

**WATERVILLE CITY COUNCIL  
REGULAR MEETING  
December 6, 2022, 5:00 p.m.**

There was a meeting of the Waterville City Council held in the Council Chambers at 5:00 p.m. on December 6, 2022.

Present: Mayor Alan Schmidtke, Council members Tim Smith, Roy McIntyre, Dave Wollin

Absent: Jennifer Grobe

Also Present: Administrator/Clerk Hill, City Attorney Jason Moran, City Engineer Jason Femrite

**Call to Order/Roll Call/Pledge of Allegiance**

Mayor Schmidtke called the meeting to order at 5:00 p.m. noting that all Council members were present except Jennifer Grobe. Also present: Teresa Hill, City Administrator and City Attorney Jason Moran and City Engineer Jason Femrite. Pledge of Allegiance was recited.

**Approval of Agenda/Additional Items to Agenda.**

A request was submitted to add item F3-Matt Duhme Fire Department Training Officer Resignation. **Motion by Smith, Seconded by McIntyre to approve the agenda with addition of 3F. Motion Carried 4-0.**

**Consent Agenda**

Approval of Minutes- November 1, 2022 and November 16, 2022. B. Approval of Disbursements. 1. Electronic Fund Transfers (35275E-35296E) \$27,987.39. 2. Payroll Check Numbers (2022449-2022487) \$43,337.27. 3. Computer Generated Checks and Overtime (37222-37309) \$294,599.94. 4. Total Disbursements \$365,924.60. C. Impress Cash \$24.05. D. Contract Ratifications, LELS and AFSCME, City Administrator, Emergency Management Director. E. Non-Union 2023. Wages. F. Resignations: 1. Brandon Herrmann effective 10/25/22. 2. Darlene Besser effective 1/23/23. 3. Matt Duhme Resignation from HR Committee and Training Officer. G. Tort Limits -Not waiving limits established by MINN Stat. 466.04. **Motion by McIntyre, Seconded by Wollin to approve the consent agenda. Motion Carried 4-0.**

**Public Hearing**

**Street Vacation.** The meeting was opened for public comment. No persons present wished to address the Council.

**Resolution 2022R-041 Vacating A Portion of An Alley Located on Parcel ID 24.620.0730. Motion by Smith, Seconded by Wollin to adopt resolution 2022R-041. Motion Carried 4-0.**

**Old Business**

**Herbert Street Drainage Ditch.** City Engineer Femrite informed the council that there is a drainage ditch and a several of culverts that drain into the ditch located on the Brooke Wilmes property. The property owner may want to fill that ditch in. Prior to doing this, we just want to make sure that the pipe is sized accordingly. The ditch is expansive and if we confine that water to a pipe, we want to make sure that the pipe is sized according for the draining that comes into that area. Mr. Femrite suggested that we do a short study to understand the drainage issues for when that area gets improved. The outlet would either goes through the property or to the east and we need to find out what makes the most sense. Mr. Femrite informed the council that the study estimate would be between \$3,000 to \$4,000. Council Member Wollin inquired if there was any issues with wetlands with it being low? Mr. Femrite advised that he would review this with his wetlands department. This is just a study, not a design. If they want to fill in the ditch that drains our right-of-way, they could not do that but they can't do it without allowing for proper drainage. This study is just to gain information on what we should do. **Motion by Smith, Seconded by McIntyre to authorize Jason Femrite to continue studying the issue to find out what the best outcome is. Motion Carried 4-0.** Brad Connors addressed the Council on where the storm sewer is. Mr. Femrite advised that it is a series of culverts that drain into that ditch. This would be setting up a new system that would head east and tie in outside of the property. Mr. Connors

commented that the culvert is plugged going into the lake, is that going to be looked at also? The water now sits in the ditch and does not get to the lake. The plan Mr. Connors put together would get it to the lake.

**City Hall Remodel. Office Relocation and Approval to Move Electrical Breaker.** Administrator Hill recommended that we not move the offices to the senior center. An electrical box would need to be moved to make the space more useable and comply with OSHA. An estimate was provided from Volkan Electric for up to \$5,000. **Motion by Smith, Seconded by Wollin to authorize the relocation of electrical box up to a cost of \$5,000. Motion Carried 4-0.**

**Senior Center Floor Installation Quote for install after January 1, 2023.** Administrator Hill advised council that she received a quote for carpet and vinyl installation for the Senior center only from TNT Flooring in the amount of \$4,166.00. It was requested that the council approve the quote based on installation after January for the 2023 budget. **Motion by McIntyre, Seconded by Smith to approve the senior center installation starting in January. Motion Carried 4-0.**

**Sale of Land Purchase Agreement.** Attorney Moran informed the council that he met with Tim and Ted Nytes. They propose to purchase the parking lot property. They would like to close on or before February 1st of next year. They propose to put \$2,000 in escrow. They propose to build an 8-plex or 2 4-plex apartment units within 3 years. When that is completed, they would receive the \$2,000 back. If it is not completed, there is liquidated damages of \$15,000 plus they would lose the \$2000. The city can accept, reject or counter offer. If you do want to discuss it, he suggested they do so in a closed session. Under law, you can close a meeting to discuss sales of real estate. Council member Wollin commented that he would like to discuss it in closed session. Council continued discussion after a closed session at the end of the meeting.

#### **Citizen Time**

No persons present wished to address the council.

#### **New Business**

**Water and Sewer Vehicle Purchase and Plow.** Administrator Hill provided state bids provided by Mark Krenik to purchase a 2023 GMC 2500 Regular Cab Pro from Harry Brown's Family Automotive for \$45,885.00 not including tax, titling and licensing fees and a V-plow from Herman's Landscape supplies in the amount of \$9,697.00. **Motion by Smith, Seconded by Wollin to approve the water and sewer vehicle purchase as bid with the inclusion of the plow from Herman's Landscaping. Motion Carried 4-0.**

**Resolution 2022R-044 Designating Polling Place for 2023. Motion by McIntyre, Seconded by Wollin to approve Resolution 2022R-044 Designating Polling Place for 2023. Motion Carried 4-0.**

**Presentation of Certificates of Appreciation.** Councilmember Wollin presented a certificate of appreciation to Council Member Roy McIntyre for his service as a councilmember from January 2015 to December 2022. Council member Wollin added that he appreciated his new ideas, research, and going to meetings. He felt he was valuable in helping our city to improve and get better. A certificate of appreciation was presented to Mayor Alan Schmidtke for his service as a council member from January 1992 to January 2017 and Mayor from January 2017 to December 2022. Councilmember Wollin added that he has been on the council with Mayor Schmidtke for a long time. Mayor Schmidtke did an excellent job on the Council. He also commented that Mayor Schmidtke came up with new ways of looking at things, very conscious of trying to save money. You did a great job as a mayor handling those tough issues.

#### **Reports**

**Attorney.** Attorney Moran informed the Council that he has been working on the alley clean up. He also provides council with a copy of Janesville's THC Ordinance as requested. Waterville does have a moratorium in place and recommended keeping this in place until the state decides what they will be doing. As it is right now, it is not to be sold in town. If there are places that are selling right now, the City should be sending a cease-and-desist order. A violation of the moratorium is a misdemeanor. The Police department did reach out to 1 location. If the Council knows of places who are selling get that information to Teresa. The arson trial has been moved to March 27<sup>th</sup>. Discussion was held on the current state of the property.

There is a meeting set up to meet with the Culhanes on Sunset Lane.

**Engineer.** City Engineer Jason Femrite informed the council that he has been working on the alley legal descriptions.

**Council Discussion.** The Council Member McIntyre wanted to know when the mess on Sakatah Blvd would get cleaned up. Councilmember Smith thanked Roy and Alan. They have both done a lot for the city. Roy has not been here as long but have done lot for the city with other organizations coordinating a lot of things plus the HR Committee. Alan, 30 years is very commendable, Thank you. Mayor Schmidtke commented that he enjoyed it and he didn't do anything. He helped a little but the people here, Teresa, Jason, people in the offices, all fire department members, police sewer, water, parks and roads and all our committee people. Roy was a super guy; the last 3 HR meetings Roy was really on top of it. Glad you could do that. Councilmember McIntyre commented that he does all of that with his consulting business and that is where he could help the city and it doesn't cost the city anything. He commented that he appreciated his time.

#### **Closed Session**

**Motion by Smith, seconded by McIntyre to close meeting for council discussion. Motion carried 4-0. Meeting went into closed session at 5:38 p.m.**

#### **Open Regular Meeting.**

**Motion by Smith, Seconded by Wollin to reopen the regular meeting. Motion Carried 4-0. Meeting opened at 5:55 p.m.**

**Sale of Land Purchase Agreement.** The Council proposed a counter offer to increase the Escrow from \$2,000 to \$5,000. All the other conditions would remain the same. Tim and Ted Nytes agreed to the terms. Discussion was held on the alley clean up behind LCS. The issue from LCS was that they get deliveries and employee parking. Discussion was held on the Parking needs for the Apartment and LCS. Ted and Tim Nytes were willing to work with LCS if the city was willing to work with them. **Motion by Smith, Seconded by Wollin to approve the agreement as presented changing the purchase price escrow from \$2000 to \$5,000 and all other conditions remaining unchanged and also contingent upon alley clean up.**

#### **Truth in Taxation Public Hearing**

**Truth in Taxation Public Hearing (6:00 p.m.).** Administrator Hill presented a recap on the 2023 Proposed Budget and levy. The City received the tax statement for City taxable property that had no valuation increase and the tax went down 13%. Anyone who was experiencing an increase was probably due to increased valuation. If they did not agree with the value, they would want to contact the county to discuss the value and also attend the April Board of Equalization meeting. Administrator Hill commented that we basically have a balanced General fund budget at this time. General fund revenue of \$1,642,936 and expenses of \$1,641,381. The General fund takes care of the operations of the City such as streets, parks, administration. The 200 Funds listed are all special revenue funds. 300 funds are debt service funds, 601 and 602 funds are Water and sewer and are rate supported not tax supported. They do not play into the levy unless you are transferring money from the general which we are not. The 400 fund is the capital fund. This has a little movement around due to the American Rescue Plan funds are going to be utilized. The General fund revenues vs expenses is only about \$1,500 at this point. The floor was opened for comment. No persons present wished to address the Council.

Resolution 2022R-042 Adopting 2023 Final Budget. **Motion by Smith, Seconded by McIntyre to approve 2022R-042 approving the 2023 Budget.**

**Resolution 2022R-043 Adopting 2023 Final Levy. Motion by McIntyre, Seconded by Wollin to approve Resolution 2022R-043 Adopting 2023 Final levy. Motion Carried 4-0.**

#### **Adjourn**

**Motion by McIntyre, Seconded by Smith to Adjourn. Motion Carried 4-0. Meeting adjourned at 6:16 p.m.**

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**Alan Schmidtke, Mayor**

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**Teresa Hill, Administrator-Clerk**