

WATERVILLE CITY COUNCIL  
REGULAR COUNCIL MEETING  
September 1, 2015, 7:00 P.M.

There was a regular meeting of the Waterville City Council held in Council Chambers at 7:00 p.m. on September 1, 2015.

Present: Vail, McIntyre, Wollin, Schmidtke and Mayor Mihalik

Absent: None

Also Present: Administrator/Clerk Teresa Hill, Jason Femrite of Bolton & Menk, and City Attorney Jason Moran

Also Absent: None

**1. Call to Order.** Mayor Mihalik called the meeting to order at 7:00 p.m., noting that all Council members were present. Also present were Teresa Hill, Administrator/Clerk, Jason Femrite of Bolton & Menk and Jason Moran, City Attorney. Pledge of Allegiance was recited.

**2. Approval of Minutes – August 6, 2015 Regular Meeting and August 25, 2015 Special Meeting.** Motion by Schmidtke seconded by Wollin to approve the minutes of the August 6, 2015 Regular Meeting and August 25, 2015 Special Meeting. Unanimous vote. Motion carried.

**3. Approval of Agenda/Additional Items to Agenda.** Motion by McIntyre, seconded by Vail to approve the agenda. Unanimous vote. Motion carried.

**4. Written Petitions, Requests, Etc. –**

**A. Utility Bill insert request – Curt Boettcher/American Red Cross.** Motion by Schmidtke, seconded by Vail to approve the Christmas Time's a Coming utility bill insert. Unanimous vote. Motion carried.

**5. Unfinished Business**

**A. Ordinance No. 116 Establishing Rental Inspection Ordinance 2<sup>nd</sup> Reading.** Motion by Mihalik, seconded by McIntyre to table the 2<sup>nd</sup> reading of Ordinance No. 116 Establishing Rental Inspection Ordinance 2<sup>nd</sup> Reading to the November meeting so that we can have the public hearing. Unanimous vote. Motion carried.

**B. Ordinance No. 51.125.1 water and sewer Fees 2<sup>nd</sup> Reading and Adoption.** Motion by Mihalik, seconded by Vail doing the 2<sup>nd</sup> reading of Ordinance No. 51.125.1 water and sewer fees. Unanimous vote. Motion carried. Motion by Mihalik, seconded by McIntyre to adopt Ordinance No. 51.125.1 water and sewer fees. Unanimous vote. Motion carried.

**C. Casey's building donation.** Mr. Moran said that he spoke with Casey's yesterday again. They are still in the process of reviewing the documents that Council has before them. Casey's had a question regarding some of the legal descriptions and he believes that they will be in contact with Bolton & Menk. Mr. Femrite said he has not been contacted. Mr. Moran said he does not think that this will hold anything up, it is just a matter of getting it through the proper channels. Motion by Mihalik, seconded by Vail to table the Casey's building donation to the October meeting unless a special meeting is warranted prior to that. Unanimous vote. Motion carried.

**D. Inflow and Infiltration Manhole Rehab.** Mr. Femrite said he spoke with Mr. Peach at length today on the quote on manhole renewal. They did mention that it would take approximately two hours of time along with up to two gallons for the grouting for the \$500 charge. The second installation of the liner within the manhole is something they are recommending to help prevent water from migrating in. Ritter & Ritter Sewer Service Inc. is looking at estimated cost of \$2,000 per structure. There are 4 manholes to be done. Mr. Femrite said the chemical grouting is needed. Discussion held regarding the 4 manholes and the approximate cost to do each manhole. The funds to pay for this would come out of the sewer fund. Motion by McIntyre, seconded by Mihalik to accept the quote for chemical grouting and lining of four manhole covers by Ritter & Ritter Sewer Service, Inc. Unanimous vote. Motion carried.

**E. State Building Code.** Mayor Mihalik said he would like to have a 1<sup>st</sup> reading of the State building code in October and a public hearing in the middle of October and a second reading in November if we so desire. Mr. Schmidtke preferred to hold the public hearing in November. Mayor Mihalik set a special meeting November 5<sup>th</sup> at 6:00 p.m. for a public hearing for the state building code. The first reading of the state building code will be added to the October agenda.

**6. Citizen Time (Comments, Information from those present) -**

**A.** Dave Arnold, 604 Tetonka View Drive addressed Council regarding the coating the road out to Hileman's Addition because it is very dry and needs to be done. Mr. Arnold said part of the road is always dirty. He does have nice cars and he likes to drive them. He idles down the street at 2 mph and you get to the end and your car is filthy and he doesn't think you should have to put up with it. He would appreciate it if they could get that taken care of. Mayor Mihalik advised that Mr. Peach has provided a report on the coating of the street and Mr. Arnold will get a copy of that report. Mr. Arnold said the second thing we talked about the asphalt and getting bids and it was brought up that rather than wait until the middle of the year, could we get those bids in January if the road doesn't break up. It has been really strong and has not broken up at all. That we would have an opportunity to get that road asphalted. Mayor Mihalik said that was the discussion last time we met. Mr. Arnold said is that something that we can do. Mayor Mihalik said going out to bid in January is something we can do, right now we are going through budgeting and every year we start with a significant deficit so right now we are at a point where we are trying to get that to zero line with a minimal tax levy increase. Can this go out to bid in January to understand what the full cost would be and what it would take to fund that absolutely, can we make a promise that we would accept a bid and do the project, he can't make that promise, nobody on Council can, but that was the last discussion that we had was of going out to bid. Right now it is all speculation of what it would cost. He thinks we owe it to ourselves to at least know what it would be and then whether it is a plan to do it that year or a plan to do it over a period of time that is something that will have to be decided. Mr. Arnold said the longer we push it off the more it is going to cost. Mr. Arnold said he thinks it needs to get done.

**7. New Business.**

**A. Hamilton Street Water Run Off Issue – Clinton Peach.** Mr. Peach was unable to attend the Council meeting. M & W Blacktopping provided an estimate to build a berm on Hamilton Street east side of the road for \$500. This would help with the run-off issue. Motion by Schmidtke seconded by Vail to accept M & W Blacktopping estimate of \$500 to build a berm on Hamilton street east side of the road. Unanimous vote. Motion carried.

**B. Dust Coating Lagoon Road – Clinton Peach.** Mr. Peach had presented Council a letter regarding the Virginia Street/Tetonka Bay Drive dust control. Mayor Mihalik read the letter that Mr. Peach provided. Mayor Mihalik said the concern that is out there regarding doing a reapplication of the dust control out there this year is that the surface material would need to be loosened up in order to do a second dust control. Once you start to loosen that up you will have additional issues with potholes, the condition of the road, the drive ability of the road, and wash boarding that can be created and you would have additional dust. We would also have to have the right weather conditions to do that and we are already in the month of September. It is the recommendation of Duane at Quality Propane & Dust Control Services as well as Clinton Peach to leave the road in the condition that it is in this year. Let the road continue to be treated with the original application, let the road continue to be hardened and let's not loosen that road and take a step backwards. We want to get that road to a condition that we can do more with it. Discussion held regarding whether to reapply the dust control. Motion by Schmidtke, seconded by Wollin that we do not dust coat Virginia Street/Tetonka Bay Drive. Unanimous vote. Motion carried.

**C. Truck Bids.** The trade in value for the truck that we have now is at \$5,500. The estimated repairs to make sure that it is functioning this year is \$11,000. Part of the discussion we have tonight is do we want to put \$11,000 into a \$5,500 vehicle and that will be temporary and last a couple of years before we would have to put more money into a \$5,500 vehicle. Council has received a couple of bids. We are waiting for the manufacturer to show us that the specifications are equal or better than those that were in the bid itself. Mayor Mihalik said there are a number of considerations all revolving around budget and expense. Mayor Mihalik said it would be his preference to table this discussion until the budget meeting so that we have an understanding of what is in the budget and the expense that would have to take place. Discussion regarding the bids. There is approximately \$150,000 in the budget for a truck. Discussion regarding the budget for the truck. Motion by Mihalik, seconded by McIntyre to table the truck bids discussion and vote to the budgeting meeting. Unanimous vote. Motion carried.

**D. Street Patches.** M & W Blacktopping provided an estimate for the street patches in the amount of \$16,980, manhole structures \$2,400 and water valves \$1,500. Discussion regarding the manhole structures that need to be raised. Motion by Schmidtke, seconded by Vail that we accept the bids of M & W Blacktopping plus an additional \$1,200 for the two additional manhole cover raising on East Main. Unanimous vote. Motion carried.

**E. Salt Purchase.** Mayor Mihalik said that typically we buy 100 tons of salt each year. That price has gone from \$54 a ton to \$75 a ton. The County needs some storage for salt and they are willing to assist us with this to what we pay for what we use so we wouldn't have to buy 50 or a 100 tons at a time. As we pay what we use it is his understanding that the cost would be at \$24 a ton which is significantly less than what we paid last year and we don't have to pay out of pocket. Mr. Peach is asking for permission to proceed to have the County use the city storage for salt where we could purchase it at the reduced cost. Ms. Hill recommended that Council approve the purchase of 50 tons of salt in case the agreement with the County does not work out. Motion by Mihalik, seconded by Wollin to approve Clinton Peach pursuing working with the County on buying the salt at a reduced rate and pay as you go understanding that the worst case scenario the City would be buying 50 tons at the \$75 a ton plus delivery for a total of \$4,550. Unanimous vote. Motion carried.

**F. Tetonka View Street Light Request Update.** The estimated cost for a street light is \$3,261 and the operation of that light would be \$11.70 a month. There is a letter signed by 4 or 5 residents opposing the street light in the area. Ms. Vail said two of the residents were not aware of the location of the light and are not opposed to the location of the light. Mayor Mihalik said that he is not sure that the residents are aware of where the location of the light would be and he would like to have discussions with the residents before we make a motion on the street light. Motion by McIntyre, seconded by Mihalik to table the Tetonka View street light request to the October meeting. Unanimous vote. Motion carried.

**G. Resolution 2015R-033 Authorizing the Sale of Property.** Mr. Moran said this resolution is needed to close out the Hilltop transaction. Along with the resolution there is also a promissory note, mortgage and a warranty deed. With luck we can close on this within the next month. Mr. Moran has contacted the title company that is handling this transaction for Traditions and they do have these documents that are awaiting Council's approval. Motion by Wollin, seconded by McIntyre to adopt Resolution 2015R-033 Authorizing the Sale of Property. Unanimous vote. Motion carried.

**H. 2015R-034 Authorization of Bond Issuance.** Mayor Mihalik said for purposes of discussion items H, I, J, K and L all relate to the bonding of the wastewater treatment plant. Motion by Mihalik, seconded by McIntyre to adopt Resolution 2015R-034 Authorization of Bond Issuance. Unanimous vote. Motion carried.

**I. 2015R-035 Reimbursement Resolution.** Mayor Mihalik advised that this resolution is for reimbursement for funds the City has already incurred. Motion by McIntyre, seconded by Vail to adopt Resolution 2015R-035 Reimbursement Resolution. Unanimous vote. Motion carried.

**J. Public Facilities Grant Agreements for Bond Purchase and Project Loan Agreement.** Motion by Schmidtke, seconded by Wollin to approve the public facilities grant agreement for bond purchase and project loan agreement. Unanimous vote. Motion carried.

**K. Public Facilities Project Grant Agreement/Point Source Implementation Grant.** Motion by McIntyre, seconded by Mihalik that we approve the public facilities project grant agreement/point source implantation grant. Unanimous vote. Motion carried.

**L. Financial Advisory Services Agreement.** This agreement is for services that Paul Donna provided for the City for this project. Motion by Mihalik, seconded by McIntyre to approve the financial advisory services agreement. Unanimous vote. Motion carried.

**M. Museum.** Mayor Mihalik said this refers to the Senior Center. Mayor Mihalik said the idea is to use the facility where it can still be a meeting place where girl scouts, boy scouts, tops or whoever would like to rent it out but to make better use of the public facility for the public. There are a number of people who would like to donate artifacts and memorabilia of Waterville. Mayor Mihalik said the Senior Center would be a museum and meeting place. The Chamber would be willing to partner with the City for the use of the Senior Center. Discussion held regarding the use of the Senior Center facility and items that could possibly be donated for the museum portion of the Senior Center. Mr. Moran said we will have to have a donation agreement which specifically outlines who owns the artifact or memorabilia. Mayor Mihalik said he would like to start the process of Mr. Moran drafting an agreement for donations and in the winter we can have this ready for the public. Discussion regarding the City incorporating the

museum portion as a non-profit organization. Motion by Mihalik, seconded by Vail to repurpose the Waterville Senior Center to be the Waterville Museum and Meeting Center. Unanimous vote. Motion carried.

**N. Pay Request #1 Wapasha Construction.** Motion by McIntyre, seconded by Schmidtke to approve Pay Request #1 of Wapasha Construction in the amount of \$147,954.90. Unanimous vote. Motion carried.

**O. Ordinance §51.044 a City Ordinance Regulating the use of Sump Pumps and Prohibition on the Discharge of Storm Water, Ground Water and Surface Water into the City's Sanitary Sewer System.** Mr. Moran drafted Ordinance §51.044 for the City to regulate the use of Sump Pumps and Prohibition on the Discharge of Storm Water, Ground Water and Surface Water into the City's Sanitary Sewer System. Motion by Wollin, seconded by McIntyre to adopt Ordinance §51.044 a City Ordinance Regulating the use of Sump Pumps and Prohibition on the Discharge of Storm Water, Ground Water and Surface Water into the City's Sanitary Sewer System. Unanimous vote. Motion carried.

**P. Blowers Addition Street Improvements.** Mayor Mihalik advised that the quote came in at \$28,540, is this something Council wants to do this year. Discussion held regarding the Blowers Addition Street improvement. Motion by Wollin, seconded by Mihalik to accept M & W Blacktopping estimate & agreement for the Blowers Addition Street North improvements. Unanimous vote. Motion carried.

**8. Engineer's Report.** Mr. Femrite said Freemont Street Hill - WW Blacktopping has essentially completed the majority of the work up there. He was there with Clinton today and they do have a couple of punch list items. We will wait for the grass to grow in there and address that. We did make some good progress and we did get that completed. On the Kamp Dels forcemain extension he thinks if anybody has been in that area we did get the forcemain installed via trenchless technology from Tobin Pope's place and all the way out and tied into the structure on the other side of Highway 13. All things considered he thinks that went relatively well. The contractor was very responsive to any comments that we had. The remaining items they are installing the lift station, all the components of that and that sampling building will be adjacent to that. That is well on the way. The wastewater treatment plant he does not have much of an update on that. They have cleared and grubbed the trees. They should be mobilizing back in here. He did receive an updated schedule from Kris Swanson. It looks like the work will be taking place here in September and he outlined that schedule. As things change he will provide Council with that update. Mr. Femrite said the Cannon River rain garden there is a preconstruction meeting with Boerneke construction tomorrow at City Hall at 11:00. Mr. Schmidtke asked Mr. Femrite how big of a pipe is going out to Kamp Dels. Mr. Femrite said it is a four inch. Mr. Schmidtke asked if that would be big enough for more addition. Mr. Femrite said it is enough for all of the limits that they have indicated that they wanted and there is additional size within that four inch where we could change out pumps. We are building that for some expansion but yet it is sized appropriately for what they are permitted to discharge. Mr. Schmidtke said what about going east farther. Mr. Femrite said going east further, this is one lift station. If we would go east further we would have another type of structure that could tie into this. Mr. Femrite said a four inch pipe has significant capacity with changing out pumps and things like that. Mr. Schmidtke asked if Mr. Femrite remembers what we oversized North Reed Street? Was that a six inch or eight inch? Mr. Wollin said that was for the possibility of extending across the road on 13 and up to North Shore Drive. Mr. Femrite said it was sized to handle all of that along with significant development. It could handle future growth of the City

in that area as well. Mayor Mihalik said so it was for more than just the existing home, but for potential growth as well. Mr. Femrite said that is correct.

**9. Attorney's Report.** Mr. Moran said the majority of the items that I was scheduled to speak about we've already spoken about. The one thing that we did not discuss was South Reed Street. He has had a number of conversations with Darrell Pettis regarding the frost boils on South Reed Street between the bridge and the highway. He is going to urge the Council not to take any action on South Reed Street at this time. He knows that we have got some money in the budget allotted for that purpose. Mr. Moran said that Darrell Pettis tells him that is part of County State Aid Highway No. 3 and that highway is in the works of being redone in 2016/2017 so they will do that for us at no cost. Mr. Moran said he doesn't think we should touch South Reed Street at this time. Mr. Moran said he did address with him whether or not if it was just going to be a mill and overlay. The plan is just to do a mill and overlay but they will core sample those frost boil areas and see what is going on underneath. Mr. Moran said that Mr. Pettis told him that if there are some problems with the base that they would look at tearing that out. Mr. Moran said again, just from the bridge to the highway and potentially reconstruct that. Mr. Moran said the only additional cost to the City would be if we would want some utilities moved or if we wanted some special work completed there. That is pretty good news he thinks. He thinks at this point we simply don't touch South Reed Street. Mr. Schmidtke said from the bridge going south not from Main also. Mr. Moran said he thinks they are planning on doing the whole thing. Mr. Schmidtke said going south all the way. Ms. Hill said she thought the e-mail said Paquin, from Paquin to the Highway, not from Main. Mayor Mihalik said that is excellent news, thank you. Mr. Moran said the only other thing that he will comment on is the Gilligan's donation. We should have some conversations with Casey's about that. When he communicated with them yesterday they said they had an issue regarding one of the legal descriptions. He will circulate an e-mail and he will include you in on it. Mr. Moran said he had everything drafted and have had everything drafted for quite a while now and he has been reaching out to them almost daily so he does not know what is going on here. We need to get that taken care of. Mayor Mihalik said Mr. Femrite if you don't hear from them in the near future could you give them a call. Mr. Femrite said sure. Mayor Mihalik said and make sure that they know that you are the person they need to speak with.

**10. Administrator's Report.**

**A.** Swap of land update. Ms. Hill had conversations with the property owners. They wanted to set up a meeting with Mr. McIntyre and she does not know if they have done that yet. Mr. McIntyre said they haven't done it. He has been waiting for their call.

**11. Council Discussion.**

**A.** Mr. Wollin said he just found out that the Baptist Church has rejected the Good Samaritan land, do you know are we still on the docket as far as a possible owner of that? Mayor Mihalik said it is his understanding that there were a couple of bidders and Good Samaritan is not speaking right now as to what their next step is going to be. Mayor Mihalik said he has not heard anything. The ball is in their court to make a decision and to relook at the bids that were out there. They are reserving that right but they have not approached the City at this point. He knows others have contacted them and are taking the same stance of we will let you know when we are ready to have a discussion with somebody. Mr. Wollin said do you know why they turned down the bid. Mayor Mihalik said he does and he would be more than glad to have that discussion with him later.

**B.** Ms. Vail said if Council decides we want to acquire Gilligan's something she would like for us to think about to do very quickly after is that maybe we have a volunteer day right away to help clean up around the perennials and get some of the trees out this fall. It has been a very wet summer and we've got a lot of growth which she thinks would be a great community event to have but to be ready to possibly go with that right away. We would look at a date on a Saturday and reach out to people. Mayor Mihalik said he thinks people would be excited to see that become something that they would want to volunteer some time. He thinks that is a great suggestion.

**C.** Mayor Mihalik said he has a couple of items, one is please remember Council to get a chance to meet with the Fire Chief before the 15<sup>th</sup> and he also wants to address an e-mail that came to the City from Mr. Bob Muscala. This was considering having regular Council meetings a couple a month, specifically the suggestion from the gentleman was to do this on a Saturday so we can get more Citizen Participation. If you recall back in September last year he had suggested going to bi-monthly meetings for the purpose of continuing conversation. We elected at that point to table that discussion until new Council was in play because we were in an election year. Mayor Mihalik said he has elected not to bring that up because the more we see our special meetings the more the special meetings are designed around a specific date. So if we were to have a regular scheduled meeting on the hypothetically the 1<sup>st</sup> and the 15<sup>th</sup> we would still have to have those additional special meetings to work around the dates that things have to occur within. It does make it very difficult to have multiple meetings in the anticipation of eliminating meetings. He does not know how much of a benefit that would be, however he is still a proponent of having more than just one meeting a month so that we are not putting things off for 30 days every single time. Mr. Schmidtke said with these special meetings that we have we are always adding things to it anyway to help shorten our regular meetings. Mayor Mihalik said he thinks we have made a great use of our special meetings with ample notice and to keep these meetings at a reasonable hour and we can have discussion without feeling rushed. If you listen to the minutes the meetings are a couple of hours long. We are pretty quick at the very end and that is not doing anybody any benefits. Mayor Mihalik said he does encourage that we continue to have special meetings like we are and that we do fill those meetings and make the best use of the Citizen's time as well as what they are paying us to have a meeting that we are not just being on one item. Mayor Mihalik said that being said he would like the Council to consider if we were to go to two meetings a month how would that be structured, how would that look, he still is a fan of that, his only concern is are we going to incur more cost. Are we really going to eliminate other special meetings? He is not convinced of that yet. Mr. McIntyre said he thinks the special meetings work out well because sometimes we can do them at an earlier time which makes it more convenient to schedules. He thinks the special meetings in most cases have been working out very well. Mayor Mihalik said he knows we have been trying to be courteous around the Wednesdays for church activities the best we can, it is not always possible but we have always tried our best. Understanding that Council members also have multiple meetings with other committees and groups. This is not just the only time as Council members we have a meeting here at City Hall.

**12. Approval of Disbursements.** Motion by Schmidtke seconded by Mihalik to approve the disbursements in the amount of \$229,536.22. Unanimous vote. Motion carried.

**13. Impress Cash Fund.** Motion by McIntyre, seconded by Wollin to approve the impress cash fund in the amount of \$39.65. Unanimous vote. Motion carried.

**14. Adjourn.** Motion by Mihalik, seconded by Schmidtke to adjourn. Unanimous vote. Motion carried. Meeting adjourned 8:05 p.m.

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Stephen Mihalik, Mayor

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Teresa Hill, Administrator/Clerk