

APRIL 16, 2018

5:15 PUBLIC HEARING ON IMPROVEMENT

The Public Hearing on Improvement of Harrison Street of the Lake Benton City Council was held on Monday, April 16, 2016 at 5:15 PM in the Heritage Center/City Office. Mayor Bob Worth presided. Trustees Rosie DeZeeuw, Mark Dunn, Dave Enke and Daryl Schlapkohl were present. City Attorney Mike Cable was absent. Maintenance Supervisor Todd Draper, City Administrator/Clerk Eileen Christensen, Police Chief Tony Sievert, Part-time Police Officer Jeffrey Conrad, Gary Serie, Wayne Fehrman, Gerry and Faye Rochel, Nathan Kinner of Kinner and Company, and Shelly Finzen from the Lake Benton Valley Journal were also present.

The Mayor called the meeting to order. The Pledge of Allegiance was recited by all present.

Maintenance Supervisor Todd Draper informed the Council and the audience the Engineer evaluated the improvements needed on Harrison Street along with the data supplied by Todd. In the late 60's, the water on the south end of Harrison Street was extended and hooked up to the water main on South Kent Street, and new curb, gutter and a street overlay were put in on all of Harrison Street. However, the water main on the north half of Harrison Street was not lowered. Some of the water mains are only three feet deep causing water breaks. Several of the property owners on the north half of Harrison Street need to run their water during the winter months to eliminate freeze-ups.

In 2008, the City created an assessment policy and an assessment account to be used for major improvements. The property owners are assessed 20% of the total costs and they are given the option to pay the full amount upfront or pay it over ten (10) years which is assessed to the property owner's property taxes.

Todd explained there are three major factors for improving Harrison Street, one is to eliminate freeze-ups, two is to improve the undersized water line, and three to install new shut-off valves. The total estimate of the project is \$109,000.00. Should the Council agree to move forward with the project, the Engineer will begin advertising for bids. After the bid has been awarded and the City has made the final payment, the Administrator/Clerk will figure the final assessment amounts, and the City will hold another public hearing.

Traffic will not be affected while installing the new water main, service lines and shut-off valves. The curb and gutter will be replaced only if the Contractors need to get to the water shut-offs. This is a water improvement project only so all property owners are paying the same amount on the assessment. The project is not a long one and should be completed before the 2018-2019 winter.

Lea Lory has verbally agreed to give the City an easement to get a combined service line to Jim Roggenbuck's and Mark Dunn's properties. Should Jim Roggenbuck and Mark Dunn want separate water lines, they will be responsible for doing it themselves.

City Administrator/Clerk Eileen Christensen reminded the Council they can adopt the Resolution Ordering Improvement and Preparation of Plans which can be adopted this evening or anytime within six (6) months after the Improvement Hearing of April 16, 2018. The City can reduce the project, but can't increase the extent of the improvement. This resolution takes a 4/5 vote so a roll call vote will need to be taken by the Mayor and Trustees.

There being no comments or questions from the audience a **MOTION** was made by Dave Enke, seconded by Daryl Schlapkohl to adopt the Resolution Ordering Improvement and Preparation of Plans to continue on with the improvement on Harrison Street. Roll call vote: Rosie DeZeeuw-Yea, Mark Dunn-Yea, Dave Enke-Yea, and Daryl Schlapkohl-Yea.

Maintenance Supervisor Todd Draper then informed the Council and audience that he has been working with Banner and Associates on their engineering fees and Banner agreed to work with the City and lower the pricing due to the fact Todd will be doing some of the Engineer's duties. **MOTION** by Daryl Schlapkohl, seconded by Mark Dunn to close the public hearing and go into the regular meeting. Motion carried.

Mayor Bob Worth then asked if anyone in attendance had an item, not on the agenda, to bring up during the Open Forum part of the meeting. If so they had two minutes to state their concern. No items were brought forward at this time.

Gary Serie expressed a big round of applause to the Maintenance Department, Todd Draper and Troy Nordmeyer. They went over and above what was asked of them. Gary also thanked Daryl Schlapkohl, and Johansen's for their work helping with the bad snow storm this past weekend. Mayor Bob Worth thanked Gary Serie, Emergency Management Director, and First Responder Shirl Serie for taking great care of the stranded motorists.

Gary then requested the City contact the Minnesota Department of Transportation (DOT) to house a truck in Lake Benton that can be stored in the State shed. The community tried very hard to get a truck here and had to wait for one to come from Pipestone. The driver's supervisor did not want one person moving between Tyler and Lake Benton and moved him to Pipestone. A new supervisor was hired a month ago and he is in favor of moving someone to Lake Benton. The City Administrator/Clerk will draft a letter and send it to the Minnesota DOT inviting them to a meeting explaining the community is concerned with plowing in the winter and there is not a truck located here. This involves not only the community but the civil defense, police department, fire department and State patrol.

The minutes of the Regular Meeting of April 2, 2018 were reviewed. **MOTION** by Dave Enke, seconded by Mark Dunn to approve the minutes of the Regular Meeting of April 2, 2018. Motion carried.

The minutes of the Special Board of Review Meeting of April 10, 2018 were reviewed. **MOTION** by Rosie DeZeeuw, seconded by Mark Dunn to approve the minutes of the Special Board of Review Meeting of April 10, 2018. Motion carried.

CLAIMS PRESENTED AGAINST THE CITY OF LAKE BENTON:

C & B OPERATIONS	\$ 671.82	ITC	\$ 267.65
USTI	\$ 1.20	QUARNSTROM/DOERING	\$ 3,858.84
ALPHA WIRELESS	\$ 564.00	LB PARTS	\$ 593.27
LB HARDWARE	\$ 105.32	EXPRESSWAY	\$ 711.74
RICK'S WELDING	\$ 308.00	CITY OF LAKE BENTON	\$ 131.88
POSTMASTER	\$ 117.95	HENRY SOLIE POST	\$ 25.00
SW SANITATION	\$ 3,595.50	CARDMEMBER SERVICES	\$ 783.57
VERIZON	\$ 35.41	ONE OFFICE SOLUTION	\$ 246.30
BUFFALO RIDGE NEWS	\$ 34.40	DISPLAY SALES	\$ 500.00
PIPESTONE AUTO BODY	\$ 1,566.12	DVL FIRE & SAFETY	\$ 355.00

MOTION by Mark Dunn, seconded by Dave Enke to approve payment of the claims presented against the City of Lake Benton. Motion carried and the Mayor authorized the City Administrator/Clerk to make payment.

The next item on the agenda was to review/act on the 2017 Audit with Nathan Kinner from Kinner and Company. Nathan presented the 2017 audit to the Council and explained that he and his audit staff worked January, February and March to get the City's audit complete. It went very well and Nathan and his staff would like to award Administrator/Clerk Eileen Christensen a gold star.

Nathan went through the report with the Council and explained the Independent Auditor's Report which included qualified and unmodified opinions, and other reporting required by Government Auditing Standards.

The Statement of Net Position was reviewed which is a basic financial statement that showed the City's total net position at \$2,082,322.00. The Government Activities (General and Fire) and the Business-type Activities (Water, Sewer and Garbage) was reviewed and although the Garbage account lost \$2,431.00, a transfer was made and helped get it to a positive balance.

The net position classification is displayed in three components: Net investment in capital assets, restricted net position, and unrestricted net position. The City's policy is to maintain a minimum unassigned fund balance between the ranges of 35%-50% of budgeted operating expenditures for cash flow needs. On December 31, 2017, the unassigned fund balance of the General Fund was 79% of the subsequent budgeted expenditures. Nathan will give Administrator/Clerk Eileen Christensen guidance on allocating some of the funds.

Nathan then explained the comments on the current year findings which consisted of an inadequate segregation of duties among its accounting personnel due to the fact the City has a limited number of employees to perform financial reporting duties. This is the same finding as the prior year. The second finding was the City did not maintain sufficient collateral for deposits. This was due to funds being deposited at year end after collateral was assigned that caused the City to be under collateralized and the City is not in compliance with Minnesota Statute §118A.03. Kinner and Company recommended that the City work with their bank to maintain sufficient collateral.

MOTION by Mark Dunn, seconded by Dave Enke to approve the 2017 audit completed by Kinner and Company. Motion carried.

The next item of business was to review/act on the Ad-Hoc Committee recommendations for the new Community Center (former Center Post). Trustee Daryl Schlapkohl is the chair of the committee and informed the Council the committee met on April 9, 2018 and discussed what to do with the building. Items were left in the freezers and a few members of the committee removed them. The committee is looking to sell the walk-in cooler on the north side of the building for \$100.00.

The committee received a bid from Al Trigg Construction to remove and replace ceiling tile in the back banquet room for \$4,120.00, and a bid from Shaun Thomas of Thomas Electric to install new LED lighting in the entire building at a cost of \$3,615.00. The Ottetail rebate should be approximately \$2,500.00. Eileen Christensen contacted an individual from Inteck-Professional Cleaners to provide an estimate to clean the kitchen.

The committee discussed rental rates of the back banquet room and would like to recommend \$100.00 per event (profit only), plus \$300.00 damage deposit, and \$300.00 cleaning deposit. The committee wants to be competitive, but comfortable with rates people can afford. It is very important we make the building initially attractive and encourage a greater use of the facility.

The committee had a second meeting today and met with someone interested in leasing the front part of the building. It was the consensus of the committee to place an ad in the paper for anyone interested in leasing the front part of the building. The ad will run for one week, and if there are no other interested parties, the committee will work together with the interested party they met with earlier today. The committee will be meeting again on April 30, 2018 at 4:30 PM and will provide additional information at the May 7, 2018 Council meeting.

MOTION by Mark Dunn, seconded by Dave Enke to approve the quote from Al Trigg Construction to remove and replace the ceiling tile in the back banquet room at a cost of \$4,120.00. Motion carried.

MOTION by Dave Enke, seconded by Mark Dunn to and approve the quote from Shaun Thomas of Thomas Electric to install new LED lighting in the entire building at a cost of \$3,615.00 with \$2,500.00 rebate, and authorize City Administrator/Clerk Eileen Christensen to get a quote from Al Trigg for painting the inside of the building. Motion carried.

The Council thanked the Ad-Hoc Committee and realizes this is not an easy process. It is imperative to get the building cleaned and refurbished as soon as possible. Definitely by Saddle Horse Holiday weekend.

MOTION by Mark Dunn, seconded by Rosie DeZeeuw to authorize City Administrator/Clerk Eileen Christensen to place an ad in the paper to lease the front of the building. Motion carried.

The next item of business was to review/act on the City licenses for May 1, 2018 through April 30, 2019.

The Council asked Police Chief Tony Sievert in regard to the licenses being approved, are there any problems with the bar being in compliance with the 2:00 AM closing. Police Chief Tony Sievert responded that there have been no issues since the management has changed. If there are any problems, the Council can address them at that time.

City Administrator/Clerk Eileen Christensen provided the Council with information on the liquor and tobacco licenses for the City as well as the temporary Liquor and Dance licenses for the Fireman's Dance from 8:00 PM on June 16, 2018 through 1:00 AM June 17, 2018. City Administrator/Clerk Eileen Christensen also stated the Police Chief needs to sign the Liquor applications so she can get them sent into the state before May 1, 2018. Police Chief Tony Sievert said he will perform the background check and if approved, will sign the applications.

MOTION by Mark Dunn, seconded by Rosie DeZeeuw to approve the following City Licenses for May 1, 2018 through April 30, 2019 with proof of liability insurance from those with On Sale Liquor Licenses: **Cigarette:** Lake Benton Grocery, Express Way-Lake Benton, Dad's Wine & Spirits; **Off Sale Beer:** Express Way-Lake Benton; **Off Sale Liquor:** Dad's Wine & Spirits; **On Sale Liquor:** Country House Supper Club, Dad's Wine & Spirits; **On Sale Liquor (Sunday):** Country House Supper Club, Dad's Wine & Spirits; **Dance:** Dad's Wine & Spirits; **General Corporation:** Dad's Wine & Spirits; and to approve the Temporary Liquor and Dance Licenses to the Lake Benton Fire Department at 110 Benton Street for the Fireman's Dance from 8:00 PM on June 16, 2018 through 1:00 AM on June 17, 2018. Motion carried.

The next item of business was to review/act on the 2018 contract for mowing the north ditch at cemetery hill for \$285.75 per time not to exceed seven (7) times or \$2,000.25. Mike Otto mowed the hill last year at a cost of \$285.75 per time not to exceed seven (7) times or \$2,000.25. If the ditch needs to be mowed more often Mike will contact the Mayor for approval. Mike also provided proof of liability insurance. **MOTION** by Daryl Schlapkohl, seconded by Mark Dunn to approve the 2018 contract with Mike Otto to mow the north ditch at cemetery hill at \$285.75 per time not to exceed seven (7) times or \$2,000.25. Motion carried.

The next item of business was to review/act on a Contract with Ferguson Waterworks on the Neptune Handheld Meter Reader. City Administrator/Clerk Eileen Christensen informed the Council the office computer is having problems updating Windows 10 when updates are available. She spoke with Danny Krotzer, the City IT, and he suggested upgrading the driver on the computer. In order to do that, Danny will need to transfer all the programs from one driver to another (i.e. Microsoft, Asyst Accounting/Billing program, QuickBooks, Neptune Handheld program, etc.).

Eileen contacted Asyst to get instructions on installing the program and received that information. She then contacted Neptune and the City's Version 4.6 is not supported by Window 10. It was suggested she contact Ferguson Waterworks to get a contract for the amount of \$1,300.00 so the City is able to get the latest Neptune Handheld upgrade that is supported by Windows 10.

Danny Krotzer would like to migrate the existing system and the new one system on April 23, 2018. The cost of the driver and labor will be approximately \$400.00.

MOTION by Mark Dunn, seconded by Dave Enke to approve the contract with Ferguson Waterworks to upgrade the Neptune Handheld Meter Reader so it is supported by Window 10 in the amount of \$1,300.00, and approve Danny Krotzer to complete the migration of the system in the amount of \$400.00. Motion carried.

The next item of business was to review/act on Hope Mutual Disaster Recovery Plan Lease. Mayor Bob Worth talked with Hope Mutual Insurance and they need a secondary location for their office if a significant damage is done to their building due to a disaster. Hope Mutual had a Disaster Recovery Plan Lease with Mike Carpenter at Carpenter Auction but is no longer there. Hope Mutual would like to know if the City would consider the Community Center as their place of operation should a disaster happen.

MOTION by Daryl Schlapkohl, seconded by Rosie DeZeeuw to approve the Disaster Recovery Plan Lease with Hope Mutual. Motion carried.

PUBLIC WORKS UPDATE:

Maintenance Supervisor Todd Draper brought informational items to the Council. The City continues to work with the DNR regarding the water access. There are questions from the DNR on the property as well as the agreement with the State of Minnesota and the Railroad. We are waiting on approval from the Railroad. The worst case scenario is the Railroad may want a new agreement since it is not with the City of Lake Benton and the Railroad. The best case scenario is the property has been surveyed and we have a legal description. We will continue to push for the information from the Railroad.

A utility pole on Benton and Center Streets was damaged during the weekend's storm. A claim has been turned into the City's insurance.

The Council thanked Todd and his crew for the wonderful job they did after the snow storm. They received several comments from people outside of town. Todd stated he had a great crew with a lot of resources, Daryl Schlapkohl, Kerbie Slegers, the old V-plow, and Worth Farms to assist in widening the streets. This is a great community with people helping each other. Gary and Shirl Serie supplied the stranded motorists with blankets, pillows, water from NAPA, and food from the Grocery Store, and Minnesota State Patrol did an awesome job as he was called out on accidents to bring people to town. There were a lot of things learned and we will remember that for the future.

Mayor Bob Worth thanked Todd and Troy. Their work is greatly appreciated. Bob stopped at the Community Center and the stranded motorists were appreciative of a warm place to stay and have food. They were very happy.

POLICE UPDATE:

Police Chief Tony Sievert introduced the City's new part-time police officer, Jeffrey Conrad, to the Council. The Council welcomed Jeff and stated he has a great Chief to work under.

COMMITTEE REPORTS:

Trustee Mark Dunn – No report.

Trustee Rosie DeZeeuw – No report.

Trustee Dave Enke – The EDA met last week and there is not a lot to share regarding the former Center Post as the Ad-Hoc Committee gave their report. There are no updates on the CHS property. The EDA received partial payment of the last large payment from a loan to a local business. Their Southwest Initiative Foundation (SWIF) loan payments are current and up to date. However they are delinquent in providing necessary paperwork such as their 2017 financials. A letter was sent to the business to get these items to the EDA as soon as possible.

The Library Board will meet next week but Dave wanted to draw attention to two programs coming to the Library. The first is tomorrow, April 17th, featuring Brian Freeman; and the second is April 25th featuring Jen Anfinson who will have two programs on beading and jewelry stamping.

Trustee Daryl Schlapkohl – The Opera House had one performance and will open again this weekend. There were 187 reservations that had to be canceled due to the snow storm and hopefully they will all reschedule. It is working very well to have Karen Lichtsinn take reservations from the Chamber Office. The Opera House board is looking at getting new LED lighting and will contact Thomas Electric.

ADMINISTRATOR/CLERK REPORT:

No report.

MAYORAL REPORT:

Mayor Bob Worth informed the Council there is an issue with the farm land the City owns north of town. Mayor Bob Worth made two trips to Ivanhoe to meet with the local FSA regarding the issue of taking 6 acres of ground away from the City. Bob explained that before 2008 the City's farm land was at 130 tillable acres, and was increased to 136 tillable acres. Now in 2018, they took the tillable acres back down to 130.

Mayor Bob Worth expressed the need to get improved equipment for the Maintenance Department. The City should consider spending money on a pay-loader with a snow blower. The equipment does not need to be new, but it will help make their jobs easier in the future. The Maintenance Department works very hard. Mayor Bob Worth also thanked Police Chief Tony Sievert for being on duty last Sunday.

There being no further business to come before the Council at this time, a **MOTION** was made by Mark Dunn, seconded by Dave Enke and carried, the meeting adjourned.

MAYOR

ADMINISTRATOR/CLERK