**CITY OF VERNDALE**

**WADENA COUNTY, MINNESOTA**

**REGULAR COUNCIL MEETING MINUTES**

**Wednesday November 14, 2018**

**5:00 p.m.**

**Verndale City Hall**

**101 Brown St. SW**

**MEMBERS PRESENT:**  James Ackerson, Ardith Carr, Tara Erckenbrack, Raye Ludovissie,

**MEMBERS ABSENT:** Jim Runyan

**STAFF PRESENT:** Barbara Holmes, City Clerk/Treasurer; Gary Rosenthal, Liquor Store Manager; Cory Carr, Police Chief; Matt Uselman, Public Works Manager; Melissa Current, Deputy Clerk

**STAFF ABSENT**: Michael Madsen, Fire Chief

**VISITORS PRESENT:** Trinity Gruenberg, Verndale Sun; Joeb Oyster, Moore Engineering; Stan Thurlow, DEED grant; Tony Pohl, Jared Coffey, UnaMae Thurlow, Annette Adamietz

**OPENING PRAYER:** The opening prayer was led by Jim Ackerson.

**CONSIDERATION OF MINUTES AND NOVEMBER PAYABLES**

A motion was made by Carr to approve the November payables in the amount of $15,125.53 seconded by Ackerson. AIF/MC

A motion was made by Ackerson to approve the October 8th, 2018 Regular Council Meeting Minutes, the October 15, 2018 Public Hearing Minutes and the October 15, 2018 Special Meeting Minutes as written, seconded by Carr. AIF/MC

**ACKNOWLEDGE VISITORS**

**Joeb Oyster - Moore Engineering:** Oyster stated that bid opening is planned for November 29th. Oyster stated that a meeting with the County Committee to discuss dewatering will take place on November 20th at 1 pm. Oyster stated that depending on how the meeting goes on the 20th, the bid opening date could get moved back a couple days. Oyster stated that calls and emails are coming in from contactors. Oyster stated that he talked to Rural Development about financing the water tower and they are willing to do it. Oyster stated that a Project Explanation Report (PER) needs to get written and they need to do an environmental to meet RD’s requirements. Oyster stated he needed approval to move forward with the RD portion of the water tower. Oyster stated that water meters are included.

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A motion was made by Ackerson to move forward with using Rural Development as the financing source for the additional funds needed for the water tower, seconded by Carr. AIF/MC.

**Stan Thurlow – DEED Grant:** Thurlow stated that he will be the grant administrator for the $600,000 DEED grant for the water tower. Thurlow stated that $580,000 is for the water tower and $20,000 is to pay him.Thurlow stated that the City doesn’t have a contract with DEED yet, so he added a clause to the contract that it is contingent on the City getting a grant withDEED.Thurlow stated that he needs the City to enter into a contract with him so he can be the grant administrator.

A motion was made by Carr to approve the Contact for Professional Services with Stan Thurlow, Thurlow Planning Office, seconded by Ackerson. AIF/MC

Thurlow stated that he is on the same timeline as Oyster, first environmental needs to be done.

**DEPARTMENT REPORTS:**

**PUBLIC WORKS- MATT USELMAN-MANAGER-** Uselman stated that both air release valves on the sewer force main will be replaced on November 15th. Uselman stated that the festival of lights will be on November 28th. Uselman stated that he looked over the plans and specs for the treatment plant. Uselman stated that he let Oyster know some of his concerns. Uselman stated that he has had contractors stop in and want to look at certain things and talk about the plans and specs. Uselman stated that the BNSF building on Eastside Drive is hooked up to the City’s Sewer. Uselman stated that since the temperatures are getting colder, he will be watching the temperature of the water to see when the City should start giving running water credit if the Council decides to do so. Uselman stated that usually the credit starts in January, but last year it started in December.

A motion was made by Carr to approve the running water credit with the start date to be determined by Uselman, seconded by Ackerson. AIF/MC

Uselman stated that he is hopeful that the 4th Grade class will do water week posters for the City again this year. Carr asked when the poster contest would be. Uselman stated that they would be done before Christmas break. Uselman stated that the Council would vote on the posters in January so he can mail the winning poster off before February. Uselman stated that the wells are pumping more water than usual so if it keeps using more than usual, he will call MN Rural Water and have them come and see if they can find where the water is going.

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**NEW BUSINESS:**

1. Resolution 18-1116B – Lion’s Raffle

A motion was made by Ackerson to approve Resolution 18-1114B – A Resolution Approving the Lions Raffle on November 17th, 2018 seconded by Carr. AIF/MC

**DEPARTMENT REPORTS CONTINUED:**

**POLICE DEPARTMENT – CORY CARR – POLICE CHIEF-** Ludovissie asked Chief Carr if he took care of the dog complaints on N Farwell St. Chief Carr stated that it would be if it hadn’t been already. Chief Carr stated that things are going well at the school. Chief Carr introduced the new School Resource Officer (SRO) Joseph Lorenzi. Chief Carr stated that everything came back good on his background check. Chief Carr swore in Officer Lorenzi. Lorenzi will begin SRO duties on November 16th. Lorenzi thanked the Council and stated that he is excited for this position.

**NEW BUSINESS CONTINUED:**

1. Resolution 18-1114 Accepting Donation Greenlawn Cemetery

A motion was made by Ackerson to approve Resolution 18-1114 – A Resolution Accepting A Donation to Greenlawn Cemetery in the amount of $20 from Brenda Weniger on behalf of Jean Erickson for perpetual care, seconded by Carr. AIF/MC

1. Resolution 18-1114C – Support for BR&E

A motion was made by Ackerson to approve Resolution 18-1114C – A Resolution Supporting the Wadena County Business and Expansion Project, seconded by Carr. AIF/MC

1. Election Canvassing – Resolution 18-1114A

A motion was made by Ackerson to approve Resolution 18-1114A – A Resolution to Certify Results of the Tuesday, November 6, 2018 Municipal Election whereas Raye Ludovissie was elected Mayor and Ardith Carr and Jim Runyan were elected to the City Council, seconded by Carr. AIF/MC

1. Resolution 18-1114D – Establishing Polling Place

A motion was made by Ackerson to approve Resolution 18-1114D – A Resolution Re-Establishing the Polling Precinct and the Precinct Location for the City of Verndale as the Verndale Civic Center, seconded by Carr. AIF/MC

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1. Resolution 18-1114E – PERA – Police Officer Declaration

A motion was made by Carr to approve Resolution 18-1114E – A Resolution of Public Employee Retirement Association – Police Officer Declaration for Full Time Officer Joseph Lorenzi, seconded by Ackerson. AIF/MC

**OLD BUSINESS:**

1. Liquor Store Survey

Coffey stated he wanted to hear what the Council had to say about the results from the survey. Ludovissie stated that he is in favor of selling it right now. Ackerson stated that he agreed with Ludovissie. Carr stated that she is mixed. Ludovissie stated that if the City sells the Liquor Store the money would be kept in a CD so that if things go south the City would have the money to re-open the Liquor Store. Coffey stated that he has heard that other people in town might be interested in purchasing the Liquor Store. Coffey stated that he thought there should be a clause in the contract that states that the Liquor Store needs to stay a Liquor Store. Ludovissie and Carr both stated that they wanted the full Council present to make a decision. Carr asked if the City needs to put the selling of the Liquor Store out for bids. Holmes stated that the City doesn’t have to but she recommends that the City does.

**DEPARTMENT REPORTS CONTINUED:**

**CLERK/TREASURER- BARBARA HOLMES-** Holmes stated that the Council needs to set a date a budget meeting, the budget needs to be completed prior to the Truth and Taxation (TNT) meeting. Holmes stated that the TNT meeting is scheduled for December 10th at 5:45 p.m. The budget meeting was set for November 28th at 5pm at the City Office. Holmes stated that she attended the Region V Summit at Sourcewell on October 24th. Holmes stated that the City received a check for attendance and the City received rebates in the amount of $626.94. Holmes stated that MN PEIP has informed her that the maximum waiting period is 60 days for new hires to enroll in insurance, otherwise they need to wait a year. Holmes stated that the City’s policy states that they need to wait until the end of the 6-month probation. Holmes asked if the Council would waive the 6-month probation period or if they would make Lorenzi wait a year to get insurance.

A motion was made by Ackerson to waive the 6-month probation period to enroll Lorenzi in MN PEIP insurance so that he could be enrolled within the maximum 60 days that MN PEIP allows, seconded by Carr. AIF/MC

Holmes stated that a lot of bills were paid on November 5th due to the timing of the Council Meeting. Holmes asked if there were any questions on the bills. Council stated no.

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**LIQUOR STORE- GARY ROSENTHAL-MANAGER**- Rosenthal stated that there was a net profit of $4509 for the month. Rosenthal stated that there was a wedding at the Community Center on October 13th and sales were $785. Rosenthal stated that the Gun Raffle on October 20th at the Community Center had sales of $410. Rosenthal stated that the Halloween party on October 27th went really well, there was a good turn out with $1900 in revenue. Rosenthal stated

that the Electric Pull tabs had a deposit for October in the amount of $1150 which gives the Liquor store a profit of $172.50. Rosenthal stated that regular pull tabs had a deposit of $807.17 which gave a revenue of $646. Rosenthal stated that Annette Adamietz will give him a monthly breakdown of Electronic and Regular Pull Tabs. Rosenthal stated that he has had 13, 15, 17, 15 and 21 players for Texas Hold-Em. Rosenthal stated that there has been a lot of interest in selling beer mugs from a school project at the Liquor Store. Rosenthal stated that he is waiting for more mugs. Carr stated that the entrepreneur class at the school is etching mugs. Erckenbrack joined the meeting. Rosenthal stated that the Liquor Store is selling the mugs for $15. Rosenthal stated that he ran a Pitcher and Pizza special for $13.50 and Happy Hour prices all week, all day for those wearing orange at the bar. Rosenthal stated that the Liquor Store is sponsoring a pool league. Carr asked how much it cost to sponsor a team. Rosenthal stated $50 and it would have been nice to sponsor two teams because then there would be a team every week at the bar instead of every other week. Rosenthal stated that he had one application for the part time bartender job. Holmes stated that she received one yesterday too. Holmes asked if the Council wanted to schedule interviews for the two applicants. Ludovissie stated that the Liquor Committee could take care of that.

The meeting was closed at 5:39 pm to discuss a personnel issue.

The meeting was reopened at 6:00 pm.

A motion was made by Erckenbrack to terminate Liquor Store Manager Gary Rosenthal, seconded by Carr. AIF/MC

Ludovissie asked Chief Carr to escort Rosenthal to the Liquor Store to collect his personal belongings. Carr stated that Rosenthal had already turned his key in. Carr thanked Rosenthal for his work and apologized that it didn’t work out. Rosenthal stated that the Council will probably be hearing from him.

Holmes asked what would happen with the Liquor Store tomorrow. Erckenbrack stated that the Liquor Committee recommends the re-hiring of Dawn Giordano, she will open the bar, she has prior experience. Carr asked if Giordano is pretty qualified. Erckenbrack stated that she has worked at the Liquor Store before. Holmes stated that she was employed at the Liquor Store for a year and a half.

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A motion was made by Erckenbrack to hire Dawn Giordano as a Part Time Bar Tender, seconded by Carr. AIF/MC.

Erckenbrack stated that Giordano left because her dad was ill and needed to be taken care of. Erckenbrack stated after that was done Giordano went and asked to get some hours and no hours were given to her. Erckenbrack stated that she talked to some of the other employees and there

didn’t seem to be any personal issues or problems with Giordano. There was discussion about renovating the bar. Ackerson stated that without renovations the Liquor Store will lose customers. Ackerson stated that he didn’t think that the City has the cash to make the necessary renovations. Ackerson stated that he feels that the Liquor Store has already reached it’s peak and that no new people are going to be drawn in. Erckenbrack stated that she would like to give the Liquor Store another try under new management before the City just gives up on it. Ackerson stated he would rather sell the bar and have whoever buys it put the money into fixing it, not the City. Carr stated that she would like to put the topic of selling the bar on hold. The Council asked Current if she had any concerns about tomorrow. Current stated no, not as long as Giordano knows to come in to work. Erckenbrack asked if the cash register had been changed. Current stated no, she didn’t think so. Erckenbrack asked Current if she would have time to go through the policy of certificates and how they get rung up. Current stated yes. Erckenbrack asked at this time that the Liquor Store does not have a manager does there need to be a motion stating that Current is going to take over with the financials. Holmes stated that Current needed to know what she is supposed to be doing. Erckenbrack stated that Current would have the duties of: payroll, scheduling with assistance, make up tip sheets for ringing things up. Carr stated that another concern would be the prices, because some bar tenders were charging different prices for the same drink. The Liquor Committee will address the pricing issues. Holmes asked if Schmitz was still leaving the 1st of December. Erckenbrack stated that Schmitz wasn’t exactly sure when she was leaving. Carr thanked Erckenbrack for the good job she is doing with handling the Liquor Store Facebook page.

**OTHER BUSINESS:** None

A motion was made by Erckenbrack to close the meeting at 6:15 pm, seconded by Carr. AIF/MC

**Submitted by: Attest:**

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Melissa Current, Deputy Clerk Raye Ludovissie, Mayor