**CITY OF VERNDALE**

**WADENA COUNTY, MINNESOTA**

**REGULAR COUNCIL MEETING MINUTES**

**Monday January 11, 2021**

**6:00 pm**

**Verndale City Hall**

**101 Brown St SW**

**MEMBERS PRESENT:**  Tara Erckenbrack, Daryl Jacobson, Jim Runyan, Tony Stanley

**MEMBERS ABSENT:** Ardith Carr

**STAFF PRESENT:**  Michael Madsen, Fire Chief; Cory Carr, Police Chief; Matt Uselman, Public Works Manager; Melissa Current, City Clerk/Treasurer

**STAFF ABSENT**: None

**VISITORS PRESENT:** Kenny Kjeldergaard, Family Life Church; Trinity Gruenberg, Verndale Sun; Clif Allen, Moore Engineering

**OPENING PRAYER:** The opening prayer was led by Kenny Kjeldergaard, Family Life Church.

**CONSIDERATION OF MINUTES AND JANUARY PAYABLES**

A motion was made by Runyan to approve the December 14, 2020 Public Hearing Meeting Minutes as written, seconded by Jacobson. AIF/MC.

A motion was made by Runyan to approve the December 14, 2020 Regular Meeting Minutes as written, seconded by Stanley. AIF/MC.

A motion was made by Runyan to approve the December 21, 2020 Special Meeting Minutes as written, seconded by Jacobson. AIF/MC.

A motion was made by Runyan to approve the January payables in the amount of $71,247.60, seconded by Stanley. AIF/MC.

**DEPARTMENT REPORTS:**

**FIRE DEPARTMENT – MIKE MADSEN-FIRE CHIEF-** Madsen stated that the calls for the yearwere attached.Madsen stated that they are getting back to having everyone at the meetings again instead of splitting into groups. Runyan asked about the Fireman’s Auction. Madsen stated that he didn’t know yet, they haven’t discussed dates. Stanley asked about running the auction in conjunction with Verndale Days. Madsen stated that there hasn’t been any discussion about that, the auction typically runs in the Spring.

**ACKNOWLEDGE VISITORS:**

**Clif Allen - Moore Engineering:** Allen stated that the final work for the Water Treatment Plant is now completed and the final payment #18 in the amount of $5,272.00 is recommended for approval.

Page 2

January 11, 2021

City of Verndale

Regular Council Meeting

Allen stated that the final costs for the Water Treatment Plant ended at $2,539,975.44.

A motion was made by Jacobson to approve Partial Pay Estimate #18-Final for Eagle Construction in the amount of $5,272.00, seconded by Runyan. AIF/MC.

Allen stated that the council was advised of an additional amendment to the professional services contract for Phase II MHPR and Historical Property Survey. Allen stated that RD has allowed for the inclusion of costs related to additional SHPO requirements from last year. Allen recommended approval of Amendment #3 to the Owner-Engineer agreement in the amount of $15,000.00 for these services.

A motion was made by Runyan to approve Amendment #3 to the Owner-Engineer Agreement in the amount of $15,000.00, seconded by Jacobson. AIF/MC.

Allen stated that the estimated cost of meter replacement allowed this section to be conducted through competitive quotes. Allen stated that the quote process was completed on the same schedule as the tower bids; both of which were received on December 11. Allen stated that a recommendation of award for

Dakota Supply Group in the amount of $92,636.91 is recommended. Allen stated that this award is

contingent on USDA approval and financing.

A motion was made by Runyan to approve the Notice of Award for the meters to Dakota Supply Group in the amount of $92,636.91, seconded by Stanley. AIF/MC.

Allen stated that as of this last week, all required documentation has been returned to USDA Rural Development for the processing of the supplemental funding package.

**Clif Allen - Local Road Improvement Program (LRIP):** Allen stated that in December 2020 MNDOT opened the solicitation period for the 2020 LRIP. Allen stated that with the state bonding bill recently passed, this LRIP cycle is being allocated $75M. Allen stated that the cap is also being increased from $75,000.00 to $1.25M. Allen stated that this program has a competitive application and will fund 100% of capitol costs for the projects awarded; items such as right of way acquisition, underground utilities and engineering are not eligible. Allen stated that in prior discussions there was an interest in applications for Eastside Drive and West Service Drive. Allen stated that the State looks for Connectivity through a nine (9) or ten (10) ton road system. Allen stated that preliminary discussions with the County Engineer have yielded a favorable indication of support. Allen stated that if the Council would like to apply for the grant opportunities, a resolution has been prepared for each of the streets. Allen stated that there would be a fee from Moore Engineering to put together the applications in the amount of $2,000- $2,500 per application. There was discussion about whether to apply for both roads. Allen offered to do both applications at a lessor cost not to exceed $3,500.00. Allen stated that letters of support are needed.

A motion was made by Stanley to Approve Resolution 21-0111B and 21-011C Supporting Pursuit of 2021 Local Road Improvements Program Funding from MNDOT for the Construction Improvement of Eastside Drive from Wadena County Road 104 to U.S. Highway 10 and West Service Drive from Thompson St. North to U.S. Highway 10 not to exceed $3,500.00 in application fees, seconded by

Runyan. Voting in favor were: Jacobson, Runyan and Stanley. None were opposed. Erckenbrack abstained as her parents live on one of the streets being applied for.

Page 3

January 11, 2021

City of Verndale

Regular Council Meeting

**DEPARTMENT REPORTS CONTINUED:**

**LIQUOR STORE - MELISSA CURRENT-** Current stated that there was a net loss of $5,531.90 for the month. Current stated that there was a net loss for the year in the amount of $36,914.47 with the roof costing $34,324.70. Current stated that during the audit this expense will moved to capital outlay instead

of staying an expense. Current stated that there was inventory received on Dec. 30, 2020 that hasn’t been paid for that will get accrued during the audit. Current stated that the dram shop insurance of $2,940 was paid. Current stated that starting today the bar can be open for on-sale and indoor dining until 10:00 pm. Stanley asked if there was a policy about where the profits at the end of the year could be spent. Current stated that the Council has the authority to commit the revenue to wherever is needed. Stanley asked what numbers the public sees as far as profit and losses; the audited number. Current stated yes.

**POLICE-CHIEF CARR-** Chief Carr stated that the IT guy for the County talked to him about putting up a tower in Verndale for the bodycams and computer. Chief Carr stated that if Deputy’s come to the City Office, they can download reports. Chief Carr stated that he doesn’t have a quote yet for how much the tower will cost. Chief Carr stated that there were more calls in 2020 than 2019. Stanley asked if the City needs to adopt or update a policy to include bodycams. as to when they need to be on, etc. Chief Carr stated that the City will need to adopt a Bodycam Policy. Erckenbrack stated that the City could adopt the County’s Bodycam Policy. Runyan asked if the City would get a bill from the County; would there be a monthly fee. Chief Carr stated that that is still in the works, he didn’t know if there would be a monthly fee.

**PUBLIC WORKS- MATT USELMAN-MANAGER-** Uselman stated that there are Water week posters hung up for the Council to vote on. Uselman stated that he will try to get into the School for the awards but that may not happen. Uselman stated that he mentioned to the teachers that maybe in May they could do a field trip to the Water Treatment Plant. Uselman stated that there is a major leak that uses 60,000 gallons of water a day, or 45 gallons per minute. Uselman stated that he hasn’t been able to locate the leak so a company may need to be hired to find it. Uselman stated that the Treatment Plant is keeping up right now, but there is concern about if there were to be a big fire as then the Treatment Plant would need to be bypassed. Uselman stated that the City is sending out Request for Proposals (RFP) for a consultant for the writing of the new Wellhead Protection Plan. Uselman stated that Council will need to choose a Consultant at the February meeting.

**NEW BUSINESS:**

D. Employment Policy: Chief Carr stated that at the end of year last year, vacation use was brought up and there was an extension until Feb to use what was left over. Chief Carr stated that most other employers allow so many hours to be carried over. Chief Carr would like to change the policy to allow for carry over of vacation and comp. time. Erckenbrack asked if not all the vacation hours were used in one year how would all the hours get used the following year. Chief Carr stated that there would be a cap on how many hours could be carried over. Stanley stated that the number of hours never grows beyond the ceiling. Stanley stated that being able to carry over vacation time allows the employee the opportunity

to plan ahead. Stanley stated that there should be a statement that says at the end of employment the carry over hours of vacation would not be paid out. There was discussion about whether to continue allowing comp. time or to pay out the hours worked. ChiefCarr stated that the other thing in the policy he wanted

Page 4

January 11, 2021

City of Verndale

Regular Council Meeting

to bring up was insurance. Chief Carr stated that he thought that employees should be given the option of receiving a stipend instead of insurance. Stanley stated that the stipend would have to go in as taxable salary, then it becomes a salary increase; how is that accounted for when it comes time for raises. Stanley asked what the impact would be to other employees that want insurance. After much discussion it was determined that since the City is part of a group insurance program it wouldn’t be fair to have some employees take the stipend and then not have enough employees enrolled in the insurance program for those that want the benefits.

A motion was made by Runyan to table the Employment Policy until the February 8, 2021 meeting, seconded by Stanley. AIF/MC.

E. Lion’s Lease Agreement: Uselman stated that he thought the rent was way lower than it should be. Uselman stated that it was brought up that the contract states that the “Leasee” is responsible for paying the property tax and that it should be the “Leasor” that pays it. There was discussion about changing the lease to make that change and also increase the rent to $450.00. Runyan stated that he wasn’t interested in doing anything different with the agreement. Erckenbrack asked what the cost of the building was to the City. Uselman stated very minimal. There was also discussion about changing the terms of the lease to three (3) years instead of five (5).

A motion was made by Stanley to approve the Lion’s Lease Agreement as written, seconded by Runyan. AIF/MC.

**DEPARTMENT REPORTS CONTINUED:**

**CLERK/TREASURER- MELISSA CURRENT**- Current stated that the Board of Equalization online Training is available until Feb. 1, 2021; Carr and Erckenbrack are already trained. Current stated that she needs approval to transfer $46,003.39 from the Sewer Money Market account and $7,955.61 from the Water Money market account to the General Fund Checking Account for a total of $53,959.00 to pay the Northland Trust loan.

A motion was made by Runyan to approve transferring $46,003.39 from the Sewer Money Market account and $7,955.61 from the Water Money market account to the General Fund Checking Account for a total of $53,959.00 to pay the Northland Trust loan, seconded by Stanley. AIF/MC.

Current stated that she needs the Council to accept the 2020 Schedule 2.

A motion was made by Jacobson to accept the 2020 Schedule 2, seconded by Runyan. AIF/MC.

**OLD BUSINESS:** None

Page 5

January 11, 2021

City of Verndale

Regular Council Meeting

**NEW BUSINESS CONTINUED:**

1. Resolution 21-0111 – 2021 Fee Schedule

A motion was made by Runyan to approve Resolution 21-0111 – 2021 Fee Schedule, seconded by Jacobson. AIF/MC.

1. Resolution 21-0111A – Donation – Lions Building Fund

A motion was made by Stanley to approve Resolution 21-0111A- Resolution Accepting a Donation from the Verndale Lions in the amount of $2,000.00 for the Verndale Lions Building Fund, seconded by Runyan.

1. Consideration of 2021 Appointments and Committee Assignments

Runyan stated that he would like to be rotated around to different committees in the future.

A motion was made by Runyan to approve the 2021 Appointments and Committee Assignments, seconded by Jacobson. AIF/MC.

**OTHER BUSINESS:** None

Mayor Erckenbrack adjourned the meeting at 7:59 pm.

**Submitted by: Attest:**

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Melissa Current, City Clerk/Treasurer Tara Erckenbrack, Mayor