**CITY OF VERNDALE**

**WADENA COUNTY, MINNESOTA**

**SPECIAL MEETING MINUTES**

**Wednesday January 24, 2018**

**5:00 p.m.**

**Verndale City Hall**

**101 Brown St. SW**

**MEMBERS PRESENT:** Raye Ludovissie, James Ackerson, Tara Erckenbrack, Jim Runyan

**MEMBERS ABSENT:** Ardith Carr

**STAFF PRESENT:** Barbara Holmes, City Clerk/Treasurer; Matt Uselman, Public Works Manager

**VISITORS PRESENT:** Joeb Oyster, Moore Engineering; Wayne Stave, Melissa Current

**NEW BUSINESS:**

1. Joeb oyster- Moore Engineering
2. Land purchase for new well and treatment plant

Ludovissie asked what the purchasing price was. Oyster stated $10,000 for 1 acre. Holmes stated that Uselman would like 2 acres. Stave stated he had to look at that yet. Oyster stated that an easement might be needed with Verndale Custom Builders to access the field road if they don’t want to get rid of it. Stave stated that he didn’t want to sell anything beyond the road. There was reference to a map in the packet. Oyster stated that the red is the one acre the City would like to purchase and the yellow is what the City already owns. Oyster stated he needed approval for an agreement to purchase. Stave stated he didn’t want any of the fees. Ludovissie stated that the City would absorb the fees when it does an abstract, all fees would be absorbed by the City. Erckenbrack asked Uselman if the project is doable on 1 acre. Uselman stated yes, it’s just in the future if the City were to need another well. Stave stated he wanted to know how far north 2 acres would go before he is willing to sell a second acre. Ludovissie asked what his price for 2 acres would be. Stave stated $20,000. Ludovissie stated that the City should go for one acre for now. Runyan asked when Oyster needs to put this all together. Oyster stated that the option to purchase gives the City the option of when it’s ready to make the purchase. Oyster stated that if anything falls through in the process then it just lapses. Stave expressed concerns about chemicals being used. Oyster stated that nothing goes in the ground it goes into the sewer. Runyan expressed concerns about going through with a new tower and treatment plant. Stave stated that he understood there would be no assessments. Ludovissie stated it is all in the water bill. Ludovissie talked about the positives of going with a treatment plant. Ludovissie stated that he understood that the timing isn’t great since the City just got done with the sewer project but the council has to do something now or people suffer later on down the road. Ludovissie stated that the council could vote on it. Runyan stated that this isn’t a binding deal yet. Erckenbrack stated that unless there is land to put the treatment plant on there is no sense in spending the money to get a treatment plant. Ackerson asked if any earnest money was needed. Ludovissie asked Stave if he needed any earnest money. Stave stated no.

Page 2

January 24, 2018

City of Verndale

Special Meeting Minutes

A motion was made by Ackerson to move forward with the land purchase agreement in the amount of $10,000 for one acre, seconded by Erckenbrack. AIF/MC

Holmes asked about the purchase agreement form, if the Council wanted to use a standard form or have Pederson and Pederson draw one up. Ludovissie stated the standard form could be used.

1. Pilot Study
2. Electrical Estimate (Pilot Study)

Oyster stated that the Electrical Estimate for the Pilot Study from Dailey Electric is $6,490.00. Oyster stated that between Wigen and Dailey everything for the Pilot Study is covered. Ludovissie asked if the City has to go out for bids for this. Oyster stated he got the two quotes from Wigen and Tonka. Holmes stated that it is less than $125,000 so, bids aren’t needed. Oyster stated he didn’t get more than the one electrical. Oyster stated what fees there are for the Pilot Equipment Rental Agreement. Ludovissie asked if this was all covered by the loan or if the City would have to pay anything up front. Holmes stated that the City has to pay for it up front but then gets reimbursed. Oyster stated that number 4 and 5 on the agreement, they won’t know it they are needed until after the study is complete. Oyster stated that the cost would be about $58,000 for the Pilot Study. Oyster stated that everything the Department of Health says that three months is all the longer the study needs to be. Oyster stated that a plumber would be needed for the valves and tapping inside the pump house. Ludovissie asked who was going to do that. Oyster stated Tim Bowmer, from Detroit Lakes. Oyster stated that it should cost about $1500-$2000. Runyan asked if this would be set up on the old well. Oyster stated it would be on well number 2. Ludovissie asked Oyster if the whole Pilot Study would be about $70,000. Oyster stated yep.

A motion was made by Erckenbrack to accept the Pilot Study, seconded by Ackerson. AIF/MC

Oyster stated that he would call Wigen to see when he needs to have the signed document to them, they want it at least 4 weeks before the start of the study. Oyster stated that the land purchase agreement should be signed as soon as possible. There was discussion about styles and colors of water towers.

**OTHER BUSINESS:**

1. Tri County Healthcare- request for new letter and approving a new agreement to supply emergency water

Holmes stated that Tri County is having an audit and would like a new one with an update.

A motion was made by Ackerson to approve the new letter and agreement to supply Tri County Healthcare with emergency water, seconded by Runyan. Erckenbrack abstained. Voting in favor were: Ludovissie, Runyan and Ackerson. None were opposed.

Page 3

January 24, 2018

City of Verndale

Special Meeting Minutes

A motion was made by Erckenbrack to adjourn the meeting at 5:30 pm, seconded by Ackerson. AIF/MC

**Submitted by: Attest:**

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Melissa Current, Deputy Clerk Ray Ludovissie, Mayor