterson. All approved. Motion carried.

### **Public Comment**

Denise Fritschmann reported her water smells like chlorine and tastes bad. She said there are two sensitive individuals in the home and they haven't been able to drink the water, and three of the dogs, one of whom is a therapy dog, were diagnosed with sarcoma from drinking the tap water. Mayor Ziegler asked what sarcoma was, and Miss. Fritschmann said it was a soft tissue cancer and is caused by chlorine intake, but she is going to do more research into her dogs' illnesses. She said they have to run the water for half an hour for it to be clear and for it to be cold as the temporary line isn't buried. Her water bill was higher, almost double, but she only got a \$9 credit. She said she would like a basic panel done for the water in their home, and mentioned she never got a notice when she had to boil the water. PW Supervisor Willette said all boil water notices are issued by the construction company, and if she didn't get a notice then Holtmeier was responsible. PW Supervisor Willette says he does water testing on all the mains, and his chlorine levels are elevated because of construction, but they're between 1.61-1.91 residual total chlorine, and he's legally allowed to bring it up to 2.0. All the mains and temporary services have passed the samples he's sent in. He ran two samples to be tested, and if they come back in good shape, then Miss Fritschmann will be able to be taken off temporary water and be placed back on the city main. Mayor Ziegler said he and PW Supervisor Willette will look into a water panel from the Minnesota Department of Health for their water. Mayor Ziegler also asked Clerk Hansen to check on Miss Fritschmann's water bill and see if it was doubled, and do a three-month average of her bills prior to construction.

### **Infrastructure Project**

#### **a). Pay Application #5**

Engineer Knutson said he would have the Cost Split for Pay Application #5 ready by the morning of Tuesday, June 11<sup>th</sup>, 2024.

Councilor Peterson made a motion to approve Pay Application #5 for \$1,203,244.68. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

#### **b). Cost Split #1**

Engineer Knutson said the items for Change Order #1 were given formal concurrence by USDA-RD with some minor edits.

Councilor Peterson made a motion to approve Change order #1. 2<sup>nd</sup> by Councilor Bennett. All approved. Motion carried.

#### **c). Railroad St Easements**

Councilor Peterson said the easements are for a temporary construction and a perpetual tile line.

Councilor Peterson made a motion to approve the 3 permanent easements for Railroad St. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

#### **d). Resident Utilities**

Clerk Hansen said the homeowner at 200 Main St E asked her to look into their 2<sup>nd</sup> water meter as the numbers were ticking up. PW Supervisor Willette read the water meter and Clerk Hansen said there was no dramatic increase. However, when the meter reads for the utility bills were conducted Clerk Hansen noted a dramatic increase in the resident's primary water meter. She contacted the residents who confirmed there was no increase in water usage that would result in a bill that high.

Mayor Ziegler made a motion to credit the homeowners of 200 Main St E their three-month average prior to this billing period. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried. Councilor Peterson abstained.

**e). 107 West St N**

Eric Pederson said he would like to run his roof drains directly into the storm sewer main, and he would like the work done before the contractor lays concrete. Councilor Bennett asked if it was possible if the city and Mr. Pederson split the cost of the work to do be done. Mr. Pederson agreed to a cost split where the city would cover 2/3 the cost to run his roof drain directly into the storm sewer main, and Mr. Pederson would cover 1/3 of the cost.

**f). Assessment Inquiry**

Clerk Hansen said she was contacted by a homeowner who wished to pay off their assessment amount. She contacted Blue Earth County and they informed her that it was up to city if they wanted to accept payments when the properties were assessed for the project. Mayor Ziegler said the city had done this in the past, but the resident would have to wait until the assessment amounts were finalized.

**Public Works**

**a). PW Supervisor Notes**

PW Supervisor Willette thanked the council for bringing Clerk Roelofs in to work on the LCCR.

**b). POS 203 Park Ave N**

Clerk Hansen said she received the Point-of-Sale document, but the back was not filled out by the plumber. Her attempts at reaching the plumber have been unsuccessful. PW Supervisor Willette said there will be work done to Park Ave N during the Infrastructure Project, and he can fill out the back of the report for the I&I portion when he cameras Park Ave N. For now, 203 Park Ave N is not in compliance.

**c). Dig Policy**

Mayor Ziegler said the Dig Policy states that the contractor must be licensed and bonded and the Dig Policy needs to be tied into Ordinance 93. The ordinance also states that a permit needs to be acquired to dig in the city right-of-way or on the city's water or sewer lines. The council will have to decide at a later date if they want to leave the permit in the ordinance or have it removed from the verbiage. Councilor Peterson said the Dig Policy should also be changed to say Property Owners must acquire a City approved contractor, as right now it states that Property Owner should acquire a City approved contractor. Mayor Ziegler said he and Councilor Bennett will meet with PW Supervisor Willette and Clerk Hansen and decide how the Ordinance should change before the next council meeting.

**Miscellaneous**

**a). 104 Oak St S Water Bill**

Clerk Hansen said she received a voicemail from this resident who said there was a misunderstanding with their water bill because they had a late fee. The resident did not clarify what the misunderstanding was, but their utility bill was due on April 25<sup>th</sup>, and late fees are applied on the first day of the month. The resident paid their utility bill on May 7<sup>th</sup>, 2024 and the late fee was applied on May 1<sup>st</sup>, 2024 per Ordinance #93. Councilor Bennett said the City needs to treat all residents the same and if the bill was paid late then the late fee was appropriate. Mayor Ziegler directed Clerk Hansen to write a letter to the resident stating the ordinance regarding late fees.

**b). Unpaid Invoices**

Clerk Hansen said there are two invoices in accounts receivable from two separate fire calls that have not been paid. One is from September 2023 and another is from November 2023. Mayor Ziegler said

there is no requirement for the insurance companies to pay the invoices, and Clerk Hansen should contact the Fire Department about the individuals who had the fires, and send letters to them asking them to contact their insurance companies to resolve the invoices, and give the property owners a chance to settle the matter.

**c). Vehicle Incident Form**

Clerk Hansen said she has two reports of the incident where a fire truck hit her car. One is from a third party who witnessed the impact, and another is from the individual who struck her vehicle. Clerk Hansen said she hasn't had a chance to take it into a shop and have the damage appraised. Mayor Ziegler said he wants the fire department to know if there is another incident where a truck strikes another vehicle or structure that an incident report needs to be filled out and a third party needs to give a statement.

**d). Midco Permission to Lay Fiber Optics**

Clerk Hansen said a representative from Midco came into the office today and asked what it would take to lay fiber optics in town. Mayor Ziegler said as long as they follow the dig policy it should be fine, but Midco needs to write a formal letter stating their intentions.

**Seasonal Hire**

Mayor Ziegler said he and Councilor Edwards interviewed Fay Butson for the seasonal hire position and she was the only one who applied.

Councilor Bennett made a motion to approve the hiring of Fay Butson for a seasonal position starting June 11<sup>th</sup>, 2024 and ending October 1<sup>st</sup>, 2024. 2<sup>nd</sup> by Councilor Finney. All approved. Motion carried.

**Donation**

**a). Stan and Betty Bergemann Bench**

Councilor Finney made a motion to approve the donation of a bench for Stan and Betty Bergemann. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

**b). Gift Card from Immense Impact**

Clerk Hansen said she recommended Immense Impact on LMC Clerk Serve, and for the recommendation they sent the City a \$25 gift card for Amazon.

Councilor Peterson made a motion to approve the donation of a \$25 gift card to Amazon. 2<sup>nd</sup> by Councilor Edwards. All approved. Motion carried.

**City Hall Printer**

Councilor Finney said he looked at both proposals from MSI and Loffler and said the prices were about the same. Clerk Hansen recommended MSI as she has experience with the company, and with their products.

Councilor Finney made a motion to approve the purchase of a Ricoh IM c300F from MSI. 2<sup>nd</sup> by Councilor Bennett. All approved. Motion carried.

**FLSA Salary Threshold Change**

Clerk Hansen said this is a law change set to take effect on January 1<sup>st</sup>, 2025. Councilor Edwards said employees who are hourly and salary have certain job descriptions, and depending on the job description is what determines how an employee is paid. She would do more research and get back to the council before the budget is finalized.

**Property & Casualty Coverage Review**

Clerk Hansen said M&M Insurance requested the council review these numbers and let them know if

City of Vernon Center  
6/10/2024  
Regular Council Meeting

there were any corrected. The council decided to review the documents and finalize the numbers at the July meeting.

**Population and Household Review**

Clerk Hansen said this was sent in by the Minnesota State Demographic Center. Mayor Ziegler said they would leave the results as is.

**Resolution 2024-14 Data Practices**

Clerk Hansen said this is required every year, and she reviewed everything as the Data Practices Policy stated, and it looked fine.

Councilor Finney made a motion to approve Resolution 2024-14. 2<sup>nd</sup> by Councilor Peterson. All approved. Motion carried.

**Next Meeting Scheduled for 7/8/2024**

**Adjourn**

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

Meeting adjourned at 7:23 PM.

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Kara Hansen, Clerk-Treasurer

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Dana Ziegler, Mayor

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Date approved