**CITY OF VERNDALE**

**WADENA COUNTY, MINNESOTA**

**REGULAR COUNCIL MEETING MINUTES**

**Wednesday December 10, 2018**

**6:00 p.m.**

**Verndale City Hall**

**101 Brown St. SW**

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

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Barbara Holmes, City Clerk/Treasurer; Michael Madsen, Fire Chief; Matt Uselman, Public Works Manager; Melissa Current, Deputy Clerk

**STAFF ABSENT**: Cory Carr, Police Chief

**VISITORS PRESENT:** Trinity Gruenberg, Verndale Sun; Joeb Oyster, Moore Engineering; Rhonda Kern, Lakes Country Insurance; Robin Fish, Tanner Enberg

**OPENING PRAYER:** The opening prayer was led by Pastor Fish, Immanuel Lutheran Church, Bartlett Township.

**CONSIDERATION OF MINUTES AND DECEMBER PAYABLES**

A motion was made by Carr to approve the November 14th, 2018 Regular Council Meeting Minutes, the November 28th, 2018 Final Budget Workshop Meeting Minutes as written, seconded by Ackerson. AIF/MC

A motion was made by Erckenbrack to approve the December payables in the amount of $13.992.07 seconded by Runyan. AIF/MC

**ACKNOWLEDGE VISITORS**

**Rhonda Kern – Lakes Country Insurance:** Kern stated that she here for the liability waiver form. Kern stated that she needed to know if the City wanted to do the same as last year where it was not waived or if the City wanted to do something different. Erckenbrack asked if there was any reason to change it for this year. Kern stated no.

A motion was made by Runyan to approve not waiving the liability waiver seconded by Ackerson. AIF/MC

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**Joeb Oyster - Moore Engineering:** Oyster stated that bid opening took place on December 6th and the bids came in higher than expected. Oyster stated that originally project costs were estimated to be $3.1 million and now it is at $3.7 million total. Oyster stated that with funding from PFA for a 20-year term it would cost $53.49 per month per user. Ludovissie asked what the City’s current rate is. Oyster stated about $38. Runyan asked if this amount is on top of what is charged now. Oyster stated no, this is the total amount. Oyster stated that the 30-year term would cost $49.50 per month per user. Oyster stated that with the bids he didn’t see any benefit to re-bidding because the local guys were the low bids on the project. Oyster stated that Eagle Construction is based out of Little Falls and they were the low bid on the water treatment plant and J & J out of Staples was the low bid on the underground piping part. Oyster stated that he has worked with Eagle Construction in the past and they do good work and Uselman has worked with J & J and they do good work as well. Oyster stated that if the City wanted to move forward with the project, they can award bids contingent on PFA finalizing their funding. Oyster stated that when he talked to PFA about the results of the bids being 20% higher than expected PFA stated that that is what they have been seeing. Oyster stated that there was a good turn out on the bids with seven bids on one part of the project and eight on the other.

A motion was made by Runyan to award the bid contingent on PFA funding for Part B of the water project to J & J, seconded by Carr. AIF/MC.

A motion was made by Erckenbrack to award the bid contingent on PFA funding for Part A of the water project to Eagle Construction, seconded by Carr. AIF/MC.

Oyster stated that the land purchase needs to be finalized and then all those documents will be sent out for final approval and then there will be an invitation to lock in interest rates.

A motion was made by Ackerson to move forward with closing on the land purchase, seconded by Carr. AIF/MC

Oyster stated that PFA needs a determination on whether the City wants a 20-year loan term or a 30-year loan term.

A motion was made by Ackerson to go with a 20-year term for the PFA loan, seconded by Runyan. AIF/MC

Oyster stated that the County gave approval to discharge into the ditch on County Road 104, but this isn’t a permanent solution. Oyster stated that the contractors are aware of the dewatering issues. Ludovissie asked if the City will have to get permission every time to discharge there. Oyster stated that he is hoping that if this project goes smoothly, he can get something permanent. Runyan asked what is the difference between this project and last project. Oyster stated that the City has permission to discharge there and before the County wasn’t talked to. Oyster stated that any complaints would go to the County.

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**Tanner Enberg**: Enberg stated that he is interested in taking the house located at 19 3rd Ave SE down. There was discussion on whether this needs to go out for bids. Holmes stated that if the cost is less than $25,000 then it doesn’t have to go out for bids. Holmes stated Steve Elfstrom had stated that he was interested in the job but he didn’t have the man power to do it so he recommended Enberg. Council decided that they are not going to put this project out for bids. Enberg stated that he would like to try and do this project before the end of the year because landfill rates are going to go up. Enberg stated that if it’s nice next week that is when he would like to do the house demo. Enberg stated that he needs to look at his pit and see if it is freed up. Oyster stated that he would like to verify with RD that this will be an allowable project cost. Council stated that if it is not covered by the project, they still want the house gone. Oyster stated that there is a cost savings by going with a local guy. Ludovissie asked for a written quote. Enberg stated all the things that would be included in his quote. Runyan asked how electrical things would be handled. Uselman stated that MN Power was contacted and they will come as soon as they can. Uselman stated that there is no gas at the house and West Central doesn’t care about their box in front of the house. Oyster confirmed with the Council that they were fine with having this out of the project. Council stated yes. Oyster stated he would try to get in it the project but if not, then the City will pay for it. Enberg stated that he plans to have the house done in two days and then the hole will be done the next week. Enberg stated that if he doesn’t have the fill for the project now, he guarantees that he will be able to get it done before the ground thaws and another project starts. Enberg stated that he won’t pull the house out unless he can get dirt in there within a week or two.

A motion was made by Ackerson to approve Tanner Enberg as the Contractor to demolition the house at 19 3rd Ave SE upon receipt of a written bid in the amount $15,500 and proof of $1,000,000 liability insurance, seconded by Carr. AIF/MC.

**DEPARTMENT REPORTS:**

**FIRE DEPARTMENT – MIKE MADSEN-FIRECHIEF-** Madsen stated that there were 12 calls for the month, 7 were medical, 1 was a car accident, 2 were shed/garage fires, 1 was mutual aid to Wadena that was cancelled and 1 was a mutual aid to Sebeka. Madsen stated that he was elected Chief and Ryan Schmitz was elected Secretary. Madsen stated he needs Council approval for this.

A motion was made by Erckenbrack to approve Mike Madsen as Fire Chief and Ryan Schmitz as Secretary, seconded by Ackerson. AIF/MC.

Madsen handed the Council the list of who he wanted for officers. The 2019 officers would be:

**Chief** - Mike Madsen, **Assistant Chief** – Steve Schmitz, **2nd Assistant Chief/Training Officer** – Louis Wegscheid, **1st Captain** – Nate Witthuhn, **2nd Captain** – Ryan Sundby, **Lieutenant** – Keith Weiher, **Safety Officer** – Eric Anderson, **Secretary** – Ryan Schmitz

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A motion was made by Runyan to approve the 2019 Fire Department Officers, seconded by Erckenbrack. AIF/MC

**LIQUOR STORE- MELISSA CURRENT-** Current stated that sales for the month were $24,258.94 compared to last year’s sales of $23,363.79. Current stated that there was an increase in sales in the amount of $895.15. Current stated that there was a net loss of $2,137.97 for the month. Ludovissie asked Current if she knew why there was a loss. Current stated no. Current stated that three more applications for bartenders came in. Current stated that it would be ideal to have three or four part-time employees and two employees to fill in as needed. Current stated that Schmitz’s last day will be Dec. 22nd, 2018. Current stated that there will be an employee starting on Wednesday December 12th. Current stated that the Meat Raffle on Nov. 30th went well. Current stated the Lion’s doubled the amount of meat for the raffle on Dec. 7th. Current stated that the meat raffles are drawing in new customers. Carr stated that Bar Bingo is another event that the Liquor Committee would like to try. Erckenbrack stated that she hasn’t heard from the Lion’s yet on whether they are interested in running it. Ludovissie made note of the bad checks and stated that this is the reason why the Liquor Store can’t take checks for more than the amount of purchase. Holmes stated that the bad checks were recovered. Current stated that there will be Karaoke by Jason Neuerburg on New Year’s Eve from 8:30 pm to 12:30 am. Current stated that the Liquor Store will be closing at 5:00 pm on Christmas Eve with Happy Hour running from 2:00 pm to 4:00 pm. Current stated that the Liquor Store will be closed on Christmas Day. Current asked when the Liquor Committee would like to do the Liquor Inventory. The Liquor Inventory will take place on New Year’s Day at 10:00 am. Current stated that she received a call asking for donations for a benefit. Current asked what the Council suggests. Council stated that the Liquor Store could donate up to $25 in gift certificates. Ludovissie asked about the cleaning day at the Liquor Store. Erckenbrack stated that she would like the Council to come in on a Sunday in January and help paint the walls. There was discussion about the pop cans in the basement of the Liquor Store. Council agreed that Paul Brownlow could come and get the cans so that the money for the cans would go to the school band. Ludovissie stated that Brownlow would be coming to pick up the cans once a week so it would not be the City’s responsibility.

**PUBLIC WORKS- MATT USELMAN-MANAGER-** Uselman asked the Council if they would like him to get bids for the bathrooms at the bar. Council stated yes. Ackerson stated that he felt that the bathrooms at the Community Center needed to be updated as well. Holmes stated that all upkeep of the Community Center is the responsibility of the Lion’s. Uselman stated that he found two water leaks. Uselman stated that one is a hydrant right on the corner by the Catholic Church. Uselman stated that the other leak is a curb stop by the Alliance Church. Uselman stated that these might need to wait until Spring to get fixed. Ludovissie asked how

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much it will cost the City if the leaks aren’t fixed now. Uselman stated it would be around $3,000 to $4,000 for the 5 months. Council agreed to wait to make the repairs. Uselman stated that the water from the leaks is not being wasted, it is going back into the ground. Uselman stated that if the leak gets worse the water will come to the surface and it will thaw the ground so that they can dig to make the repairs. Uselman stated that he will order everything to fix the leaks before the end of the year so that it can get paid for out of this year’s budget.

**CLERK/TREASURER- BARBARA HOLMES-** Holmes stated that the Council needs to set a date for the final meeting of the week. There was discussion about dates. The final year end meeting will be on Wednesday, December 19th at 5 pm.

**NEW BUSINESS:**

1. Requests to combine parcels

Ludovissie stated that the purpose of combining these parcels is so that the property owners will pay less taxes.

A motion was made by Runyan to approve the combining of parcels 21.380.0140 and 21.380.0120 for David and Sandra Gould and parcels 21.030.2011 and 21.030.2043 for Michael Dale Carr, seconded by Ackerson. Voting in favor were: Ackerson, Carr, Ludovissie and Runyan. None were opposed. Erckenbrack abstained because one of the properties would have created a conflict of interest. MC

1. Resolution 18-1210 Approving 2018 Tax Levy

A motion was made by Ackerson to approve Resolution 18-1210 – A Resolution Approving Proposed 2018 Tax Levy Collectable in 2019, seconded by Erckenbrack. AIF/MC

1. Oath of Office:
2. Ludovissie – Mayor for a 2-year term
3. Carr – Council Member for a four-year term
4. Runyan – Council Member for a four-year term
5. Resolution 18-1210A – Accepting Donation Fire Relief Assoc.

A motion was made by Ackerson to approve Resolution 18-1210A – A Resolution Accepting a Donation from the Verndale Fire Relief Association in the amount of $25,000 for assisting in the purchase of the Rescue Van, seconded by Carr. AIF/MC

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1. DEED Grant Contract CDAP-17-0028-O-FY18

A motion was made by Erckenbrack to approve the State of Minnesota DUNS No. 804832640 Grant Contract No. CDAP-17-0028-O-FY18, seconded by Carr. AIF/MC

1. 2019 Leadership Conference – Feb. 22-23 – Brainerd

Holmes asked if any of the Council members were interested in going. Runyan stated that he might be interested.

1. Maasconi’s Liquor License Renewal

A motion was made by Ackerson to approve the Liquor License Renewal for Maasconi’s, seconded by Erckenbrack. AIF/MC

1. Carr’s Convenience – Cigarette License

Holmes stated that she did not receive their Cigarette License yet. Council agreed to table approval of the license until the December 19th meeting.

1. Mayer, Porter & Nelson – Engagement Letter

A motion was made by Ackerson to accept the engagement letter for the audit of the City of Verndale from Mayer, Porter and Nelson, seconded by Runyan. AIF/MC

**OLD BUSINESS:**

1. Liquor Store

The Liquor Committee recommended that there be no more talk of selling the Liquor Store for a minimum of six months.

A motion was made by Runyan to approve tabling the discussion about the possible sale of the Verndale Liquor Store for a minimum of six months, seconded by Ackerson. AIF/MC

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**OTHER BUSINESS:**

Runyan asked the Council to approve or disapprove being enrolled in PERA.

A motion was made by Carr to approve enrolling any Council Member that choses to into PERA, seconded by Ackerson. AIF/MC

Holmes stated that any Council Members that wanted to be paid for Committee Meetings need to turn in the meeting dates by the December 19th meeting.

A motion was made by Erckenbrack to close the meeting at 7:05 pm, seconded by Carr. AIF/MC

**Submitted by: Attest:**

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Melissa Current, Deputy Clerk Raye Ludovissie, Mayor